



Lancashire,
Manchester &
N Merseyside

The Lancashire Wildlife Trust Limited

Annual Report and Financial Statements

Year Ended:

31 MARCH 2019

Registered Number:

00731548

Charity Number:

229325

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REFERENCE AND ADMINISTRATIVE DETAILS

The registered name of the Charity is The Lancashire Wildlife Trust Limited. It is registered with the Charity Commission in England and Wales with the number 229325.

Registered office

The Barn, Berkeley Drive, Bamber Bridge, Preston, PR5 6BY

Members of the Board

The Trustees of the charity, who are also Members of the Board ("Council"), who have held office in the year and to the date of this report were:

Mr S P Garland	Chair	
Mr A R Thomas	Vice-Chair	
Ms. H A Ryan	Vice-Chair	
Mr J M Drury	Hon. Treasurer	
Mr D J Craig	Hon Secretary	Resigned 6 th October 2018
Mr A D J Royce		Appointed Hon Secretary 11 th October 2018
Mr G Higginbottom		
Ms. J Ashley Houldsworth		Resigned 6 th October 2018
Dr C H Elphick		
Mr A G Hatton		Resigned 6 th October 2018
Mr S Niven		
Mr R Wade		
Mr J M Wells		
Mr A J M Berry		
Mr J B Jackson		
His Honour Judge J R Duggan		
Professor Philip James		Elected 6 th October 2018
Mr Mustafa Desai		Elected 6 th October 2018
Ms Gemma Grady		Elected 6 th October 2018
Ms Deborah Shackleton CBE		Elected 6 th October 2018
Mr Satyen Sinha		Co opted 21 st November 2018
President		Mr C G Davies
Vice President		Mr E E Jackson MBE
Chief Executive		Mrs A Selby
Company Registered Number		00731548
Entrust Registered Number		025077
Bankers		Royal Bank of Scotland 175-177 Station Road, Bamber Bridge, Preston, PR5 6LA
Investment Advisors		Brooks MacDonald Group plc No 1 Marsden Street, Manchester, M2 1HW
Auditors and VAT Advisors		MHA Moore and Smalley Richard House, 9 Winckley Square, Preston, PR1 3HP

**CHAIR'S ANNUAL REPORT
FOR THE YEAR ENDED 31st MARCH 2019****Chairman's Statement**

This year, the Trust has continued to thrive in a challenging and unpredictable wider environment. We are now one of the United Kingdom's largest and most active Wildlife Trusts and are at the forefront of a number of environmental and wildlife initiatives.

This continued development placed a significant strain on some of our infrastructure so in the last year we have invested in a new website and new human resources, financial and membership administration systems. Trustees agreed that the outlay on these will be offset by ongoing savings in efficiency as well as considerable benefits from increased effectiveness. In particular, the new membership systems have enabled us to deal with the extensive demands of the new General Data Protection Regulations (GDPR).

Our Greater Manchester peatlands projects are re-establishing an active lowland peat bog at Little Woolden Moss as part of a much wider lowland peat bog nature recovery network. Not only will this bring back an ancient landscape for local people to enjoy, it will soon enable us to re-introduce the locally extinct Large Heath (once known as the Manchester Argus) and will contribute a significant amount to capturing carbon from the atmosphere to mitigate for climate change.

In September a number of our conservation, development and marketing staff attended a national 'Campaign for a Wilder Britain' conference in Nottingham which gave them an opportunity to discuss current topics and challenges for practical nature conservation. This proved to be a valuable forum for exchange and development of ideas and strategies for the future.

We continue to monitor and influence local planning and development in a positive way for nature. Issues that directly affect wildlife include expansion of housing and other development, HS2, re-emerging proposals for tidal barrages, offshore and onshore wind generation. In March 2019, we were partners in delivery of the 2nd Greater Manchester Green Summit where our CEO Anne Selby chaired a session and was a keynote speaker. This Summit is led by the Mayor of Greater Manchester, Andy Burnham, who also took time to visit our peatland projects in September.

To complement The Hive project in Moss Bank Park, Bolton, we took on the management of the adjoining café.

We continue to discuss our Trustee governance processes and changes continue. Our first group of openly-recruited Trustees joined us in October 2018 and we lost our first Trustees as part of the new limited terms of office. A number of other areas are currently being discussed, with the aim of making the Council (and therefore the Trust) more effective, but also finding new ways to diversify our decision-making processes and to better capitalise on expertise within our 30,000 members.

As part of the Royal Society of Wildlife Trusts we have campaigned for wildlife at a national level. We continue to push for a strong Environment Act built around public payments for public good and with an over-riding aim to establish nature recovery networks across the country and also effective conservation of wildlife in our seas. We feel that we are making good progress and that government is listening, but in such a volatile environment there is still much work to do!

Not only are young people our future, but they are also developing a stronger voice, as seen in recent events such as the Walk for Wildlife in September and recent climate change protests. Our new Youth Forum met for the first time in January and will certainly contribute to the Trust's future development. Also, young people from LWT were involved in two events at Westminster. In November Claire Critchley attended a Parliamentary reception with me, hosted by Caroline Lucas and in January, three of our young people attended a Parliamentary event focusing on young people and the environment where they met and discussed issues with MPs.

In support of this national work, our CEO continues to serve the national RSWT Council and I was asked to take over as Chair of The Wildlife Trusts England and join the national committee, which I did in November 2018.

We continue to face new challenges, but underpinning everything is the urgent need to reverse the continuing decline in wildlife and nature across Lancashire and the UK. A new and effective Environment Act will be key, but most important of all is the continued support of our members, volunteers, staff and other supporters. I thank you all for your continued support and hope that this year may prove to be a real turning-point in the fortunes of our wildlife in Lancashire.

Thank you



Steve Garland, Chair

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

The Board have pleasure in presenting their report together with the audited accounts for the year ended 31st March 2019. The Board have adopted the provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

Key Objectives:

These are the nationally agreed priorities with the Partnership of Wildlife Trusts.

- **To protect, create and enhance wildlife in our region, creating living landscapes and living seas.**
- **To stand up for wildlife and the environment.**
- **To inspire people about the natural world and encourage everyone to take action for wildlife.**
- **To foster sustainable One Planet Living, where the functioning of the natural environment is appreciated as essential for supporting life.**
- **To ensure our work is based on knowledge and sound evidence.**
- **To be recognised and respected for our work.**
- **To grow our resources and increase support for our mission.**
- **To ensure the organisation is effective and fit for purpose.**

Public Benefit Statement

The advancement of environmental protection and improvement is recognised as a charitable purpose and is regarded universally as producing a public good. The Wildlife Trust exists to promote the care and protection of the environment and therefore provides a clear public benefit. The Wildlife Trust's philosophy is based on the belief that the natural world deserves conserving for its own sake and, since this is widely perceived to be a worthy aim of public policy, it may fairly be regarded as a benefit to the public at large. However, the public benefits provided by the Wildlife Trust go much further.

Firstly, our nature reserves are used by the public, and many have access on way-marked routes. At many sites information and interpretation is provided to visitors. There are a few cases where there may be a conflict between management requirements and unfettered access, but where this occurs we strive to keep any restrictions to a minimum.

Secondly, our education programmes are aimed at schools, colleges, adult groups and the wider public. Education is also, of course, recognised as a charitable activity in its own right.

Thirdly, our information gathering and provision of expert advice and opinion to local authorities and others helps to ensure that planning decisions are made on a rational basis taking full account of the public benefit of wildlife.

Fourthly, we can exert influence through our substantial membership at local level, and nationally through our membership of the Royal Society of Wildlife Trusts. It is also our belief that the involvement of many volunteers in our work provides an outlet for altruistic endeavour which is of special benefit to those involved as well as delivering benefits to the wider public.

Promoting the enjoyment of the natural world is an important part of what we do: contact with the natural world and the appreciation of wildlife and wild places provides great pleasure to many people and contributes towards wellbeing and health. Our nature reserves and activities are available to all and we try to make special provision for the disabled and disadvantaged wherever possible.

The Trustees of The Lancashire Wildlife Trust Limited have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the key aims and objectives and in the planning of future activities. The Trustees have also actively considered how the planned activities contribute to the aims and objectives embodied in the Constitution.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2019**

Strategic Report

The information below including the achievement and performance, financial review, risk management statement and summary of future plans forms the Strategic report for the purpose of the Companies Act 2006.

