



Lincolnshire

Wildlife Trust

ANNUAL REPORT

and

FINANCIAL STATEMENTS

for the year ended

31 March 2019

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FINANCIAL STATEMENTS**
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**CHAIR'S ANNUAL REPORT
for the year ended 31 March 2019**

It is now ten years since the Lawton Review advocated the need for landscape scale nature conservation and in recent years The Wildlife Trusts has campaigned vigorously, recognising that it is no longer appropriate for the movement to merely protect areas of wildlife importance. With our nature in crisis, there is a real need to develop a Nature Recovery Network which aims to recreate habitats and establish wildlife corridors to ensure that nature has the opportunity to recover. This Nature Recovery Network should form part of the Environment Act, promised by the government and supported by the Greener UK coalition – an umbrella body which comprises 14 major environmental organisations including RSPB, National Trust, WWT and Woodland Trust. The current government has pledged to leave the natural environment in a better condition than it inherited and it is our combined responsibility to see that it, or any future government, honours this commitment.

The Trust celebrated its 70th anniversary following completion of a thirty year lease with Lincolnshire County Council covering the National Nature Reserve at Gibraltar Point. Barrie Wilkinson has been involved at this reserve for most of this time and the publication of his book covering the early history of the area was very well received at its launch.

The Trust completed a small acquisition, an extension to the Far Ings Nature Reserve. Negotiations for a more substantial acquisition, which will join our two existing reserves at Upper and Lower Sow Dale, commenced within this financial year and whilst an agreement has been reached to purchase the appropriate forty acres, the legal process is taking some time to resolve. It is hoped to complete the purchase before the end of the calendar year, to create a “bigger and better” reserve in line with the Lawton Principles. Gifts in wills, a successful appeal and a grant from The Banister Charitable Trust, have made this possible.

Following a period of consultation and with the benefit of legal advice, the Trust revised its Articles of Association during the year and the changes were approved by the membership at the Trust's Annual General Meeting in October. This involved the disbanding of Council, which will simplify the Trust's structure and improve transparency by ensuring that Trustees are elected by the membership at the Annual General Meeting. Communication with Area Groups will be continued and enhanced by a series of regular meetings throughout the year.

Whilst this review was in process, the appointment of a new President was delayed but once the new Articles had been agreed, Geoff Trinder, a long-standing volunteer, Trustee and former Chair of Trustees was invited to take up the role. Geoff will be well known to many members through his articles in Lapwings and his regular talks to Area Groups and we wish him every success in the future.

Finally, it is my pleasure to thank all Trust members, volunteers and staff, whose financial support and on-going enthusiasm allows the charity to continue to prosper and innovate. The way the Trust engages with members and the public remains key to the charity's success. During the year the Trust has considered how this can be improved and will be looking to recruit a senior member of staff to take this work forward in due course.

I never cease to be amazed by the number of events that are organised by volunteers and the way these are supported and encouraged by Trust staff. A really impressive example is a project organised by members of the Bourne Area Group, which has seen six nesting platforms erected for Ospreys on private farmland in the south of the county. The hope is that these magnificent birds will spread from their breeding stronghold around Rutland Water into Lincolnshire. Seventy years ago, when the Trust was formed, I wonder if Ted Smith and others would have thought that possible.

Fingers crossed!

**REPORT OF THE TRUSTEES
for the year ended 31 March 2019**

The Board of Trustees has pleasure in presenting its report together with the audited accounts for the year ended 31 March 2019. 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, 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 five year Strategic Plan which commenced April 2015. These are under three principal 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**

STRATEGIC REPORT

Achievements and Performance

Looking at the three strategic 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 a strategic approach to the management of alien invasive species.*
- *Assemble the social, economic and environmental evidence which shows the benefits of Living Landscapes.*

Lincolnshire Coast and Grazing Marshes

Achieving Lincolnshire Heritage Coast status is being progressed with Natural England, East Lindsey District Council and Lincolnshire County Council. Presentations have been given to members of both Councils and approval has been gained. A characterisation process undertaken by partners will be presented to the national landscape unit at Natural England who will then assess the proposal. It is hoped the definition of Heritage Coast will be in place and accepted in the planning process during 2019.

The Dynamic Dunes Project is a national project with local delivery jointly with Natural England. The EU LIFE funding has been secured; the majority of this will go to Saltfleetby Theddlethorpe Dunes overseen by Natural England, and for the Trust this will include volunteer accommodation, equipment and habitat improvements to Trust owned dune hinterland. The National Lottery Heritage Fund (formerly HLF) project development was completed during the year; for the Trust this will include volunteer accommodation at Gibraltar Point, people engagement, interpretation and contribution to the habitat improvements. It is anticipated the project will start autumn 2019.

Highland ponies were utilised for the first time on Lincolnshire coastal sites. After a successful trial at Toby's Hill Nature Reserve near Saltfleetby they were moved to Saltfleetby reserve and latterly to Gibraltar Point NNR where they became a popular attraction as well as being an effective conservation management tool. Gibraltar Point is managed under a Countryside Stewardship agreement, a new government funded agri-environment scheme.

The England Coast Path, national trail is being established by Natural England. The areas that affect the Trust directly are Gibraltar Point, Chapel/ Wolla Bank, Saltfleetby (north end) and Donna Nook. The path in the area of the rebuilt sea bank next to the River Steeping may cause some disturbance problems for Jackson's Marsh at Gibraltar Point, and the route at the north end of Donna Nook through the seal colony remains controversial.

South Humber Bank and Humberhead Levels

Another winter of major works at Far Ings resulted in more of the reedbed habitat being brought into favourable condition and improved water quality. The 5.5 acres of SSSI grazing land adjacent to Far Ings NNR, put on the open market by North Lincolnshire County Council, was acquired by the Trust. This will be incorporated into the nature reserve over the next year. The Trust continues to work with relevant partners in Natural England and North Lincolnshire County Council to influence and secure the creation of significant areas of new habitat as mitigation and compensation for developments prior to them being built across the South Humber. This has resulted in two new areas for wildlife with representation by the Trust on the relevant steering and monitoring boards.

Following the purchase last year of the 20 acre extension to the Rush Furlong Nature Reserve near Haxey, some initial management work has been undertaken. Several hundred green-winged orchids had already been recorded in the field adjacent to the existing nature reserve. Following scrub removal over winter 2018/19, to allow mowing during summer 2019, it is anticipated that this field will become quite a spectacular meadow in due course. This was part funded by the 'Grassland for Wildlife Project', one of five National Nature Recovery Network and Net Gain Pilots running across the Humberhead Levels. The funding from Defra, secured through the Environment Agency, has supported landowners to restore, connect and maintain flower rich and pollinator habitats.

South Lincolnshire Fens and around The Wash

Whilst the drought/heat impacted much of the surrounding agricultural fen, the damp soils of Willow Tree Fen and Baston Fen nature reserves kept the vegetation green and produced good hay crops. The very dry conditions allowed a more extensive hay cut at Willow Tree Fen to be undertaken, which allowed for the cutting of some of the more rank and tussocky areas.

The Bourne Area Group, supported by local Trust staff, delivered a project to install six osprey nest platforms at strategic locations around Deeping Lakes Nature Reserve. It is hoped that eventually birds from the highly successful Rutland Water reintroduction might breed in Lincolnshire.

The Black Sluice catchment has been chosen as one of four national pilots on catchment level management in regards to abstraction (linked to work on the 25 Year Environment Plan undertaken last year by the Trust), which reflects all the work the partners have undertaken in the South Lincolnshire Water Partnership (SLWP). The SLWP is currently finalising a business plan which the Trust has contributed to significantly. The work with Water Resource East, led by Anglian Water, continues. Looking forward, it is hoped that funds will be secured to start to bring the business plan to life for a landscape scale approach to water resource management in the South Lincolnshire Fens.

Kirkby Moor and Environs

Work at the Woodhall Spa Airfield Nature Reserve continues. Developments at the 'farmyard' area, with an expanded crew yard, have greatly improved the over-wintering cattle management system and assisted in striving for the highest welfare standards. They have also helped in providing somewhere to carry out sheep shearing in a controlled environment. Thanks to funding from the Environment Agency landscaping of a lake on the nature reserve established a series of small islands. By the spring of 2019 lapwing, avocet, oystercatcher and black-headed gulls were sitting on eggs, and mallard, little grebe, coot, and tufted duck were in close proximity on the lake.

In May 2018 a memorial provided by the Airfields of Britain Conservation Trust at the former RAF Woodhall Spa, dedicated to all the units and personnel that served there, was unveiled by Wing Commander John Bell MBE DFC Ld'H RAF (Retd), President of the 617 Squadron Association.

Roughton Moor Wood Nature Reserve reopened after its prolonged closure due to the discovery of dumped World War Two mustard gas shells.

Lincoln Area

The Trust continues to work closely with partners in and around Lincoln. Through the City of Lincoln Council the Trust is directly helping inform the new management plan for the three Commons, and supporting through Board representation the development of a second National Lottery Heritage Fund (NLHF) formerly HLF, bid for Boultham Park, which will result in the lake and woodlands being restored. Support continues to various community led initiatives including at Saint Peter's at Gowt to create and manage wildflower meadows.

