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SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
MARCH 2020

SURREY WILDLIFE TRUST

**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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FOREWORD FROM THE CHAIR, ANGELA SWARBRICK

Following our successful 60th anniversary year, we have focused even more closely on our mission to protect and increase biodiversity in Surrey and to support people in the myriad of ways in which they connect with it. I would also like to take this opportunity to recognise the contribution made by our previous Chair, Chris Wilkinson who stepped down last year, having put significant time and energy into helping the Trust through some challenging times.

Our cause remains as necessary as ever within a context of increased interest and action from civil society. Climate, ecological, social and economic crises are inextricably linked – and we must act now to address the consequences.

To succeed we will help people reconnect to nature: we will encourage them not only to value their natural environment but also to take action. This will benefit our wildlife and our residents, visitors, communities and businesses.

This has been a year of significant societal moments, from our move towards Brexit and its implications for future land use to the most recent challenges of the Covid-19 pandemic.

Although the impacts (many of which are unknown) of the pandemic will continue for the foreseeable future, we are well placed to cope with the predicted economic downturn. In addition, we anticipate that opportunities will arise from the green, zero-carbon recovery that is essential.

To ensure future resilience we must take this opportunity to work with nature, recognise that it forms the foundation of our success as a species and put in place the right measures to deliver nature-based solutions.

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OVERVIEW FROM THE CHIEF EXECUTIVE, SARAH JANE CHIMBWANDIRA

When I was appointed chief executive of the Trust, I knew we faced significant challenges. From the potential implications of Brexit to the financial pressures on our local government partners, my inbox was full of complex issues that needed careful attention. The more people I listened to, the more complex they got – but I also began to see a clear path to a brighter future. In other words, a way to turn those challenges into opportunities.

Whilst conservation outcomes can take many years to be achieved, awareness of the issues facing the environment is moving fast; this year alone the media has turned the spotlight on plastic, climate change and tree planting – and our resources are not unlimited. Therefore, in order to ensure we continue to deliver positive outcomes for biodiversity and people we will increasingly work in a focused and collaborative way.

I'm delighted to say that this is already happening. By being innovative and crystal clear about our priorities, we are becoming more agile, less reliant on big land-management contracts and more able to seek out new opportunities; there are many exciting initiatives in the pipeline.

As a result, we are raising our profile and building strong relationships across the communities of Surrey. By engaging with people, listening and taking decisive action, we are gaining trust. Our members, volunteers, supporters, staff and trustees are working together to protect wildlife and improve people's quality of life. Whatever obstacles lie ahead, our future looks bright.

Since I took over as CEO in February 2019 it has been an extremely busy, but very rewarding time and this annual report provides a good opportunity to reflect on progress made and ambitions for the future.

Much of the early part of 2019 was spent listening to our partners, members, professional colleagues and others. Listening to the expectations and aspirations of those we work with and for; responding to a request for leadership, integrity and clarity as we unite in our efforts to recover Surrey's nature.

I was reminded time and again of how fortunate we are to care for the fantastic nature of Surrey where we have two National Nature Reserves, over 70 nationally designated sites and over 800 Local Wildlife Sites (also known as Sites of Nature Conservation Importance) as well as the Surrey Hills Area of Outstanding Natural Beauty. We have a rich natural and cultural heritage across the county which we have a responsibility to care for, both now and for future generations.

Having reset our direction at the start of last year we made progress in our project development work, securing funding for two significant projects. There is more detail later in this report but we were delighted to secure £390,000 funding from the Heritage Lottery Fund to work on one of our most important habitats across the county: hedgerows. The project will focus on developing skills, engagement and planting of hedgerows over the next four years. In addition, we were extremely

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pleased to secure £426,000 from the Local Enterprise Partnership Coast to Capital (C2C LEP) in the east of Surrey. This is the first significant funding provided by a LEP as an investment in the natural assets in their area. This is a ground-breaking project and is very timely as we start to look at the benefits of resilience and economic activity that a green recovery can provide.

We will now be looking at opportunities to secure funding for our Bees, Bugs and Butterflies programme as well as developing our wetland programme further.

One of the most significant changes over the last year has been in reaching a new agreement with our partner Surrey County Council for the management of their countryside estate. We look forward to working with one of our key partners in a new and innovative way as part of our mission-related work as a WT – being respected and recognised for the expertise we bring to achieving better outcomes for nature in Surrey.

In addition we need to achieve greater connectivity across the county. This can only be achieved by working with our traditional partners and reaching out to new partners to deliver biodiversity improvements together; recognising the significant role we play in delivering jobs and supporting businesses within our sector.

Recently the International Union for Conservation of Nature issued the standards to which all nature based solutions should adhere and we will be applying this approach as we develop our own suite of nature based solutions, ranging from delivering a high quality biodiversity net gain approach to natural flood management and carbon sequestration. These mechanisms will be key to support us in achieving our Nature Recovery Network for Surrey.

There remain many challenges ahead of us but there has never been a better opportunity to make the case that nature is key to our success as a species; we must acknowledge this now and deliver the change required. That is what we intend to do over the coming years. Thank you for your ongoing interest and support.

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STRATEGIC REPORT

2019/20

Achievements and Performance Science

The SWT Research & Monitoring Framework was published on schedule and launched at the AGM in November 2019. This is a detailed review and plan that aspires to achieve better consistency in measuring and recording the Trust's achievements, in order to contribute to a cumulative and robust evidence-base from which we can confidently review, report and adjust the Trust's mission over the period of our current Strategic Plan and beyond. The implied justification for the Trust's Living Landscapes approach to wildlife conservation remains as relevant as ever.

Influencing Others:

Managing Land

Living Landscapes

Our focus at a landscape scale continued to be on the river Wey and Mole catchments. In total over 3km of river restoration work was carried out with an additional 7km of river made passable to fish through improvements to habitat and removal of fish barriers.

In November 2017, we launched a landscape-scale project to restore one of the most important linkages, hedgerows. Since its launch, Hedgerow Heroes has held 12 hedge laying workshops with over 90 participants.

Land Management

This year saw the upcoming departure from the European Union (EU) dominating the thoughts of the organisation around funding for land management activities. One of the main sources of income for our habitat conservation works has been funding from the EU's Common Agricultural Policy (CAP). The UK Government has been preparing its draft Agriculture Bill which sets out how it aims to promote "Public Money for Public Goods" as a key component of future funding. The work that the Trust undertakes fits squarely within this definition as it maintains and increases biodiversity, reduces flooding, sequesters carbon and provides vital education, health and access space for everyone. However there will be a lag in funding as the CAP funding reduces and the new Environmental Land Management scheme (ELM), which is the vehicle for distributing public funding to land managers, starts in 2024. The Trust has looked to secure long term funding for its sites by entering into Countryside Stewardship (the presently available funding) agreements. This has been done for all of the Trust's large heathland areas such as Chobham Common National Nature reserve

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and many of the smaller grassland sites. This will help us navigate the transition from one funding stream to another.

Alongside this we have been investigating other funding streams. At a headline level this has involved considerable work on understanding and preparing for Biodiversity Net Gain (BNG). This requirement is being added to the planning process in England. A developer is required to ensure that, as part of their planning application, they deliver an uplift in biodiversity of at least ten percent. There are complex surveying and calculation elements associated with this and to assist local authority planning teams throughout the county the Surrey Nature Partnership, of which SWT is a founding member, hosted a BNG conference with national experts. Whilst much of the gain will be delivered where the development is taking place, for larger sites it may necessitate work on other areas to enhance the wider landscape. The Trust is looking at how funds from developers that have secured appropriate planning permission can deliver the organisation's mission of restoring nature throughout the county. This will need careful consideration in line with our policy on development.

Both the transition from EU to UK funding and BNG require the Trust to work closely with others throughout the county. This fits well with the organisation's landscape scale approach and the Biodiversity Opportunity Areas that we have focused on. Trust staff are working closely with a range of partners in the Thames Basin Heaths, Holmesdale and the North Downs.

The Trust has also been giving careful consideration to the major infrastructure project around the M25/A3 junction development at Wisley & Ockham. This road widening scheme involves a degree of land take from the internationally protected site. The Trust has been working with the scheme architects to maximise the compensation and enhancement works on site. A key component of this has been the push for a "green bridge" connection to reduce the fragmentation caused by the original road construction in the 1980s. Considerable progress has been made on this project and the accompanying environmental works. The scheme is due for a decision from the Secretary of State in late 2020.

Members will be aware that some of the largest and most heavily protected land that the Trust cares for is owned by the Ministry of Defence (MOD) in the west of the county. These vast heathland landscapes covering thousands of hectares are some of the best heath areas in the whole country. The organisation has led on restoring these since 2006 when they were in a declining condition. These sites have been turned around by our staff and boast some of our most remarkable projects such as the red deer introduction on Pirbright Ranges. The areas now support thriving populations of Dartford warblers, nightjar and woodlark. Their invertebrate and reptile populations are also exceptional. To safeguard this progress the Trust has successfully negotiated with the MOD to continue managing the sites for a further 5-10 years. This timeframe matches the life of the funding schemes and we have every expectation that this relationship will continue long into the future.

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On an individual site basis there have been some land management highlights. We have seen exceptional numbers of small blue butterflies flying on our reserve at Priest Hill. The Trust cares for the only two native window-winged caddisfly populations in the south of England at Chobham and Whitmoor. We have arranged works on Chobham to preserve the particular conditions that this rare insect requires. We have also worked closely with the various special interest groups to deliver ash dieback works on Shere Woodlands. We have welcomed fantastic numbers of volunteers from both our regulars and corporate members onto scrub-bashing events. They smashed their expected targets on Brentmoor Heath, Barossa and Ockham, restoring large areas of heath. The Trust would like to thank all of our volunteers for their ongoing help and support.

During the last eighteen months we have worked closely with Surrey County Council to re-set our partnership for the management of the SCC Estate to enable each party to focus on its core interests and strengths. Those discussions have concluded successfully. From 1 April 2020 the Trust will solely be responsible for conservation and wildlife focussed engagement. Responsibility for public access management, visitor services, property and income generation will revert to SCC. This means the Trust can focus much more effectively on its vital and successful habitat improvement work. SCC will be much better placed to fulfil its ambitions to provide access and enjoyment for residents. The Trust looks forward to working closely with SCC in the future.

2019-2020 saw increased focus on project development and work with other organisations and landowners to deliver core mission activities.

Our hosting of the River Mole and River Wey catchment partnerships has continued and supports a number of important wetland projects where the Trust is taking the lead. These include the first phase of *Tillingbourne to Good*. A water environment grant of £108,000 from the Environment Agency is funding landowner liaison, feasibility studies and technical designs for the removal of barriers to fish passage on the Tillingbourne at Shalford.

Our aim here is identify solutions which, if implemented, could open up 3km of the river to a range of fish species including brown trout and European eel.

Further upstream near Abinger Hammer we have been working with funding from Natural England to identify the causes of high sediment loads entering the river and begin the process of working with landowners on practical solutions.

