



**Lincolnshire
Wildlife Trust**

ANNUAL REPORT

and

FINANCIAL STATEMENTS

for the year ended

31 March 2023



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FINANCIAL STATEMENTS
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CHAIR'S ANNUAL REPORT

for the year ended 31 March 2023

Although COVID was still prevalent, most restrictions were lifted during this year, and life started returning to normal. We were able to celebrate this by holding a social get-together for all staff and Trustees at Doddington Hall in September, the first time we had all managed to meet up since 2019. It was a chance to catch up with old colleagues and meet new members of staff who had started working for the Trust during the epidemic. Area Groups and Watch groups were also able to start meeting again and we were able to hold the GLNP conference and Conservation Forum in person again.

This summer was the hottest in the UK since records began. Lincolnshire broke the national record, with RAF Coningsby recording a temperature of 40.3°C on the 19th July – the first time 40°C had been exceeded in the UK. A number of wild fires broke out across the county, although nothing compared to those suffered in other parts of Europe and the rest of the world. Thankfully, none of our nature reserves were affected.

It was a stark reminder, if one was needed, about the impact of climate change. As well as campaigning for changes to limit further carbon dioxide emissions, it highlighted the need to focus our attention on adaptation if our nature reserves are to withstand the effects that are already with us.

Despite these obvious threats politicians appear to show little sign of stepping up to the challenge of climate change and the loss of biodiversity. There were signs of a weakening of environmental protection laws, planning 'reforms' to fast-track developments and U-turning on environmental payments to farmers. Against the backdrop of a tumultuous year in politics, the Retained EU Law Bill was introduced into Parliament in November 2022. The effect of the Bill, if made law, would have been to remove hundreds of environmental laws, including keystone laws like the Habitats Regulations, the Water Framework Directive Regulations, the Marine Strategy Regulations and rules to govern chemicals and pesticide use, and set limits on air pollution.

Over 80 conservation organisations come together to oppose the Bill, of which The Wildlife Trusts were among the most prominent. Many of our members contacted their local MPs and signed petitions. After months of protest, the Government did significantly scale back on the final form of the Act, but fundamental issues remain as hundreds of laws are still set to be binned.

As a result of the Act, it is now easier for present and future governments to weaken or remove legal protection of species, habitats, and the environment with limited consultation and without appropriate parliamentary scrutiny.

We need to ensure that the environment is on the agenda of all the political parties, and in the minds of the voters, as we head towards an election in 2024.

Compared to our income of £5.9m in 2021/21, our reported income of £3.3m this year looks disappointing. However, last year was exceptional for a number of reasons, which were highlighted at the time. These included funding for two significant projects which had to be reported, in full, up front. In subsequent years, as work on the projects began, this would inevitably show a fall in revenue and increase in expenditure.

Legacy income fell this year, compared to previous years. This has highlighted how vital legacies are to the continued work of the Trust. We are grateful to all those who have already remembered us in their wills and our thoughts are with the family and friends of those whose legacies we have received this year.

With pressures on our traditional means of funding, it is vital that we continue to look for new and diverse sources of income. It is becoming increasingly clear that we can no longer rely on public money to finance our activities, and that private sources will need to play an increasingly greater part. One emerging area is that of Green Financing and, for this reason, it is particularly exciting to see the Trust taking a leading role in establishing a market for biodiversity and water credits in Greater Lincolnshire.

However, despite all these challenges the Trust achieved much during the year. The following Report of the Trustees highlights our many achievements against the three strategic goals of Nature in Recovery, People Taking Action and Nature-based Solutions. A number of new staff have been recruited to work in projects such as the Fens East Peat Partnership, Nextdoor Nature and Wilder Humber.

At the AGM in October, Julian Purvis stepped down as Honorary Treasurer, after five years in the role, and nine years as a member of the Board. On behalf of the Board, the staff and the members, I would like to

LINCOLNSHIRE WILDLIFE TRUST

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thank him for devoting so much of his time and energy to the Trust during those years. He was replaced as Honorary Treasurer, by Joanne Woolley, a new member of the Board.

Looking forward, we continue to celebrate the Trust's 75th anniversary. A Wild Lincolnshire Festival is to be held at Doddington Hall in September where we will be joined by many of the communities and other organisations that we have worked with across Lincolnshire.

We are also hosting The Wildlife Trusts' 'Town Hall Live' at Gibraltar Point in December. These events are a chance for staff and Trustees from across the UK to come together and share their amazing work.

The Board of Trustees has pleasure in presenting its report together with the audited accounts for the year ended 31 March 2023. The Board has adopted the provisions of the Charities SORP (FRS 102), Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing its accounts in accordance with the Financial Reporting Standard applicable in the UK (effective 1 January 2019), in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

Anita Quigley
Chair

**REPORT OF THE TRUSTEES
for the year ended 31 March 2023**

STRATEGIC REPORT

Principal Activities, Strategies, Achievements and Performance

Lincolnshire Wildlife Trust's vision is of a thriving natural world, with our wildlife and habitats playing a valued role in addressing the climate and ecological emergencies, and people inspired and empowered to take action for nature.

Our purpose is to bring wildlife back, to empower people to take action for nature, and to create a society where nature matters.