Following the extensive removal of Corsican pines from Tunman Wood in 2016/17, a patch of Cotton grass emerged from the disturbed ground, the first time that had been recorded in this area since 1934.

Kesteven Limestone Ridge

Engagement across West Lindsey, North and South Kesteven area is primarily focussing on engaging the community and partners on managing places making space for wildlife. For example, working with partners on a Defra Pocket Park Fund bid for the Queen Elizabeth Park in Grantham, and inputting to the Quarry Farm and North Stamford Country Park plan.

Work continues through the Love Lincs Plants project on the protection of the Long-stemmed Thrift community at Moor Closes Nature Reserve. This is becoming a fine model for the work and detail required in bringing back nationally endangered species from the brink of extinction.

The wider environment

The Government's long awaited 25 Year Environment Plan was published; rafts of major national consultations have been responded to by the Trust during the period, including:

- Environmental Principles & Governance
- Farming: Health & Harmony
- National Planning Policy Framework (NPPF)
- Natural England's SSSI Byelaw Principles & Powers

These have been significant consultations that have given an insight to what the future may look like, and presently, in regards to the environment, the right messaging does seem to be reaching the right people, although it took a national campaign to get Local Wildlife Sites back into the NPPF, which we actively promoted, as well as providing a formal response.

The agri-environment drop-out rates amongst farmers continue to be a major concern across Greater Lincolnshire. It is looking particularly bleak from 2019, where major efforts that have had a direct positive impact on wildlife, will most likely be lost. For example, Lincolnshire Coastal Grazing Marshes, where the continued monitoring via bird surveys has demonstrated the worth of the right investment in land management, some land owners are clearly stating the new scheme is too onerous and they will go back to the 'plough' either in 2019 or 2020. From the land owner perspective this is understandable due to the lack of assistance in the application process and the overly complicated scheme. If this happens it will mean the previous expenditure would represent a gross misuse of public spending.

In early 2019, the Trust worked with partners in the South Lincolnshire Fens and the Humberhead Levels to submit 3 pilot applications to Defra to help inform the future Environmental Land Management Scheme (ELMS). The outcome of the applications is expected in 2019. The Trust, through supporting the Facilitator, has also been instrumental through the Fens Facilitation Group in securing face-to-face group discussions with Defra on what would work better in the future for the new scheme. It is hoped that through proactively illustrating what works, the new scheme will be fit-for-purpose to deliver public goods for public funds, for all land managers.

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.

During the year the Trust worked closely with all the county's local planning authorities and other strategic planning bodies, and contributed to the following, for example:

- Natural England – continued input to discussions on the England Coastal Path from Mablethorpe to the Humber Bridge, and attendance at the launch of the Skegness to Mablethorpe opening.
- North Kesteven District Council – proactive input to the Open Spaces Strategy.
- South Kesteven District Council – Local Plan written consultation and helping develop the Design Guide particularly for housing schemes as Supplementary Planning Guidance for Rutland and South Kesteven.
- Anglian Water – advice given on how to secure biodiversity gains along 55 km of pipeline installation.
- Rivers and water – informing various river catchment approach plans and projects including through the Lincolnshire Chalk Streams Partnership, Witham Catchment Partnership, Trent Valley and Partnership Approach to Catchment Management on other watercourses.

The Trust checked 8,222 forward planning and development control applications against the Trust's planning criteria, of which 398 development control planning applications were reviewed in detail and 89 were responded to.

The Trust was also a partner in a larger trial of biomass harvesting from road verges with three local landowners commissioned by Lincolnshire County Council. New harvesting machinery was developed through funding by private business and the Greater Lincolnshire Local Enterprise Partnership, and the Trust was commissioned as advisers on biodiversity including undertaking ecological surveys. The survey design was developed by the Trust in conversation with Natural England specialists. This is an ongoing project but has potential to deliver biodiversity gain based on the general guidance produced by the Trust.

The Trust plays an active role in the Greater Lincolnshire Nature Partnership (GLNP), which it hosts. The Partnership complements the Trust's advocacy work, particularly on planning, agriculture, tourism and health. The Nature Partnership developed an innovative online tool, LERCSearch, to enable quick access to the 9.3 million records it holds. More details of the activity and achievements are available in the GLNP's Annual Review 2018-19. <https://glnp.org.uk/admin/resources/04878-glnp-annual-report-20pp-web-1.pdf>

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.*

The Trust responded to numerous consultations by the government on conservation advice packages for Marine Protected Areas (MPA), tranche 3 proposed Marine Conservation Zones (MCZ), to offshore development consultations working with our North Sea neighbouring Wildlife Trusts to ensure consistency and Sustainable Fisheries for the Future Generations, in short, known as the Fisheries Bill.

Trust volunteer Jordan Havell was awarded the first national Marsh Young Volunteer Award for Marine Conservation which recognises a young volunteer under the age of 16 who has made an outstanding contribution to marine conservation and who has furthered the work of The Wildlife Trusts in this area.

Beach cleans, prompted by concerns over marine plastic, have proved incredibly popular with members of the public and staff from local companies participating in events. At one beach clean in September 2018 over two hundred people took part.

One of the continuing issues for coastal marine protected areas, such as the Humber Estuary and The Wash, remains recreational disturbance. Unlike other maritime activities these are not regulated in a traditional manner. The Trust is therefore working with both marine partnerships to develop management plans for specific hotspots on the Humber, and through a jointly funded project with the National Trust and The Wash and North Norfolk Marine Partnership on developing understanding of dog disturbance and how to manage it.

Tania Davey was appointed as an authority member to the Eastern Inshore Fisheries and Conservation Authority (EIFCA) by the Marine Management Organisation as an individual. The Trust responded to their consultation on the Marine Protected Area and Shrimp Permit Byelaws.

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.*

Events were held across the county to mark the 70th anniversary of the Trusts formation in 1948. Most involved cake and the display of wildlife themed bunting flags which were sewn, felted and printed by supporters. The most significant event was the launch of Barrie Wilkinson's book '*The Story of Gibraltar Point*' which coincided with the 70th anniversary of the establishment of this, the first Trust nature reserve. The book charts the history of the site with all the money raised from sales directly supporting the work of the Trust thanks to Barrie's generosity. He himself has seen some change since he first became involved in 1952.

The Trust continues to develop relationships with a suite of further education providers including working with the Open University to host Santander funded student placements, and provide lecturing support and research opportunities to students at the University of Lincoln.

Lincolnshire's Plants: Past and Future Project

The three year National Lottery Heritage Fund project, now known as Love Lincs Plants, is underway in partnership with Lincolnshire Naturalists' Union, Sir Joseph Banks Society, and the Natural History Museum (NHM). New audiences have been identified and engagement with higher education establishments, including project partner University of Lincoln, has increased.

Uptake of places on the training days for 18–35s during the 2018 season was disappointing. Analysis of survey feedback suggested that courses would be better attended if they were held at weekends with transport available. Therefore the format of the training courses has been redesigned to be weekend residentials.

A programme of plant collection events is planned for this growing season including training volunteers in collecting and pressing so that they can help at a number of community plant collection events in the priority areas of Grimsby, Scunthorpe, Louth, Gainsborough, Mablethorpe, Skegness, Grantham, Boston and Spalding.

Volunteers at the Sir Joseph Banks Society centre in Horncastle have got the new herbarium up and running. Scans have now been taken of the specimens collected last year and can be accessed via the Sir Joseph Banks' website. <https://www.joseph-banks.org.uk/lp-plants/>

Primary school assemblies are being targeted on priority areas, so far delivered in 32 schools and reached 4,831 children.

As an outcome of this project, a wild plant propagation programme is being established with the University of Lincoln at its Riseholme campus, where seed collected from Lincolnshire is to be grown with the aim to then supply the demand for community sites across the county.

Wider Engagement and Education

There were over 250 formal education visits to nature reserves and centres, engaging with nearly 7,500 young people and adults from primary to under graduates.

Gibraltar Point had an even split between primary and secondary groups, affirming its role as a field studies centre. Informal activities included a very popular dragonfly event run by volunteers with nearly 900 participating. Beach cleans have been hugely popular.

Whisby has hosted inset days for teachers, sleep-overs for an all-night adventure, and has established links with The Lincoln St Peter at Gowts Primary School which has students from an area of high deprivation.

Far Ings has actively delivered Love Lincs Plants activities, particularly assemblies. A change around of the centre has enabled a second classroom to be created.

Snipe Dales hosted 59 school groups with 965 students for river-studies, nature walks and shelter-building. A number of local special schools continue to use Snipe Dales on an informal basis, including Linkage Community Trust and Boulevard Care, bringing students to site for exercise and natural history walks. Woodlands Academy (Spilsby) periodically uses the site, including a visit to photograph autumn colours. Eresby Special School booked to have a nature walk looking at the impact of people on the environment. Build a Future (West Ashby) and Springwell Academy (Baumber), a Pupil Referral Unit, have also recently started visiting the site. Snipe Dales continues to be a significant resource for local special schools and other similar organisations.