Elsewhere in the River Wey catchment our Thames Water-funded community rivers project in Cranleigh Waters is working with the local community, volunteers, landowners and businesses to monitor the health of the river and identify stretches where natural river processes can be restored.

Meanwhile on dry land a second round application to National Lottery Heritage Fund (HLF) for our *Preserving Surrey's Hedgerow Heritage* Project was successful and secured £390,000. Over the next four years this project will develop a younger skills base for hedgelaying to sustain these crucial

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habitat management skills into the future and involve young people in planting new hedgerows and learning surveying skills. The project will also contribute to our hedgerow creation and restoration targets in the North Downs and engage with local communities to explore the cultural heritage of our hedgerows. Partners involved in Hedgerow Heritage include a number of landowners, local authorities, conservation organisations and community groups.

Beyond the traditional sources of funding for conservation we were successful in gaining a £426,000 investment from the Coast to Capital Local Enterprise Partnership to deliver components of a nature recovery network in Holmesdale – one of our priority Biodiversity Opportunity Areas.

The *Naturally Richer* project will be demonstrating the benefits of investing in “natural capital assets” and the value to the local economy provided by habitats in the Holmesdale area e.g. through water purification, flood alleviation, soil stabilisation and carbon sequestration. On the ground the project is supporting habitat restoration work on some of our own nature reserves such as Spynes Mere, the Moors and Kitchen Copse. It is also helping to progress plans to address water quality issues at Bay Pond and to restore the Site of Special Scientific Interest (SSSI) there.

Inspiring Others: Engaging People

Education

This year over 24,000 children and adults have either used our education centres at Nower Wood and Bay Pond and /or learned from our enthusiastic tutors within their schools grounds. Over 13,000 people have taken part in Trust-led activities on our reserves.

The education department has continued to deliver high quality, curriculum-linked outdoor learning sessions to schools which were reviewed and assessed during this period by the Council for Learning Outside the Classroom with feedback finding us to be ‘exemplary of good practice’.

Last year an Exxon-funded project involving two of their local link schools allowed them to take part in our Wonder of Wildlife (WOW) programme, where we work with the school both prior to the children’s visit to Nower Wood and following the visit. Following the success of this, we sought funding from Affinity Water to develop a deeper engagement with more of our visiting schools. Staff visited schools either before or after their trip to Nower Wood or Bay Pond to deliver Affinity and SWT’s joint message of water and wildlife conservation and to advise on simple ways to improve school grounds for wildlife and outdoor learning. 35 schools were visited during this year and just under 8,000 children took part in assemblies together with over 300 teachers. Students were encouraged to go back to the classroom and make pledges for actions they could take to help wildlife and save water while teachers were encouraged to take action in the school grounds.

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Along with this we also launched a Geographic Information System GIS database called Wildlife Warriors which is hosted on the SWT website, onto which any actions for wildlife taking place in grounds and gardens can be stored and displayed spatially to monitor our impact on both schools and families across the county. This is something we really want to develop over the coming years as it will highlight areas where we are having an impact and those where we need to focus efforts in the future.

Impressed by the development of our interns through the programme started during the HLF funded Outdoor Wildlife Learning project, Hitachi made a significant donation to fund an intern for this year (which has been delayed due to Covid-19) and hopefully this will continue for several years. The advertised post resulted in a huge response from recent graduates and those looking for a career change. More staff during the summer helps to cope with high demand at our education centres between March and October.

A further grant from the Co-operative Fund was awarded this year to continue our work with groups with special educational needs and disabilities. For some schools this was a one-off visit but this year we had some students undertaking practical tasks on a weekly basis to gain their Duke of Edinburgh award. Again the hope is that schools who have made use of the funding over the last two years would now consider paying for the great experience a visit gives the children.

Holiday Club is a great way for staff to have a greater impact on children. More and more we are seeing repeat visits with children coming for a week at a time over multiple years. This reporting year we extended provision by offering an additional club for older children called Wild Rangers rather than losing children who are showing a keen interest in wildlife and the outdoors. Holiday clubs and birthday parties are great engagement tools but also contribute an increasingly significant part of the education income.

From November to March the centre at Nower Wood was hired out on a part-time basis to the Field Studies Council to deliver the classroom-based parts of their programmes to secondary schools while Juniper Hall was refurbished. This brought in income during an otherwise quiet period, allowed us to form a great relationship with FSC and exposed new audiences to the work of the Trust and has resulted in some extra bookings for us next year.

We have continued to build upon the multiple uses of the centre happening at any one time as this clearly provides inspiration for visitors of other ways they can get involved with the Trust. The great range of activities from school visits, volunteering opportunities, wild tots, birthday parties and family events, adult learning /teacher training courses provides opportunities for the repeat engagement known to be so important in developing a community that will take action and stand up for nature.

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Lifelong Learning

This has been a successful year for our lifelong learning programmes. The opportunity to recruit additional staff resources has brought a wider range of skills and experience, and helped with future proofing the teams. We have continued to run our Leader of Outdoor Learning, and Forest School training as accredited courses, and developed a new 'top up' course from Forest Schools Leader Level 2 to Level 3. We also launched a new series of courses for educator CPD, to complement the INSET programmes run in schools.

Adult learning continues to provide a great shop window for the Trust and allows attendees opportunities to learn about a broad range of topics from climate change to willow weaving, including running a lecture series this year. The significant savings offered to members also encourage people to either sign up for membership or are seen as a great perk of membership.

We have been looking at using a wider range of venues for courses, in partnership with other organisations, to broaden the appeal of courses across Surrey

The popularity of our Wild Tots provision has meant we started a second programme based at our Pucks Oak Barn site. This has hugely benefited from having a dedicated staff resource to the provision and both programmes are regularly fully booked, successfully engaging young children and their parents in the wonder of nature all year round.

Volunteering

During the last financial year, volunteers continued to dedicate their precious time to many roles within the Trust. As per the previous year's we also saw an increase in the number of people registering to join as volunteers. Interestingly there was a significant increase in younger people joining as volunteers, which we think was related to a higher awareness of environmental issues such as climate change and plastic waste.

Practical conservation volunteer numbers were strong during this financial year with the weekly sessions and some of the weekends seeing groups of around 20 attending.

Work experience placements were very sought after, with secondary school students and college students attending practical conservation sessions and vet students assisting the grazing team.

During winter 2019/2020 a number of hedgelaying sessions were held as a precursor to Hedgerow Heritage. Sessions were all fully booked and a great success. Also during the winter, Hedgerow Heritage received the go ahead from the National Heritage Lottery and was due to start in spring 2020, although this was put on pause during lockdown.

Education volunteers continue to be vital support to staff with school visits and holiday clubs.

With Covid-19 restrictions being eased, we are working to bring back our volunteers and get different roles back up and running.

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Membership and Fundraising

Membership

During 2019/20 over 2,364 members joined the Trust which was more than in any of the previous eight years.

Face to face recruitment worked very well in 19/20 as did the digital campaigns focused around hedgehog and wildlife surveys. A half-price sale in January also achieved more than double the memberships than the previous year. These online campaigns replaced our previous method of a door drop campaign.

This was again largely due to the success of the external fundraising agency but also our own emphasis on digital led campaigns which engaged the public through hedgehog and wildlife surveys. By the end of the year membership had grown to 25,990 at 31 March 2020 up from 24,418 at 31 March 2019.

Fundraising

The fund raising team have continued in securing significant support for our key strategic projects. This year they have secured just under £1,000,000 in total, which includes the significant funding for the Coast to Capital Holmesdale project.

Following on from winning the bid to HLF for Hedgerow Heritage our match funding target of £45,000 for that project was successfully met by both corporate and trust funding sources.

Match funding for the Holmesdale project was secured and £3,000 for a pond restoration at Bonhurst Farm. A small grant was also secured for wildflower ID training from the Wild Flower Society.

Corporate support has continued to rise by nurturing our relationships and through directed project fundraising. Financial support for this year has brought in over £165,000 for a wide variety of projects including improvements at Thundry Meadows, funding education interns and projects such as Hedgerow Heritage.

Communications & Events

This year a large part of our communications and events have been centred on the Trust's 60th anniversary celebrations. We ran a successful programme of varied celebratory events throughout the year including Guildford Goes Wild, where staff transformed a section of Guildford high street into a wildlife haven, building a pop-up garden that attracted all sorts of insect life and people! A suite of events and activities also engaged the public as they interacted with staff and wildlife throughout the area. A wildlife-themed art and photography competition attracted new audiences and engaged new faces and organisations with the Trust, whilst producing some spectacular artwork inspired by Surrey's wildlife.

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We also celebrated our birthday on Countryfile! Staff and volunteers showcased the great work the Trust has carried out in conserving heathland in the county, the work of the red deer project, and the work we do inspiring younger children at Nower Wood. This was followed up with staff being interviewed on stage at Countryfile Live – a festival attended on the day by over 30,000 people.

A suite of digital media was created in light of our 60th celebrations including a film and a collection of articles that delved into the archives of the Trust celebrating its work in conserving wildlife and wild places across Surrey.

2020-21

Plans for the future: Recovering Surrey's Nature

In spite of the challenges from the Covid-19 pandemic we remain confident that we can continue to deliver the mission during 2020/21. We will undoubtedly need to re-assess elements of how we deliver programmes so that they comply with social distancing requirements and so we remain financially sustainable. We remain committed to working with and through others to deliver targeted improvements to both biodiversity and bio-abundance within the county.

We will continue to work with partners including Surrey County Council, Surrey Nature Partnership, Surrey Hills AONB and the River Wey and Mole Catchment Partnerships. In addition we will participate in the four landscape scale farmer cluster groups based in Surrey, including the North Downs Facilitation Fund partnership.

Our objectives for the third year of the plan are set out below. They aim to improve biodiversity and inspire people across Surrey to love nature.

Biodiversity

Our focus will be twofold. It will be on the land we manage and working with partners on the land they are responsible for. Our focus for building partnerships will be within Biodiversity Opportunity Areas (BOAs) whilst our land management work will be across our estate with a particular emphasis on the reserves within BOAs.

The Covid-19 situation presents challenges in how we deliver existing projects and how we build and design new ones. However, with increasing emphasis on the “green economy” and role of “nature based solutions” we are well placed to continue to develop and deliver more projects that will directly benefit wildlife and people in Surrey.

Throughout this year we will therefore continue to strengthen our engagement with landowners and other stakeholders to progress new projects. We will also be working to further embed project development activity across all areas of the Trust.

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One area of focus will be our *Bees Bugs and Butterflies* programme targeted at the restoration of wildflower-rich habitat and the recovery of pollinating insects in the North Downs. A link to Buglife's B-Lines initiative and some start-up funding from members donations will enable us to trial a range of activities with different audiences and build grant applications for bigger projects based on our success with Hedgerow Heritage.

