

# Report and accounts

1 June 2021–31 May 2022



WOODLAND  
TRUST

**The voice for woods and trees**

## **President**

Clive Anderson

## **Trustees**

Barbara, Baroness Young of Old Scone

Sally Benthall

Andrew Bryant

Fay Cooke

William Hobhouse (retired 13 September 2021)

Stephen Horley

Sarah Mukherjee (retired 18 March 2022)

Paul Nevett (retired 18 March 2022)

James Ogilvie

Mark Preston

Julia Smithies

Richard Sykes (retired 25 November 2021)

Chrisostomos Zissis

The trustees are also directors and members of the company.

## **Chief Executive Officer**

Darren Moorcroft

## **Board Affairs Committee**

Sally Benthall (Chair)

Andrew Bryant (appointed 4 March 2022)

Stephen Horley

Richard Sykes (retired 25 November 2021)

Sarah Mukherjee (retired 18 March 2022)

## **Finance Committee**

(also acting as an audit committee and investment committee)

Fay Cooke (Chair)

William Hobhouse (retired 13 September 2021)

Mark Preston

Julia Smithies

Chrisostomos Zissis

## **Remuneration Committee**

Barbara, Baroness Young of Old Scone (Chair)

Andrew Bryant (up to 3 March 2022)

James Ogilvie

Paul Nevett (retired 18 March 2022)

Julia Smithies

The Woodland Trust was founded in 1972 by Kenneth Watkins, OBE; Henry George Hurrell, MBE; and Oliver Gabriel Rossetti.

It is a registered charity, numbers: 294344 and SC038885 and is constituted as a non-profit-making company limited by guarantee, registered number 1982873.

Registered office: Kempton Way, Grantham, Lincolnshire NG31 6LL.

In Scotland, the Woodland Trust operates as the *Woodland Trust Scotland*.

In Wales, the Woodland Trust operates as *Coed Cadw*.

The Woodland Trust logo is a registered trademark.

Front cover image: Pepper Wood; James Reader/WTML

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# Forewords

## A message from our chief executive officer: Dr Darren Moorcroft

**“The best tool we have for pulling carbon out of the atmosphere is a tree.” So said the former US Vice President Al Gore, addressing politicians and business leaders at last November’s COP26 summit – and you can imagine how delighted I was, especially since I happened to be following him on stage.**



Trees were a huge part of the conversation in Glasgow, and for me that moment encapsulated a year when government, business and society at large woke up to the scale of the threats faced by nature and our climate – and a year when the Woodland Trust responded like never before. Back in spring 2021, when the period covered by this report began, the UK was still in the grip of Covid, and we at the Trust were repairing the damage of a cyber attack that hobbled our ability to raise funds and communicate with our magnificent supporters. Yet as you’ll read in the pages that follow, that upsurge of awareness has allowed us to make an unparalleled impact on behalf of woods and trees and the people and wildlife that depend on them.

In the 12 months to May 2022, we raised a record-breaking £76.4 million, 36% higher than in the 2019 calendar year pre-Covid. More importantly, we were able to invest over £84 million in our cause, dipping into our financial reserves to seize the many exciting opportunities that came our way. How did we achieve this? By advancing our reputation as a tried-and-true delivery partner for private and public sector alike. People have seen what we do, and they want to back us.

In November we were awarded our largest ever government grant: £23 million to accelerate our work in the Northern Forest, the transformative woodland creation project across the industrial north of England. Meanwhile, our multi-million-pound partnership with Lloyds Banking Group is establishing millions of new trees on farms, in schools and with local communities. And the £3.9 million we secured from the Green Recovery Challenge Fund saw us team up with the National Trust to restore 1,000 hectares of damaged ancient woodland and survey more than 4,000 ancient and veteran trees.

2022 is the Trust’s 50th year, and acquiring land has been core to our mission from the beginning. Again, we kicked on dramatically in 2021/22, spending £15 million to usher another 2,400 hectares into our care, including expansive new upland reserves at Coudoran in the Highlands and Snaizholme in the Yorkshire



Dales. Here we will demonstrate how forging a mosaic of healthy habitats – woodland, moorland, pastureland and scrub – can deliver social benefits at landscape scale, absorbing carbon, cleaning the air, stemming flooding, and offering wonderful places for people to work and play.

Overall it means we've grown our estate beyond 30,000 hectares, beating our target three years early. And as well as protecting that land in perpetuity for wildlife, it allows us to bring people with us on the journey – like at Glas-na-Bradán, outside Belfast, where every one of our 150,000 new trees is being planted by local volunteers. As the twin crises afflicting nature and the climate strike home, we're giving people the tools to make a difference, and nurturing a lifelong connection with nature.

The value of these projects for future generations is incalculable, but they also set a marker for how much more can be achieved. So while we will face strong economic turbulence, we have refreshed our future strategy to reflect the urgency of the challenge ahead. Over the remainder of this decade, I am confident that the Trust will help establish 60,000 hectares of new tree cover, treble the amount of woodland in good ecological condition, and make it socially unacceptable to destroy the ancient trees and woods that are the crown jewels of our natural heritage.

The past year has shown the Woodland Trust's ability to exceed expectations, and to go on delivering for woods and trees we will need the continued support of individuals, communities and businesses UK-wide. But in a fast-changing world, the need for action has never been more critical. We intend to be ambitious, and point the way.



**Dr Darren Moorcroft,**  
**Chief Executive Officer**

## A message from our Chair, Barbara, Baroness Young of Old Scone



**It can sometimes feel like the UK has spent its recent history in perpetual crisis, what with the pandemic, political upheavals at home and abroad, and household incomes under pressure for so many. It is good, therefore, to be able to report on a year of significant successes for the nation's woods and trees – and on your tremendous support in helping the Woodland Trust in its vital work.**

Some of our achievements have come through acquiring new land. We snapped up a site near Watton in Norfolk, for example, setting the stage for our biggest ever woodland creation project in that county. We will plant up to 140,000 trees – and in common with our other land buys, it will restore nature on farmland rated Grade 3 and below, where sequestering carbon and fostering biodiversity deliver huge environmental and social benefits without compromising food security. More than this, we are developing major new sanctuaries from Ben Shieldaig in Wester Ross to Brynau Farm in the Welsh Valleys – and partnering with nearby universities to compile the evidence that supports our wider model for trees in the uplands. Upland landscapes offer so much opportunity, and we believe beautiful, biodiverse countryside and profitable land management need not be mutually exclusive there.

Some of our focus has been on shaping the framework within which other land managers can do the right thing for woods and trees, carbon, and biodiversity. The new agricultural subsidy scheme post Brexit is still not significantly in place, and UK tree-planting targets are still not being met, but the Trust is not only holding policymakers' feet to the fire, but pressing forward with an inspiring portfolio of projects to demonstrate what can be achieved.

Last winter we presented our seminal report on the *State of the UK's Woods and Trees* to parliamentarians in Westminster, and it proved a clarion call for action, revealing that 93% of Britain's indigenous woodland and its attendant wildlife is in poor condition. Building on the report, we lobbied for changes to the 2021 Environment Act, winning a commitment to stem the decline in biodiversity by 2030. Meanwhile, 20,000 Trust supporters backed our successful campaign against proposed deregulation of the English planning system, which would have left irreplaceable ancient woodland in peril. And in Scotland, our advocacy has helped shape legislation that promises to prevent ancient woods and veteran trees being damaged by development. All positive steps forward, but there

remains a long road ahead in our 50-year battle to win watertight safeguards for the UK's most biodiverse terrestrial habitat. Our Living Legends campaign, launched last spring, will keep the pedal to the metal.

The *State of the UK's Woods and Trees* report also drove home the need for nature-rich spaces close to communities, and the Trust has been advancing its mission in towns and cities too. Our pioneering Emergency Tree Fund has delivered another £2 million to help local authorities meet their ambitious tree pledges – like in Lisburn and Castlereagh, where a new tree nursery will plant 190,000 saplings across Northern Ireland. In 2022, we also dug in the last of a total 250,000 trees near Heanor in Derbyshire, where youngsters aged from 10 to 20 are shaping Britain's first Young People's Forest. The success of that project has sparked a reimagining of the Trust's whole relationship with this passionate young audience, including the imminent appointment of two 'youth trustees' to our board. In a world that will ultimately belong to them, it is vital that the voice of young people sounds in every corner of our work.

The year was our busiest yet, and none of these successes could have been achieved without our wonderful supporters, volunteers and donors. The climate and biodiversity crisis is huge, and we need to continue to do more to tackle it, so I want to send sincere thanks to every one of them. Can I also thank four trustees who've stood down during 2021–22 after sterling years of service: William Hobhouse, Sarah Mukherjee, Paul Nevett and Richard Sykes. Thanks too to the wider Woodland Trust team, who have bounced back from the trials of Covid to join all those supporters who've stood beside us so valiantly through trying times, taking the Trust's impact and influence to new heights. None of our work is possible without you. Please keep supporting us if you can.

A handwritten signature in blue ink that reads "Barbara Young". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

**Barbara, Baroness Young of Old Scone  
Chair**



# Our purpose

## Our vision

A world where trees and woods thrive for people and nature

In 2016 we launched a 10-year strategic plan to provide the framework in which to achieve our vision and identify and deliver opportunities for working with partners in order to meet our objectives.

2022 and seven years into the plan, the world has changed. Globally, we are facing two intertwined existential threats: climate change and nature loss. The rest of the decade to 2030 is pivotal in reversing the damage. We must act urgently, playing our part and enabling others to do so as well. Here at home, we see these threats reflected in our improved understanding of the current state of UK woods and trees:

- Woodland cover is gradually increasing, but woodland wildlife is decreasing. The UK's woodland cover has more than doubled in the last 100 years, but much of this is non-native trees. Existing native woodlands are isolated and in inadequate ecological condition, and declines in woodland wildlife continue.
- Woods and trees are vital for a healthy and happy society. They lock up carbon to fight climate change, improve our physical and mental wellbeing, reduce pollution and flooding, and support people, wildlife and livestock.



BEN LEE/MTML

- Woods and trees are subject to a barrage of coinciding threats. These range from direct woodland loss due to development, to more insidious influences from climate change, pests and diseases, invasive plants, poor management, mammal browsing and air pollutants.
- Not nearly enough is being done. The first *State of the UK's Woods and Trees* report provides a loud and clear warning sign that more needs to be done to protect and expand our native woods and trees. We urgently need to scale up the many inspiring initiatives to create native woods, put more individual trees back in the landscape, and restore damaged woods.

Creation, protection and restoration of our natural wooded habitats and treed landscapes – underpinned by improved evidence and increased investment by society – will be crucial over the next decade as we tackle these significant threats and stand up for native woods and trees. During 2021/22 we refreshed our strategy to include the time period up to 2030. It will capture our vision of the future, our role as the UK's largest organisation for native woods and trees, and our goals which will inform our priorities for the coming years.



RICHARD FAULKS/WTML





JULIE HOWDEN/WTML

### *2017–2022 achievements:*

- 18.5 million trees planted to lock up harmful carbon dioxide, provide cleaner air – among many other benefits – and create new habitats for wildlife and places for people to enjoy.
- Over 15,405 hectares of ancient woodland committed to restoration to reverse years of decline, protect the ancient woodland that is left and provide the conditions for threatened native species and unique ecosystems to thrive once more.
- Influenced the National Planning Policy Framework (NPPF) change in England, which now gives ancient woods and trees the same protection rights as heritage buildings.
- Kick-started the creation of a new Northern Forest of 50 million trees on an ambitious journey to boost the health and wellbeing of people and wildlife all the way from Liverpool to Hull.
- Reached around 500,000 people supporting us financially – helping us to secure the future of woods and trees through appeals and donations, regular membership, merchandise and playing our lottery – who will give us their voice, influence and time as volunteers, as well as provide resources for our work for future generations.



JAMES READER/WTML



### *2022–2025 ambitions:*

- Influence and deliver a more resilient landscape approach to trees and woods through protection, restoration, creation (by planting and natural regeneration) and demonstration, on our own estate, in urban areas and on others' land under our influence.
- Shift the relationship people have with trees and woods, and the wildlife within them, to one where they are more prepared to take action.
- Create the scale and capabilities that will enable us to follow our strategy and optimise resources for the benefit of woods and trees.
- Strengthen ancient woodland protection across the UK and help protect those woods and trees that people value most.
- Grow a mass movement of 1.5 million people who love trees and woods and take action for them – 500,000 as members of the Woodland Trust – giving their money, time or voice to our cause to support trees and woods for the future.
- Secure key legislative, public policy and long-term funding commitments to protect, manage and expand the UK's native woods and trees – to preserve the wealth of biodiversity they contain and embed a nature-based approach to tackling climate change.
- Deploy volunteers more effectively and grow their contribution to our cause.
- Further increase the woods under our care to make our estate more resilient to external pressures and provide more engagement opportunities with visitors.
- Provide opportunity at scale for everyone to contribute to mitigating the effects of climate change through planting trees: locking up carbon for hundreds of years to come.
- Increase native tree-canopy cover and extend the benefits of existing woods and trees by reconnecting fragmented habitats, buffering existing woodland and enabling our urban and rural landscapes to adapt to the impacts of climate change.

# Our refreshed strategy to 2030

The next decade is pivotal in reversing the damage that climate change and nature loss is causing globally. We reviewed our strategy in 2021/22 to ensure that we are playing our part and enabling others to do so as well. Our refreshed strategy to 2030, to be launched in autumn 2022, will describe our vision of the future, our role as the UK's largest organisation for native woods and trees, and our goals which will inform our priorities for the coming years.

We still believe that creation, protection and restoration will be crucial over the next decade as we stand up for native woods and trees. We also want to explicitly acknowledge the role people play, both as supporters and beneficiaries of our work.

## Our strategy goals for 2022–30:

- **PROTECT:** We protect ancient, veteran and valuable woods and trees, to stop the loss of irreplaceable habitat and carbon stores and preserve our natural heritage.
- **RESTORE:** We restore the ecological condition of existing native woods and trees, increasing landscape resilience and creating conditions for nature and people to thrive.
- **CREATE:** We create quality native woods and get native trees growing to benefit nature, climate and people into the future.
- **INSPIRE:** We inspire the many, building loyalty and capturing the hearts and minds of an ever-increasing number of people and organisations to support our cause.
- **ENABLE:** We enable everyone to make their contribution to our cause, through the tools, evidence and opportunities we provide; allowing them to be part of something bigger than they could deliver alone.
- **TRANSFORM:** We are transforming how we operate, ensuring we are the high-performing, inclusive team our cause needs us to be. We must be greater than the sum of our parts, delivering positive impact in everything we do.



JULIAN HIGHT; BEN LEE; RICHARD FAULK; BEN LEE; MICHAEL HEFFERNAN/MTAL

Underpinning our strategy will be building the culture, operating model, digital technologies, and the capability and capacity of our people, to deliver the greatest impact for our cause as our scale and ambition grow.

Throughout the Report and Accounts you will hear how our activities have been based on one or more of these strategy goals.

## Public benefit

The primary public benefit delivered by the Trust is the protection and restoration of ancient woodland and ancient and veteran trees and the creation of wildlife-rich and ecologically healthy habitats in the UK that benefit wildlife and people.

Native trees and woods can provide a wide range of public benefits – sequestering carbon and reducing heat effect which helps combat climate change; aiding natural flood-risk management; improving water quality; protecting soils and reducing erosion; giving shelter to livestock; and reducing air pollution – and are instrumental in maintaining public health and wellbeing, including mental health. People's need to connect with nature and the outdoors came to the fore during the pandemic, with hundreds of thousands seeking solace in gardens, parks, woods and coastline. In the Woodland Trust woods alone we saw a huge increase in footfall, with many people visiting their local wood for the first time.

Some of our activities for the public benefit include:

- managing more than 30,000 hectares of woodland which is accessible to the public, free of charge
- helping children and teenagers understand the importance of woods and trees through projects like our Young People's Forest at Mead in Derbyshire
- enabling people to buy young woodland, safe in the knowledge that we've done all we can to get the new trees off to the very best start possible through our 'Purchase, Plant and Pass on' programme.



WOODLAND TRUST YOUTH DEVELOPMENT TEAM/WTML



- engaging hundreds of people in planting trees through organised events, such as The Big Climate Fightback
- assisting communities, landowners and schools to create their own woodland, with advice and support through our community tree packs and MOREwoods schemes
- creating volunteering opportunities which enable people to gain experience in conservation areas – which can then lead to a career in the environmental sector – or simply be at one with nature and the outdoors
- giving advice and assistance to people who find their valued and ancient local woodland at risk of destruction, and providing ways for people to call on their elected representatives to act for trees and woods
- creating thousands of hectares of woodland so that people can enjoy its benefits for years to come
- planting millions of trees to capture CO<sub>2</sub> from the atmosphere as they grow, locking it away to reduce the impacts of climate change – contributing to the UK Government's net zero target; supporting businesses with their climate action and biodiversity strategies; and helping landowners create their own woodland for climate benefits.

We can't achieve our vision without you, and there are many ways you can help us make a real difference, such as: membership of the Trust, supporting our campaigns or appeals, corporate sponsorship or donation, volunteering, giving a grant, leaving a gift in your will, playing our raffle, and buying from our online shop.

Find out more at [woodlandtrust.org.uk](https://www.woodlandtrust.org.uk).



LUKE DRAVY/MTML

# Trees and landscapes

## Our strategic aim

To influence and deliver a more resilient landscape approach to trees and woods



ROB GRANGE/WTML



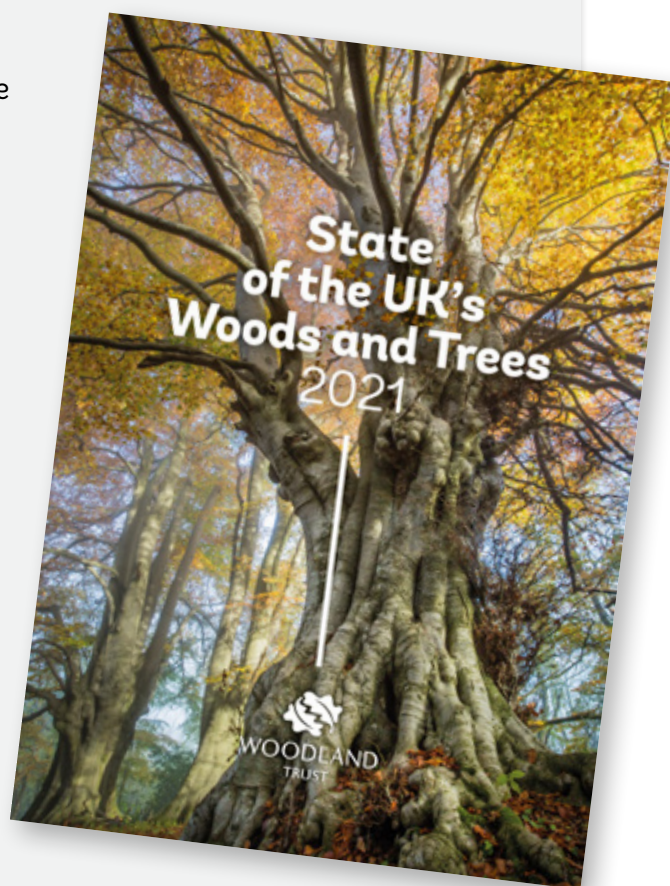
## *Delivering real landscape change in our geographical focus areas through protection, restoration, creation and demonstration*

Delivering at a landscape scale in our most special and important landscapes across the UK is becoming an increasing focus for us. By considering not only the land we own, but the adjoining land owned by others, we can work in partnership to transform the whole area. This enables us to connect trees and woods to deliver restored and better-managed habitats – helping our wildlife adapt to climate change more easily and creating better places for people to enjoy, live and work.

### **State of the UK's Woods and Trees 2021 report launched in Westminster Parliament**

The Woodland Trust's *State of the UK's Woods and Trees 2021* report shows just how important our native woods and trees are, the challenges they face, and the many benefits they deliver to society.

It is a landmark piece of work, but launching it during the pandemic proved challenging – especially to our political and decision-maker audiences who we particularly need to act upon it. A virtual parliamentary launch took place in early summer 2021, but we were keen to stage an in-person event in Parliament so some of the people who will be key to acting upon it could hear about it face to face. We found an opportunity to hold such an event on 8 December – hosted by Jason McCartney MP, chair of the all party parliamentary group for woods and trees. Lord Goldsmith himself paid tribute to the work of the Woodland Trust and our supporters and committed to looking at the question of how protection of woods and trees can be strengthened.





# Exciting new landscapes

## ***My Tree, Our Forest*** programme being delivered across Wales

The Woodland Trust in Wales (Coed Cadw) is working in partnership with the Welsh Government on its *My Tree, Our Forest* programme as part of the Government's commitment to tackle climate change. This great tree giveaway was designed to be a simple way for every single household in Wales (around 1.2 million) to have the chance to plant a tree and watch it grow. It is hoped that it will not only inspire many individuals and local community groups to be part of planting a National Forest for Wales, but will also help them understand and experience the many benefits that trees have to offer.



BETH OWEN

Coed Cadw is working with Llais Y Goedwig, the community woodland network in Wales, to offer the trees in several phases and in different ways. In March 2022, 'collection hubs' were piloted in five areas across Wales over a four-week period to encourage households to pick up a native tree of their choice from a selection of wild cherry, alder, crab apple, oak and birch. Pop-up collection hubs were also trialled in Cardiff and Machynlleth, targeting high footfall areas. Almost 5,000 trees were given away for this phase which helped inform the next phase of giveaways for autumn 2022.

Collection hubs will eventually be rolled out to around 20 different sites, together with more pop-ups, plus two other options: Plant a Tree for Me, where people can have a tree planted for them in community-run woodlands, and a postal option for those who cannot collect their trees. We are also working with Keep Wales Tidy to distribute trees to schools.



JMTML

EDWARD PARKER/WTML



### The Riverscapes Partnership ‘Woodlands for Water’ project

Creating a thriving nature recovery network along the UK’s rivers by 2030 is the vision of the Riverscapes Partnership – a collaboration between the Woodland Trust, the Rivers Trust, National Trust and Beaver Trust.

‘Woodlands for Water’ is the partnership’s first project, and with support from Defra to the tune of £2 million, aims to create 3,150 hectares of woodland in six river catchments from Devon to Cumbria by March 2025.

The project provides advice and support for farmers and landowners in the six pathfinder catchments, with landowner support coordinated by a Rivers Trust project officer in each catchment. The work of the Riverscapes Partnership is also a key component of the delivery model for the National Trust’s plan to establish 20 million trees on their estate by 2030.

### Grow Back Greener programme

On 13 September 2021, the Woodland Trust entered into a grant agreement with the Department for Environment Farming and Rural Affairs (Defra) – its largest ever grant at £23.167 million – aimed at supporting delivery of the Northern Forest under the Nature for Climate Fund.

The bid was developed collaboratively with the Community Forest Trust – the Woodland Trust’s partners in the Northern Forest – with both delivery and budget reflecting this partnership approach.



WTML

*Ellers, near Connolly, south of Skipton where new planting is linking and buffering ancient woodland.*



The workstreams are diverse, but tailored around the Woodland Trust and Community Forest Trust's objectives, including linking and buffering ancient semi-natural woodland and other semi-natural habitat, and unlocking natural processes for woodland colonisation.

With up to 100% capital funding available and a flexible delivery model, the Grow Back Greener programme is encouraging the Woodland Trust, Community Forest Trust and other delivery partners, to work at their entrepreneurial best, with a pipeline of over 614ha by July 2022, and delivery of 1,156ha of new native woodland and 9,077 standard urban trees by March 2025.

### **Woodland creation at Brynau Farm, South Wales**

The 2021/22 planting season saw the completion of the main woodland planting effort at Brynau Farm near Neath. A total of 42.47ha of new native woodland has now been planted on this former improved grassland site, buffering and connecting some of the last fragments of ancient semi-natural woodland in this urban and post-industrial valley.

The planting was funded through the Welsh Government's Glastir Woodland Creation scheme, with support from PLANT!, a Welsh Government initiative to plant a tree for every child born or adopted in Wales. After the pandemic restrictions eased, we were delighted to welcome back nine schools, 22 corporate volunteers from Lloyds Banking Group, and 200 members of the public, for a planting week in March 2022.

Brynau Farm marks the largest woodland creation project to date on the Coed Cadw estate, and we use the site to champion our woodland creation approach to partners and public audiences. We are trialling and comparing a number of different plastic-free planting models and working with Aberystwyth University to evidence the impact of new native planting on water and carbon.

The wood is already attracting pollinators to the nectar of wildflowers which have grown from seed sown as a natural tree mulch, as part of the Buglife BeeLines initiative. The nomination of the ancient woodland at Brynau as part of the Queen's Green Canopy in May 2022 was just the icing on the cake!



BEN LEE/WTML

# Growing our estate while delivering for all parts of our cause

## Pepper Wood extension, near Bromsgrove

The purchase of a 51-hectare extension to Pepper Wood in Worcestershire, supported by legacy income, effectively doubled the size of this jewel of a site in our estate crown. Pepper Wood is an active community woodland, ancient woodland, and Site of Special Scientific Interest, and now we've secured land immediately adjacent to further extend and buffer it – building on the natural regeneration which is already happening.



MARK ZYTINSKI/WTML



## Yonder Oak Wood, Lymptone, north Devon

The Trust purchased 54-hectare Yonder Oak Wood (previously known as Coombe Farm) with the intention of using it as a flagship site to celebrate our 50th birthday in the very county where the Woodland Trust was first started by Kenneth Watkins.



*Yonder Oak Wood visualisation*

The site is a remarkable opportunity to contribute to nature recovery in Devon, creating – through tree planting and natural regeneration – a vibrant mosaic of woodland and wood pasture, with open grassland spaces. Its existing hedgerows, veteran trees, streams, copse and wooded valley provide a great basis for this unique woodland creation project.

The proximity of the site to nature reserves, including the Pebblebed Heaths and the Exe Estuary, adds to its significance. It will also improve the ecological connectivity and resilience of the landscape, as we face the twin threats of the climate and nature crises.