Our approach:

- We are ambitious in our desire to reverse the declines in nature. We need to increase abundance and diversity by restoring and creating habitats at scale.
- We speak authentically with a bold and confident voice, we commit to tell the truth about the state of nature and be clear about what needs to be done to put it in recovery.
- Firmly rooted in our local communities, we look after wild places, increasing people's understanding of, and connection to, the natural world, on land and at sea.
- We look to establish common cause and work in partnership with others to develop new, innovative ways to put nature in recovery.
- We demonstrate what is possible, and inspire, empower, and enable people from all backgrounds, cultures, identities and abilities to bring about our vision with us, embracing the diversity of our society to change the natural world for the better.
- If we get our approach right in Lincolnshire, and each Trust in the Wildlife Trust federation does the same, we will have a collective impact that gets it right nationally and helps address global problems.

During the year effort has focused on delivery of the strategy, working towards three goals:

Nature in Lincolnshire is in Recovery with abundant, diverse wildlife and natural processes creating wilder land and seascapes where people and nature thrive.

It is no longer enough just to protect the wildlife that remains. We will be at the forefront of efforts to reverse the declines in nature, on land and at sea. We will put nature firmly in recovery by making more space for nature and protecting and connecting habitats at a landscape scale, restoring the abundance of nature, and getting nature working again, for example by making sure our wetlands are wet, and return missing 'keystone' species.

Long hot periods experienced during the summer drought allowed for optimum feeding opportunities and nest building free from inclement weather. Insect feeding warblers fared exceptionally well, at Gibraltar Point the Bird Observatory reported "never known a year like it".

While much of the county was dry surface water remained at Anderby Marsh, the result of good winter rain backed up by the newly elevated water control structure. This supported record numbers of wintering wildfowl and 17 wader species (previously only five were recorded). Five pairs of avocet also bred on the site along with several pairs of lapwings.

Early flowering orchids did well; however, the long hot summer burnt off heather and grass. Reptiles at Kirkby Moor Nature Reserve (adder, grass snake, common lizard and slow worm) retreated from the scorched heath and found sanctuary in the damper wet heath and wet woodland. This showed that having bigger, better, more joined-up habitats on our nature reserves and initiatives such as natural flood management across the wider countryside allows wildlife to respond to climate change.

While habitat restoration and creation continue at Sow Dale near Old Bolingbroke, including naturalising river channels, a further extension has been secured with the purchase of 12.9 acres was completed in April 2023.

A small parcel of land (1.59 acres) located opposite the existing Scotton Common nature reserve was gifted to the Trust and will be known as Bailey's Field.

The Trust's 15 agri-environment schemes, covering 43 reserves, continue to deliver positive results. The statutory reporting shows the considerable effort, recording and self-inspection that staff and volunteers apply to the nature reserves. Seven of the annual roll-overs of older Higher Level Scheme agreements were converted to five years agreements and the coast and meadows Countryside Stewardship Scheme agreement was also renewed for a further five years.

The Trust's lease of Greetwell Hollow, Lincoln has ended. The original nature reserve has now been subsumed into a larger area of former quarry land which is all now facing considerable development pressure. The future of the area is best considered as a whole with the Trust able to lobby without conflicts of interest. The nature reserve is protected as open access land and needs to form part of discussions on the provision of green space as part of plans to develop the wider area.

A new colony of green-flowered helleborine has been found at Whisby Nature Park with an estimated 1,500 plants. The discovery is thought to make the nature reserve the most important site for this species in the UK.

Targeted species protection efforts delivered good results with 11 little tern chicks fledged at Gibraltar Point (the Trust's longest running species protection programme, less than 2,000 pairs in Britain), cranes at Willow Tree Fen establishing a winter roost of 20 birds and at Saltfleetby a 50% increase in natterjack toads spawn strings with all-time high of 335.

The Board of Natural England formally approved the establishment of a 'Super NNR' (National Nature Reserve) covering 30km of Lincolnshire coast from Cleethorpes to Mablethorpe. This is based on work originally proposed by the Trust and includes our nature reserves and land of a wide range of organisations.

Discussions have taken place with East Lindsey District Council and local businesses for potential gateway land to connect Skegness to the wild coast of Seacroft Site of Special Scientific Interest (SSSI), Gibraltar Point NNR and the Wash.

After many years of campaigning by The Wildlife Trusts new legislation paves the way for beavers to be released into the wild in England under licence. The legislation will provide legal protections for beavers in England, making it an offense to deliberately capture, kill, disturb, or injure beavers, or damage their breeding sites or resting places without holding the appropriate licence.

A blue fin tuna washed up on the beach at Gibraltar Point was a positive indicator of North Sea recovery.

Despite the Trust campaigning over many years, the Government decided not to designate Inner Silver Pit South as a Highly Protected Marine Area.

The Government announced in April 2022 the ban of bottom trawling from four offshore Marine Protected Areas including two off the coast of Lincolnshire, Dogger Bank Special Area of Conservation (SAC) and Inner Dowsing, Race Bank & North Ridge SAC. The byelaws came into force last summer under new powers set out within the Fisheries Act 2020, halting one of the most destructive fishing practices for parts of the North Sea.

During the year, work was undertaken in the National Character Areas of the Fens (NCA46) and the Humberhead Levels (NCA39) through two partnerships working across county boundaries on establishing the condition of peat on various nature reserves and farmed peat areas. This was funded through the Nature for Climate Peatland Discovery Grant Scheme.