Our work in the Mole and Wey catchments over the coming year will see us continue to work with partners to deliver wetland enhancements and improve the catchment management plans. In the Mole catchment this will include facilitating the Lower Mole Countryside Partnership's management of habitat restoration on the Rye Brook near Leatherhead.

In Holmesdale we will be continuing the approach we are taking with *Naturally Richer* through increased engagement with local people and businesses. We will also be using the project as a case study to support nature recovery projects elsewhere.

We have produced the first organisation wide research and monitoring strategy to detail how we will monitor biodiversity's response to the work that we will implement. This framework document sets out how we will approach monitoring on our reserves.

We will also be looking forward to how we can make our management planning process and the policies that we work to more user friendly and accessible. These are the fundamental documents that drive the Trust's site management and are approved by both the landowner and Natural England. We are considering using some innovative online presentation tools to allow pictures and diagrams to make up a much larger component of the plans to illustrate the wonderful habitats and species under our care.

Inspiring people

With the impact of Covid-19 and a nationwide lockdown we have had to look at a new way of engaging and inspiring people to connect with nature.

Digital connections to the Trust have been and will remain important, but hands-on connections with nature are more important now than ever. Supporting people to observe wildlife in their garden and letting people score their garden against wildlife-friendly features in a questionnaire are some of the ways we are doing this. None of this replaces our important engagement work, but as we start to return to a 'new normal' we must be innovative and creative in our thinking and delivery.

Volunteering will be assessed and refreshed over the coming months to look at safe ways of returning whilst providing maximum positive engagement with our upcoming projects such as Hedgerow Heritage and Bees Bugs & Butterflies. Looking at ways that we can continue to keep our volunteers informed and active whilst keeping them and our staff safe is of utmost importance.

We will continue to develop further projects for volunteers to become more involved in our target BOAs, whilst also supporting our existing volunteer opportunities.

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We hope to start our Hedgerow Heritage project now we have secured funding, once the pause on activities has been lifted. Through this project we look forward to engaging more young people to actively care for their hedgerows and associated wildlife, creating wildlife champions and a legacy for future engagement.

We also look forward to developing our education programmes in light of new habits and activities that have arisen from Covid-19 within schools in line with government guidance. Connection with nature is at the heart of what we do and supporting the mission of the Trust through education is our driving force. Repeat engagement and a deeper connection and relationship with schools is a goal we are developing through this next year.

At the heart of our engagement work lies the ambition to take people on a journey through first connections with nature to recognising its value and taking action for Surrey's wildlife. We will look to develop innovative, productive interactive relationships with the widest possible range of people in order to achieve this.

Financial Review

The key components of the Trust's financial strategy are to deliver its mission supported by diversified income streams, careful management of financial risks and liabilities, maintaining liquidity and safeguarding assets. The Trustees have aimed to diversify sources of income so as to limit exposure to risk and to take advantage of new opportunities particularly where they generate income and deliver mission. In recent years the Trust has invested in growing income in three key areas:

- 1) Fundraising and donations: investment in fundraising capability has enabled the Trust to increase income from donations and grants, including Heritage Lottery Fund and Coast to Capital to over £800,000 in 2020/21,
- 2) Membership: a key strategic aim is to both increase income and the Trust's supporter base. Partnering with an external recruitment agency has been very successful and as a result membership has grown in 2019/20 by 1,172 to 25,590 and income to over £1.2m.
- 3) Services that deliver mission: In 2017 the Trust invested in its Ecological Consultancy to provide high quality ecological advice to housing and infrastructure developers. This has resulted in better outcomes for biodiversity as well as generating income of £805,000 which helps support the wider mission. Grazing and education continue to grow and contribute to income generation and habitat and education missions.

During the year the Trust benefitted from several substantial legacies totalling £515,859 which has been set aside in the strategic development fund which will be used to support key mission objectives in the future.

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Surrey County Council Agreement

Contract income from Surrey County Council (SCC) for the management of its estate reduced by £175,000 to £250,000. A further £571,000 of net income was generated from grants, property and commercial activities to fund conservation, engagement and access management across the estate.

In August 2020, after an 18 month negotiation agreement was reached with SCC to revise responsibilities under the 50 year 2002 Agreement for the management of the SCC Estate. Since 2014 SCC had been under pressure to cut the cost of managing its Estate which meant that the Trust has been diverted into increasing income from property and commercial activities which were not core to the mission in order to fulfil its responsibilities. Under the revised Agreement, with effect from 1 April 2020 each party will focus on its strengths and core interests: SWT will only be responsible for managing conservation and wildlife focussed engagement whilst SCC will take responsibility for managing public access, commercial income generation and property management. It is also anticipated that the Sawmill will revert to SCC in November 2020. SWT will fund its conservation and engagement activities from grant schemes and charitable fundraising.

This has been a time-consuming and complex process involving revising the 2002 Agreement, leases for the Estate and commercial properties and exiting the LGPS Pensions Admission Agreement and has required approval by the Charities Commission. The Trustees have sought professional and legal advice throughout the process.

The cash cost of the revision expensed during the year-ended 31 March 2020 was £195,000 of which over half was for legal and professional fees for advice taken by Trustees and the remainder included costs of exiting the LGPS and other changes. The benefits of the revision are clear as they enable a renewed focus on the conservation mission, help make the Trust more financially secure and enable the Trust and Surrey County Council to work constructively together in partnership on conservation projects across the county, specifically:

- 1) The Trust can focus without distraction on its core mission to reverse the decline of nature in Surrey and deal with the challenges arising out of the Covid-19 pandemic,
- 2) Pension contributions to the SCC LGPS of £95,000 per year will be saved,
- 3) A cessation liability on the SCC LGPS estimated at between £1.3m and £2.0m (depending on movements in the market between the last actuarial valuation in 2019 and the date of crystallisation) which would have crystallised by 2025 will not be incurred because the assets and liabilities of the scheme have been subsumed by SCC.
- 4) Management cost spent on commercial income and reputational issues, estimated at £65,000 will be saved allowing greater focus of resources on the mission,
- 5) As part of the change leases for commercial properties with net book value of £252,000 were surrendered to SCC. It was agreed that no assessment for property dilapidations would be made on the Trust as a result of surrendering these leases. This has saved the Trust from having to spend an increasing proportion of property income on repairs and from the risk of a substantial dilapidations liability at the end of the Agreement.

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Financial outlook

Brexit

The new 25 year Environment Bill is a positive start but must deliver long-term environmental benefit. A new agri-environmental regime 'Environmental Land Management scheme' (ELM) regime is being developed to replace existing EU schemes, but the nature of those schemes has not been finalised. Funding from existing agri-environmental will remain unchanged until 2022 at which point the UK will start to transition to the ELMs regime.

Covid-19

The Covid-19 pandemic has had a substantial impact on the Trust's activities in the 2020/21 financial year. Action was taken early to curtail programmes, reduce expenditure and take advantage of funding such as the Job Retention Scheme. As a result the Trust will be financially secure during 2020/21 without having to utilise its financial reserves. However, the combination of deep economic recession, further Covid-19 waves and Brexit mean the future from 2021 is far less certain. A full review of the Trust's activities will be completed by February 2021 which will enable it to focus on those which deliver most mission and ensure long-term financial sustainability. In the meantime a contingency plan has been put in place to ensure as far as is possible that the Trust will be financially sustainable through to 31 March 2022.

Going Concern

In light of the Covid-10 pandemic and ensuing deep recession detailed cash flow projections have been prepared for the period to 31 March 2022 to ensure the Trust remains a going concern. The projections take into account the direct impact of Covid-19 on the Trusts activities, such as curtailment of engagement due to social distancing as well as risks to income and costs. Transition and investment costs that may arise out the review of activities have also been taken into account. Unrestricted cash reserves and committed facilities have been judged sufficient to ensure the Trust remains a going concern during the 18 months to 31 March 2022 and can fund transition costs as required to ensure remains financially viable for the long-term.

Principal Sources of Income

The Trust's activities are funded from a broad-based set of income streams. These include:

- Donations, legacies and membership of £1,912,809 which is used to support charitable activities across the Trust,
- Land Management income of £2,038,322 including agri-environmental stewardship schemes spent on habitat conservation and contract income from partners to manage their land,
- Fees and income earned from education of £660,343 used to support schools and community education and engagement,

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

- Fees and grants earned from conservation and ecological consultancy of £1,114,956 which support habitat conservation,
- Trading and investment income of £1,373,788 from bank deposits, property rents, sawmill and other commercial sources which is used to fund charitable activities and management of the SCC contract where the income has originated on the SCC Countryside Estate.

Unrestricted income rose by £195,469 to £6,319,938 as result of the income generation activities and donations described above. Restricted income rose by £539,246 to £780,280. Income earned across all funds was £7,100,218.

Expenditure

Expenditure rose from £6,191,244 to £6,421,413 largely as a result of expanding activities that raise funds for the mission and increased conservation and education expenditure and costs of varying the agreement with SCC. Spend on core land management, conservation and science activities totalled £3,712,883. This funded habitat improvements on land managed by the Trust such as bringing SSSI's including Chobham NNR, Pirbright and Ash Ranges into or closer to favourable condition as well as working with other organisations on important projects such as the Catchment Partnerships and Naturally Richer Surrey.

Education programmes continue to expand over 24,000 children and adults benefitted from our wildlife learning activities. Expenditure on education programmes totalled £736,239.

Reserves

The Trust's financial reserves totalled £6,530,470 at 31 March 2020 an increase of £682,744 over the previous year. The Trust's funds comprise:

Restricted Funds: The Trust has a number of restricted funds where the donor has restricted the purpose for which the funds can be used. At 31 March 2020 the total of such funds was £1,638,224.

Designated Funds: The Trustees have set aside unrestricted funds totalling £926,000 in a Strategic Projects and Investment fund which will be used to support mission projects during the course of the current five-year strategic plan. Plans will be made for the application of these funds during 2020/21. A further £80,000 has been set aside for investment in capital equipment in 2020/21.

The funds used to purchase fixed assets are set aside as designated funds as these assets are not liquid funds available to support day-to-day operations. These comprise nature reserves at a cost of £524,505, which are held as part of the charitable objects and premises, vehicles and equipment at net book value of £1,669,088 which are required to deliver the mission.

Following the disposal of the investment property during the year a fund for the refurbishment of the Pirbright Head Office of £450,000 has been created which will enable much needed improvements to the working environment, IT infrastructure and adapting for Covid-19 social distancing and homeworking requirements. A further £350,000 has been allocated to a Covid-19

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

working capital fund to ensure the Trust retains sufficient funds during the pandemic and recession. At 31 March 2020 designated funds totalled £3,999,593

Free reserves: These are the readily realisable funds comprising unrestricted net current assets less liquid funds designated by the Trustees for specific purposes or projects. The total of free reserves at 31 March 2020 was £892,652.

Results of Trading Subsidiaries

During the year Norbury Park Wood Products made a loss before tax and gift aid payments of £2,054. At 31 March 2020 reserves were £17,946 after payment of gift aid to the Trust of £21,784.