All the centres have delivered significant programmes of events and activities on and off site. These have ranged from big events such as Alford Craft Market (c3,500 visitors), Easter Trails (700 people) and Big Wild Weekend open days during June for 30 Days Wild to specialist training courses, bushcraft and art activities.

Nature Tots (pre-school) groups are active at all the centres and Snipe Dales. There are 12 Wildlife Watch groups including two urban groups. Junior Wardens provides some continuity for young people after Watch. The successful model developed by Whisby, which has over 20 active members, has been adopted by Far Ings and Gibraltar Point.

The Trust website was replaced and content updated. Social media use continued to increase, particularly Facebook (nine separate accounts) and Instagram. Following training Area Group use of social media increased, in some cases replacing older websites.

Lost Words for Lincolnshire

A successful appeal raised over £6,000 enabling a copy of *The Lost Words* by Robert Macfarlane and Jackie Morris to be given to every school in Lincolnshire. Jointly run by the Trust and volunteer Harry Whinney, who originally made the suggestion, the appeal used a crowd funding approach and was supported by FCC Environment and Walkers Books. Deliveries to schools were undertaken personally by staff, volunteers and groups, including the Rotary Clubs of Lindum, Lincoln and South Holland. The response was very positive.

Volunteers

Volunteers are involved at every level and in every aspect of the charity's work. Volunteer roles include membership of the Board and Teams; participation in one of 16 Area Groups, which exist to support our work locally; centrally appointed roles such as Voluntary Reserve Managers, Watch Leaders, representatives on a variety of other bodies; and helping at visitor centres, with events, administration and much more.

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.

Fundraising

The Trust's approach to fundraising is to be honest and transparent with its donors and supporters about where their money goes and why the charity asks for donations. The Trust publishes information widely about its work and seeks to keep everyone informed. The Trust communicates clearly why it needs donations and what activities money will be spent on.

In recent years there have been several important changes to the way charity fundraising is regulated. Responsibility for the Code of Fundraising Practice is now with the Fundraising Regulator. The Trust is a registered subscriber to the Fundraising Regulator and complies with its Code of Fundraising Practice and the six guiding principles identified in CC20, the Charity Commission guidance for Trustees on charity fundraising.

Trustees are very aware of the need to uphold the highest standards of fundraising practice to safeguard the good reputation of the Trust, which has built up through many years of accumulated good work. Whilst day-to-day responsibility for fundraising is delegated to staff, the Trustees remain ultimately responsible and fundraising practice is regularly discussed through the work of the Board. Membership income targets are set through the budgeting process and with the recruitment company. The actual income achieved in 2018/19 increased by 0.9%. Fundraising is included on the Trust's risk register which is monitored by Trustees. There is a process, including escalation to Trustees, to review complaints from members and the wider public to ensure the Trust's fundraising practice is consistently carried out and any lessons learned.

Together with seven other Wildlife Trusts, the Trust established a wholly owned Wildlife Trust membership recruitment company. The company is managed by a Board of directors which is made up of Wildlife Trust staff, Trustees and other experts. This company is transparent in its fundraising techniques, regulated by the Institute of Fundraising and meets with its member Trusts every 6 months. There is a written agreement between the Wildlife Trusts agreeing fundraising standards, monitoring of fundraisers and compliance. A single membership recruiter is also employed directly by the Trust.

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, in a format consistent with other Wildlife Trusts for ease of comparison, was reviewed and maintained.

The process of the UK leaving the European Union (EU) has resulted in significant uncertainties for the Trust 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.

Significant concerns remain over the implementation of changed agri-environment payment schemes. 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. Adequate financial reserves are maintained.

Pension deficit payments remain high despite the final salary scheme closing in 2005; funds are set aside to meet this liability. There remain other risks with the scheme including new regulations that could affect the scheme; steps have been taken by the Scheme Trustees and RSWT (the lead employer) to mitigate these risks.

During the year the Trust completed preparations for the General Data Protection Regulations (GDPR) which became enforceable in May 2018. Policies and procedures for Health & Safety and safeguarding were reviewed and updated with training given to staff and volunteers.

During the year the Chief Executive undertook training in business continuity planning and a range of staff participated in a desk based emergency exercise.

Charity Governance

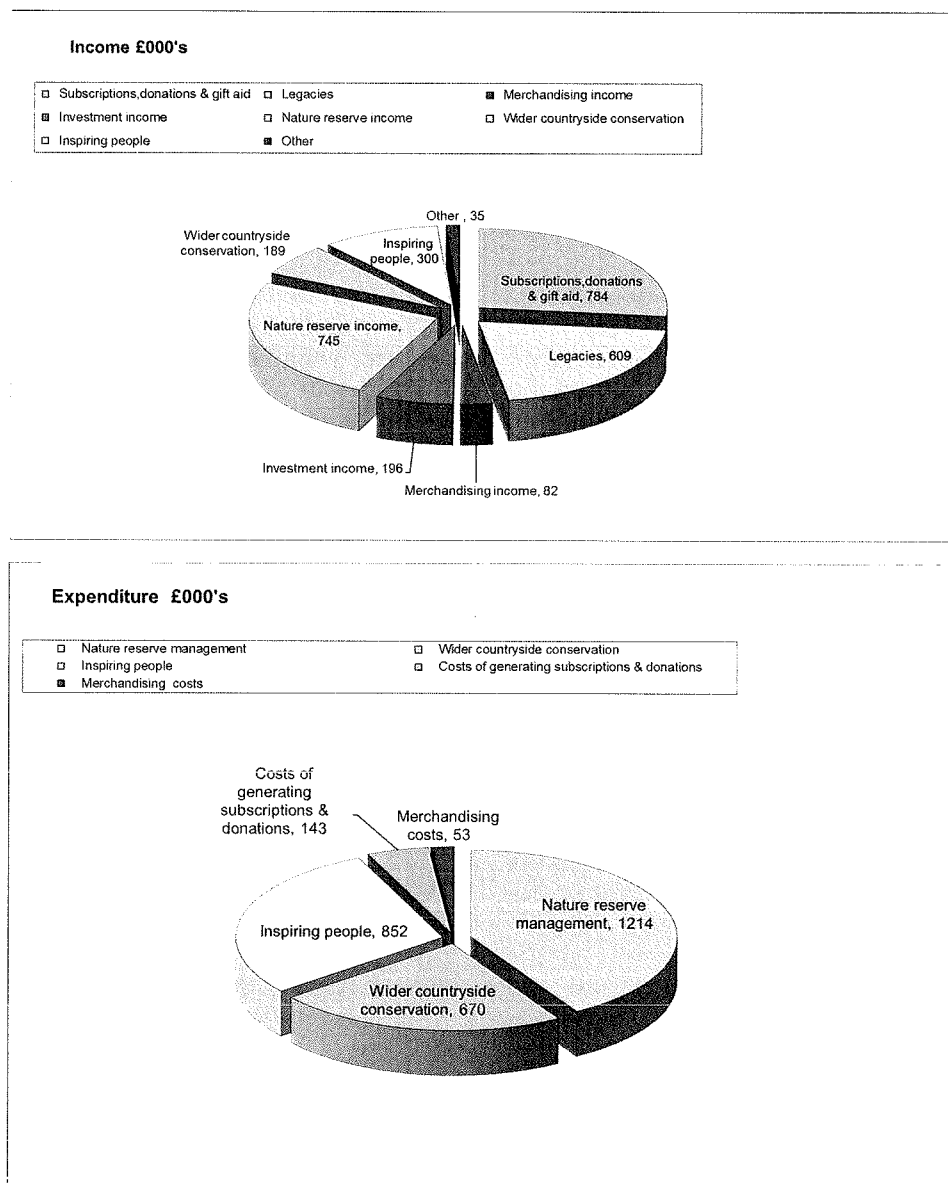
The Trust has adopted the Charity Governance Code and completed a thorough review of the recommended practice undertaken. The aim of the code is *"to help charities and their trustees develop these high standards of governance"*. Although not a legal or regulatory requirement, the code sets out principles and recommended practice for charities and Trustees who wish not only to achieve good governance but strategies to continuously improve and develop. Good governance is ensuring that the charity has adequate policies, systems and procedures in place and that these are followed. It is also about encouraging appropriate attitudes, behaviours and values. The Trust has made some changes to adopt recommended practice and where a particular practice has not been applied this is explained in this report; what is done instead or why it is not applied.

FINANCIAL REVIEW

During the course of the year, the Trust received total income of £2.94m, a reduction from the previous year's £4.23m, which was inflated by exceptional restricted income – a restricted legacy of £750k from Angela Bates and restricted income of £499k from Heritage Lottery Fund for the Lincolnshire Plants: Past and Future project.

Total expenditure was £2.93m (2018 £3.19m) which meant the overall surplus was £240k (2018 £1.06m), after adjustments for gains on investments and in respect of the defined benefit pension actuarial position. Restricted income and restricted expenditure will tend to even out over time as restricted funds are applied to the purposes for which they were given. Whilst restricted funds are a key part of enabling the Trust to undertake additional projects, as well as contributing to some core work, unrestricted funds are critical to the Trust's general financial health.