OUR VISION

A region rich in wildlife, valued and enjoyed by all.

OUR AIM

We aim to be recognised as the most active, inspirational, engaging, influential and authoritative local wildlife champion.

Achievement and Performance

Core objectives

- **To protect, create and enhance wildlife in our region, creating Living Landscapes and Living Seas.**
 - **To stand up for wildlife and the environment.**
 - **To inspire people about the natural world and encourage everyone to take action for wildlife.**
-

Our achievements for the year are reported below and are structured according to these core objectives.

Protect, Create and Enhance Land for Wildlife and People

The Trust is a very active partner in the Lancashire Dunes Project and coordinates the public awareness elements of the project within the coastal strip and covering marine habitat awareness. Over 2000 donated Christmas trees were planted in January by 227 volunteers, including many large corporate groups. The Connecting to Nature Project at Heysham Nature Reserve had over 1000 people participating during the year in a wide range of family and specialist events in partnership with EDF Energy.

Our Living Landscape works to help deliver the Governments new 25 Year Plan for the Environment was hampered considerably by the lack of resources to link habitat and invest in habitat management. However, major projects were initiated at Heysham Moss to further restore the mossland and at Warton Crag through tree removal to create rides to encourage the important populations of butterflies.

Another huge success for our Living Landscape work is through The Red Squirrel Project in Sefton and West Lancashire. Despite another outbreak of Squirrel pox, the project is still helping a growing population in much of the area. The Red Squirrels United International Red Squirrel Knowledge Fair was hosted Southport in March.

Chalara Ash dieback disease, is now affecting trees all over the Trust's area and may cause significant landscape change. Trees are badly affected at Brockholes where some screening plantations planted during the quarrying phase are pure Ash stands. Considerable energy went into removing dangerous trees and planning for further works. An outbreak of Larch Phytophthora ramorum fungus at Moor Piece reserve resulted in the removal of all Larch in the affected part of the reserve and a plan is underway for the removal of Rhododendron bushes that can carry the infection. Invasive plant removal is a time consuming annual event on many of our nature reserves and a national problem.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

The South Pennines Grassland Project is in its last year and has met its target of restoring and creating 250 hectares of species rich grassland and developed good working relationships with local farmers. As many farmers lack the equipment needed to cut meadows, a grant from the Scout Moor Habitat Enhancement Fund was secured and equipment purchased to establish a 'tools ring' where farmers can rent out the equipment at a reasonable price.

Our nature reserve portfolio has 38 sites covering over 1,300 hectares. The Trust also manages and advises on the wildlife management of a number of other sites in the sub-region – safeguarding, enhancing and influencing others to benefit wildlife. Resourcing the management of this land is a constant challenge and we bid for agri-environment and other grants to enhance what we can achieve through membership fees alone. Purchasing and replacing vehicles, tractors, mowers etc. are particularly difficult to fund through third party grants. Volunteers contribute a huge amount of time to the conservation work of the Trust on sites and through campaigning.

Additional staff resources were put in place to develop strategic reserves work such as better management planning, communications and grant/legal compliance. The suite of Conservation Key Performance Indicators (KPI) for the year indicates the successful completion of most nature reserve tasks. Work has been done to develop habitat monitoring and produce up-to-date management plans. Signage and interpretation on sites is deteriorating and there is a need to invest in this area and, in particular, to take advantage of new digital media as a way of reducing the need for onsite interpretation.

Mere Sands Wood Nature Reserve has benefitted from a new education facility which is already proving a valuable asset to the schools' educational work at the reserve. Plans are well underway for stage two of the redevelopment with a new café and event space, volunteer's facilities and an enlarged shop. One key aim in developing these facilities is to reduce the cost of the reserve's overheads to the Trust's core income. Another initiative aiming to generate revenues is the purchase through a LEADER EU grant, of timber processing equipment so that the by-products of woodland management can be processed into high value materials/products and sold.

The Lunt Meadows Nature Reserve site in Sefton gained a stage one approval for a major National Lottery Heritage Fund grant to develop the site. The year saw the development of the stage 2 bid with a range of education workshops and other feasibility works. New wader scrapes and a new hide was completed through a Veolia grant.

We are making major new investment into our Mosslands work. Successful funding bids to Veolia Environmental Trust and Casey have secured over £800k, which has enabled us to purchase the last remaining part of Winmarleigh Moss SSSI, plus a further 20ha of adjacent agricultural land. Using this funding we have also commenced a 2-year species reintroduction project on the Manchester Mosslands sites, which will see species such as Large Heath Butterfly, Bog Bush Cricket and White Faced Darter Dragonfly reintroduced over the next few years. Our site at Little Woolden Moss has also had significant investment with over £500k investment from a combination of the Defra Peat Fund, Veolia Environmental Trust and Heathrow Airport/British Airways, which is aimed at protecting and increasing the important carbon sink within the peat, whilst also restoring the site for biodiversity and people. We are gearing up to launch our new Lancashire Peatland Initiative with funding from Esmee Fairbairn Foundation, which will support two full time officers to further develop our lowland peat work and to expand our work into key upland areas in Bowland and the West Pennines, while supporting the Lancashire Peat Partnership.

We are also part of an exciting and novel EU Interreg project aimed at developing new policies and methods for managing and monitoring carbon reduction from peatlands. The project has 9 partners from 5 EU countries with an overall budget of €6.23 million until June 2022. The Trust is the lead partner locally and will be working with Manchester Metropolitan University and Micropropagation Services Ltd. With an overall budget of €444K, we will develop pilot projects to demonstrate methods for sphagnum farming on agricultural land over peat and develop a business case from our findings. Our trial sites will be the newly purchased land at Winmarleigh Moss and a smaller plot at Little Woolden Moss.

Standing Up for Wildlife and the Environment

Much of this work has been reactive. The biggest effort by far has been Brexit related work. Ensuring environmental legislation is adequately replaced and future agricultural systems are in place as we leave the EU. We continued to stand up for wildlife in the Greater Manchester Spatial Framework process and also fed into consultations on that city region's Industrial Strategy and its Culture Strategy.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

Along with Cheshire Wildlife Trust, we also began initial engagement with Liverpool City Region’s proposed spatial framework; and particularly with the City Region Mayor’s proposals for tidal energy and City Region Green Summit.

We also continued to monitor the proposals for a tidal energy development on the Wyre Estuary in Lancashire; not least for our intertidal Barnaby Sands & Burrows Marsh nature reserve.

We hosted Government Directors from Defra and Department for Housing Communities and Local Government to look at wildlife site protection. We met with the MPs for Bolton West, Bolton North East and South Ribble (Chris Green, Sir David Crausby and Seema Kennedy respectively); making the case to all for a Nature Recovery Network to receive statutory underpinning in the forthcoming Environment Bill. We also introduced Mr Green to our work with Bolton Council, running a café at Moss Bank Park and helping to manage Doffcocker Lodge Local Nature reserve. We introduced Mrs Kennedy to our My Place project on nature and mental health at our Mere Sands Wood nature reserve in her constituency. With Sir David, we promoted the need for blanket bog restoration in the West Pennine Moors to reduce the risk of out-of-control upland fires: major fires within our area in the summer of 2018 - on Winter Hill and on Saddeworth Moor – which lasted for many days and made national headlines.

We engaged further with HS2 Ltd on the implications of the proposals for a high speed railway across the Great Manchester Wetlands Nature Improvement Area.

The Trust has provided detailed responses to several local plan consultations during the year and made comments on a number of major development proposals.

In response to consultation by Government, we made the case for a more complete and ecologically connected suite of Marine Conservation Zones in the Irish Sea.

With others, notably Lancaster University, we began to investigate the possibility of new local capacity enabling the revival of the long moribund Lancashire Local Nature Partnership.

The CEO continues to lead the Greater Manchester Local Nature Partnership, which held a successful conference in January on the Natural Capital Investment Plan. There has been significant progress on a Bio Diversity Net Gain approach in Greater Manchester.

To inspire people about the natural world and encourage everyone to take action for Wildlife

2018 – 2019 has been an exciting year for our project activity that inspires people about the Natural World. My Wild City started consulting local people about the wildlife we can see in Manchester, MyPlace is achieving some outstanding impacts for both young people and those classed as economically inactive, the Carbon Landscape Partnership is reaching out to new and more diverse audiences, and our education work growing from strength to strength.