SWT Enterprises made a profit before tax and gift aid payments of £1,120. At 31 March 2020 reserves were £1,121 after payment of gift aid to the Trust of £6,379.

SWT Ecology Services made a profit before tax and gift aid payments of £198,311. At 31 March 2020 reserves were £143,311 after payment of gift aid to the Trust of £99,215.

In May 2020 gift aid payments were made by the subsidiaries to the Trust totalling £55,000.

Reserves Policy

The Trust's cash flow is highly variable during the financial year with a significant proportion of funds being received towards or after year-end. As a result, the amount of unrestricted cash within free reserves can vary by up to £800,000 during the year. Sufficient unrestricted cash needs to be available to ensure that the Trust can continue to meet its commitments to staff, funding and contract partners and statutory bodies should such cash flow volatility or a decline in income or increased cost occur.

Therefore, the Trustees have set a reserves policy that requires unrestricted cash reserves and committed bank facilities rather than total free reserves to be maintained at a minimum level.

Based on a detailed risk analysis the Trustees have set the minimum level of unrestricted cash and committed bank facilities at £350,000. Unrestricted cash and committed facilities at 31 March 2020 totalled £1,481,588 comprising cash at bank of £1,131,588 and a five-year committed bank facility of £350,000 which will ensure that the minimum requirement is met on an ongoing basis.

The Trustees set the reserves policy annually by assessing working capital requirements and specific risks facing the organisation. In setting the minimum level of unrestricted cash and committed bank facilities the likelihood of an event causing several linked risks to crystallise is taken into account.

The risk register is reviewed regularly through the year and the impact of changes or new risks on the reserves policy is evaluated and action taken as required.

Principal Risks and Uncertainties

Risk management

Trustees meet annually to assess the risks facing the organisation and to set the risk strategy. Taking account of mitigating controls, risks are assessed and scored according to their environmental,

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

financial, health and safety and reputational impact and the likelihood they will crystallise. Further mitigation will be undertaken to reduce residual risk where appropriate through the execution of the annual operational risk management plan. Trustees monitor risk and the delivery of the operational risk plan at bi-monthly Trustees meetings.

The six principal risks and uncertainties on the organisation's risk register, taking into account the controls and safeguards already in place, are:

1. The Trust is responsible for ensuring that staff, volunteers and visitors have safe access to the land it manages. Notwithstanding its Health and Safety and Safeguarding procedures the Trust manages a natural environment in which accidents can happen due to unforeseen circumstances, for example adverse weather.
2. Unforeseen issues can arise on land the Trust manages meaning that it ceases to be compliant with major grant schemes or other statutory responsibilities. This can result in major expense in performing remedial works. The Trust works closely with land agents and other advisors to minimise the risk in this area.
3. A sustained decline in income or increase in costs resulting from economic, contractual, reputational or environmental factors could undermine the financial sustainability of the organisation. The Trust is actively working to reduce its dependence on public funds and broaden its income base.
4. The Covid-19 pandemic and the resulting deep recession will have a significant impact on the Trust's finances. As stated above the Trust is reviewing its activities and finances to ensure that it is financially sustainable for the long-term and able to deliver its mission in the most effective way.
5. When the UK leaves the European Union in December 2020 there could be a significant impact on both the financial sustainability and the delivery of the Trust's conservation mission. The risks are that:
 - a. EU led legislation that has benefitted wildlife and reduced the speed of species loss will be weakened following exit from the EU,
 - b. EU funding that has supported wildlife friendly farming and habitat improvement projects across Surrey, including those that have significantly benefitted heathland, woodland and river catchment environments will diminish,
 - c. The UK economy will enter a deep recession which will have a significant impact on funding from the Trust's strategic partners and on the ability of the Trust to generate income to fund its conservation and education mission.

The Trustees continue to evaluate the potential impact of these risks in combination with its Covid-19 planning. Strategies are being developed and executed to ensure the continuation of the mission including working with partners to ensure the protection of wildlife and the environment for the people of Surrey.

6. The loss of key employees or a reduction in wellbeing resulting in diminished performance of the people delivering the Trust's Living Landscapes mission.

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

These risks and associated operational impacts were satisfactorily managed during the year.

Remuneration Policy

The Trustees review remuneration for senior management annually as part of the budgeting and performance review process. Remuneration is set by considering the financial constraints of the charity, benchmarking against other wildlife trusts and other organisations where possible and performance criteria.

Investment Policy

The Trust's Memorandum and Articles of Association provide the power to make investments. Accordingly, the Trust will invest surplus funds, defined as cash not required for day-to-day liquidity management or short-term funding of strategic projects in investments that have a direct or indirect credit rating no lower than the UK Government. A low risk approach is taken to investment to reduce exposure to market fluctuations on capital value and bank failure and to maintain liquidity.

Public Benefit

The aims and benefits of SWT are contained in the main body of the Trustees Report under Objectives and the Strategic Report. The Trustees have considered the key principles of The Charity Commission's general guidance about public benefit and have concluded that the Trust meets all requirements.

Fundraising Standards Board

The Trust fundraises directly from the public and uses third party agencies to fundraise on its behalf for specific campaigns. This included third parties for recruiting new members through face-to-face fundraising and through telephone fundraising. The Trust has agreements in place with its partners to ensure that the legal requirements regulating fundraising practices are adhered to.

The Trust and its third party agencies comply with the Fundraising Regulator's Code of Fundraising Practice. The Trust monitors adherence to the code by its third party agencies which includes making welcome calls made to new members. The Trust and its third party agencies follow the sector's guidance on protecting vulnerable people. During the year no complaints were received that required further action to be taken.

Auditors

A resolution approving the re-appointment of Menzies LLP will be proposed at the forthcoming Annual General Meeting.

Trustees' Responsibilities

The Trustees (who are also the directors of SWT for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and the application of these resources, including the full income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently,
- Observe the methods and principles in the Charities SORP,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable 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 operation.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Report of the Board of Trustees (including the Strategic Report) to the Members was approved by the Board of Trustees on 21 September 2020 and signed on their behalf by:

Angela Swarbrick

Angela Swarbrick

Trustee and Chair

G D A Bacon

Gerry Bacon

Trustee and Treasurer

SURREY WILDLIFE TRUST**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

LEGAL AND ADMINISTRATIVE INFORMATION**Trustees**

The Trustees serving during the year and since the year end were as follows:

Gerry Bacon	Treasurer
Nick Baxter	Vice-Chair
Andrew Beattie	
Jason Gaskell	
Christine Howard	
Ian Smith	
Peter Smith	
Peter Sutton	(appointed 4.11.2019)
Angela Swarbrick	Chair
Matthew Stanton	(retired 9.11.2019)
Mark Turner	(appointed 4.11.2019)
Gordon Vincent	
Chris Wilkinson	Chair (retired 9.11.2019)
Meryl Wingfield	(retired 9.11.2019)
Pam Whyman	

The Trust Leadership Team

Sarah Jane Chimbwandira	Chief Executive
James Adler	Director of Biodiversity
Aimee Clarke	Director of People Engagement
Andrew Jamieson	Director of Partnership and Project Development
Catherine Roberts	Director of Human Resources and Support Services
Roger Wild	Director of Finance and Nature Based Solutions

Company Secretary Roger Wild

Registered Office School Lane, Pirbright, Woking, Surrey, GU24 0JN

Auditor Menzies LLP, Centrum House, 36 Station Road, Egham, Surrey, TW20 9LF

Bankers Bank of Scotland, St Andrew Square, Edinburgh, EH2 2YR

Website www.surreywildlifetrust.org

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Surrey Wildlife Trust (SWT, the Trust) is a registered charity (No: 208123) and a company limited by guarantee (No: 00645176). SWT is constituted through its Memorandum and Articles of Association, the current version of which was approved by the members on 9 November 2019. The Trust, established in 1959, is the only charity dealing with the conservation of all forms of wildlife in Surrey.

Trustees and directors

The Trustees constitute directors of the charitable company for the purposes of the Companies Act 2006 and Trustees of the charity for the purposes of the Charities Act 2011. As set out in the Articles of Association, the Council comprises between three and fifteen trustees. New Trustees are recruited to meet identified skills gaps and their positions are confirmed at Annual General Meetings. New Trustees undergo an induction during which they meet key employees and receive a briefing on the objects of the charity, their legal responsibilities as Trustees, decision making processes, recent financial performance and business plans. Trustees meet at least six times a year to consider SWT's strategic direction and governance. Additionally, two subcommittees specifically address financial and educational matters.

OBJECTIVES

SWT exists to protect and enhance the habitats of Surrey and the wildlife they support. We do this for both the inherent value of wildlife but also to create a county where both people and wildlife thrive alongside each other. SWT is founded upon the following objects:

For the benefit of the public, the advancement of environmental protection, improvement and accessibility of:

- Wildlife and its habitats,
- Places of natural beauty,
- Places of zoological, botanical, geographical, geological, archaeological or scientific interest,
- Features of landscape with geological, physiographical, or amenity value, in particular, but not exclusively in ways that further biodiversity.

For the benefit of the public, the advancement of education in:

- The study of nature,
- The principles and practice of biodiversity conservation,
- The principles and practice of sustainable development.

For the benefit of the public, the advancement of science and natural heritage:

- To promote research in all branches of nature study,
- To publish the useful results thereof.

Vision

The Trust's vision is for a Living Landscape in Surrey that is rich in wildlife and valued by all.

SURREY WILDLIFE TRUST

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

ORGANISATIONAL STRUCTURE AND OVERVIEW

For day to day management SWT is organised into five departments based at the Head Office in Pirbright:

- Biodiversity
- Engagement
- Partnerships and Projects
- Finance
- Human Resources and Support Services

The five departmental heads form the senior management team, termed 'The Trust Leadership Team', under the guidance of the Chief Executive, who reports directly to the Trust's Chair of Trustees.

Trading Subsidiaries

The Trust has three active trading subsidiaries, Norbury Park Wood Products Limited (NPWP, the Sawmill), SWT Ecology Services Limited and SWT Enterprises Limited. NPWP provides woodland services and manufactures wood products and operates from the Sawmill in Norbury Park. SWT Ecology Services Limited provides ecological consultancy services. SWT Enterprises Limited provides grazing, land-based services and wood products.

The Wildlife Trusts

SWT is an active member of The Royal Society of Wildlife Trusts (RSWT), which operates as an umbrella body for the 47 individual Wildlife Trusts, covering the whole of the UK, the Isle of Man and Alderney. RSWT is itself a registered nature conservation charity (charity number 207238), based in the UK and incorporated by Royal Charter.

Today RSWT is more commonly referred to as 'The Wildlife Trusts' (TWT), and operates as a shared services body for all 47 Wildlife Trusts. All the trusts contribute an annual levy to fund advocacy and representation by TWT at national and international levels.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST FOR THE YEAR ENDED 31 MARCH 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST

OPINION

We have audited the financial statements of Surrey Wildlife Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2020 set out on pages 28 to 48. 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 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2016.

