



# **Lincolnshire**

## **Wildlife Trust**

### **ANNUAL REPORT**

and

### **FINANCIAL STATEMENTS**

for the year ended

31 March 2016



**ANNUAL REPORT  
and  
FINANCIAL STATEMENTS  
for the year ended 31 March 2016**

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**CHAIRMAN'S ANNUAL REPORT  
for the year ended 31 March 2016**

Ted Smith, President of Lincolnshire Wildlife Trust died in September 2015. In the 1940s Ted Smith recognised the urgent need to save Lincolnshire's most special places for nature. In 1948 he was the founding Honorary Secretary of the Lincolnshire Wildlife Trust and went on to be Chairman and then President. He fought to save our unspoiled coast, ancient meadows and heaths and to halt the destruction of native woodland. Ted campaigned on almost every front from saving roadside flowers from being sprayed with chemicals to pressing for legislation to protect otters.

His influence extended far beyond Lincolnshire. He travelled the length and breadth of Britain, lecturing on his vision for nature and for local Wildlife Trusts to champion it. Most importantly, he saw the need for local nature organisations which could own land and for them to derive support from a wide section of the community. In 2012 he was presented with The Wildlife Trusts' Centenary Award by Sir David Attenborough. Talking about Ted Smith's dedication and presenting the award, Sir David Attenborough commented on the profound impact that Ted had on the first 100 years of nature conservation:

*"This countryside of Britain may not be as rich as Ted knew it as a child in the 1920s and 30s but it is immeasurably better than it would otherwise have been without him and The Wildlife Trusts. Generations to come are going to benefit more than they will know."*

In 2010, Gibraltar Point was dedicated to Ted in celebration of his lifetime commitment to the reserve. Established in 1949, Gibraltar Point was the first Lincolnshire Wildlife Trust nature reserve. It was a new kind of nature reserve that promoted nature conservation, survey and research, as well as public enjoyment and access. Sadly Ted did not get to see the recovery of the nature reserve after the 2013 floods and the completion of the new visitor centre which replaced the one damaged during that event which opened in May 2016.

A notable highlight of the year was the major works underway at the new nature reserve on the former Woodhall Spa Airfield, adjacent to Kirkby Moor nature reserve. Completion of this initial phase of work should see parts of the nature reserve open to the public in the summer of 2016.



Sir David Attenborough with Ted Smith, Kirkby Moor 2012

**REPORT OF THE TRUSTEES  
for the year ended 31 March 2016**

The Board of Trustees has pleasure in presenting its report together with the audited accounts for the year ended 31 March 2016. The Board has adopted the provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing its accounts in accordance with the Financial Reporting Standard applicable in the UK (effective 1 January 2015) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

**OBJECTIVES AND ACTIVITIES**

Lincolnshire Wildlife Trust is required by charity and company law to act within the objects of its Memorandum of Association, which are as follows:

4. *The Objects for which the Trust is established are, for the benefit of the public:-*

4.1 *To advance, promote and further the conservation protection and enhancement of:*

- (i) wildlife and its habitats;*
- (ii) areas of natural beauty or heritage;*
- (iii) areas of zoological, botanical, mycological or other biological scientific interest;*
- (iv) areas with geological, geographical, geomorphological, archaeological or amenity value in particular, but not exclusively, in ways that further biodiversity.*

4.2 *To advance education in:*

- (i) the principles and practice of biodiversity and geodiversity conservation;*
- (ii) the principles and practice of sustainable development. The Trust defines sustainable development as 'Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.'*

4.3 *To promote research in all branches of study which advance the Objects specified previously and to publish the useful results thereof.*

**Vision**

Lincolnshire and the neighbouring sea and estuaries to be rich in wildlife for the benefit of all.

**Mission**

To safeguard wildlife in Lincolnshire and in the neighbouring sea and estuaries by:

- protecting existing wild places as reservoirs of biodiversity;
- restoring and creating wildlife habitats;
- sharing this vision with others, particularly relevant decision makers;
- encouraging more people to enjoy Lincolnshire's natural environment and to understand the need to conserve it;
- promoting research projects which lead to a better understanding and appreciation of the natural world.

**Principal Activities and Strategies for the Year**

During the year effort has focused on delivery of the new five year Strategic Plan which commenced April 2015. These are under three principle headings:

**To create Living Landscapes - a resilient and healthy environment rich in wildlife**

- Work in partnership to develop more, bigger, better and joined areas of wildlife value, influencing organisational and individual policies and practices.
- Expand the wildlife rich core of Living Landscapes by extending and connecting our nature reserves through acquisition and working with farmers and other land managers.
- Manage nature reserves well and achieve conservation objectives for appropriate land management.

- Develop and implement strategic approach to management of alien invasive species.
- Assemble the social, economic and environmental evidence which shows the benefits of Living Landscapes.

## **To restore Living Seas – where marine wildlife thrives, from the depths of our seas, to our estuaries and coastal shallows**

- Work to increase the coverage of and protection afforded by Marine Protected Areas in 'Lincolnshire Waters'.
- Work to improve marine planning, policies, laws and practices and work with stakeholders to improve the marine environment.
- Raise the profile of the North Sea's wildlife and the Wildlife Trust's role in protecting it.
- Work to increase knowledge of Lincolnshire's marine environment through monitoring and surveys.

## **To inspire people, organisations and communities to value and safeguard wildlife**

- Influence decision makers (public and private) to improve the status of wildlife in Lincolnshire.
- Increase the value that people place on Lincolnshire's wildlife and environment.
- Inspire people to be Wildlife Trust members, donors and supporters.
- Engage a wide range of people with a presence at public events and locations.
- Recruit, train and develop volunteers to contribute where they are most needed.
- Develop digital technology to complement traditional approaches to communication.
- Maintain high quality centres and satellite sites to deliver life-long learning.

## **Volunteers**

Volunteers are involved at every level and in every aspect of the charity's work. Volunteer roles include membership of the Board, Council and Teams; participation in one of 16 Area Groups which exist to support our work locally; centrally appointed roles such as Voluntary Reserve Managers, wardens, Watch Leaders, professional advisors and representatives on a variety of other bodies; and helping with sales outlets, events and administration. The Trust is essentially a voluntary organisation with activities organised on the basis that volunteers play an essential part in managing the charity's affairs, in deciding on its priorities and in conducting a large part of its business. As well as harnessing great resources of expertise, knowledge and energy, our voluntary character has great benefits for involving individuals and communities and lends local grassroots credibility to our work. This philosophy is reflected in the approach of staff to their work and in our governance structures. Without this support the Trust could not function as volunteers deliver the equivalent in working hours as the employed staff.

## **Public Benefit Statement**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Trust's public benefit is enshrined in its charitable objects as outlined above.

## **STRATEGIC REPORT**

### **Achievements and performance**

The principal activities and strategies are delivered through three key departments: Nature Reserves; Conservation; and Education & Community (Inspiring People).

#### **Nature Reserves**

Major works were completed to create the nature reserve at the former Woodhall Spa Airfield including large scale spoil movement, wetland creation and new access. Development of a full restoration plan for the site and adjacent nature reserves (Moor Farm, Kirkby Moor and Kirkby Low Wood) was developed with a view to possible external funders.

Whisby Nature Park's 25<sup>th</sup> anniversary was capped with the opening of the new rail crossing at the centre of the nature reserve. This was the result of partnership work with Network Rail and Lincolnshire County Council and provides excellent access for visitors and the potential in time for good nightingale habitat.

On Trust nature reserves otter have been regularly recorded at Deeping Lakes nature reserve following the installation of holts in previous years; works were undertaken to landscape a series of islands to enhance for wildlife. Otter have also been recorded at Willow Tree Fen nature reserve for the first time and introduction of greater water parsnip to the site has been highly successful.

Large scale woodland management was undertaken at Tunman Wood nature reserve and Bloxholm Wood nature reserve with woodland plans prepared for a number of other sites. The woodland flora project at Snipe Dales is delivering results for people and wildlife with royal fern now being introduced after careful propagation.

The Trust continues to support the MoD at the former Wainfleet Range and Natural England at Saltfleetby-Theddlethorpe Dunes National Nature Reserve through direct management of the sites. The longer term arrangements for the sites remain under discussion. Saltfleetby-Theddlethorpe Dunes NNR is included amongst a small number of other NNRs across England to consider approaches to partnership working. On site there has been considerable frustration with anti-social behaviour and, while not unique to the site, its proximity to holiday resorts and numerous access points make this a particularly difficult site to manage. Regular sightings reports to the Lincolnshire Naturalists Union have helped demonstrate the site's wildlife interest to a wider audience.

No land acquisitions were completed during the year, though negotiations continue and one rather complex conveyance is underway. Purchasing land (or acquisition through other means) remains a priority for the Trust particularly where this extends existing nature reserves, is well located or has existing or potential value for wildlife.

Lincolnshire's marine life was brought to international attention with the stranding of four sperm whales on the county's beaches with over thirty stranded along the coastline of the southern North Sea. While the Trust was not directly involved, one animal was closely monitored on the Former Wainfleet Range and some media work carried out.

Two iconic species on the Lincolnshire coast, grey seal and little tern, experienced good breeding seasons at Donna Nook and Gibraltar Point respectively through good site management.