My Wild City in Manchester has been an aspiration for LWT for the last few years after visiting Avon Wildlife Trust to see how their My Wild City model was working in Bristol. With thanks to Esmee Fairbairn Foundation, we have secured £233,651 for the next 4 years.

MyPlace, our £2million eco therapy project for young people with mental health challenges, funded by Our Bright Future (Big Lottery Fund) and European Social Fund is now running at full capacity with referral pathways growing to ensure we reach out to those most in need. Other NHS Trusts are looking to adapt this approach which is proving effective.

The Carbon Landscape Partnership, with LWT as the accountable body and consisting of 11 partners across a significant part of the Great Manchester Wetlands NIA, are collectively organizing a wide variety of events and activities that include training people up as landscape champions, carrying out vital citizen science activity and engaging local residents so that people use and appreciate our landscape.

Our final payment from Esmee Fairbairn Foundation for Our Irish Sea was received this financial year and thanks to a grant from Coastal Communities Fund for £71,000 we were able to continue the work of our Lancashire Project Officer to organize events and promotional materials that encourage more nature tourism and an increase in visitors to our coastline.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

This year we have taken on the Café at Moss Bank Park in Bolton, as a way in which we can sustain activity at The Hive and volunteering across the wider area. We took over the management of this facility in May 2018 and over the year have trailed out different ways to attract more people into the Park. The facility made a small profit and we had an exciting year of interactive events, school bookings, birthday parties and nature tots making The Hive a loved and valued facility in Bolton.

Our Young Lancashire Project, the Woodlands Oases, started with a fantastic launch event attended by lots of families and representatives from youth organisations.

Core education has had its best year yet, with a fully booked summer season for school visits to Brockholes, with further increases in birthday parties and weekend events. The Trust has helped over 16,000 children engage with nature and had over 15000 people attend our events.

Nature tots received some funding which has enabled the team to introduce a second session at Brockholes and Peoples Postcode Lottery (PPL) funding has allowed the team to set up sessions in Liverpool and Manchester. The Hive increased the number of sessions delivered due to demand.

Forest Schools training, activities and development of facilities, continues to grow as interest in the initiative gains momentum. Our Forest school level 3 courses are being fully booked months in advance. We expanded our activities into Liverpool with thanks to further funding (£116,000) from PPL through a partnership that has been developed at RSWT.

The Men In Sheds project in Bolton had outstanding success at engaging a wide range of men all keen to put practical skills to use and make things for our centre, and is now exploring more ways to take products to market. The group has become an independent organization and is self-sustaining.

In Wigan we have engaged members of the public through a variety of events, thanks to funding from Service Level Agreements that we have with Wigan Council.

Our volunteering project continues to see a high level of volunteer support. Many of our volunteers are highly skilled achieving wildlife surveys, livestock lookering, support to activities, leading walks, giving talks, helping us to provide an excellent visitor experience at our Visitor Centres and helping in the office, in addition to the usual practical conservation work parties. Over one thousand volunteers have given their invaluable time for free and this equated to the equivalent of approximately 38 full-time members of staff. Our biggest thanks goes out to our volunteers.

Our Trading Subsidiary – Brockholes

Last year saw a significant restructure of the management of Brockholes with the Head of People Engagement taking on the overall management of the site with a brief to integrate it fully into the culture of the Trust, whilst continuing the commercial and income generation elements. This has helped move the operation to an improved financial performance in the year.

We have been focusing on improving our visitor experience. A successful grant bid has supported the further development of the site with improvements to wet weather facilities, volunteer facilities, car parking and access. The installation of a new car parking system was made in response to user complaints and operational difficulties. In addition to this, a revamp of the café 'Kestrel Kitchen' is underway as part of the programme of refurbishment, which is being delivered predominantly by volunteers and staff. Another successful grant bid has allowed for the installation of HD cameras, allowing visitors to view the islands and underwater in Meadow Lake.

We continue to invest heavily in the conservation of the reserve, taking a site-wide approach to management. Anti-predator fencing has been installed in key areas across the reserve and we hope to see a higher success rate with nests as a result of this. Sandy banks for mining solitary bees have had surface vegetation gently removed and have been enlarged by clearing additional vegetation. They have been successful in attracting many species. New rafts were installed for both tern and Great crested grebe. Conservation grazing activities across the site have also had another successful year. We also continue to battle conservation issues such as ash die back and invasive vegetation control across the reserve.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

Operational objectives

- To be recognised and respected for our work.
 - To grow our resources and increase support.
 - To ensure the organisation is effective and fit for purpose.
-

Marketing Department

The Marketing Team continues to drive growth in unrestricted income generation, both through our commercial and charitable channels. BREXIT has created a huge amount of uncertainty for the future protection of our natural world, and much of our campaign work over the past year has been around raising the profile of the need to ensure better protection in a post-BREXIT environment. We have also focused on raising the profile of the benefits of nature to health and wellbeing, with the development of Wild Wellbeing days for the corporate market, and strong promotion of our MyPlace project – a partnership with the Lancashire Care NHS Foundation Trust. Our Policy and Advocacy steering group continue to scan the horizon for future threats, and focus on creating a strategic approach to dealing with the threats to local wildlife.

Recognised and respected for our work

The profile for the environment has never been higher, with a growing concern within the general public; now is the time for us to grasp this and continue to engage people with our work and our purpose. The Trust continues to grow presence both through social media and regional television, newspapers and radio. The CEO was featured in the book “100 Influential Women in the North West”. We continue to write regular features for key regional titles such as the Manchester Evening News and Lancashire Life Magazine, and our local radio appearances are now occurring on at least a weekly basis. Our My Wild City Project and 30 Days Wild campaigns continue to see a growth in engagement levels. Whilst our core audiences remain the same and appreciate the more traditional communication channels, we are constantly having to adapt to the new digital age – people want information in a more accessible and prompt way than ever before. We have grown our social media channels, with a particular focus on Instagram as the current ‘channel of choice’. We have begun a series of blogs where the quality and diversity of content is key, and invested in short video-making to tell our story, all of which are seeing an increase in engagement across our channels and a drive in traffic to our website.

Grow our resources

Membership growth continued again this year, despite a continuing challenging environment in this area. Recruiting on Trust reserves remains a key area of growth potential for the future and we continue to trial a number of methods. Our door to door scheme had a slow start, but we have now re-launched with the help of a reputable and carefully selected external agency and continue to carefully target areas identified with the most potential. We have re-structured the team slightly to allow for a renewed focus around wider individual giving, in line with our five-year individual giving strategy.

Our legacy and higher value donor income continues to be a critical contributor, allowing the Trust to focus such key unrestricted income on the areas where wildlife needs it the most. Commercially, we have increased our catering offer within the Trust and we continue to develop the offers here in line with our core values as a conservation organisation. We continue to deliver strong campaigns to drive visitors, conference delegates and wedding bookings. This provides the conservation work with much needed funds to continue into the future, whilst raising the overall profile of the Trust.

Ensure the organisation is effective and fit for purpose

Our new customer relationship management system has now been implemented across membership and volunteering. Training is ongoing, and the next phase of this system is to integrate elements of our communications and donations processing. This will allow us to respond to the growing demands for instant information in the digital age, and is also allowing us to create a clearer picture of our supporters and develop clear and relevant communications to keep them engaged. The Trust has worked with The Wildlife Trusts nationally to develop a new website for both the charity and Brockholes, which takes advantage of economies of scale across the movement, alongside ensuring we are maximising our online income generation and profile-raising opportunities. We are in the process of our GDPR review as a year has now passed since we implemented

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

our new procedures. Reviews will take place annually to ensure we remain compliant. Our mystery shops continue across our face to face recruitment activity to ensure we remain compliant with the Fundraising Regulator, and deliver our promise for respectful fundraising. We have introduced a new social media management system, to allow us to respond and manage these channels more effectively. We have also conducted a full review of our legacy administration procedures. We continue to deliver in-house membership recruitment training to ensure all relevant staff are confident and competent in this area.

Fundraising to the public

In order to raise vital unrestricted funds to deliver our core charitable objectives, the Wildlife Trust for Lancashire, Manchester and North Merseyside undertook fundraising to the public this year in the following ways:

Delivered by carefully vetted fundraising professionals:

- Face to Face membership recruitment.
- Door to door membership recruitment.