Precious Peatland funds were secured through Royal Society of Wildlife Trusts (RSWT) for land acquisition, with the initial purchase of a small extension to Crowle Moor being identified and a price agreed in February 2023. Further land purchase discussions began in the area to maximise the impact of this grant.

Various surveys of local landholdings either for businesses, farmers and community groups were undertaken and management advice provided. This included helping inform the development of various rewilding sites including Boothby Wildlands, where the Trust provided green hay from the Roadside Nature Reserves we manage on behalf of Lincolnshire County Council.

Working with Yorkshire Wildlife Trust, and around 40 partner organisations, we delivered the final report for the Humber Endangered Landscape Programme Planning Grant in the previous financial year. This identified over 50 projects to recover nature on the Humber. This report was immediately picked up by the renewable energy company, Ørsted, who agreed to fund a restoration pilot on the Humber Estuary for native oysters, saltmarsh, sand dunes and seagrass. Both Trusts recruited specialists in species, habitats and data to enable the baseline surveys and consents to get underway.

The Greater Lincolnshire Nature Partnership (GLNP), hosted by the Lincolnshire Wildlife Trust has continued to represent nature in their policy working in planning, tourism, health and wellbeing and agriculture. Through the planning policy work the GLNP coordinated responses from Lincolnshire Wildlife Trust, Environment Agency and Natural England for the Central Lincs Local Plan, which was adopted in April 2023. This is a great example of partnership working across the environmental sector to input and make positive changes for nature in the local planning system. The GLNP also works on a variety of projects, currently including the Local Nature Recovery Strategy, Lincolnshire Birds Trails, Operation Water Vole and updating the Ancient Woodland Inventory. In March 2023, Defra announced the local responsible body for the Greater Lincolnshire Local Nature Recovery Strategy, Lincolnshire County Council (LCC). The GLNP with Natural England and North and North East Lincolnshire Councils have formed a working group with LCC to develop a work programme to deliver the strategy by December 2024. The GLNP also house the Lincolnshire Environmental Records Centre, which currently holds over 12 million records for the Greater Lincolnshire area. As part of the data work the GLNP also manage the Local Sites System of Local Wildlife Sites and Local Geodiversity sites. The GLNP are currently trialling a new streamlined survey method for surveying these sites, to make surveying as efficient as possible.

People in Lincolnshire are taking action for nature and the climate, resulting in better decision making for the environment at both the local level and national level.

We will work to engage and empower people of all identities, cultures, backgrounds and abilities, supporting them to value, enjoy, speak up and take action for wildlife. We will listen to our supporters, connect people together and enable and empower them to effect real change, so that we can drive better decision making for nature across the political and corporate sphere, at both the local and national level.

Volunteers are involved at every level and in every aspect of the charity's work. Volunteer roles include: membership of the Board of Trustees, running Area Groups, Voluntary Reserve Managers, Wayside Wardens, Watch Leaders, helping at visitor centres, running events, administration and much more.

The new National Lottery Heritage Fund supported Nextdoor Nature project got off to a great start. With the aim of bringing communities together to rewild their neighbourhoods the project will give people the skills, tools and opportunity to take action for nature. The focus areas are initially Boston, Cleethorpes, Gainsborough, Grimsby, Mablethorpe, Skegness and South Holland. The project is working with a wide range of organisations and communities that may not have engaged with the Trust otherwise. A game has been devised that enables groups to design their own nature spaces that have the backing of many in the community. This will lead to the groups managing and maintaining their own spaces. These include:

- a day centre for adults with additional learning needs in Boston
- a community in South Holland transforming an old playing field into a space for people and nature
- a social enterprise in Grimsby looking to develop a community growing space
- a health centre in Mablethorpe developing a wildlife garden for patients and the community to come together to design and manage it for their health and wellbeing
- a group exploring the possibility of a community country park in Gainsborough

Early indications are encouraging with over 350 people already engaged.

Many individuals and groups got hands on for nature. Plogging, a novel version of litter picking combined with jogging, was adopted in Lincoln when Indian environmentalist Vivek Gurav visited during his city tour of the UK. He had already covered over 500 miles on 150 plogging missions, joined by volunteers from 18 different countries.

Visits from schools, colleges and universities to main education centres at Gibraltar Point, Far Ings and Whisby have recovered after the interruption of the pandemic with over 3,100 school pupils and nearly 700 university students participating in learning on site. The emphasis of the programme is experience, environments, wildlife and planet. Nearly 6,000 people attended events ranging from pond dipping to art workshops.

The public engagement element of the Dynamic Dunescapes Project has resulted in nine songs being composed on the subject of dune species including orchids, amphibians and molluscs. The whole series was animated and shown online at visitor centres and conferences.

A book exclusive to members, Wild Lincolnshire – Discovering Lincolnshire's Wildlife and Wild Places was published, fifty years since the Trust's first Nature Reserves Handbook. This has been well received by new and existing members.

A new Lincolnshire Bird Trail and Gibraltar Point birdwatching guide were published. The trail is a partnership approach to link sites across the county. Both aim to help visitors get the most out of a visit to the Lincolnshire coast.

Lincoln Area Group installed 33 barn owl boxes, aiming for 50 across the area.

Area Groups and Watch Groups are run across the county by volunteers. They have put on a very full and active programme on a wide range of subjects.