#### **Wider Countryside and Marine Conservation**

Plans to take forward 'Wild Coast and Marshes Living Landscape Area' from the Lincolnshire Coastal Grazing Marshes and Coastal Country Park projects as potential Nature Improvement Areas made limited progress. Lincolnshire County Council, on behalf of the Trust and other partners, commissioned work to consider options. Early discussions were undertaken to consider possible routes for the Coastal Access Path, this work is led by Natural England.

The Meadows Project (successor to the Life on the Verge Projects) hosted the national Caring for God's Acre conference in the county, working closely with a number of community groups to establish new areas of flower rich grassland including the University of Lincoln's Joseph Banks Laboratory grounds.

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The Trust hosts the South Lincolnshire Fenlands Partnership Project Officer. Along with the Regional Fens Project Officer good progress is being made to improve the area for wildlife in this intensively farmed area. A South Lincolnshire Fenlands Farmers' bid to the Facilitation Fund (agri-environment fund for groups of landowners) was successful. Three farmers entered Mid-Tier agreements with potentially some Higher Tier applications. Greatest benefit to date is in developing relationships with farmers.

The Trust remains actively involved in forward planning to try to ensure appropriate policies are included in local and national plans and strategies to protect nature conservation sites from inappropriate development and other activity, and achieve more resilience to climate change and other pressures.

This year a significant focus has been on local interpretation of the new Common Agriculture Policy, particularly influencing targeting of the new Countryside Stewardship scheme. During the year the Trust worked closely with all the county's local planning authorities and contributed to the following development documents:

- Lincolnshire County Council - Minerals and Waste Local Plan: core strategy and development management policies pre-submission draft; site allocations development plan document (South Lincs Fens, Kirkby on Bain, Witham Valley Country Park)
- North East Lincolnshire Council – Local Plan: pre-submission draft (Wolds NCA)
- North Lincolnshire Council – Solar developments supplementary planning document; health and wellbeing supplementary planning document. (Humberhead Levels NIA, Coversands, Wolds NCA)
- Central Lincolnshire (North Kesteven District Council, City of Lincoln Council, West Lindsey District Council, Lincolnshire County Council) - Local Plan: draft plan; policies map; integrated impact assessment; developer contributions supplementary planning document; infrastructure delivery plan (Witham Valley Country Park, South Lincs Limestone, Lincolnshire Limewoods, Trent Vale)
- East Lindsey District Council – Horncastle Neighbourhood Plan (Wolds NCA)
- South Kesteven District Council - Local Plan: preliminary consultation (South Lincs Limestone, South Lincs Fens)
- South East Lincolnshire (Boston Borough Council, South Holland District Council) – Local Plan: draft plan and sustainability appraisal (South Lincs Fens)

The Trust reviewed 9,899 planning applications and responded to 166 which involved developments that could adversely impact on sites of nature conservation importance and/or offered significant opportunities to enhance biodiversity.

The Trust plays an active role in the Greater Lincolnshire Nature Partnership (GLNP), which it hosts. The Partnership compliments the Trust's advocacy work. The Partnership focussed on collecting evidence on the value of nature tourism; this was presented at a very successful conference in November 2015 and the publication of a report. The financial value of nature tourism to the Greater Lincolnshire economy is over £50million.

The Partnership has made good progress across a range of themes, more details of the activity and achievements are available in its Annual Review 2015-16.

Government proposals for a Greater Wash Special Protection Area (SPA) and a Special Area of Conservation in the North Sea for harbour porpoise are welcomed. This complements the existing network of Marine Protected Areas. The Trust continues to lobby for improved protection for wildlife in these areas.

## **Inspiring People**

April 2015 saw the demolition of the damaged visitor centre and education buildings at Gibraltar Point commence. By the end of the period the new elevated visitor centre, as well as the refurbishment of the 19<sup>th</sup> century coastguard house (to be used for events and meetings), was well underway, ultimately opening in May 2016. This offers an exciting new beginning for the visitor facilities at the site. Funding was secured for its construction from the Coastal Community Fund and European Regional Development Fund by Lincolnshire County Council along with a contribution from the Trust.

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Delivery of education and events at Gibraltar Point NNR remained affected by the flood damage in December 2013. Alternative arrangements were made including tipis at Gibraltar Point, reminiscent of the earliest education visits to the nature reserve in the 1950s and 60s along with increased use of Snipe Dales and Saltfleetby-Theddlethorpe. Over 4,000 students from over 220 schools, colleges and universities participated in formal education visits at those sites and Whisby Nature Park, Far Ings and Donna Nook. A similar number were visited in school.

Throughout the year staff, volunteers, Watch Groups and Area Groups organised over 300 events with over 10,000 participants. The wide ranging events included guided walks, reserve open days and children's activities. The Trust attended over 30 external events including the Lincolnshire Show (with an award winning stand) and the Birdfair.

The Lincolnshire coast and particularly Trust sites featured on BBC Radio 4's Open Country programme in December 2015.

The Lincolnshire Wildlife Trust website continued to be a very important resource and was visited by 230,670 people, who viewed a total of 885,160 pages. This represents a 13% growth in website usage over the last two years. Website content was refreshed with news, events and general updates, whilst mini-websites that sit within the main Trust website were developed for the Meadow Network Project and the Lincolnshire Environmental Awards. The website and social media were also used to raise funds through a Seal Appeal for Donna Nook and a Nationwide Building Society donation after a public vote.

Social media continued to be a huge growth area for Trust communications with a consistent increase in followers, which was further enhanced with new Facebook pages launched for Gibraltar Point, Far Ings and Whisby Nature Park. All Trust Facebook pages managed by staff were branded with the Trust logo and a page-specific colour to ensure that they are identifiable as official Lincolnshire Wildlife Trust pages.

## FINANCIAL REVIEW

### Investment Policy

1. Investment Objectives and Attitude to Risk

The Trust requires a regular and secure level of investment income to support its core operational costs, whilst protecting the capital value of the investments in the longer term. At a time when income from cash deposits is at a historically low level, income of c5% per annum is required from a spread of diversified assets.

The Trust will hold its investments in a variety of ways, which may include the creation of a specific portfolio of direct share and bond holdings, managed by well-regarded and highly rated investment houses. In addition, the Trust may purchase units in a variety of “charitable income funds”, which allow ready access to liquidity in times of need.

In order to mitigate risk, there is a preference to invest with a number of providers, with a minimum of two and a maximum of four investment managers.

The Trust does not have a specific ethical policy but given the Trust’s charitable status there is a clear preference to invest in “charitable investment funds” which have an appropriate ethical policy.

The Trust recognises that by focusing on a high level of investment income, there is a risk that the value of the investments may not keep pace with inflation and it is determined to increase the value of the portfolio by making additional investments when surplus funds are available.

2. Liquidity Requirements

In the light of current low interest rates, there is a preference to keep the majority of the funds invested to provide a higher level of income. The Trust will always maintain sufficient working capital to cover its on-going requirements outside this Investment Policy and will maintain a minimum of £200k in a cash deposit with COIF Charities Deposit Fund or a similar institution. This sum matches the minimum value of the Development Fund and may be increased by the Trust up to a maximum of 10% of the amount invested or any other sum that may be required to match the value of the Development Fund.

3. Review, Reporting and Monitoring

An annual review of this policy will be undertaken by the Finance Monitoring Group at its August meeting to ensure that the policy remains relevant to the current economic circumstances. A formal report will be delivered to the Board at a subsequent meeting – usually in September. By using different providers, the Trust will be able to compare the performance of each Investment House on an annual basis and seek explanations for differing results and change providers where this is considered to be necessary.

### Risk Management

The Trustees continue to keep under review their assessment of the major risks to which the charity is exposed, and have taken steps to mitigate the risks that have been identified. The risk register was reviewed and maintained. The outcome of the European Union (EU) referendum will result in significant uncertainties for the Trust for several years to come impacting on land management, environmental legislation and funding. The full impact is yet to be fully understood and the Trust is working closely with RSWT to mitigate the risks and take opportunities which might arise. There were already concerns over the implementation of EU’s Common Agricultural Policy reform, particularly agri-environment payments. This has a bearing on income for the Trust but also impacts on nature conservation in the wider countryside by other landowners. The Trust has good systems in place to manage the current system, these will be kept under review. A range of key partners, particularly those in the public sector, are under significant financial strain. This impacts on the direct funding that they can provide the Trust and also their capacity to support delivery of the Trust’s objectives through joint working. Advocacy remains a key element of the Trust’s work to maximise the benefit of these relationships even during difficult times. Strong financial reserves and financial controls are maintained. Following the floods of 2013 careful consideration has been given to mitigation against complete or partial loss of key building or other infrastructure including a full review of insurance cover. An increased focus has been placed on cyber security following a number of threats identified locally and nationally, new policies and procedures are being implemented following an external audit.

## **A review of the financial position at the end of the reporting period**

During the course of the year the Trust received income of £2,467k and spent £2,534k, which, together with unrealised losses on its listed investments, insurance proceeds and a further pension provision, produced a deficit of £249k for the year. The income sources are well spread with the majority coming from membership income, legacies, a variety of environmental and Local Authority funding and income from investments.