This flagship woodland creation project will use a range of techniques to introduce native trees and shrubs suited to the characteristics of the local and wider area, and showcase the multiple benefits of trees and woods for climate adaptation, nature recovery and resilience, natural flood management, and carbon capture.

Access for local people to a new green space is a central part of the project, and their involvement is key to its success. We have already seen great engagement from local people, with over 90 attending our consultation event where response to our work was overwhelmingly positive. And our call for volunteers has been so successful we've had to close it earlier than planned.

Funding to acquire the site was kick-started by a generous £750,000 grant from Biffa Award, a partnership with Lloyds Bank, support from the John Swire 1989 Charitable Trust and legacy income.



BEN LEE/MTML



JILL JENNINGS/WTML

### **Snaizholme, Yorkshire Dales**

In two close phases we have successfully acquired the whole head of a special little valley near Hawes, in the heart of the Yorkshire Dales. Totalling 561ha, it provides an opportunity for the Trust to establish nearly 400ha of new native woodland, making it one of the largest contiguous new native woodland creation schemes in England.

What makes this site so special is its unique mosaic of habitats. We have plans for restoring the upland blanket bog, acid grassland, riparian meadows and limestone pavement, while buffering and linking with existing mature woodland – which also happens to be a red squirrel reserve which we will extend at scale.

This acquisition is a nationally significant opportunity to showcase and demonstrate excellence in woodland creation and ecological restoration at scale as part of a wider landscape-scale nature recovery network, while helping shape and set the vision and policy on upland land management.

The acquisition of Snaizholme was supported by contributions from legacies amounting to £1.2 million (see 'Gifts in wills' section on page 49).



MATTHEW ROBERTS/WTML



## Green Farm, Norfolk

Our first acquisition in Norfolk for over a decade, the 113ha Green Farm was secured to extend and buffer an adjacent Norfolk Wildlife Trust site. We will transform what is currently agricultural land by creating areas of new woodland – offering varied habitats for important wildlife as well as a place of beauty for people to enjoy.

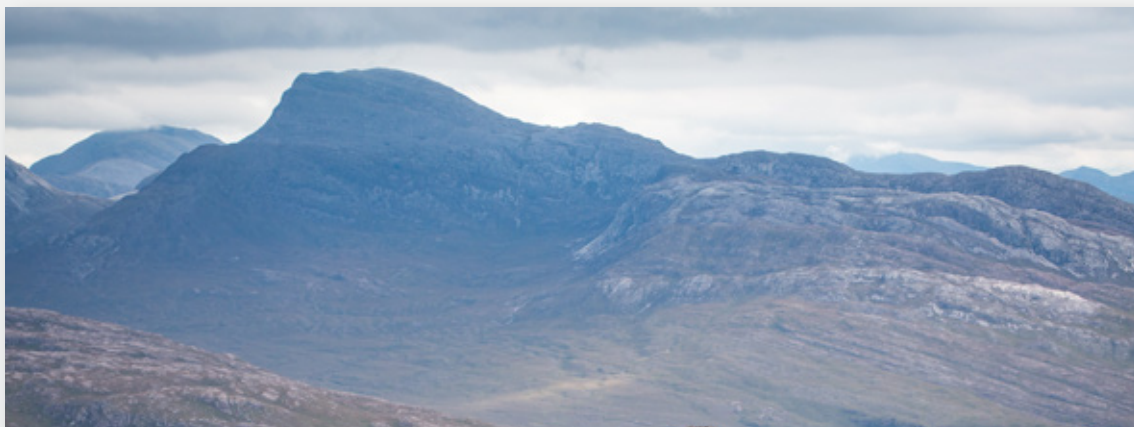
The acquisition of Green Farm was supported by legacies totalling £862,000 (see 'Gifts in wills' section on page 49).

MATTHEW ROBERTS/WTML





JOHN MACPHERSON/WTML

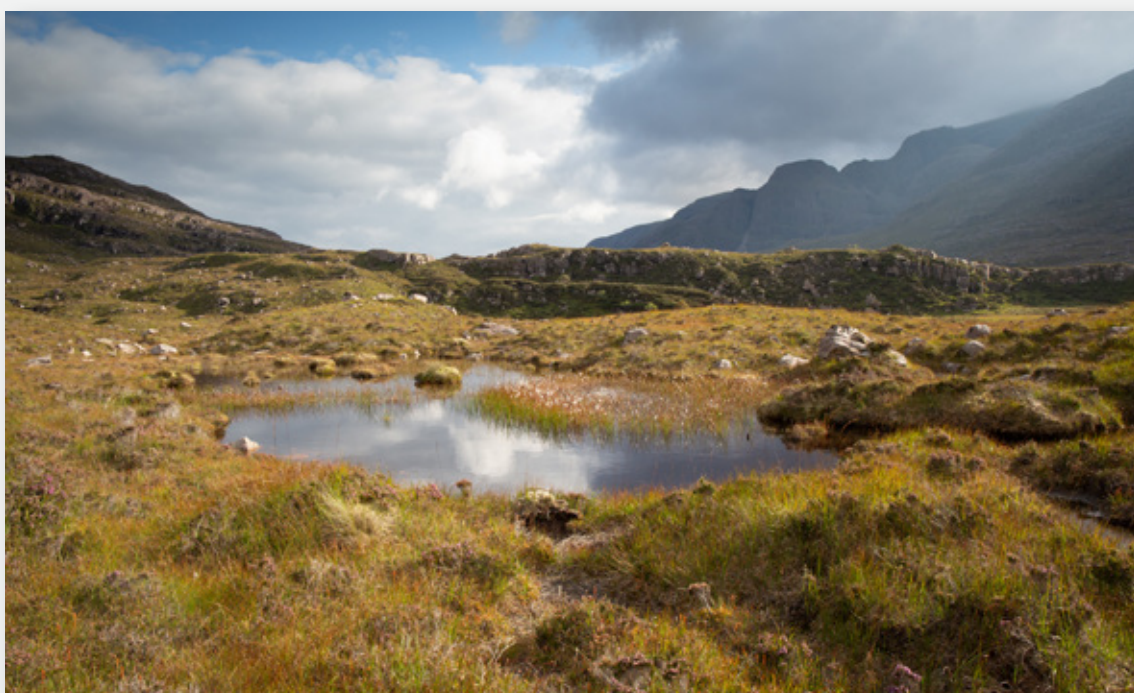


### Couldoran Estate, Wester Ross, Highlands of Scotland

In Scotland, the Trust acquired the 1,849ha Couldoran Estate adjacent to our Ben Shieldaig Estate in Strathcarron, with the support of legacy income, and by doing so met a long-standing ambition which was to grow the Estate to at least 30,000ha by 2025. We've now achieved that well ahead of time. Couldoran Estate is in relatively poor condition, but once restoration is underway, we hope that many of the iconic species we have at Ben Shieldaig will flood back in.

Restoring the woodland here will also help connect important nearby sites to create a 'nature highway' along Glen Shieldaig. This will link the Shieldaig Pinewood Site of Special Scientific Interest with Rassal Ashwood Site of Special Scientific Interest, and other ancient Caledonian pinewood remnants in the area. A range of species from lichens and mosses to butterflies and red squirrels will be able to move more freely, avoiding fragmentation and isolation while gaining resilience and adaptability.

JOHN MACPHERSON/WTML



MICHAEL COOPER PHOTOGRAPHY/WTML



## Glasswater Wood extension, County Down

Glasswater Wood, located between Crossgar and Saintfield in County Down, is a true Woods on Your Doorstep\* success story and a great example of what benefits a relatively small woodland can bring to a local community.

In the previous Report and Accounts we announced the acquisition of a 3.35-hectare extension to the wood, and since then we have had a further opportunity to extend by another three hectares, expanding the site to the neighbouring fields across the Glasswater Road.



MICHAEL COOPER PHOTOGRAPHY/WTML

A programme of developments on the site, completed in 2022, included upgrading and installing new walking trails – including our first fully accessible woodland trail – and provision of a new, extended car park located off the Glasswater Road. This improved infrastructure was necessary due to the huge increase in visitors during Covid restrictions, which saw numbers rise from 5,000 in 2019 to 40,000 visitors in 2020!

As a result of the improved infrastructure and upgraded path network, funded by the Department of Agriculture, Environment and Rural Affairs (DAERA), we were delighted to see visitor numbers increase to 78,000 in 2021. This staggering figure demonstrates how well-located sites which have received investment to enhance the visitor experience are so important to the local community.

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\* Woods on Your Doorstep was a community project launched in 2000 to celebrate the millennium, in which community woodlands were created within walking distance of cities, towns and villages.



## Glas-na-Bradán Wood, Collinward, Newtownabbey

WHITENOISE STUDIO



Glas-na-Bradán Wood is a 98-hectare site made up of upland heath, species-rich grassland and 57 hectares of plantable land. Its acquisition provides a unique opportunity to create a new native woodland in the Greater Belfast area, and the Trust is leading a five-year community planting scheme with ambitions to plant over 150,000 trees. The site shares a boundary with Cavehill Country Park and lies in the Belfast Hills among a cluster of outdoor sites which attract over 650,000 visitors a year – all within a 15-minute drive from the city centre.

From November 2021 to April 2022, we welcomed over 1,300 volunteers who helped plant more than 47,000 native trees. We also worked alongside the Belfast Hills Partnership and their volunteers to plant 4km of hedging round the outer boundary of the site. By spring 2022 we had completed around 2km of upgraded walking trails, leading to the 360-metre summit of Glas-na-Bradán Wood – one of the highest points in the Belfast hills – while longer-term plans and partnerships for Glas-na-Bradán include access links to other sites within the hills.

BELFAST HILLS PARTNERSHIP





TRACY DORMAN/WTML



### Faughan Valley project, Northern Ireland

Our final acquisition of this financial year was a 58-hectare addition to the nature conservation jigsaw in our Faughan Valley landscape project. This is particularly important because unlike the rest of the UK, only 0.04% of Northern Ireland features ancient woodland. In total across the UK, we added over 2,700ha of incredible opportunities for further native woodland creation and ancient woodland restoration to our portfolio, to be protected forever for wildlife and people.

TRACY DORMAN/WTML



**A big thank you to all the funders who have supported one or more of these acquisitions, including individual donors, partners and those who left us gifts in wills.**



# Restoration and protection

## Restoring and growing Scotland's rainforest

Temperate rainforest is a globally rare habitat, and Scotland is home to a substantial proportion of Europe's surviving fragments. Only 30,000ha (70,000 acres) remain, in a total area just slightly larger than Edinburgh.

In the previous Report and Accounts, we reported on the wide-ranging and large-scale threats that this rainforest is currently facing, such as overgrazing, infestation of *Rhododendron ponticum*, and the historical planting of exotic conifer plantations.

It was, therefore, encouraging to hear Scotland's Minister for Environment, Mairi McAllan MSP, make a pledge at the COP26 climate talks in November 2021 to save Scotland's rainforest as part of a natural solution to the climate emergency, saying: "We want to protect and expand this precious environment and we have committed to do so in the life of this Parliament".



PHILIP FORMBY/WTML



This commitment is undoubtedly a response to the extensive advocacy work undertaken by the Woodland Trust and other partners of the Alliance for Scotland's Rainforest (ASR). It's good news, but it's not enough. That's why lead ASR organisations – the Woodland Trust Scotland, Plantlife Scotland and RSPB Scotland – have been working with the Scottish Government to develop a proposal for a 'Rainforest Restoration Fund'. This dedicated fund would aim to help communities and land managers restore Scotland's rainforest – enhancing biodiversity and absorbing carbon.

Our ask is for £250 million from the Scottish Government over 10 years or longer, with another £250 million of matched funding from other sources. This is in line with Scotland's highly praised Peatland Action Fund which is also a £250 million pot. Of the £500 million investment suggested, about half would be needed to deal with *Rhododendron ponticum*, an invasive shrub which colonises woodland fast, out-competes native trees for light, shades out rare flora, and results in the loss of insect habitat which in turn impacts on birds and bats. The rest of the £500 million would be needed for deer management, conservation grazing, planting trees and other conservation work, and planning and administration

Undoubtedly this is a significant investment. The money will, however, pass through local communities – supporting green jobs in economically fragile areas – so should be looked at as an investment in the future of people, nature and climate.

We remain hopeful that an announcement from the Scottish Government regarding Scotland's 'Rainforest Restoration Fund' will come soon. Meanwhile, we will continue to lobby for that support alongside managing temperate rainforest on our own estate and inspiring others to do the same.



VIVIEN MARY CUMMING



## Ancient Woods and Trees project

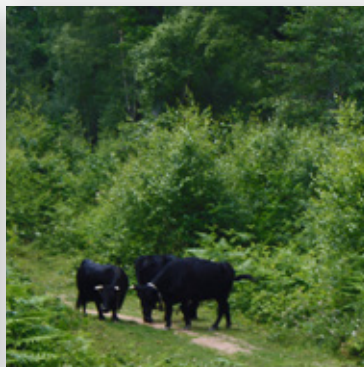
The Ancient Woods and Trees project was a 15-month England-wide partnership project between the Woodland Trust and National Trust, funded by round one of the Green Recovery Challenge Fund.

The project has made a tangible difference to the condition of priority natural habitats by bringing damaged ancient wooded habitats into restoration, improving access for future management, and building relationships with private landowners, and included:

- restoration work on 1,100 hectares of ancient woodland across 66 sites
- control of invasive species at 23 sites
- over 15km of footpaths and tracks installed or improved
- active commitment from 22 private landowners for ancient woodland restoration
- all remaining National Trust-owned plantations on ancient woodland sites in Devon being surveyed and assessed.

Defra had agreed a £3.8 million grant through the Green Recovery Challenge Fund, with matched funding – including contributions of £100,000 from Unilever brand ‘Simple Skincare’ and £192,000 from players of People’s Postcode Lottery with an award from Postcode Green Trust – bringing the total budget to £4.6 million.

Increased knowledge of precious ancient and veteran trees in key landscapes delivered key management work and created resources which will allow volunteers to grow our understanding of significant specimens long into the future.



JIM SMITH-WRIGHT, PAUL GLENDELL, ALISTAIR HOTCHKISS/WTML

The project also supported and sustained jobs across the sector – upskilling and facilitating sharing between those working in it – and enhanced education partnerships to ensure an increasingly skilled and diverse workforce to manage and care for our natural heritage into the future.

Having demonstrated incredible delivery at pace in such a short period of time, our challenge now is to embed the learning and best practice; build support to address the outstanding challenges; and maintain momentum for the longer term through detailed continuation plans and working in partnership. We also have the opportunity to broaden the scope to include the four countries of the UK.

### **Restoration of Joyden’s Wood, Dartford, Kent**

Joyden’s Wood is an important 135-hectare ancient woodland site on the southeastern edge of Greater London, just 21km from the city centre.

Designated as a County Wildlife Site (Local Wildlife Site and Site of Importance for Nature Conservation), it is an important area of green space within the Green Belt and highly regarded for its recreational, ecological and historical importance. It is used extensively by the surrounding local communities for informal recreation, so in 2021/22 we started a programme of restoration to improve the ecological condition of the wood to increase its resilience, create the conditions for nature to thrive, and improve its amenity for visitors. The restoration aims are highly dependent on support from our partners and funding from the Countryside Stewardship agreement, the Green Recovery Challenge Fund and income generated from extracted timber.

Existing forest tracks have also been upgraded and signage installed. A guided walk held on 15 July 2021 informed members of the public about the planned forestry operations and track work – highlighting the importance of ancient woodland restoration and helping to raise awareness and understanding.

PETER COLES X 2



*Before and after images of one of the upgraded paths*



JAMES READER/MTML



## Ancient woods and trees under threat

Over the course of any given year, the Woods Under Threat team will typically respond to around 300 cases of ancient woods and trees threatened by development of some form.

The Woods Under Threat casework forms an important part of our protection work. Development in the UK can take many different forms: from large infrastructure projects such as road, rail and utilities schemes, to housing developments, leisure facilities and mineral extraction.

Different types of development will impact on ancient woods and veteran trees in different ways, whether through direct loss, deterioration from pollution and disturbance, or fragmentation and isolation of habitats. As such, the Woods Under Threat team works diligently with other experts in the Trust, both centrally and regionally, to ensure that our responses are both evidence-led and driven by the expertise of our experienced conservationists and ecologists.

Our Woods Under Threat casework has led to some key victories for ancient woods and veteran trees over this period, with these irreplaceable habitats saved from various levels of direct and indirect impact from development. These victories include:

### » A successful appeal against a housing development in Wealden, Sussex.

In early 2022, a decision by a planning inspector on an appeal case for a housing development in Wealden, Sussex drew serious concerns because of the threat it presented to the integrity of the Ancient Woodland Inventory (AWI) and ancient woodland protections. In response, the Trust lodged a legal challenge against the Department for Levelling Up, Housing and Communities. The Government recognised our concerns and that a poor decision had been made and took swift action to reach a legal agreement with us which resulted in the inspector's decision being quashed.

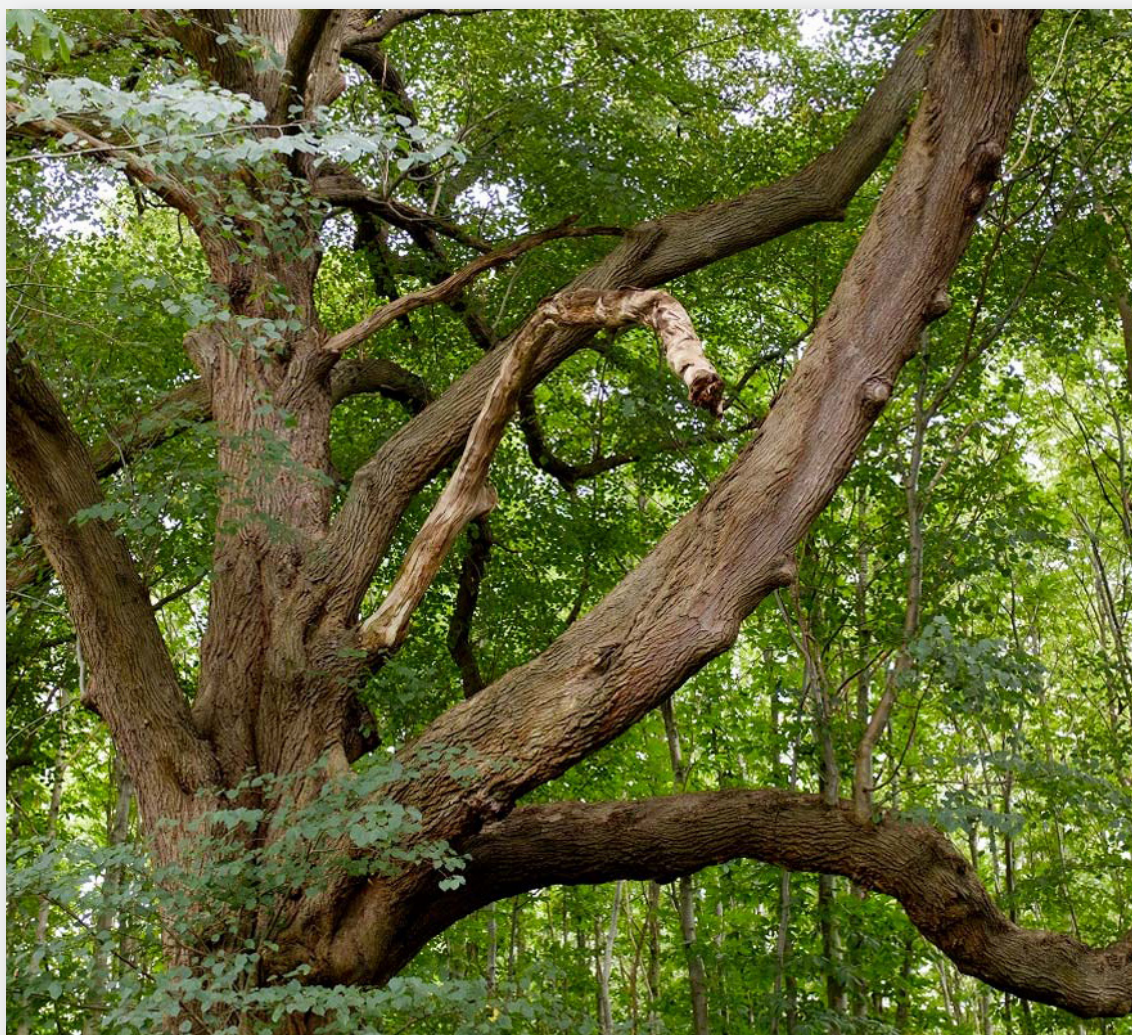


» **Amendment to the HS2 scheme.** This was also a good year for ancient woods in respect of the HS2 project. The Government announced a significant amendment to the eastern leg of HS2, which was originally proposed to run between Birmingham and Leeds. Now it will only run from Birmingham to just south of Nottingham, resulting in 43 ancient woods being saved from varying levels of damage and loss, although five ancient woods still remain under threat on this leg of the project.

### **But it's not all good news...**

In the latter half of 2022, we saw the approval of the Havant Thicket reservoir in Hampshire resulting in the loss of around 12ha of ancient woodland and numerous veteran trees, despite our rallying against the severe impacts of the scheme.

We also await the submission of National Highways' Lower Thames Crossing project as they seek to gain approval from government. We have been campaigning against this scheme for the last six years on account of its potential to destroy 10ha of ancient woodland and at least 10 veteran trees, and we will continue this fight in front of the Planning Inspectorate.



GREG HITCHCOCK



WTML



## Tree health and supply

### Development of a UKISG and Plant Healthy joint audit

The Woodland Trust has developed and advocates a biosecurity standard called UKISG (UK and Ireland Sourced and Grown) assurance to specify and source our trees. This is the only assurance scheme that ensures trees have been sourced and grown in the British Isles, thereby reducing the risk of inadvertently bringing tree diseases and pests into the UK. In recent years, the Plant Healthy standard has also been launched – a new biosecurity standard developed by the Plant Health Alliance (of which the Woodland Trust is a partner) – which seeks to reduce the likelihood of importing diseases and pests by encouraging a risk-based approach to sourcing trees and plants.

This year, we have worked with the Plant Health Alliance to make it easier for nurseries to meet both these standards (UKISG and Plant Healthy). This includes a pilot for a joint audit process. Uptake so far has been very good and should increase the overall effectiveness of these complementary approaches, ultimately helping to better protect tree cover for future generations.

### Northern Ireland tree supply

In January 2021, the substantive provisions of the Northern Ireland Protocol began to apply. This impacted our conservation work in Northern Ireland as it created challenges around importing trees and reproductive materials from Great Britain – requiring the acceleration of our work to develop local supply chains in Ireland to continue with our conservation activity.

In response to this challenge, Lisburn and Castlereagh City Council was successful in its application for an Emergency Tree Fund



GLYNIS WAT/WTML

grant to develop existing council-owned nursery facilities to grow approximately 75,000 native trees in year one, with an ambition to increase this to 150,000 per annum by 2024. The council is also seeking to gain UKISG accreditation to ensure that the trees are grown to a high biosecurity standard. Not only will these trees support the council's plans to expand tree cover within the council area, but the nursery will also have the capacity to support other tree planting projects throughout Northern Ireland.

Since Lisburn and Castlereagh City Council established its tree nursery, other local councils have expressed an interest in doing the same. There are also ongoing discussions with private operators to establish larger-scale nurseries and develop new seed supply chains for Northern Ireland that will include a specific focus on more, rare species.

## Strengthening our evidence-led approach

### Conservation research programme

Originally established in 2016, our conservation research programme aims to fund applied research to underpin with evidence the work of the Woodland Trust and its stakeholders. It was relaunched in 2021 to adopt a more systematic approach to funding research with our inaugural research grant call, and extend its reach to a broader audience. Proposals were invited for research under four themes aligning with the chapters of our *State of the UK's Woods and Trees 2001* report:

- Woodland extent, condition and wildlife value
- Benefits for people (ecosystem services)
- Threats and drivers of change
- Restoration, creation and management.

We received around 50 applications from which 11 projects were selected for funding totalling over £200,000, on key topics such as the value of trees outside woods for biodiversity in farm landscapes, measuring deer impacts and management in Scottish woodland, and drivers of natural regeneration.

One of our goals is to help bridge the so-called academic-practitioner divide, so a key focus of the grant call was to give opportunities to early career researchers to encourage greater diversity and inclusion in the conservation research sector.

### Conservation research collaborations

In addition to direct funding of research, the Conservation Research Programme also collaborates on large, external grant calls from government-funded UK Research & Innovation (UKRI) research councils. Several large, high value, high impact council-funded research projects made progress with Woodland Trust support during the reporting period, with a number of successful new projects also added to this list, including:



Research in action!

CHRIS NICHOLS/WTML



- » **The Restoring Resilient Ecosystems project** (RestREco) – a Natural Environment Research Council (NERC) funded project which aims to unpick and examine the essential elements required for ecosystem restoration, focusing on UK woodlands and grasslands.
- » **The NetZeroPlus project** – co-funded by NERC – which will play a critical role in supporting the UK Government’s commitment to achieving ‘net zero’ greenhouse gas emissions by 2050.
- » **The Future of UK Treescapes funding programme** (jointly funded by NERC, Economic and Social Research Council [ESRC] and Arts and Humanities Research Council [AHRC]).

The Trust has also developed a number of formal strategic scientific partnerships with academic and practitioner groups to enhance the influence, capacity and reach of our research.

### The Trust is accredited as an ‘Evidence Champion’

We continue to lead the way as an evidence-based organisation and became an ‘Evidence Champion’ as accredited by Conservation Evidence (led by Professor Bill Sutherland in association with the University of Cambridge).

We share evidence with other conservation organisations as members of Applied Ecology Resources – an online repository for grey literature\*, hosted by the British Ecological Society. It allows us to share outputs relevant to both academic and practitioner audiences – raising the Trust’s profile in the global scientific community – with eight comprehensive evidence reviews published so far.

### Nature’s Calendar providing insight on climate change

Nature’s Calendar, our long-term citizen science project, provided researchers at the University of Cambridge with over 400,000 observations of 406 plant species – leading the university’s research team to conclude that the effects of recent global warming are causing plants in the UK to flower one month earlier. The paper is published in Proceedings of the Royal Society B\*\*.



