

Registered Charity Number: 208123  
Registered Company Number: 00645176



# SURREY WILDLIFE TRUST

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TRUSTEES' ANNUAL REPORT AND CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
MARCH 2018

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## **SURREY WILDLIFE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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#### **FOREWORD FROM THE CHAIRMAN, CHRIS WILKINSON**

We often think about nature on an international scale, the rainforests, glaciers etc. But nature is as much local as it is global. If we really want to change the outcome for nature, we need to start locally. Surrey Wildlife Trust exists to look after nature locally.

Increasingly the reserves we look after are reaching the condition that we need them to achieve to support wildlife. But, as last year's State of Surrey's Nature report showed, much more needs to be done if we are to arrest the steep decline in many species in our county.

Accordingly, our plan over the next five years is to focus on three key areas of the county (North Downs, Thames Basin heathlands and Holmesdale) where we believe we will be able to demonstrate the greatest impact. By working with other landowners in these areas to connect wildlife sites and restore habitats we will start to recreate the space that nature needs to flourish on a larger scale and to create what Professor Sir John Lawton calls a 'Living Landscape'.

We are fortunate in Surrey that there is such a strong recognition that nature does matter. This is shown by the number of people who support the Trust, our dedicated staff and volunteers, as well as by the number of other environmental charities and enlightened landowners in our county who want to act for wildlife.

There is much work to be done but working with our partners and supporters I believe we have the skills and ambition in our new five year plan to start to reverse the decline in the fortunes of wildlife in our county.

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**OVERVIEW FROM THE CHIEF EXECUTIVE, NIGEL DAVENPORT**

2017 / 18 is the culmination of our current five year Strategic Plan and it gives me an opportunity to reflect on what we have achieved. There is no doubt that although it has not always been straight forward, the Trust has achieved much over this time.

We completed the building of our new outdoor education centre at Nower Wood. This wonderful building will be at the heart of our work to inspire future generations of conservationists. It may sound a trite phrase, but it has genuinely never been more important in inspire children about the natural world around them.

50% of our nature reserves are now in favourable condition according to Natural England with many more expected to reach this position over the next two to three years. This means that nature has more areas to thrive in. An example of this is the increase in the amount of lowland heath now in favourable condition and the resulting numbers of key bird species now flourishing.

The Surrey Nature Partnership, of which we are a part, is developing the wider political and natural capital investment scenarios. It is tackling the incredibly difficult task of working out how we value the natural world, both financially and aesthetically. Trying to put a price on clean air, space to exercise, or be still, as well as manage our water resources is not easy. But the reason we spend time on it, is to try and find a way of helping the natural world be protected into the future.

At the same time as pursuing these achievements, we were also reminded of the stark reality of the state of Surrey's nature in a report published by the Surrey Nature Partnership. It showed that the decline of Surrey's nature mirrored the national picture. The fragmentation of our landscape and poor management mean that a third of Surrey's species are either extinct or heading in that direction.

The foundation of the Wildlife Trust movement was to protect special places as nature reserves. However, as the State of Surrey's Nature report showed, we have to go beyond that if we are to protect nature. Our plan for the next five years is to build on what we have achieved so far. It sets our course to deliver our Living Landscape strategy by building connections for nature between our reserves and those areas managed by others. It will only be by *linking* nature that we will be able to *restore* nature. To do this we will work collaboratively in partnership with other land managers and pool our expertise with that of other conservation organisations.

Our aim is that by the end of this five year plan, we will have significantly more habitat and species starting to respond and better connectivity between key sites. We will also have more land owners working for wildlife and we will have started to recover Surrey's nature.

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**STRATEGIC REPORT**

**Our Impact**

This report marks the last year of our current five year Strategic Plan. The plan had five key objectives:

1. Creating a Living Landscape strategy that is underpinned by sound scientific research with clear goals to create a cohesive ecological network.
2. Ensure that a number of key landscape-scale projects are in progress.
3. Demonstrate exemplary land management especially on heathland, woodland and wetlands to gain greater areas of sites in favourable or recovering condition.
4. Inspire many more children and adults across Surrey to become involved with and value nature.
5. Work with key partners who value the economic benefits of the environment and partners who have the corporate strength to be 'champions' for nature.

How did we do?

1. We published our Living Landscape Strategy in 2015. This has guided our research and clarified our vision for how we will create a cohesive ecological network. It is also the foundation for the next five years.
2. Our focus at a landscape scale has been on the river catchments of the Wey and Mole engaging over 600 individuals and over 150 organisations.  
At the heart of this approach has been our citizen science project, RiverSearch delivering over 40 projects carrying out river restoration projects and monitoring for iconic species.
3. We manage over 7,500ha of reserves. Five years ago, 30.36% were in favourable condition and at the end of the five year plan 50.91% met this standard. We developed hugely one of our land management tools, our conservation grazing operation. This culminated in the signing of a 15 year lease on a grassland farm. This will become the breeding centre for our grazing herd and enable us to put in to practise our vision of a low input biodiverse working farm.
4. We built a new award winning outdoor centre at Nower Wood. This centre now enables us to reach 50% more children and adults than the old centre.
5. Through our involvement with the Surrey Nature Partnership we have been developing a natural capital approach to nature. A number of key corporate partners have been part of this approach. The five year period culminated with Surrey Nature Partnership publishing its Natural Capital Investment Plan.

The last five years has enabled us to put in place the foundations for a far reaching programme to protect wildlife in Surrey. The 2017 State of Surrey's Nature requires nothing less.

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**2017/18 Achievements and Performance**

**Science**

To protect and restore nature in Surrey, we need to base our decisions on scientific evidence. Working with consultants, Terrafiniti and the University of Surrey we have created a Research Strategy. This focuses our monitoring and recording efforts to develop our understanding of the positive impact a landscape scale approach can deliver for nature in Surrey.

With the Surrey Nature Partnership, we launched the first peer reviewed State of Surrey's Nature. This brought together 50 years of data collected by a huge team of biological recorders and shared with the Surrey Biodiversity Information Centre (SBIC). This major review showed that 12% of flora and fauna is now extinct in Surrey and a further 22% is at risk. These figures are stark and are the catalyst for our next five year plan.

The RiverSearch programme continued with volunteers undertaking regular surveys including mass water sampling to identify areas of pollution.

**Influencing Others; Managing Land**

Living Landscapes

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

In November 2017, we launched a landscape scale project to restore one of the most important linkages, hedgerows. Since its launch, Hedgerow Heroes has held 12 hedge laying workshops with over 89 participants.

Land Management

Following the restructure at the end of the previous financial year, our new centralised way of working started to bear fruit. The centralised work programme means that we can now take an estate wide view and deploy our resources more effectively. As a result, we are building up long term work programmes to achieve the best results on our sites. This is especially important as the government's recent consultation; Health and Harmony: the future for food, farming and the environment in a Green Brexit, has put a major income stream, the EU agri-environment programme, at risk.

We have undertaken major forestry works to improve the condition of our woods. This has seen large forestry equipment working in areas where they have not been before. This woodland management work opens up the canopy and ensures that as full a range of woodland species can thrive as possible.

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Many of our reserves are grazed by the Trust's large herd of 500 Belted Galloway cattle, 165 red deer and assorted sheep and goats. Our relationship with the University of Surrey Veterinary School is also strong and we provide grazing animals to help train the next generation of vets. All of this work is delivered by the highly experienced grazing team. We have also taken on a long term lease of Bonhurst Farm in Bramley to better support calving and lambing.

A new Countryside Stewardship Agreement has been signed for Ash Ranges which safeguards this critically important site throughout the UK's departure from the EU. We have been in discussion with both the MOD and Amphibian and Reptile Conservation (ARC) and have agreed to simplify the management of the MOD estate. As such ARC will now take on the management of all of Hankley. SWT will now take on the management of all of Ash Ranges.

A new Countryside Stewardship agreement has also been signed for Wisley & Ockham. We have also agreed a number of Countryside Stewardship agreements for woodland schemes to better manage the significant areas of woodland on the estate.

#### **Inspiring Others; Engaging People**

##### Education

The new Nower Wood centre is now in full swing with the building and staff at full capacity during the summer months. We started to see an increase in bookings in our traditional shoulder periods. We developed a new Christmas themed course to attract more schools in December and trialed it for the first time this year with great feedback.

Environmental Birthday parties have really taken off with the introduction of a specific Birthday Party Tutor.

Overall, numbers of people coming to Nower Wood are up by 30% and income has increased by over 50%.

##### Outreach

Forest school training continues to grow in strength and we remain a leading provider. Courses remain over-subscribed and we have increased the team to two full time Forest School Trainers plus a freelance trainer.

We developed our 'Learning Outdoors Leader' qualification. This will fill a gap for teachers who wish to do forest school type training but do not have access to a woodland setting.