Membership numbers have risen to 27,014 at the year end, boosted by an excellent recruitment campaign at the seal pupping season at Donna Nook over the winter months. Whilst there has been much comment during the year in the press and in Parliament on the fundraising activities of the charitable sector, it is pleasing to report such a significant increase in membership. The Board takes a keen interest in the levels of membership recruitment and retention and ensures that the Trust meets its obligations under the relevant legislation and is always mindful of the reputational risk involved in inappropriate contact with its members.

The Trust has again benefitted from a healthy number of legacies and is indebted to everyone who has appreciated the importance of this income stream to the Trust's work. Over the years, this source of income has enabled the Trust to acquire new reserves, manage them better and improve visitor facilities, whilst building up financial reserves to support the ongoing work of the Trust. In the current year, the Trust is particularly grateful to the late John Allen for a legacy in excess of £300k. Details of other legacies are included within the Notes to the Accounts.

As mentioned elsewhere, changes to the Common Agricultural Policy schemes to promote good environmental practice have caused significant additional work for members of the Nature Reserves Department, and the Trust's income from this source is likely to decline in the short and medium term as the new system unfolds. Whilst there is a degree of certainty in contracted payments under the Entry Level Stewardship and Higher Level Stewardship schemes until 2017, thereafter income was predicted to fall away over the next four years. There is now a greater degree of uncertainty while Brexit negotiations are underway. The Trustees have been keeping a close "watching brief" on developments and the Board is starting to plan for life under the new arrangements.

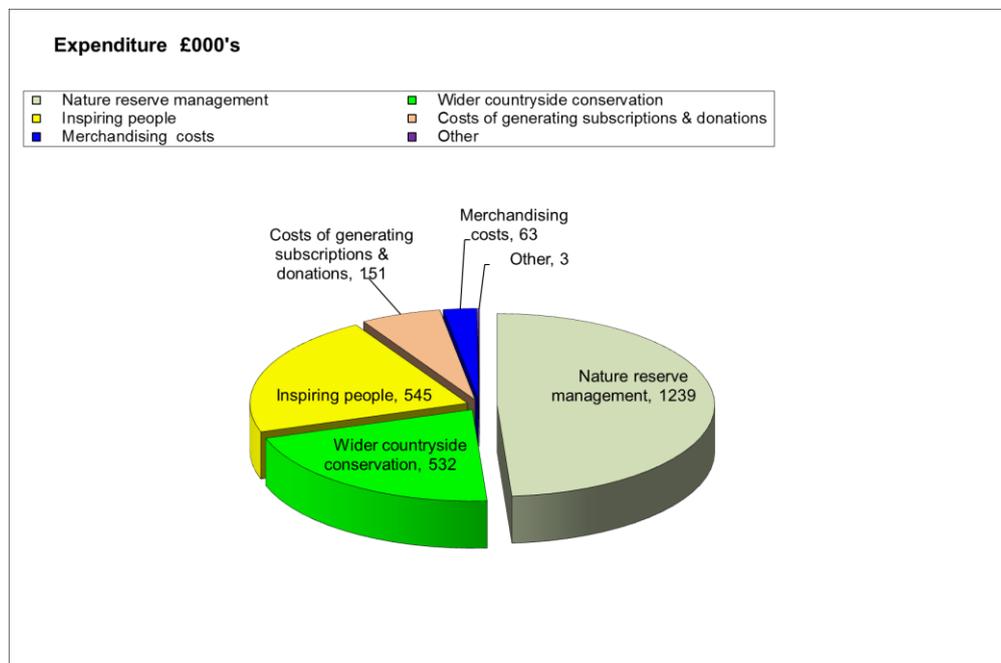
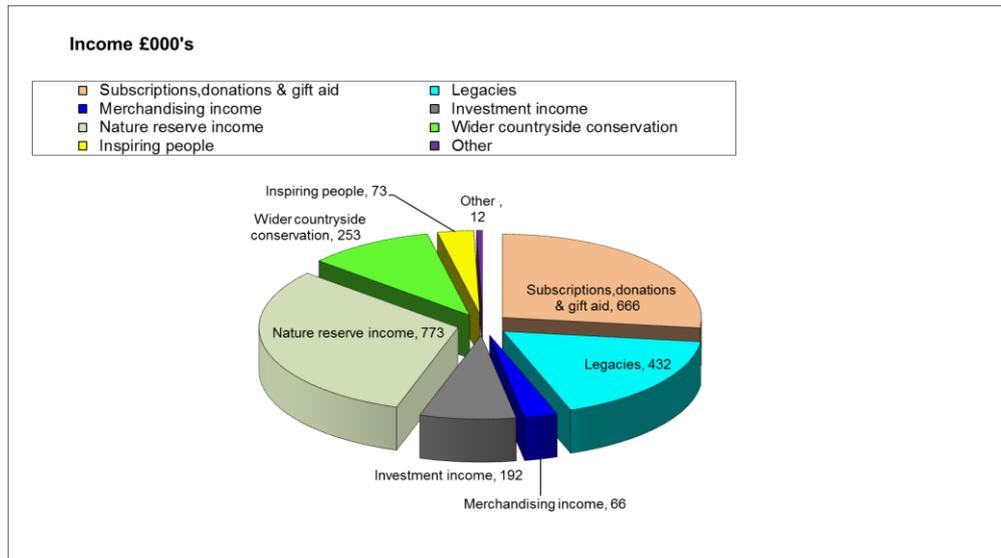
During the year, the value of the Trust's investments has mirrored the volatility of the equity and bond markets, following a succession of well-publicised shocks to the financial system. At the end of the year, this delivered a reduction of £130k compared to the previous year, but this should be viewed in the light of market gains in excess of £500k over the previous three years. The Trustees review investment performance each quarter and have taken advice on the structure of the Trust's investments in these difficult market conditions. In broad terms, the Trust's advisers have recommended that its investments are well spread and that the market should right itself over the medium term. The Trust does need to generate a high level of income from its investments to continue to fund important posts, so the potential to move funds into cash or a safer form of investment would have a significant impact on the level of income received. The Trust's investment policy does recognise and accept the risk of a short-term fall in value in order to benefit from a higher level of income.

The settlement of the outstanding insurance claim at a figure of £149k and the opening of the new Visitor Centre at Gibraltar Point just after the year-end will enable the Trust to recapitalise its subsidiary company in the near future. Full details are yet to be finalised but the Trust expects to put in place a business model, which will allow its subsidiary to cover all its overheads going forward, whilst generating a contribution towards the work of the Trust, as it did before the tidal surge of December 2013. The interim period, operating out of a Portacabin and a mobile catering vehicle has been expensive from a financial perspective and difficult from a staffing perspective, so Trust staff can look forward with confidence to a more satisfying way of working in the future. Negotiations for a renewed lease with Lincolnshire County Council are progressing well and the Trust has agreed to contribute £200k towards the cost of the new Visitor Centre, once the lease is completed.

The Trust has spent £2,316k on its charitable activities during the course of the year, which represents 91.5% of total expenditure. This has been spread across Nature Reserves, Wider Countryside Conservation and Inspiring People and details of the split appear in the pie charts below and the notes to the accounts.

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The Trust has experienced continued difficulties with its former pension arrangements, and there is a need to make a further provision of £144k to cover the Trust's share of the latest reported shortfall in the scheme. The Defined Benefit Scheme operated by RSWT and a number of other Wildlife Trusts, including Lincolnshire, was closed to the further accrual of benefits in October 2005 and this Trust has subsequently reported the level of its share of the deficit in the Pension Fund in its financial accounts. The Trust makes regular monthly contributions to reduce the actuarial shortfall but with life expectancy increasing and adequate returns difficult to find, there is unfortunately a need to recognise the increased deficit. Further details are included within the Notes to the Accounts.

On balance, the Trust can be proud of what has been achieved during the course of the current year and whilst there are issues to address over the next few years, the Trust is well capitalised and has the financial strength to resolve them.

## Financial Reserves Policy

The Trust's unrestricted financial reserves are divided between four Funds:

The Conservation Fund  
The Legacy Equalisation Fund  
The Development Fund  
The General Fund

The **Conservation Fund** has been established over a number of years to provide a regular and secure source of investment income to support the essential work of the Trust. In general terms, the Trust looks to its membership and investment income to support its core costs of operation. The Conservation Fund also demonstrates the inherent strength of the organisation, which can be important when approaching funding sources for finance to undertake long-term projects in line with the strategic objectives.

From time to time the Trust may transfer funds from the Conservation Fund to support major acquisitions and in such circumstances there is a clear determination for such sums to be restored over a period of time as and when surplus funds are available. The Conservation Fund remains fully invested and any increases or decreases in value at the year-end are reflected in the fund. At the year-end the fund stood at £3,370k.

The **Legacy Equalisation Fund** was established to enable the Trust to dampen the effect of annual fluctuations in the flow of legacy income and cope with a year when legacy income is lower than the historical ten-year average of £517k. The current reserve of £900k therefore provides a "safety net" for a minimum of two years.

The **Development Fund** represents the Trust's disposable income outside the existing annual budgetary process and provides a pool of finance for a variety of opportunities, including urgent and important land acquisitions, providing matching resources for external funding applications and the financing of specific short-term posts or projects.