RICHARD BECKER/WTML

*Male hazel flowered a full 36 days earlier.*

\* Factual and research-based material produced outside of traditional commercial and academic communication channels.

\*\* The Royal Society’s flagship biological research journal, dedicated to the fast publication and worldwide dissemination of high-quality research.

# Building support

## Our strategic aim

To shift the relationship people have with trees and woods to one where they are more prepared to take action



LUKE DRAVY/MTML



*Establishing a greater public and policy understanding and commitment to the vital role of UK woods and trees in sustainably adapting to and mitigating climate change*



NIGEL PUGH/WTML

## Influencing government policies and legislation

### The Environment Bill in England

The Environment Bill (now Act) completed its final stages during the autumn of 2021 with the aim of taking forward the post-Brexit environmental laws that would govern England. These included setting up a new environmental watchdog and setting out in law new principles on how the environment should guide decision making by government.

During the Environment Bill's passage through the Westminster Parliament, the Trust sought to add an amendment to include provision for enhanced protection of ancient woodland and ancient and veteran trees. However, the Government was reluctant to accept any amendments to the Bill, other than its own, because of delays caused by Covid.

We, therefore, launched an urgent appeal urging Woodland Trust supporters to contact their MPs to ask them to support the amendment. And using the case work handled by our Woods Under Threat campaigning team, we were able to provide examples of local woods that were or had been, under threat. We had a fantastic response, with more than 5,000 supporters emailing their representatives in just a couple of weeks. The impact of those emails cannot be underestimated.

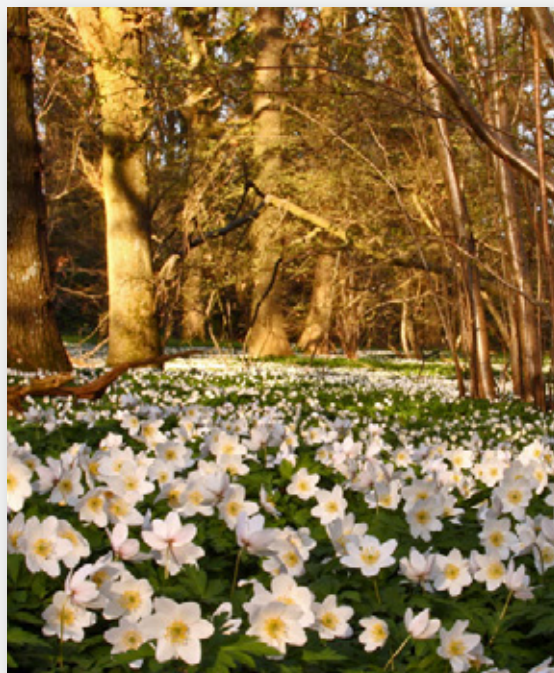
The Trust had argued that in order to command authority on the world stage on the issue of deforestation, the UK Government must demonstrate leadership at home when it comes to protection of our own ancient woodland and ancient and veteran trees.

The requested amendment was brought forward by our Chair, Baroness Young of Old Scone, with good cross-party support. The House of Lords (after a very close vote) supported the amendment, and although the Government did not accept the amendment itself, it did make some significant concessions in terms of future protection in England, by committing to:

- reviewing the effectiveness of the implementation of the National Planning Policy Framework's existing protections
- consulting on improvements to the National Planning Policy Framework itself
- introducing a requirement (consultation 'direction') on Local Planning Authorities to consult with the Secretary of State where they are minded to approve applications affecting ancient woodland.

These commitments would not have been made had it not been for those Woodland Trust supporters who contacted their MPs and made the plight of ancient woodland something they couldn't ignore.

At the time of writing, we are awaiting implementation of these commitments and pressing for speedier action. If fully acted upon, they represent a significant opportunity to advance protection.



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## Securing a Climate Change Act for Northern Ireland

Until June 2022, Northern Ireland was the only part of the UK and Ireland without its own climate change legislation. The Woodland Trust Northern Ireland is a member of the Climate Coalition NI which was formed in 2020 to change this.

The coalition initially worked with Clare Bailey MLA – the leader of the Northern Ireland Green Party – to introduce a Private Members' Bill to the NI Assembly. This Bill set an ambitious target for Northern Ireland to reach net zero greenhouse gas emissions by 2045, and achieved cross-party support with the exception of the Environment Minister's party – the DUP.

Ultimately, the Departmental Bill succeeded in being passed into legislation in May 2022 and received Royal Assent on 6 June. This legislation was heavily amended through the work of the coalition to include many of the elements contained within the Private Members' Bill.





JILL JENNINGS/WTML

Throughout this process, the Woodland Trust continually highlighted the need to tackle the climate and nature crises together and the role trees will play in doing this. As Northern Ireland is the least wooded country in the UK and Ireland, this can only be good news and offers the Woodland Trust Northern Ireland a golden opportunity to create new woodland for the benefit of people, climate and nature.

### **Keepers of Time – a refreshed government policy for woodland condition**

Only 7% of Britain's woodland is in good condition (as outlined in the Trust's *State of the UK's Woods and Trees 2021* report) – a key reason for the decline in woodland wildlife – and around half of ancient woodlands are under historic non-native plantations.

To address this situation, the Trust has helped secure a new government target to bring the majority of native woodland in England into good or improving condition by 2030. This target was secured within a refreshed policy on ancient woodland, trees and wood pasture – called 'Keepers of Time' – which was launched on 27 May 2022. This refreshed policy will also include a new target to bring the majority of plantations on ancient woodland sites (PAWS) into a restoration process by 2030.

Despite woodland cover slowly increasing, woodland wildlife continues to decline, so it is hoped that this policy will be fundamental in helping to address this trend.

### **Plant Biosecurity Strategy consultation for Great Britain**

In November 2021, a Plant Biosecurity Strategy (PBS) consultation for Great Britain was launched by Defra, Forestry Commission, the Governments of Scotland and Wales, and various agencies and delivery partners, to inform Great Britain's approach to plant biosecurity over the next five years.

The Woodland Trust responded in full to the consultation, and also ran a parallel public campaign which attracted over 1,000 signatures – demonstrating clear public interest in plant health which was recognised in the Government's summary of responses.

The full strategy is yet to be published, so the full impact of the Trust's response is unclear at the time of writing. However, there have been some policy wins since the consultation response was submitted, including the Government's announcement of a Tree Production Capital Grant which will provide funding



GLYNIS WAT/WTML

to help tree nurseries and suppliers invest in projects that improve, expand, automate or mechanise their operations. This will help improve not only the quantity, but also the quality, diversity, and biosecurity of supply.

This is welcome news, as key policy asks in the Woodland Trust consultation response centred around the need to invest in our domestic seed and sapling sector to reduce reliance on international trade.

## *Working with others to secure meaningful public policy, funding and action to tackle biosecurity and landscape resilience*

### **Staff and supporters on the march**

The 26th UN conference on climate change, or 'COP26', was held in Glasgow in November 2021, with thousands of people from up and down the country and across all sectors of society, joining the marches, including Woodland Trust staff and supporters. The message was loud and clear: we need action now!

Our CEO and our head of external affairs had observer status (back-stage passes) to the conferences. They met with business leaders, parliamentarians and scientists to discuss the crucial role of woods and trees in tackling climate change.

The Trust's work was featured at a nature-day breakfast sponsored by our partner, Sainsbury's, while in the afternoon Darren spoke on a panel on climate leadership. We also took part in debates at Blair House estate convened by the influential think tank, the Atlantic Council.

More world leaders than ever before signed a landmark declaration to end and reverse deforestation by 2030. The UK led the signing of the agreement. Our governments must now accelerate efforts to protect and expand vital habitats such as ancient woodland in all UK nations.



## Launch of the Tree and Woodland Strategy for the West of England



BARBARA EVRIPIDOU/WTML

With ever increasing evidence of the severity of the climate and nature emergencies upon the UK and globally, and an acceptance of the importance of the natural environment to our physical health and mental wellbeing, there has been an increasing recognition among local authorities, landowners and the general public across the West of England that trees and woodlands must be a fundamental part of the solution.

However, to fully realise the benefits that trees and woodlands bring to people and nature, a strategic approach to managing the area's existing woodlands was required, alongside a literally ground-breaking plan for establishing new trees and woodlands.

So, the Woodland Trust, working in close partnership with the West of England Nature Partnership and the Forest of Avon Trust, produced The Forest of Avon Plan: A Tree and Woodland Strategy for the West of England, which was published in June 2021.

This ambitious agreement involved engaging with and getting support from multiple stakeholders, and sets out a long-term vision for trees and woodlands across the West of England region. Its headline commitment is the doubling of the West of England's tree and woodland cover by 2050 – equivalent to an additional 8,000ha of new trees and woods.

This Tree and Woodland Strategy for the West of England will not exist in isolation, however, and as well as being integrated into various delivery plans, the Trust and its partners are treating it as a key influencer in the development and future outcomes of the West of England Nature Recovery Network.

*Building a reputation for delivery in urban areas as well as rural, and for caring about individual trees as well as woods*

## The Map Project runs its first Mapathon

The Map Project, in partnership with Forest Research, aims to provide detailed insight into urban tree cover, and will be used to analyse which towns and cities would benefit from urban tree planting or better tree management.

To promote the project, we invited supporters and the public to join us for a 'Mapathon' on 9 April 2022 for a focused day of mapping tree cover.

Participants each took on a different ward and assessed canopy cover using the 'I-Tree' mapping tool which generates a series of random points overlaid onto a satellite image. Participants then used the image to identify whether the point was over a tree's canopy, or not, repeating this hundreds of times to give a number for a ward's overall canopy cover.

The project has been running for two years and is nearing completion. Before the Mapathon in April, the UK urban canopy cover map was about 80% complete, but by mid-May we were 96% there – with over 200 online canopy-cover assessments undertaken during the Mapathon itself.

Understanding urban tree cover is essential to effectively target tree planting in urban areas. The Mapathon and the canopy cover map will underpin much of our advocacy and campaigning for urban trees over the next few years.

## Developing a tree equity scoring system

The Woodland Trust has started a partnership project to develop a method for assessing levels of tree cover in local communities in the UK. This project – involving not-for-profit organisation American Forests and the Centre for Sustainable Healthcare – will explore the development of a tree equity scoring system for the UK. This will help local authorities to increase urban tree canopy cover where it is most needed and ensure that the benefits of trees are fairly distributed to everyone in society.

At present, local authorities in the UK lack such a system, whereas in the US, a system has been developed by American Forests for scoring neighbourhoods for their levels of 'tree equity'. The tree equity score combines tree canopy cover with a range of socio-economic measures to calculate a score out of 100 that can be used by city authorities to target urban tree planting.



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PHILIP FORMBY/WTML



Studies in the UK have shown that urban tree cover is unequally distributed. For example, in London there is a ward prioritisation tool which includes tree canopy cover for each of London's 633 wards. This shows a range of tree cover from Hampstead town (58%) to City of London (2.4%), with 373 wards below 20% cover. In the South West there are neighbouring wards in Plymouth where life expectancy differs by 13 years – correlating to the amount of tree cover and access to green space.

## Emergency Tree Fund update

In the last Report and Accounts we announced the launch of the Emergency Tree Fund (ETF) in August 2020 – a pilot scheme to help local authorities who were finding it difficult to turn their tree planting ambitions into reality. This had come about following the June 2019 amendment of the Climate Change Act by the UK Parliament, which had prompted many local authorities to develop climate action plans with ambitious tree planting and woodland creation targets. But austerity, coupled with a lack of specialist skills and designated resource, had meant that many found moving forward with their environmental ambitions was a real challenge.

The ETF was established to address these barriers by offering flexible grants that local authorities could apply for through a robust and detailed process so that action and tree planting could happen without delay.

Thanks to funding from the Helen and Michael Brown Charitable Trust and corporate funders, including TKMaxx, Sofidel and Arbor Day Foundation, alongside a number of other corporate partners and generous individuals, phase one of the ETF is already inspiring and enabling local authorities across the UK to plant more trees – contributing to the Trust's ambitious 'create' aspirations to help address the nature and climate crises.

The ETF is currently supporting 12 projects the length and breadth of the UK, with over 100,000 trees now in the ground, thanks to ETF support. Over the next two years, the fund will directly support the planting of more than 680,000 trees while indirectly influencing the planting of 34 million more over the next decade – engaging a wide range of individuals and groups along the way.



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# Growing our supporter base



ALAN FLETCHER/MTML

## Membership recruitment

Recruitment of new members continued at pace this year, despite a number of challenges. The year kicked off with our summer campaign, with our face-to-face teams going out and about as more public events returned.

Leaflets in relevant publications and social media also bolstered our recruitment numbers. This continued throughout the autumn and winter, with a new campaign launched in May featuring 'Living Legends' – the UK's oldest and most important trees.

To try to ensure we are seen by as many potential supporters as possible, we have been testing other new areas too, including QR codes which people scan to take them to our website, and improved ease of joining when they get there.

In 2022 we were able to, once again, attend some of the most popular public events to meet and chat to existing and potential supporters. Highlights included the Cheltenham Science Festival, BBC Gardeners' World Live and the Hay Festival.

In November 2021, we also launched our partnership with Nectar (owned by Sainsbury's – one of our longstanding corporate partners) to encourage Nectar card holders to join the Woodland Trust and receive 1,000 Nectar points in return. This resulted in our profile being raised across all Sainsbury's and Nectar communication channels, resulting in 1,964 new members by 5 May 2022 and bringing the total number of members of the Trust to around 300,000 (c193,000 memberships).



JUDITH PARRY/MTML



## Getting the message out

### **Wood Wise – our conservation magazine**

Written by expert practitioners and scientists, our conservation magazine Wood Wise covered three high impact issues in the last 12 months:

#### **Evidence for action (spring 2021):**

Delving deeper into some of the issues highlighted in our landmark *State of the UK's Woods and Trees 2021* report.

Expert contributors discuss the important contribution that the report makes to the body of scientific evidence for UK woodland conservation, and how this evidence can be used to inform action.

#### **Creating tomorrow's woods**

**(autumn 2021):** Examining the intricacies of woodland creation to complement and explore some of the evidence and practical implications behind our new *Woodland creation guide*.

**Trees for water (spring 2022):** Exploring the positive impact of trees on freshwater environments and how practical solutions are already making a difference at whole-catchment scale.

This issue provided a scientific backdrop for the Trust's contribution to the high profile Riverscapes Partnership programme.



### **Woodland creation guide published**

The Woodland Trust published a new, comprehensive and ground-breaking evidence-based guidance to help anyone thinking of planting trees and creating new native woodland. It explores everything they need to consider to deliver the best outcome to help nature's recovery, tackle climate change and provide all the benefits of native woodlands for people and wildlife.



## ‘Youth Reimagined’

Within the Trust’s strategy to 2030 there is a new focus on engaging and embedding young people in all areas of our work. This has been stimulated by the successful development of the Young People’s Forest at Mead over the last few years, and a desire to apply learnings and innovations to further embed the role of young people across the organisation.



WOODLAND TRUST YOUTH DEVELOPMENT TEAM

To this end, we are ‘reimagining’ our youth activity to transform our relationship with young people to not only capture their hearts and minds, but also quadruple our supporter base. The aim is for a step change in our approach to achieving meaningful impact for and with young people as beneficiaries and key stakeholders.

We began with a project to explore how we will meet this strategic objective and instil a genuine and authentic approach to youth engagement. Pears #iwill became aware of our work in this area thanks to our relationship with them through Mead, and offered to support the first 12 months of development. We were subsequently delighted to receive a contribution of £300,000 towards the establishment of a new, dedicated youth engagement team.

This early investment in ‘Youth Reimagined’ across 2022–2023 will help us create the platform for a step change across the organisation in engaging with young people as active partners. The new team will also benefit from a small working budget which will enable them to engage meaningfully with young people, and a development fund to support ideas presented by young people, which we are colloquially referring to as our ‘Youth Dragon’s Den’ initiative.

## Big Climate Fightback giveaway

Thanks to support from players of People’s Postcode Lottery we were able to run a 60,000-tree giveaway as part of the Big Climate Fightback. The trees were packed two per box – one to plant and one to gift – with 30,000 boxes available.

The giveaway was launched in partnership with ITV’s This Morning programme – the UK’s most popular daytime show, and the perfect platform for the largest giveaway the Trust has ever run.

The free trees went in just a day and the coverage generated on the back of the programme created a PR reach for the Trust of 9.3 million opportunities to see.





## Mead Fest 2021

The Young People's Forest Youth Forum took time to develop, but by the summer of 2021, our small but dedicated group of young people were keen to make a big impact.

The idea for Mead Fest came from the young people themselves. They also did a lot of the legwork – contacting organisations for quotes and taking the lead on as much as possible – with staff only stepping in to confirm details and ensure that everything took place as the young people had intended.

The day featured a variety of activities that they believed would appeal primarily to a teenage audience, but also to the wider community. A 'colour run' took place on part of the 4km Pears Trail to encourage more people to explore the rest of the site, with 172 people participating.

Meanwhile, the event field featured a climbing wall, archery, falconry displays and yoga. On the main stage there were three acts throughout the day: a Little Mix tribute band called Little Chix, Kieran as Ed Sheeran, and Kirby Frost who featured on The Voice.

Mead Fest was a great opportunity to get the Young People's Forest at Mead – and the Woodland Trust – more widely recognised within the local community. It also showed that this is a location where new and exciting things can happen, and where young people are the ones who create and control a variety of opportunities.



WOODLAND TRUST YOUTH DEVELOPMENT TEAM/MTML X 3

## Broadening our appeal

We know that there is a potential audience of nearly 15 million people willing and ready to act for the environment, and that this group is broadly similar to the UK's overall population in terms of age, ethnicity, socio-economic group and religion. However, this isn't currently reflected in our supporter base which is generally older and less ethnically diverse. If we are to realise our ambition for woods and trees and achieve our ambitious growth targets, we need to address this and resonate with all of these people – capturing their 'hearts and minds' and converting them to supporters who are ready to take action with us.



BEN LEE/MTML

## Tree health press coverage

The threat of imported pests and diseases to woods and trees is increasing. Tree pests and diseases attract significant media attention, and the Woodland Trust is often the organisation of choice for information, quotes or filming. This puts the Trust in a strong position to hold government to account and be a powerful influencing tool. Often, media work leads to a significant reader reach, helping to educate the public on tree health and the need to increase our domestic tree production capacity and reduce imports. A recent story about the Government announcing the introduction of emergency legislation in response to interceptions of pine processionary moth led to a reach of nine million across various major news outlets, including the Independent, the Mail and the Telegraph – and a lengthy Countryfile feature on tree health at the end of 2021.

## Gifts in wills – underpinning our achievements

Gifts kindly left in wills to the Woodland Trust are absolutely vital to our work. They regularly fund a third of everything we do and provide a relatively stable and consistent income stream. Since 1983, legacies have generated over £200 million, not including gifts of land. Our ambition for the protection, restoration and creation of trees and woods across the UK would not be possible without gifts in wills.

Importantly, the vast majority of our legacy income is unrestricted, enabling us to spend it on our most urgent needs – such as acquisitions of new sites and protecting those that are most vulnerable – as well as on core activities that are notoriously hard to fundraise for, like office overheads and salaries. It has helped in our battle with ash dieback, and the management of our estate such as tree safety and the hugely important remedial work currently being undertaken as a result of the storms earlier in the year.

As agreed with the trustees, during 2021/22 we paid particular attention to our restricted legacy fund. Restrictions can be very tight and hard to comply with



and it can take a number of years to find the right project to use the money on. After working closely with executors and next of kin to find the best way to fulfil our obligations and honour the legators' wishes, in this financial year we were able to release 45 restricted legacies from a total of 77, with a value of £2.94 million, including £173,000 to the Tree Challenge Fund and £2.57 million to acquisitions.

Our purchase at Snaizholme in North Yorkshire received the largest sum at £1.2 million, from a number of legacy gifts. A significant £862,000 was also released in order to purchase Green Farm in Norfolk, the majority of which came from a single very generous gift. Additional acquisitions were also made possible at Coombe Farm in Devon (now called Yonder Oak Wood), Pepper Wood in Bromsgrove and Couldoran Estate in the Highlands of Scotland (see page 24 for more detail).

In total, we received notification of 634 gifts in wills made to the Woodland Trust, delivering a total of £18.3 million – £16.3 million unrestricted and £2 million restricted – ranging from £50 to around £1.1 million. Year after year, the combined power of all gifts kindly left in wills ensures that the Trust can achieve its charitable aims.

We are very grateful to all those who remembered the Woodland Trust in their wills. Thank you if you have left a gift for trees and woods in your will, or are considering doing so.



JUDY HOWDEN/WTML



# Enabling

## Our strategic aim

To create the scale and capabilities that enable our strategy and optimise resources for the benefit of woods and trees



BEN LEE/WTML



## Our people

Our people show tremendous passion and commitment for our cause. With almost 600 staff and 4,000 tasked volunteers, we have grown relatively steadily over recent years.

Like all other organisations, we have endured the impact of a global pandemic, and for us this has been compounded by a cyber attack at the end of 2021 which caused us to lose many of our digital systems, with the resulting impact on communication and productivity. Our people have had to find ways to cope with a wide range of issues and find solutions, including developing workarounds, rebuilding systems and continuing to manage positive relationships with supporters and partners. We've managed to get through a period of great uncertainty, and the personal dedication of our people has shone through. During 2021 we were re-assessed by Investors in People and maintained our accreditation. We also commissioned a learning review into the way we responded to the challenges we faced.

During the early part of 2022 we also engaged our staff through surveys and focus groups on a range of topics, including wellbeing, values and behaviours and diversity and inclusion. This gave us rich insights and enabled us to delve deeper into areas which might have been adversely impacted by isolation. Using these insights, we have introduced mental health first aiders and wellbeing champions, and have designed a broad wellbeing programme – including improved proactive approaches to wellness – and these will continue to be implemented over the coming year.

We have also begun a process in which we describe the values we share and the practices we want to see as we work together and reconnect. Seventy-seven per cent of staff provided insight through a survey on values and behaviours, and over 25% have taken part in co-creation workshops in which we work together to shape and define our culture in a more digitally enabled future. This work will continue into the coming year.

Following a review of our organisational strategy, we have also begun work on revising our People Strategy to respond to the future needs of the organisation so that we have the skills, capacity and leadership to take us to 2030. Our staff representation group continues to work with us to identify and prioritise areas of focus, and we offer them huge thanks for their insight, tenacity and dedication.

THE PERFECT IMAGE/MTML



JUDITH PARRY/MTML

# Volunteers

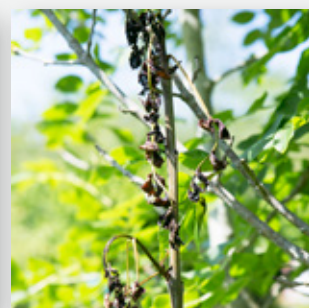
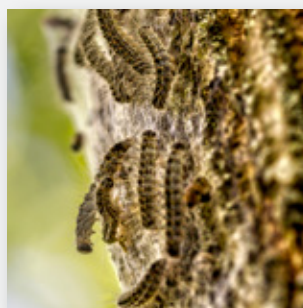
Volunteers have continued to give a substantial amount of their time to the Woodland Trust cause. Over the last year they have carried out 197,468 hours of activity, equating to 26,329 days and £1.5 million in added value to the Trust.

Our woodland working groups have continued to be very active, with around 110 groups supporting our estate through the countries and regions. The warden roles – our most popular lone-working role – have also played an important part in the last year. Wardens are the eyes and ears of the Trust, especially on our most popular sites, and they have never been more important due to the challenges created by increased footfall, such as wildfire risk. We have also grown the number of citizen science volunteers who work on the Observatree project (in which we are key partners) to 200, providing the early warning detection of invasive pests and diseases across the UK.

A great deal of staff resource has supported volunteer recruitment over the last year due to the highest volume of applications and recruitment in memory – 1,500 volunteers recruited compared to an average of 1,000 a year before the pandemic. Roles range anywhere from tree planting, youth volunteers and woodland working groups to supporting campaigns, tree health recording, photography, and threat detectors – to name but a few. We couldn't do what we do without them. Thank you.



W/TML



DEREK LEFLEY; DAVID MCHUGH; FORESTRY COMMISSION X2/WTML

*Invasive pests and diseases. Top left–right: oak processionary moth caterpillar; ash dieback. Bottom left–right: acute oak decline; Asian longhorn beetle.*



## National volunteer virtual conference

For the first time in the Trust's history, our popular annual National Volunteer Conference – which aims to bring all our volunteers together from across the UK – was conducted online. This aligns with our aspirations to be as inclusive and environmentally friendly as possible.

The event attracted more than double the number of attendees than previous conferences and was entirely flexible and accessible through a variety of different electronic devices, including mobile phones, tablets and desktop computers. It was a fantastic way to re-engage with many of our volunteers after two years of communication struggles due to Covid and the after effects of the cyber incident.

## Our commitment to diversity and inclusion

At the Woodland Trust, we believe everyone deserves to have their lives enriched by trees and woods. We also trust the overwhelming evidence that greater diversity and inclusion within our own workforce will make us stronger, now and into the future.

In January 2021, we recruited a head of diversity and inclusion, reporting directly to our CEO, to build on our existing commitment and drive from the top the long-term systemic change we need. This is in addition to a diversity and inclusion champion on our Board of Trustees.

### Diversity and inclusion survey

Organisations with inclusive cultures are eight times more likely to achieve better business outcomes\*, and our commitment to diversity and inclusion is key to attracting and retaining the talented people we need to protect, restore and create woods. Seventy-six per cent of job seekers will consider the diversity of an organisation when evaluating it\*\* and recent recruits are three times more likely to leave an organisation they don't trust on diversity\*\*\*.

So, inclusion is clearly fundamental to the 'Transform' goal within our refreshed strategy, and as part of this commitment we need to build evidence to show where we currently are in terms of diversity and inclusion, both for internal and external audiences – identifying any barriers that may exist and how we can overcome them, and acting on the evidence gathered.