It is not just our events programme which is diverse, a wide range of people attend. The Trust has put in place a programme of sensory strolls, supported by Dementia Adventure. Staff have been trained to understand hidden disabilities and to use this to help put in place additional support and measures for visitors. Staff and volunteers supported the 60th anniversary year of World Autism Acceptance Week, focussing on acceptance and understanding.

Website activity has decreased following the marked increase in users in 2021 and 2022 (peaking at 600,000) dropping back to a still impressive 528,000. Social media platforms continue to increase with a 5% growth in users this year to over 26,000.

This year saw people getting back together. During October and November conference season GLNP held a very successful conference (approximately 120 attendees) on Local Nature Recovery Strategies and the Trust's Conservation Forum had a capacity audience (approximately 110 volunteers, staff and other experts) hearing about a range of activities across Lincolnshire and beyond.

Trust staff presented at a wide range of local, regional and national conferences including working with the Lindum Rotary Club to put on a highly successful Pollinator Conference at the Epic Centre in the autumn of 2022. Staff also attended the national annual Wildlife Trust conference in September 2022 building networks and sharing learning.

The Trust informed a bid by the Biological Sciences Department at the University of Lincoln to initiate a new Master of Science in Nature Recovery. This bid was successful, and the first intake will be in 2023. Various staff are now Associate Lecturers teaching on the BSc. The relationship with the university goes from strength to strength including through work on peat restoration, the successful completion of the two national Environmental Land Management Scheme Tests for Defra and continues to sponsor the Zoology Prize named in honour of Ted Smith.

The Trust hosted a student placement from University of Anglia Ruskin and agreed with The Crown Estate to host two Marine Future Interns in the coming year.

Thanks to a generous legacy (gift in will) funds are available to support a salary or bursary along with training costs for individuals at the start of their career in nature conservation. It will be known as the 'Pyatt Picker Trainee'.

Influencing decision makers, particularly MPs, was particularly challenging during a tumultuous year in British politics. Against a background of world events it was harder to have nature's voice heard. There were signals that Government wanted to weaken the laws that protect our most important wildlife sites and row

back from a planned system of environmental payments to farmers. Supporters were encouraged to contact their local MPs and sign petitions. Meetings with MPs were held online and on nature reserves to discuss the issues.

Nature in Lincolnshire is playing a central and valued role in helping to address local and global problems.

Working in partnership with others, we will restore our natural ecosystems at scale and demonstrate what is possible in Lincolnshire, so that natural habitats can store and sequester carbon, help prevent flooding, reduce soil erosion, improve soil fertility, provide pollination services, allow nature's recovery at sea and support improvements to people's physical and mental wellbeing.

Green finance from private sources is now required to match various Government grants. The Trust has been leading work with the local planning authorities to prepare and agree a consistent approach to mandatory Biodiversity Net Gain which comes into force in November of 2023. From these two angles, it became clear that trading in ecosystem services through biodiversity and water credits was one way in addressing both the biodiversity and climate change crises. Green Investment in Greater Lincolnshire, affectionately known as GIGL, funded through the Environment Agency's Natural Environment Investment Readiness Fund has engaged landowners, housing developers, utility companies and more in understanding the barriers and challenges to setting up a fair, equitable and transparent market within Greater Lincolnshire. Hundreds of individuals and businesses have input to the process, and HM Treasury with the London Stock Exchange came to film on the subject with the Trust. GIGL will continue into 2023-24 seeing a trading mechanism being established.

The team that respond to onshore and offshore planning has responded to 108 planning applications. The period also saw a significant increase in the Trust giving pre-application advice on Nationally Significant Infrastructure Projects and other large developments, such as the South Lincolnshire Reservoir. We also formed a coalition with other environmental bodies to address the controversial plans for The Wash, where a developer is proposing a barrage and deep-sea port, which would significantly impact this internationally designated site. This was and is being strongly opposed by a wide range of organisations including the Trust.

Working with Natural England, the Trust has taken on the role of habitat delivery agent for the District Level Licencing Scheme for great crested newts. This will see newt ponds created and monitored across our area in a strategic manner, increasing habitat for wildlife. Working with delivery partners for Natural Flood Management Schemes, riparian habitat was created as part of managing flood risk. These activities create a growing need for local provenance, native flora and the Trust has continued to develop a Greater Lincolnshire Seed Bank working with the Millennium Seed Bank Team from Kew Wakehurst.

The habitat creation work at the recently acquired land at Sow Dale nature reserve has focussed initially on slowing the flow in the steep sided, straight channel running through what had been intensively farmed land. The small catchment was prone to flash flooding, with the use of leaky dams to back up water, creating variation in speed and depth of water flow and raising the water table to create marshy habitat. This work results in a more drought resilient site, reducing flood risk to surrounding areas and great for nature in and around the stream.

The grazing operation at Woodhall Spa and Snipe Dales nature reserves is an excellent demonstration of sustainable farming practice. The Red Tractor accreditation inspection for beef and lamb production noted the site was "impeccable" and the set up "fantastic". Farmers and land owners considering conservation grazing or rewilding projects have visited for advice and inspiration. The herd of pedigree Lincoln Reds now stands at around 60 head, with 24 breeding cows.

Work with a wide range of food producers, retailers, farmers and landowners has expanded including delivering land manager training events on farm with partners such as Dyson Farming and Marks & Spencer. The latter saw two events specifically focussed on Integrated Pest Management and Beneficial Insects.