The timing of acquisition opportunities, together with their magnitude, is unpredictable and it is the Trust's aim to maintain this Fund at a minimum of £200k dependent on the flow of available income, chiefly from legacies. The Fund currently stands at £1,076k although £650k has been allocated to cover our contribution to the Gibraltar Point Visitor Centre, the acquisition of a new nature reserve in the north of the county, essential improvements to open up the Woodhall Spa Airfield nature reserve (all of which are likely to be completed in the financial year 2016/17) and the employment of two new members of staff over the course of the next three years.

The **General Fund** represents the working capital of the organisation, providing headroom for stocks, debtors and cash-flow fluctuations. Based on current turnover and needs the Fund is maintained at a figure of £500k.

The Trust also holds a variety of restricted financial reserves, which support a variety of projects and posts. Further details appear within the Notes to the Accounts.

## FUTURE PLANS

During the year ahead effort will focus on delivery of the new five year Strategic Plan which commenced April 2015. These are under three principle headings:

- To create Living Landscapes - a resilient and healthy environment rich in wildlife
- To restore Living Seas – where marine wildlife thrives, from the depths of our seas, to our estuaries and coastal shallows
- To inspire people, organisations and communities to value and safeguard wildlife

Particular activities in the year and indicative *measures of success* are:

- Gibraltar Point Visitor Centre – *opened and inspiring people on a sustainable operational footing.*
- ‘Wild Coast’ – *take forward the coastal strategy.*
- Saltfleetby-Theddlethorpe NNR – *have agreed medium term operational arrangements.*
- Fens – *maintain South Lincolnshire Fen as a key element of a regional strategy.*
- Humber – *working with key partners on critical strategies and their implementation.*
- Woodhall Spa Airfield Nature Reserve – *open to the public.*
- Health and Wellbeing – *through GLNP identify opportunities around this agenda.*
- Communications and marketing focussed on legacy promotion – *increased gifts in wills.*

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Document**

Lincolnshire Wildlife Trust is a membership body, a registered charity and a company limited by guarantee. It is governed by its Memorandum and Articles of Association, originally dated 2 December 1948 and amended on 23 October 2010 to update governance arrangements. Membership of the Trust is open to all, and the total number of subscribing members at 1 April 2016 increased to 27,014, up from 26,128 in 2015. Each member is committed to contributing £1 in the event of the charity winding up. The charitable company is controlled by its Board of Trustees. The Trust is grateful for the continuing support of so many people in Lincolnshire and beyond.

### **Appointment of Trustees**

The Articles of Association provide for a Board consisting of Honorary Officers (Chairman, Treasurer and others if required) elected at each annual meeting of Council, and others up to a total of 15 appointed for a 3 year term with option for re-election. The Board has no power of co-option but may fill a vacancy until the next following annual meeting of the Council. During the period Beth Tyrrel was appointed a Trustee. Very sadly the Trust's last founding member and Trustee, Ted Smith, died in September 2015.

### **Trustee Induction and Training**

The Trustees are directly involved in planning and implementing activities through the work of the Board and through the Team system. Some Trustees also take part in other work such as biodiversity recording, and providing expert advice. All Trustees are well informed about the practical work of the charity. They receive reports and recommendations at their meetings and they attend a variety of Team meetings and other events throughout the year which help to keep them fully engaged with the charity's business.

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

### **Organisational Structure**

The Board of Trustees, of up to 15 members with a quorum minimum of 3, meets bi-monthly and is responsible for the governance of the charity. It makes decisions on all matters of strategic policy. There are no sub-committees but a Finance Monitoring Group is appointed to maintain an overview of financial matters and to advise the Board accordingly. In addition, Teams, consisting of volunteers and relevant staff, cover a range of Trust activities and advise the Board where appropriate. The Board is also advised on broad policy direction by the Council which has up to 15 members (limited to 9 by resolution in General Meeting) elected at the Annual General Meeting who represent the subscribing members, and 16 members appointed by Area Groups. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. The staff structure is organised around three Heads of Department for Finance, Conservation and Nature Reserves (the majority of this department is field based) with additional staff positions covering other functions such as education and community (based at education centres), public relations, membership and administration.

### **Staff**

Good staff and volunteers are fundamental to achieving the Trust's objectives. The staff structure is kept under regular review in order to ensure that it accords with the Trust's objectives and strategies. As at 31 March 2016, the Trust employed a total of 65 members of staff, (46 full-time and 19 part-time). Of these, 4 relate to the GLNP with external funding; 5 are part-time assistants at Gibraltar Point visitor facility and 59 relate to the Trust's core activities.

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The arrangement for setting staff remuneration is common for all employees. The Trustees agree an annual cost of living increase (usually based on the Consumer Price Index) with a small panel agreeing any individual changes to reflect increased responsibilities and good performance. RSWT carries out internal and external benchmarking of salaries. This information informs the Trust's approach to remuneration for new and existing staff.

## Related Parties

Lincolnshire Wildlife Trust is one of 47 independent Wildlife Trusts covering the UK which are corporate members of RSWT. RSWT helps to develop UK and national policies, provides operational advice and services to the Trusts, and acts as our collective voice.

The Trust has a direct subsidiary, Lapwings Consultants Limited. It exists as a trading company to support the charitable work of the Trust through donation of its profits. It now has two strands – retail sales and The Point Café at Gibraltar Point; both of these have been adversely affected by the flood damage to visitor centres in December 2013.

The Trust acts as the host partner as well as active member of the GLNP responsible for the Lincolnshire Biodiversity Action Plan, the Lincolnshire Environmental Records Centre, and the management of the Local Wildlife Sites system.

The Trust joined a mutual company of 8 other Wildlife Trusts to form Wildlife Fundraising (Central) Limited in 2013 for the purpose of recruiting members. The Trust's Chief Executive is a director of the company.

## Wider Network

The Trust works with a large number of organisations in pursuing its aims. Partnerships with local authorities, statutory agencies and other voluntary bodies are a hallmark of our way of working.

Other important partnerships are:

**Humberhead Levels Partnership** (Yorkshire Wildlife Trust, Nottinghamshire Wildlife Trust, NE, EA, North Lincolnshire Council, Doncaster Metropolitan Borough Council, East Riding of Yorkshire Council, RSPB, English Heritage, Internal Drainage Boards)

**Humber Nature Partnership** (previously Humber INCA with numerous corporate, local authorities, statutory agencies, voluntary organisations and individual members) The Trust's Chief Executive is a director.

**Humber Estuary Conservation Partnership** (RSPB and Yorkshire Wildlife Trust)

**Witham Valley Country Park** (NKDC, LCC, WLDC, NE, EA and CoLC)

**Lincolnshire Limewoods Project** (LCC, ELDC, FC, NE, WLDC, Bardney Development Trust, EH and Heritage Trust of Lincolnshire)

**Lincolnshire Coastal Country Park** (LCC, NE, EA, ELDC, Lindsey Marsh Drainage Board, National Trust and National Farmers Union)

**Lincolnshire Coastal Grazing Marshes Project** (ELDC, LCC, NE, EH, EA, LMDB and NFU)

**South Lincolnshire Fenlands** (EA, NE, Sustrans, SKDC, SHDC, LCC, Waterside Garden Centre and Welland & Deepings Internal Drainage Board)

**Wildflower Meadows Network** (LCC, NE, Lincolnshire Wolds Countryside Service, NLC, NELC)

**North Sea Wildlife Trusts** (Northumberland, Durham, Tees Valley, Yorkshire, Sheffield, Lincolnshire, Derbyshire, Nottinghamshire, Leicester and Rutland, Bedfordshire, Cambridgeshire & Northamptonshire, Norfolk, Suffolk Wildlife Trusts)

**East Midlands Wildlife Trusts** (Derbyshire, Nottinghamshire, Leicester and Rutland, Bedfordshire, Cambridgeshire & Northamptonshire)

Several of the Trust's nature reserves are operated in conjunction with local authorities, notably:

**Gibraltar Point** near Skegness (LCC and ELDC); **Whisby Nature Park** near Lincoln (LCC and NKDC); and **Snipe Dales** near Horncastle (LCC).

The Trust works closely with NE in the management of **Saltfleetby-Theddlethorpe Dunes NNR** and with the Ministry of Defence in the management of **Donna Nook NNR** and **Wainfleet Range**.