In 2022 we, therefore, launched our first-ever inclusion survey for all our staff. Alongside other data, this will allow us to baseline where we are now so we can focus on where any action may be needed. It also allows us to test how impactful any future actions are on developing the culture of inclusion we need to deliver for our cause.

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\* Deloitte, 2018

\*\* Glassdoor, 2020

\*\*\* Boston Consulting group, 2018

Through the results of the survey, we have identified some of the key priorities for action and have begun work on them.

As the environment sector is the second least ethnically diverse in the UK, one of our priorities has been to join forces with others to create a roadmap for change on ethnic diversity, and this was launched in early 2022. We have made public commitments through the Diverse Sustainability Initiative and on our own website, under 'How we are run'. This includes a promise to tackle potential sources of bias in our processes. For example, we are part of the '#Show the Salary' campaign – displaying salaries on the roles we advertise – as lack of salary transparency fuels gender, ethnic and other pay gaps. Another is our trial of anonymised applications in our research grants call. By the end of 2021, we had extended this to our employee recruitment.

We have robust internal policies on diversity and inclusion, safeguarding, health and safety, and our recently refreshed whistle-blowing policy. We are building on these to ensure we are a safe and welcoming space for all our staff, irrespective of background, and we are doing this through regular communications and support and training for our workforce, especially our leaders. This includes support from our new membership organisation, Inclusive Employers, which we joined in July 2021.

## Safeguarding audit

The Woodland Trust is committed to the highest standards of charity governance, and safeguarding is at the centre of our engagement with children, young people, and adults at risk. We have a duty of care to them, their parents, carers and/or families who take part in our activities. We achieve this by ensuring that employees, trustees and volunteers comply with all legal, contractual, and professional standards and responsibilities in their work with adults at risk, young people and children, whether within a group situation or one-to-one. Where the Woodland Trust undertakes activities with third parties, our employees must also have due regard to the safeguarding policies of the third-party provider.



WT/ML





We fulfil our duty of care through a combination of training, support and monitoring, with a clear reporting and support process in place for concerns to be raised. We have a designated safeguarding lead in place who is supported by two deputies, and a safeguarding committee that meets quarterly to discuss any concerns raised or areas of development.

Having clear safeguarding policies and procedures is a critical part of all charitable organisations' risk management. As part of our due diligence in reviewing our policies and procedures, we engaged an external consultant to carry out a safeguarding audit, supported by the safeguarding committee and the designated safeguarding lead.

As a result of the audit, we have made some minor changes to our policies and procedures and updated training modules for staff and volunteers. The most significant change as a result of the audit has been to extend safeguarding training to all staff roles and further volunteer roles. We have also strengthened our safeguarding committee by including new members from our corporate and operational teams.

## Information technology

The last year has seen the Trust undertaking an overhaul of its core IT systems and services: upgrading its network and telephony services while implementing new systems to support hybrid and remote working. Cyber security has been a key focus for the Trust, and we have invested in specialist skillsets and services and implemented new mobile-device management and endpoint-protection solutions. We also launched our Digital Enablement Strategy, setting out the three-year plan to achieve our ambition to become a fully digitally enabled organisation by 2025.

The strategy focuses on nine areas of investment in digital technology and will see the Trust implementing a number of new and highly integrated systems to allow us to capture more data at source, reduce administrative burden, automate mundane tasks, and move from reporting to analytics to become a more data-driven organisation.

These changes will help the Trust to accelerate its delivery for the climate and nature crises, and provide improved access to scientific data to inform our delivery.

BEN LEE/WTML



## Thanking our supporters

Our supporters are the life blood of the organisation without whom we could not achieve what we do. We are the organisation consolidating the voice behind many like-minded people, and with our supporters behind us we are stronger in terms of policy and influence.

It is important for us to make space to hear what our supporters are feeling and saying about us so we can respond/adjust appropriately.

The Trust is working hard to shape decisions from a supporter perspective, and we now have an increased understanding of what our supporters want and need.

We whole heartedly thank you, our supporters, for everything you do to support the Woodland Trust, in whatever way you do it. Our Supporter Promise underlines this, as does our ethical approach to fundraising.

Together we can make the voice for woods and trees grow stronger.



# Fundraising



JUDITH PARRY/WTML

## Our approach to ethical fundraising

The Woodland Trust is a member of the Institute of Fundraising, the Direct Marketing Association and the Fundraising Regulator. Alongside our high standards, we follow their codes of practice to ensure that our fundraising meets the highest standards, and supporters have the best possible experience.

Fundraising is carried out by our staff with help from the fundraising partners with whom we work. We use third-party fundraisers to help us raise awareness of the Trust and encourage people to become members to support the long-term financial sustainability of woods and trees. In particular, we have worked with one face-to-face recruiting company for a number of years, with the relationship growing stronger over time. Their staff now regularly join the Trust on site for training, and to get a better understanding of what the Trust's aims and vision are so they can communicate this insight more clearly.

To protect and maintain the high standards that we and the public expect, we ensure that professional fundraisers receive appropriate training and adhere to our policies and practices, with particular attention paid to vulnerable people. And to check that these standards are being rigorously maintained, we regularly monitor the quality of outbound telephone marketing calls and conduct mystery shopping with our face-to-face fundraisers.

All Woodland Trust staff, as well as the staff of our fundraising partners, have received training on the implications of the General Data Protection Regulations (GDPR) which came into force in 2018. We also fully comply with all current regulations and guidelines, underpinned by the promise we make to our supporters, as outlined on the next page.



JUDITH PARRY/WTML



## Our supporter promise



**We promise to be honest and transparent** about where your money goes and why we ask for donations. We will show you what a difference you are making.



**We will protect your data.** We take our obligations to look after your data very seriously and we will never sell your data to third-party organisations. We will contact you via methods you have given permission for us to use and if you wish to change the way we contact you or opt out of future communications, you can either contact our **support service response team** at any time or go to the permissions portal at: [woodlandtrust.yourpreferencecentre.com](https://woodlandtrust.yourpreferencecentre.com).



**We are respectful.** We will not put undue pressure on you to make a gift, and if you do not wish to donate, we will respect your decision.



**We are accountable.** We do all we can to ensure fundraisers, volunteers and third-party agencies working with us comply with all fundraising regulations and this promise. Where we work with third-party agencies, we will ensure training is provided and will monitor their work. We will act quickly if they do not meet the high standards we set.

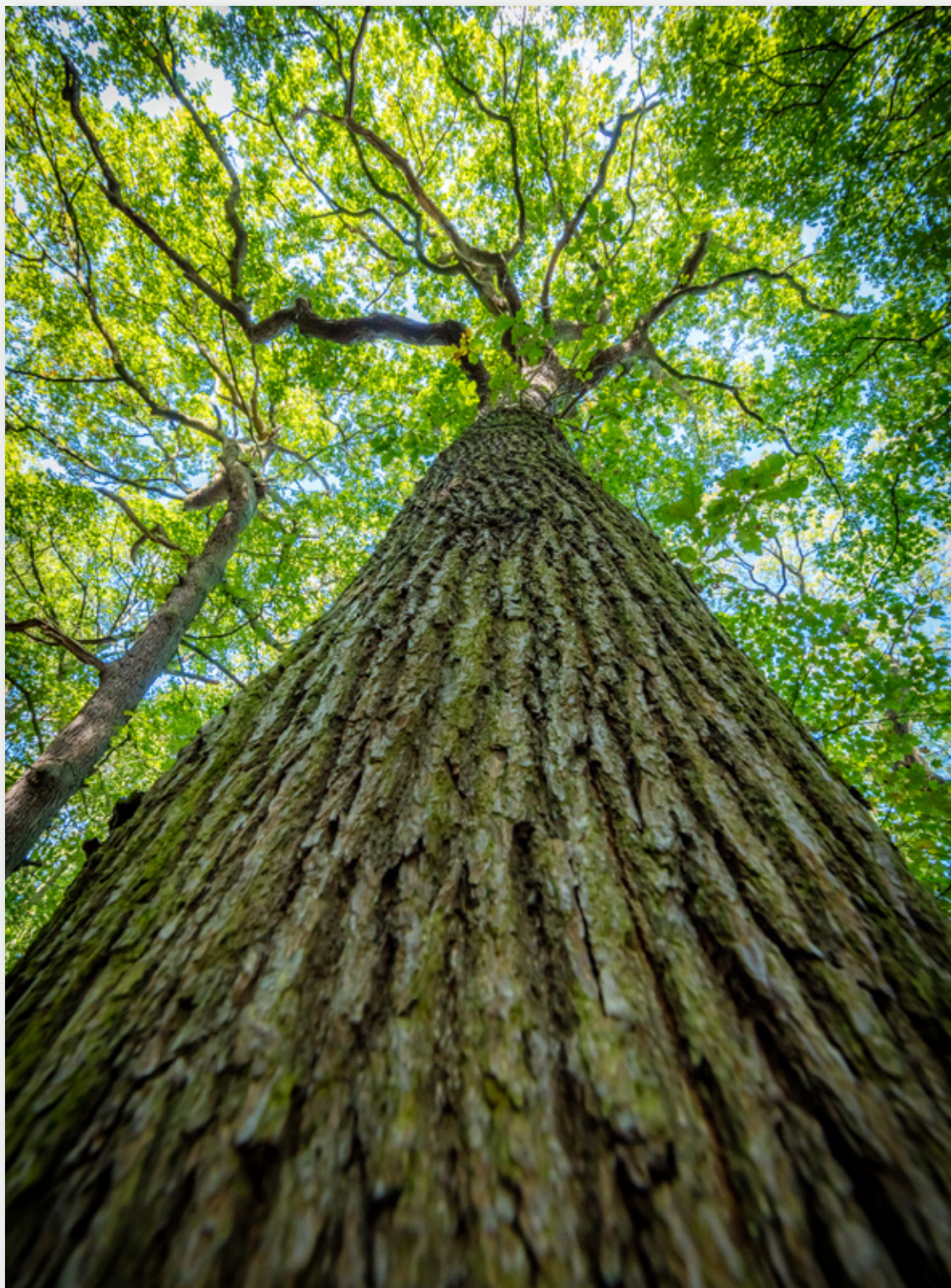


**We keep in touch.** We will always provide easy ways for you to contact us, and **our support service response team is on hand to help and answer any queries you may have.** If you are unhappy with anything we've done, you can contact us using our complaints policy. If we make a mistake we will apologise and do all we can to put things right, and if we cannot resolve your complaint, we accept the authority of the Fundraising Regulator and the Charity Commission to make a final adjudication.



**Supporter feedback.** Feedback has always been a very important way of understanding how our activities are perceived by supporters, employees and the wider public. Due to the cyber attack in December 2020 impacting our systems, we have faced challenges in providing feedback data in the way we have reported in the past, but we continue to act in an ethical way and meet our supporter promise.

# Financial review



ROB GRANGE/WTML



# Financial summary

During 2020, the trustees agreed to change the year-end financial reporting date from December to May. This decision was made in order to align our financial data with the seasonal tree-planting calendar which runs from November to April. Due to the change in date, this meant last year's annual Report and Accounts covered the 17-month period from 1 January 2020 to 31 May 2021; whereas this year's annual Report and Accounts covers the 12-month period from 1 June 2021 to 31 May 2022.

We generated a combined income of £76.4 million from our generous supporters, and expenditure was £68.6 million of which £58.6 million was on our charitable activity. We also spent £15.8 million acquiring woods and land for woodland creation projects, buffering ancient woodland, and enhancing the experience of those visiting our estate.

Total funds increased by 3.8% at the end of the period due to the exceptional generosity of supporters to fund long-term projects, which has resulted in total funds of £180.4 million, of which £144.5 million is restricted to specific projects. At £23.2 million, our free reserves remain within the range prescribed by the trustees and represent over six months' worth of budgeted expenditure.

## Income

The biggest source of income came from donations, which includes income from individual supporters, companies and charitable trusts. Charitable activities include grants and income we generate through woodland management.

| Income                                   | 2021/22<br>£m | 2021/22<br>% of income | 2020/21<br>17 months*<br>£m | 2020/21<br>% of income | 2020/21<br>12 months<br>avg.* £m | 2020/21<br>% of 12 month<br>avg. income |
|--|---------------|------------------------|-----------------------------|------------------------|----------------------------------|---|
| Donations                                | 21.1          | 27.5                   | 23.5                        | 27.0                   | 16.6                             | 26.9                                    |
| Legacies                                 | 18.3          | 23.9                   | 21.8                        | 25.0                   | 15.4                             | 24.9                                    |
| Memberships                              | 12.0          | 15.6                   | 16.6                        | 19.0                   | 11.7                             | 19.0                                    |
| Charitable activities                    | 18.1          | 23.8                   | 13.0                        | 15.0                   | 9.2                              | 14.9                                    |
| Trading                                  | 4.3           | 5.6                    | 11.3                        | 13.0                   | 8.0                              | 12.9                                    |
| Income from investments and other income | 2.8           | 3.6                    | 1.3                         | 1.0                    | 0.9                              | 1.5                                     |
| <b>TOTAL INCOME</b>                      | <b>76.4</b>   | <b>100.0</b>           | <b>87.5</b>                 | <b>100.0</b>           | <b>61.8</b>                      | <b>100.0</b>                            |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

A quarter of all our funding comes from gifts kindly left in wills, and we are very grateful for each and every one. Nearly one in four of all the millions of trees we plant and a third of all the woods in our care and the wildlife habitats we create are directly funded by gifts in wills.

Income from charitable activities was £18.1 million – 23.8% of total income. This income is partially generated by the sale of timber, some of which follows the devastating clear-felling of diseased trees. By felling trees at the early stage of detecting disease, we can still sell the timber and use the funds to help replant the site.

Our corporate partners and charitable trusts continued their valued support by contributing £12.3 million of income.

Corporate partners include Sainsbury's, Lloyds Banking Group, Ovo Energy, Premier Paper, Pets at Home and many more. A full list can be found in the annual review on our website [woodlandtrust.org.uk](https://www.woodlandtrust.org.uk).

Without the support of all these contributors, we would not be able to provide the protection and support needed by woods and trees across the UK. We would like to thank all our supporters for their generous contributions.

## **Expenditure**

Of every pound we received in 2021/22, 88p went towards our charitable objectives. This amount fluctuates year on year, depending in particular on how much we spend on buying woods and land. In 2020/21 it was 83p of every pound.

We aim to spend no less than 75% of our annual income on our charitable activities. We feel this percentage enables us to deliver the best future service for our precious trees and woodlands.



|   | 2021/22<br>£m | 2021/22<br>Woods and<br>land*<br>£m | 2021/22<br>Total<br>£m | 2020/21<br>17-month<br>total*<br>£m | 2020/21<br>12-month<br>avg. total*<br>£m |
|---|---------------|-------------------------------------|------------------------|-------------------------------------|--|
| <b>Expenditure</b>  |               |                                     |                        |                                     |  |
| <b>Creating new woodland</b><br>Included in these costs is tree planting on a national scale, preparing sites for planting and holding events that allow people to engage in planting activities. | 25.4          | 14.8                                | 40.2                   | 30.6                                | 21.6                                     |
| <b>Restoration of native and ancient woodland</b><br>Site clearance for natural regeneration, timber extraction, access for visitors, and maintenance is included in these costs.                 | 17.3          | 0.8                                 | 18.1                   | 17.3                                | 12.2                                     |
| <b>Protecting ancient trees and woods</b><br>Includes the removal of invasive plant species, tree safety and ecological surveys and assessments.  | 15.9          | 0.2                                 | 16.1                   | 15.4                                | 10.9                                     |
| <b>Generating funds</b>   | 10.1          | –                                   | 10.1                   | 12.8                                | 9.0                                      |
| <b>Total costs</b>  | <b>68.6</b>   | <b>15.8</b>                         | <b>84.5</b>            | <b>76.1</b>                         | <b>53.7</b>                              |

|   | 2021/22<br>£m | 2021/22<br>% of<br>expenditure | 2020/21<br>17-month<br>total* £m | 2020/21<br>% of<br>expenditure | 2020/21<br>12-month<br>avg. total*<br>£m | 2020/21<br>% of 12<br>month avg.<br>expenditure |
|---|---------------|--------------------------------|----------------------------------|--------------------------------|--|---|
| <b>Expenditure (%)</b>  |               |                                |                                  |                                |  |   |
| <b>Creating new woodland</b><br>Included in these costs is tree planting on a national scale, preparing sites for planting and holding events that allow people to engage in planting activities. | 40.2          | 47.6                           | 30.6                             | 40.2                           | 21.6                                     | 40.2  |
| <b>Restoration of native and ancient woodland</b><br>Site clearance for natural regeneration, timber extraction, and access for visitors and maintenance is included in these costs.              | 18.1          | 21.4                           | 17.3                             | 22.7                           | 12.2                                     | 22.7  |
| <b>Protecting ancient trees and woods</b><br>Includes the removal of invasive plant species, tree safety and ecological surveys and assessments.  | 16.1          | 19.1                           | 15.4                             | 20.3                           | 10.9                                     | 20.2  |
| <b>Generating funds</b>   | 10.1          | 12.0                           | 12.8                             | 16.8                           | 9.0                                      | 16.8  |
| <b>TOTAL COSTS</b>  | <b>84.5</b>   | <b>100</b>                     | <b>76.1</b>                      | <b>100</b>                     | <b>53.7</b>                              | <b>100</b>                                      |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## Spending on our charitable objectives

Included in our charitable objectives is the purchase of land to either create or restore woodland. To purchase woods and land at scale costs millions of pounds and there is a lot of competition from elsewhere to buy it for uses other than restoration or planting trees. This means that sometimes there is only a short period of time in which to raise the funds required.

To ensure we are successful when we find woods and land that fit our objectives, we use a number of different approaches:

- Wherever possible, we negotiate an option to buy the land within an agreed time frame needed to raise the funds
- Sometimes we work with partners who will buy the site on our behalf and give us time to raise the funds to pay them back
- We will buy sites with our own funds through our Strategic Investment Fund. This fund has been designated by the trustees to use for opportunities such as the purchase of land and woods.

## Spending to generate funds

A total of £10.1 million was spent during 2021/22 to enable us to raise our fundraising income, invest for future growth, and ensure that appropriate controls and governance were maintained and strengthened. For every £1.00 spent on fundraising, we raised £5.10 in return.

Included within fundraising costs is the cost of recruiting new donors and administering supporters' generous donations and membership subscriptions. Also included is the cost of the vital contribution we receive from teams such as finance, information technology and human resources – areas that provide the support and governance needed to ensure the charity is run in the most effective way possible.

## Net income

We made a surplus in this period, before acquisitions of woods and land, of £7.7 million (2020/21: £17.3 million).



## Reserves

When planning and budgeting for activities, we consider the level of reserves held so we can strike a balance between continuing development and the need for prudent management of our working assets and commitments, as well as providing for contingencies. The reserves policy is reviewed and agreed annually by the trustees as part of the budget process. Over the next three years, we have planned investment that will significantly reduce the amount of reserves we hold.

| Reserves                | As at 31 May 2022     | As at 31 May 2021*    |
|-------------------------|-----------------------|-----------------------|
| <b>Total reserves</b>   | <b>£180.4 million</b> | <b>£173.8 million</b> |
| <b>General funds</b>    |                       |                       |
| Designated funds        | £7.3 million          | £13.0 million         |
| Free reserves           | £23.2 million         | £19.9 million         |
| <b>TOTAL</b>            | <b>£30.4 million</b>  | <b>£32.9 million</b>  |
| <b>Restricted funds</b> | <b>£22.9 million</b>  | <b>£27.1 million</b>  |
| <b>Assets</b>           |                       |                       |
| Fixed assets            | £5.5 million          | £5.5 million          |
| Woods and land          | £113.2 million        | £97.5 million         |
| <b>TOTAL</b>            | <b>£118.7 million</b> | <b>£103 million</b>   |
| <b>Endowments</b>       | <b>£8.4 million</b>   | <b>£10.8 million</b>  |
| <b>Total reserves</b>   | <b>£180.4 million</b> | <b>£173.8 million</b> |

Overall, fund balances increased by £6.6 million to £180.4 million, with £113.2 million representing physical woodland and land held in perpetuity. This increase was due to some fantastic fundraising events that have generated income for some of our long-term goals, such as woodland creation through our partnership with Lloyds Banking Group.

## Restricted funds

Restricted funds are derived from legacies, donations and grants with specific conditions attached, which we aim to comply with as effectively as possible so these funds can be used to achieve our aims.

## Permanent endowments

These represent funds given to us with gifts of woods and land under terms requiring that the funds are intended to be permanent – to provide income for future management of these woods and land. In certain circumstances, some of the original capital can be expended.

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## Unrestricted funds

The unrestricted funds are available in order to achieve our strategic objectives. They arise from unrestricted legacies, donations from fundraising activities and from any resultant surpluses generated from our day-to-day operations.

Designated funds include the strategic investment fund which was set up to develop the initiatives within the strategic plan. It has been agreed to designate £5.3 million of unrestricted funds from this period's £7.7 million surplus to support a bold new 10-year strategy which will ensure that the future of UK woods and trees is brighter than ever. One of the key initiatives is to acquire woods and land in order to champion a UK rich in native woods and trees, for people and wildlife. Having this fund guarantees (underwrites) our payment for any land we wish to purchase.

Designated funds also include £1.9 million of the generous Burgan legacy of £9.1 million received in 2016. This legacy has been allocated towards the development of our concept of a Northern Forest; support for our Smithills Estate in Bolton; ancient woodland restoration; and as a springboard for our landscape-scale activity which will utilise this fund entirely during 2022.

Although funds rose during 2021/22, we have set ourselves investment budgets for the next three years which will call on our core reserves and reduce the designated fund significantly. Our investment will include:

- protecting all ancient woods and ancient trees to stop the loss of irreplaceable habitat and carbon stores, and to preserve natural heritage
- restoring the ecological condition of existing woods and trees, to increase resilience and create the conditions for nature and people to thrive
- creating quality native woods and trees to benefit nature, climate and people in the future
- inspiring people and organisations to participate and act for the cause and enabling everyone to make their contribution to our cause.

Free reserves, as defined by the Charity Commission, are unrestricted reserves that are freely available to spend on charitable purposes. The trustees have agreed the Trust's 2022 financial review (which extends to 2023), updated on an annual basis, as well as our principal financial risks, and have set free reserves within a target range of £11.0 million and £44.0 million. These represent three months and twelve months of annual budgeted expenditure, respectively. At £23.2 million, our free reserves represent over six months' worth of budgeted expenditure.

## Investment policy and performance

We operate an ethical investment policy when investing endowments and funds in long-term portfolios. The policy enables our third-party investment managers to identify and avoid companies that have any obvious conflicts of interest between the issues concerning us as defined in our ethical policy, and the objectives/activities of any company whose shares may be acquired for the purpose of investment. We would not expect to transact with organisations involved in the loss of ancient trees and woodland, for example.



Total investments are £34.2 million of which £8.1 million is held in short-term deposit funds; and £26.1 million as long-term funds, which are held with two professional investment managers. Short-term deposit funds are held in banks or building societies that are authorised to carry out business in the UK and, where rated, the ultimate owners have long-term ratings of at least A3 or A- by Moody's, Standard & Poor's or Fitch. Where unrated, they are agreed by the trustees. At the end of May 2022, the only unrated counterparty was Sainsbury's Bank which held 25% of our short-term funds.

Each long-term investment portfolio has an objective of optimising return, subject to an acceptable level of risk. Performance is monitored against tailored benchmarks as agreed with our investment managers. The benchmarks are Consumer Price Index (CPI) plus 3.5%, over a rolling five-year period, to ensure that long-term total return is above inflation; and the ARC steady growth index, which is specifically designed for charity trustees and their advisers to assess performance against a realistic peer group.

The total combined annual return for our investments was (2.3)% against benchmarks 'CPI plus 3.5%' of 12.5% and the ARC steady growth index of 0.0%.

A turbulent period in both equity and bond markets, driven by fears around inflation, weak or even negative economic growth, winter gas rationing in Europe and the implications of the war in Ukraine, mean we made net losses on our investment portfolio of £1.2 million during the 12-month period (2021: net gains £3.3 million during a 17-month period). The Trust's portfolios are invested for the long term and fluctuate year on year, the expectation being that portfolios will deliver a positive return.

# The environmental impact

of how we create a UK rich in native woods and trees



NIAL BENNIE/WTML



The net impact of the Woodland Trust's activities on the environment is overwhelmingly positive, from the millions of trees we plant that lock up harmful carbon dioxide and create new habitats for wildlife and places for people to enjoy, to the ancient woodlands that we protect and restore which provide the conditions for threatened native species and unique ecosystems to thrive once more. As well as these benefits, woods and trees also help to reduce the heat effect which helps to combat climate change; aid natural flood-risk management; improve water quality; protect soils and reduce erosion; give shelter to livestock; and reduce air pollution – and are instrumental in maintaining public health and wellbeing, including mental health. However, that doesn't mean we shouldn't be doing all we can to identify and reduce any potential negative impact of our activities on the environment at a local and global scale.

The Woodland Trust is committed to sustainable management of our activities where we actively seek to reduce the environmental impacts of our operations. This year, with the support of our new head of sustainability, we have started the process of establishing our 2030 vision for sustainability which will identify commitments and objectives associated with environmental impacts that are materially significant to our organisation. The baselines that are being developed as part of this will be used to report our future performance against this developing sustainability strategy.

Alongside this, we have continued to demonstrate effective environmental management using our Environmental Management System (EMS) to understand, monitor and control our environmental impacts, and we are delighted to have retained Green Dragon certification of the EMS this year.

Throughout 2021–22, the Woodland Trust adjusted to the new operating conditions following the Covid pandemic. The fact that the 2020–21 year was dominated by lockdowns had a significant impact upon the carbon emissions associated with our travel and office usage, meaning that year-on-year comparisons are of limited value. For example, we have seen an increase in our annual scope one and two carbon emissions as we have opened up post-Covid and started to adapt to the new ways of working. We have, however, continued to make progress in driving down energy usage as we grow as an organisation – with our tonnes of CO<sub>2</sub>e/FTE figure significantly lower than it was pre-pandemic. We have also continued to manage our resources effectively – leading the sector in stopping the use of new plastic tree guards across our estate this year.