##### Community Engagement

The Bees Needs project was completed and ended with a successful workshop to disseminate findings and an informative leaflet designed and printed for allotment holders, on how to keep their plots and areas pollinator friendly.

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We had over 50 entries for the Wildlife Gardening competition, and both schools and companies were well represented as well as private gardens.

#### Volunteering

During the last financial year, volunteers contributed 5,863 days to the work of Surrey Wildlife Trust. The changes that we have made to the volunteer programme and the restructure of the land management team have had an impact on our volunteering numbers. There are a number of reasons for this. There is no doubt that some of our volunteers were unhappy about the restructure and the impact it had on their relationship with the Trust. We suspended land management volunteering for a number of months from April to allow the new team to find their feet. This led to some of volunteers spreading their time across other organisations who offer volunteering opportunities which we believe is a good thing and benefits wildlife.

We have evaluated where our volunteers can have the greatest impact for nature within our land management work. Our volunteer focus is now on our small, fragile sites many of which are difficult or inappropriate to access with contractors and heavy machinery. The sensitive work that volunteers provide delivers significant conservation improvements on these challenging sites. The voluntary wardens and voluntary site managers have played a key role across a range of smaller sites in these improvements.

This financial year saw 639 new volunteers registering across the Trust (our highest growth year with 41% increase compared to 2016/17).

RiverSearch engaged with 72 volunteers and citizen scientists and eight landowners involved in delivering projects. A number of the RiverSearch volunteers participated in a joint project with Zoological Society of London to monitor eels.

There has been a dramatic increase in people volunteering within the Education and Engagement Department, with figures rising from 465 days donated by volunteers in 2016/17 to 1,387 days contributed in 2017/18. The main reason for this rise is due to the popularity of the new Nower Wood centre.

We undertook a widespread survey from November 2017 until February 2018 with volunteers across all parts of the Trust to better understand their needs. The key results from this were encouraging with 89% of volunteers finding the trust welcoming and friendly, 85% would recommend volunteering with us to others and 87% experienced a sense of feeling valued. As a result of the survey we will work to promote volunteer success stories, ensure our volunteers feel better supported and their skills are well utilised, give more opportunities for volunteers to express their opinions and encourage a more diverse range of people to volunteer.



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#### **Income Generation for the Surrey County Council Estate**

Income from parking charges at Newlands Corner was delayed by SCC until the summer of 2018 to allow their negotiations with the site owner, Albury Estate to conclude.

We launched a firewood business with Logs for All in November 2017. This business is based at Pond Farm and sold 210 bags (or around 46 tonnes of logs) in its first year.

#### **Membership and Fundraising**

##### Membership

Membership returned to growth for the first time since March 2012. This was due to diversifying our recruitment channels and reducing the lapse rate. At the end of the financial year, we outsourced our face to face recruitment to an agency which has a strong belief and understanding of the Wildlife Trust vision.

##### Fundraising

2017/18 has enabled us to start to plan for the future five years. We submitted some of the core project funding bids including a Hedgerow Heroes application to the Heritage Lottery Fund (and won their support in 2018/19). It has also enabled us to raise funds for additional needs at Nower Wood.

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**Plans for the future; Recovering Surrey's Nature**

Now nearly 60 years old, SWT has made huge progress over the past 15 years in particular, growing from a small trust with few nature reserves to the largest wildlife trust in England (in terms of land responsibilities). We have long term agreements with key local landowners - Surrey County Council, Mole Valley District Council and the Ministry of Defence. SWT is also part of both Surrey Hills AONB and the Surrey Nature Partnership.

Our plan for the future is to build on these foundations in order to achieve our ambition to recover Surrey's nature.

Traditionally we have focussed our efforts on our reserves, but whilst these have been improving that is not enough for nature to thrive. Over the next five years we will dramatically increase our partnership working to start to rebuild the connections between these reserves and other areas of land across Surrey to create more space for nature. This will start to create what Professor Sir John Lawton called a Living Landscape. As the 2017 State of Surrey's Nature report showed, the increasing fragmentation of the Surrey landscape has contributed to a third of nature either being, or threatened with becoming, extinct.

The key shift in direction for the Trust is to improve habitats across a much wider area than the land we manage directly. We can only do this by building partnerships with other land managers.

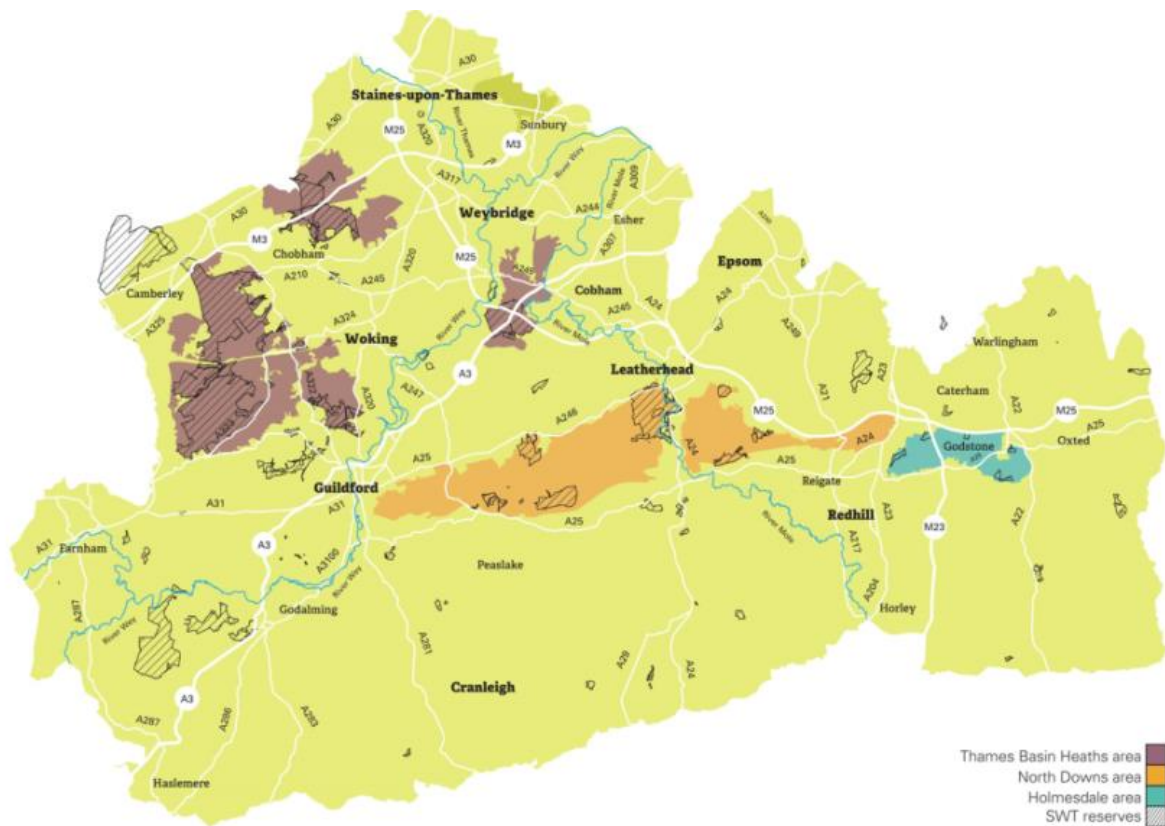
Two of the most important measures of success of this approach over the next five years will be to achieve increases in priority habitats and species and to enhance connectivity for species through these landscapes.

Our resources are not unlimited and as a result we have chosen three core areas, (within biodiversity opportunity areas or BOAs) where we can have the most impact for nature in this initial phase.

The 3 areas selected are:

- Thames Basin Heaths
- North Downs
- Holmesdale (within Wealden Greensand BOA)

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Key Landscapes 2018-23

**2018-19**

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

Biodiversity

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

In the first year of the plan, we will focus on developing partnerships in the North Downs. Through these partnerships we will develop the projects that will ultimately enable us and our partners to achieve the BOA habitat and species targets.

Existing partnerships within the North Downs will provide the foundation. We already have strong relationships with the North Downs Facilitation Fund and the Surrey Hills AONB. In addition, we have good working relationships with other key landowners including the National Trust and Forestry Commission.

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There are a large number of landowners in this area, many of whom own Local Wildlife Sites (Sites of Nature Conservation Importance or SNCI). The new SNCI Project will be focussed initially in the North Downs and this provides an opportunity to generate significant momentum within this partnership.

**Inspiring people**

For nature to have a future, people need to be at the heart of our mission. By reaching and inspiring more people about the wonder of nature, we will have more people who act for wildlife.

We aim to connect with people of all ages across Surrey but three groups are key: children, our volunteers and our members.