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## REFERENCE AND ADMINISTRATIVE DETAILS

<u>Charity Name</u>	Lincolnshire Wildlife Trust The organisation is sometimes referred to simply as The Lincolnshire Trust. Former names were The Lincolnshire Naturalists' Trust, The Lincolnshire Trust for Nature Conservation and The Lincolnshire & South Humberside Trust for Nature Conservation.
<u>Charity number:</u>	218895
<u>Company number:</u>	00461863
<u>Headquarters &amp; Registered office:</u>	Banovallum House Manor House Street Horncastle Lincolnshire LN9 5HF Tel: 01507 526667
<u>Auditors:</u>	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln LN1 1XG
<u>Bankers:</u>	Barclays Bank plc 5 Market Place Alford Lincolnshire LN13 9EA
<u>Solicitors:</u>	Andrew & Co LLP St Swithin's Court 1 Flavian Road Nettleham Road Lincoln LN2 4GR
<u>Investment Managers</u>	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET  M&G Laurence Pountney Hill London EC4R 0HH
<u>The Board of Trustees and Directors:</u>	The Board currently consists of the 5 Honorary Officers and 9 others elected at the Annual Meeting of the Trust's Council. Members of the Board are Trustees for the purpose of charity law and are also company directors. They are collectively referred to throughout this report as the Trustees.
<u>Patrons:</u>	The Earl of Yarborough Baroness Willoughby de Eresby

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

Presidents:  
Dr A E Smith CBE MA (President & Trustee) Deceased 13.09.15  
Mr D N Robinson OBE MSc (Vice President & Trustee)  
Mr B Tear BSc (Vice President)  
Mr D F Wright MSc MSB (Vice President) Deceased 5.05.16

Trustees/Directors:  
Mr G L Trinder ARPS (Chairman)  
Mrs J Mellor MSc (Deputy Chairman)  
Mr T S Sands (Deputy Chairman)  
Dr D A Sheppard BSc PhD (Deputy Chairman)  
Mr D A Cohen (Honorary Treasurer)  
Mrs C E Harrison BSc  
Mr C Morrison CSci  
Mr J Purvis BSc FCA  
Mrs A Quigley BA  
Mr E J Redshaw  
Ms T Smalley MSc  
Mr P Stapleton FCA  
Mrs B Tyrrel MIBC Appointed 5.11.15

Senior Staff:  
Chief Executive: Paul V Learoyd  
Head of Conservation: Caroline E Steel  
Head of Finance: Sarah J Smith  
Head of Nature Reserves: David R Bromwich

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## FINANCIAL SUPPORT

We are grateful to the following for substantial financial support in 2015/2016 through donations, grants and the sponsorship of projects:

Anglian Water Services	Lincolnshire Wolds Countryside Service
Cargill PLC	Ministry of Defence
Centrica	Nationwide Building Society
Defra	Natural England
East Lindsey District Council	North East Lindsey Drainage Board
Environment Agency	North Kesteven District Council
Esmée Fairburn Foundation	RSPB
The European Union	RSWT
Forestry Commission	Vine House Farm
Heritage Lottery Fund	Waste Recycling Environmental (WREN)
Lincolnshire County Council	

Partner contributions to the Greater Lincolnshire Nature Partnership (hosted by the Lincolnshire Wildlife Trust) are acknowledged in its Annual Review and therefore not individually here.

**Corporate Membership** of the Trust is designed to provide an effective means for companies to demonstrate care for the local environment. The following were Corporate Members during the reporting period:

Aggregate Industries	J W Ruddock & Sons Limited
Alfred Enderby Limited	John E Haith Limited
Andrew & Co LLP	John Kinch Group
Anglian Water Services	Jolly Common Caravan Park
ARH Tucker & Sons	Lafarge Aggregates Ltd
Associated British Ports	Lincolnshire Co-operative Society Limited
B A Bush & Son Limited	Lindsey Oil Refinery Limited
Badley Ashton & Associates Limited	Mortons of Horncastle Limited
Cargill PLC	Natureland Seal Sanctuary
Chapel Garden Centre	North East Lindsey Drainage Board
Cleethorpes Builders Merchants	Novartis Grimsby
Clugston Group Limited	Page Paper Limited
ConocoPhillips (UK) Limited	Riva Construction
Cray Valley Products Limited	Rowhire Limited
Creative Nature	SCS Technology Solutions Limited
Crowder & Sons Ltd	Sibelco UK
F W Cupit (Printers) Limited	Singleton Birch Limited
Fenland Laundries Limited	TCS UK Spraying
Growing Wild Limited	The Jungle Zoo
Hornsby Travel Services Limited	Truelove Property & Construction
Humber Bridge Board	Yara (UK) Limited
J E Piccaver & Co	

We are delighted to record our appreciation to the following individuals whose legacies we received or were notified of in the year ended 31 March 2016

Patricia Diana Collins	Sheila Diana Jackson Hannam
Peter Jansen Birkett	Fay Gibson
Elsie May Tippler	Josephine Edith Sharpe
Joseph Roe	Stephen Perkins
Anthea Dee	Andrew Sang
Patricia Elizabeth Wells	Denis Peter Cawdron
Florence Vera King	Barbara Mary Odling
John Allen	

## **STATEMENT OF THE BOARD'S RESPONSIBILITIES**

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

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

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

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

## **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The members of Board who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the members of the Board have confirmed that they have taken all steps that they ought to have taken as members of the Board in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Report of the Members of the Board, which includes the Strategic Report on pages 4 to 6, were approved by the Board on 19 July 2016 and signed on its behalf.

By Order of the Board

19 July 2016

G L Trinder  
Chairman

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## **Independent Auditor's Report to the members of Lincolnshire Wildlife Trust**

We have audited the financial statements of Lincolnshire Wildlife Trust for the year ended 31 March 2016 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

## **Respective responsibilities of trustees and auditor**

As explained more fully in the Board's Responsibilities Statement set out on page 17, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company 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 charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Christopher Shelbourne MA FCA  
for and on behalf of Wright Vigar Limited  
Statutory Auditors, Chartered Accountants & Business Advisers  
15 Newland  
Lincoln  
LN1 1XG

19 July 2016

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating the consolidated income and expenditure account) For the year ended 31 March 2016

	Notes	Unrestricted Income £	Restricted Income £	Designated & Endowment Funds £	Total 2016 £	Total 2015 £
<b>Income and endowments from:</b>						
Donations and legacies	2	1097877	0	0	1097877	1426087
Charitable activities	3	291031	807618	0	1098649	1387380
Other trading activities	10	66215	0	0	66215	65117
Investments	12	192105	0	0	192105	199773
Other		11846	0	0	11846	45718
<b>Total</b>		<b>1659074</b>	<b>807618</b>	<b>0</b>	<b>2466692</b>	<b>3124075</b>
<b>Expenditure on:</b>						
Raising Funds	4	214323	0	0	214323	175923
Charitable activities	8	1429969	886348	0	2316317	2241989
Other	8	3048	0	0	3048	0
<b>Total</b>		<b>1647340</b>	<b>886348</b>	<b>0</b>	<b>2533688</b>	<b>2417912</b>
Net (losses)/gains on investments	12	(130441)	0	0	(130441)	355001
Tidal Surge Impact	9	92953	0	0	92953	226559
<b>Net income/(expenditure)</b>		<b>(25754)</b>	<b>(78730)</b>	<b>0</b>	<b>(104484)</b>	<b>1287723</b>
Transfers between funds	11	(232)	0	232	0	0
<b>Other recognised gains/(losses):</b>						
Actuarial (losses) on defined benefit pension schemes	22	(144251)	0	0	(144251)	0
<b>Net movement in funds</b>		<b>(170237)</b>	<b>(78730)</b>	<b>232</b>	<b>(248735)</b>	<b>1287723</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		6016251	703986	7956056	14676293	13388570
Total funds carried forward		5846014	625256	7956288	14427558	14676293

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations.

The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.

The notes on pages 24 to 36 form part of these financial statements

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## CONSOLIDATED AND CHARITY BALANCE SHEETS As at 31 March 2016

	Notes	Group		Charity	
		2016 £	2015 £	2016 £	2015 £
<b>Fixed Assets</b>					
Tangible assets	11	1001000	1028861	1000948	1028757
Heritage assets	11	7764219	7763987	7764219	7763987
Investments	12	4357250	4487691	4382250	4512691
<b>Total fixed assets</b>		<b>13122469</b>	<b>13280539</b>	<b>13147417</b>	<b>13305435</b>
<b>Current assets</b>					
Investments	13	245000	0	245000	0
Stocks	14	32733	33585	17400	17400
Debtors	15	1038992	813695	1044853	816081
Cash at bank and in hand	16	843648	1196661	826810	1189745
<b>Total current assets</b>		<b>2160373</b>	<b>2043941</b>	<b>2134063</b>	<b>2023226</b>
<b>Liabilities</b>					
Creditors:					
Amounts falling due within one year	17	225103	101400	220201	98838
<b>Net current assets</b>		<b>1935270</b>	<b>1942541</b>	<b>1913862</b>	<b>1924388</b>
<b>Net assets less current liabilities</b>		<b>15057739</b>	<b>15223080</b>	<b>15061279</b>	<b>15229823</b>
Creditors:					
Amounts falling due over one year	17	174375	180000	174375	180000
Pension provision	22	455806	366787	455806	366787
<b>Total net assets or liabilities</b>		<b>14427558</b>	<b>14676293</b>	<b>14431098</b>	<b>14683036</b>
The funds of the charity					
Endowment & Designated funds	18	7956288	7956056	7956288	7956056
Restricted income funds	19	625256	703986	625256	703986
Unrestricted funds	20	5846014	6016251	5849554	6022994
<b>Total funds</b>		<b>14427558</b>	<b>14676293</b>	<b>14431098</b>	<b>14683036</b>

These accounts were approved and authorised for issue by the Board and were signed on its behalf on 19 July 2016.