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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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 Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and,

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST FOR THE YEAR ENDED 31 MARCH 2020

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.

OPINION 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' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Group strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST FOR THE YEAR ENDED 31 MARCH 2020

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. This description forms part of our Auditor's report.

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, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Dated: 24-Sep-2020

Malcolm Lucas

Malcolm Lucas FCA
Senior Statutory Auditor

For and on behalf of:
Menzies LLP
Chartered Accountants and Statutory Auditor
Centrum House, 36 Station Road,
Egham,
Surrey,
TW20 9LF

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:					
Donations, legacies & membership	2	1,838,974	73,835	1,912,809	1,850,282
Charitable activities:	3				
<i>Conservation</i>		857,537	257,419	1,114,956	807,869
<i>Land management</i>		1,999,285	39,037	2,038,322	2,174,215
<i>Education</i>		250,354	409,989	660,343	258,687
Other trading activities	4	1,353,292	-	1,353,292	1,251,457
Investments	5	20,496	-	20,496	22,992
Total		6,319,938	780,280	7,100,218	6,365,502
Expenditure on:					
Raising funds	7	1,965,846	6,445	1,972,291	1,791,693
Charitable activities:	8				
<i>Conservation</i>		1,042,181	276,096	1,318,277	1,129,476
<i>Land management</i>		2,344,701	49,905	2,394,606	2,417,255
<i>Education</i>		718,075	18,164	736,239	852,820
Total		6,070,803	350,610	6,421,413	6,191,244
Net gains/(losses) on investments		3,939	-	3,939	-
Net income		253,074	429,670	682,744	174,258
Transfers between funds		(7,776)	7,776	-	-
Net movement in funds		245,298	437,446	682,744	174,258
Funds brought forward at 1 April		4,646,948	1,200,778	5,847,726	5,673,468
Funds carried forward at 31 March		4,892,246	1,638,224	6,530,470	5,847,726

- All of the above results are derived from continuing activities.
- All gains or losses are recognised in the year and are included in the Statement of Financial Activities.
- The notes on pages 31 to 48 form part of these consolidated financial statements.

**BALANCE SHEETS
AS AT 31 MARCH 2020**

	Note	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
FIXED ASSETS					
Heritage assets	14	638,535	638,535	638,535	638,535
Tangible and intangible assets	15	1,669,088	1,946,459	1,669,088	1,946,459
Investments	16	1,370,000	-	1,370,004	4
		3,677,623	2,584,994	3,677,627	2,584,998
CURRENT ASSETS					
Stocks	17	259,159	265,335	148,231	171,475
Debtors	18	1,971,267	1,138,349	1,884,306	1,116,379
Investments	19	482,984	800,000	482,984	800,000
Cash at bank and in hand		1,534,611	2,155,582	1,500,601	2,121,162
		4,248,021	4,359,266	4,016,122	4,209,016
Less creditors due within one year	20	1,364,391	1,056,646	1,294,875	998,780
NET CURRENT ASSETS		2,883,630	3,302,620	2,721,247	3,210,236
Total assets less current liabilities		6,561,253	5,887,614	6,398,874	5,795,234
Less creditors due in more than one year	21	30,783	39,888	30,783	39,888
NET ASSETS		6,530,470	5,847,726	6,368,091	5,755,346
Represented by:					
Restricted funds	22	1,638,225	1,200,778	1,638,225	1,200,778
Designated funds	23	3,999,593	3,746,964	3,999,593	3,746,964
Free reserves		892,652	899,984	730,273	807,604
TOTAL FUNDS		6,530,470	5,847,726	6,368,091	5,755,346

The notes on pages 31 to 48 form part of these consolidated financial statements.

These financial statements were approved by the Trustees on 21 September 2020 and signed on their behalf by:

Angela Swarbrick
Angela Swarbrick
Trustee and Chairman

G D A Bacon
Gerry Bacon
Trustee and Treasurer

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020	2019
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	25	<u>482,919</u>	<u>854,102</u>
Cash flows from investing activities:			
Interest and rent from investments		20,496	19,812
Interest paid		(3,685)	(3,618)
Purchase of fixed asset investments		(1,370,000)	-
Proceeds on sale of tangible fixed assets		15,000	6,245
Proceeds on sale of current investments		825,500	-
Payments to acquire tangible fixed assets		(77,446)	(89,813)
Net cash flows used in investing activities		<u>(590,135)</u>	<u>(67,374)</u>
Cash flows from financing activities:			
Capital element of hire purchase payments		(30,771)	(23,854)
Net cash flows used in financing activities		<u>(30,771)</u>	<u>(23,854)</u>
Change in cash and cash equivalents in the year		(137,987)	762,874
Cash and cash equivalents at the start of the year		<u>2,155,582</u>	<u>1,392,708</u>
Cash and cash equivalents at the end of the year		<u>2,017,595</u>	<u>2,155,582</u>

The notes on pages 31 to 48 form part of these consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and with applicable United Kingdom accounting standards, the Statement of Recommended Practice Accounting and Reporting by Charities' issued in July 2014 (SORP 2015) and the Companies Act 2006. A separate Statement of Financial Activities for the parent charity is not presented because it has taken advantage of the exemptions offered by Section 408 of Companies Act 2006.

The net surplus of the parent charity for the year was £612,745 (2019: £207,518).

Surrey Wildlife Trust constitutes a public benefit entity as defined by FRS102.

Going concern

The Trust reported a net cash inflow of £1,232,013 which mainly resulted from the payment of RPA grants and the sale of Deans during the year. Detailed cash flow projections have been prepared for the 18 months to 31 March 2022 in light of the Covid-19 pandemic. These take account transition costs that may result from re-focussing the Trust and risks to income and costs from the direct impacts of the pandemic and recession on the Trust's activities. The Trustees are satisfied that current and projected levels of cash and committed facilities are sufficient to secure the future of the Trust for the next 12-18 months and allow it to re-focus as may be necessary due to the Covid-19 pandemic. Accordingly these accounts have been prepared on a going concern basis. The Trust's Reserves Policy is set out in the Trustees' Report.

b) Basis of consolidation

The SOFA and Balance Sheet consolidate the financial statements of Surrey Wildlife Trust and its wholly owned subsidiaries, Norbury Park Wood Products Limited, SWT Enterprises Limited and SWT Ecology Services Limited. The results are consolidated on a line by line basis.

c) Income

Income is included in the SOFA when the charity is legally entitled to the income, reasonably certain of receipt and the amount can be measured with sufficient reliability. The specific bases used are:

Donations and sponsorships – are accounted for when the income is received.

Legacies – are accounted for on a receivable basis. Legacies are recognised when the Trust's interest can be measured which is normally when notification is received of an impending distribution.

Grants and contract income – are accounted for on a receivable basis. Revenue grants and contract income relate to operating activities and capital grants relate to acquisitions and capital projects.

Grants and contract income that is subject to donor imposed conditions that specify the period in which the expenditure of resources can take place are accounted for as deferred income and recognised as a liability at the year end. Where receipt of grant and contract income is related to performance of deliverables, it is accounted for as the Trust earns the right to consideration by its performance.

Membership income – annual subscriptions are accounted for in full when received.

Gift aid income - is accounted for on a receivable basis.

Rental and other income – rental income from properties is accounted for on a receivable basis.

d) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds - includes expenditure incurred in trading and property rental activities.

Charitable activities - relates to the work carried out on the core purposes of the Trust, namely land

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

management, conservation and education.

Support costs – are costs that cannot be directly attributed to any of these headings and have been allocated to them, primarily on the basis of staffing levels. Governance costs relating to legal and statutory compliance and the strategic management of the Trust are included in support costs.

Irrecoverable VAT - is charged against the category of expenditure for which it was incurred.

e) Fixed assets – Heritage assets

Heritage assets comprise a number of nature reserves which are held to advance the conservation and educational objectives of the Trust. These assets are not depreciated as their residual value is considered to be higher than the carrying value. Details of the Trust's nature reserves are set out in note 14.

f) Fixed assets – Tangible assets

Tangible fixed assets costing more than £1,000 are capitalised and are stated at cost. Depreciation is provided at rates calculated to write off the cost of the assets over their expected useful life as below:

Freehold property	50 years
Improvements to long leasehold property	10-25 years
Machinery, office equipment & vehicles	4-10 years

g) Fixed assets – Intangible assets

Intangible assets comprise Single Farm Payment entitlements purchased for use on eligible land acquired by the Trust and are amortised over the life of the property lease for which they were acquired.

h) Investments

Government Bonds are categorised as fixed asset investments if the Trustees intend to retain them or a successor bond for more than twelve months after the year end. Cash held on deposit with a maturity date of more than twelve months after the year end is treated as an investment.

Investments in subsidiary undertakings are held at cost.

i) Stocks

Stocks are valued at the lower of cost and net realisable value. Costs of finished goods and work in progress include overheads appropriate to the stage of manufacture. Net realisable value is based upon the estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

j) Fund accounting

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Free reserves are unrestricted funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Investment income and gains are allocated to the appropriate fund.

k) Pensions

The Trust contributed to two pension schemes for employees further details of which are given in note 13. Pension costs are charged to the financial statements on an accruals basis.

l) Leases

Rentals on operating leases are charged to the SOFA over the lease term. Assets held under finance leases and hire purchase agreements are recorded in the balance sheet as tangible fixed assets and depreciated over their estimated useful lives. Interest is charged to the SOFA in proportion to the balance outstanding. The capital element of future payments is included in creditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**2. ANALYSIS OF INCOME - DONATIONS, LEGACIES AND MEMBERSHIP**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Donations, legacies and membership						
Donations	117,598	73,835	191,433	218,357	19,834	238,191
Legacies	515,859	-	515,859	492,921	-	492,921
Memberships	1,205,517	-	1,205,517	1,119,170	-	1,119,170
	1,838,974	73,835	1,912,809	1,830,448	19,834	1,850,282

Entitlement to legacies:

The Trust is aware of possible future receipts from legacies arising on deaths prior to 31 March 2020 where exact sums are not quantifiable and these are believed to be in the order of £11,000 (2019: £105,000).