The new Nower Wood is now capable of hosting 11,000 children a year. This year we will develop our programme to ensure that we can inspire schools to visit outside the traditional spring and summer periods.

In 2018/19 we will develop plans for volunteers to becoming more involved in the Trust through a more diverse range of activities. With our partnerships and BOA focused projects we will develop our citizen science opportunities.

Our members are at the core of the Trust. They are our closest supporters and our greatest advocates. In this financial year, increased recruitment will be achieved through working with an agency to reach more people face to face and by developing our communications in particular online and through door drops.

**Monitoring**

Following the publication of the Trust's Research Strategy at the end of the last five year plan, we will set out the detail in our Research and Monitoring Plan which we will publish this year.

This will enable us to demonstrate the progress we make across the five year plan. It will set in place a baseline against which we can assess the changes to habitats and species.

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#### Financial Review

Ongoing reductions in public sector budgets and slow economic growth continue to put pressure on the Trust's finances. However, the Trust continues to invest in new and existing sources of income to ensure its long-term financial sustainability. These include education programmes, ecological consultancy and conservation grazing which also directly deliver conservation benefit as well as growing income. As a result, income from these activities grew in 2017/18 by 18% to £1,495,915. New approaches to membership recruitment meant that the Trust's membership grew from 25,559 to 25,586.

Looking ahead, following Brexit the future of the agri-environmental schemes which underpin much of the conservation gain achieved by the Trust remains uncertain. The new 25 year Environment Plan is a positive start but must deliver long-term environmental benefit.

Contract income from Surrey County Council (SCC) for the management of its estate reduced from £675,000 to £575,000 as part of an agreed savings plan. The Trust continues to work towards the aim of making the SCC Countryside Estate self-financing by 2021.

#### Principal Sources of Income

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

- Donations, legacies and membership of £1,587,562 which is used to support charitable activities across the Trust,
- Land Management income of £2,231,574 including agri-environmental stewardship schemes spent on habitat conservation and contract income from partners to manage their land,
- Fees and income earned from education of £233,969 used to support schools and community education and engagement,
- Fees and grants earned from conservation and ecological consultancy of £362,786 which support habitat conservation,
- Trading and investment income of £985,032 from bank deposits, property rents, sawmill, events and filming which is used to fund charitable activities and management of the SCC contract where the income has originated on the SCC Countryside Estate.

Unrestricted income rose by £307,378 to £5,144,068 as result of the income generation activities described above. Restricted income fell by £445,860 to £256,555 because the Nower Wood Outdoor Learning Centre fundraising was completed in 2017. Income earned across all funds was £5,400,623.

#### Expenditure

Expenditure rose from £5,040,776 to £5,281,768 largely as a result of expanding activities, including trading and property management that raise funds for the mission and increased conservation and education expenditure. Spend on core land management, conservation and science activities totalled £3,113,746. This funded habitat improvements on land managed by the Trust such as bringing SSSI's including Chobham NNR, Pirbright and Ash Ranges into or closer to favourable

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condition and working with other organisations on key projects such as the Catchment Partnerships. Following the opening of the new centre at Nower Wood in April 2017 12,905 children and adults benefitted from our wildlife learning activities. Expenditure on these programmes was £763,477.

#### Reserves

The Trust's financial reserves totalled £5,673,468 at 31 March 2018 an increase of £118,855 over the previous year. The Trust's funds comprise:

**Restricted Funds:** The Trust has a number of restricted funds where the donor has restricted the purpose for which the funds can be used. At 31 March 2018 the total of such funds was £1,257,774.

**Designated Funds:** The Trustees have set aside unrestricted funds totalling £179,929 to support specific projects and acquire new capital assets in 2018 and 2019.

The funds used to purchase fixed assets are set aside as designated funds as these assets are not liquid funds available to support day-to-day operations. These comprise nature reserves at a cost of £524,505, which are held as part of the charitable objects and premises, vehicles and equipment at net book value of £2,001,882 which are required to deliver the mission. An investment property donated to the Trust is held in designated funds at market value of £800,000.

At 31 March 2018 designated funds totalled £3,506,316.

**Free reserves:** These are the funds comprising unrestricted net current assets less creditors due in over one year less liquid funds designated by the Trustees for specific purposes or projects. The total of free reserves at 31 March 2018 was £909,378 including unrestricted cash of £248,964.

#### Results of Trading Subsidiaries

During the year Norbury Park Wood Products made a profit of £101,324. SWT Enterprises started trading in 2017 and made a profit of £4,315. Gift aid totalling £105,639 was paid to the Trust from the subsidiaries in June 2018.

#### Reserves Policy

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

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

Based on a detailed risk analysis the Trustees have set the minimum level of unrestricted cash and committed bank facilities at £350,000. Unrestricted cash at 31 March 2018 was £248,964. Following receipt of the 2017 Single Farm Payment unrestricted cash increased to over £600,000 at 31 August

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2018. Trustees expect that a five-year bank facility will be secured in Autumn 2018 which will ensure the minimum requirement is met on an ongoing basis.

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

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

**Principal Risks and Uncertainties**

**Risk management**

The Trust further refined its risk management process during 2018. Trustees meet annually to assess the risks facing the organisation and to set the risk strategy. Taking account of mitigating controls, risks are assessed and scored according to their environmental, financial, health and safety and reputational impact and the likelihood they will crystallise. Further mitigation will be undertaken to reduce residual risk where appropriate through the execution of the annual operational risk management plan. Trustees monitor risk and in future the delivery of the operational risk plan at bi-monthly Trustees' meetings.

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

1. The Trust is responsible for ensuring that staff, volunteers and visitors have safe access to the land it manages. Notwithstanding its Health and Safety and Safeguarding procedures the Trust manages a natural environment in which accidents can happen due to unforeseen circumstances, for example adverse weather.
2. Unforeseen issues can arise on land the Trust manages meaning that it ceases to be compliant with major grant schemes or other statutory responsibilities. This can result in major expense in performing remedial works. The Trust works closely with land agents and other advisors to minimise the risk in this area.
3. A sustained decline in income or increase in costs resulting from economic, contractual, reputational or environmental factors could undermine the financial sustainability of the organisation. The Trust is actively working to reduce its dependence on public funds and broaden its income base.
4. The decision taken in June 2016 to leave the European Union could have a significant impact on the financial sustainability of the Trust and the delivery of its mission. The risks are that:
  - a. EU led legislation that has benefitted wildlife and reduced the speed of species loss will be weakened following exit from the EU,
  - b. EU funding that has supported wildlife friendly farming and habitat improvement projects across Surrey, including those that have significantly benefitted heathland, woodland and river catchment environments will diminish,

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- c. The UK economy could fall into recession which may have a significant impact on funding from the Trust's strategic partners and on the ability of the Trust to generate income to fund its conservation and education mission.

The Trustees continue to evaluate the potential impact of these risks. Strategies are being developed and executed to ensure the continuation of the mission which focus on maintaining the long-term financial sustainability of the Trust and working with partners to ensure the protection of wildlife and the environment for the people of Surrey.

5. The loss of key employees or a reduction in wellbeing resulting in diminished performance of the people delivering the Trust's Living Landscapes mission.
6. The closure of the Surrey County Council Pension Scheme which could arise from the retirement of the remaining staff members and could crystallise a significant cessation liability. The Trust is in discussion with the pension fund administrators regarding a contingency plan.

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

**Remuneration Policy**

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

**Investment Policy**

The Trust's Memorandum and Articles of Association provide the power to make investments. Accordingly, the Trust will invest surplus funds that are not immediately required, so that their capital value keeps pace with inflation over the longer term. A residential property is also retained as a long-term investment.

**Public Benefit**

The aims and benefits of SWT are listed in the Trustees' Report under Structure, Governance and Management. The Trustees have considered the key principles of The Charity Commission's general guidance about public benefit and have concluded that the Trust meets all requirements.

**Fundraising Standards Board**

Under the Trust's commitment to the Fundraising Standards Board (FRSB), no complaints were made or recorded during the year.