## Carbon emissions

We have initiated a far-reaching carbon baselining process which uses the GHG Protocol to identify our carbon inventory and initiate a robust carbon accounting process. At the time of reporting, this process is midway through. On completion, we shall use the baselines identified to determine a full science-based decarbonisation timeline for our emissions as well as ensure that we optimise the carbon sequestered and stored as part of our woodland protection, restoration and creation activities. Our total scope one and two carbon emissions for

2021–22 were 504 tonnes CO<sub>2</sub>e. Although this is an increase on last year's emissions, a more realistic comparison is against the 2018–19 and 2019–20 years, when we were a much smaller organisation, but with a much bigger footprint (circa 700 tonnes CO<sub>2</sub>e).

## Vehicle use

We operate sites across the four nations of the UK, often in remote locations. Our total vehicle emissions in 2021–22 was 419 tonnes CO<sub>2</sub>e, which represents 80% of our average annual emissions (up from 20% last year, but a broadly equivalent proportion of our 2018–19 and 2019–20 figures). The global microchip shortage has had an impact upon the types of vehicles that we use as part of our fleet, and outside of our fleet through hire vehicles and personal transport, and consequently this has had an adverse impact on our travel emissions. Despite this, we have continued to increase the percentage of electric vehicles in our fleet, with 31 vehicles on order. This represents 23% of our total fleet and will mean that our fleet's average emissions will drop to a projected 78g/km on delivery (down from 118g/km in January 2020). We have also formalised the employee travel decision-making process as part of our newly instated environmental manual – encouraging a hierarchy approach that favours no travel ahead of using public transport and car sharing, before making a decision to drive. The continued use of virtual meetings has also helped achieve this reduction.

## Energy

We saw a 14% reduction in our electricity consumption from last year (45% down on 2018–19), with a carbon emission figure of 63 tonnes of CO<sub>2</sub>e. The true figure for our energy consumption is likely to be higher, but we don't currently have a reliable mechanism to appropriately and accurately apportion the electricity consumed by homeworkers during working hours. The carbon baselining and accounting exercise that is currently underway will identify appropriate baselines for us to accurately compare year on year under the post-Covid ways of working. We continue to specify and purchase electricity from renewable sources, and we will re-tender our electricity contract next year to ensure that we are procuring the lowest carbon green tariffs that are on offer. As we have redesigned our office space at the head office, we have incorporated energy efficiency improvements into the design process.

Our gas consumption also fell slightly last year, from 24.1 tonnes of CO<sub>2</sub>e to 21.5 tonnes. This 11% reduction is in partly due to the relaxation of Covid-safe work restrictions which required doors and windows to be kept open, impacting on heating requirements.



## Carbon intensity ratio

The intensity ratio of tonnes CO<sub>2</sub>e from vehicle use and energy consumption per staff full-time equivalent (FTE) was 0.88 tonnes CO<sub>2</sub>e per FTE – down from 1.4 tonnes CO<sub>2</sub>e in 2019–20. Although this figure may rise on completion of our full carbon baselining exercise (for example, taking homeworking into account), we hope to remain below one tonne CO<sub>2</sub>e.

| Emissions source                                 | June 2021–May 2022 |                          | June 2020–May 2021*      |
|--|--------------------|--------------------------|--------------------------|
|  | kWh consumption    | tonnes CO <sub>2</sub> e | tonnes CO <sub>2</sub> e |
| Vehicle use                                      | 1,649,304          | 419                      | 104.3                    |
| Gas  | 117,741            | 22                       | 24.1                     |
| Electricity                                      | 298,018            | 63                       | 73.5                     |
| <b>Total</b>                                     | <b>2,065,063</b>   | <b>504</b>               | <b>201.9</b>             |
| FTE  | 573                |                          | 493.0                    |
| Intensity ratio tonnes CO <sub>2</sub> e per FTE | 0.88               |                          | 0.41                     |

Our carbon emissions were calculated in accordance with the GHG Protocol, and in alignment with the Streamlined Energy and Carbon Reporting Guidance 2019, utilising the UK Government Conversion factors 2021.

## Waste

Active recycling is in place at our offices, including our HQ in Grantham. We recycle the majority of our waste at HQ and segregate eight different waste streams, with the general waste (for example, paper hand towels, tissues, soiled food packaging) going to energy recovery. In 2021–22 we achieved a 100% diversion from landfill rate from our office locations. We are also working on improving the data collection on our waste generation that results from activities outside of the office environment, and hope to report these in future years.

## Water

Water consumption reduced significantly in 2021–22 – consuming 1008m<sup>3</sup> down from 1,402m<sup>3</sup> in 2020–21. This is largely attributable to the change in working at HQ. We will continue to explore mechanisms to reduce our level of water usage at HQ, regional offices and on our estate, including looking at opportunities to improve data quality via remote data loggers in difficult to reach locations.

## Resource use

There is heightened awareness of the environmental impact of three particular resources which the Trust currently uses within its conservation activities: plastics, most notably in the form of tree shelters; peat, as a growing medium by some of our supplier nurseries; and pesticides, most notably glyphosate, as part of our creation and restoration management.

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



*A range of plastic-free tree shelters are currently being trialled.*

## Plastic tree shelters

The Trust is one of the most significant tree-planting organisations in the UK. In January 2022, we stopped using new plastic tree shelters on our own estate – leading the sector in our approach to definitively establishing sustainable forms of woodland creation. This alone will result in a saving of over 300 tonnes of plastic over the next five years. However, we know that it doesn't stop at our estate, and we have a responsibility to influence others to make sustainable choices when planting trees.

The Woodland Trust is an active member of the Forest Plastics Working Group, which is a cross-sector group specifically created to share best practice in terms of sustainable tree establishment, particularly the reduction of plastic usage. Through this group this year we have contributed to detailed guidance on the usage of sustainable methods of tree protection which will help anyone involved in tree planting to make sustainable choices.

We have also mapped key areas of plastic tree-shelter usage off our own estate, but within our organisational sphere of influence. A detailed plan to stop the use of plastic in these areas is being developed to ensure that the most sustainable methods of tree protection are implemented over the coming years.

## Peat

Peat is important for carbon storage and biodiversity, and remains a common growing medium among commercial nurseries. For the 2021–22 season, the Trust purchased 5.7 million trees on contract, 98% of which were grown peat-free (up from 43% in 2019). Of the remainder, 24,130 were grown in growing media with less than 50% peat, and 83,235 in growing media with more than 50% peat. We are committed to peat removal from our core contracts as well as promoting peat-reduction strategies to those nurseries we work with outside contract as part of the UK and Ireland Sourced and Grown (UKISG) assurance standard we operate and promote.



## Pesticides

Across our estate, the Trust uses very little pesticide, having adopted a best-practice-plus approach to usage – going beyond what is recognised as best practice for the sector. This involves undertaking a full environmental and social risk assessment prior to usage and identifying appropriate methods of non-chemical vegetation control, where possible. When pesticides are used, it is undertaken in a very targeted and limited manner to aid establishment of new trees or to control non-native, invasive species such as rhododendron – a species which significantly reduces the ecological value of the woodland. We implement additional measures to those that are considered best practice for the sector, such as adopting larger buffer zones between a spray area and public rights of way, and closure of areas to the public during any spraying operations.

By continuing to use these methods, our annual usage has remained low, with annual fluctuations depending on the condition of new land we acquire or where control has been identified as required due to external factors (for example, ingress into our sites). In 2022, we used 273 litres which represents a year-on-year reduction of approximately 50% on last year's usage. We are committed to sustainable use of chemicals, such as pesticides across our estate, and will be working closely with other conservation organisations over the coming years to ensure that we share our knowledge and best practice techniques for competing vegetation.

## Future plans

Under the leadership of our head of sustainability, we are taking a systematic approach to identifying our materially significant areas of impact. Through this process, next year we will implement a comprehensive and ambitious sustainability strategy that will ensure we identify and reduce our sustainability impacts across the full environmental and social sustainability spectrum. This framework will embed sustainability in everything we do and enable us to transparently provide regular sustainability reports on our progress. We have already commenced a comprehensive carbon baselining and accounting programme that uses the Greenhouse Gas Protocol to account for our carbon emissions as well as our carbon stocks and stores. This will enable us to implement a thorough decarbonisation pathway as well as demonstrate the power of woods and trees within a wider global low-carbon future.

We will continue to drive improvements in how we deliver the positive environmental impacts we achieve through our work, as well as constantly strive to improve the management of the environmental impacts of our activities and maintain our certification against the Green Dragon Environmental Management System Standard. This involves taking a systematic approach to environmental protection and training our staff to use our new environmental management system and emerging sustainability strategy. We will also ensure we retain external \*Forest Stewardship Council® (FSC®) certification of our estate operations. We are the first large landowner to have received FSC® certification for a continuous period of over 20 years.

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\* Most Woodland Trust woods are certified to FSC® standards by the Soil Association. Ask us for details of our certified woods. Certificate number SA-FM/COC-001270. Licence code FSC-C009406.

# Governance



BEN LEE/WTML



## Structure

The Woodland Trust is a charity registered with the Charity Commission in England and Wales, no. 294344. It is a company limited by guarantee, no. 1982873, and does not have a share capital. It has the consent of the Registrar of Companies to be exempt from the requirement to use the word 'Limited' in its name.

The Woodland Trust is registered as a cross-border charity with the Office of the Scottish Charity Regulator (no. SC038885).

The Trust's governing document is its Memorandum and Articles of Association, and this can be accessed via our website: [woodlandtrust.org.uk](https://woodlandtrust.org.uk).

The Trust did have five wholly owned trading subsidiaries and currently has two: Woodland Trust (Enterprises) Limited (company no. 2296645); Woodland Trust Farming Limited (company no. 6360791); and Glen Finglas Farming Limited (company no. SC408716), which is dormant and was dissolved on 21 June 2022. The two trading subsidiaries were incorporated on 16 March 2020 – Woodland Trust Resilient Habitats Lottery Limited (company no. 12519624) and Woodland Trust Climate Action Lottery Limited (company no. 12519635). Before trading commenced, both companies were voluntarily struck off and dissolved on 15 June 2021 following a change in the Gambling Commission's licence thresholds, which meant that the subsidiaries were no longer required by the Trust.

The principal activities of Woodland Trust (Enterprises) Limited are sponsorship and commercial promotions in support of the Woodland Trust, and raffles and the sale of goods by mail and internet orders. Woodland Trust Farming Limited undertakes farming on some sites owned by the Woodland Trust. All profits are donated to the Trust. A summary of our trading subsidiaries' results appears in note 19 on page 125.

The trustees have taken account of the Charity Commission's general guidance on public benefit when setting our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities contribute to the aims and objectives they have set.

## Professional advisers

A list of the Trust's main professional advisers appears on page 131.

Haysmacintyre LLP has been reappointed as auditors through a resolution at the November 2021 board meeting.

## Health and safety

The Board holds the health, safety and wellbeing of staff, volunteers, contractors and visitors as a key priority. Our organisational management objectives strive to maintain the best possible standards of health and safety.

We try to avoid restricting visitor access to our woods as this might undermine people's enjoyment of woodland – and our own aim of inspiring them to value this precious, natural resource. We, therefore, take a pragmatic stance and expect visitors to take some responsibility – and reasonable measures – to ensure their own safety.

To enable this, the Trust is an active member of the Visitor Safety Group (VSG), the Forest Industry Safety Accord (FISA) and the Conservation Safety Network. The VSG writes the Health and Safety Executive Approved Code of Practice for managing visitor safety, and since December 2017 the Woodland Trust's head of health and safety has sat on its management board. Following the guidance set by these groups, the Woodland Trust aims to manage its sites with targeted safety interventions (such as signage) only where our risk assessment tells us it's necessary.

During 2022 and 2023, the Woodland Trust will carry out its scheduled external safety audit. The audit will be conducted by chartered safety practitioners from two peer organisations and will look at all aspects of our health and safety management system and standards. Following the audit, a full report will be delivered to our Board, together with any recommendations for improvement.

Our Board is ultimately responsible for compliance with health and safety legislation. This is delegated to the chief executive on an operational level and overseen by the director of corporate services. The appointed person for safety at the Trust (as defined by the management of Health and Safety at Work [HSAW] Regulations 1999) is the head of health and safety.





*From left to right: Back row – Paul Nevett, Darren Moorcroft (the Trust's CEO), James Ogilvie, Andy Bryant, Mark Preston, Richard Sykes. Front row – Fay Cooke, Sarah Mukherjee MBE, Barbara Young, Julia Smithies, Steve Horley, Chris Zissis, Sally Benthall*

## Structure of the Board

The trustees of the company, who are the charity's directors and members, form the Woodland Trust's Board, which is the organisation's ultimate governing body. Trustees are required to retire after four years, but may offer themselves up for re-appointment for one further period of four years.

Trustees are recruited to provide the skills and experience required to govern the Trust. To ensure we attract suitably skilled candidates, vacancies are advertised as appropriate and short-listed applicants undergo a selection process.

Recommendations for appointment are made by a selection panel chosen by the board affairs committee and ratified by the Board. Once appointed, each trustee is provided with an induction programme and training as appropriate. Trustees are regularly provided with internal and external information relevant to the Trust's governance, and make visits to our properties and woods. A performance review of each trustee is carried out every year.

**Barbara, Baroness Young of Old Scone** (key skills: people and organisational design, policy and advocacy)

Barbara is a Member of the House of Lords with special interests, among others, in the environment, agriculture, natural resources and climate change. She is chair of the Royal Veterinary College and member of the Commission on Food, Farming and the Countryside, and is a keen dressage rider. Her voluntary positions include honorary president of the South Georgia Heritage Trust and vice president of RSPB, BirdLife International and Flora and Fauna International.

**Sally Benthall** (key skills: conservation and ecology)

Sally has worked for over 30 years in environmental conservation, first for WWF-UK and then for the Galapagos Conservation Trust, which she helped to establish. She is a founding trustee of LandWorks, an independent charity which provides a supported route back into employment and the community for those in prison or at risk of going to prison. She also manages a farm in Devon, with a focus on regenerative agriculture.

**Andrew Bryant** (key skills: marketing, media and communications)

Andy is managing director of Red Bee Creative, a London-based, globally acclaimed creative agency specialising in media brand strategy, identity and promotion. He has over 30 years of experience in advertising, marketing, broadcasting and strategic consultancy, both in the UK and Australia, and is an honorary professor in film and media at the University of Nottingham.

**Fay Cooke** (key skills: business and finance)

Fay is the chief impact and financial officer at Yeo Valley Production Ltd where she leads the company's finance, people, technology and quality teams. She has a PhD in zoology and is passionate about the environment, climate change and animal welfare. Her particular interests include sustainable food policy, regenerative organic farming and holistic decision making.

**William Hobhouse** (retired 13 September 2021) (key skills: business and finance)

Will has worked in retail and digital businesses all his working life, developing Tie Rack and Whittard of Chelsea as CEO; latterly Jack Wills, Le Pain Quotidien, Explore Learning, Teemill, and King and McGaw as chair. He has previously worked with the British Museum Company, Cancer Research UK, Royal Botanic Gardens Kew and Greenhouse Sports, to further their aims. He was a former trustee of the Woodland Trust from 2009 to 2013, and reappointed in 2019.

**Stephen Horley** (key skills: business and finance, IT and digital)

Steve has worked in technology for 20 years, growing a number of 'Telecoms and the Internet of Things' businesses from start-ups into well-known brands. He is now an active investor in the renewable energy sector, chairman of EV fleet charging, adviser to Japan-based Energy & Environment Investments Inc; and non-executive director on the board of HomeServe Membership Ltd. Brought up in the Surrey Hills, Steve has a life-long love of trees and woodland.

**Sarah Mukherjee MBE** (retired 18 March 2022) (key skills: marketing, media and communications, policy and advocacy, stakeholder engagement)

Sarah is CEO of the Crop Protection Association which represents all the major agricultural chemical companies in the UK. Previously, she was director of environment at the UK water industry's trade association, Water UK. She was also the BBC's environment correspondent for many years, presenting on national and international BBC radio and television news, and working across the world. Sarah is a member of the National Parks' review advisory panel.



**Paul Nevett** (retired 18 March 2022) (key skills: business and finance, marketing, media and communications)

Paul has experience nationally and internationally in brand management and marketing from his previous career with Unilever, and has a strong personal interest in trees, woods and birds.

**James Ogilvie** (key skills: policy and advocacy, landowners and forestry, conservation and ecology)

A chartered forester, James' forestry career spans forty years – most recently leading social policy in Forestry Commission Scotland. A director of Borders Forest Trust and a Tree Aid business ambassador, James is fortunate to manage a small, award-winning woodland in Northumberland. His books include *Heritage Trees of Scotland* and *A Brief History of the Forestry Commission*.

**Mark Preston FRICS** (key skills: business and finance)

Mark is the executive trustee (since 2017) and chief executive (since 2008) of Grosvenor, with overall responsibility for the Grosvenor family's business interests. He is a member of the (University of) Cambridge Land Economy Advisory Board; an honorary vice president of the Cambridge University Land Society; and a trustee of the Urban Land Institute (ULI).

**Julia Smithies** (key skills: business and finance, governance, regulatory risk and legal)

Julia is a chartered accountant and retired from PricewaterhouseCoopers (PwC) where she led various parts of the tax practice and held senior strategic and governance roles. She is also a member of the advisory board for the International Opera Awards.

**Richard Sykes** (retired 25 November 2021) (key skills: business and finance, governance, regulatory risk and legal)

Richard is a chartered accountant and a retired partner of PwC where he led the governance, risk and compliance-facing initiatives. He is currently a non-executive director of Buro Happold as well as a board member of the England Hockey Board and Middlesex County Cricket Club, and the treasurer of Zoological Society of London (ZSL).

**Chrisostomos Zissis** (key skills: IT and digital)

Chris is a chief information officer and chief technology officer with extensive experience across technology, data, digital and transformation. He has a solid track record of global to local delivery at scale in professional services, financial services, capital markets and real estate services across the globe, and takes a keen interest in sustainability – particularly the role that technology can help play in achieving this. Chris currently holds the position of global head of technology and chief technology officer at Nuveen Real Estate and Real Assets.

# Committees, attendance and remuneration

The Board meets quarterly to consider strategic business issues, and three sub-committees meet as and when particular business demands require. During the pandemic and cyber incident, the trustees met more frequently to cover the Trust's financial sustainability and risk.

## Board affairs committee

This committee promotes good governance and effective working of the Board. During the period to 31 May 2022, among other matters, the committee commissioned a governance effectiveness review which identified several strengths such as the shared commitment to the vision of the Woodland Trust and a firm belief in the Trust's ability to make a difference. Some areas highlighted for improvement are clarity of decision making and equality, and diversity and inclusion. An action plan has been created, with progress against actions being monitored through the board affairs committee.

## Finance committee

This committee assists the Board in its duty to supervise the Trust's financial affairs. It also acts as an audit committee and an investment committee. During the period to 31 May 2022, among other matters, the committee met more frequently to review the Trust's financial stability during the Covid pandemic and monitored the Trust's recovery and risk during the cyber incident.

## Remuneration committee

The remuneration committee has delegated power to approve annual salary reviews for the management team: approving the individual pay and conditions and reviewing the performance of the chief executive and senior management team. It also determines the process for reviewing the pay and conditions of all other staff and receives the staff representation group's annual report on behalf of the trustees. In addition to the roles above, the committee reviewed the Trust's gender pay gap reporting and remuneration statement.

## Annual meeting attendance

There were four board meetings during the period to 31 May 2022. Due to retirements and new appointments, there was an average of 11 trustees attending all meetings during the period they served, with five trustees giving apologies for one meeting each. Overall, trustees attended 89% of meetings held during the period in which the trustees served.

## Trustees' emoluments

The trustees of the company, who comprise its Board, did not receive any remuneration during the period.

The Woodland Trust purchases indemnity insurance to protect it and its trustees and officers from losses arising from any wrongful act by its trustees or officers; and to indemnify them against their legal liability arising from any claim against them. The premium for the policy was £8,865 (12 months to May 2021: £7,177).





JILL JENNINGS/WTML

## Trustees' annual risk statement

### Why risk management is important to us

Proactive risk management contributed to the creation of our 10-year strategy and allows us to anticipate and respond to challenges in our complex operating environment. During the 12-month period to 31 May 2022, our risk management approach supported us in:

- protecting trees and woods through our integrated approach to develop resilient landscapes
- motivating people to stand up for trees, care for them and increase their number in the wider landscape
- meeting our obligations to our supporters, donors and partners.

Robust risk management enables us to make informed decisions and take calculated risks for the benefit of woods and trees.

### Principal risks and uncertainties during the 12-month period to 31 May 2022

The principal risks are those which, without effective mitigation, would have a severe impact on our work, our reputation or our ability to achieve our ambitions. Due to the long-term nature of our work, the Woodland Trust faces a number of inherent principal risks which are constant year on year.

The board of trustees has considered the impacts of the principal risks on the organisation's effectiveness in achieving its strategic objectives and ambitions for woods and trees. The principal risks and their mitigations are summarised below. Examples can be found in the strategic review, pages 15 through to 57.

## Delivering for the cause

### Challenges

**Challenge:** to improve the capacity of trees, woods and associated habitats to cope with the impact of climate change

Climate change and the combinations of local climatic events are increasingly likely to have an impact on landscape resilience, including on woods and trees.

#### Key mitigation

Our direct delivery on our own estate and with other landowners, and our lobbying and advocacy work, will reduce the negative pressures already on woodland and promote the use of a wider range of native species, improving age and structural diversity in woods. Using active woodland management will allow more scope for generational turnover and natural adaptation to develop.

**Challenge:** responding to political challenges

The UK's decision to leave the EU, and the nature of that exit and any future trade relationships with the EU or other countries, will have significant implications for the Trust's mission and how we deliver it. This is particularly true in relation to environmental protection, as well as legislation and policies to replace the Common Agricultural Policy.

#### Key mitigation

We will continue to monitor and respond to political and economic trends as they evolve, working proactively and collaboratively to secure priority legislative and public policy goals, including boosting public and broader funding for native trees and woods across all the countries of the UK. We are partners of the Greener UK coalition, established with the aim of influencing the Brexit process to achieve an outcome that would bring maximum protection and long-term benefit to the environment.

**Challenge:** to improve the capacity of trees, woods and associated habitats to cope with the impacts of pests and diseases

Experience of ash dieback and other tree diseases has in past years highlighted the risks of inadvertently importing tree disease on planting stock. We need to be sure that both procurement and licensing activities do not drive unintended consequences, such as the importation of tree disease or non-native invasive species and pests.

Having an estate where tree diseases and pests persist, and an outreach operation which will encounter these on third-party land, there is a risk of our activities becoming the vector for a pest or disease.

#### Key mitigation

We play an increasingly active role via established stakeholder and policy groups with government and key agencies and increase our influence and lobbying activity to press for improvements in biosecurity protocols and regulations. Our staff continue to monitor tree health and potential disease risk and detect and react, where possible, to new threats. On our estate we respond to Statutory Plant Health Notices which, in the case of *Phytophthora*, leads to the need for

sudden, large-scale felling operations. In the case of ash dieback, we have an increased and continued programme of safety felling. We have protocols for staff who move between sites which should be observed to maintain biosecurity.

The Woodland Trust's stance on biosecurity is clear, with a communications plan in place. We also have a clear tree-procurement policy to use only UK and Ireland Sourced and Grown material, as avoiding imports reduces disease risk. Our involvement in the Observatree partnership is recognised as assisting detection and monitoring of pests and diseases more widely. We have opened a dialogue to encourage corporate partners to consider plant health risks that might be associated with their business activities. We also fund research into the impacts of tree disease and a 'trees outside woods' strategy has been designed to tackle the landscape impact of ash dieback.

#### **Challenge: competition for land**

We are facing increasing competition for land.

#### **Key mitigation**

We have a clearly defined land plan and experience of working in partnership with others and developing financing models available to the Trust when competing on the open market. Over the last couple of years we have developed tools to achieve what we needed to through landowners without necessarily buying the land.

#### **Challenge: loss of ancient woodland and urban trees**

Loss of ancient trees and ancient and other valuable woodland causes fragmentation of the landscape – reducing the viability of remnant woodland areas and leading to the loss of habitats for key species – and cannot be compensated for by replanting.

#### **Key mitigation**

The campaigning team use digital platforms to galvanise action, and our raised profile through their HS2 campaign has increased public debate around ancient woodland protection. We operate a network of voluntary 'threat detectors' across the UK as well as equipping local communities with the tools to deal with threats. And we secure senior level dialogue with ministers and senior officials to press our case.

## **Brand awareness and reputation**

### **Challenges**

**Challenge: the climate emergency and the role of woods and trees attracts competition and we fail to capitalise on the opportunities for our mission, losing voice and income**

We welcome the increased understanding of the role that woods and trees play in the mitigation of the impacts of climate change, and we need to ensure that the Woodland Trust maintains its voice and income.

#### **Key mitigation**

We have developed The Big Climate Fightback and are actively making the case for a pro-nature approach to tackling climate change with trees. We have the ability to provide delivery options as well as generate support, influence others and hold government to account.



**Challenge: declining public trust in charities combined with a shifting political environment, impacting on our fundraising**

The public are crucial to our success and what we can achieve for woods and trees. Failure to uphold our reputation would lead to losing support. We must remain relevant to our diverse population.

**Key mitigation**

We will ensure our ethical policy and our values are reflected in everything we do. We have recruited a head of sustainability to invest further in our expertise, leadership and skills in sustainability. We will keep science and evidence at the heart of our work, and seek to keep abreast of the latest peer-reviewed evidence and conservation and land-management best practice, updating our positions and policies accordingly. We will uphold our supporter promise and continue to improve our fundraising approaches. We have recruited a head of diversity and inclusion and are committed to improving. We will listen to our supporters and volunteers through monitoring feedback and surveys, making the case for the decisions we make based on their contribution to the cause.

**Compliance****Challenges****Challenge: legal compliance**

Compliance covers events that could impact on reputation and operations, such as serious fraud or a significant health and safety or safeguarding incident, and includes our operational ability to deliver large-scale partnership activity.