Delivered by our skilled in-house fundraising team:

- Online membership recruitment (via our website and social media channels).
- Fundraising Appeals (directly to our members, via our website, media and social media channels).
- Legacy Fundraising (directly to our members and to those who have expressed an interest and through advertising in relevant publications).
- Face to face recruitment on reserves (through trained project officers and a dedicated Membership and Visitor Engagement Officer)
- In memory and in celebration donations (via our website)
- General donations (via cash collection boxes, our website and through our membership team)
- Individual fundraising (through Just giving)

Respectful fundraising

The Trust is committed to fundraising in a respectful and appropriate way at all times. We adhere strictly to the guidelines set out by the Charity Commission, ICO, PECR and Fundraising Regulator and have adapted our processes to ensure we are also GDPR compliant under the new legislation.

Keeping high standards

The Trust has a number of ways we ensure very high standards are consistently met:

1. Communication

Good communication is key to maintaining high standards. The Trust upholds this through:

- Regular updates and meetings with our face to face and door to door fundraising teams.
- Open, clear and honest communication through all our fundraising methods directly to the donor.
- A donor care charter, highlighting the standards we will maintain to our donors and potential donors.
- A clear complaints process.
- Clear point of contact within the Trust for all queries from donors.
- Ongoing communication with our donors, so they are aware of how their contributions are being spent.
- Clear process for an individual to stop all fundraising related-contact to them through our in-house channels.

2. Training and Guidelines

- Public fundraiser guidelines are issued, ensuring all fundraising regulations are adhered to from solicitation statements and Identification to protecting vulnerable individuals and appropriate respectful fundraising techniques.
- Initial training is delivered at the point of recruiting the fundraiser, and then enhanced throughout their time with the Trust through regular meetings and communications.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

- Formal agreements are in place between all professional fundraisers and the Trust which details the standards required.
- Regular training and monitoring of changes to regulations is ensured to all fundraisers, both professional and within our skilled in-house team.
- Guidelines, policies and procedures around vulnerable individuals are also in place.

3. Monitoring and assessment

The Trust adopts a layered approach to the monitoring and assessment of fundraising. Our public face to face fundraising team are monitored by our in-house membership development officer. All fundraising approaches are agreed on in advance by a skilled team, carefully considering the messaging, approach and ongoing communications. We also use a third party mystery shopper, to monitor our fundraising approaches to the public, and are subject to random checks through the Fundraising Regulator. We take our responsibility as fundraisers very seriously and strive to deliver the best.

4. Complaints

There have been no complaints received by the Trust about activities for the purpose of fund-raising.

5. Protecting Vulnerable Individuals

All our professional fundraisers are fully trained and aware of our process around vulnerable individuals. Should they identify an individual, they are fully trained in how to cease fundraising in a respectful way. Our public fundraising team also have minimum ages regarding who they will approach.

Financial Review

The year ended 31 March 2019 has been a year where the Trust has continued to stabilise on a number of fronts. Our unrestricted net income during the year was £29k. Our unrestricted net asset reserves were reduced by £97k to £556k and our unrestricted fixed asset reserves increased by £51k. Our cash balances have increased by £0.7m to £1.7m. We have also been able to invest in new facilities in some of our Nature Reserves and expand and enhance our activities. Overall we continue to maintain a healthy financial platform from which to move forward in a time of reducing funding opportunities and economic pressures.

Financial Activities

As has been mentioned earlier in this report, the Trust's membership income rose by 1.5% to £924k (2018: £911k) during the year owing to the continued work by our Marketing Department.

In addition, overall incoming resources and resources expended improved with net incomings of £408k (2018: net outgoings of £93k), which includes depreciation and amortisation of £554k (2018: £548k). This turnaround in net outgoings reflected an increase in both grant and membership income combined offset by a higher depreciation charge. The operational financial performance of Brockholes was improved on last year, but this was mainly due to changes in the management structure and associated cost savings.

Balance Sheet

The level of fixed asset expenditure increased in the year following investment in machinery and equipment at Mere Sands Wood nature reserve, and the need to renew some equipment at Brockholes. The overall value of fixed assets fell by approximately £378k as a result of depreciation on the existing assets. Our Investments rose by £11k to £228k. The level of debtors and creditors have both decreased during the year.

Cash Flow

Cash balances have increased by £686k in the year to £1,706k.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2019**

Future Outlook

We continue to be very successful in bidding for funds to support and expand our core activities, and take advantage of wildlife support opportunities, such as land acquisitions to enhance biodiversity and community access.

Whilst the future funding scenario is unsure we will explore potential options to identify and secure income generation to support our core priorities.

The future outlook for the organisation is dependent on the skills, knowledge and experience of Trustees and staff. Key issues to be considered are:

- The implications of Brexit.
- Income loss from public sector.
- Reduced environmental expertise within the public sector throwing a greater pressure on environmental NGOs to fill the gap.
- The strength in being able to share intelligence on issues with 47 Wildlife Trusts and other environmental bodies.
- Refining our understanding of future influences.
- Opportunities to enhance the business model into other areas.
- Brockholes is getting closer to a making a financial contribution to the Trust.
- Maximising catering revenue across the Trust.

The implementation of the Big Lottery, Our Environment Our Future programme, which aims to reconnect young people to the environment and support mental health wellbeing is a major programme running over the next several years. Associating the health agenda with the benefits gained from the natural environment is continuing to grow, with further work planned in Lancashire and Greater Manchester. This is being augmented by funding from the European Programme and being considered for further funding. There are also discussions ongoing with local authorities about countryside and land portfolios which they wish to transfer to sympathetic owners for future public benefit and enjoyment.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2019**

Principle Risks and Uncertainties

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the strategic and operational risks the Charity has and could be exposed to. A risk register is annually reviewed and updates made quarterly. The Trust's senior management team meet every two weeks to discuss any principle risks and how to manage these.

Risk	Mitigations
Cash flow and income generation continues to dominate our current risk analysis. In particular income loss to the Trust due to changes in public sector and EU funding	<ul style="list-style-type: none"> As last year, we continue to strengthen our internal controls and to operate tight budget setting. We are introducing a new financial system to improve spotting trends, monthly monitoring and management reporting. We continue to secure new sources of income and diversify our funding sources, whilst exploring new ways of generating sustainable sources of income.
Loss of Wildlife Legislation	<ul style="list-style-type: none"> Working locally and as part of a National Campaign to influence the New Environment Act. In order to protect existing legislation into the future and ensure proper enforcement controls are created. Part of a National Campaign to influence the Governments 25-year Environment Plan. Sharing best practice and innovative solutions wherever possible with Defra.
Economic pressures, competition and consumer behaviour changes impact negatively on voluntary income.	<ul style="list-style-type: none"> We have restructured our fundraising team, joined the Fundraising regulator and put in place mystery shopping. Our new CRM system enables us to ensure member preferences are followed. Continued development of member benefits helps retention, whilst encouraging people to join the trust. We focus on individual giving such as legacies, appeals, donations as well as pure membership income.
Capital Asset replacement of vehicles, IT systems and equipment	<ul style="list-style-type: none"> Continues to be a risk which is being addressed through capital investment planning.
Attacks or failure to the IT systems	<ul style="list-style-type: none"> Periodic data cleansing through the new GDPR systems. Routine back-up systems in place.
Ensuring that Trust growth is covered by appropriate systems and compliance measures. Providing sufficient resources to match ambition without overstressing staff.	<ul style="list-style-type: none"> A new web site The implementation of the new General Data Protection Regulations. A new membership administration system. Commissioning a new finance system. A new automated Human Resources system. A new online wellbeing support system. Planning for expansion of H&S personnel and the provision of online resources.
Child welfare/Safeguarding of vulnerable persons	<ul style="list-style-type: none"> A Trustee with responsibility for safeguarding has been appointed. Safeguarding is now a standing agenda item on SHE Committee meetings. Staff leads also in place with ongoing review of safeguarding policies, systems and training. Risk assessments carried out by staff in potentially vulnerable situations.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

Safety, Health and Environmental Performance (SHE)

The Safety, Health and Environment (SHE) Committee is responsible to support the CEO, Trustees, Management and Employees for the delivery of SHE within the Trust.