**Auditors**

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



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#### Trustees' Responsibilities

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

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

**The Report of the Board of Trustees (including the Strategic Report) to the Members was approved by the Board of Trustees on 27<sup>th</sup> September 2018 and signed on their behalf by:**



**Chris Wilkinson**  
Trustee and Chairman



**Gerry Bacon**  
Trustee and Treasurer

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#### LEGAL AND ADMINISTRATIVE INFORMATION

##### Trustees

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

Mary Adler MBE	(Retired 11.11.2017)
Gerry Bacon	Treasurer (Appointed 02.10.2017; Retired 11.11.2017; Appointed 29.01.2018)
Nick Baxter	
Andrew Beattie	(Appointed 10.7.2017; Retired 11.11.2017; Appointed 29.01.2018)
Adam Curtis	(Retired 11.11.2017)
Jason Gaskell	(Appointed 29.01.2018)
Christine Howard	(Appointed 02.10.2017; Retired 11.11.2017; Appointed 29.01.2018)
Ron Pritchard	Vice-Chair (Retired 11.11.2017)
Susan Rooke	Treasurer (Retired 11.11.2017)
Shirley Scott	(Retired 11.11.2017)
Mark Slater	(Retired 05.06.2018)
Ian Smith	(Appointed 29.01.2018)
Peter Smith	
Angela Swarbrick	(Appointed 29.01.2018)
Matthew Stanton	(Appointed 10.07.2017; Retired 11.11.2017; Appointed 29.01.2018)
Gordon Vincent	
Chris Wilkinson	Chairman
Meryl Wingfield	
Pam Whyman	(Appointed 29.01.2018)

##### The Trust Leadership Team

Nigel Davenport	Chief Executive
James Adler	Head of Countryside Management
Sarah Jane Chimbwandira	Director of Biodiversity, Evidence and Policy
Aimee Clarke	Director of Education and People and Wildlife
Richard Hunt	Director of Communications and Fundraising
Mark Pearson	Director of Business and Commercial Development
Catherine Roberts	Director of Human Resources and Administration
Roger Wild	Director of Finance

**Company Secretary** Roger Wild

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

**Auditor** Menzies LLP, Ashcombe House, 5 The Crescent, Leatherhead, KT22 8DY

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

**Website** [www.surreywildlifetrust.org](http://www.surreywildlifetrust.org)

## **SURREY WILDLIFE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Surrey Wildlife Trust (SWT, the Trust) is a registered charity (No: 208123) and a company limited by guarantee (No: 00645176). SWT is constituted through its Memorandum and Articles of Association, the current version of which was adopted by the Trustees on 18<sup>th</sup> June 2008. The Trust, established in 1959, is the only charity dealing with the conservation of all forms of wildlife in Surrey.

#### **Trustees and directors**

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

#### **OBJECTIVES**

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

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

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

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

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

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

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

#### **Vision**

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

## **SURREY WILDLIFE TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

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#### **ORGANISATIONAL STRUCTURE AND OVERVIEW**

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

- Countryside Management
- Biodiversity, Evidence and Policy
- Education and Engagement
- Communications and Fundraising
- Business and Commercial Development
- Finance
- Human Resources, Facilities and Administration.

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

#### **Trading Subsidiaries**

The Trust has two active trading subsidiaries, Norbury Park Wood Products Limited (NPWP, the Sawmill) and SWT Enterprises Limited. NPWP provides woodland services and manufactures wood products and operates from the Sawmill in Norbury Park. SWT Enterprises Limited provides grazing and other land-based services. There is also a dormant subsidiary, SWT Ecology Services Limited.

#### **The Wildlife Trusts**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST FOR THE YEAR ENDED 31 MARCH 2018**

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### **OPINION**

We have audited the financial statements of Surrey Wildlife Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2018 set out on pages 23 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2016

### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **CONCLUSIONS RELATING TO GOING CONCERN**

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

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

### **OTHER INFORMATION**

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST FOR THE YEAR ENDED 31 MARCH 2018**

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

We have nothing to report in this regard.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST  
FOR THE YEAR ENDED 31 MARCH 2018**

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In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Dated: 28.9.2018



Senior Statutory Auditor

For and on behalf of:

Menzies LLP  
Chartered Accountants and Statutory Auditor  
Lynton House  
7-12 Tavistock Square  
Kings Cross  
London WC1H 9LT.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
<b>Income from:</b>					
Donations, legacies & membership	2	1,516,249	71,313	<b>1,587,562</b>	1,821,600
Charitable activities:	3				
<i>Conservation</i>		222,100	140,686	<b>362,786</b>	448,816
<i>Land management</i>		2,203,068	28,206	<b>2,231,274</b>	2,230,683
<i>Education</i>		217,619	16,350	<b>233,969</b>	171,759
Other trading activities	4	955,639	-	<b>955,639</b>	835,354
Investments	5	29,393	-	<b>29,393</b>	30,893
<b>Total</b>		<b>5,144,068</b>	<b>256,555</b>	<b>5,400,623</b>	5,539,105
<b>Expenditure on:</b>					
Raising funds	7	1,404,545	-	<b>1,404,545</b>	1,191,108
Charitable activities:	8				
<i>Conservation</i>		639,143	162,909	<b>802,052</b>	606,878
<i>Land management</i>		2,263,708	47,986	<b>2,311,694</b>	2,700,274
<i>Education</i>		744,257	19,220	<b>763,477</b>	542,516
<b>Total</b>		<b>5,051,653</b>	<b>230,115</b>	<b>5,281,768</b>	5,040,776
<b>Net income</b>		<b>92,415</b>	<b>26,440</b>	<b>118,855</b>	498,329
Transfers between funds		132,736	(132,736)	-	-
<b>Net movement in funds</b>		<b>225,151</b>	<b>(106,296)</b>	<b>118,855</b>	498,329
Funds brought forward at 1 April		4,190,543	1,364,070	5,554,613	5,056,284
<b>Funds carried forward at 31 March</b>		<b>4,415,694</b>	<b>1,257,774</b>	<b>5,673,468</b>	5,554,613

- All of the above results are derived from continuing activities.
- All gains or losses are recognised in the year and are included in the Statement of Financial Activities.
- The notes on pages 26 to 42 form part of these consolidated financial statements.



**BALANCE SHEETS  
AS AT 31 MARCH 2018**

	Note	Group		Charity	
		2018 £	2017 £	2018 £	2017 £
<b>FIXED ASSETS</b>					
Heritage assets	14	<b>638,535</b>	638,535	<b>638,535</b>	638,535
Tangible assets	15	<b>2,001,882</b>	1,827,595	<b>2,001,882</b>	1,827,595
Intangible fixed assets	16	-	4,893	-	4,893
Investments	17	<b>800,000</b>	800,000	<b>800,004</b>	800,003
		<b>3,440,417</b>	3,271,023	<b>3,440,421</b>	3,271,026
<b>CURRENT ASSETS</b>					
Stocks	18	<b>310,269</b>	263,917	<b>222,110</b>	181,714
Debtors	19	<b>1,679,808</b>	1,711,780	<b>1,666,874</b>	1,760,873
Cash at bank and in hand		<b>1,392,708</b>	1,514,623	<b>1,329,926</b>	1,488,549
		<b>3,382,785</b>	3,490,320	<b>3,218,910</b>	3,431,136
Less creditors due within one year	20	<b>1,084,799</b>	1,155,623	<b>1,046,568</b>	1,116,442
<b>NET CURRENT ASSETS</b>		<b>2,297,986</b>	2,334,697	<b>2,172,342</b>	2,314,694
<b>Total assets less current liabilities</b>		<b>5,738,403</b>	5,605,720	<b>5,612,763</b>	5,585,720
Less creditors due in more than one year	21	<b>64,935</b>	51,107	<b>64,935</b>	51,107
<b>NET ASSETS</b>		<b>5,673,468</b>	5,554,613	<b>5,547,828</b>	5,534,613
<b>Represented by:</b>					
Restricted funds	22	<b>1,257,774</b>	1,364,070	<b>1,257,774</b>	1,364,070
Designated funds	23	<b>3,506,316</b>	3,449,201	<b>3,506,316</b>	3,449,201
Free reserves		<b>909,378</b>	741,342	<b>783,738</b>	721,342
<b>TOTAL FUNDS</b>		<b>5,673,468</b>	5,554,613	<b>5,547,828</b>	5,534,613

The notes on pages 26 to 42 form part of these consolidated financial statements.

**These financial statements were approved by the Trustees on 27 September 2018 and signed on their behalf by:**



**Chris Wilkinson**  
Trustee and Chairman



**Gerry Bacon**  
Trustee and Treasurer

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018	2017
		£	£
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	25	<u>121,091</u>	<u>851,620</u>
<b>Cash flows from investing activities:</b>			
Interest and rent from investments		29,393	30,893
Interest paid		(4,229)	(1,431)
Proceeds on sale of tangible fixed assets		10,062	28,832
Payments to acquire tangible fixed assets		(257,012)	(1,130,907)
<b>Net cash flows used in investing activities</b>		<u>(221,786)</u>	<u>(1,072,613)</u>
<b>Cash flows from financing activities:</b>			
Capital element of hire purchase payments		(21,220)	(13,788)
<b>Net cash flows used in financing activities</b>		<u>(21,220)</u>	<u>(13,788)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(121,915)</b>	<b>(234,781)</b>
<b>Cash and cash equivalents at the start of the year</b>		<u>1,514,623</u>	<u>1,749,404</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>1,392,708</u>	<u>1,514,623</u>

The notes on pages 26 to 42 form part of these consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

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**1. ACCOUNTING POLICIES**

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

**a) Basis of preparation**

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

**b) Going Concern**

The Trust reported a net cash outflow of £121,915 which mainly resulted from the construction of the new Outdoor Wildlife Learning Centre at Nower Wood. However, the Trustees are satisfied that current levels of cash are sufficient to secure the future of the Trust for the next 12-18 months and on that basis the Trust is a going concern. The Trust's Reserves Policy is set out in the Trustees' Report.