Unrestricted income increased by 10% from £2.02m to £2.23m, primarily as a result of unrestricted legacy income increasing from £129k to £521k. Unrestricted expenditure decreased slightly from £2.27m to £2.17m and the increase in the value of the Trust's investments rose from £44k in 2018 to £244k in 2019. This all helped increase the surplus on unrestricted funds to £207k, compared to the deficit of £624k in 2018.



Like many other landowners, the Trust has had to devote far too much time to the issue of the non-receipt of Higher Level Stewardship payments. The criticisms of DEFRA and the Rural Payments Agency have been well publicised but their approach still presents ongoing challenges. At 31 March 2019, the accounts included a debtor of £363k in respect of outstanding amounts. Although there has been some progress, including Defra's national decision to make bridging payments in respect of some agreements during the year, this area continues to cause concern. Considerable staff resources have been and still are required to resolve the outstanding issues. The Trust is challenging all the significant unfounded reclaims being sought by the Rural Payments Agency and has been successful on most occasions.

Membership at the year-end stood at 27,611 members compared to 28,457 at 31 March 2018, a fall of 3%. Income has remained at the same level as the Trust continues to benefit from higher subscriptions from new members. Whilst it is disappointing to report a fall in membership numbers after several years of growth, the Trust is confident this trend can be reversed and indeed, the early months of the new financial year have seen increases as recruiters gain in experience.

In addition to a substantial unrestricted legacy this year, the Trust has also benefitted from a number of other bequests and is indebted to everyone who has supported the Trust's work in this way. Over the years legacies have enabled the Trust to acquire new reserves, manage them better and improve visitor facilities, whilst building up financial reserves to support its ongoing work.

The Trust's only land purchase this year was at Far Ings at a cost of £42k and there were some further capitalised costs of £3k with regard to land at Rush Furlong that was acquired last year. However, as noted in the Chair's report, the Trust is hoping to purchase the middle section of Sow Dale in the near future, allowing a "bigger and better" nature reserve to emerge. The purchase of the land will be partially funded by the legacy received from Angela Bates last year. It will be very appropriate if Angela's legacy can be used to manage the whole of Sow Dale as a traditional pastoral landscape.

There have been some changes to the Trust's investments this year with funds being transferred from CCLA's COIF Charities Property Fund to the CCLA COIF Investment Fund. The Trustees review performance each quarter and take appropriate advice. The Trust's investments are well diversified and help the charity achieve its investment objectives. Unrealised gains in 2019 were £283k (2018 £36k).

The Trust has had a satisfactory year with regard to restricted income. The Charities SORP required the Trust to recognise all the income for the Lincolnshire Plants Past and Future project in the 2018 accounts but because the associated expenditure is recognised when incurred, it is not surprising to see a deficit on restricted funds this year.

The Trust spent £2.74m on its charitable activities during the year which represents 92.5% of total expenditure. This has been spread across Nature Reserves, Wider Countrywide Conservation and Inspiring People. It continues to develop and enhance its reserves as needed and invest in its advocacy, education and public engagement activities.

Overall, the Trust has had another satisfactory year in terms of its finances but the future seems even less certain – various "headwinds" are gathering!

The Trust undertook a review of its Financial Reserves policy in early 2019. The risks to income, especially future land management income, have increased and so an "Income Resilience" fund has been established to replace the "Legacy Equalisation" fund and funds transferred so that it starts at the top of its current target range of £900k.

The Development fund is already fully committed to land acquisition and key site improvement projects, but the Trust will aim to replenish it when opportunities arise. Unrestricted legacy income, whilst volatile, is crucial to giving funds for further development and acting as seed corn funding for exciting projects that can attract grants and donations as matched funding. Legacies really do make a difference, whether they be unrestricted or restricted (eg by activity or by criteria for its use geographically) and can attract funding that the Trust otherwise would not be able to access.

The Trust remains in a strong position to take advantage of opportunities as they arise and is robust enough to cope with any future challenges.

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
Charity No: 218895

Financial Reserves Policy

The Trust's reserves are classified between Unrestricted, Restricted Funds and Endowment Funds.

Unrestricted Funds

Unrestricted funds comprise of:

- the General Fund
- the Development Fund
- the Conservation Fund
- the Capital Grants Fund

The Trust's policy relates to its unrestricted reserves; over which we have full control, i.e. all the above other than the Capital Grants Fund.

The Trust's policy is that the level of unrestricted funds should be sufficient to cover planned and unforeseen variations in operational income and expenditure. This will be reviewed during every annual budget cycle with consideration of operational risks and external factors. In addition, the Trust needs to help ensure the long-term viability of its considerable portfolio of sites that help conserve wildlife throughout the county.

The Trust's **General Fund** comprises unrestricted cash to be used as working capital and a Resilience Fund which aims to cover the perceived risks in the Trust's sources of unrestricted income over the following three years. The year-end target for opening and closing unrestricted cash is currently £350k for use as working capital. This reflects the amount required to ensure the peaks and troughs in cash flow requirements during the course of an annual operating cycle can be met.

The Board has set a target range of £250k-£900k for its **Income Resilience Fund**. The **Income Resilience Fund** was previously called the Legacy Equalisation Fund, when the main risk in income related to legacies. In view of the forthcoming changes to land management grants and volatility in legacy income, the Trust has retained funds at the top of this range.

In order to respond to new opportunities and finance new initiatives, the Trust aims to hold at least £250k and preferably £1m in its **Development Fund**. This will be used to finance specific programmes of activity over the next three years, including opportunities to acquire land of strategic conservation importance.

In view of the ongoing costs of managing its substantial land holding, most of which is to be managed in perpetuity, the Trust considers it is wise to retain a substantial capital sum that can provide a sustainable source of income towards these ongoing costs, as well as financing any unexpected expenditure, eg costs arising from extreme weather events. These needs will be provided by the **Conservation Fund** and the Trust has set its range at £3.25m-£5.5m.

In total, this creates a target unrestricted reserves range of £4.1m-£7.75m. This is shown in the table below.

	Target Range £k	At 31 March 2019 £k
Working Capital cash	350	350
Income resilience	250-900	900
General Fund	600-1,250	1,250
Development Fund	250-1,000	299
Conservation Fund	3,250-5,500	3,710
Total	4,100-7,750	5,259

If specific funds are below their target range their objective will be to reach their minimum level, as soon as is practicable, subject to competing interests.

In addition, the Trust has a **Capital Grants Fund** which represents grants received for capital assets. Amounts are released over the life of the underlying assets. The value of this fund at the year end was £45k (2018 £64k).

Restricted Funds

The Trust holds a range of restricted funds related to projects, as well as some restricted legacies and donations. Movements in each fund are shown in Note 18 in the accounts, which follow.

Endowment Funds

Apart from the endowment funds represented by the Trust's land and buildings owned for conservation objectives, described in Note 10 in the accounts, the Trust has one endowment fund that is invested and which is described in more detail in Note 17 in the accounts.

Monitoring and Reviewing this Policy

Reserve levels are reviewed at each Finance Monitoring Group meeting and each Board meeting. The Trust's policy and target ranges are reviewed as part of the annual budgeting cycle. In addition, a key event may trigger a review, for example, the cessation of a material source of funding.

Investment Policy and Performance

The Trust's Memorandum and Articles outline the charity's investment powers. The Board sets the Trust's investment policy, following recommendations from the Finance Monitoring Group, and engages professional investment managers to undertake the management process and make day-to-day decisions. The Finance Monitoring Group monitors their performance and meets with the Trust's investment managers at least annually. Their performance is monitored against suitable benchmarks.

The Trust's unrestricted cash requirements are held with banks and building societies authorised to carry out business in the UK.

In the light of current low interest rates, there is a preference to keep the majority of Trust other funds invested to provide a higher level of income, primarily via dividends. The Trust's aim is to achieve around 4% income yield with the capital value increasing by at least inflation.

During both 2019 and 2018 the Trust's unrestricted investments were managed by two renowned charity investment managers, CCLA and M & G. At 31 March 2019 these were valued at £4.64m with 80.4% in CCLA's Investment Fund and 19.6% in M & G's Charifund.

For the year to 31 March 2019 the total unrestricted portfolio grew by 6.0% (2018:2.8%) with CCLA achieving 11.0% and Charifund achieving 6.4%. The contrast was due largely to the composition of the two funds with CCLA's Investment Fund being comprised largely of global equities and M & G's Charifund being primarily UK equities.

During the year the two investments produced an income of £196k (2018 £200k) – an income yield of 3.9% (2018 4.1%).

At 31 March 2019 the Trust's endowment fund, which is managed by CCLA, was valued at £531k (2018 £492k). This was invested in CCLA's Investment Fund. This achieved capital growth of 7.3% and a restricted income of £17k, an income yield of 3.3%.

The Trust's prime ethical consideration is to identify any obvious conflicts of interest between its objectives and the objectives/activities of any company whose shares may be acquired directly for the purpose of investment. The Trust had no direct investment in company shares at 31 March 2019 or 31 March 2018.