Sadly, a volunteer died during a work party at Mere Sands Wood Nature Reserve in November 2018. This accident has been thoroughly investigated by the Wildlife Trust and the Health and Safety Executive. An inquest is to be held at some point in 2019.

A suite of key performance indicators has been produced to monitor ongoing SHE performance, significant outputs of which have been:

- 3 internal audits of Trust sites undertaken and detailed action plans produced. Additional audits of workshops and building fire systems took place.
- The induction, training and refresher training of staff continues to perform well and our annual review of staff performance interviews now covers SHE more comprehensively. Work station audits have taken place.
- Work continued on updating and improving SHE management systems, the monitoring accidents/incidents and accident investigation to inform ongoing improvements.
- A number of revised guidance documents that included Travelling and the Use of Firearms were produced.
- A new 'Child, Young People and Adult Safeguarding Policy' was in development alongside staff guidance and an active training programme.

The Trust lost two days' work through an ankle injury to a staff member.

Investment policy

The Trustees now have an investment policy in place that allows them to rely on specialist investment managers to maximise the charity's total return from its investments, consistent with a moderate level of risk and a socially responsible investment (SRI).

At present the Trust has only one external investment. Under a specific endowment fund the Trust has invested in collective investment funds, managed by an external specialist manager, for the purposes of providing income, in the form of dividends and interest, to support the maintenance of Freemans Pool, a parcel of land near Heysham. The performance of the investment is reviewed on a regular basis and is measured against overall market performance. In the event of under-performance, the Trustees would consider placing the investment elsewhere.

Financial Reserves

The Trust's financial reserves are made up of permanent endowment funds of £712k (2018: £725k), and a variety of restricted and unrestricted funds. Total funds as at the 31st March 2019 were £12,234k (2018: £11,826k).

Restricted Funds

The Trust has a number of restricted funds where the donor restricts the purpose for which the funds can be used. As at 31st March 2019 restricted funds were £10,503k (2018: £10,111k) including fixed assets of £6,932k. Further details of these funds and the purposes for which they are intended are provided in note 23. There has been a net increase in restricted funds during 2018-19 of £392k which is due to an increase in income of £571k mainly from landfill tax. Expenditure related to this funding will be made in 2019-20, including a land purchase in April 2019.

Unrestricted Funds

The remainder of the Trust's funds is held in a general unrestricted fund, which as at 31st March 2019 was £1,019k (2018: £990k).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

Reserves policy

The Trust has established a financial reserves policy to cover for unexpected reductions in short-term income. Under the policy the Trust aims to hold sufficient unrestricted reserves in sufficiently liquid form (i.e. as net current assets) to enable it to cover 3 months of core operating expenditure (excluding depreciation). Core operating expenditure excludes expenditure funded by restricted or endowment funds. Based on the budget for the coming year the Trust has calculated that the level of reserves required under this policy to be approximately £719k. At 31st March 2019 the Trust had £556k (2018: £653k) of unrestricted net current assets and has plans in place to increase reserves to the preferred level.

Remuneration Policy

The Trust is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The Personnel Committee, in conjunction with the Finance Committee, use a job evaluation matrix for determining salary grades and differentials.

The overall objective of the policy is to ensure that the management team is provided with appropriate incentives to encourage performance and, in a fair and responsible manner, be rewarded for their individual contributions to the success of the Trust.

The appropriateness and relevance of the remuneration policy is reviewed annually and includes references to comparisons with other public sector and charitable organisations, particularly other Wild Life Trusts.

Structure, Governance and Management

Legal Entity

The Lancashire Wildlife Trust Limited is a company limited by guarantee and is a registered Charity. The Group includes Lancashire Wildlife Trust's subsidiary company Brockholes Enterprises Limited.

Governing Document and Constitution

The Charity is governed by the Articles and Memorandum of Association for the incorporated company. The governing documents instruct the Trustees to act in a way to promote the objects of the Charity.

Organisation Structure

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

A Board of Trustees consisting of up to 30 Trustees, governs the Trust. Trustees are elected at the Annual General Meeting in accordance with the Memorandum and Articles of Association. Trustees can also be co-opted by Council and serve until the next Annual General Meeting. The Trustees are Trustees of the Charity (according to charity regulations) and serve as the directors of the Company for the purpose of the Companies Act and are the officers of the Company. The Trustees are responsible for all policymaking and budgetary decisions. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Trust, including management of staff.

In addition, the Charity has established the following advisory groups and committees:

- Management Action Group
- Personnel Committee
- Finance Committee
- Safety, Health and Environment Committee
- Conservation Committee
- Reserves Acquisition
- Succession Committee

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st MARCH 2019

Method of election of Trustees

Trustees have implemented a new recruitment and retirement drive, 4 new Trustees were elected by the members at the Annual General Meeting of the Charity in October after being nominated and seconded by Members as required by the Charity's Articles of Association. The new system has and will increase diversity on the Board. All Trustees must stand for re-election every 3 years and now have limited terms in office.

Induction and training of Board members

Trustees' skills are reviewed regularly as part of the recruitment process to ensure a broad and balanced group. A new induction pack was commissioned. New Trustees were inducted into the charity by discussions between themselves and other Trustees, and members of staff, as opportunities arose. A more formal induction presentation was also given. Trustees were presented with background information and given access to a Trustee Team site with additional information and communication options.

Related parties

The Charity is a member of the Wildlife Trusts Partnership (registered as the Royal Society of Wildlife Trusts, registered charity number 207238), which acts as an umbrella body carrying out lobbying and public relations on behalf of all 47 Wildlife Trusts. Partners have the use of the Wildlife Trusts' logo and benefit from the resources, best practice and speciality experience of other member trusts. Membership gives the Charity a national voice and profile, as well as respectability by association for those unfamiliar with its particular work.

The Charity is a member of Lancashire Environmental Fund Limited ("LEF") with the power to appoint one Trustee to the Board. Full details of transactions with LEF are given in note 30 to the financial statements.

Statement of the Board's responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31st MARCH 2019**

Statement as to disclosure of information to auditors

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

The Report of the Members of Board, which includes the Strategic Report on pages 3 to 16, were approved by the Board on 25th July 2019 and signed on their behalf:

S Garland, Chairman

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31st MARCH 2019**

Independent Auditor's Report to the Members and Trustees of The Lancashire Wildlife Trust Limited.

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31st MARCH 2019

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 15, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31st MARCH 2019**

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Tracey Johnson (Senior Statutory Auditor)

for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2019

	Notes	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Income and endowments from:						
Donations and legacies	2	1,123	156	-	1,279	1,090
Charitable activities	3	1,056	2,576	-	3,632	3,081
Other trading activities	4	1,145	-	-	1,145	1,085
Investments	5	-	-	6	6	5
Total		3,324	2,732	6	6,062	5,261
Expenditure on:						
Raising funds	6	1,604	22	4	1,630	1,610
Charitable activities	7	1,640	2,326	25	3,991	3,699
Other	8	43	-	-	43	41
Total	9	3,287	2,348	29	5,664	5,350
Net (losses)/gains on investments		-	-	10	10	(4)
Net income / (expenditure)		37	384	(13)	408	(93)
Transfers between funds		(8)	8	-	-	-
Net movement in funds		29	392	(13)	408	(93)
Reconciliation of funds						
Total funds brought forward	23	990	10,111	725	11,826	11,919
Total funds carried forward		1,019	10,503	712	12,234	11,826

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.

A full breakdown of the comparative figures is given in note 31.

The notes on pages 23 to 43 form part of these accounts

**CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31ST MARCH 2019**

	Notes	Group		Charity	
		2019 £'000	2018 £'000	2019 £'000	2018 £'000
Fixed assets:					
Intangible fixed assets	13	46	-	46	-
Tangible fixed assets	14	7,345	7,677	7,283	7,622
Heritage assets	15	2,778	2,778	2,778	2,778
Investments	16	228	217	228	217
Total fixed assets		10,397	10,672	10,335	10,617
Current assets:					
Stocks	18	27	26	3	5
Debtors	19	1,109	1,344	1,163	1,366
Cash at bank and in hand		1,706	1,020	1,593	914
Total current assets		2,842	2,390	2,759	2,285
Liabilities:					
Creditors: falling due within one year	20	(905)	(1,061)	(760)	(901)
Net current assets		1,937	1,329	1,999	1,384
Creditors: falling due after more than one year	22	(100)	(175)	(100)	(175)
Total net assets		12,234	11,826	12,234	11,826
The funds of the charity:					
Endowment funds	23	712	725	712	725
Restricted funds	23	10,503	10,111	10,503	10,111
Unrestricted funds	23	1,019	990	1,019	990
		12,234	11,826	12,234	11,826

These accounts were approved by the Board on 25th July 2019.