The Trust has set a target of net zero greenhouse gas emissions by 2030. Working with the RSWT a common standard of assessing carbon emissions has been adopted using the pre-pandemic year 2019-20 as the baseline. Work to date has focussed on Scope one (direct emissions) and scope two (indirect emissions from electricity consumption). The baseline figure was equivalent to a dozen UK households and the overall total has dropped from 106 tCO₂e to 99 tCO₂e. This reduction is significant given that activity

undertaken by the Trust has increased by nearly a fifth (based on staff numbers) during this period. In addition to energy saving, opportunities for energy generation are being investigated and an electric vehicle was ordered to replace a diesel 4x4. Scope 3 indirect emissions are much more complicated but efforts have been made to reduce waste, staff commuting and business travel. Money is invested in a low carbon ethical investment fund.

Fundraising

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

The Trust is a registered subscriber to the Fundraising Regulator and complies with its Code of Fundraising Practice and the six guiding principles identified in CC20, the Charity Commission Guidance for Trustees on Charity Fundraising.

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

Trustees are very aware of the need to uphold the highest standards of fundraising practice to safeguard the good reputation of the Trust, which it has built up through many years of accumulated good work. Whilst day-to-day responsibility for fundraising is delegated to staff, the Trustees remain ultimately responsible and fundraising practice is regularly discussed through the work of the Board.

Membership income targets are set through the budgeting process and with the recruitment company. Targets were all met or exceeded.

Fundraising is included on the Trust's risk register which is monitored by Trustees. There is a process, including escalation to Trustees, to review complaints from members and the wider public to ensure the Trust's fundraising practice is consistently carried out and any lessons learned.

Public Benefit Statement

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

The Trust's public benefit is explicit in the new strategic goal *nature in Lincolnshire is playing a central and valued role in helping to address local and global problems* and enshrined in its charitable objects as outlined below.

Objects

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

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

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

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

4.2 *To advance education in:*

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

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

Risk Management

The Trustees continue to keep under review their assessment of the major risks to which the Trust is exposed, and have taken steps to mitigate the risks that have been identified. The risk register, in a format consistent with other Wildlife Trusts for ease of comparison, was reviewed and updated. The Finance Committee has taken responsibility for detailed discussion with the management team. The review includes consideration of the adequacy of the actions taken in response to risks identified.

Cyber threat to IT remains high and tight procedures were maintained. RSWT provided a valuable assessment of the Trust's operating arrangements and a number of changes were instigated.

Significant concerns remain over the implementation of the changed agri-environment payment scheme, Environmental Land Management Scheme. This has a bearing on income for the Trust but also impacts on nature conservation in the wider countryside by other landowners. Along with The Wildlife Trusts and other conservation charities efforts are being taken to influence Government.

Safeguarding and health and safety remain important priorities. Robust policy and procedures are in place and kept under review. External support has been provided by RSWT.

There is a risk to the financial strength of the Trust. The economic downturn and pressure on donors/grant giving bodies when set against a backdrop of increased demand on the Trust's services has resulted in the need to dip into financial reserves. Strong reserves and robust financial management are in place and there is an increase in fundraising effort.

At a global scale the effects of climate change seemed apparent with summer heatwave and drought conditions. Steps are being taken to mitigate the Trust's impact by reducing emissions and adapt its land management, while also encouraging others to do so.

Charity Governance

The Trust adopted the Charity Governance Code in 2018, updated in 2020. The aim of the code is "*to help charities and their trustees develop these high standards of governance*". Although not a legal or regulatory requirement, the code sets out principles and recommended practice for charities and Trustees who wish not only to achieve good governance but strategies to continuously improve and develop. Good governance is ensuring that the charity has adequate policies, systems and procedures in place and that these are followed. It is also about encouraging appropriate attitudes, behaviours and values.

An external Board Effectiveness Review reported in March 2022. Some recommendations have been adopted including changes to the running of meetings, Board reporting and papers and the establishment of a Finance Committee (previously Finance Monitoring Group with revised terms of reference). A Governance Development Group steers and help implement further recommendations.