**Key mitigation**

There is senior-level engagement in policy setting and monitoring, along with an internal audit programme reporting to the audit committee. There are comprehensive health and safety and safeguarding training/awareness programmes for staff and volunteers; and a data and fundraising regulation governance group. We have project management and legal and ethical due diligence that supports partnership working.

**Financial viability and business continuity****Challenges****Challenge: external factors such as pandemic/economic downturn or significant opportunities**

A major pandemic or economic downturn closes down significant parts of everyday life, requiring the organisation to change its operating model at speed while maintaining income and delivering for woods and trees.

**Key mitigation**

A business continuity plan is in place called the Emergency Management Framework, which has recently been reviewed and refreshed. Our financial forecasts and triggers provide timely information, while our fundraising strategy covers a diverse range of funding sources. We maintain a breadth of tools to

deliver for our cause – building the resilience of our operating model – and we continue to develop the skills and capabilities to flex these at speed and establish new ways of working where required. The refreshed framework will build upon existing plans and arrangements and act as an overarching umbrella to the existing good practice in contingency arrangements at a departmental level. It will also provide the structures at strategic, tactical and operational levels to manage, in a coordinated way, a major incident or crisis which may affect the Trust. As part of the framework's development, it will be tested against various emergency scenarios and re-tested periodically.

**Challenge: internal factors such as IT/digital failure, organisational development and improvements failing to keep pace**

Understanding how to communicate with our supporters and engage with the public in an ever-changing digital environment is challenging. The management and performance of technology across the organisation does not deliver for the cause. Major-change programmes fail to realise the benefits.

**Key mitigation**

We have recruited a chief information officer to lead the digital transformation and keep pace with the changing technology. There is resilience built into our systems. We have also established portfolio steering groups which drive our technology strategy, and we have change control implemented.

## People

### Challenges

**Challenge: loss of key staff and volunteers**

Our people are our greatest asset. Visible lack of leadership, including failure to create a working environment in which staff are valued and performance managed, leads to ineffectiveness and lack of understanding among our staff and volunteers. Failure to attract, engage, develop and retain the best staff in an increasingly competitive labour market leads to reduced ability to deliver successful outcomes for woods and trees.

**Key mitigation**

We have appointed an associate director of people to develop and implement our people strategy with key strands on wellbeing, internal communications, diversity and inclusion. Trustees review the performance of the CEO. We use the Investors in People framework as a mechanism to identify ongoing improvements to support our people, and we support our staff representation group to ensure two-way communication.

### How we manage risk

The board of trustees has reviewed the key risks for the Trust and is satisfied that the major risks have been identified and processes for addressing them have been implemented. The trustees have extensive discussions at board meetings and continue to monitor risk with great care. A formal review of risk takes place annually. It is recognised that any control system can only provide reasonable, but not absolute assurance that major risks have been adequately managed.

The Woodland Trust views the management of risk as an integral element of its strategic planning, evaluation and decision-making processes. Identified risks are embedded in the implementation of our strategic plans and our operational management practices. The scheme of delegation, which is reviewed annually by the Board, sets out the delegated authority of the finance committee, the board affairs committee, the remuneration committee and the principal officers. The day-to-day management is delegated to the chief executive and the senior management team.

## Policies

### Supplier payment policy

For all trade creditors, it is the Trust's policy to agree the terms of payment at the start of business with that supplier and ensure that suppliers are aware of the terms of payment and pay in accordance with their contractual and other legal obligations. The Trust has an excellent record for paying suppliers on time.

### Safeguarding policy

The Woodland Trust takes very seriously its responsibilities to children, young people and vulnerable adults who engage with the Trust. It therefore operates a safeguarding policy which applies to all employees, including senior managers and the board of trustees, volunteers, agency staff, contractors or anyone working on behalf of the Woodland Trust.

This policy sets out how the Trust will manage recruitment for job roles that involve working with vulnerable groups, and how it will manage matters arising during employment where it is believed that vulnerable groups could be, or have been, placed at risk. The policy also explains the responsibilities of staff in relation to the safeguarding of vulnerable groups and the procedure that should be followed when reporting any concerns.

### Employment and remuneration policy

The Woodland Trust has great ambitions for the delivery of its strategy and requires the recruitment of high-calibre people to represent our interests. We reward staff fairly for the jobs they do and for fostering a positive working environment, and we believe our salaries and employment terms and conditions reflect this.

People are employed by the Woodland Trust on the basis of the specific skills that they bring to their particular role. For the Trust to run successfully, a large range of skills and disciplines is required, and we need to pay appropriately to ensure that we can recruit people with the right skills.

We also need to retain skilled and expert staff in specific functions, in a competitive market where skills are readily transferable to other organisations. The Trust firmly believes in trying to retain staff for the long term, developing them and benefitting from their growing knowledge. This is in preference to the



disruption and expense of recruitment, especially as many staff have detailed knowledge that is unique to them in the organisation and could not be quickly replaced. Our salaries are set with this in mind.

The senior management team members require a breadth and depth of expertise which involves drawing from the best senior level talent in a competitive market. They need to be able to command the respect of their peers in the conservation and charity sector through their experience, knowledge and professional and personal credibility. At the same time, we seek to keep senior management salary costs at a proportionate ratio to other salaries in the organisation. Salaries for the senior management team – the chief executive and five (2020/21: five) directors – are approved and reviewed annually by the Trust's remuneration committee.

**The senior management team as at 31 May 2022 comprised:**

|  |                  |
|--|------------------|
| Chief executive officer                              | Darren Moorcroft |
| Director of conservation and external affairs        | Abigail Bunker   |
| Director of corporate services and company secretary | Helga Edwards    |
| Director of brand and communications                 | Ruth Hyde        |
| Director of fundraising and supporter development    | Karl Mitchell    |
| Director of operations, estate and woodland outreach | Alistair Maltby  |

## Responsibilities of the trustees of the Woodland Trust

The trustees are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice). These give a true and fair view of the state of affairs of the company and the group as at the end of the financial period, and of the surplus or deficit of the company for that period. In preparing these financial statements, the trustees are required to:

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

So far as each of the trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware
- they 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.

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

The trustees have taken account of the Charity Commission's general guidance on public benefit when setting the Trust's aims and objectives and planning our future activities. In particular, the trustees consider how planned activities contribute to the aims and objectives they have set.

The report of the trustees, which incorporates the requirements of the strategic report, was approved and authorised for issue by the trustees on 23 September 2022 and signed on their behalf by:



**Barbara, Baroness Young of Old Scone**  
**Chair**  
**23 September 2022**

# Independent Auditor's Report to the trustees of the Woodland Trust

## Opinion

We have audited the financial statements of the Woodland Trust for the period ended 31 May 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Consolidated 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, including Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*.

*In our opinion, the financial statements:*

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 May 2022 and of the group's and parent charitable company's net movement in funds, including the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

## Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 82–89, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Foreword. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

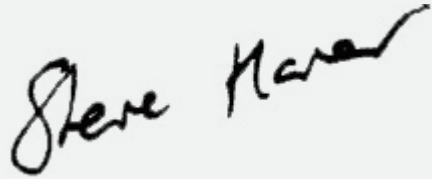
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charity Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for

no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Steve Harper', written in a cursive style.

Steven Harper,  
Senior Statutory Auditor  
for and on behalf of  
Haysmacintyre LLP,  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

23 September 2022



# Consolidated statement of financial activities



BEN LEE/WTML

|   | Note      | Unrestricted funds       |                              |                              |                             | Total<br>2021/22<br>£'000 | Total<br>2020/21*<br>£'000 |
|---|-----------|--------------------------|------------------------------|------------------------------|-----------------------------|---------------------------|----------------------------|
|   |           | General<br>Fund<br>£'000 | Designated<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowment<br>Funds<br>£'000 |                           |                            |
| <b>Income and endowments from:</b>                        |           |                          |                              |                              |                             |                           |                            |
| Donations and legacies                                    | 2         | 32,574                   | –                            | 18,804                       | –                           | 51,378                    | 61,890                     |
| Other trading activities                                  | 2         | 4,269                    | –                            | –                            | –                           | 4,269                     | 11,298                     |
| Investments   | 8         | 586                      | –                            | 131                          | (109)                       | 608                       | 1,019                      |
| Charitable activities                                     | 2         | 6,773                    | –                            | 11,372                       | –                           | 18,145                    | 12,993                     |
| Other income  | 2         | 1,672                    | –                            | 304                          | –                           | 1,976                     | 285                        |
| <b>TOTAL INCOME AND ENDOWMENTS</b>                        |           | <b>45,874</b>            | <b>–</b>                     | <b>30,611</b>                | <b>(109)</b>                | <b>76,376</b>             | <b>87,485</b>              |
| <b>Expenditure from:</b>                                  |           |                          |                              |                              |                             |                           |                            |
| Cost of raising funds                                     | 5         | (9,965)                  | –                            | (36)                         | (71)                        | (10,072)                  | (12,841)                   |
| <b>Charitable activities</b>                              |           |                          |                              |                              |                             |                           |                            |
| Protect woodland  | 5         | (9,252)                  | (293)                        | (6,389)                      | –                           | (15,934)                  | (13,643)                   |
| Restore woodland  | 5         | (10,024)                 | (317)                        | (6,922)                      | –                           | (17,263)                  | (15,825)                   |
| Create woodland   | 5         | (14,735)                 | (467)                        | (10,176)                     | –                           | (25,378)                  | (27,838)                   |
| Charitable expenditure                                    |           | (34,011)                 | (1,077)                      | (23,487)                     | –                           | (58,575)                  | (57,306)                   |
| <b>TOTAL EXPENDITURE</b>                                  |           | <b>(43,976)</b>          | <b>(1,077)</b>               | <b>(23,523)</b>              | <b>(71)</b>                 | <b>(68,647)</b>           | <b>(70,147)</b>            |
| Net (expenditure)/income before investment (losses)/gains |           | 1,898                    | (1,077)                      | 7,088                        | (180)                       | 7,729                     | 17,338                     |
| Net (losses)/gains  | 11        | (466)                    | –                            | (336)                        | (348)                       | (1,150)                   | 3,234                      |
| Net (expenditure)/income                                  |           | 1,432                    | (1,077)                      | 6,752                        | (528)                       | 6,579                     | 20,572                     |
| Transfers between funds                                   | 16        | 1,878                    | (4,713)                      | 4,732                        | (1,900)                     | (3)                       | (0)                        |
| Net movements in funds                                    |           | 3,310                    | (5,790)                      | 11,484                       | (2,428)                     | 6,576                     | 20,572                     |
| Fund Balances brought forward at 1 June                   |           | 25,347                   | 13,041                       | 124,641                      | 10,800                      | 173,829                   | 153,257                    |
| <b>FUND BALANCES CARRIED FORWARD AT 31 MAY</b>            | <b>17</b> | <b>28,657</b>            | <b>7,251</b>                 | <b>136,125</b>               | <b>8,372</b>                | <b>180,405</b>            | <b>173,829</b>             |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

This statement of financial activities excludes £15,791k (2020/21: £5,970k, a 17-month period) of woods and land acquired and capitalised as per note 9. There are no recognised gains or losses other than those shown in the consolidated statement of financial activities on page 94. The notes on pages 100–130 form part of these accounts.

All income and expenditure is derived from continuing activities.

No separate income and expenditure account as required under the Companies Act 2006 has been presented, as the only difference between the net expenditure for the period before transfers of £7,729k and the net surplus for the period of £6,579k, as defined under the Companies Act, are realised losses on investments of £1,150k which are reflected within net losses on investment assets and net expenditure within the endowment funds of £180k.

A comparative statement of financial activities is included in note 25 (page 129).



# Balance sheets

|                                     | Note | Group            |                   | Charity          |                   |
|-------------------------------------|------|------------------|-------------------|------------------|-------------------|
|                                     |      | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| <b>Fixed assets</b>                 |      |                  |                   |                  |                   |
| Tangible assets:                    |      |                  |                   |                  |                   |
| • woods and land                    | 9    | 113,185          | 97,452            | 113,185          | 97,452            |
| • other fixed assets                | 10   | 5,465            | 5,547             | 5,465            | 5,547             |
| <b>Total</b>                        |      | <b>118,650</b>   | <b>102,999</b>    | <b>118,650</b>   | <b>102,999</b>    |
| Investments                         | 11   | 34,173           | 46,167            | 34,173           | 46,167            |
| <b>Total</b>                        |      | <b>152,822</b>   | <b>149,166</b>    | <b>152,822</b>   | <b>149,166</b>    |
| <b>Current assets</b>               |      |                  |                   |                  |                   |
| Land for planting and resale        | 12   | 542              | 1,105             | 542              | 1,105             |
| Stocks                              | 13   | 469              | 433               | 222              | 214               |
| Debtors                             | 14   | 29,638           | 23,200            | 29,774           | 25,006            |
| Cash at bank and in hand            |      | 8,171            | 8,369             | 8,104            | 6,647             |
| <b>Total</b>                        |      | <b>38,820</b>    | <b>33,109</b>     | <b>38,642</b>    | <b>32,972</b>     |
| <b>Creditors</b>                    |      |                  |                   |                  |                   |
| Amounts falling due within one year | 15   | (11,236)         | (8,787)           | (11,058)         | (8,653)           |
| <b>Net current assets</b>           |      | <b>27,583</b>    | <b>24,322</b>     | <b>27,583</b>    | <b>24,319</b>     |
| <b>Long-term debtors</b>            |      |                  |                   |                  |                   |
| Amounts falling due after one year  | 16   | –                | 341               | –                | 341               |
| <b>Net Assets</b>                   | 18   | <b>180,405</b>   | <b>173,829</b>    | <b>180,405</b>   | <b>173,827</b>    |
| <b>Financed by:</b>                 |      |                  |                   |                  |                   |
| Restricted funds                    | 17   | 136,125          | 124,641           | 136,125          | 124,641           |
| Permanent endowments                | 17   | 8,372            | 10,800            | 8,372            | 10,800            |
| Unrestricted funds:                 |      |                  |                   |                  |                   |
| • general funds                     | 17   | 28,657           | 25,348            | 28,657           | 25,347            |
| • designated funds                  | 17   | 7,251            | 13,041            | 7,251            | 13,041            |
| <b>Total</b>                        |      | <b>180,405</b>   | <b>173,829</b>    | <b>180,405</b>   | <b>173,829</b>    |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

The net movement in funds for the parent company is a surplus of £6,576k (2021: surplus of £20,572k).

These accounts were approved and authorised for issue by the trustees on 23 September 2022 and signed on their behalf by:

A handwritten signature in blue ink that reads "Barbara Young". The signature is written in a cursive style with a large initial 'B'.

**Barbara, Baroness Young of Old Scone**  
**Chair**  
**Company number: 1982873**

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\* The notes on pages 100–130 form part of these accounts

# Consolidated cash flow statement

|   | Note | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|---|------|------------------|-------------------|
| <b>Cash inflows from operating activities</b>                 |      | 4,414            | 11,909            |
| <b>Investing activities</b>                                   |      |                  |                   |
| Investment income   | 8    | 608              | 1,019             |
| Purchase of woodland and land                                 | 9    | (15,791)         | (5,553)           |
| Purchase of fixed assets                                      | 10   | (238)            | (301)             |
| Purchase of investments                                       | 11   | (11,132)         | (12,502)          |
| Net liquid movement   | 11   | 4,452            | (8,343)           |
| Sale of investments   | 11   | 17,525           | 11,889            |
| <b>Net cash flow from investing activities</b>                |      | (4,576)          | (13,791)          |
| <b>Change in cash and cash equivalents in the period/year</b> |      |                  |                   |
| Net movement in cash in period/year                           |      | (198)            | (1,882)           |
| Cash as at 1 June   |      | 8,369            | 10,252            |
| <b>Cash at 31 May</b>   |      | 8,171            | 8,369             |

## (a) Reconciliation of net income to net cash flow from operating activities

|  | 2022<br>£'000 | 2020/21*<br>£'000 |
|--|---------------|-------------------|
| Net income/expenditure                           | 7,729         | 17,338            |
| Investment income                                | (608)         | (1,019)           |
| Donated woodland and land                        | (46)          | (417)             |
| Depreciation:                                    |               |                   |
| • woods and land                                 | 110           | 48                |
| • other fixed assets                             | 321           | 524               |
| Loss on disposal of:                             |               |                   |
| • woods and land                                 | 10            | 92                |
| • other fixed assets                             | -             | 13                |
| Grant of leases                                  | -             | 236               |
| Decrease in land stock                           | 563           | 73                |
| Decrease in stock                                | (36)          | (105)             |
| Increase in debtors                              | (6,438)       | (5,787)           |
| Increase in creditors                            | 2,468         | 895               |
| Decrease in long-term debtors                    | 341           | 18                |
| <b>Net cash inflow from operating activities</b> | <b>4,414</b>  | <b>11,909</b>     |

## (b) Analysis of change in net funds

|   | At 1 June 2021<br>£'000 | 2021/22 cashflows<br>£'000 | At 31 May 2022<br>£'000 |
|---|-------------------------|----------------------------|-------------------------|
| <b>Net movement in cash in the period</b> |                         |                            |                         |
| Cash at bank and in hand                  | 8,369                   | (198)                      | 8,171                   |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



# Notes to the accounts

## 1 Accounting policies

- a) The Woodland Trust is a company limited by guarantee, registered in England and Wales, and a charity registered with the Charity Commission and the Office of the Scottish Charity Regulator.

b) **Basis of accounting and statement of compliance**

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of listed investments to market value). The financial statements have been prepared in accordance with the Companies Act 2006, FRS102, the Financial Reporting Standard applicable in the UK and Ireland; and the Statement of Recommended Practice 'Accounting and Reporting by Charities' ('SORP 2019') as clarified by subsequent update bulletins. The Trust is a Public Benefit Entity as defined by FRS102.

In 2020, the accounting reference date was changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the accounts presented relate to a 12-month period, whereas the prior year comparative is a 17-month period.

c) **Preparation of the accounts on a going-concern basis**

The trustees consider that there are no material uncertainties which would cast doubt on the Trust's ability to continue as a going concern.

d) **Basis of consolidation**

Consolidated financial statements have been prepared for the Woodland Trust and its wholly owned subsidiaries, Woodland Trust (Enterprises) Limited and Woodland Trust Farming Limited. The turnover and expenditure of the subsidiaries are included within the consolidated statement of financial activities. The assets and liabilities of the subsidiaries are included on a line-by-line basis in the consolidated balance sheet in accordance with FRS102 section 9 – consolidated and separate financial statements. Uniform accounting policies are adopted throughout the group and any profits or losses arising from intra-group transactions are eliminated in the consolidated statement of financial activities. A separate statement of financial activities has not been prepared for the charity as permitted by section 408 of the Companies Act 2006. Glen Finglas Farming Limited is excluded from the consolidated accounts as it is not material to the group.

e) **Fund accounting**

**Restricted funds**

These funds include donations, legacies and grants which have been given to the Trust to be used in accordance with the wishes of the donor. All woods and land purchased and donated have been classified as restricted funds. This is a prudent approach as it is not practicable to review the legal

documents and funding conditions on all of the sites acquired since the Trust was established.

### **Endowment funds**

These represent money given in conjunction with gifts of land to provide for their future conservation. All the endowments are intended to be permanent, with the original capital being maintained and the income and capital growth being utilised. In certain circumstances, some of the original capital can be expended, subject to the terms of the endowment.

### **General funds**

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

### **Designated funds**

These funds have been set aside out of unrestricted funds, by the trustees, for specific purposes. The aim and use of each designated fund is set out in the notes to the accounts. We have set ourselves investment budgets for the next three years which will call on our core reserves and reduced the designated fund down to £2.0 million.

## **f) Income and endowments**

All income is recognised once the Trust has met the following criteria:

Entitlement to the income

Receipt is probable

Income can be measured reliably

### **Membership**

Memberships are received as monthly subscriptions, an annual payment, or a one-off life membership payment. Subscriptions are treated as donations and are accounted for when received.

### **Investments**

Income from investment is recognised in the period in which it is earned, not in the period it is received.

### **Donated assets**

Income in the form of non-cash assets has been included in the consolidated statement of financial activities at a reasonable estimate which the Trust would have been willing to pay on an open market.

### **Grants**

Grants for woodland management are credited to the consolidated statement of financial activities in the year in which they are received in line with the requirements of SORP 2019 and deferred only when the grant body has imposed conditions which prevent recognition of the income.

**Legacies**

Legacy income from each bequest is recognised once a reasonable estimate of its value can be made and providing there is no evidence of any significant contentious claims concerning the deceased's estate. Where the Trust is left part of the residue of an estate, the deceased's will, initial statements of assets and liabilities, and draft estate accounts, are used to calculate the estimated value of the bequest. This estimate is only recognised as income once the executors have proved the will (i.e. obtained probate). Bequests of land for conservation purposes are recognised as income and as an asset.

**Raffles and lottery**

Where raffles are run by the Woodland Trust and the Trust is principal, the proceeds are reported gross of any prize monies and other expenditure.

Lottery income is from lotteries managed by People's Postcode Lottery (PPL). Woodland Trust Enterprises Limited has no ability to alter the price of tickets, determine the prizes or reduce the management fee. PPL is the acting principal for these draws. Net proceeds received are recognised within lottery income in the Statement of Financial Activities. The analysis of the proceeds is detailed in note 3.

In January 2021, the direct beneficiary relationship with People's Postcode Lottery (PPL) ended. People's Postcode Lottery continue their valued support of the Trust through awards made by the Postcode Green Trust.

**The contribution of volunteers**

In accordance with SORP 2019, no amounts have been included in these financial statements to reflect the value of services provided free of charge to the Trust by volunteers.

**Carbon donations**

We actively solicit and receive donations to help the Trust plant trees and protect woodland across the UK, locking up carbon and offering companies and individuals the chance to mitigate their CO2 emissions. Conditions attached to these donations relate to the need to ensure that the woodlands remain in being for periods of up to 100 years, hence requiring the Trust to incur annual running costs for maintenance of these sites.

**g) Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party for goods or services, and where it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:



### **Cost of raising funds**

These are costs incurred in generating the income analysed in note 2 (page 106) to the accounts. These costs are analysed in notes 5 and 6 (pages 110–112) to the accounts and include membership costs, fundraising costs and investment management costs.

### **Charitable activities**

Expenditure is allocated as follows:

- Protection of native woodland – direct expenditure includes woodland management, research and lobbying to improve the degree of protection for ancient woods and ancient trees
- Restoration of woodland – direct expenditure includes the restoration of all damaged ancient woodland and the re-creation of native wooded landscapes
- Creation of new native woodland – direct expenditure includes the cost of planting trees, maintaining new woodland, financial support and the supply of trees to other landowners

Note 7 (page 113) to the accounts includes an analysis of staff numbers across charitable activities, fundraising activities, governance and support.

The cost of those staff directly focused on the Trust's charitable activities has been allocated across the three aims listed above in the same ratio as the expenditure on each strategic aim prior to their allocation.

### **Support costs**

These include the provision of offices, staff recruitment and development, information technology, governance and our finance function. Support costs are allocated to costs of raising funds and charitable activities on the basis of the direct expenditure incurred by each activity.

#### **h) Depreciation**

Depreciation is not provided on freehold and long-leasehold woods and land, which are considered to have a useful life of more than 50 years. Leasehold woods and land with a lease term of 50 years or less remaining are depreciated over the period of the lease.

Fixed assets with a cost of more than £1,000 are capitalised and depreciated. Depreciation has been charged at 2% per annum for the building, 20% per annum for office equipment and 25% per annum for computers, plant and machinery and motor vehicles. Depreciation is charged only when assets are brought into operational use.

#### **i) Woods and land**

Woods and land donated to the Trust for ongoing use in carrying out its activities are recognised as tangible fixed assets, with the corresponding gain recognised as income from donations within the consolidated statement of financial activities. Each site is valued in line with open-market land values at the time of transfer to the Trust. Any legal or

professional fees incurred in acquiring the asset are capitalised. The value of donated land is disclosed in note 9 (page 116) to the accounts. All woods and land purchased have been capitalised at cost.

From time to time, the Trust receives donations to acquire woodland with the specific condition that the land is leased onwards to a named third-party organisation. Provided the outcome is in alignment with the Trust's objectives, the Trust recognises the donation in the year in which it has been received and the purchase of the asset when there is a binding legal obligation. Once the lease has been completed, the Trust records a grant within expenditure to reflect the transfer of the woodland on a long lease. The woodland is valued within the Trust's assets at the value of the freehold interest retained (typically a nominal amount).

j) **Investments**

Investments in the subsidiary undertakings are stated at cost, less provision for impairment. All other investments are stated at fair value (i.e. market value) at the year end. The movement in valuation of investments is shown in the consolidated statement of financial activities and comprises both realised and unrealised gains and losses.

k) **Land for planting and resale**

Land for planting and resale is held at the cost of acquiring the land and its associated legal and professional fees.

l) **Stocks**

Stocks are stated at the lower of cost and net realisable value, where cost comprises purchase price.

m) **Critical accounting judgements and key sources of estimation uncertainty**

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

- The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which they relate.
- The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are:
- Recognition of residuary legacy income where there is significant uncertainty over the valuation of specific assets or liabilities within the estate and, therefore, the measurement criteria required by SORP 2019 is not met.
- The annual depreciation and amortisation charge for assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually.

- Donated woods are valued using the average cost price of all woods purchased by the Trust in the UK in the last three years. Distinction is made for land purchased that would impair the valuation of future purchases, but no distinction is made for geographic area or nature of the site as the Trust considers this to have no material impact on the valuation.
- Management applies judgement in the recognition of lottery income, which is explained further in note 3 (page 108).

n) **Financial instruments**

The Trust has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value. Financial assets held comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held comprise trade and other creditors. Other derivative-based assets included in the investment portfolio are held at their fair value.

o) **Operating leases**

Operating lease rentals are charged to the consolidated statement of financial activities on a straight-line basis over the life of the lease and to the activity to which the lease charge relates.

p) **Pensions**

The Trust operates defined contribution pension schemes. The cost of providing pensions is charged to the consolidated statement of financial activities, using the allocation method set out in note g (page 102), in the period in which contributions are made.

q) **Conduit transactions**

Where the Trust has received funds under conduit funding arrangements, they are not shown as income in the statement of financial activities. The asset received (for example, cash) and the obligation (liability) to pay this over to the third party is also not shown in the balance sheet. It is separately identified in the notes to the accounts, explaining the nature of the transaction and the relationship with the donor and ultimate recipient.

r) **Related party transactions**

Please refer to note 19 (page 125) for details of transactions between the Woodland Trust and its subsidiaries. Trustees made combined donations of £75 (2020/21: £2,500). There were no other related party transactions during the year to 31 May 2022.