.....
Steve Garland - Chairman

.....
John Drury - Treasurer

The notes on pages 23 to 43 form part of these accounts

Company number 00731548

CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31ST MARCH 2019

	Notes	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Cash flows from operating activities:					
Net cash provided by operating activities	27		1,006		202
Cash flows from investing activities:					
Dividends, interest and rents from investments		6		5	
Purchase of property, plant and equipment		(229)		(180)	
Purchase of intangible assets		(47)		-	
Net cash used in investing activities			(270)		(175)
Cash flows from financing activities:					
Loan repayment		(50)		(25)	
Net cash used in financing activities			(50)		(25)
Change in cash and cash equivalents in the reporting period			686		2
Cash and cash equivalents at the beginning of the reporting period	28		1,020		1,018
Cash and cash equivalents at the end of the reporting period			1,706		1,020

The notes on pages 23 to 43 form part of these accounts

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019****1. ACCOUNTING POLICIES****1.1 Basis of accounting**

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

The Trustees confirm that the Charity is a public benefit entity.

The Trustees have considered the appropriateness of the going concern assumption and believe it is appropriate to prepare the financial statements on this basis due to the Trust's level of reserves and agreed funding.

1.2 Group accounts

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.3 Company status

The Trust is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

1.4 Fund accounting

General funds are unrestricted funds which are 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are capital funds which the Charity is legally prevented from spending and must retain intact as part of the Charity's capital. The permanent endowment fund is represented by the nature reserves of the Charity and the expendable endowment fund is represented by The Barn Resource Centre, and land at Freeman's Pool.

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)****1. ACCOUNTING POLICIES (continued)****1.5 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Restricted income is included in the restricted income and expenditure account when receivable.

Each legacy and bequest entitlement is recognised as an incoming resource once a reasonably reliable estimate of its value can be made and when it is reasonably certain of the ultimate receipt. Where the Trust is left part of the residue of the estate, recognition is normally the date when payment or a letter of notification from the solicitor advising of the likely amount is received.

Grants receivable for activities are credited to income upon entitlement.

Contract income comes from a number of sources, including income from companies who request data and information, and from government bodies. Payments generated from an invoice are treated as contract income and are recognised in the year they are earned rather than received.

Donations are recognised as income when the donation is made.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

1.6 Resources expended

Expenditure is recognised when it is incurred and is reported gross of related income in the following bases:

Cost of generating funds comprises the costs associated with attracting voluntary income and the costs of other income generation.

Charitable expenditure comprises direct expenditure including direct staff costs attributable to the Charity's activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources as detailed below.

Governance costs include those costs incurred in the governance of the Charity's assets and are associated with constitutional and statutory requirements.

Support costs include the central functions and have been allocated to activity cost categories on the basis of staff numbers. All support costs have been treated as unrestricted expenditure as they relate to the overall running of the Charity.

1.7 Intangible fixed assets

Intangible assets comprise cost of computer systems. Intangible fixed assets are amortised over 10 years.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

1. ACCOUNTING POLICIES (continued)

1.8 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised at cost.

Depreciation is not provided on freehold and long leasehold land or land acquired by the Trust for nature reserves. Long leasehold is considered to have a useful life of more than fifty years.

Depreciation is provided on all tangible fixed assets, other than land and nature reserves, at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and buildings	-	4% - 20%	straight line
Motor Vehicles	-	33 $\frac{1}{3}$ %	straight line
Furniture, fittings and equipment	-	20%	straight line

Donated assets, other than nature reserves, are included at fair value at the date of acquisition.

1.9 Heritage assets

The Charity's objects include the conservation of nature for the purpose of study and research and to educate the public in the understanding and appreciation of nature, the awareness of its value and the need for its conservation. As such the Charity owns and maintains a number of nature reserves that fall into the definition of heritage assets in accordance with Charity SORP. These assets have been capitalised at cost at the date of acquisition, and being land in nature, have not been depreciated.

The costs of maintaining the heritage assets are expensed through the Statement of Financial Activities as incurred, as part of the Trust's charitable activities.

1.10 Investments

Investments held in the nature of fixed assets are stated at market value. Gains and losses on disposal and revaluation are credited/charged to the Statement of Financial Activities in the year in which they arise.

1.11 Stocks

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

1.12 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

1.14 Critical accounting estimates and areas of judgement

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will be, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are discussed below:

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase.

As standard, a useful economic life of 5-25 years is set for land and buildings, 3 years for motor vehicles and 5 years for furniture, fittings and equipment.

There are no critical areas of judgement.

2. Donations and legacies

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Membership	924	-	-	924	911
Donations	118	156	-	274	137
Legacies	75	-	-	75	27
Donated goods and services	4	-	-	4	9
Other	2	-	-	2	6
	1,123	156	-	1,279	1,090

3. Charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Grants	208	2,576	-	2,783	2,372
Primary purpose trading	848	-	-	849	709
	1,056	2,576	-	3,632	3,081

The following grants and related expenditure are included in the restricted funds in the consolidated of financial activities and as a funding requirement are highlighted below:

- The Community Fund (Our Bright Future) – My Place £197,261.
- European Social Fund – My Place £250,441.
- Esmee Fairbairn Foundation – Our Irish Sea £12,374
- Esmee Fairbairn Foundation – My Wild City £60,000
- Department for Communities and Local Government – Coastal Communities Fund: Lancashire's Living Seas - £12,040

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

4. Other trading activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Brockholes visitor centre	1,057	-	-	1,057	897
Visitor centre shops	21	-	-	21	23
Rent and room hire	15	-	-	15	102
Other	52	-	-	52	63
	1,145	-	-	1,145	1,085

5. Investment income

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Dividends	-	-	6	6	5
	-	-	6	6	5

6. Expenditure on raising funds

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Brockholes visitor centre	1,030	-	-	1,030	985
Membership recruitment	186	2	2	190	311
Marketing and advertising	362	21	2	385	285
Other	26	(1)	-	25	29
	1,604	22	4	1,630	1,610

7. Expenditure on charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Operations and people engagement	453	1,259	10	1,722	1,704
Conservation	872	406	10	1,288	1,305
Education	315	661	5	981	690
	1,640	2,326	25	3,991	3,699

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

7. Expenditure on charitable activities (continued)

	Direct Costs £'000	Support £'000	2019 £'000	2018 £'000
Operations and people engagement	1,590	132	1,722	1,704
Conservation	1,153	135	1,288	1,305
Education	921	60	981	690
	3,664	327	3,991	3,699

8. Other expenditure

	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
RSWT levy	40	-	-	40	38
Loan interest	3	-	-	3	3
	43	-	-	43	41

9. Total expenditure

	Direct Staff Costs £'000	Other direct costs £'000	Support £'000	Governance £'000	2019 £'000	2018 £'000
Raising funds	767	764	86	13	1,630	1,611
Operations and people engagement	827	763	122	10	1,722	1,704
Conservation	692	461	124	11	1,288	1,304
Education	597	324	55	5	981	690
Other	-	43	-	-	43	41
	2,883	2,355	387	39	5,664	5,350

Total resources expended are stated after charging:

	2019 £'000	2018 £'000
Auditors remuneration		
- audit	10	10
- taxation services	1	1
Depreciation	553	548
Amortisation	1	-
Loss on disposal of tangible fixed assets	8	-
Amounts payable under operating leases	3	19

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

10. Analysis of support costs

	Raising funds £'000	Operations and people engagement £'000	Conservation £'000	Education £'000	Total £'000	Basis
Finance	21	49	49	21	140	(1)
Human Resources	18	12	13	6	49	(2)
Management	30	21	23	12	86	(2)
Governance	14	10	10	5	39	(2)
Premises	11	27	27	11	76	(1)
IT	5	13	13	5	36	(1)
	99	132	135	60	426	

(1) Estimated % of Charity only activities

(2) Estimated % of total Group activities

11. Staff costs

	2019 £'000	2018 £'000
The movement in the year is after charging:		
Salaries and wages	2,887	2,668
Redundancy payments	10	8
Social security costs	221	212
Other pension costs	89	63
	3,207	2,951

The average number of employees, calculated on a head count basis, analysed by function was:

	2019	2018
Operations and people engagement	44	42
Conservation	24	24
Education	28	20
Fundraising	12	12
Brockholes visitor centre	53	38
Management and administration	14	13
	175	149

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)**

11. Staff costs (continued)

We rely on volunteers to help in all aspects of our work particularly for practical conservation work, administration and fundraising.