..... D A Cohen, Honorary Treasurer

..... G L Trinder, Chairman

Company Number 00461863

The notes on pages 24 to 36 form part of these financial statements

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## CONSOLIDATED CASH FLOW STATEMENT For the year ended 31 March 2016

	Notes	2016 £	2016 £	2015 £	2015 £
<b>Cash flows from operating activities:</b>					
Net cash provided by (used in) operating activities			<b>(233038)</b>		<b>578079</b>
<b>Cash flows from investing activities:</b>					
Dividends, interest and rents from investments		195608		202323	
Proceeds from the sale of property, plant and equipment		2000		1447	
Purchase of property, plant, equipment and heritage assets		(72583)		(853974)	
Transfer of bequeathed property – current asset investment		(245000)		49263	
<b>Net cash provided by (used in) investing activities</b>			<b>(119975)</b>		<b>(600941)</b>
<b>Change in cash and cash equivalents in the reporting period</b>			<b>(353013)</b>		<b>(22862)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>			<b>1196661</b>		<b>1219523</b>
<b>Cash and cash equivalents at the end of the reporting period</b>			<b>843648</b>		<b>1196661</b>

The notes on pages 24 to 36 form part of these financial statements

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES For the year ended 31 March 2016

	2016 £	2015 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(248735)</b>	<b>1287723</b>
<b>Adjustments for:</b>		
Depreciation	95164	97150
(Gains)/losses on investments	130441	(355001)
Dividends, interest and rents from investments	(195608)	(202323)
Loss/(profit) on the sale of fixed assets	3048	(2745)
(Increase)/decrease in stock	852	3653
(Increase)/Decrease in debtors	(225297)	(99881)
Increase/(Decrease) in creditors	262329	(100305)
Pension contributions in period	(55232)	(50195)
Prior year tax adjustment - trading subsidiary	0	3
<b>Net cash inflow from operating activity</b>	<b>(233038)</b>	<b>578079</b>
Cash in hand	843648	1196661
<b>Total cash and cash equivalents</b>	<b>843648</b>	<b>1196661</b>

The notes on pages 24 to 36 form part of these financial statements

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## NOTES TO THE FINANCIAL STATEMENTS

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2016**

**1. ACCOUNTING POLICIES**

**Basis of Preparation**

The financial statements have been prepared in accordance with Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) and the Companies Act 2006.

Lincolnshire Wildlife Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared under the historic cost convention, with the exception of listed investments which are included at their market value.

None of the group's activities were acquired or discontinued during the financial year.

The recognised gains or losses of the group are disclosed in the consolidated statement of financial activities.

**Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition there were no material restatements required from applying the requirements of FRS 102 and therefore the fund balances at 1 April 2014 and 31 March 2015 remain as they were stated in prior year accounts.

**Consolidation**

The results of Lincolnshire Wildlife Trust and its wholly owned subsidiaries, Lapwings Consultants Limited and Lincolnshire Trust for Nature Conservation Limited, have been consolidated and group accounts have been presented.

A separate income and expenditure account for the holding company is not presented as permitted by section 230 of the Companies Act 2006.

**Voluntary Income**

Voluntary income is received by way of donations and gifts, legacies, subscriptions and fund raising activities. This income is credited to the income and expenditure account on the earlier of receipt or when receipt is probable, the value can be ascertained and the Trust gets the legal right to the income. Tax refunds on gift aid income are however accrued as earned.

**Legacies**

Legacies are recognised when the conditions of 'entitlement, probability and measurement' are met. Each bequest is recognised once a reasonable estimate of its value can be made and providing there is no evidence of any significant contentious claims against the deceased's estate. Where the Trust is left part of the residue of an estate, the deceased's Will, initial statement of assets and liabilities and draft estate accounts are used to calculate the estimated value of the bequest. This estimate is only recognised as income once the executors have proved the Will (ie obtained probate). Probate values will normally be used to measure value.

**Grants Received**

Capital grants received for plant and equipment are taken to the Capital Grants Restricted Fund and are released to the Income and Expenditure Account in instalments relating to the relevant asset lives to match the associated depreciation charge. Revenue grants are credited to the Income and Expenditure account in the period in which they are receivable.

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## **Investment Income**

Income on fixed interest investments is accounted for on an accruals basis. Dividends on investments are credited to revenue when the income becomes payable.

## **Deferred Income**

Rents received in advance are spread over the expected term of the lease and recognised when the charity gains legal entitlement to the rent.

## **Expenditure**

All expenditure, other than that which has been capitalised, is included in the income and expenditure account. Account is also taken of goods and services received at the year end but not invoiced until after this date. Support costs are allocated to charitable activities and other cost centres with reference to the percentage of payroll costs attributable to each cost centre.

## **Investment Properties**

Investment properties are valued at the lower of cost or fair value at the year end.

## **Fixed Assets**

Tangible fixed assets costing more than £500 are capitalised and included at cost, including any incidental expenses of acquisition.

Nature reserves incur expenditure on structures such as hides and fencing on land. Such expenditure is not capitalised unless it will enhance the value of the Reserve.

## **Depreciation**

No depreciation is provided on Freehold Land, which is considered to have a useful life of more than 50 years.

The estimated remaining useful life of the Freehold Buildings exceeds 50 years and it is considered that the depreciation charge and accumulated depreciation are immaterial.

Depreciation is provided on a straight line basis to write off the depreciable value of all other fixed assets over their expected useful lives as follows:

Motor vehicles	25%
Plant fixtures and fittings	10-25%
Other buildings	0-10%
Heritage assets	Not depreciated

## **Stock**

Stock is stated at the lower of cost and net realisable value.

## **Permanent Endowment Fund**

Transactions and other events which increase or decrease the amount of this fund are not dealt with in the income and expenditure account. The movement is recognised within the Statement of Financial Activities.

## **Restricted Funds**

The charity's restricted funds are those where the donor or grant giving body has imposed restrictions on their use.

## **Pensions**

The company offers two pension arrangements; there is a Royal London Group Personal Pension scheme and The Wildlife Trust Pension Scheme (WTPS). The WTPS has two categories of membership: defined benefit and defined contribution. Contributions in respect of both the WTPS defined contribution and the Royal London Group Personal Pension scheme are charged to the profit and loss account as they become payable in accordance with the rules of the schemes. The defined benefit scheme is closed to new members, a provision has been made for future liabilities and repayments made in the year are set against the provision. Further details of the pension arrangements are given in Note 22 to these accounts.

# LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863  
Charity No: 218895

## Investments

Investments which can be publically traded have been measured at fair value (middle market value) in accordance with SORP 2015 Accounting and Reporting by Charities but contrary to the Companies Act 2006 in order to give a true and fair view. The corresponding revaluation reserve is included in the Conservation Fund.

## Heritage Assets

Heritage Assets are nature reserves, capitalised at cost at the date of addition. Any assets donated, where the cost is unknown, are capitalised at valuation at the date of addition. Further details are disclosed within note 11 to the financial statements.

## 2. DONATIONS & LEGACIES

	Unrestricted £	Restricted income £	2016 £	2015 £
Membership income	623437	0	623437	590432
Grants and donations	42411	0	42411	35878
Legacies	432029	0	432029	799777
	<b>1097877</b>	<b>0</b>	<b>1097877</b>	<b>1426087</b>

At 31 March 2016, our estimate of the value of legacies that had been bequeathed to Lincolnshire Wildlife Trust, but which had not been included in the financial statements was £121k (2015: £305k).

## 3. CHARITABLE ACTIVITIES

	Unrestricted Income £	Restricted income £	Total 2016 £	Total 2016 £	Total 2015 £
<b>Nature Reserves</b>					
Environmental Funding	159727	348040	507767		649252
Local Authority Funding	0	84164	84164		87700
Central Government Funding	0	30308	30308		13517
Other Grant Income	0	41883	41883		224342
Donations	0	1505	1505		7662
Earned Income	21036	38811	59847		66678
Income from properties	47587	0	47587		43360
Other Incoming resources	0	0	0	773061	3630
<b>Wider Countryside Conservation</b>					
Local Authority Funding	0	95815	95815		77555
Central Government Funding	0	24452	24452		44554
Other Grant Income	0	99397	99397		76843
Earned Income	0	33243	33243	252907	29753
<b>Inspiring People</b>					
Local Authority Funding	7600	10000	17600		12600
Other Grant Income	0	0	0		1000
Earned Income	52946	0	52946		48934
Donations	2135	0	2135	72681	0
	<b>291031</b>	<b>807618</b>	<b>1098649</b>	<b>1098649</b>	<b>1387380</b>

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## 4. EXPENDITURE ON RAISING FUNDS

	Notes	Unrestricted £	Restricted income £	2016 £	2015 £
Supporter recruitment		145536	0	145536	101337
Recruitment overheads		5768	0	5768	4326
Merchandising	10	63019	0	63019	70260
<b>Total</b>		<b>214323</b>	<b>0</b>	<b>214323</b>	<b>175923</b>

## 5. EMPLOYEE INFORMATION

	2016 £	2015 £
The movement in the year is after charging:		
Salaries and wages	1182619	1133630
Social security costs	100464	98401
Other pension costs	66216	61158
Staff costs for the Company	1349299	1293189
Staff costs for Lapwings Consultants Limited	8326	7482
	<u>1357625</u>	<u>1300671</u>

The average number of employees, during the period, was made up as follows:

Full time	44	41
Part time	16	19
Company Totals	<u>60</u>	<u>60</u>
Lapwings Consultants Limited	2	2
Group Totals	<u>62</u>	<u>62</u>

The average number of employees, during the period, by activity was made up as follows:

Nature Reserves	25	23
Wider Countryside Conservation	12	11
Inspiring People	14	16
Raising Funds	1	1
Management and Administration	8	9
Company Totals	<u>60</u>	<u>60</u>
Lapwings Consultants Limited	2	2
Group Totals	<u>62</u>	<u>62</u>

The Trust operates a Royal London Group Personal Pension defined contribution scheme that all members of staff are eligible to join. The Trust contributes a minimum of 4% of employees' salaries and will match employee contributions to a maximum of 7.5%. The Trust also participates in The Wildlife Trusts Pension Scheme, a multi-employer scheme. The levels of contributions into this scheme match those of the Royal London scheme.