**b) Basis of consolidation**

The SOFA and Balance Sheet consolidate the financial statements of Surrey Wildlife Trust and its wholly owned subsidiaries, Norbury Park Wood Products Limited, SWT Enterprises Limited and SWT Ecology Services Limited. The results are consolidated on a line by line basis. The net surplus of the parent charity for the year was £13,216 (2017: £450,679).

**c) Income**

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

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

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

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

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

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

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

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

**d) Expenditure**

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

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

**Charitable activities** - relates to the work carried out on the core purposes of the Trust, namely land management, conservation and education.

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

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

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**e) Fixed assets – Heritage assets**

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

**f) Fixed assets – Tangible assets**

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

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

**g) Fixed assets – Intangible assets**

Intangible assets comprise entitlements purchased to enable the Trust to claim Single Farm Payment on new eligible land acquired by the Trust. The entitlements are amortised over the life of the property lease for which they were acquired.

**h) Fixed assets – Investments**

Investment properties are included at valuation on an open market, existing use basis. Valuations are carried out by professionally qualified surveyors. Valuations are considered by the Trustees each year at 31 March.

The investments in subsidiary undertakings are held at cost.

**i) Stocks**

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

**j) Fund accounting**

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

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

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

**k) Pensions**

The Trust contributes to two pension schemes for employees further details of which are given in note 13. Pension costs are charged to the financial statements on an accruals basis. The Trust is a participating employer in the Surrey County Council Occupational Pension Scheme which is subject a triennial actuarial valuation. Where the valuation results in a funding deficit and a schedule of contributions from the Trust the full value of those contributions is accrued in the year of the valuation.

**l) Leases**

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****2. ANALYSIS OF INCOME - DONATIONS, LEGACIES AND MEMBERSHIP**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2018		2018	2017		2017
	£	£	£	£	£	£
<b>Donations, legacies and membership</b>						
Donations	174,463	71,313	<b>245,776</b>	141,076	444,516	585,592
Legacies	260,430	-	<b>260,430</b>	129,109	-	129,109
Memberships	1,081,356	-	<b>1,081,356</b>	1,106,899	-	1,106,899
	<b>1,516,249</b>	<b>71,313</b>	<b>1,587,562</b>	1,377,084	444,516	1,821,600

**Entitlement to legacies:**

The Trust is aware of possible future receipts from legacies arising on deaths prior to 31 March 2018 where exact sums are not quantifiable and these are believed to be in the order of £250,000 (2017: £90,000).

**3. ANALYSIS OF INCOME - CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2018		2018	2017		2017
	£	£	£	£	£	£
<b>Conservation</b>						
Consultancy	221,380	78,803	<b>300,183</b>	231,418	70,895	302,313
Grants	-	60,200	<b>60,200</b>	-	143,430	143,430
Other	720	1,683	<b>2,403</b>	-	3,073	3,073
	<b>222,100</b>	<b>140,686</b>	<b>362,786</b>	231,418	217,398	448,816

**Land management**

Grants	1,286,872	-	<b>1,286,872</b>	1,214,806	-	1,214,806
Other	916,196	28,206	<b>944,402</b>	986,416	29,461	1,015,877
	<b>2,203,068</b>	<b>28,206</b>	<b>2,231,274</b>	2,201,222	29,461	2,230,683

**Education**

Fees	196,044	11,350	<b>207,394</b>	152,321	11,040	163,361
Grants	21,016	5,000	<b>26,016</b>	6,964	-	6,964
Other	559	-	<b>559</b>	1,434	-	1,434
	<b>217,619</b>	<b>16,350</b>	<b>233,969</b>	160,719	11,040	171,759

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2018		2018	2017		2017
	£	£	£	£	£	£
<b>GRANT INCOME</b>						
Grants have been included in the following income headings:						
Conservation	-	60,200	<b>60,200</b>	-	143,430	143,430
Land management	1,286,872	-	<b>1,286,872</b>	1,214,806	-	1,214,806
Education	21,016	5,000	<b>26,016</b>	6,964	-	6,964
	<b>1,307,888</b>	<b>65,200</b>	<b>1,373,088</b>	1,221,770	143,430	1,365,200

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****3. ANALYSIS OF INCOME - CHARITABLE ACTIVITIES continued**

	<b>2018</b>	2017
	£	£
Biffaward	1,648	5,680
Environment Agency	50,965	131,965
Forestry Commission	-	14,088
Groundwork	9,000	-
Natural England	554,705	642,778
Reigate & Banstead Borough Council	5,000	5,000
Rural Payments Agency	726,620	501,690
SITA	-	41,569
Surrey County Council	13,200	13,200
Surrey Educational Trust Funding	11,950	-
Other grants	-	9,230
	<b><u>1,373,088</u></b>	<b><u>1,365,200</u></b>

Grant income has been received from the following government organisations:

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

Forestry Commission: Funding for improvements to woodlands managed by the Trust.

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

Reigate and Banstead Borough Council: Funding for a community project to improve local amenities.

Rural Payments Agency: Single Farm Payment scheme.

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

Surrey Educational Trust: funding for developing a new outdoor learning teacher training course.

**4. ANALYSIS OF INCOME - OTHER TRADING ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Sale of wood products	285,600	-	<b>285,600</b>	265,974	-	265,974
Events and other activities	117,160	-	<b>117,160</b>	41,195	-	41,195
Property Income	552,879	-	<b>552,879</b>	528,185	-	528,185
	<b><u>955,639</u></b>	<b><u>-</u></b>	<b><u>955,639</u></b>	<b><u>835,354</u></b>	<b><u>-</u></b>	<b><u>835,354</u></b>

**5. ANALYSIS OF INCOME - INVESTMENT INCOME**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Property rental income	25,500	-	<b>25,500</b>	25,375	-	25,375
Bank interest	3,893	-	<b>3,893</b>	5,518	-	5,518
	<b><u>29,393</u></b>	<b><u>-</u></b>	<b><u>29,393</u></b>	<b><u>30,893</u></b>	<b><u>-</u></b>	<b><u>30,893</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****6. RESULTS OF TRADING SUBSIDIARIES**

Surrey Wildlife Trust owns 100% of the share capital of Norbury Park Wood Products Limited which during the year provided woodland services and manufactured and sold wood products. Arrangements are in place to donate each year by gift aid any of the company's taxable surplus income to Surrey Wildlife Trust. The Trust has provided a loan to Norbury Park Wood Products Limited (Note 19) and received interest of £1,340 (2017: £4,392) during the year. The results of Norbury Park Wood Products Limited's trading and its net assets were:

	<b>2018</b>	2017
	<b>£</b>	£
Income	422,613	483,997
Cost of sales	90,196	70,624
Gross profit	<u>332,417</u>	<u>413,373</u>
Expenditure	332,417	221,839
Gift aid to Surrey Wildlife Trust	-	143,884
<b>Net profit</b>	<b><u>101,324</u></b>	<u>47,650</u>
Net profit to Surrey Wildlife Trust	<u>101,324</u>	<u>47,650</u>
Net assets represented by:		
Share Capital	1	1
Profit and loss account	<u>121,324</u>	<u>20,000</u>
	<b><u>121,325</u></b>	<u>20,001</u>

Surrey Wildlife Trust owns 100% of the share capital of SWT Enterprises Limited which provided grazing related services. Arrangements are in place to donate each year by gift aid any of the company's taxable surplus income to Surrey Wildlife Trust. Until 1 April 2017 the company was dormant.