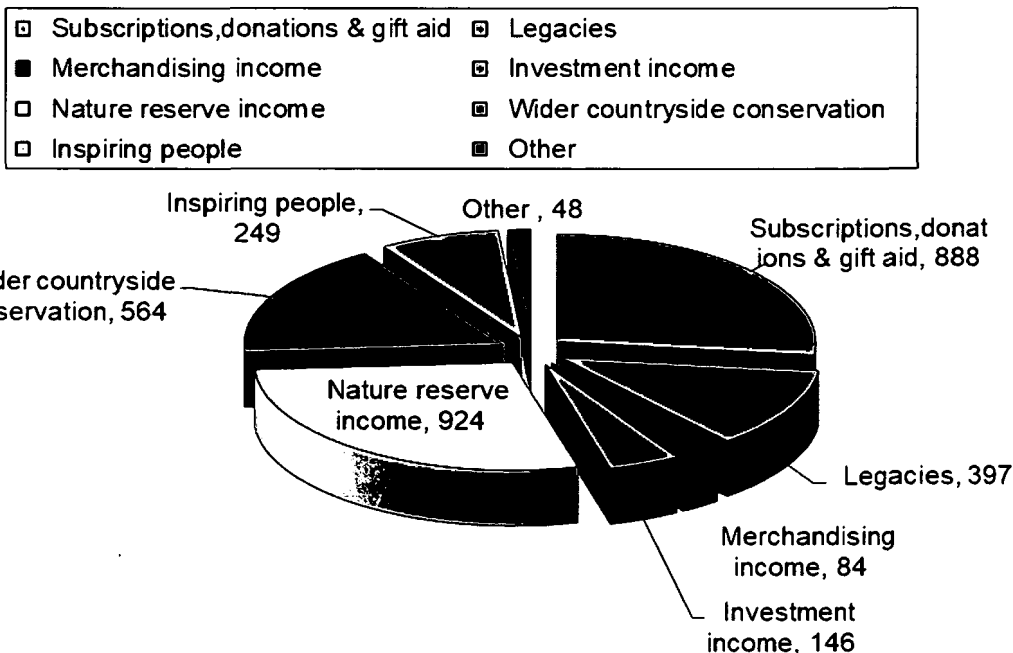
FINANCIAL REVIEW

The Trust reported total income of £3.3m in 22/23, compared to income of £5.9m in 21/22. In considering the 22/23 figures and the fall in income, it is imperative to remember the exceptional nature of the income seen last year. The elevated prior year income was, in part, due to restricted income of £3m, compared to restricted income of £1.2m in the current year. Charity accounting rules concerning the timing of income recognition, meant that last year, the Trust had to report all of the income associated with two significant projects at the start of the agreements (£1.1m). This accounting technicality made it almost inevitable that in 22/23, the Trust would report a fall in revenue, accompanied by an associated increase in expenditure as work on the projects entered into at the end of the last financial year, was undertaken.

Income

Unrestricted income also fell from £2.9m to 2.1m, primarily due to a fall in legacy income and also other income from sundry sources. As with project income in 21/22, last year's legacy figure was unusually high. In 22/23, the Trust received £398k from gifts in wills (2022 £1.1m) and remains very grateful for this support. Income from gifts in wills is essential to supporting our conservation work across Lincolnshire. The Trust received other unrestricted income from a variety of sources, including agri-environment schemes, central and local government funding, income generated from land holdings and educational and visitor activities. It remains crucial to ensuring a sound financial footing for the Trust that we retain diverse and varied sources of income.

Income £000's



Although the Trust was not able to match the almost £3m of restricted income seen in 21/22, it did receive over £1.2m in new and continuing project funding. The Greater Lincolnshire Nature Partnership (GLNP) continues to carry on its work with national and local organisations. The Dynamic Dunes project, which is supporting the cost of building volunteer accommodation at Gibraltar Point and Saltfleetby (see Fixed Assets, note 10, page 36, work in progress £106k), entered into its final stages with the first volunteers due to move in during Autumn 2023. This will allow the Trust to provide opportunities for people wanting to gain experience within the environmental sector and to provide support for staff at busy times of the year, such as the Donna Nook seal season. During the year, the wider public engagement work funded by the project also continued. The Trust has received financial support from the Environment Agency for improvement work across a number of sites (£44k). It has also been supported by the National Lottery Heritage Fund to deliver Nextdoor Nature, which aims to work with local communities across Greater Lincolnshire to help nature flourish locally. Details of individual projects can be seen in Note 18 on page 41.

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

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In 22/23, a new significant project saw the Trust, along with Yorkshire Wildlife Trust, starting to work with Ørsted to help restore biodiversity around the Humber Estuary. This will be achieved through the planting of saltmarsh and the introduction of native oysters to create a biogenic reef with funding continuing until 2027. The Trust received £237k during the first year.

Membership income rose by 6.5% from £775k to £825k, reflecting an increase in members of 1.8% from 26,013 to 26,488. The Trust's main method of sustaining membership income, by recruiting new members, involves working with Wildlife Fundraising (Central) (WFC) at our own sites and also selected third parties. WFC is a separate company, owed jointly with five other Wildlife Trusts, for the purposes of recruitment of members for its associated Trusts. Targets for recruitment, both budget and stretch, are set by WFC at the start of the financial year and agreed by the Trust. In 22/23, the agreed stretch target was exceeded by 10.9%.

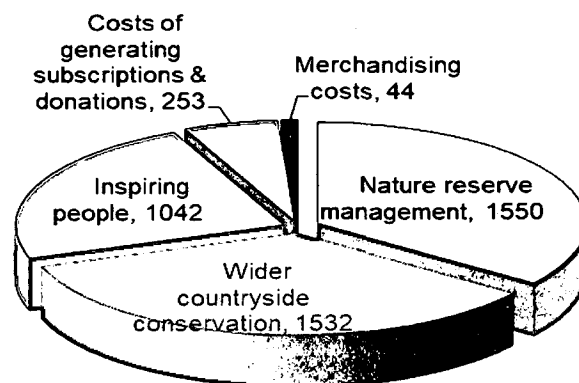
Trading income improved from £50k to £80k as the retail activities, now primarily based at the Visitor Centres of Gibraltar Point and Far Ings, together with the Donna Nook temporary shop, moved into more normal operations after the disruption of the pandemic years.