3. ANALYSIS OF INCOME - CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Conservation						
Consultancy	857,537	93,918	951,455	638,779	74,660	713,439
Grants	-	163,501	163,501	-	94,430	94,430
Other	-	-	-	-	-	-
	857,537	257,419	1,114,956	638,779	169,090	807,869

Land management

Grants	1,451,215	-	1,451,215	1,419,613	264	1,419,877
Other	548,070	39,037	587,107	725,436	28,902	754,338
	1,999,285	39,037	2,038,322	2,145,049	29,166	2,174,215

Education

Fees	238,607	-	238,607	211,169	-	211,169
Grants	11,747	409,989	421,736	17,351	22,944	40,295
Other	-	-	-	7,223	-	7,223
	250,354	409,989	660,343	235,743	22,944	258,687

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Grant income						
Grants have been included in the following income headings:						
Conservation	-	163,501	163,501	-	94,430	94,430
Land management	1,451,215	-	1,451,215	1,419,613	264	1,419,877
Education	11,747	409,989	421,736	17,351	22,944	40,295
	1,462,962	573,490	2,036,452	1,436,964	117,638	1,554,602

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**3. ANALYSIS OF INCOME - CHARITABLE ACTIVITIES continued**

	2020	2019
	£	£
BIFFA	8,277	-
Coast to Capital	51,551	-
Community Foundation for Surrey	2,747	3,401
Environment Agency	67,928	72,000
Heritage Lottery Fund	405,989	22,944
JMG Foundation	-	3,000
Natural England	710,792	725,448
Rural Payments Agency	698,242	684,488
SUEZ	36,200	6,340
Surrey County Council	12,000	15,700
Tesco Groundwork	13,112	8,260
Thames Water	22,614	-
The D'Oyly Carte Charitable Trust	4,000	-
Other grants	3,000	13,021
	2,036,452	1,554,602

Grant income has been received from the following government organisations:

Coast to Capital: Funding for the Naturally Richer Surrey project in Holmesdale.

Community Foundation for Surrey: Funding community education at Nower Wood.

Environment Agency: Funding for the river restoration and improvement partnership work on the Wey, Mole and Eden Catchments led by the Trust. Work is ongoing and subject to an agreed management plan.

Heritage Lottery Fund: Funding for the Hedgerow Heritage project.

Natural England: Higher Level and Countryside Stewardship Schemes for conservation work on land managed by the Trust. Work is undertaken in accordance with agreed management plans and is ongoing.

Rural Payments Agency: Single Farm Payment scheme.

Surrey County Council: Contribution to the Surrey Biodiversity Information Centre hosted by the Trust.

4. ANALYSIS OF INCOME - OTHER TRADING ACTIVITIES

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
			2020			2019
Sale of wood products	357,796	-	357,796	358,766	-	358,766
Other trading activities	321,483	-	321,483	303,550	-	303,550
Property Income	674,013	-	674,013	589,141	-	589,141
	1,353,292	-	1,353,292	1,251,457	-	1,251,457

5. ANALYSIS OF INCOME - INVESTMENT INCOME

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
			2020			2019
Property rental income	-	-	-	19,125	-	19,125
Bank interest	20,496	-	20,496	3,867	-	3,867
	20,496	-	20,496	22,992	-	22,992

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**6. RESULTS OF TRADING SUBSIDIARIES**

Surrey Wildlife Trust owns 100% of the share capital of Norbury Park Wood Products Limited which provided woodland services and manufactured and sold wood products. Arrangements are in place to donate each year by gift aid the company's taxable surplus income to Surrey Wildlife Trust. The Trust has provided a loan to the company and received interest of £1,756 (2019: £177) in the year. Its results for the year and net assets at 31 March were:

	2020	2019
	£	£
Income	329,407	386,203
Cost of sales	89,417	94,992
Gross profit	239,990	291,211
Expenditure	242,044	209,427
Profit/(Loss) before tax	(2,054)	81,784
Tax (charge) on profit at 19%	-	(15,539)
Tax relief in respect of gift aid	-	15,539
Profit/(Loss) after tax and for the year	(2,054)	81,784
Gift aid to parent charity	21,784	161,324
Profit/(Loss) retained for the year	(23,838)	(79,540)
Net assets represented by:		
Share capital	1	1
Profit and loss account	17,946	41,784
	17,947	41,785

Surrey Wildlife Trust owns 100% of the share capital of SWT Enterprises Limited which provided grazing related services and wood products. Arrangements are in place to donate each year by gift aid the company's taxable surplus income to Surrey Wildlife Trust. The Trust has provided a loan to the company and received interest of £1,731 (2019: £nil) in the year. Its results for the year and net assets at 31 March were:

	2020	2019
	£	£
Income	135,866	101,495
Cost of sales	50,806	35,032
Gross profit	85,060	66,463
Expenditure	83,940	60,083
Profit before taxation	1,120	6,380
Tax (charge) on profit at 19%	(213)	(1,212)
Tax relief in respect of gift aid	213	1,212
Profit after tax and for the year	1,120	6,380
Gift aid to parent charity	6,379	4,315
Profit/(Loss) retained for the year	(5,259)	2,065
Net assets represented by:		
Share capital	2	2
Profit and loss account	1,121	6,380
	1,123	6,382

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Surrey Wildlife Trust owns 100% of the share capital of SWT Ecology Services Limited which provided ecological consultancy services. Arrangements are in place to donate each year by gift aid the company's taxable surplus income to Surrey Wildlife Trust. Its results for the year and net assets at 31 March were:

	2020	2019
	£	£
Income	805,157	591,163
Cost of sales	150,538	105,252
Gross profit	654,619	485,911
Expenditure	456,308	361,696
Profit before taxation	198,311	124,215
Tax (charge) on profit at 19%	37,679	(23,601)
Tax relief in respect of gift aid	(37,679)	23,601
Profit after tax and for the year	198,311	124,215
Gift aid to parent charity	99,215	80,000
Profit retained for the year	99,096	44,215
Net assets represented by:		
Share capital	1	1
Profit and loss account	143,311	44,215
	143,312	44,216

7. ANALYSIS OF EXPENDITURE - RAISING FUNDS

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations & legacies	98,774	6,445	105,219	140,476	1,779	142,255
Membership	470,111	-	470,111	444,850	-	444,850
Other trading activities	1,396,961	-	1,396,961	1,204,588	-	1,204,588
	1,965,846	6,445	1,972,291	1,789,914	1,779	1,791,693
	Direct	Support	Total	Direct	Support	Total
	Costs	Costs	Costs	Costs	Costs	Costs
	£	£	£	£	£	£
Donations & legacies	72,472	32,747	105,219	101,792	40,463	142,255
Membership	426,448	43,663	470,111	390,899	53,951	444,850
Other trading activities	1,298,720	98,241	1,396,961	1,083,199	121,389	1,204,588
	1,797,640	174,651	1,972,291	1,575,890	215,803	1,791,693

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**8. ANALYSIS OF EXPENDITURE - CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2020			2019		
	£	£	£	£	£	£
Conservation	1,042,181	276,096	1,318,277	913,550	215,926	1,129,476
Land management	2,344,701	49,905	2,394,606	2,375,149	42,106	2,417,255
Education	718,075	18,164	736,239	831,521	21,299	852,820
	4,104,957	344,165	4,449,122	4,120,220	279,331	4,399,551

	Direct	Support	Total	Direct	Support	Total
	Costs			Costs		
	2020			2019		
	£	£	£	£	£	£
Conservation	1,116,783	201,494	1,318,277	873,211	256,265	1,129,476
Land management	2,097,668	296,938	2,394,606	2,039,601	377,654	2,417,255
Education	577,165	159,074	736,239	650,505	202,315	852,820
	3,791,616	657,506	4,449,122	3,563,317	836,234	4,399,551

9. ALLOCATED SUPPORT COSTS

	Raising	Charitable	Total	Raising	Charitable	Total
	Funds			Funds		
	Activities			Activities		
	2020			2019		
	£	£	£	£	£	£
General management	41,699	156,983	198,682	41,764	161,836	203,600
Finance, HR, IT and facilities	79,784	300,365	380,149	72,623	281,415	354,038
Marketing, communications	24,111	90,772	114,883	31,396	121,659	153,055
Roof repairs Pirbright office	-	-	-	44,943	174,153	219,096
Governance	29,056	109,386	138,442	25,077	97,171	122,248
	174,650	657,506	832,156	215,803	836,234	1,052,037

10. TOTAL RESOURCES EXPENDED

	2020	2019
	£	£
The result for the year is stated after charging:		
Depreciation on owned tangible and intangible assets	115,629	133,071
Depreciation on assets under hire purchase agreements	17,273	12,009
Operating leases rentals - vehicles	34,992	39,374
Hire purchase interest	3,685	3,618
Auditors' remuneration - audit services	23,148	20,300
- other services	6,715	5,275

11. TRUSTEES REMUNERATION

No remuneration was paid to any Trustee. Travel expenses were repaid to one individual (2019: 1) totalling £59 (2019: £166). The Trust provides liability insurance for the Trustees at cost of £2,055 (2019: £2,055). Aggregate donations from Trustees during the year totalled £nil (2019: £334).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**12. STAFF COSTS AND NUMBERS**

	2020	2019
	£	£
Salaries and wages	2,389,249	2,638,354
Social security costs	215,841	238,736
Pension contributions	165,693	160,916
	<u>2,770,783</u>	<u>3,038,006</u>

The number of employees whose emoluments exceeded £60,000 in the year was:

	2020	2019
£60,001 - £70,000	-	2
£70,001 - £80,000	1	-

At 31 March 2020 the Trust Leadership Team comprised the Chief Executive and five directors (2019: CEO and four directors) responsible for Biodiversity, People Engagement, Partnerships and Projects, Human Resources & Support Services and Finance. It received aggregate remuneration of £314,828 (2019: £486,109).

Four staff took redundancy during 2019/20. The total cost of redundancy payments was £13,930, of which £8,455 was fully expensed during the 2018/19 financial year when the restructuring decisions were taken. The remainder was expensed during 2019/20.

The average number of staff employed during the year calculated on a headcount basis was 106 (2019: 107).

The average number of staff employed during the year, calculated on a full time equivalent basis was:

	2020	2019
Conservation	21	20
Donations	3	3
Education	16	15
Land Management	26	29
Membership	5	4
Other Trading Activities	11	9
Support	8	9
Total	<u>90</u>	<u>89</u>

13. PENSION COSTS

Surrey Wildlife Trust operates a defined contribution pension scheme whose assets are held separately from those of the organisation in an independently administered fund. The pension cost charged to the Statement of Financial Activities was £146,187 (2019: £141,045). Unpaid contributions at 31 March 2020 were £19,778 (2019: £16,677). At 31 March 2020 this scheme had 91 members (2019: 92 members).

During the year the group also operated a defined benefit pension scheme whose assets were held in an Occupational Pension Scheme administered by Surrey County Council, in respect of staff that joined Surrey Wildlife Trust as part of a contract to provide countryside services to Surrey County Council.

An actuarial valuation of the scheme is performed every three years. The most recent valuation at 31 March 2016 found the scheme to be in surplus and set the group's contribution rate for the three years to 31 March 2020 at 31% of the employees' pensionable salary.

The pension cost charged to the Statement of Financial Activities was £19,315 (2019: £17,835). Unpaid contributions at 31 March 2020 were £1,957 (2019: £1,937).

On 31 March 2020 the Trust ceased to be a member of the Scheme. All assets and liabilities including liabilities for future contributions belonging to the Trust were subsumed by Surrey County Council.