	<b>2018</b>	2017
	<b>£</b>	£
Income	39,745	-
Cost of sales	-	-
Gross profit	<u>39,745</u>	<u>-</u>
Expenditure	35,430	-
Gift aid to Surrey Wildlife Trust	-	-
<b>Net profit</b>	<b><u>4,315</u></b>	<u>-</u>
Net profit to Surrey Wildlife Trust	<u>4,315</u>	<u>-</u>
Net assets represented by:		
Share Capital	2	2
Profit and loss account	<u>4,315</u>	<u>-</u>
	<b><u>4,317</u></b>	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****7. ANALYSIS OF EXPENDITURE - RAISING FUNDS**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2018			2017		
	£	£	£	£	£	£
Donations & legacies	144,766	-	<b>144,766</b>	131,416	13,201	144,617
Membership	396,235	-	<b>396,235</b>	367,927	-	367,927
Other trading activities	863,545	-	<b>863,545</b>	678,564	-	678,564
	<b>1,404,545</b>	-	<b>1,404,545</b>	1,177,907	13,201	1,191,108

	Direct	Support	Total	Direct	Support	Total
	Costs			Costs		
	£	£	£	£	£	£
Donations & legacies	103,664	41,101	<b>144,765</b>	103,239	41,378	144,617
Membership	324,306	71,929	<b>396,235</b>	305,861	62,066	367,927
Other trading activities	791,616	71,929	<b>863,545</b>	606,153	72,411	678,564
	<b>1,219,586</b>	<b>184,959</b>	<b>1,404,545</b>	1,015,253	175,855	1,191,108

**8. ANALYSIS OF EXPENDITURE - CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2018			2017		
	£	£	£	£	£	£
Conservation	639,143	162,909	<b>802,052</b>	468,596	138,282	606,878
Land management	2,263,708	47,986	<b>2,311,694</b>	2,626,124	74,150	2,700,274
Education	744,257	19,220	<b>763,477</b>	539,317	3,199	542,516
	<b>3,647,108</b>	<b>230,115</b>	<b>3,877,223</b>	3,634,037	215,631	3,849,668

	Direct	Support	Total	Direct	Support	Total
	Costs			Costs		
	£	£	£	£	£	£
Conservation	627,368	174,684	<b>802,052</b>	488,697	118,181	606,878
Land management	2,034,255	277,439	<b>2,311,694</b>	2,400,277	299,997	2,700,274
Education	629,895	133,582	<b>763,477</b>	424,335	118,181	542,516
	<b>3,291,518</b>	<b>585,705</b>	<b>3,877,223</b>	3,313,309	536,359	3,849,668

**9. ALLOCATED SUPPORT COSTS**

	Raising	Charitable	Total	Raising	Charitable	Total
	Funds	Activities	2018	Funds	Activities	2017
	£	£	£	£	£	£
General management	41,070	130,054	<b>171,124</b>	42,137	128,517	170,654
Finance, HR, IT and facilities	79,769	252,603	<b>332,372</b>	71,693	218,664	290,357
Marketing, communications	36,186	114,590	<b>150,776</b>	36,031	109,895	145,926
Governance	27,934	88,458	<b>116,392</b>	25,994	79,283	105,277
	<b>184,959</b>	<b>585,705</b>	<b>770,664</b>	175,855	536,359	712,214



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****10. TOTAL RESOURCES EXPENDED**

	<b>2018</b>	2017
	£	£
The result for the year is stated after charging:		
Depreciation on owned tangible and intangible assets	120,208	121,670
Depreciation on assets under hire purchase agreements	14,100	7,270
Operating leases rentals - vehicles	40,481	50,869
Hire purchase interest	4,229	1,431
Auditors' remuneration - audit services	19,775	21,000
- other services	2,330	1,100

**11. TRUSTEES REMUNERATION**

No remuneration was paid to any Trustee. Travel expenses were repaid to one individual (2017: 1) totalling £323 (2017: £398). The Trust provides liability insurance for the Trustees at cost of £1,974 (2016: £1,232). Aggregate donations from Trustees during the year totalled £1,728 (2017: £2,261).

**12. STAFF COSTS AND NUMBERS**

	<b>2018</b>	2017
	£	£
Salaries and wages	2,490,928	2,612,651
Social security costs	225,151	231,656
Pension contributions	140,669	153,363
	<b><u>2,856,748</u></b>	<b><u>2,997,670</u></b>

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

	<b>2018</b>	2017
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1

The Trust Leadership Team comprising the Chief Executive and seven directors (2017: six directors) responsible for Countryside Management, Conservation, Education, Communications and Fundraising, Commercial Development, Human Resources and Facilities and Finance received aggregate remuneration of £487,317 (2017: £423,789).

Two members of staff took redundancy, the associated cost of £9,079 was fully expensed during the year.

The average number of staff employed during the year, calculated on a full time equivalent basis, is analysed as follows:

	Number	Number
Fundraising and membership services	11	12
Conservation	17	14
Land management	27	35
Education	13	14
Sawmill	7	6
Support services	10	9
	<b><u>85</u></b>	<b><u>90</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****13. PENSION COSTS**

Surrey Wildlife Trust operates a defined contribution pension scheme whose assets are held separately from those of the organisation in an independently administered fund. The pension cost charged to the Statement of Financial Activities was £98,541 (2017: £95,728). Unpaid contributions at 31 March 2018 were £13,429 (2017: £8,673). At 31 March 2018 this scheme had 99 members (2017: 93 members).

The group also operates a defined benefit pension scheme whose assets are held in an Occupational Pension Scheme administered by Surrey County Council, in respect of staff that joined Surrey Wildlife Trust as part of a contract to provide countryside services to Surrey County Council. Contributions are determined by a qualified actuary and are affected by the surplus or deficit in the scheme. The actuary has advised the Trust that it is not possible to identify the Trust's share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and therefore the contributions to the scheme have been accounted for as if it were a defined contribution scheme. An actuarial valuation of the scheme is performed every three years. The most recent valuation at 31 March 2016 found the scheme to be in surplus and set the company's contribution rate for the three years to 31 March 2020 at 31.0% of the employees pensionable salary.

The pension cost charged to the statement of Financial Activities was £18,749 (2017: £61,521). Unpaid contributions at 31 March 2018 were £1,899 (2017: £8,382).

At 31 March 2018 the scheme had 2 members (2017: 2 members).

**14. FIXED ASSETS - HERITAGE ASSETS****GROUP AND PARENT CHARITY**

	<b>2018</b>	2017
	£	£
<b>Nature Reserves</b>		
<b>COST</b>	<u>638,535</u>	<u>638,535</u>
At 1 April and 31 March	<u><b>638,535</b></u>	<u>638,535</u>

<b>Date Reserve</b>	<b>Public Access</b>	<b>£</b>	<b>Size (Ha)</b>	<b>Habitat</b>
1965 Bay Pond	Closed	Donated	7	Lake, alder swamp & flower meadow
1970 Bagmoor Common	Open	3,000	14	Open heath & mixed woodland
1972 Nower Wood	Closed	22,000	33	Mixed woodland
1974 Wallis Wood	Open	Donated	14	Oak & hazel woodland
1981 Thundry Meadows	Open	25,000	15	Unimproved wet grassland
1987 Colekitchen Down	Open	6,000	3	Unimproved chalk grassland
1987 Vann Lake	By Permit	56,771	8	Open water
1987 Underdown	Open	Donated	0	Mixed woodland
1988 Thorpe Hay Meadow	Open	35,591	7	Unimproved grassland
1992 Cucknells Wood	Open	Donated	11	Mixed woodland
1992 Vann Lake Wood	Open	3,000	4	Mixed woodland
2000 Fir Tree Copse	Open	22,065	6	Oak, ash & hazel woodland
2000 Whippets Cant	Closed	Donated	1	Oak, ash & hazel woodland
2000 Dawcombe	By Permit	Donated	23	Chalk grassland & scrub
2001 Graeme Hendry Wood	Open	14,295	10	Deciduous woodland
2002 The Forest	Open	69,321	21	Mixed woodland
2002 Quarry Hangers	Open	70,582	11	Unimproved chalk grassland & scrub
2002 Candy's Copse	Open	4,648	0	Hazel coppice with standards
2002 Seccombes Wood	Open	Donated	2	Mixed woodland
2002 Dodds Field	Closed	40,000	2	Improved grassland

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****14. HERITAGE ASSETS continued.**

2003 Papercourt Meadows	Open	Donated	10	Open water & reedbed
2003 Papercourt Lock	Open	97,465	19	Wet grassland
2003 Glovers Pond	Open	27,484	3	Lowland heathland
2003 Land nr Backside Com'l	Open	12,000	3	Grassland
2004 Land at Compton	Open	Donated	3	Grassland, mixed woodland & pond
2004 Newdigate Brickworks	Open	Donated	16	Woodland, grassland, marsh & water
2004 Middlebriars Wood	Open	Donated	1	Mixed woodland
2006 Pucks Oak Barn Gard'n	Open	2,341	0	Barn & orchard
2006 Speynes Mere	Open	12,545	1	Grassland
2008 Fraser Down	Open	97,037	10	Chalk grassland & scrub
2009 The Birches	Open	17,390	1	Hazel coppice with standards
2009 Manor Farm	Open	Donated	25	Reversion to grassland & wet grassland
2012 Priest Hill	Open	Donated	33	Chalk grassland
<b>Total</b>		<b>638,535</b>	<b>317</b>	