CCLA is a leader in ethical and responsible investment and their approach can be viewed on their website.

Investment in properties

From time to time the Trust may own freehold or leasehold interests in property. These are sometimes associated with specific bequests with a view to sale at an appropriate time. The Trust reviews its ownership regularly and takes professional advice regarding the marketing and sale of properties to optimise the financial or other benefits for the charity.

In 2019, a building plot was placed on the market at a value of £55k, £10k less than the value at which it was previously held.

FUTURE PLANS

During the year ahead effort will focus on delivery of the final year of the Trust's five-year Strategic Plan which commenced April 2015. These are under three principal 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 indicators of success:

- Brexit and Government 25 year environment plan - through campaigning and lobbying with partners, secure strong commitment to safeguard the environment.
- Love Lincs Plants project – successfully deliver this National Lottery Heritage Fund project in partnership with Lincolnshire Naturalists' Union, Sir Joseph Banks Society, the Natural History Museum and the University of Lincoln.
- Commence development of residential volunteer training facilities at Gibraltar Point and Saltfleetby NNRs and secure funding for similar at Woodhall Spa Airfield Nature Reserve.
- Coast – secure Heritage Coast status and National Lottery Heritage Fund for Dynamic Dunes Project habitat restoration, people engagement and volunteer facilities.
- Review the Trust's Financial Reserves and Investment Policies and strategy.
- Undertake development of the Trust's Strategic Plan for the next five year period (2020-25).

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 Articles of Association, originally dated 2 December 1948 and amended during the period on 20 October 2018. Membership of the Trust is open to all, and the total number of subscribing members at 1 April 2019 was 27,611, a decrease from 28,457 in 2018. 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 up to 15 Trustees appointed for a 3 year term with option for re-election. Trustees are elected by the Trust membership at the AGM, usually held in October. At the first meeting of the Board of Trustees after the AGM, the Trustees appoint Honorary Officers (Chair, Treasurer and others if required) from the Board members.

If a Trustee has served for more than 9 years, their reappointment is subject to a particularly rigorous review, and takes into account the need for progressive refreshing of the Board and is explained in the Trustees' annual report. The Board has no power of co-option but may fill a vacancy until the next AGM.

During the period, Mark Smith was elected as a Trustee. Peter Stapleton stepped down initially as Honorary Treasurer at the November 2018 Board meeting and subsequently resigned as Trustee in July 2019. Peter made a valuable contribution to the Trust serving on the Board since 2013. He was replaced as Honorary Treasurer by Julian Purvis.

The appointment process has significantly changed following revision to the Articles of Association approved at the AGM in 2018. Previously the Board was elected by Council, with Council members elected by the membership at the AGM.

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

Geoff Trinder was appointed Trust President and Brian Tear reappointed as Vice President. Both have given many years of dedicated service to the Trust and regularly attend Board meetings as ex officio members.

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. The Board is responsible for the charity's governance and makes decisions on matters of strategic policy. During the period Council was disbanded following revision to the Articles of Association. 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. Area Groups represent the interests of members organising local events. A number of forums are held each year with Area Group representatives; this is in part to meet a gap resulting from no longer having a Council which included representatives of the 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 (including membership and administration), Conservation (includes the GLNP) 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) and public relations. The Trustees agreed the appointment of a new Head of Department for Public Engagement and Communications. This appointment will be made during 2019.

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 2019, the Trust employed a total of 71 members of staff (42 full-time and 29 part-time). Of these, 5 relate to the GLNP, 5 to projects with external funding and 61 to the Trust's core activities.

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. 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 46 independent Wildlife Trusts covering the UK, Isle of Man and Alderney, 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 their 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 from retail sales.

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, along with eight other Wildlife Trusts, is part of Wildlife Fundraising (Central) Limited, a mutual company 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 the charity's way of working.

Other important partnerships are:

- **Association of Drainage Authorities:** the Head of Conservation sits on the Lincolnshire Environment Group with all the Internal Drainage Boards of Lincolnshire and other key bodies.
- **Greater Lincolnshire Local Enterprise Partnership:** the Chief Executive sits on the Visitor Economy Board. The Head of Conservation sits on Greater Lincolnshire Forum for Agriculture & Horticulture.
- **Campaign for the Farmed Environment in Lincolnshire:** working with Anglian Water, CLA, EA, GLNP, LWCS, NE, NFU, individual farmers and farm businesses. Encourages voluntary management that will benefit the environment.
- **Humber Nature Partnership:** numerous corporate, local authorities, statutory agencies, voluntary organisations and individual members. The Chief Executive is Chair. The Head of Conservation sits on the Relevant Authorities Group for the Humber Estuary European Marine Site in co-ordination with the RSPB and Yorkshire Wildlife Trust.
- **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.
- **Lincolnshire Wolds AONB Joint Advisory Committee & Countryside Service:** working with a wide variety of partners and the team to ensure the special qualities of the area are maintained and enhanced. **The Lincolnshire Chalk Streams Project** is also hosted by them which the Trust contributes expertise to.

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- **South Lincolnshire Fenlands:** EA, NE, Sustrans, South Kesteven District Council, South Holland District Council, LCC, Waterside Garden Centre and Welland & Deepings Internal Drainage Board.
- **South Lincolnshire Water Partnership:** working with Anglian Water, Black Sluice IDB, EA, LCC, NE, NFU, Welland & Deeping IDB, UK Irrigation Association, individual farmers and farm businesses. This partnership is directly making a case to the Steering Group, **Water Resource East**, which is considering options for long-term public water resources needs in the East of England.
- **The Wash & North Norfolk Coast Marine Partnership:** the Trust sits on the Full Management Board now as a full partner with the relevant authorities and the chairs of the three local advisory groups. Nature Reserves and Conservation input to the Boston Advisory Group.
- **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.

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

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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 & 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 64 Eastgate Louth Lincolnshire LN11 9PG
<u>Solicitors:</u>	Andrew & Co Solicitors 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>	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. The Board currently consists of 5 Honorary Officers and 8 others elected at the Annual General Meeting.

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

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<u>Presidents:</u>	Mr G L Trinder ARPS	(President)	appointed 13.11.18
	Mr B Tear BSc	(Vice President)	
<u>Trustees/Directors:</u>	Mr D A Cohen	(Chair)	
	Mrs J Mellor MSc	(Deputy Chair)	
	Mr T S Sands	(Deputy Chair)	
	Dr D A Sheppard BSc PhD	(Deputy Chair)	
	Mr P Stapleton FCA	(Honorary Treasurer)	stepped down as Hon Treasurer 13.11.18 resigned as Trustee 16.07.19
	Mr J Purvis BSc FCA	(Honorary Treasurer)	appointed as Hon Treasurer 13.11.18
	Mr M Capper		
	Mrs C E Harrison BSc		
	Mr C Morrison CSci		
	Mr R Oates		
	Mrs A Quigley BA		
	Mrs A Rose		resigned 18.4.18
	Mrs S Round BA MSc (Econ)		
	Mr M Smith BSc (Hons) CMIOSH		appointed 20.10.18
	Mrs B Tyrrel MIBC		
<u>Company Secretary:</u>	Paul V Learoyd		
<u>Senior Staff:</u>	Chief Executive:	Paul V Learoyd	
	Head of Conservation:	Tammy M Smalley	
	Head of Finance:	Sarah J Smith	
	Head of Nature Reserves:	David R Bromwich	

FINANCIAL SUPPORT

We are grateful to the following for substantial financial support in 2018/2019 through donations, grants and the sponsorship of projects:

Anglian Water Services	Ministry of Defence
Centrica	National Lottery Heritage Fund
Defra	Natural England
East Lindsey District Council	North Kesteven District Council
Environment Agency	RSPB
Esmée Fairburn Foundation	RSWT
European Union	Santander
FCC Environment	The Banister Charitable Trust
Lincolnshire County Council	Vine House Farm
Lincolnshire Co-op	

Partner contributions to the Greater Lincolnshire Nature Partnership (hosted by 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:

Able UK	John E Haith Limited
Aggregate Industries	John Kinch Group
Andrew & Co LLP	Jolly Common Caravan Park
Anglian Water Services	Lincolnshire Co-operative Society Limited
ARH Tucker & Sons	Mortons of Horncastle Limited
B A Bush & Son Limited	Natureland Seal Sanctuary
Cargill plc	North East Lindsey Drainage Board
Cleethorpes Builders Merchants	Page Paper Limited
Clugston Group Limited	Riva Construction
ConocoPhillips (UK) Limited	Rowhire Limited
Cray Valley Limited	SCS Technology Solutions Limited
Creative Nature	Sibelco UK
Crowder & Sons Ltd	Singleton Birch Limited
F W Cupit (Printers) Limited	TCS UK Spraying
Fenland Laundries Limited	Truelove Property & Construction
Holivans Limited	UK Alternative Energy Limited
Hornsby Travel Services Limited	Yara (UK) Limited
J E Piccaver & Co	Woodhall Country Park
J W Ruddock & Sons Limited	

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 2019:

Mary Angela Sarah Bates	Alan George Riseborough
Martin John D'alessandro	Doreen Stella Shakesby
Anastasia Elizabeth Healey	Winifred Margaret Spilman
Beauford Douglas Linley	Geoffrey Arthur Taylor
Alfred McGowan	Joan May Timson
Ruth Winifred Painter	Barbara Mary White

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 3 to 9, were approved by the Board on 23 July 2019 and signed on its behalf.