At 31 March 2020 the Scheme had no members (2019: 2 members).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**14. FIXED ASSETS - HERITAGE ASSETS****GROUP AND PARENT CHARITY**

	2020	2019
Nature Reserves	£	£
COST	638,535	638,535
At 1 April and 31 March	638,535	638,535

Date Reserve	Public Access	£	Size (Ha)	Habitat
1965 Bay Pond	Closed	Donated	7	Lake, alder swamp & flower meadow
1970 Bagmoor Common	Open	3,000	14	Open heath & mixed woodland
1972 Nower Wood	Closed	22,000	33	Mixed woodland
1974 Wallis Wood	Open	Donated	14	Oak & hazel woodland
1981 Thundry Meadows	Open	25,000	15	Unimproved wet grassland
1987 Colekitchen Down	Open	6,000	3	Unimproved chalk grassland
1987 Vann Lake	By Permit	56,771	8	Open water
1987 Underdown	Open	Donated	-	Mixed woodland
1988 Thorpe Hay Meadow	Open	35,591	7	Unimproved grassland
1992 Cucknells Wood	Open	Donated	11	Mixed woodland
1992 Vann Lake Wood	Open	3,000	4	Mixed woodland
2000 Fir Tree Copse	Open	22,065	6	Oak, ash & hazel woodland
2000 Whippets Cant	Closed	Donated	1	Oak, ash & hazel woodland
2000 Dawcombe	By Permit	Donated	23	Chalk grassland & scrub
2001 Graeme Hendry Wood	Open	14,295	10	Deciduous woodland
2002 The Forest	Open	69,321	21	Mixed woodland
2002 Quarry Hangers	Open	70,582	11	Unimproved chalk grassland & scrub
2002 Candy's Copse	Open	4,648	-	Hazel coppice with standards
2002 Seccombes Wood	Open	Donated	2	Mixed woodland
2002 Dodds Field	Closed	40,000	2	Improved grassland
2003 Papercourt Meadows	Open	Donated	10	Open water & reedbed
2003 Papercourt Lock	Open	97,465	19	Wet grassland
2003 Glovers Pond	Open	27,484	3	Lowland heathland
2003 Land nr Backside Com'l	Open	12,000	3	Grassland
2004 Land at Compton	Open	Donated	3	Grassland, mixed woodland & pond
2004 Newdigate Brickworks	Open	Donated	16	Woodland, grassland, marsh & water
2004 Middlebriars Wood	Open	Donated	1	Mixed woodland
2006 Pucks Oak Barn Gard'n	Open	2,341	-	Barn & orchard
2006 Speynes Mere	Open	12,545	1	Grassland
2008 Fraser Down	Open	97,037	10	Chalk grassland & scrub
2009 The Birches	Open	17,390	1	Hazel coppice with standards
2009 Manor Farm	Open	Donated	25	Reversion to grassland & wet grassland
2012 Priest Hill	Open	Donated	33	Chalk grassland
Total		638,535	317	

The Trust's nature reserves are held to advance the conservation objectives of the charity and are therefore recognised as heritage assets. Purchased heritage assets are included in the balance sheet at cost. Donated assets are included at nil cost because reliable valuations could not be obtained at the point of acquisition. Public access to sites is generally unrestricted subject to health and safety, operational or conservation restrictions. There have been no disposals or impairments during the last five years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**15. FIXED ASSETS - TANGIBLE ASSETS**

GROUP & PARENT CHARITY	Freehold	Improve- ments to leasehold	Machinery	Office	Vehicles	Total
	property	property		equipment		
	£	£	£	£	£	£
COST						
As at 1 April 2019	1,465,480	652,487	456,626	166,050	369,990	3,110,633
Additions	22,651	-	15,400	16,867	52,633	107,551
Disposals	-	(626,561)	-	-	43,060	(669,621)
At 31 March 2020	1,488,131	25,926	472,026	182,917	379,563	2,548,563
DEPRECIATION						
As at 1 April 2019	139,285	360,259	312,345	68,656	283,632	1,164,177
Charge for the year	29,383	21,842	23,934	29,289	28,454	132,902
Disposals	-	(374,544)	-	-	(43,060)	(417,604)
At 31 March 2020	168,668	7,557	336,279	97,945	269,026	879,475
NET BOOK VALUE						
At 31 March 2020	1,319,463	18,369	135,747	84,972	110,537	1,669,088
At 31 March 2019	1,326,194	292,228	144,282	97,397	86,358	1,946,459

Included within the net book value is £129,275 (2019: £93,912) relating to assets held under hire purchase agreements. The depreciation charged on these assets in the year was £17,273 (2019: £12,009).

15. FIXED ASSETS - INTANGIBLE ASSETS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
COST				
As at 1 April	18,100	18,100	18,100	18,100
At 31 March	18,100	18,100	18,100	18,100
DEPRECIATION				
As at 1 April	18,100	18,100	18,100	18,100
At 31 March	18,100	18,100	18,100	18,100
NET BOOK VALUE				
At 31 March	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**16. FIXED ASSETS - INVESTMENTS**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Investments in UK Government bonds	1,370,000	-	1,370,000	-
Subsidiary undertakings	-	-	4	4
	1,370,000	-	1,370,004	4

Name	Activity	Country of incorporation	Proportion of Ordinary share capital held	Ordinary shares held
SWT Enterprises Limited (Company registration number 02808025)	Grazing services and wood products	Great Britain	100%	2
Norbury Park Wood Products Limited (Company registration number 04375855)	Manufacture of wood products	Great Britain	100%	1
SWT Ecology Services Limited (Company registration number 11034197)	Ecology consulting services	Great Britain	100%	1

The registered office of all subsidiary companies is the same as that of the charity.

17. STOCKS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Finished goods for resale	11,861	13,400	414	414
Wood products and raw materials	99,481	73,474	-	-
Livestock	147,817	178,461	147,817	171,061
	259,159	265,335	148,231	171,475

18. DEBTORS

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Amounts owed by group undertakings	-	-	90,837	106,000
Trade debtors	349,537	287,504	212,097	185,439
Gift aid recoverable	40,023	17,378	40,023	17,378
Accrued income	1,461,142	765,023	1,434,596	745,698
Other debtors and prepayments	120,565	68,444	106,753	61,864
	1,971,267	1,138,349	1,884,306	1,116,379

At 31 March 2020 the Trust held foreign currency forward contracts with value date of 1 April 2020 to sell Eur650,000 for sterling and to buy Eur650,000 in order to hedge its Single Farm Payment claim. The contracts were valued at £572,715 and £558,025 respectively. The profit of £14,690 is included in accrued income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**19. INVESTMENTS**

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Investments in UK Government bonds	482,984	-	482,984	-
Investment property	-	800,000	-	800,000
	482,984	800,000	482,984	800,000

The investment property at Beare Green was sold in 2019 for £825,500 to increase cash reserves in line with the Trust's Reserves Policy.

20. CREDITORS DUE WITHIN ONE YEAR

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	355,029	293,850	288,141	265,022
Taxation and social security	96,665	156,748	96,665	156,748
Other creditors	67,816	50,833	124,569	50,833
Accruals	689,699	272,568	630,318	248,095
Deferred income	155,182	282,647	155,182	278,082
	1,364,391	1,056,646	1,294,875	998,780

Deferred income consists of rent, grants and other income of £155,182 (2019: £282,647) received in advance of the period to which they relate.

During 2019 the Trustees agreed a five year committed loan facility with Charity Bank for £350,000 with the option to repay any loan outstanding after five years over the following twenty years. The facility is secured by a charge registered on the Trust's Pirbright Head Office. At 31 March 2020 the Trust had not drawn-down on the facility.

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Deferred income brought forward	282,647	275,537	278,082	272,133
Released during the year	267,509	160,249	262,944	156,845
Deferred during the year	140,044	167,359	140,044	162,794
Deferred income carried forward	155,182	282,647	155,182	278,082

21. CREDITORS DUE IN MORE THAN ONE YEAR

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Amounts due under hire purchase agreements	30,783	39,888	30,783	39,888
	30,783	39,888	30,783	39,888

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**22. RESTRICTED FUNDS**

GROUP AND PARENT CHARITY	Balance at	Income	Expenditure	Transfers in / (out)	Balance at
	1 April 2019				31 March
	£	£	£	£	£
Hedgerow Heritage	20,672	424,552	(18,164)	1,028	428,087
Priest Hill	426,817	250	(7,405)	(3,600)	416,062
Surrey BIC	171,878	92,610	(128,684)	16,947	152,751
Wey, Mole and Eden Catchment Part'rships	75,257	106,810	(71,874)	401	110,594
Fraser Down	96,640	-	-	-	96,640
Naturally Richer Surrey	99,364	63,003	(73,306)	(9,116)	79,946
Chobham NNR Restoration Fund	74,052	-	-	-	74,052
Heathland Restoration	69,624	-	-	-	69,624
Bees, Bugs and Butterflies	-	44,631	-	(550)	44,081
Surrey Wildlife Atlases	32,419	2,053	-	-	34,472
Treasure Chest	36,412	-	(6,445)	550	30,517
Elizabeth McAlmont Reserve	22,204	2,525	(1,410)	-	23,319
The Birches	17,390	-	-	-	17,390
Chobham Valley End SANG	10,987	-	-	-	10,987
The Forest	11,657	-	(840)	-	10,817
Westfield Common Community Project	12,830	17,545	(19,976)	-	10,399
Runfold Wood	9,593	-	-	-	9,593
Surrey Nature Partnership	-	6,255	(264)	1,000	6,991
Land Management Projects	6,256	971	(403)	-	6,825
Brockham Reserve	3,039	-	-	-	3,039
Wallis Wood	-	18,900	(16,861)	-	2,039
Holmethorpe Lagoons	3,687	175	(4,978)	1,116	-
	1,200,778	780,280	(350,610)	7,776	1,638,225

GROUP AND PARENT CHARITY	Balance at	Income	Expenditure	Transfers in / (out)	Balance at
	1 April 2018				31 March
	£	£	£	£	£
Priest Hill	453,967	250	(19,800)	(7,600)	426,817
Surrey Biodiversity Inform'n & Record Ctr.	168,312	84,034	(100,883)	20,415	171,878
Naturally Richer Surrey	99,364	-	-	-	99,364
Fraser Down	96,640	-	-	-	96,640
Wey, Mole and Eden Catchment Part'rships	63,147	85,674	(78,450)	4,886	75,257
Heathland Restoration Fund	87,552	-	-	(13,500)	74,052
Chobham Common Heathland Restoration	49,678	-	-	-	49,678
Treasure Chest	38,092	100	(1,780)	-	36,412
Surrey Wildlife Atlases	30,186	2,233	-	-	32,419
Elizabeth McAlmont Reserve	22,778	410	(984)	-	22,204
Hedgerow Heritage	37,274	44,410	(53,331)	(7,681)	20,672
Wisley Timber Fund	19,946	-	-	-	19,946

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**22. RESTRICTED FUNDS continued**

The Birches	17,390	-	-	-	17,390
Westfield Common Community Project	4,893	11,000	(1,480)	(1,583)	12,830
The Forest	12,047	-	(390)	-	11,657
Chobham Valley End SANG	10,987	-	-	-	10,987
Runfold Wood	9,593	-	-	-	9,593
Land Management Projects	6,985	264	(993)	-	6,256
Holmethorpe Lagoons	3,936	17,242	(9,491)	(8,000)	3,687
Brockham Reserve	3,039	-	-	-	3,039
Nower Wood Outdoor Wildlife Learn'g Ctr.	15,229	(5,356)	(1,242)	(8,631)	-
Travelsmart	2,035	-	(1,943)	(2)	-
Conservation Projects	4,704	-	(10,343)	4,866	-
	<u>1,257,774</u>	<u>241,034</u>	<u>(281,110)</u>	<u>(16,920)</u>	<u>1,200,778</u>

Hedgerow Heritage: Volunteer led project to survey, protect and restore hedgerows across Surrey.