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

**15. FIXED ASSETS - TANGIBLE ASSETS**

GROUP	Freehold	Improve- ments to leasehold	Machinery	Office	Vehicles	Total
	property	property		equipment		
	£	£	£	£	£	£
<b>COST</b>						
As at 1 April 2017	1,330,342	632,521	386,617	123,345	454,374	2,927,199
Additions	135,138	6,636	72,490	64,836	24,602	303,702
Disposals	-	-	-	-	(31,550)	(31,550)
<b>At 31 March 2018</b>	<b>1,465,480</b>	<b>639,157</b>	<b>459,107</b>	<b>188,181</b>	<b>447,426</b>	<b>3,199,351</b>
<b>DEPRECIATION</b>						
As at 1 April 2017	82,930	318,689	304,745	88,334	304,906	1,099,604
Charge for the year	26,973	20,050	22,362	13,658	46,372	129,415
Disposals	-	-	-	-	(31,550)	(31,550)
<b>At 31 March 2018</b>	<b>109,903</b>	<b>338,739</b>	<b>327,107</b>	<b>101,992</b>	<b>319,728</b>	<b>1,197,469</b>
<b>NET BOOK VALUE</b>						
<b>At 31 March 2018</b>	<b>1,355,577</b>	<b>300,418</b>	<b>132,000</b>	<b>86,189</b>	<b>127,698</b>	<b>2,001,882</b>
At 31 March 2017	1,247,410	313,831	81,874	35,012	149,468	1,827,595

Included within the net book value is £120,320 (2017: £87,730) relating to assets held under hire purchase agreements. The depreciation charged on these assets in the year was £14,100 (2017: £7,270).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****16. FIXED ASSETS - INTANGIBLE ASSETS**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
	Entitlements to Single Farm Payment		Entitlements to Single Farm Payment	
<b>COST</b>				
As at 1 April	18,100	18,100	18,100	18,100
Additions	-	-	-	-
<b>At 31 March</b>	<b>18,100</b>	<b>18,100</b>	<b>18,100</b>	<b>18,100</b>
<b>DEPRECIATION</b>				
As at 1 April	13,207	7,338	13,207	7,338
Charge for the year	4,893	5,869	4,893	5,869
<b>At 31 March</b>	<b>18,100</b>	<b>13,207</b>	<b>18,100</b>	<b>13,207</b>
<b>NET BOOK VALUE</b>				
<b>At 31 March</b>	-	4,893	-	4,893

**17. FIXED ASSETS - INVESTMENTS**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Investment property	800,000	800,000	800,000	800,000
Subsidiary undertakings	-	-	4	3
	<b>800,000</b>	<b>800,000</b>	<b>800,004</b>	<b>800,003</b>

The Investment property at Beare Green is part of legacy received by the Trust in 2001. The cost of the investment property of £500,633 is made up of the value of the property when donated together with the cost of improvements carried out. The property was revalued in April 2015 from £715,000 to £800,000 by an independent chartered surveyor. The Trustees consider this to be the value at 31 March 2018.

Surrey County Council retains a charge to the value of £300,000 over this investment property.

The following subsidiary companies were held at the balance sheet date:

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

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****18. STOCK**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Finished goods for resale	<b>11,255</b>	12,778	<b>607</b>	264
Wood products and raw materials	<b>121,100</b>	77,039	<b>43,589</b>	7,350
Livestock	<b>177,914</b>	174,100	<b>177,914</b>	174,100
	<b>310,269</b>	263,917	<b>222,110</b>	181,714

**19. DEBTORS**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Amounts owed by group undertakings	-	-	<b>34,164</b>	83,132
Trade debtors	<b>222,188</b>	178,937	<b>177,284</b>	147,031
Gift aid recoverable	<b>18,970</b>	24,252	<b>18,970</b>	24,252
Accrued income	<b>1,396,603</b>	1,472,702	<b>1,396,603</b>	1,472,702
Other debtors and prepayments	<b>42,047</b>	35,889	<b>39,853</b>	33,756
	<b>1,679,808</b>	1,711,780	<b>1,666,874</b>	1,760,873

**20. CREDITORS DUE WITHIN ONE YEAR**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	<b>307,644</b>	364,055	<b>281,516</b>	349,955
Taxation and social security	<b>81,381</b>	65,657	<b>81,381</b>	65,656
Other creditors	<b>51,682</b>	66,701	<b>51,682</b>	52,858
Accruals	<b>368,555</b>	411,485	<b>359,855</b>	404,835
Deferred income	<b>275,537</b>	247,725	<b>272,134</b>	243,137
	<b>1,084,799</b>	1,155,623	<b>1,046,568</b>	1,116,441

Deferred income consists of rent, grants and other income of £175,387 (2017: £127,575) received in advance of the period to which they relate and agri-environmental grants of £100,150 (2017: £120,150) in which the scheme of work to which they relate will be carried out following the year end.

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Deferred income brought forward	<b>247,724</b>	266,012	<b>243,137</b>	264,000
Released during the year	<b>147,574</b>	143,541	<b>142,986</b>	141,531
Deferred during the year	<b>175,386</b>	125,255	<b>171,983</b>	120,668
<b>Deferred income carried forward</b>	<b>275,537</b>	247,725	<b>272,134</b>	243,137

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****21. CREDITORS DUE IN MORE THAN ONE YEAR**

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Amounts due under hire purchase agreements	<b>64,935</b>	51,107	<b>64,935</b>	51,107
	<b>64,935</b>	51,107	<b>64,935</b>	51,107

**22. RESTRICTED FUNDS**

GROUP AND PARENT CHARITY	Balance at	Income	Expenditure	Transfers in / (out)	Balance at
	1 April 2017				31 March 2018
	£	£	£	£	£
Nower Wood Outdoor Wildlife Learn'g Ctr.	45,488	75,285	(7,655)	(97,889)	15,229
Surrey Wildlife Atlases	27,428	2,758	-	-	30,186
Westfield Common Community Project	13,420	11,000	(9,891)	(9,636)	4,893
Elizabeth McAlmont Reserve	28,676	-	(5,898)	-	22,778
Surrey Biodiversity Inform'n & Record Ctr.	150,909	90,978	(73,175)	(400)	168,312
Wey, Mole and Eden Catchment Part'rships	81,815	47,170	(66,503)	665	63,147
Priest Hill	469,808	250	(3,591)	(12,500)	453,967
The Moors	102,135	-	-	(2,771)	99,364
Holmethorpe Lagoons	(1,823)	14,395	(2,802)	(5,834)	3,936
Newdigate Pond	2,990	-	(350)	(2,500)	140
Wisley Timber Fund	19,946	-	-	-	19,946
Brockham Reserve	3,039	-	-	-	3,039
The Birches	17,390	-	-	-	17,390
Runfold Wood	9,593	-	-	-	9,593
Chobham Common Heathland Restoration	51,838	-	(2,160)	-	49,678
Fraser Down	96,640	-	-	-	96,640
Chobham Valley End SANG	41,287	-	(26,300)	(4,000)	10,987
The Forest	12,047	-	-	-	12,047
Treasure Chest	37,404	688	-	-	38,092
Travelsmart	2,483	-	(43)	(405)	2,035
Forest School Association	1,261	350	(1,631)	20	-
Hedgerow Heroes	57,085	120	(13,623)	(6,308)	37,274
Heathland Restoration Fund	90,000	-	-	(2,448)	87,552
Conservation Projects	346	-	(9,608)	13,965	4,703
Land Management Projects	2,865	13,560	(6,885)	(2,695)	6,845
	<b>1,364,070</b>	<b>256,555</b>	<b>(230,115)</b>	<b>(132,736)</b>	<b>1,257,774</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****22. RESTRICTED FUNDS continued**

GROUP AND PARENT CHARITY	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in / (out) £	Balance at 31 March 2017 £
Nower Wood Outdoor Wildlife Learn'g Ctr.	813,257	266,557	5,455	(1,039,780)	45,489
Surrey Wildlife Atlases	23,554	3,874	-	-	27,428
Westfield Common Community Project	12,862	11,000	(10,442)	-	13,420
Elizabeth McAlmont Reserve	28,676	-	-	-	28,676
Surrey Biodiversity Inform'n & Record Ctr.	149,145	77,070	(75,703)	397	150,909
Folly Bog	6,008	-	-	(6,008)	-
Wey, Mole and Eden Catchment Part'rships	25,472	136,460	(52,037)	(28,080)	81,815
Priest Hill	474,827	7,360	(7,376)	(5,003)	469,808
The Lagoons and the Moors	94,720	22,264	(3,675)	(12,997)	100,312
Newdigate Pond	14,929	13	-	(11,952)	2,990
Wisley Timber Fund	27,946	-	-	(8,000)	19,946
Brockham Reserve	20,697	-	(17,658)	-	3,039
The Birches	17,390	-	-	-	17,390
Runfold Wood	6,557	536	-	2,500	9,593
Chobham Common Heathland Restoration	61,333	10,000	(19,495)	-	51,838
Fraser Down	96,640	-	-	-	96,640
Chobham Valley End SANG	77,104	-	(20,270)	(15,547)	41,287
The Forest	15,125	1,410	(4,463)	(25)	12,047
Treasure Chest	30,290	17,570	(10,456)	-	37,404
Travelsmart	3,185	-	(402)	(300)	2,483
Forest School Association	1,428	386	(553)	-	1,261
Hedgerow Heroes	-	57,085	-	-	57,085
Heathland Restoration Fund	-	90,000	-	-	90,000
Conservation Projects	3,811	230	(10,542)	6,847	346
Land Management Projects	3,481	600	(1,213)	(2)	2,866
	<b>2,008,437</b>	<b>702,415</b>	<b>(228,832)</b>	<b>(1,117,950)</b>	<b>1,364,070</b>

**Nower Wood Outdoor Wildlife Learning Centre:** Project funded by donations and the Heritage Lottery Fund to develop a new centre for wildlife education for children, young people and communities.