By Order of the Board



D A Cohen
Chair

23 July 2019

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

Opinion

We have audited the financial statements of Lincolnshire Wildlife Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Group Statement of Financial Activities, the group and the Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2019, 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.

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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Board's responsibilities statement set out on page 22, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and 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.



Paul Colcomb FCCA (Senior Statutory Auditor)

For and on behalf of Wright Vigar Limited

Statutory Auditors, Chartered Accountants and Business Advisors

15 Newland

Lincoln

LN1 1XG

23 July 2019

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 2019

	Notes	Unrestricted Income £	Restricted Income £	Designated & Endowment Funds £	Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and legacies	2	1,305,386	87,785	0	1,393,171	1,704,233
Charitable activities	3	625,888	608,255	0	1,234,143	2,124,350
Other trading activities	9	81,810	0	0	81,810	82,395
Investments	11	178,365	17,417	0	195,782	200,027
Other		35,702	0	0	35,702	119,411
Total income		2,227,151	713,457	0	2,940,608	4,230,416
Expenditure on:						
Raising funds	4	195,658	0	0	195,658	240,019
Charitable activities	8	1,974,044	762,510	0	2,736,554	2,954,051
Total expenditure		2,169,702	762,510	0	2,932,212	3,194,070
Net (losses)/gains on investments	11	244,497	0	38,840	283,337	36,032
Net income/(expenditure)		301,946	(49,053)	38,840	291,733	1,072,378
Transfers between funds	10	(43,532)	(2,060)	45,592	0	0
Other recognised gains/(losses):						
Actuarial (losses) on defined benefit pension schemes	21	(51,742)			(51,742)	(13,565)
Net movement in funds		206,672	(51,113)	84,432	239,991	1,058,813
Reconciliation of funds:						
Total funds brought forward		5,097,782	1,562,727	8,803,227	15,463,736	14,404,923
Total funds carried forward		5,304,454	1,511,614	8,887,659	15,703,727	15,463,736

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 28 to 41 form part of these financial statements

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

CONSOLIDATED AND CHARITY BALANCE SHEET as at 31 March 2019

	Notes	Group		Company	
		2019	2018	2019	2018
		£	£	£	£
Fixed Assets					
Heritage assets	10	8,164,546	8,118,954	8,164,546	8,118,954
Tangible assets	10	1,013,389	986,121	1,011,364	982,229
Investments	11	5,228,321	4,944,984	5,253,321	4,969,984
Total fixed assets		14,406,256	14,050,059	14,429,231	14,071,167
Current Assets					
Stocks	12	42,632	43,007	21,150	19,650
Debtors	13	1,771,611	1,787,357	1,781,590	1,814,399
Cash at bank and in hand	14	677,770	789,131	638,393	755,654
Total current assets		2,492,013	2,619,495	2,441,133	2,589,703
Liabilities					
Creditors:					
Amounts falling due within one year	15	459,097	449,193	458,360	446,134
Net Current Assets		2,032,916	2,170,302	1,982,773	2,143,569
Net Assets less Current Liabilities		16,439,172	16,220,361	16,412,004	16,214,736
Creditors:					
Amounts falling due after one year	15	157,500	163,125	157,500	163,125
Pension provision	21	577,945	593,500	577,945	593,500
Net assets		15,703,727	15,463,736	15,676,559	15,458,111
The funds of the charity					
Endowment and Designated Funds	16	8,356,615	8,311,023	8,356,615	8,311,023
Restricted Endowment Fund	17	531,044	492,204	531,044	492,204
Restricted Funds	18	1,511,614	1,562,727	1,511,614	1,562,727
Unrestricted Funds	19	5,304,454	5,097,782	5,277,286	5,092,157
		15,703,727	15,463,736	15,676,559	15,458,111

The financial statements were approved by the Board of Trustees on 23 July 2019 and were signed on its behalf by:

 J Purvis – Honorary Treasurer

 D A Cohen - Chair

Company Number 00461863

The notes on pages 28 to 41 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 2019

	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities:				
Net cash provided by (used in) operating activities		(134,595)		(190,266)
Cash flows from investing activities:				
Dividends, interest and rents from investments	195,782		200,027	
Proceeds from the sale of property, plant and equipment	7,068		42	
Proceeds from the sale of investments	727,653		222,859	
Purchase of property, plant, equipment and heritage assets	(179,616)		(130,050)	
Purchase of investments	(727,653)		(323,000)	
Net cash provided by (used in) investing activities		23,234		(30,122)
Change in cash and cash equivalents in the reporting period		(111,361)		(220,388)
Cash and cash equivalents at the beginning of the reporting period		789,131		1,009,519
Cash and cash equivalents at the end of the reporting period		677,770		789,131
Net income/(expenditure) for the reporting period (as per statement of financial activities)		239,991		1,058,813
Adjustments for:				
Depreciation inc Lapwings		106,754		117,879
(Gains)/losses of investments		(283,337)		(36,032)
Dividends, interest and rents from investments		(195,782)		(200,027)
Loss/(profit) on the sale of fixed assets		(7,066)		(39)
(Increase)/decrease in stock		375		(741)
(Increase)/decrease in debtors		15,746		(1,301,452)
Increase/(decrease) in creditors		4,279		216,134
Pension contributions in period		(67,297)		(58,366)
Pension provision in period		51,742		13,565
Net cash inflow from operating activity		(134,595)		(190,266)

The notes on pages 28 to 41 form part of these financial statements

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2019

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.

Lincolnshire Wildlife Trust is a private company, limited by guarantee and is registered in England and Wales. The company's registered number and registered office address can be found in the Reference and Administrative Details of the report of the Trustees.

Consolidation

The results of Lincolnshire Wildlife Trust and its wholly owned subsidiaries and Lapwings Consultants 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 Fixed Assets are taken to the Capital Grants Fund and are released to the Income and Expenditure Account in instalments relating to the relevant asset lives to match the associated depreciation charge. Grants are treated as restricted whilst restrictions exist on the underlying assets and are transferred to unrestricted when such restrictions cease to apply. 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. Any gains or losses arising on revaluation are recognised in the SOFA.

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	0-20%
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 charity offered two pension arrangements during the year; there is a Royal London Group Personal Pension scheme and The Wildlife Trusts Pension Scheme (WTPS). The WTPS had 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 contribution category of the WTPS was closed at the end of the financial year and existing members were auto-enrolled into the Royal London Group Personal Pension scheme. 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 21 to these accounts.

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

Investments

Investments are a form of basic financial instrument and initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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 10 to the financial statements.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS & LEGACIES

	Unrestricted	Restricted	2019	2018
	£	Income £	£	£
Membership income	745,813	0	745,813	739,443
Grants and donations	38,377	0	38,377	71,449
Legacies	521,196	87,785	608,981	893,341
	1,305,386	87,785	1,393,171	1,704,233

At 31 March 2019, the 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 £2k (2018: £50k).

3. CHARITABLE ACTIVITIES

	Unrestricted Income £	Restricted Income £	Total 2019 £	Total 2019 £	Total 2018 £
Nature Reserves					
Environmental Funding	190,263	261,726	451,989		503,855
Local Authority Funding	0	46,998	46,998		154,480
Central Government Funding	0	49,484	49,484		50,310
Other Grant Income	0	1,811	1,811		105,376
Donations	0	7,507	7,507		5,891
Earned Income	0	43,630	43,630		36,356
Income from properties	142,041	0	142,041		138,438
Other Incoming resources	0	1,533	1,533	744,993	45,612
Wider Countryside Conservation					
Local Authority Funding	0	51,757	51,757		84,250
Central Government Funding	0	46,560	46,560		59,205
Other Public Bodies	0	4,229	4,229		2,500
Other Grant Income	0	52,503	52,503		573,337
Earned Income	0	34,429	34,429	189,478	31,804
Inspiring People					
Local Authority Funding	3,500	0	3,500		48,500
Other Grant Income	0	0	0		1,555
Earned Income	290,084	0	290,084		278,662
Donations	0	6,088	6,088	299,672	4,219
	625,888	608,255	1,234,143	1,234,143	2,124,350

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

4. EXPENDITURE ON RAISING FUNDS

	Unrestricted	Restricted	2019	2018
	£	Income £	£	£
Supporter recruitment	134,588	0	134,588	174,715
Recruitment overheads	8,003	0	8,003	14,315
Merchandising	53,067	0	53,067	50,989
Total	195,658	0	195,658	240,019

5. EMPLOYEE INFORMATION

	2019 £	2018 £
The movement in the year after charging:		
Salaries and wages	1,382,603	1,334,920
Social security costs	111,920	108,600
Other pension costs	71,609	69,550
Staff costs for the charity	1,566,132	1,513,070
Staff costs for Lapwings Consultants Limited	0	500
	1,566,132	1,513,570

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

Full time	43	46
Part time	30	29
Charity Totals	73	75
Lapwings Consultants Limited	0	1
Group Totals	73	76

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

Nature Reserves	25	28
Wider Countryside Conservation	14	13
Inspiring People	25	25
Raising Funds	1	1
Management and Administration	8	8
Charity Totals	73	75
Lapwings Consultants Limited	0	1
Group Totals	73	76

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%. During the year, the Trust also participated in the Wildlife Trust Pension Scheme, a multi-employer scheme. The levels of contributions into this scheme are the same as those of the Royal London scheme.