## 2. Income 2021/22

|   | General<br>Funds<br>£'000 | Restricted<br>Funds<br>£'000 | Endowments<br>Funds<br>£'000 | Total<br>2022<br>£'000 |
|---|---------------------------|------------------------------|------------------------------|------------------------|
| <b>Donations and legacies</b>                         |                           |                              |                              |                        |
| Legacies  | 16,210                    | 2,059                        | –                            | 18,269                 |
| Membership subscriptions                              | 11,950                    | –                            | –                            | 11,950                 |
| Fundraising and appeals                               | 3,969                     | 6,029                        | –                            | 9,998                  |
| Company donations, Charitable trusts and landfill tax | 445                       | 10,673                       | –                            | 11,118                 |
| Donated woodland and land                             | –                         | 43                           | –                            | 43                     |
| <b>TOTAL DONATIONS AND LEGACIES</b>                   | <b>32,574</b>             | <b>18,804</b>                | <b>–</b>                     | <b>51,378</b>          |
| <b>Other trading activities</b>                       |                           |                              |                              |                        |
| Sponsorship income                                    | 2,518                     | –                            | –                            | 2,518                  |
| Lotteries   | –                         | –                            | –                            | –                      |
| Raffles   | –                         | –                            | –                            | –                      |
| Merchandise income                                    | 1,751                     | –                            | –                            | 1,751                  |
| <b>TOTAL INCOME FROM OTHER TRADING ACTIVITIES</b>     | <b>4,269</b>              | <b>–</b>                     | <b>–</b>                     | <b>4,269</b>           |
| <b>Income from charitable activities</b>              |                           |                              |                              |                        |
| Grants  | 2,164                     | 11,372                       | –                            | 13,536                 |
| Woodland management income                            | 4,609                     | –                            | –                            | 4,609                  |
| <b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>        | <b>6,773</b>              | <b>11,372</b>                | <b>–</b>                     | <b>18,145</b>          |
| <b>Other income</b>                                   | <b>1,672</b>              | <b>304</b>                   | <b>–</b>                     | <b>1,976</b>           |
| <b>Investment income</b>                              | <b>586</b>                | <b>131</b>                   | <b>(109)</b>                 | <b>608</b>             |
| <b>TOTAL INCOME</b>                                   | <b>45,874</b>             | <b>30,611</b>                | <b>(109)</b>                 | <b>76,376</b>          |

### Legacy notifications

In addition to the legacy income recorded above, the Trust had been advised of a number of legacies bequeathed to it where the conditions regarding income recognition were not fulfilled by the period end. The combined estimated value of these legacies, where it is possible to estimate their value, was at least £5.9 million (2020/21: £4.0 million).

## Income for the 17-month period to 31 May 2021\*

|   | General<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Endowment<br>funds<br>£'000 | Total<br>31 May<br>2021*<br>£'000 |
|---|---------------------------|------------------------------|-----------------------------|-----------------------------------|
| <b>Donations and legacies</b>                         |                           |                              |                             |                                   |
| Legacies  | 17,866                    | 3,918                        | –                           | 21,784                            |
| Membership subscriptions                              | 16,564                    | –                            | –                           | 16,564                            |
| Fundraising and appeals                               | 5,970                     | 5,075                        | –                           | 11,045                            |
| Company donations, charitable trusts and landfill tax | 1,358                     | 10,741                       | –                           | 12,099                            |
| Donated woods and land                                | –                         | 398                          | –                           | 398                               |
| <b>TOTAL DONATIONS AND LEGACIES</b>                   | <b>41,758</b>             | <b>20,132</b>                | <b>–</b>                    | <b>61,890</b>                     |
| <b>Other trading activities</b>                       |                           |                              |                             |                                   |
| Sponsorship income                                    | 4,315                     | –                            | –                           | 4,315                             |
| Lotteries   | 4,538                     | –                            | –                           | 4,538                             |
| Raffles   | 726                       | –                            | –                           | 726                               |
| Merchandise income                                    | 1,719                     | –                            | –                           | 1,719                             |
| <b>TOTAL INCOME FROM OTHER TRADING ACTIVITIES</b>     | <b>11,298</b>             | <b>–</b>                     | <b>–</b>                    | <b>11,298</b>                     |
| <b>Income from charitable activities</b>              |                           |                              |                             |                                   |
| Grants  | 4,355                     | 4,815                        | –                           | 9,170                             |
| Woodland management income                            | 3,823                     | –                            | –                           | 3,823                             |
| <b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>        | <b>8,178</b>              | <b>4,815</b>                 | <b>–</b>                    | <b>12,993</b>                     |
| <b>OTHER INCOME</b>                                   | <b>39</b>                 | <b>246</b>                   | <b>–</b>                    | <b>285</b>                        |
| <b>INVESTMENT INCOME</b>                              | <b>737</b>                | <b>219</b>                   | <b>63</b>                   | <b>1,019</b>                      |
| <b>TOTAL INCOME</b>                                   | <b>62,010</b>             | <b>25,412</b>                | <b>63</b>                   | <b>87,485</b>                     |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

### 3. Lottery income

In January 2021, the 'promoting society' relationship with People's Postcode Lottery (PPL) ended. Players of People's Postcode Lottery continue their valued support of the Trust through grants made by Postcode Green Trust.

|   | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|---|------------------|-------------------|
| People's Postcode Lottery ticket value      | –                | 14,183            |
| People's Postcode Lottery prize fund        | –                | (5,635)           |
| People's Postcode Lottery management fee    | –                | (3,972)           |
| Prize indemnity insurance                   | –                | (38)              |
| <b>NET PEOPLE'S POSTCODE LOTTERY INCOME</b> | <b>–</b>         | <b>4,538</b>      |



## 4. Grants

### The following organisations provided grants:

|   | 2022<br>£'000 | 2020/21*<br>£'000 |
|---|---------------|-------------------|
| Postcode Green Trust  | 3,265         | –                 |
| Green Recovery Challenge Fund: National Lottery Heritage Fund in partnership with Natural England and the Environment Agency on behalf of Defra | 2,700         | –                 |
| HM Revenue & Customs Coronavirus job retention scheme   | 5             | 1,653             |
| Northern Ireland Environment Agency   | 672           | 1,146             |
| National Lottery Heritage Fund  | 941           | 951               |
| Forestry Commission   | 432           | 909               |
| The Pears #iwill Fund   | 150           | 750               |
| Rural Payment Agencies  | 649           | 632               |
| Defra   | 1,421         | 605               |
| Natural Resources Wales – Cyfoeth Naturiol Cymru  | 45            | 501               |
| Greater London Authority  | 9             | 484               |
| Scottish Government Rural Payments and Inspections Directorate  | 391           | 480               |
| Natural England   | 429           | 234               |
| European Agricultural Fund for Rural Development / DAERA  | 408           | –                 |
| NatureScot  | 105           | 209               |
| Esmée Fairbairn Foundation  | 90            | –                 |
| Department of Agriculture and Rural Development   | 1,295         | 180               |
| Environment Agency  | –             | 108               |
| Scottish Forestry   | 70            | 90                |
| Welsh Assembly Government Rural Payments  | 224           | 64                |
| Point and Sandwich Trust  | -53           | 53                |
| Other grant providers   | 25            | 43                |
| Local Authorities   | 218           | 32                |
| Welsh Government – Llywodraeth Cymru  | 30            | 21                |
| European Commission's LIFE programme  | –             | 11                |
| National Forest Company   | 13            | 9                 |
| People's Trust for Endangered Species   | 2             | 5                 |
| Endangered Landscapes Programme   | –             | –                 |
| Assynt Foundation   | –             | –                 |
| The Pears Family Charitable Foundation  | –             | –                 |
| Snowdonia National Park Authority   | –             | –                 |
| Armed Forces Covenant Fund Trust  | –             | –                 |
| <b>TOTAL</b>  | <b>13,536</b> | <b>9,170</b>      |

Of those listed above, £11,372k (2020/21: £4,815k) are restricted grants. Grant income is project-activity based and the level of income recognised relates to the activity taking place during the period, or the conditions set out by the donor.

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## 5. Expenditure 2022

|   | Direct<br>£'000 | Support<br>£'000 | 2022<br>£'000 |
|---|-----------------|------------------|---------------|
| <b>Cost of raising funds</b>                          |                 |                  |               |
| <b>Cost of donations and legacies</b>                 |                 |                  |               |
| Membership  | 6,257           | 773              | 7,030         |
| Fundraising and appeals                               | 669             | 83               | 751           |
| Company donations, Charitable Trusts and landfill tax | 603             | 75               | 677           |
| Legacies  | 106             | 8                | 115           |
| <b>TOTAL</b>  | <b>7,635</b>    | <b>939</b>       | <b>8,573</b>  |
| <b>Other trading activities</b>                       |                 |                  |               |
| Sponsorship   | 781             | 97               | 878           |
| Merchandise   | 373             | 46               | 419           |
| Lotteries   | 20              | 2                | 22            |
| <b>TOTAL</b>  | <b>1,174</b>    | <b>145</b>       | <b>1,320</b>  |
| <b>Investment management costs</b>                    | <b>179</b>      | <b>-</b>         | <b>179</b>    |
| <b>TOTAL COST OF RAISING FUNDS</b>                    | <b>8,988</b>    | <b>1,084</b>     | <b>10,072</b> |
| <b>Charitable activities</b>                          |                 |                  |               |
| Protect woodland                                      | 14,197          | 1,738            | 15,934        |
| Restore woodland                                      | 15,378          | 1,886            | 17,263        |
| Create woodland                                       | 22,638          | 2,740            | 25,378        |
| <b>TOTAL CHARITABLE ACTIVITIES</b>                    | <b>52,212</b>   | <b>6,363</b>     | <b>58,575</b> |
| <b>TOTAL EXPENDITURE</b>                              | <b>61,200</b>   | <b>7,447</b>     | <b>68,647</b> |

This statement of expenditure excludes £15,971k (2021: £5,970k) of woods and land acquired and capitalised as per note 9 (page 116).

| Expenditure for the 17-month period to 31 May 2021       | Direct<br>£'000 | Support<br>£'000 | May 2021*<br>£'000 |
|--|-----------------|------------------|--------------------|
| <b>Costs of raising funds for donations and legacies</b> |                 |                  |                    |
| Membership   | 6,238           | 1,248            | 7,486              |
| Fundraising and appeals                                  | 1,403           | 281              | 1,684              |
| Company donations, charitable trusts and landfill tax    | 745             | 149              | 894                |
| Legacies   | 219             | 14               | 233                |
| <b>TOTAL</b>   | <b>8,605</b>    | <b>1,692</b>     | <b>10,297</b>      |
| <b>Other trading activities</b>                          |                 |                  |                    |
| Sponsorship  | 981             | 197              | 1,178              |
| Merchandise  | 699             | 140              | 839                |
| Lotteries  | 227             | 45               | 272                |
| <b>TOTAL</b>   | <b>1,907</b>    | <b>382</b>       | <b>2,289</b>       |
| <b>Investment management costs</b>                       | 255             | –                | 255                |
| <b>TOTAL COST OF RAISING FUNDS</b>                       | <b>10,767</b>   | <b>2,074</b>     | <b>12,841</b>      |
| <b>Charitable activities</b>                             |                 |                  |                    |
| Protect woodland   | 11,436          | 2,207            | 13,643             |
| Restore woodland   | 13,214          | 2,611            | 15,825             |
| Create woodland  | 23,318          | 4,520            | 27,838             |
| <b>TOTAL CHARITABLE ACTIVITIES</b>                       | <b>47,968</b>   | <b>9,338</b>     | <b>57,306</b>      |
| <b>TOTAL EXPENDITURE</b>                                 | <b>58,735</b>   | <b>11,412</b>    | <b>70,147</b>      |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



## 6. Support costs 2022

|                               | Premises<br>£'000 | Governance<br>£'000 | Depreciation<br>and loss on<br>sales<br>£'000 | Finance & IT<br>£'000 | Human<br>resources<br>£'000 | Management<br>and other<br>£'000 | 2022<br>£'000 |
|-------------------------------|-------------------|---------------------|---|-----------------------|-----------------------------|----------------------------------|---------------|
| <b>Cost of raising funds</b>  | 133               | 52                  | 47  | 617                   | 178                         | 57                               | 1,084         |
| <b>Charitable expenditure</b> |                   |                     |   |                       |                             |                                  |               |
| • Protect woodland            | 211               | 83                  | 90  | 980                   | 282                         | 90                               | 1,738         |
| • Restore woodland            | 228               | 90                  | 104   | 1,060                 | 305                         | 98                               | 1,886         |
| • Create woodland             | 335               | 132                 | 124   | 1,557                 | 448                         | 144                              | 2,740         |
| <b>TOTAL</b>                  | <b>774</b>        | <b>305</b>          | <b>318</b>                                    | <b>3,597</b>          | <b>1,035</b>                | <b>332</b>                       | <b>6,364</b>  |
| <b>TOTAL SUPPORT COSTS</b>    | <b>907</b>        | <b>357</b>          | <b>365</b>                                    | <b>4,214</b>          | <b>1,214</b>                | <b>389</b>                       | <b>7,447</b>  |

The trustees/directors of the company, who comprise its Board, did not receive any remuneration during the period. Travelling and subsistence expenses incurred by 14 (2020/21: 15) trustees/directors on Board business amounted to £10k (2020/21: £4k) during the period.

| Support costs for the<br>17-month period to 31<br>May 2021* | Premises<br>£'000 | Governance<br>£'000 | Depreciation<br>& loss on<br>sales<br>£'000 | Finance & IT<br>£'000 | Human<br>resources<br>£'000 | Management<br>& other<br>£'000 | 2021*<br>£'000 |
|---|-------------------|---------------------|---|-----------------------|-----------------------------|--------------------------------|----------------|
| <b>Cost of raising funds</b>                                | 193               | 58                  | 96  | 1,381                 | 276                         | 70                             | 2,074          |
| <b>Charitable expenditure</b>                               |                   |                     |   |                       |                             |                                |                |
| • Protect woodland  | 205               | 62                  | 111   | 1,463                 | 292                         | 74                             | 2,207          |
| • Restore woodland  | 240               | 73                  | 152   | 1,716                 | 343                         | 87                             | 2,611          |
| • Create woodland   | 420               | 127                 | 215   | 3,006                 | 600                         | 152                            | 4,520          |
| <b>TOTAL</b>  | <b>865</b>        | <b>262</b>          | <b>478</b>                                  | <b>6,185</b>          | <b>1,235</b>                | <b>313</b>                     | <b>9,340</b>   |
| <b>TOTAL SUPPORT COSTS</b>                                  | <b>1,058</b>      | <b>320</b>          | <b>574</b>                                  | <b>7,566</b>          | <b>1,511</b>                | <b>383</b>                     | <b>11,412</b>  |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## 7. Net income for the period before transfers, employees and volunteers

Included in the statement of financial activities are those amounts which require separate disclosure.

|   | 2022<br>£'000 | 17 months<br>to 31 May<br>2021*<br>£'000 |
|---|---------------|--|
| <b>The surplus for the period after charging:</b> |               |  |
| • Salaries and wages                              | 16,776        | 21,881                                   |
| • Social Security costs                           | 1,642         | 2,072                                    |
| • Other pension costs                             | 1,958         | 2,473                                    |
| <b>TOTAL</b>                                      | <b>20,376</b> | <b>26,426</b>                            |

Included in the above is £52k in redundancies (inc. ex-gratia payments)

|                                      | 2022<br>£'000 | 17 months<br>to 31 May<br>2021*<br>£'000 |
|--------------------------------------|---------------|--|
| Depreciation                         | 395           | 507                                      |
| Auditor's fees and expenses:         |               |  |
| • Audit work                         | 32            | 40                                       |
| • Other services                     | 3             | 9  |
| Rentals under operating leases:      |               |  |
| • Land and buildings                 | 171           | 234                                      |
| • Other                              | 638           | 885                                      |
| <b>IRRECOVERABLE VALUE ADDED TAX</b> | <b>1,650</b>  | <b>1,630</b>                             |

Irrecoverable VAT is classified under the same heading as the expenditure or asset to which it relates.

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## Employees and volunteers

The average number of employees during the twelve-month period June 2021 to May 2022 was 530 (2020/21: 501). The average number of employees, analysed by function, was:

|  | 2022<br>Total | 2021*<br>Total |
|--|---------------|----------------|
| Charitable activities  | 233           | 348            |
| Fundraising  | 210           | 93             |
| Human resources, finance, information technology, legal and governance | 87            | 60             |
| <b>TOTAL</b>   | <b>530</b>    | <b>501</b>     |

The average number of employees is calculated using the full-time equivalent method. The actual number of employees is 575 (2020/21: 542); the difference being due to job shares and part-time positions held by employees. The average number of employees increased by 29 (2020/21: 0).

We rely on volunteers to help with a wide range of activities, including tree planting, care and management of our woods, promotion of our work, research, employee mentoring and administration. In addition, we rely on volunteers to collect data on the Ancient Tree Inventory and also on climate change through our phenology project.

We use the Volunteer Investment and Value Audit process to estimate the contribution of our volunteers. During the 12-month period to 31 May 2022, volunteers contributed 197,468 hours with an ascribed value of £1.6 million (2020/21: 148,003 hours, value £1.1 million), which is not reflected in the financial statements.

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



Employees' emoluments (basic pay, pensions and health care) for the staff earning more than £60,000 for the 12-month period to 31 May 2022 fell into the following bands:

| £'s             | Number of employees |          |
|-----------------|---------------------|----------|
|                 | 2021/22             | 2020/21* |
| 130,000–139,999 | 1                   | 1        |
| 120,000–129,999 | 0                   | 0        |
| 110,000–119,999 | 0                   | 0        |
| 100,000–109,000 | 2                   | 2        |
| 90,000–99,999   | 2                   | 2        |
| 80,000–89,999   | 2                   | 2        |
| 70,000–79,999   | 0                   | 0        |
| 60,000–69,999   | 5                   | 3        |

## 8. Investment income

Income from investments was as follows:

|   | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|---|------------------|-------------------|
| Income from UK-listed investments       | 410              | 638               |
| Income from UK cash investments         | 61               | 112               |
| Bank interest receivable                | –                | 14                |
| Income from overseas-listed investments | 138              | 255               |
| <b>TOTAL</b>                            | <b>609</b>       | <b>1,019</b>      |

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## 9. Fixed assets – woods and land

|                                      | Purchased         |                            |                             | Donated           |                            |                             | Total<br>£'000 |
|--------------------------------------|-------------------|----------------------------|-----------------------------|-------------------|----------------------------|-----------------------------|----------------|
|                                      | Freehold<br>£'000 | Long<br>leasehold<br>£'000 | Short<br>leasehold<br>£'000 | Freehold<br>£'000 | Long<br>leasehold<br>£'000 | Short<br>leasehold<br>£'000 |                |
| Cost or donated value                |                   |                            |                             |                   |                            |                             |                |
| At 1 June 2021                       | 85,440            | 873                        | 189                         | 6,421             | 4160                       | 985                         | 98,068         |
| Additions in the period              | 15,245            | 500                        | –                           | 44                | –                          | 2                           | 15,791         |
| Grant of leases                      | –                 | –                          | –                           | –                 | –                          | –                           | –              |
| Disposals in the period              | (10)              | –                          | –                           | –                 | –                          | –                           | (10)           |
| Transfers (between asset categories) | –                 | 183                        | (183)                       | –                 | –                          | –                           | –              |
| AT 31 MAY 2022                       | 100,675           | 1,556                      | 6                           | 6,465             | 4,160                      | 987                         | 113,849        |
| Depreciation                         |                   |                            |                             |                   |                            |                             |                |
| At 1 June 2021                       | 0                 | 0                          | 62                          | 0                 | 0                          | 554                         | 616            |
| Disposals in the period              | 0                 | 0                          | (62)                        | 0                 | 0                          | 0                           | (62)           |
| Charge in the period                 | 16                | 63                         | 3                           | 0                 | 0                          | 28                          | 110            |
| AT 31 MAY 2022                       | 16                | 63                         | 3                           | 0                 | 0                          | 582                         | 664            |
| Net book value                       |                   |                            |                             |                   |                            |                             |                |
| AT 31 MAY 2022                       | 100,659           | 1,493                      | 3                           | 6,465             | 4,160                      | 405                         | 113,185        |
| AT 31 MAY 2021                       | 85,440            | 873                        | 127                         | 6,421             | 4,160                      | 431                         | 97,452         |

In addition, the Trust currently leases 13 hectares (2020/21: 13 hectares) of woodland under short leaseholds at peppercorn rents. In the opinion of the directors, the value of these assets is immaterial.

The additions are allocated across our charitable aims:

|                  | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|------------------|------------------|-------------------|
| Protect woodland | 185              | 1,847             |
| Restore woodland | 795              | 1,479             |
| Create woodland  | 14,811           | 2,644             |
| <b>TOTAL</b>     | <b>15,791</b>    | <b>5,970</b>      |

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## 10. Other fixed assets

| <i>The group and the charity:</i> | Buildings<br>£'000 | Computer<br>equipment<br>& software<br>£'000 | Office<br>equipment<br>& furniture<br>£'000 | Plant &<br>machinery<br>£'000 | Total<br>£'000 |
|-----------------------------------|--------------------|--|---|-------------------------------|----------------|
| At 1 June 2021                    | 6,542              | 4,161  | 441   | 598                           | 11,742         |
| Additions in the period           | –                  | 5  | 137   | 96                            | 238            |
| Disposals in the period           | –                  | –  | –   | (36)                          | (36)           |
| At 31 May 2022                    | <b>6,542</b>       | <b>4,166</b>                                 | <b>578</b>                                  | <b>659</b>                    | <b>11,945</b>  |
| <b>Depreciation</b>               |                    |  |   |                               |                |
| At 1 June 2021                    | 1,385              | 3,902  | 413   | 495                           | 6,195          |
| Charge for the period             | 131                | 109  | 17  | 64                            | 321            |
| Disposals in the period           | –                  | –  | –   | (36)                          | (36)           |
| At 31 May 2022                    | <b>1,516</b>       | <b>4,011</b>                                 | <b>430</b>                                  | <b>523</b>                    | <b>6,480</b>   |
| <b>Net book value</b>             |                    |  |   |                               |                |
| <b>At 31 May 2022</b>             | <b>5,026</b>       | <b>155</b>                                   | <b>148</b>                                  | <b>136</b>                    | <b>5,465</b>   |
| <b>At 31 May 2021*</b>            | <b>5,157</b>       | <b>259</b>                                   | <b>28</b>                                   | <b>103</b>                    | <b>5,547</b>   |

## 11. Investments

| <i>The group and the charity:</i>  | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|------------------------------------|------------------|-------------------|
| <b>Investments at market value</b> |                  |                   |
| Permanent endowments               | 8,372            | 10,800            |
| Designated funds                   | –                | 11,181            |
| Restricted funds                   | –                | 23,186            |
| General funds                      | 25,800           | 1,000             |
| <b>TOTAL</b>                       | <b>34,172</b>    | <b>46,167</b>     |

|                                  | Cost             |                   | Valuation        |                   |
|----------------------------------|------------------|-------------------|------------------|-------------------|
|                                  | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| <b>Investments consist of:</b>   |                  |                   |                  |                   |
| Cash held as part of investments | 1,621            | 499               | 1,621            | 499               |
| UK-listed investments            | 10,033           | 14,096            | 10,400           | 15,236            |
| Overseas-listed investments      | 12,358           | 12,138            | 13,328           | 15,855            |
| Other UK short-term holdings     | 8,669            | 14,530            | 8,823            | 14,577            |
| <b>TOTAL</b>                     | <b>32,681</b>    | <b>41,263</b>     | <b>34,172</b>    | <b>46,167</b>     |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



|  | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|--|------------------|-------------------|
| <b>The movement on valuation of investments is as follows:</b> |                  |                   |
| Market value at 1 January                                      | 46,167           | 33,977            |
| Acquisitions   | 11,132           | 12,502            |
| Sales proceeds   | (17,525)         | (11,889)          |
| Net liquidity fund movement                                    | (4,452)          | 8,343             |
| Net investment gains   | (1,150)          | 3,234             |
| <b>MARKET VALUE AT 31 MAY</b>                                  | <b>34,172</b>    | <b>46,167</b>     |
| <b>Comprising:</b>   |                  |                   |
| Cost at 31 May   | 32,682           | 41,263            |
| Unrealised investment gains at 31 May                          | 1,490            | 4,904             |
| <b>MARKET VALUE AT 31 MAY</b>                                  | <b>34,172</b>    | <b>46,167</b>     |
| <b>REALISED INVESTMENT GAINS IN THE PERIOD/YEAR</b>            | <b>2,263</b>     | <b>1,138</b>      |

The Woodland Trust owns the entire issued share capital (100 ordinary shares of £1) in each of its three subsidiary companies: Woodland Trust (Enterprises) Limited and Woodland Trust Farming Limited, which are incorporated in England; and Glen Finglas Farming Limited, which is incorporated in Scotland. Glen Finglas Farming Limited is dormant and was dissolved on 21 June 2022. Details of the trading activities of the two active subsidiaries are set out in note 19 (page 125).

## 12. Land purchased for resale

|                                  | Group            |                   | Charity          |                   |
|----------------------------------|------------------|-------------------|------------------|-------------------|
|                                  | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| <b>Land available for resale</b> | <b>542</b>       | <b>1,105</b>      | <b>542</b>       | <b>1,105</b>      |

Land available for resale represents woodland purchased for planting and onward sale in due course under the Trust's 'Purchase, Plant and Pass on' and 'Purchase, Restore and Pass on' schemes. The schemes are intended to create new woodland at minimal net cost to the Woodland Trust and provide an opportunity for new owners to get involved in woodland management. During the period, £563k of land was sold.