Board's and employees' emoluments

Members of the Board did not receive any remuneration or benefits in kind during the period. Costs incurred by the Board travelling on Trust business and reimbursed to them amounted to £0 (2018: £316).

Total donations received from Members of the Board were £10,500 (2018: donations totalling £0)

One employee received emoluments of £60,000 or over in the band £60,000 - £70,000.

Total remuneration of key management personnel in the period was as follows:

	2019	2018
	£'000	£'000
Salaries and wages	295	308
Social security costs	32	33
Other pension costs	39	29
	366	370

12. Pension arrangements

The charity operates a group personal pension scheme for its employees. The assets of the scheme are held separately from those of the charity. In addition, the Charity partakes in the "auto-enrolment" pension scheme for staff not members of the company scheme. The annual contributions payable are charged to the Statement of Financial Activities in the year incurred.

Historically the Trust has an obligation for one ex-member of staff who is part of the Wildlife Trust's multi-employer defined pension scheme. The underlying assets and liabilities of the scheme cannot be identified on a reasonable and consistent basis and the scheme is accounted for as a defined contribution scheme. Based on the last valuation at 1 April 2016, the Trust's share of the scheme deficit amounted to approximately £8k (2018: £8k) and provision has been made in the accounts for this amount which is included in creditors. At 31 March 2019, there is a possibility that the Trust's liability is more than £8k. The amount of the additional contingent liability cannot be quantified at present but is not believed to be material.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

13. Intangible fixed assets

Group

	Computer Systems £'000	Total £'000
Cost		
At 1 st April 2018	-	-
Additions	47	47
Disposals	-	-
At 31st March 2019	47	47
Depreciation		
At 1 st April 2018	-	-
Charge for year	1	1
Disposals	-	-
At 31st March 2019	1	1
Net book value		
At 31st March 2019	46	46
At 31 st March 2018	-	-

Charity

	Computer Systems £'000	Total £'000
Cost		
At 1 st April 2018	-	-
Additions	47	47
Disposals	-	-
At 31st March 2019	47	47
Depreciation		
At 1 st April 2018	-	-
Charge for year	1	1
Disposals	-	-
At 31st March 2019	1	1
Net book value		
At 31st March 2019	46	46
At 31 st March 2018	-	-

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

14. Tangible fixed assets

Group

	Freehold Buildings £'000	Motor Vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 st April 2018	11,076	220	1,263	12,559
Additions	16	71	142	229
Disposals	-	(17)	(110)	(127)
At 31st March 2019	11,092	274	1,295	12,661
Depreciation				
At 1 st April 2018	3,586	179	1,117	4,882
Charge for year	450	33	70	553
Disposals	-	(17)	(102)	(119)
At 31st March 2019	4,036	195	1,085	5,316
Net book value				
At 31st March 2019	7,056	79	210	7,345
At 31 st March 2018	7,490	41	146	7,677

Charity

	Freehold Buildings £'000	Motor Vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 st April 2018	11,076	220	1,117	12,413
Additions	16	71	111	198
Disposals	-	(17)	(104)	(121)
At 31st March 2019	11,092	274	1,124	12,490
Depreciation				
At 1 st April 2018	3,586	179	1,026	4,791
Charge for year	450	33	48	531
Disposals	-	(17)	(98)	(115)
At 31st March 2019	4,036	195	976	5,207
Net book value				
At 31st March 2019	7,056	79	148	7,283
At 31 st March 2018	7,490	41	91	7,622

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

15. Heritage assets – Group and charity

The Trust's nature reserves are held to advance the conservation objectives of the charity and therefore are recognised as Heritage assets. Such assets are central to the achievements of the Trust. Purchased heritage assets are included in the balance sheet at cost.

Five-year summary of heritage asset transactions.

	2019 £'000	2018 £'000	2017 £'000	2016 £'000	2015 £'000
Cost brought forward	2,778	2,778	2,778	2,774	2,774
Purchases in year	-	-	-	4	-
Cost carried forward	2,778	2,778	2,778	2,778	2,774

It is not practical to separately identify the amount spent on maintaining these assets as it is so integral to the general work of the Trust.

16. Investments

Group and charity

The Trust has one externally managed mixed fund whose purpose is to generate income to support the maintenance of its reserve at Freemans Pool. The movement in that fund during the year was:

	£'000
Market value at 1 st April 2018	217
Movement in valuation from investment management	11
Market value at 31st March 2019	228

Analysis of investments by category of holding:

	2019 £'000	2018 £'000
Collective investment funds	208	216
Cash held as part of the portfolio awaiting re-investment	20	1
	228	217

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

16. Investments (continued)

Analysis of investment by location:

	2019 £'000	2018 £'000
Funds invested in UK	130	113
Funds invested outside UK	98	104
	228	217

17. Trading company

The charity is the sole member of a company limited by guarantee, Brockholes Enterprises Limited, and has control of all of the voting rights of that company. The company's principal activity is the operation and day-to-day management of the Brockholes visitor attraction centre. It is registered in England and Wales.

A summary of its financial affairs is as follows:

	2019 £'000	2018 £'000
Turnover	1,057	920
Other income	-	-
Total income	1,057	920
Overheads	(1,093)	(981)
Loss before interest	(36)	(61)
Interest payable	(21)	(17)
Loss for the year	(57)	(78)
	£'000	£'000
Total net liabilities	(1,090)	(1,033)

For more information on Brockholes performance and the justification for the trustees' confidence and ongoing support please refer to the Brockholes accounts.

18. Stocks

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Visitor centre retail and food stocks	27	26	3	5

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

19. Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	567	381	536	362
Prepayments and accrued income	536	958	501	927
Other debtors	6	5	6	5
Amounts due from subsidiary undertaking	-	-	120	72
	1,109	1,344	1,163	1,366

20. Creditors: Amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	250	373	171	283
Social security and other taxes	54	53	54	54
Accruals and deferred income	205	215	163	162
VAT	69	55	43	37
Other creditors	252	315	254	315
Loan due to RSWT	75	50	75	50
Amounts owed to subsidiary undertaking	-	-	-	-
	905	1,061	760	901

21. Deferred income

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Deferred income at 1 April	38	28	38	28
Released from previous years	(38)	(19)	(38)	(19)
Resources deferred in the year	34	29	34	29
Deferred income at 31 March	34	38	34	38

22. Creditors: Amounts falling due after more than one year

Group and Charity

	2019 £'000	2018 £'000
Loan due to RSWT	100	175

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

22. Creditors: Amounts falling due after more than one year (continued)

The loan is repayable as follows:

	2019 £'000	2018 £'000
Amounts falling due within 1-2 years	100	75
Amounts falling due within 2-5 years	-	100
	100	175

Interest rates payable on the loan are as follows:

1st April 2019 – 31th March 2020

Bank of England base rate + 1.0%

Thereafter

Bank of England base rate + 7.0%

The loan is secured on a piece of land at Cut Acre with comparable value.