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

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

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

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

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

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

**The Moors:** Funds for the management of the Moors reserves at Merstham.

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

**Newdigate Pond:** Fund for the management of the pond and grassland at the former brickworks.

**Wisley Timber Fund:** Fund for heathland restoration at Wisley and Ockham Commons.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****22. RESTRICTED FUNDS continued**

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

**Runfold Wood:** Fund for restoring woodland near Compton.

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

**Fraser Down:** Heritage asset comprising chalk grassland.

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

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

**Treasure Chest:** Donations based fund to support restoration projects.

**Travelsmart:** Project to restore Furzefield Wood in Reigate and Banstead for family and community use.

**Forest School Association:** Funds held by the Trust on behalf of the Forest Schools Association.

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

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

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

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

Transfers in comprise contributions from the Trust's unrestricted funds to facilitate restricted fund projects.

Transfers out comprise the use of unrestricted resources typically staff time required to complete restricted fund projects. For the Nower Wood OWLS project the transfer out largely represents the part-capitalisation of the new building.

**23. DESIGNATED FUNDS**

GROUP AND PARENT CHARITY	Balance at				Balance at
	31 March				31 March
	2017	Income	Expenditure	Transfers	2018
	£	£	£	£	£
Heritage assets fund	524,505	-	-	-	524,505
Conservation grazing development fund	60,000	-	-	(60,000)	-
Capital expenditure fund	122,600	-	(42,600)	(17,000)	63,000
Legacy fund	29,109	-	-	(29,109)	-
Strategic projects and investment fund	80,500	116,929	(46,270)	(34,230)	116,929
Tangible & intangible fixed assets fund	1,832,488	244,433	(134,308)	59,269	2,001,882
Investment property revaluation fund	800,000	-	-	-	800,000
	<b>3,449,201</b>	<b>361,362</b>	<b>(223,178)</b>	<b>(81,070)</b>	<b>3,506,316</b>

GROUP AND PARENT CHARITY	Balance at 1				Balance at 31
	April 2016	Income	Expenditure	Transfers	March 2017
	£	£	£	£	£
Heritage assets fund	524,505	-	-	-	524,505
Nower Wood Outdoor Wildlife Learning Ctr.	71,300	-	-	(71,300)	-
Conservation grazing development fund	108,100	-	-	(48,100)	60,000
Capital expenditure fund	50,000	-	-	22,600	72,600
Head-Office repair fund	-	-	-	50,000	50,000
Legacy fund	-	29,108	-	-	29,108
Investment fund	-	-	-	80,500	80,500
Tangible & intangible fixed assets fund	760,791	159,257	(128,940)	1,041,380	1,832,488
Investment property revaluation fund	800,000	-	-	-	800,000
	<b>2,314,696</b>	<b>188,365</b>	<b>(128,940)</b>	<b>1,075,080</b>	<b>3,449,201</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****23. DESIGNATED FUNDS continued**

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

**Nower Wood Outdoor Learning Centre:** The Trust's contribution from its own funds to the Nower Wood Fund.

**Conservation grazing development fund:** Fund for the development of the Trust's conservation grazing work.

**Capital expenditure fund:** Fund to purchase new capital assets in 2017-18 to support charitable activities.

**Head-Office repair fund:** Fund for repairs to the fabric of the head-office in Pirbright required in 2017-18

**Legacy Fund:** Legacy funds which will be used to support charitable activities in 2017-18.

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

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

**Investment property revaluation reserve:** Represents the value of the Deans investment property.

**24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2018 £</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>
Heritage assets	524,505	114,030	638,535	524,505	114,030	638,535
Tangible & intangible fixed assets	2,001,882	-	2,001,882	1,832,488	-	1,832,488
Investments	800,000	-	800,000	800,000	-	800,000
Net current assets	1,154,242	1,143,744	2,297,986	1,084,657	1,250,040	2,334,697
Creditors due after more than one year	(64,935)	-	(64,935)	(51,107)	-	(51,107)
	<b>4,415,694</b>	<b>1,257,774</b>	<b>5,673,468</b>	<b>4,190,543</b>	<b>1,364,070</b>	<b>5,554,613</b>

**25. NOTES TO THE GROUP CASHFLOW STATEMENT****Reconciliation of net incoming resources to net cash inflow from operating activities:**

	<b>2018 £</b>	<b>2017 £</b>
<b>Net income for the year</b>	<b>118,855</b>	498,329
<b>Adjustments for:</b>		
Interest and rent on investments	<b>(29,393)</b>	(30,893)
Interest payable	<b>4,229</b>	1,431
Depreciation	<b>134,308</b>	128,940
(Profit) on disposal of tangible fixed assets	<b>(10,062)</b>	(28,832)
(Increase) in stocks	<b>(46,352)</b>	(39,133)
Decrease in debtors	<b>31,972</b>	262,350
Increase / (decrease) in creditors	<b>(82,466)</b>	59,428
<b>Net cash provided by operating activities</b>	<b>121,091</b>	<b>851,620</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****26. COMPARATIVE INFORMATION****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £
<b>Income From:</b>				
<i>Donations, legacies &amp; membership</i>	2	1,377,084	444,516	<b>1,821,600</b>
Charitable activities:	3			
<i>Conservation</i>		231,418	217,398	<b>448,816</b>
<i>Land management</i>		2,201,222	29,461	<b>2,230,683</b>
<i>Education</i>		160,719	11,040	<b>171,759</b>
<i>Other trading activities</i>	4	835,354	-	<b>835,354</b>
<i>Investments</i>	5	30,893	-	<b>30,893</b>
<b>Total</b>		<b>4,836,690</b>	<b>702,415</b>	<b>5,539,105</b>
<b>Expenditure on:</b>				
<i>Raising funds</i>	7	1,177,907	13,201	1,191,108
Charitable activities:	8			
<i>Conservation</i>		468,596	138,282	606,878
<i>Land management</i>		2,626,124	74,150	2,700,274
<i>Education</i>		539,317	3,199	542,516
<b>Total</b>		<b>4,811,944</b>	<b>228,832</b>	<b>5,040,776</b>
<b>Net income</b>		<b>24,746</b>	<b>473,583</b>	<b>498,329</b>
Transfers between funds		1,117,950	(1,117,950)	-
<b>Net movement in funds</b>		<b>1,142,696</b>	<b>(644,367)</b>	<b>498,329</b>
Funds brought forward at 1 April		3,047,847	2,008,437	5,056,284
<b>Funds carried forward at 31 March</b>		<b>4,190,543</b>	<b>1,364,070</b>	<b>5,554,613</b>

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

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

	2018 £	2017 £
<b>Motor vehicles, plant and machinery</b>		
Within 1 year	<b>41,706</b>	33,415
In 2 to 5 years	<b>117,935</b>	77,943
	<b>159,641</b>	111,358

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018****27. FINANCIAL COMMITMENTS - GROUP continued**

	<b>2018</b>	2017
	£	£
<b>Land and buildings</b>		
Within 1 Year	<b>76,083</b>	51,583
In 2 to 5 years	<b>117,375</b>	29,173
In more than 5 years	<b>207,000</b>	3,625
	<b><u>400,458</u></b>	<u>84,381</u>

**28. RELATED PARTY TRANSACTIONS**

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

P. A. Curtis, a Trustee of the charity purchased goods worth £1,902 (2017: £8,841) from Norbury Park Wood Products Limited for the Royal Parks, of which he is an officer.

**29. TAXATION**

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