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## 13. Stocks

|                               | Group            |                   | Charity          |                   |
|-------------------------------|------------------|-------------------|------------------|-------------------|
|                               | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| Livestock and stores          | 222              | 214               | 222              | 214               |
| Raw materials and consumables | 247              | 219               | –                | –                 |
| <b>TOTAL</b>                  | <b>469</b>       | <b>433</b>        | <b>222</b>       | <b>214</b>        |

## 14. Debtors

|                                | Group            |                   | Charity          |                   |
|--------------------------------|------------------|-------------------|------------------|-------------------|
|                                | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| Legacies receivable            | 12,940           | 13,190            | 12,940           | 13,190            |
| Grants receivable              | 6,321            | 3,588             | 5,704            | 3,131             |
| Trade debtors                  | 984              | 1,549             | 187              | 562               |
| Amounts owed from subsidiaries | –                | –                 | 1,676            | 3,210             |
| Other debtors                  | 8,357            | 3,879             | 8,229            | 3,919             |
| Prepayments and accrued income | 1,036            | 994               | 1,036            | 994               |
| <b>TOTAL</b>                   | <b>29,638</b>    | <b>23,200</b>     | <b>29,772</b>    | <b>25,006</b>     |

## 15. Creditors: amounts falling due within one year

|                              | Group            |                   | Charity          |                   |
|------------------------------|------------------|-------------------|------------------|-------------------|
|                              | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| Trade creditors              | 8,539            | 6,384             | 8,445            | 6,371             |
| Taxation and Social Security | 634              | 610               | 484              | 420               |
| Accruals and deferred income | 2,063            | 1,774             | 2,092            | 1,862             |
| <b>TOTAL</b>                 | <b>11,236</b>    | <b>8,768</b>      | <b>11,021</b>    | <b>8,653</b>      |

## 16. Long-term debtor

|                                    | Group            |                   | Charity          |                   |
|------------------------------------|------------------|-------------------|------------------|-------------------|
|                                    | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| Amounts falling due after one year | –                | 341               | –                | 341               |
| <b>TOTAL</b>                       | <b>–</b>         | <b>341</b>        | <b>–</b>         | <b>341</b>        |

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## 17. Movement of funds

| Restricted funds 2021/22 | Movement of funds               |                           |                                 |                    | Balance at 31 May 2022<br>£'000 |
|--------------------------|---------------------------------|---------------------------|---------------------------------|--------------------|---------------------------------|
|                          | Balance at 1 June 2021<br>£'000 | Gains/<br>income<br>£'000 | Losses/<br>expenditure<br>£'000 | Transfers<br>£'000 |                                 |
| Woods and land           | 97,452                          | 7,426                     | (44)                            | 8,350              | 113,185                         |
| Woodland management fund | 3,650                           | (32)                      | (544)                           | –                  | 3,074                           |
| Restricted legacies      | 10,830                          | 1,906                     | (2,984)                         | (2,577)            | 7,175                           |
| Future acquisitions      | 3,244                           | 1,519                     | –                               | (1,445)            | 3,317                           |
| Various other funds      | 9,463                           | 19,455                    | (19,952)                        | 405                | 9,371                           |
| <b>TOTAL</b>             | <b>124,639</b>                  | <b>30,274</b>             | <b>(23,523)</b>                 | <b>4,732</b>       | <b>136,123</b>                  |

| Restricted funds 2020/20 | Movement of funds                  |                           |                                 |                    | Balance at 31 May 2021*<br>£'000 |
|--------------------------|------------------------------------|---------------------------|---------------------------------|--------------------|----------------------------------|
|                          | Balance at 1 January 2020<br>£'000 | Gains/<br>income<br>£'000 | Losses/<br>expenditure<br>£'000 | Transfers<br>£'000 |                                  |
| Woods and land           | 91,858                             | 3,966                     | (286)                           | 1,914              | 97,452                           |
| Woodland management fund | 3,382                              | 273                       | (605)                           | 600                | 3,650                            |
| Restricted legacies      | 8,878                              | 4,827                     | (2,427)                         | (449)              | 10,829                           |
| Future acquisitions      | 1,203                              | 3,244                     | –                               | (1,203)            | 3,244                            |
| Various other funds      | 7,597                              | 14,035                    | (16,105)                        | 3,938              | 9,465                            |
| <b>TOTAL</b>             | <b>112,918</b>                     | <b>26,345</b>             | <b>(19,423)</b>                 | <b>4,800</b>       | <b>124,640</b>                   |

The woods and land fund comprises the capital costs of the woods purchased and the value of donated woods and land. Where an acquisition of woods and land has taken place, a transfer may be made from restricted legacies or from other funds.

The woodland management fund consists of unspent income associated with specific sites.

Restricted legacies represent those where the testator has restricted use for specific purposes or in specific locations. The Trust actively seeks opportunities to spend these for woodland conservation, but because of the nature of the restrictions imposed by a testator, it can sometimes take an appreciable period of time before qualifying spend can be identified.

The fund for future acquisitions is a result of donations received during the current period to acquire woods and land already planned for acquisitions in the following period.

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Various other restricted funds include many individual grants and donations for specific purposes, which will be applied to future costs. The landfill tax received in 2021/2022 amounted to £1,562k (2020/21: £1,177k), and £1,518k (2020/21: £1,102k) was expended, leaving a balance at 31 May 2022 of £119k (2020/21: £75k).

### Permanent endowments 31 May 2022

| Permanent endowments<br>31 May 2022 | Movement of funds                  |                           |                                 |                    | Balance at<br>31 May 2022<br>£'000 |
|-------------------------------------|------------------------------------|---------------------------|---------------------------------|--------------------|------------------------------------|
|                                     | Balance at<br>1 June 2021<br>£'000 | Gains/<br>income<br>£'000 | Losses/<br>expenditure<br>£'000 | Transfers<br>£'000 |                                    |
| Glenrothes                          | 3,753                              | (342)                     | (40)                            | -                  | 3,371                              |
| Livingston                          | 3,318                              | (102)                     | (16)                            | -                  | 3,200                              |
| Warrington and Runcorn              | 2,027                              | (5)                       | (8)                             | (1,060)            | 954                                |
| Preston and Chorley                 | 1,702                              | (8)                       | (6)                             | (840)              | 848                                |
| <b>TOTAL</b>                        | <b>10,800</b>                      | <b>(457)</b>              | <b>(70)</b>                     | <b>(1,900)</b>     | <b>8,373</b>                       |

### Permanent endowments 31 May 2021\*

| Permanent endowments<br>31 May 2021* | Movement of funds                     |                           |                                 |                    | Balance at<br>31 May 2021*<br>£'000 |
|--------------------------------------|---------------------------------------|---------------------------|---------------------------------|--------------------|-------------------------------------|
|                                      | Balance at<br>1 January 2020<br>£'000 | Gains/<br>income<br>£'000 | Losses/<br>expenditure<br>£'000 | Transfers<br>£'000 |                                     |
| Glenrothes                           | 3,136                                 | 616                       | (55)                            | 56                 | 3,753                               |
| Livingston                           | 3,029                                 | 310                       | (21)                            | -                  | 3,318                               |
| Warrington and Runcorn               | 1,851                                 | 189                       | (13)                            | -                  | 2,027                               |
| Preston and Chorley                  | 1,557                                 | 156                       | (11)                            | -                  | 1,702                               |
| <b>TOTAL</b>                         | <b>9,573</b>                          | <b>1,271</b>              | <b>(100)</b>                    | <b>56</b>          | <b>10,800</b>                       |

The permanent endowments represent funds given to the Trust with gifts of woods and land in the locations noted above, under terms requiring the funds to be invested permanently to provide income for the future management of these woods and land.

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**Unrestricted funds and fixed assets 2021/22**

| Unrestricted funds and fixed assets 2021/22 | Movement of funds               |                           |                                 |                    | Balance at 31 May 2022<br>£'000 |
|---|---------------------------------|---------------------------|---------------------------------|--------------------|---------------------------------|
|   | Balance at 1 June 2021<br>£'000 | Gains/<br>income<br>£'000 | Losses/<br>expenditure<br>£'000 | Transfers<br>£'000 |                                 |
| Free reserves                               | 19,801                          | 45,170                    | (43,655)                        | 1,878              | 23,193                          |
| Fixed assets                                | 5,547                           | 238                       | (321)                           | –                  | 5,464                           |
| <b>TOTAL</b>                                | <b>25,348</b>                   | <b>45,408</b>             | <b>(43,976)</b>                 | <b>1,878</b>       | <b>28,657</b>                   |
| Designated funds                            | 13,041                          | –                         | (1,077)                         | (4,713)            | 7,251                           |
| <b>TOTAL</b>                                | <b>38,389</b>                   | <b>45,408</b>             | <b>(45,053)</b>                 | <b>(2,835)</b>     | <b>35,908</b>                   |

The purpose and structure of the Trust's unrestricted funds are described in the financial review on pages 61–68. The free reserves represent unrestricted reserves that are freely available to spend on charitable purposes. Fixed assets are analysed in note 10 (page 117). The transfers are explained overleaf.

**Unrestricted funds and fixed assets 31 May 2020/21\***

| Unrestricted funds and fixed assets 31 May 2020/21 | Movement of funds                  |                           |                                 |                    | Balance at 31 May 2021*<br>£'000 |
|--|------------------------------------|---------------------------|---------------------------------|--------------------|----------------------------------|
|  | Balance at 1 January 2020<br>£'000 | Gains/<br>income<br>£'000 | Losses/<br>expenditure<br>£'000 | Transfers<br>£'000 |                                  |
| Free reserves                                      | 14,954                             | 62,274                    | (47,509)                        | (9,918)            | 19,801                           |
| Fixed assets                                       | 5,783                              | 301                       | (537)                           | –                  | 5,547                            |
| <b>TOTAL</b>                                       | <b>20,737</b>                      | <b>62,575</b>             | <b>(48,046)</b>                 | <b>(9,918)</b>     | <b>25,348</b>                    |
| Designated funds                                   | 10,029                             | 528                       | (2,578)                         | 5,062              | 13,041                           |
| <b>TOTAL</b>                                       | <b>30,766</b>                      | <b>63,103</b>             | <b>(50,624)</b>                 | <b>(4,856)</b>     | <b>38,389</b>                    |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

**Analysis of transfers between funds**

| <b>Analysis of transfers between funds</b>        | <b>Note</b> | <b>General fund<br/>£'000</b> | <b>Designated funds<br/>£'000</b> | <b>Woods &amp; land<br/>£'000</b> | <b>Future acquisitions<br/>£'000</b> | <b>Restricted legacies<br/>£'000</b> | <b>Permanent endowments<br/>£'000</b> | <b>Other restricted funds<br/>£'000</b> |
|---|-------------|-------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---|
| Underwrite for acquisition of woods               | 1           | 1,878                         | (4,738)                           | 7,310                             | –                                    | (2,577)                              | –                                     | –                                       |
| Income for future operations and acquisitions     | 2           | –                             | –                                 | 1,041                             | (1,445)                              | –                                    | –                                     | 405                                     |
| Sale of Purchase, Plant and Pass on (PPP) site(s) | 3           | –                             | 463                               | –                                 | –                                    | –                                    | –                                     | –                                       |
| Transfers from general fund                       | 4           | –                             | (438)                             | –                                 | –                                    | –                                    | (1,900)                               | –                                       |
| <b>TOTAL TRANSFERS TO 31 MAY 22</b>               |             | <b>1,878</b>                  | <b>(4,713)</b>                    | <b>8,351</b>                      | <b>(1,445)</b>                       | <b>(2,577)</b>                       | <b>(1,900)</b>                        | <b>405</b>                              |

**Notes**

A transfer of £7,310k was made to woods and land to enable the Woodland Trust to acquire sites that match our charitable objectives, largely from use of restricted funds received in previous years of £(4,738)k, and restricted legacies of £(2,577)k in accordance with the wishes of the legator.

An amount of £405k has been transferred into restricted funds for future use in conjunction with projects.

During the period, one PPP site was sold, enabling £463k to be designated to purchase further sites.



## Analysis of transfers between funds for the 17 month period to 31 May 2021

| Analysis of transfers between funds*                           | Note | General fund<br>£'000 | Designated funds<br>£'000 | Woods & land<br>£'000 | Future acquisitions<br>£'000 | Restricted legacies<br>£'000 | Permanent endowments<br>£'000 | Other restricted funds<br>£'000 |
|--|------|-----------------------|---------------------------|-----------------------|------------------------------|------------------------------|-------------------------------|---------------------------------|
| Underwrite for acquisition of woods                            | 1    | (247)                 | (13)                      | 709                   | –                            | (449)                        | –                             | –                               |
| Income for future operations and acquisitions                  | 2    | (4,598)               | 2                         | 1,205                 | (1,203)                      | –                            | 55                            | 4,538                           |
| Sale of Purchase, Plant and Pass on (PPP) site(s)              | 3    | (73)                  | 73                        | –                     | –                            | –                            | –                             | –                               |
| Transfers from general fund                                    | 4    | (5,000)               | 5,000                     | –                     | –                            | –                            | –                             | –                               |
| <b>TOTAL TRANSFERS FOR THE 17-MONTH PERIOD TO 31 MAY 2021*</b> |      | <b>(9,918)</b>        | <b>5,062</b>              | <b>1,914</b>          | <b>(1,203)</b>               | <b>(449)</b>                 | <b>55</b>                     | <b>4,538</b>                    |

### Notes

1. A transfer of £709k was made to woods and land to enable the Woodland Trust to acquire sites that match our charitable objectives, largely from restricted legacies of £(449)k in accordance with the wishes of the legator and use of designated funds.
2. An amount of £4,598k has been transferred into restricted funds for future use in conjunction with projects, such as our priority treescape areas, focused in Dyfi to Dwyrdd in Wales, Saving Scotland's Rainforest, Devon, and Sherwood.
3. During the period, one PPP site was sold, enabling £73k to be designated to purchasing further sites.
4. £5,000k has been designated by trustees to fund activity that will be developed during our strategy refresh to tackle climate change and nature loss.

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## 18. Analysis of group net assets between funds

This note details the group position, which is the same as the charity position. The trustees consider that the resources available to the charity are suitable and adequate to meet the known present obligations of the charitable company and group.

### Fund balances at 31 May 2022 are represented by:

|                                 | Unrestricted funds     |                           | Restricted funds          |                              | Total funds<br>£'000 |
|---------------------------------|------------------------|---------------------------|---------------------------|------------------------------|----------------------|
|                                 | General funds<br>£'000 | Designated funds<br>£'000 | Restricted funds<br>£'000 | Permanent endowment<br>£'000 |                      |
| Tangible fixed assets           | 5,464                  | –                         | 113,185                   | –                            | 118,649              |
| Investments                     | 966                    | 5,826                     | 19,008                    | 8,373                        | 34,173               |
| Cash at bank and in hand        | 6,746                  | 1,425                     | –                         | –                            | 8,171                |
| Other current assets            | 26,718                 | –                         | 3,931                     | –                            | 30,649               |
| Liabilities due within one year | (11,236)               | –                         | –                         | –                            | (11,236)             |
| Long-term debtors               | –                      | –                         | –                         | –                            | –                    |
| <b>TOTAL NET ASSETS</b>         | <b>28,657</b>          | <b>7,251</b>              | <b>136,124</b>            | <b>8,373</b>                 | <b>180,405</b>       |

Restricted tangible fixed assets consist of woods and land: £113,185k (2020/21: £97,452k).

### Fund balances at 31 May 2021\* are represented by:

|                                 | Unrestricted funds     |                           | Restricted funds          |                              | Total funds*<br>£'000 |
|---------------------------------|------------------------|---------------------------|---------------------------|------------------------------|-----------------------|
|                                 | General funds<br>£'000 | Designated funds<br>£'000 | Restricted funds<br>£'000 | Permanent endowment<br>£'000 |                       |
| Tangible fixed assets           | 5,547                  | –                         | 97,452                    | –                            | 102,999               |
| Investments                     | 1,000                  | 11,181                    | 23,186                    | 10,800                       | 46,167                |
| Cash at bank and in hand        | 6,509                  | 1,860                     | –                         | –                            | 8,369                 |
| Other current assets            | 20,719                 | –                         | 4,002                     | –                            | 24,721                |
| Liabilities due within one year | (8,768)                | –                         | –                         | –                            | (8,768)               |
| Long-term debtors               | 341                    | –                         | –                         | –                            | 341                   |
| <b>TOTAL NET ASSETS</b>         | <b>25,348</b>          | <b>13,041</b>             | <b>124,640</b>            | <b>10,800</b>                | <b>173,829</b>        |

## 19. Net income from trading activities of subsidiaries

The Woodland Trust has two wholly owned trading subsidiaries which are incorporated in England. Woodland Trust Farming Limited (registered company no. 6360791) undertakes farming on some Woodland Trust sites prior to

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woodland being created. Woodland Trust (Enterprises) Limited (registered company no. 2296645) was established to undertake sponsorships, commercial activities, raffles and merchandise sales. Within the cost of sales and administration expenses is £1 million (2020/21: £1,409k) paid to the Woodland Trust. Both companies donate their taxable profits to the Woodland Trust under a deed of covenant. A summary of their trading accounts is shown below, and this includes payments made to the Woodland Trust. Audited accounts have been filed with the Registrar of Companies. Glen Finglas Farming Limited (registered company no. SC408716) was incorporated in Scotland on 5 October 2011, and is a wholly owned dormant subsidiary and was dissolved on 21 June 2022.

All active subsidiaries have the same registered address as the Woodland Trust.

In 2020, the accounting reference date was changed from 31 December to 31 May, principally so the financial year aligns with the parent company, the Woodland Trust. As a result, the accounts presented below relate to a 12-month period, whereas the prior year comparative is a 17-month period.

|   | Enterprises      |                   | Farming          |                   |
|---|------------------|-------------------|------------------|-------------------|
|   | 2021/22<br>£'000 | 2020/21*<br>£'000 | 2021/22<br>£'000 | 2020/21*<br>£'000 |
| <b>Profit and loss account</b>              |                  |                   |                  |                   |
| Turnover                                    | 4,409            | 11,491            | 547              | 659               |
| Cost of sales                               | (1,814)          | (3,027)           | (316)            | (499)             |
| Gross profit                                | 2,595            | 8,464             | 231              | 210               |
| Licence payment to the Woodland Trust       | (229)            | (354)             | –                | –                 |
| Distribution costs                          | (1)              | (1)               | –                | –                 |
| Administration expenses                     | (197)            | (264)             | (3)              | (4)               |
| Operating profit                            | 2,168            | 7,845             | 228              | 206               |
| Interest receivable                         | –                | 3                 | –                | –                 |
| Net profit                                  | 2,168            | 7,848             | 228              | 206               |
| Payment to the Woodland Trust               | (2,168)          | (7,848)           | (228)            | (206)             |
| Accumulated reserves brought forward        | –                | –                 | –                | –                 |
| <b>Accumulated reserves carried forward</b> | –                | –                 | –                | –                 |
| <b>Balance sheet</b>                        |                  |                   |                  |                   |
| Current assets                              | 1,485            | 2,830             | 467              | 946               |
| Current liabilities                         | (1,485)          | (2,830)           | (467)            | (946)             |
| <b>Net assets</b>                           | –                | –                 | –                | –                 |
| <b>Capital and reserves</b>                 | –                | –                 | –                | –                 |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



## 20. Operating lease commitments

At 31 May, the Woodland Trust – both the group and the charity – is committed to making the following payments in respect of operating leases:

|                           | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|---------------------------|------------------|-------------------|
| <b>Land and buildings</b> |                  |                   |
| Leases which expire:      |                  |                   |
| within one year           | 135              | 97                |
| within two to five years  | 122              | 122               |
| after five years          | 1,887            | 1,887             |
| <b>TOTAL</b>              | <b>2,144</b>     | <b>2,106</b>      |
| <b>Other</b>              |                  |                   |
| Leases which expire:      |                  |                   |
| within one year           | 360              | 385               |
| within two to five years  | 121              | 373               |
| <b>TOTAL</b>              | <b>481</b>       | <b>758</b>        |

## 21. Capital commitments

Commitments for expenditure not provided for in these accounts in respect of assets under construction amount to £nil (2020/21: £nil).

## 22. Pension schemes

The Woodland Trust operates defined contribution schemes for all qualifying employees. The assets of the schemes are held in separate funds administered by independent pension providers. The total cost of pensions for the year incurred by the Woodland Trust was £1,958k (2020/21\*: £1,744k). Included in other creditors is £nil (2020/21: £nil) in respect of pension schemes.

## 23. Contingent liabilities

The trustees were not aware of any significant contingent liabilities at 31 May 2022 and 31 May 2021.

The Woodland Trust has given indemnities to executors under the standard terms for legacies received. The trustees believe the risk of significant claims arising as a result of these to be negligible.

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## 24. Conduit accounting

During the period the Trust agreed to administer funds of another entity as its agent. As its agent, the Trust is bound by an agency agreement and distributes the funds it holds as agent to specified third parties in line with the instructions given by the principal. The Trust has ensured that the terms of the agency agreement and the use of the funds are consistent with its own purposes.

In this case, the agent was the Community Forest Trust, which has worked in partnership with the Woodland Trust since 2018 to deliver the first Northern Forest Defra/Woodland Trust grant agreement through a collaboration agreement between the Woodland Trust and the Community Forest Trust. During the period of this report, the Community Forest Trust planted 189,800 new trees through the Defra funding as part of this collaboration agreement.

|                                      | 2021/22<br>£'000 | 2020/21*<br>£'000 |
|--------------------------------------|------------------|-------------------|
| Opening balance as at 1 June/January | 502              | –                 |
| Amounts received in the year/period  | 2,990            | 1,351             |
| Amounts paid to third parties        | (2,547)          | (849)             |
| <b>CLOSING BALANCE AS AT 31 MAY</b>  | <b>945</b>       | <b>502</b>        |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.

## 25. Prior year statement of financial activities

|   | Note        | Unrestricted funds<br>General funds<br>£'000 | Designated<br>funds £'000 | Restricted<br>funds<br>£'000 | Endowment<br>funds<br>£'000 | Total<br>31 May<br>2021* |
|---|-------------|--|---------------------------|------------------------------|-----------------------------|--------------------------|
| <b>Income and endowments from:</b>                        |             |  |                           |                              |                             |                          |
| Donations and legacies                                    | 2           | 41,758                                       | –                         | 20,132                       | –                           | 61,890                   |
| Other trading activities                                  | 2           | 11,298                                       | –                         | –                            | –                           | 11,298                   |
| Investments   | 8           | 737  | –                         | 219                          | 63                          | 1,019                    |
| Charitable activities                                     | 2           | 8,178  | –                         | 4,815                        | –                           | 12,993                   |
| Other income  | 2           | 39   | –                         | 246                          | –                           | 285                      |
| <b>TOTAL INCOME AND ENDOWMENTS</b>                        |             | <b>62,010</b>                                | <b>–</b>                  | <b>25,412</b>                | <b>63</b>                   | <b>87,485</b>            |
| <b>Expenditure from:</b>                                  |             |  |                           |                              |                             |                          |
| Cost of raising funds                                     | 5           | (12,681)                                     | –                         | (60)                         | (100)                       | (12,841)                 |
| <b>Charitable activities</b>                              |             |  |                           |                              |                             |                          |
| Protect woodland  | 5           | (8,419)                                      | (614)                     | (4,610)                      | –                           | (13,643)                 |
| Restore woodland  | 5           | (9,766)                                      | (712)                     | (5,347)                      | –                           | (15,825)                 |
| Create woodland   | 5           | (17,180)                                     | (1,252)                   | (9,406)                      | –                           | (27,838)                 |
| <b>CHARITABLE EXPENDITURE</b>                             |             | <b>(35,365)</b>                              | <b>(2,578)</b>            | <b>(19,363)</b>              | <b>–</b>                    | <b>(57,306)</b>          |
| <b>TOTAL EXPENDITURE</b>                                  |             | <b>(48,046)</b>                              | <b>(2,578)</b>            | <b>(19,423)</b>              | <b>(100)</b>                | <b>(70,147)</b>          |
| Net income/(expenditure) before investment gains/(losses) | 1           | 13,964                                       | (2,578)                   | 5,989                        | (37)                        | 17,338                   |
| Net (losses)/gains on investment assets                   | 1           | 565  | 528                       | 933                          | 1,208                       | 3,234                    |
| <b>NET INCOME/ (EXPENDITURE)</b>                          |             | <b>14,529</b>                                | <b>(2,050)</b>            | <b>6,922</b>                 | <b>1,171</b>                | <b>20,572</b>            |
| Transfers between funds                                   | 1, 7        | (9,918)                                      | 5,062                     | 4,800                        | 56                          | –                        |
| <b>NET MOVEMENTS IN FUNDS</b>                             |             | <b>4,611</b>                                 | <b>3,012</b>              | <b>11,722</b>                | <b>1,227</b>                | <b>20,572</b>            |
| Fund balances brought forward at 1 January                |             | 20,737                                       | 10,029                    | 112,918                      | 9,573                       | 153,257                  |
| <b>FUND BALANCES CARRIED FORWARD AT 31 DECEMBER</b>       | <b>1, 7</b> | <b>25,348</b>                                | <b>13,041</b>             | <b>124,640</b>               | <b>10,800</b>               | <b>173,829</b>           |

\* The accounting reference date has been changed from 31 December to 31 May, principally so the financial year aligns with the forestry planting season. As a result, the 2020/21 accounts presented relate to a 17-month period, whereas the current year comparative is a 12-month period.



This statement of financial activities excludes £15,791k (2020/21: £5,970k) of woods and land acquired and capitalised as per note 9 (page 116).

We want to see a UK rich in native woods and trees, for people and wildlife, but we can't achieve our vision without you. There are many ways you can help us make a real difference, including membership of the Trust, supporting our campaigns or appeals, volunteering, leaving a gift in your will, playing our raffle, and buying from our online shop. Find out more at [woodlandtrust.org.uk](https://www.woodlandtrust.org.uk).

Thank you.

# Professional advisers

## Auditors

### **Haysmacintyre LLP, Chartered Accountants**

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