Priest Hill: Fund for the management of the Priest Hill nature reserve at Epsom.

Surrey Biodiversity Information & Record Centre: A project funded by partners for the recording and provision of biodiversity information in Surrey.

Wey, Mole and Eden Catchment Partnerships: Environment Agency funded project led by the Trust for river restoration on the Wey, Mole and Eden catchment areas.

Fraser Down: Heritage asset comprising chalk grassland.

Naturally Richer Surrey: A project supported by Coast to Capital LEP which is enhancing habitat and developing Natural capital investment approach to improving biodiversity in the Holmesdale area.

Chobham Common Heathland Restoration: Fund for the restoration of heathland on the Chobham Common National Nature Reserve.

Heathland Restoration Fund: Fund for conservation works on Surrey's heathlands.

Bees, Bugs and Butterflies: A project to enhance habitat for pollinators on the North Downs chalk grasslands.

Surrey Wildlife Atlases: Fund for the publication of types and distribution of species of wildlife in Surrey.

Treasure Chest: Donations based fund to support restoration projects.

Elizabeth McAlmont Reserve: Fund for the management of the Elizabeth McAlmont reserve at Compton.

The Birches: Heritage Asset land comprising hazel coppice and standards.

Chobham Valley End SANG: Fund for the management of the SANG at Valley End, Chobham.

The Forest: Fund for the management of mixed woodland near East Horsley.

Westfield Common Community Project: Project with the local community to improve Westfield Common

Runfold Wood: Fund for restoring woodland near Compton.

Surrey Nature Partnership: The Trust hosts the Surrey Nature Partnership.

Land Management Projects: Funds for various land management projects on reserves.

Brockham Reserve: Fund for the management of the Brockham Lime Kilns and associated nature reserve.

Wallis Wood: Project to improve habitat in conjunction with Network rail.

Holmethorpe Lagoons: Fund for the management of the Holmethorpe Lagoons Reserve at Merstham.

Conservation Projects: Funds for various conservation projects and Surrey Nature Partnership.

Transfers in comprise contributions from the Trust's unrestricted funds to facilitate restricted fund projects. Transfers out comprise the use of unrestricted resources typically staff time required to complete restricted fund projects.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**23. DESIGNATED FUNDS**

GROUP AND PARENT CHARITY	Balance at				Balance at
	1 April 2019	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Heritage assets fund	524,505	-	-	-	524,505
Capital expenditure fund	50,000	-	(50,000)	80,000	80,000
Strategic projects and investment fund	426,000	500,000	-	-	926,000
Tangible & intangible fixed assets fund	1,946,459	107,551	(384,922)	-	1,669,088
Pirbright refurbishment fund	-	-	-	450,000	450,000
Covid-19 working capital fund	-	-	-	350,000	350,000
Investment property revaluation fund	800,000	-	-	(800,000)	-
	3,746,964	607,551	- 434,922	80,000	3,999,593

GROUP AND PARENT CHARITY	Balance at 1				Balance at 31
	April 2018	Income	Expenditure	Transfers	March 2019
	£	£	£	£	£
Heritage assets fund	524,505	-	-	-	524,505
Capital expenditure fund	63,000	-	(44,505)	31,505	50,000
Strategic projects and investment fund	116,929	309,071	-	-	426,000
Tangible & intangible fixed assets fund	2,001,882	89,657	(145,080)	-	1,946,459
Investment property revaluation fund	800,000	-	-	-	800,000
	3,506,316	398,728	(189,585)	31,505	3,746,964

Heritage assets fund: This represents the asset value of nature reserves held by the Trust.

Capital expenditure fund: Fund to purchase new capital assets in 2020-21 to support charitable activities.

Strategic projects & investment fund: Fund to support major new projects required to achieve the 2018 Five-Year strategic plan and investment in income generating activities.

Tangible & intangible fixed assets fund: This represents the premises, vehicles and equipment required to deliver the mission.

Investment property revaluation reserve: This represents the value of the Deans investment property.

Covid-19 working capital fund: To provide a cash reserve to manage uncertainty arising from Covid-19.

Pirbright refurbishment fund: Fund to improve the H.O. working environment and IT infrastructure and adapt to Covid-19 social distancing and home-working requirements.

24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2020	Unrestricted Funds	Restricted Funds	Total 2019
	£	£	£	£	£	£
Heritage assets	524,505	114,030	638,535	524,505	114,030	638,535
Tangible & intangible fixed assets	1,669,088	-	1,669,088	1,946,459	-	1,946,459
Fixed asset investments	950,000	420,000	1,370,000	-	-	-
Net current assets	1,779,435	1,104,196	2,883,631	2,215,872	1,086,748	3,302,620
Creditors due after more than one year	(30,783)	-	(30,783)	(39,888)	-	(39,888)
	4,892,245	1,638,226	6,530,471	4,646,948	1,200,778	5,847,726

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**25. NOTES TO THE GROUP CASHFLOW STATEMENT****i) Reconciliation of net incoming resources to net cash inflow from operating activities:**

	2020	2019
	£	£
Net income for the year	682,744	174,258
Adjustments for:		
Interest and rent on investments	(20,496)	(22,992)
Interest payable	3,685	3,618
(Gains)/losses on investments	(25,500)	-
Depreciation	132,902	145,080
(Profit)/Loss on disposal of tangible fixed assets	237,017	(6,089)
(Increase) in stocks	6,176	44,934
(Increase) / decrease in debtors	(832,918)	544,639
Increase / (decrease) in creditors	299,309	(29,346)
Net cash provided by operating activities	482,919	854,102

ii) Analysis of cash and cash equivalents:

	2020	2019
	£	£
Cash in Hand	483,384	455,582
Notice deposits (less than 3 months)	1,051,227	1,700,000
Investments maturing in less than 6 months	482,984	-
Overdraft facility repayable on demand	-	-
	2,017,595	2,155,582

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2019	Cash flows	New Finance Leases	Fair Value Movement	At 31 March 2020
	£	£	£	£	£
Cash	455,582	27,802	-	-	483,384
Cash equivalents	1,700,000	(648,773)	-	-	1,051,227
Investments maturing within six months	-	483,100	-	(116)	482,984
Investments maturing after six months	-	1,363,319	-	6,681	1,370,000
	2,155,582	1,225,448	-	6,565	3,387,595
Overdraft facility repayable on demand	-	-	-	-	-
Finance Lease obligations	(64,936)	30,771	(30,109)	-	(64,274)
Total	2,090,646	1,256,219	(30,109)	6,565	3,323,321

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**27. COMPARATIVE INFORMATION****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Income From:				
Donations, legacies & membership	2	1,830,448	19,834	1,850,282
Charitable activities:	3			
Conservation		638,779	169,090	807,869
Land management		2,145,049	29,166	2,174,215
Education		235,743	22,944	258,687
Other trading activities	4	1,251,457	-	1,251,457
Investments	5	22,992	-	22,992
Total		6,124,468	241,034	6,365,502
Expenditure on:				
Raising funds	7	1,789,914	1,779	1,791,693
Charitable activities:	8			
Conservation		913,550	215,926	1,129,476
Land management		2,375,149	42,106	2,417,255
Education		831,521	21,299	852,820
Total		5,910,134	281,110	6,191,244
Net income		214,334	(40,076)	174,258
Transfers between funds		16,920	(16,920)	-
Net movement in funds		231,254	(56,996)	174,258
Funds brought forward at 1 April		4,415,694	1,257,774	5,673,468
Funds carried forward at 31 March		4,646,948	1,200,778	5,847,726

28. FINANCIAL COMMITMENTS - GROUP**OPERATING LEASES**

The amounts payable in respect of operating leases over their remaining lives are shown below, analysed according to the due date of the payments.

	2020 £	2019 £
Motor vehicles, plant and machinery		
Within 1 year	39,384	39,384
In 2 to 5 years	55,932	95,315
	95,316	134,699
Land and buildings		
Within 1 Year	76,083	76,083
In 2 to 5 years	102,875	110,125
In more than 5 years	161,000	184,000
	339,958	370,208

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

29. RELATED PARTY TRANSACTIONS

The company and the group have taken advantage of the exemption within Financial Reporting Standard 102 not to disclose intra-group transactions between subsidiary undertakings where 100% of the voting rights are controlled within the group.

30. TAXATION

The Trust is a registered charity and thus is exempt from corporation tax on surpluses generated from its charitable activities. The activities of the Trust's subsidiaries, Norbury Park Wood Products Limited and SWT Enterprises Limited and SWT Ecology Services Limited are chargeable to corporation tax.

31. POST-BALANCE SHEET EVENT

In August 2020, after an 18 month negotiation agreement was reached with Surrey County Council to revise responsibilities under the 50 year Agreement for management of the SCC Estate. Under the new Agreement, with effect from 1 April 2020 each party will focus on its core interests: SWT will only be responsible for managing conservation and wildlife focussed engagement whilst SCC will take back responsibility for managing public access, property and commercial income generation. It is anticipated that the Sawmill will revert to SCC in November 2020. SWT will fund its conservation work from grant schemes and charitable fundraising. This has been a time-consuming and complex process involving revising the 2002 Agreement, leases for the Estate and commercial properties and exiting the LGPS Pensions Admissions Agreement and has required approval by the Charities Commission.

The cash cost of the revision, expensed in the year-ended 31 March 2020 was £195,000 of which over half was for legal and professional advice taken by Trustees during the 18 month process. The remainder included costs of exiting the LGPS and other commercial activities. Also, leases for commercial properties were surrendered to SCC without assessment for dilapidations. The net book value of the disposals was £252,000 (Note 15).

The benefits to the Trust were that significant potential future liabilities have been removed, specifically: the exit from the LGPS removed the risk of a cessation liability estimated at between £1.3m and £2.0m (depending on movements in the market between the last actuarial valuation in 2019 and the date of crystallisation) that would have crystallised by 2025 and surrender of commercial leases removes the risk that substantial property dilapidations will be assessed on the Trust at the end of the Agreement. In addition, annual costs including pension contributions of £95,000 and management time spent on non-mission and reputational issues of £65,000 will be saved. Most importantly, the Trust will now be able to focus more clearly on achieving its conservation mission working with partners including SCC to reverse the decline in nature across Surrey.