23. Statement of funds

Group

Current Year	Balance at 1st April 2018 £'000	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31st March 2019 £'000
Unrestricted						
General funds	990	3,324	(3,287)	-	(8)	1,019
Restricted						
Raising funds	24	156	(22)	-	8	166
Operations and people engagement	9,385	1,289	(1,258)	-	-	9,416
Conservation	575	632	(406)	-	-	801
Education	127	655	(662)	-	-	120
	<u>10,111</u>	<u>2,732</u>	<u>(2,348)</u>	<u>-</u>	<u>8</u>	<u>10,503</u>
Endowment						
Permanent endowment funds	211	-	-	-	-	211
Expendable endowment funds	514	6	(29)	10	-	501
	<u>725</u>	<u>6</u>	<u>(29)</u>	<u>10</u>	<u>-</u>	<u>712</u>
Total funds	11,826	6,062	(5,664)	10	-	12,234

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

23. Statement of funds (continued)

Group

Prior Year	Balance at 1st April 2017 £'000	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31st March 2018 £'000
Unrestricted						
General funds	818	3,095	(2,923)	-	-	990
Restricted						
Raising funds	97	24	(12)	-	(85)	24
Operations and Conservation	9,966	736	(1,317)	-	-	9,385
Education	178	902	(590)	-	85	575
	102	499	(474)	-	-	127
	<u>10,343</u>	<u>2,161</u>	<u>(2,393)</u>	<u>-</u>	<u>-</u>	<u>10,111</u>
Endowment						
Permanent	211	-	-	-	-	211
Expendable	547	5	(34)	(4)	-	514
	<u>758</u>	<u>5</u>	<u>(34)</u>	<u>(4)</u>	<u>-</u>	<u>725</u>
Total funds	11,919	5,261	(5,350)	(4)	-	11,826

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

23. Statement of funds (continued)

Charity

Current Year	Balance at 1 st April 2018 £'000	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31 st March 2019 £'000
Unrestricted						
General funds	990	2,824	(2,787)	-	(8)	1,019
Restricted						
Raising funds	24	156	(22)	-	8	166
Operations and people engagement	9,385	1,289	(1,258)	-	-	9,416
Conservation	575	632	(406)	-	-	801
Education	127	655	(662)	-	-	120
	<u>10,111</u>	<u>2,732</u>	<u>(2,348)</u>	<u>-</u>	<u>8</u>	<u>10,503</u>
Endowment						
Permanent endowment funds	211	-	-	-	-	211
Expendable endowment funds	514	6	(29)	10	-	501
	<u>725</u>	<u>6</u>	<u>(29)</u>	<u>10</u>	<u>-</u>	<u>712</u>
Total funds	11,826	5,562	(5,164)	10	-	12,234

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2019 (continued)**

23. Statement of funds (continued)

Charity

Prior Year	Balance at 1 st April 2017 £'000	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31 st March 2018 £'000
Unrestricted						
General funds	818	2,199	(2,027)	-	-	990
Restricted						
Raising funds	97	24	(12)	-	(85)	24
Operations and people engagement	9,966	736	(1,317)	-	-	9,385
Conservation	178	902	(590)	-	85	575
Education	102	499	(474)	-	-	127
	10,343	2,161	(2,393)	-	-	10,111
Endowment						
Permanent endowment funds	211	-	-	-	-	211
Expendable endowment funds	547	5	(34)	(4)	-	514
	758	5	(34)	(4)	-	725
Total funds	11,919	4,365	(4,454)	(4)	-	11,826

Endowment Funds

The permanent endowment fund is represented by certain nature reserves of the Charity. The expendable endowment fund is represented by the construction of The Barn Resource Centre and an endowment that has been invested to generate income to cover the maintenance costs at Freeman's Pool.

Restricted Funds

The balances on the restricted funds comprise:

- The balance of restricted income yet to be expended in the delivery of the projects specified in the funding application; and
- The net book value of fixed assets funded by restricted income.

Due to their number it is not practical to provide information for all projects. The balance at 31st March 2019 includes:

- Net book value of Brockholes Visitor Centre £ 6,056,000
- Mosslands Nature Reserves £ 954,000
- Net book value of Bolton Environmental Resource Centre £ 615,000

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

24. Analysis of net funds between funds

Group

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Intangible fixed assets	46	-	-	46	-
Tangible fixed assets	147	6,932	266	7,345	7,677
Heritage assets	370	2,196	212	2,778	2,778
Investments	-	-	228	228	217
Net current assets	556	1,375	6	1,937	1,329
Long term liabilities	(100)	-	-	(100)	(175)
	1,019	10,503	712	12,234	11,826

Group

Prior Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2018 £'000	2017 £'000
Tangible fixed assets	142	7,239	296	7,677	8,045
Heritage assets	370	2,196	212	2,778	2,778
Investments	-	-	217	217	221
Net current assets	653	676	-	1,329	1,100
Long term liabilities	(175)	-	-	(175)	(225)
	990	10,111	725	11,826	11,919

Charity

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Intangible fixed assets	46	-	-	46	-
Tangible fixed assets	85	6,932	266	7,283	7,622
Heritage assets	370	2,196	212	2,778	2,778
Investments	-	-	228	228	217
Net current assets	618	1,375	6	1,999	1,384
Long term liabilities	(100)	-	-	(100)	(175)
	1,019	10,503	712	12,234	11,826

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

24. Analysis of net funds between funds (continued)

Charity

Prior Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2018 £'000	2017 £'000
Tangible fixed assets	87	7,239	296	7,622	7,982
Heritage assets	370	2,196	212	2,778	2,778
Investments	-	-	217	217	221
Net current assets	708	676	-	1,384	1,163
Long term liabilities	(175)	-	-	(175)	(225)
	990	10,111	725	11,826	11,919

25. Members guarantee

The liability of each member is limited to £1.

26. Commitments under operating leases

At 31st March 2019 the Group and Charity had total commitments under non-cancellable operating leases as follows:

	2019 £'000	2018 £'000
Equipment		
Within 1 year	3	2
Between 1 and 2 years	2	2
Between 2 and 5 years	3	5
	8	9
Property		
Expiring between 2 and 5 years	-	-

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

27. Capital commitments

At the 31st March 2019 the group had no contracted future capital expenditure not provided for in these financial statements (2018: £26,335)

28. Reconciliation of net expenditure to net cash flow from operating activities

	2019	2018
	£'000	£'000
Net income/(expenditure) for the year (as per statement of financial activities)	408	(93)
Depreciation and amortisation	554	548
Loss on disposal of tangible fixed assets	8	-
Losses/(gains) on investments	(10)	4
Dividends from investments	(6)	(5)
(Increase) / decrease in stocks	(1)	(4)
(Increase)/decrease in debtors	235	(482)
Increase/(decrease) in creditors	(182)	234
Net cash inflow from operating activities	1,006	202

29. Analysis of cash and cash equivalents

	2019	2018
	£'000	£'000
Cash in hand and at bank	1,706	1,020

30. Related parties

The Lancashire Wildlife Trust Limited is a member of Lancashire Environmental Fund Limited ("LEF") with the power to appoint one Trustee to the board. Mr J Drury, a Trustee of the charity, was the charity's appointed Trustee on the LEF board during the year. During the year the charity provided management, organisational, administrative and supervision services to LEF for which £87,494 (2018: £90,907) was received in the statement of financial activities.

A balance of £16,413 (2018: £141,939) was due from LEF at 31st March 2019. This comprised outstanding grants of £10,012 (2018: £134,914) and service charges of £6,401 (2018: £7,025). Grants totalling £80,750 (2018: £108,965) have been awarded to Lancashire Wildlife Trust by LEF during the year.

It is the charity policy that Trustees must inform the board of their interests in grant applications at the start of Board meetings. The interested Trustee will not participate during the consideration of these applications. In the case of the Chairman having an interest in an application, the Chair is taken by the Vice-Chairman.

A donation of £10,000 has been received from a Trustee in the year as match funding for a project. An unrestricted donation of £500 has been received from a Trustee in the year.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2019 (continued)**

31. Comparative SOFA information

	Notes	Unrestricted £'000	Restricted £'000	Endowment £'000	2018 £'000
Income and endowments from:					
Donations and legacies	2	1,046	44	-	1,090
Charitable activities	3	964	2,117	-	3,081
Other trading activities	4	1,085	-	-	1,085
Investments	5	-	-	5	5
Total		3,095	2,161	5	5,261
Expenditure on:					
Raising funds	6	1,594	12	4	1,610
Charitable activities	7	1,288	2,381	30	3,699
Other	8	41	-	-	41
Total	9	2,923	2,393	34	5,350
Net (losses)/gains on investments		-	-	(4)	(4)
Net expenditure		172	(232)	(33)	(93)
Transfers between funds		-	-	-	-
Net movement in funds		172	(232)	(33)	(93)
Reconciliation of funds					
Total funds brought forward	22	818	10,343	758	11,919
Total funds carried forward		990	10,111	725	11,826

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.