50 members of staff (2015: 53) were members of a scheme at the end of the year.

Pension contributions of £4,760 (2015: £4,817) were made on behalf of higher paid employees.

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The total value of employee benefits received by key management personnel, (our senior staff), were £213,580 (2015: £218,469).

<b>Employees paid £60000 or more</b>	<b>2016</b>	<b>2015</b>
£60000-£69999	1	1

## 6. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Board of Trustees and Directors received any remuneration during the year. Travel costs amounting to £461 (2015: £522) were reimbursed to three (2015: three) members of the Board.

During the year, the Trust paid one of its Trustees for environmental survey work. This was approved by the Board in advance of the work taking place. The Trustee is considered to be an expert in the relevant field of study and best placed to complete the study. (2014/15 none).

The Trust owns a number of residential properties. During the year one of these was let, on arms-length terms, to members of staff.

Wildlife Fundraising (Central) is a joint venture with 7 other Wildlife Trusts to provide membership recruitment services to the founding members.

Recruitment costs of £104,717 (2015: £65,737) were incurred in the year in respect of services received from Wildlife Fundraising (Central) Limited.

£140 (2015: £7,358) was owed to them as at 31 March 2016 and is included in the Trade Creditors figure in Note 17 on page 33.

A loan of £15,000 was made to this company in March 2013 to enable it to commence trade and this is included in Other Debtors in Note 15 on page 33.

The Chief Executive of Lincolnshire Wildlife Trust, Paul Learoyd, is a director of this company.

## 7. ANALYSIS OF SUPPORT COSTS BY CHARITABLE ACTIVITY

	<b>Overheads</b>	<b>IT &amp;HR</b>	<b>Finance</b>	<b>Premises</b>	<b>Governance</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Nature Reserves	162033	16833	33943	20472	10335	243616
Wider Countryside Conservation	72809	8080	16293	9826	4961	111969
Inspiring People	67219	9427	19008	11464	5788	112906
<b>Total</b>	<b>302061</b>	<b>34340</b>	<b>69244</b>	<b>41762</b>	<b>21084</b>	<b>468491</b>

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## 8. ANALYSIS OF TOTAL EXPENDITURE

	Direct Employment Costs	Support Costs	Direct Costs	2016 Total	2015 Total
	£	£	£	£	£
Nature Reserves	482788	243616	512991	1239395	1163745
Wider Countryside Conservation	310181	111969	109881	532031	537577
Inspiring People	249169	112906	182816	544891	540667
<b>Charitable Activities</b>	<b>1042138</b>	<b>468491</b>	<b>805688</b>	<b>2316317</b>	<b>2241989</b>
Raising Funds	33601	5768	111935	151304	105663
Merchandising	8326	19387	35306	63019	70260
Other	0	0	3048	3048	0
<b>Total expenditure</b>	<b>1084065</b>	<b>493646</b>	<b>955977</b>	<b>2533688</b>	<b>2417912</b>

Total resources expended are stated after charging:

### Auditor's remuneration

The amounts payable to Wright Vigar Limited were:

	2016	2015
	£	£
Statutory	8688	8000
General advice	725	0
	<u>9413</u>	<u>8000</u>

Depreciation on owned assets	95164	97150
(Loss)/profit on sale of fixed assets	(3048)	1447

## 9. IMPACT OF TIDAL SURGE OF DECEMBER 2013

	2016	2015	2014	Total
	£	£	£	£
Insurance Proceeds	148746	384450	307090	840286
Flood Recovery Funding	0	0	54218	54218
Write off flood damaged assets	0	0	(567027)	(567027)
Flood Recovery expenditure	(55793)	(157891)	(53435)	(267119)
	<u>92953</u>	<u>226559</u>	<u>(259154)</u>	<u>60358</u>

The tidal surge event of 5 December 2013 caused flood damage to Trust assets at Far Ings, Donna Nook and Gibraltar Point nature reserves. Repair and replacement of fences, paths, hides and buildings has been carried out over the last 2½ years and is now near completion with the opening of the new visitor centre at Gibraltar Point. Assets have been written down and insurance proceeds received in full.

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## 10. TRADING SUBSIDIARY

### Lapwings Consultants Limited Profit and Loss Account

	Notes	2016 £	2015 £
Turnover		66215	65117
Cost of sales		(42882)	(43607)
Gross profit		<u>23333</u>	<u>21510</u>
Administrative expenses		(20037)	(26153)
Trading profit/(loss)		3296	(4643)
Interest receivable		<u>7</u>	<u>7</u>
Interest payable		<u>(100)</u>	<u>(500)</u>
Operating (loss)/profit on ordinary activities before taxation		3203	(5136)
Tax on profit on ordinary activities		0	0
Profit on ordinary activities after taxation			
Reserves brought forward		(6743)	(1607)
Reserves carried forward		<u><b>(3540)</b></u>	<u><b>(6743)</b></u>

### Balance Sheet As at 31 March 2016

		2016		2015	
		£	£	£	£
Fixed assets			52		104
Current assets		15333		16185	
Debtors		7319		2613	
Debtors : amounts owed to group companies	17	0		1981	
Cash at bank and in hand		<u>16838</u>		<u>6916</u>	
		39490		27695	
Creditors: Amounts falling due within one year		(4902)		(4542)	
Amounts owed by group companies	15	(13180)		(5000)	
Net current assets/(liabilities)			21408		18153
<b>Total assets less current liabilities</b>			<u><b>21460</b></u>		<u><b>18257</b></u>
<b>Capital and Reserves</b>					
Share Capital	12		25000		25000
Profit and Loss Account			(3540)		(6743)
			<u><b>21460</b></u>		<u><b>18257</b></u>

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## 11. FIXED ASSETS

Group	Heritage Assets	Tangible Assets				Total Tangible Assets £
	Nature Reserves £	Banovallum House £	Other Buildings £	Motor Vehicles £	Fixtures Fittings & Equipment £	
Cost:						
At 1 April 2015	7763987	417047	384464	229648	841789	1872948
Additions	232	0	0	22424	49927	72351
Disposals	0	0	0	(9295)	(8991)	(18286)
<b>COST AT 31 MARCH 2016</b>	<b>7764219</b>	<b>417047</b>	<b>384464</b>	<b>242777</b>	<b>882725</b>	<b>1927013</b>
Depreciation:						
At 1 April 2015	0	0	40560	181519	622008	844087
Provided for the period	0	0	15790	20745	58629	95164
Disposals	0	0	0	(4400)	(8838)	(13238)
<b>DEPRECIATION AT 31 MARCH 2016</b>	<b>-</b>	<b>-</b>	<b>56350</b>	<b>197864</b>	<b>671799</b>	<b>926013</b>
<b>NET BOOK VALUE 31 MARCH 2016</b>	<b>7764219</b>	<b>417047</b>	<b>328114</b>	<b>44913</b>	<b>210926</b>	<b>1001000</b>
<b>NET BOOK VALUE 31 MARCH 2015</b>	<b>7763987</b>	<b>417047</b>	<b>343904</b>	<b>48129</b>	<b>219781</b>	<b>1028861</b>

### Nature Reserves 2015/16

Additions:					£
Woodhall Spa Airfield					232
Total:					<b>232</b>

Nature Reserves Additions at Cost	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £
Kirkby Wood	103017			4185	
Huttoft Bank	116589				
Sea View Farm	312730	1684			
Others under £100k	45859				
Rush Furlong			3459		
Woodhall Spa Airfield (Kirkby)		903040		621658	232
Birds Wood				1	
Total:	<b>578195</b>	<b>904724</b>	<b>3459</b>	<b>625844</b>	<b>232</b>

Tangible assets with a net book value of £1,000,948 and Heritage assets with a net book value of £7,764,219 are owned by the Parent Company.

The Trustees have consulted a Chartered Surveyor in respect of the net book value of Banovallum House and in their opinion the existing use value exceeds net book value and therefore depreciation is not charged in respect of this property.

The book value shown for nature reserves is based on historical cost and relates to areas of land which the Trust owns and which it manages and maintains. Of the Trust's 100 nature reserves, 73 are partly or wholly freehold. The Trustees believe that the market value of the nature reserves is significantly higher than the book value but they do not propose to carry out a revaluation at the present time since this would be complicated and expensive. The nature reserve values are in any case mostly not realisable and represent a long-term maintenance liability rather than a real asset.

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Included within the net book value above is £52 (cost: £9,674; depreciation £9,622) which relates to the Fixtures and Fittings of Lapwings Consultants Limited.

Nature Reserves include properties at book value £353,922 which are subject to a life tenancy.