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

The Trustees of the WTPS took the decision to wind up this scheme, which took place on 5th February 2019. All staff members were then auto-enrolled into the Royal London scheme.

65 members of staff (2018: 57) were members of a scheme at the end of the year.

Pension contributions of £5,250 (2018: £4,909) were made on behalf of higher paid employees.

The total value of employee benefits received by key management personnel (Trust senior staff) were £237,576 (2018: £225,082).

Employees paid £60,000 or more:	2019	2018
£70,000-£79,999	1	1

6. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Board of Trustees and Directors received any remuneration during the year. No travel costs were paid during the year to any member of the Board (2018: nil).

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 is best placed to complete the study. This was also the case in 2017/18, 2016/17 and 2015/16. The total amount paid for the services in the year was £3,300 (2018: £600).

During the year, the Trust paid £1,029 (2018: £1,000) to the Humber Nature Partnership, a company of which Paul Learoyd, the Chief Executive of Lincolnshire Wildlife Trust, is a director. Mr Cliff Morrison, a Trustee of the Trust, resigned as a director during the year.

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 recruitments services to the founding members. The Chief Executive of Lincolnshire Wildlife Trust, Paul Learoyd, is a director of this company. Recruitment costs of £104,596 (2018: £147,465) were incurred in the year in respect of services received from Wildlife Fundraising (Central) Limited. £11,317 (2018: £10,010) was owed to them as at 31 March 2019 and is included in the Trade Creditors figure in Note 15 on page 37. 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 13 on page 37.

7. ANALYSIS OF SUPPORT COSTS BY CHARITABLE ACTIVITY

	Overhead £	IT & HR £	Finance £	Premises £	Governance £	Total £
Nature Reserves	134,873	15,895	30,970	15,390	10,159	207,287
Wider Countryside Conservation	96,479	11,353	22,121	10,993	7,256	148,202
Inspiring People	88,601	10,597	20,647	10,260	6,773	136,878
Total	319,953	37,845	73,738	36,643	24,188	492,367
Total support costs 2018	301,102	32,961	70,357	34,660	22,938	462,018

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

8. ANALYSIS OF TOTAL EXPENDITURE

	Direct Employment Costs	Support Costs	Direct Costs	2019 Total	2018 Total
	£	£	£	£	£
Nature Reserves	528,425	207,287	478,289	1,214,001	1,319,431
Wider Countryside Conservation	378,498	148,202	143,505	670,205	797,969
Inspiring People	350,042	136,878	365,428	852,348	836,651
Charitable Activities	1,256,965	492,367	987,222	2,736,554	2,954,051
Raising Funds	26,127	8,003	108,461	142,591	189,030
Merchandising	0	2,549	50,518	53,067	50,989
Total expenditure	1,283,092	502,919	1,146,201	2,932,212	3,194,070
Total expenditure for 2018	1,239,301	479,063	1,475,706	3,194,070	3,047,187

LINCOLNSHIRE WILDLIFE TRUST

Total resources expended are stated after charging:

Auditor's remuneration

The amounts payable to Wright Vigar were:

	2019 £	2018 £
Statutory	9,180	8,750

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

9. TRADING SUBSIDIARY

Lapwings Consultants Limited

Profit and Loss Account Year ended 31 March 2019

	Notes	2019 £	2018 £
Turnover		81,810	82,395
Cost of sales		(48,352)	(45,588)
Gross profit		33,458	36,807
Administrative expenses		(16,767)	(38,482)
Trading profit		16,691	(1,675)
Other Income		5,000	0
Interest payable		(148)	(192)
Operating (loss)/profit on ordinary activities before taxation		21,543	(1,867)
Reserves brought forward		5,625	7,492
Reserves carried forward		27,168	5,625

Balance Sheet as at 31 March 2019

		2019 £	2018 £
Fixed assets		2,025	3,892
Stock	21,482		23,357
Debtors	21		0
Amounts owed by group companies	1,762		0
Cash at bank and in hand	39,377		33,477
	62,642		56,834
Creditors: Amounts falling due within one year	(2,499)		(3,059)
Amounts owed to group companies	(10,000)		(27,042)
Net current assets/(liabilities)		50,143	26,733
Total assets less current liabilities		52,168	30,625
Capital and Reserves			
Share Capital	11	25,000	25,000
Profit and Loss Account		27,168	5,625
		52,168	30,625

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

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10. FIXED ASSETS

Group	Heritage Assets	Tangible Assets				
	Nature Reserves £	Banovallum House £	Other Buildings £	Motor Vehicles £	Fixtures Fittings & Equipment £	Total Tangible Assets £
Cost:						
At 1 April 2018	8,118,954	417,047	391,491	249,026	1,049,599	2,107,163
Additions	45,592	0	0	23,293	110,731	134,024
Disposals	0	0	0	(42,200)	0	(42,200)
Work In Progress	0	0	0	0	0	0
COST AT 31 MARCH 2019	8,164,546	417,047	391,491	230,119	1,160,330	2,198,987
Depreciation:						
At 1 April 2018	0	0	89,271	222,633	809,138	1,121,042
Provided for the period	0	0	17,030	16,150	73,574	106,754
Disposals	0	0	0	(42,198)	0	(42,198)
DEPRECIATION AT 31 MARCH 2019	0	0	106,301	196,585	882,712	1,185,598
NET BOOK VALUE 31 MARCH 2019	8,164,546	417,047	285,190	33,534	277,618	1,013,389
NET BOOK VALUE 31 MARCH 2018	8,118,954	417,047	302,220	26,393	240,461	986,121

Nature Reserves 2018/19

Additions:	£
Rush Furlong	3,128
Far Ings	42,464
Total:	45,592

Tangible assets with a net book value of £1,011,364 and Heritage assets with a net book value of £8,164,546 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.

Included within the net book value above is £2,025 (cost: £17,142; depreciation £15,117) which relates to the Fixtures and Fittings of Lapwings Consultants Limited.

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

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

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11. INVESTMENTS

Group

	2019 £	2018 £
Market value at 31 March 2018	4,944,984	4,808,811
Investments made in the year	727,653	323,000
Disposals	(727,653)	(222,859)
Realised gains on disposal	435	(12,536)
Add: Net (losses)/gains on revaluation at 31 March 2019	282,902	48,568
Market Value at 31 March 2019	5,228,321	4,944,984
Historical cost as at 31 March 2018	3,626,367	3,626,367

The above market value can be analysed as follows:

	INVESTMENT INCOME		MARKET VALUE	
	2019 £	2018 £	2019 £	2018 £
UK Listed Investments	195,782	200,027	5,173,321	4,879,984
UK Investment Property	0	0	55,000	65,000
	195,782	200,027	5,228,321	4,944,984

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.

The investment property has been revalued at the balance sheet date to reflect the price at which it is currently being marketed. This has resulted in a £10k right down of its carrying value.

12. STOCK

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Goods for resale	21,482	23,357	0	0
Café stock	2,250	2,250	2,250	2,250
Livestock	13,900	12,400	13,900	12,400
Consumables	5,000	5,000	5,000	5,000
	42,632	43,007	21,150	19,650

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
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13. DEBTORS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Owed by group companies	0	0	10,000	27,042
Trade Debtors	34,146	213,669	34,146	213,669
Other Debtors	1,003,802	1,137,631	1,003,802	1,137,631
Prepayments	238,580	272,387	238,580	272,387
VAT	21	0	0	0
Legacies Receivable	495,062	163,670	495,062	163,670
	1,771,611	1,787,357	1,781,590	1,814,399

The amount owed by Group Companies includes a loan to Lapwings Consultants Limited of £10,000 (2018: £10,000). Interest is payable on the loan at 2 per cent per annum.

14. CASH AT BANK & IN HAND

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Bank balances	255,295	366,656	215,918	333,179
COIF Charities Deposit Fund	420,000	420,000	420,000	420,000
Cash in hand	2,475	2,475	2,475	2,745
	677,770	789,131	638,393	755,924

15. CREDITORS

Falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
VAT	16,035	21,591	16,035	21,591
Amounts owed to Group Companies	0	0	1,762	0
Trade Creditors	101,048	80,820	100,707	79,659
Other Creditors	1,265	344	836	344
Accruals	295,014	306,469	293,285	304,571
PAYE & Pension	38,409	34,344	38,409	34,344
Corporation Tax	0	0	0	0
Deferred Income inc Badger Farm	7,326	5,625	7,326	5,625
	459,097	449,193	458,360	446,134

Falling due after one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Deferred Income re Badger Farm	157,500	163,125	157,500	163,125
	157,500	163,125	157,500	163,125

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Deferred Income Resources

	2019	2018
	£	£
Deferred Income:		
Deferred Income at 1 April 2018	168,750	174,375
Amount Released in Year	(5,625)	(5,625)
Amount Deferred in Year	1,701	0
Deferred Income at 1 April 2019	164,826	168,750

The deferred income in respect of Badger Farm relates to deferred rent in respect of a lifetime tenancy. The amount deferred during the year relates to future events invoiced before the year end.