Expenditure

Unrestricted expenditure increased slightly from £2.5m to £2.6m due to a slight increase in recruitment costs and also due to general inflationary pressures. Restricted expenditure rose by 87% from £955k to £1.78m. This was as expected due to the expenditure incurred in 22/23 relating to significant peatland work and other projects. In 21/22, the Trust was required by charity accounting rules to recognise in full over £1 million arising primarily from two projects at the very start of the agreements. This is because the income at this point in time met the requirements of entitlement, measurement and probability. At the end of last year, this income was accounted for in the Trust's figures as a debtor. During the current year, expenditure relating to these projects was incurred, as the projects progressed and hence the Trust reports a restricted deficit, in contrast to the surplus reported in 21/22. This timing difference can have quite a distorting effect when any one year is viewed in isolation but such distortions do disappear when a number of years, over the life of such projects, are considered in aggregate.

Expenditure £000's

- ☐ Nature reserve management
- ☐ Wider countryside conservation
- ☐ Inspiring people
- ☐ Costs of generating subscriptions & donations
- ☒ Merchandising costs



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The Trust's investments provided a useful contribution to unrestricted income of £126k (2022 £129k) but reported an unrealised unrestricted loss of £215k (2022 gain: £361k). Further details are provided on page 37. Movements on the Trust's unrestricted investments have been added to the Conservation Fund.

Financial Reserves Policy

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

Unrestricted Funds

Unrestricted funds comprise of:

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

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

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

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

The Board has set a target range of £250k-£900k for its **Income Resilience Fund**. In view of the current economic challenges and the ongoing volatility in legacy income, the Trust has retained funds at the top of this range.

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

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

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

	Target range £k	At 31 March 2023 £k
Working capital cash	350	350
Income resilience	250-900	900
General Fund	600-1,250	1,250
Development Fund	250-1,000	427
Conservation Fund	3,250-5,500	3,986
Total	4,100-7,750	5,663

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

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In addition, the Trust has two other unrestricted funds that are designated for specific purposes - a Pension Fund (see note 21 on pages 43 to 46) and a Capital Grants Fund which represents grants received for capital assets. Amounts are released over the life of the underlying assets. The value of this fund at year end was £78k (2022 £88k).

Restricted Funds

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

Endowment Funds

Apart from the endowment funds represented by the Trust's land and buildings owned for conservation objectives, described in Note 11 in the accounts, the Trust has one endowment fund that is invested and which is described in more detail in Note 17 in the accounts.

Monitoring and Reviewing this Policy

Reserve levels are reviewed at each Finance Committee meeting and each Board meeting. The Trust's policy and target ranges are reviewed as part of the annual budgeting cycle.

Investment Policy and Performance

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

The Trust's unrestricted cash requirements are held with banks authorised to carry out business in the UK. We make use of the Flagstone Charities Aid Foundation Charity Deposit Platform to provide an increased diversity of banking providers.

At the end of the financial year, the Trust's total investments were valued at £4.8m with all funds being held in the COIF Charities Ethical Investment Fund. This is a multi-asset, long-term fund suitable for charity investors. It is designed to provide a highly diversified and well-balanced spread of investments, managed to meet clear ethical and responsible investment standards.

The Trust's primary investment objective is to optimise total return and CCLA are seeking to achieve a return of 5% per annum, after allowing for inflation. In the current climate of high inflation, this is clearly a very exacting target (CPI plus 5% equates to 15% growth). For the year to 31 March 2023, CCLA's Ethical Investment Fund achieved a total return of -2.00% (2022: +10.6%). This compares favourably with the comparator benchmark achievement of -4%. The three-year annualised return of the CCLA Ethical Fund of 10.6% is only marginally behind the target for this period of 10.9%. The income yield achieved was 3% (£126k).

No investments were bought or disposed of during the year to 31st March 2023.

At 31 March 2023, the Trust's endowment fund, which is managed by CCLA, was valued at £640k before transfers (2022: £673k). This is also invested in CCLA's Ethical Investment Fund. Under the terms of the agreement with the National Lottery Heritage Fund, the capital growth can be drawn down from 1 January 2022 and we decided to transfer a further £33k of this to our unrestricted funds at the year end.

The Trust's prime ethical consideration is to identify any obvious conflicts of interest between its objectives and the objectives/activities of any company whose shares may be acquired directly for the purpose of investment. The Trust had no direct investment in company shares at 31 March 2023 or 31 March 2022, other than those of its trading subsidiary Lapwings Consultants Limited (see Note 11).

Investment in properties

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

Pension Commitments

The last full actuarial valuation of The Wildlife Trusts Pension Scheme, as at 1 April 2019, reported a scheme deficit of £4.7 million. This relates to 13 Wildlife Trusts and we are responsible for 9.3% of the Scheme's funding requirement.

In accordance with the schedule of contributions, the Trust's deficit recovery payments are set to increase by 3% from August 2023, to £6,900 per month and will increase thereafter annually by 3%. The repayment plan anticipates that the deficit will be eliminated by August 2026.

FUTURE PLANS

During the year ahead, effort will focus on delivery of the new strategy.

When considering these priorities, it should not be ignored that the day-to-day work of the Trust continues and is fundamental to nature's recovery in the county. This includes maintaining a 3,800 hectare estate of 100 sites, with an estimated 1 million-day visits with the attendant ecological, public engagement and health and safety implications of running an estate of this size and complexity; servicing of the 13,000 memberships; the Trust's funding, finances and legal processes; along with advocacy, development control, campaigning and communications.