## 12. INVESTMENTS

### Group

	2016 £	2015 £
Market value at 1 April 2015	4487691	4180655
Investments made in the year	0	0
Disposals	0	(46667)
Add: Net (losses)/gains on revaluation at 31 March 2016	(130441)	353703
Market Value at 31 March 2016	4357250	4487691
Historical cost as at 31 March 2016	3526226	3526226

The above market value can be analysed as follows:

	INVESTMENT INCOME		MARKET VALUE	
	2016 £	2015 £	2016 £	2015 £
UK Listed Investments	192105	199773	4292250	4422691
UK Investment Property	0	1068	65000	65000
	192105	200841	4357250	4487691

UK Listed Investment Funds are split between M&G UK Equity Fund (Charifund), M&G Gilt & Fixed Interest Fund (Charibond), CCLA Charities Investment Fund and CCLA Charities Property Fund. The investment income from Charibond is shown net of an annual management charge of 0.3%. The annual management charge from Charifund amounts to 0.46% and is taken from the capital of the fund. The CCLA funds have an annual management charge taken from capital; 0.6% applies to the Investment Fund and 0.65% applies to the Property Fund.

The investment figure in the company balance sheet also includes £25,000 which is the nominal value of the shares held in its wholly owned subsidiary Lapwings Consultants Limited. Information concerning the trading subsidiary can be found in Note 10.

## 13. CURRENT ASSET INVESTMENTS

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Property bequeathed to the Trust – held for re-sale	245000	0	245000	0
	245000	0	245000	0

## 14. STOCK

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Goods for resale	15333	16185	0	0
Livestock	12400	12400	12400	12400
Consumables	5000	5000	5000	5000
	32733	33585	17400	17400

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## 15. DEBTORS

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Owed by group companies	0	0	13180	5000
Trade Debtors	117493	30358	117493	30133
Other Debtors	297881	98462	293050	98462
VAT	6	0	0	0
Prepayments	65509	64420	63027	62031
Legacies Receivable	409357	620455	409357	620455
Insurance Proceeds	148746	0	148746	0
	<b>1038992</b>	<b>813695</b>	<b>1044853</b>	<b>816081</b>

The amount owed by Group Companies includes a loan to Lapwings Consultants Limited of £5,000 (2015: £5,000). Interest is payable on the loan at 2 per cent per annum.

Legacies with an estimated value of £121k (2015: £305k) have not been included within the SOFA as they have not met the Trust's policy on recognition nor the requirements of SORP 2015 FRS 102.

## 16. CASH AT BANK & IN HAND

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Bank balances	220503	273316	204435	267170
COIF Charities Deposit Fund	620000	920000	620000	920000
Cash in hand	3145	3345	2375	2575
	<b>843648</b>	<b>1196661</b>	<b>826810</b>	<b>1189745</b>

## 17. CREDITORS

### Falling due within one year

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
VAT	0	2224	0	2056
Trade Creditors	150163	40310	149033	39498
Other Creditors	15	0	15	0
Accruals	61626	46450	57852	42885
Pension	7676	6793	7676	6793
Corporation Tax	(2)	(2)	0	0
Owed to Group Companies	0	0	0	1981
Deferred Income re: Badger Farm	5625	5625	5625	5625
	<b>225103</b>	<b>101400</b>	<b>220201</b>	<b>98838</b>

### Falling due after one year

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Deferred Income re: Badger Farm	174375	180000	174375	180000
	<b>174375</b>	<b>180000</b>	<b>174375</b>	<b>180000</b>

Badger Farm consists of land and buildings acquired by the Trust in 2008. The house and garden is leased to the former owner, a lifetime tenancy. The deferred income is in lieu of rent.

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## Deferred Income Resources

Deferred Income:	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 April 2015	185625	193125
Amount released in year	(5625)	(7500)
Deferred income at 31 March 2016	<u>180000</u>	<u>185625</u>

## 18. PERMANENT ENDOWMENT AND DESIGNATED FUNDS

In accordance with the Trust's accounting policies (see Note 1) the Trust's freehold nature reserves and other heritage assets are capitalised at the date of acquisition. No re-valuation is made subsequently. Most nature reserve acquisitions are made with the assistance of restricted grants and donations. It is the Trust's practice to designate sufficient unrestricted income to top up the funds to match the historical value. The funds are therefore presented in two parts: endowment (restricted and non-expendable) and designated (unrestricted and theoretically expendable). For all practical purposes the nature reserve assets cannot be disposed of, but the unrestricted portion of the value is theoretically disposable.

	<u>Endowment</u>	<u>Designated</u>	<u>Total</u>
	£	£	£
Fund balances as at 1 April 2015:	4512248	3443808	7956056
Incoming endowment resources:			
Designated from unrestricted Funds:		232	232
Fund balances as at 31 March 2016:	<u>4512248</u>	<u>3444040</u>	<u>7956288</u>

The Funds are represented by the following:

	<b>£</b>
Nature Reserves* owned by the charity	7764219
Banovallum House (Trust Headquarters) - proportion	117551
Sykes Farm Improvements	74518
	<u>7956288</u>

\* Nature Reserves includes other land held for conservation purposes but not formally designated as nature reserves.

## 19. RESTRICTED FUNDS

	Fund Balances as at 1 April 2015	Incoming Resources	Resources Expended	Fund Balances as at 31 March 2016
	£	£	£	£
Coastal Grazing Marshes	17359	20610	(1600)	36369
Greater Lincolnshire Nature Partnership	266104	144155	(136981)	273278
Fens for the Future	22872	0	(11514)	11358
Wildflower Meadow Network HLF	16872	33260	(26968)	23164
Nature Reserve Trainee	0	19800	(8170)	11630
South Lincolnshire Fens	11703	5385	(12532)	4556
Little Tern Project	13070	0	(6392)	6678
Capital Grants Fund	106682	728	(16767)	90643
Environmental Funding	0	348040	(348040)	0
Local Authority Funding	0	131360	(131360)	0
Central Government Funding	0	9700	(9700)	0
Other funds	249324	94580	(176324)	167580
<b>Total</b>	<u><b>703986</b></u>	<u><b>807618</b></u>	<u><b>886348</b></u>	<u><b>625256</b></u>

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or grant making body.

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## 20. UNRESTRICTED FUNDS

	Balance as at 1 April 2015 £	Incoming Resources £	Resources Expended £	Balance as at 31 March 2016 £
Conservation Fund	3500607	0	(130441)	3370166
Legacy Equalisation Fund	900000	0	0	900000
Development Fund	1115644	1659074	(1698870)	1075848
General Fund	500000	0	0	500000
<b>Total</b>	<b>6016251</b>	<b>1659074</b>	<b>(1829311)</b>	<b>5846014</b>

## 21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Endowment Funds £	Total Funds £
Fund Balances at 31 March 2016 are represented by:					
Heritage assets		0	3363301	4400918	7764219
Tangible assets	718289	90642	80739	111330	1001000
Investments	4357250	0	0	0	4357250
Current assets	1625759	534614	0	0	2160373
Current liabilities	(225103)	0	0	0	(225103)
Long term liabilities	(174375)	0	0	0	(174375)
Pension Provision	(455806)	0	0	0	(455806)
<b>TOTAL NET ASSETS</b>	<b>5846014</b>	<b>625256</b>	<b>3444040</b>	<b>4512248</b>	<b>14427558</b>

## 22. PENSION ARRANGEMENTS

The Trust participates in the Wildlife Trusts Pension Scheme (WTPS), a multi-employer pension scheme which has two categories of membership: defined benefit and defined contribution. The defined benefit or 'final salary' category closed to the further accrual of benefits in October 2005. The Trust also offers a Royal London Group Personal Pension defined contribution scheme which fulfils the requirements of automatic enrolment.

### a) Defined Benefit Scheme

Due to ongoing matters regarding historical debts, it is not currently possible to consistently identify the assets and liabilities of the WTPS that are attributable to the Trust. The latest triennial valuation (also known as the 'scheme funding assessment') was carried for in April 2013 and the deficit applicable to the Trust as a result of this valuation was reflected in its financial statements as at 31 March 2014. This valuation was updated in April 2015 by a qualified independent actuary. The valuation at April 2015 indicated that the overall scheme was 65% funded on an ongoing basis, with an overall funding shortfall of £6million. The main assumptions used in this calculation are shown below:

Discount rate : pre-retirement	4.0%
Discount rate : post-retirement	2.3%
Price inflation : RPI%	2.9%
Price inflation : CPI%	2.1%

The Trust continues to make contributions to eliminate its share of the scheme deficit, increasing by 2.8% per annum for a period of 10 years, until July 2024. The level of contributions is agreed with WTPS trustees following triennial actuarial valuations.

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The net present value of the Trust's contributions (discounted using a rate of 3.36%, which is based on ibox's 15 year AA corporate bond yield) is £455,806 which has been recognised as a liability in the accounts.

The movement on the provision for the year ended 31 March 2016 is shown below:

	£
Balance brought forward	(366787)
Repayments in the year	55232
Additional provision in the year	(144251)
Balance carried forward	(455806)

**b) Defined Contribution Scheme**

Contributions to the scheme are invested in individual accounts for the benefit of the members.

**c) Group Personal Pension Scheme**

Contributions to the scheme are invested for the benefit of the members. The assets of the scheme are held in separate funds administered by Royal London, an independent pension provider.

## **23. CAPITAL COMMITMENTS**

The group had capital commitments for fixtures and fittings of £14,495 at 31 March 2016 (2015: nil).