16. 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 2018:	4,512,248	3,798,775	8,311,023
Designated from unrestricted Funds:	0	45,592	45,592
Fund balances as at 31 March 2019:	4,512,248	3,844,367	8,356,615

The Funds are represented by the following:

	£
Nature Reserves* owned by the charity	8,164,546
Banovallum House (Trust Headquarters) - proportion	117,551
Sykes Farm Improvements	74,518
	8,356,615

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

17. RESTRICTED ENDOWMENT FUND

In accordance with the funding conditions of the Heritage Lottery Fund, the Catalyst Endowments Fund has been accounted for as a separate endowment fund. The funding was given as an endowment with the income to be applied to support the nature reserves of the charity. The endowment cannot be expended until 1 January 2022 and at this point any withdrawal of capital must be in line with the terms and conditions of the funding agreement.

	Balance as at 1 April 2018	Incoming Resources	Expenditure	Transfers	Investment Unrealised Gain	Balance as at 1 April 2019
	£	£	£	£	£	£
The HLF Catalyst Endowments Fund	492,204	0	0	0	38,840	531,044

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Summary of Endowment Funds

Funds balances as at 31 March 2019	£
Represented by nature reserves and heritage assets	
Endowment Funds	4,512,248
Designated Funds	3,844,367
The HLF Catalyst Endowments Fund	531,044
Total	8,887,659

18. RESTRICTED INCOME FUNDS

	Balance as at 31 March 2018 £	Incoming Resources £	Resources Expended £	Funds Transfer £	Balance as at 31 March 2019 £
Coastal Grazing Marshes	29,429	0	(1,100)	0	28,329
Greater Lincolnshire Nature Partnership	275,490	119,228	(169,912)	0	224,806
Fens for the Future	5,923	0	(1,370)	0	4,553
Lincolnshire Plants Past & Future HLF	243,549	0	(62,796)	0	180,753
Nature Reserve Trainee	20,388	0	(17,697)	0	2,691
South Lincolnshire Fens	30,499	8,300	(15,459)	0	23,340
Little Tern Project	9,763	0	(9,763)	0	0
Coastal Ranger	10,000	20,050	(10,050)	0	20,000
Marine Planning Officer	30,503	12,592	(31,169)	0	11,926
Natural England Saltfleetby	0	20,833	(20,833)	0	0
Humberland Levels	0	31,320	(20,073)	0	11,247
Catalyst Fund Income	4,565	17,417	0	0	21,982
Legacy - Angela Bates	750,000	87,785	0	0	837,785
Environmental Funding	8,370	261,726	(261,726)	0	8,370
Local Authority Funding	0	64,130	(59,016)	0	5,114
Central Government Funding	0	24,100	(13,867)	0	10,233
Other funds	144,248	45,976	(67,679)	(2,060)	120,485
Total	1,562,727	713,457	(762,510)	(2,060)	1,511,614

Further details of the funds are included in the Trustees' Report.

19. UNRESTRICTED FUNDS

	Balance as at 31 March 2018 £	Incoming Resources £	Resources Expended £	Funds Transfer £	Balance as at 31 March 2019 £
Working Capital Cash	500,000	2,227,151	(2,175,263)	(201,888)	350,000
Income Resilience Fund (previously Legacy Equalisation Fund)	806,294	0	0	93,706	900,000
General Fund	1,306,294	2,227,151	(2,175,263)	(108,182)	1,250,000
Development Fund	261,895	0	(27,985)	64,650	298,560
Conservation Fund	3,465,555	244,497		0	3,710,052
	5,033,744	2,471,648	(2,203,248)	(43,532)	5,258,612
Capital Grants Funds	64,038	0	(18,196)	0	45,842
	5,097,782	2,471,648	(2,221,444)	(43,532)	5,304,454

Further details of the funds are included in the Trustees' Report.

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20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Designated Funds	Endowment Funds	Total Funds
	£	£	£	£	£
Fund Balances at 31 March 2019 are represented by:					
Heritage assets	0	0	3,763,628	4,400,918	8,164,546
Tangible assets	821,318	0	80,739	111,330	1,013,387
Investments	4,697,277	0	0	531,044	5,228,321
Current assets	753,264	1,738,749	0	0	2,492,013
Current liabilities	(231,960)	(227,135)	0	0	(459,095)
Long term liabilities	(157,500)	0	0	0	(157,500)
Pension Provision	(577,945)	0	0	0	(577,945)
TOTAL NET ASSETS	5,304,454	1,511,614	3,844,367	5,043,292	15,703,727

21. PENSION ARRANGEMENTS

Lincolnshire Wildlife Trust operates two pension arrangements: a Royal London Group Personal Pension and The Wildlife Trusts Pension Scheme. Auto-enrolment into the group personal pension scheme began in July 2014.

The Wildlife Trusts Pension Scheme (WTPS)

The WTPS is a multi-employer scheme with RSWT acting as the lead employer on behalf of 25 other Wildlife Trusts, including Lincolnshire. The Scheme's assets are held separately from those of RSWT and the Wildlife Trusts. The WTPS had two categories of membership: defined benefit and defined contribution. At the year end, The Wildlife Trusts Pension Scheme DC scheme was closed and all members were transferred over to Royal London Group Personal Pension.

The defined benefit or 'final salary' category closed to future accrual of benefits in October 2005. 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. As allowed by section 17 of FRS 102 'Retirement and post-employment benefits', the Trust accounts for this scheme as if it were a defined contribution scheme. The Trust continues to make contributions to eliminate the scheme deficit. The level of contributions is agreed with WTPS trustees following triennial actuarial valuations. The latest triennial valuation (also known as the 'scheme funding assessment') was carried out for 1 April 2016 and updated to 1 April 2018 by a qualified independent actuary. The valuation at 1 April 2018 indicated that the scheme was 72% funded on an ongoing basis, with a funding shortfall of £5.2 million. The main assumptions used in this calculation are shown below:

Discount rate: pre-retirement	3.90%
Discount rate: post-retirement	1.65%
Price inflation: RPI%	3.20%
Price inflation: CPI%	2.40%

The latest recovery plan requires the Trust to make contributions towards the deficit of £73,641 per annum from August 2019, increasing by 3% per annum for a period of 7 years to August 2026. This equates to 8.4% of the total contribution being paid by The Wildlife Trusts.

The net present value of the Trust's contributions (discounted using a rate of 2.35%, which is based on iboxx's 15 year+ AA rated corporate bond yield) is £577,945. This has been recognised as a liability in the Trust's accounts.

The movement in the provision for the year ended 31 March 2019 is shown below:

	£
Balance brought forward	(593,500)
Repayments in the year	67,297
Additional provision in the year	(51,742)
Balance carried forward	(577,945)

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22. CAPITAL COMMITMENTS

The group had no capital commitments at 31 March 2019 (2018: nil).

23. CONTINGENT LIABILITY

During the period the charity was notified by the Environment Agency of a change in legislation regarding the General Binding Rules: small sewage discharge to a surface water which come into place on 1 January 2020. There is an anticipated cost to the charity in order to meet the regulations but the amount of this obligation cannot currently be estimated reliably.

24. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Income	Restricted Income	Designated & Endowment Funds	Total 2018	Total 2017
	£	£	£	£	£
Income and endowments from:					
Donations and legacies	940,160	764,073	0	1,704,233	918,711
Charitable activities	786,111	1,338,239	0	2,124,350	1,569,805
Other trading activities	82,395	0	0	82,395	73,427
Investments	195,462	4,565	0	200,027	183,905
Other	19,411	0	100,000	119,411	66,418
Total	2,023,539	2,106,877	100,000	4,230,416	2,812,266
Expenditure on:					
Raising Funds	240,019	0	0	240,019	263,586
Charitable activities	2,023,039	931,012	0	2,954,051	2,783,601
Total	2,263,058	931,012	0	3,194,070	3,047,187
Net (losses)/gains on investments	43,828	0	(7,796)	36,032	451,561
Net income/(expenditure)	(195,691)	1,175,865	92,204	1,072,378	216,640
Transfers between funds	(415,051)	(88,000)	503,051	0	0
Other recognised gains/(losses):					
Actuarial (losses) on defined benefit pension schemes	(13,565)	0	0	(13,565)	(239,275)
Net movement in funds	(624,307)	1,087,865	595,255	1,058,813	(22,635)
Reconciliation of funds:					
Total funds brought forward	5,722,089	474,862	8,207,972	14,404,923	14,427,558
Total funds carried forward	5,097,782	1,562,727	8,803,227	15,463,736	14,404,923