Particular activities planned for 2023-24 include:

- Continued land purchase of peatland and peatland restoration, including getting submerged peats recognised in that story
- Continuing to restore nature through habitat creation and great management on existing and new sites; through developing further the seed bank and plant propagation work, and; through nature-based solution works such as the Wilder Humber work and natural flood management
- Establishing the body and setting the principles for trading biodiversity and water credits through Green Investment in Greater Lincolnshire (GIGL)
- Building further partnerships with business to address the biodiversity and climate crises
- Expand community engagement to empower people to take action for nature through the National Lottery Heritage Fund supported project Nextdoor Nature, and initiatives such as 'Wilder Grimsby' and 'Wilder Witham'
- Delivery of four accommodation units for trainees, volunteers and staff through Dynamic Dunescapes

STRUCTURE, GOVERNANCE AND MANAGEMENT**Governing Document**

Lincolnshire Wildlife Trust is a membership body, a registered charity and a company limited by guarantee. It is governed by its Articles of Association, originally dated 2 December 1948 and last amended on 20 October 2021. Membership of the Trust is open to all, and the total number of subscribing members at 31 March 2023 was 26,448, an increase of 1.7% from 26,013 in 2022. Each member is committed to contributing £1 in the event of the charity winding up. The charitable company is controlled by its Board of Trustees. The Trust is grateful for the continuing support of so many people in Lincolnshire and beyond.

Appointment of Trustees

The Articles of Association provide for a Board consisting of up to 15 Trustees appointed for a 3-year term with option for re-election. Trustees are elected by the Trust membership at the Annual General Meeting (AGM), usually held in October. At the first meeting of the Board of Trustees after the AGM, the Trustees appoint Honorary Officers (Chair, Treasurer and others if required) from the Board members.

If a Trustee has served for more than nine years, their reappointment is subject to a particularly rigorous review. The Board has no power of co-option but may fill a vacancy until the next AGM, refreshing the Board's diversity of skills, experience and backgrounds.

During the year Julian Purvis stepped down as Trustee and Honorary Treasurer. The Trust thanks him for devoting so much time and energy to the Trust. Joanne Woolley was appointed as a Trustee and Honorary Treasurer.

Trustee Induction and Training

Trustees' skills are reviewed regularly to ensure that the balance is suitable. New Trustees are inducted into the charity and training is available. They are presented with background information including the Charity Commission's guidance.

As well as undertaking their governance role on the Board of trustees, some trustees act as volunteers and this helps them engage with many aspects of the Trust's activities, staff, other volunteers and members. Trustees are encouraged to attend the RSWT open days and online seminars and workshops to connect with The Wildlife Trusts (TWT) and to make use of WildNet, the intranet system that assists communications and learning across the TWT network.

Organisational Structure

The Board of Trustees, of up to 15 members with a quorum minimum of three, meets bi-monthly and is responsible for the governance of the charity. A Finance Committee is appointed to maintain an overview of financial matters and to advise the Board accordingly. Area Groups represent the interests of members organising local events.

A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. The staff structure is organised around four Heads of Department: Finance (including membership and administration); Conservation (including the GLNP); Nature Reserves (the majority of this department is field based); and Public Engagement and Communications.

Staff

Good staff and volunteers are fundamental to achieving the Trust's objectives. The staff structure is kept under regular review in order to ensure that it accords with the Trust's objectives and strategies. As at 31 March 2023, the Trust employed a total of 79 members of staff (53 full-time and 26 part-time), an increase of 18% when compared to 31 March 2022, reflecting a significant increase in project work. Of the total, 5 relate to the GLNP and 9.5 relate to projects.

The arrangement for setting staff remuneration is common for all employees. The Trustees agree an annual cost of living increase (with reference to changes in the Consumer Price Index). RSWT carries out internal and external benchmarking of salaries. This information informs the Trust's approach to remuneration for new and existing staff.

Related Parties

Lincolnshire Wildlife Trust is one of 46 independent Wildlife Trusts covering the UK, Isle of Man and Alderney, which are corporate members of RSWT. RSWT helps to develop UK and national policies, and

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provides operational advice to the Trusts, and acts as their collective voice. RSWT's subsidiary Wildlife Trading Services Limited provides services and distributes funds to Trusts, including Lincolnshire Wildlife Trust. The Trust's Chief Executive is a director of the company.

The Trust has a direct subsidiary, Lapwings Consultants Limited. It exists as a trading company to support the charitable work of the Trust through donation of its profits from retail sales.

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

The Trust, along with five other Wildlife Trusts, is part of Wildlife Fundraising (Central) Limited, a mutual company for the purpose of recruiting members. The Trust's Chief Executive is a Director and Chair of the company.

Wider Network

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

Other important partnerships are:

- **Ancholme Catchment Partnership:** hosted by the Trust, with 15 key partners based in and around the Ancholme, and a landowner working group and annual conference in November.
- **Catchment Partnerships:** Northern Becks, Welland (Nene), Witham. Multitude of partners.
- **Fens for the Future and Fens East Peat Partnership:** working across the Fens NCA to deliver more for people and wildlife.
- **Greater Lincolnshire Local Enterprise Partnership:** the Chief Executive sits on the Visitor Economy Board and working with them on strategic projects.
- **Humber Nature Partnership:** numerous corporate, local authorities, statutory agencies, voluntary organisations and individual members. The Chief Executive is Chair. The Head of Conservation sits on the Relevant Authorities Group for the Humber Estuary European Marine Site in co-ordination with the RSPB and Yorkshire Wildlife Trust.
- **Humberhead Levels Partnership:** Yorkshire Wildlife Trust, Nottinghamshire Wildlife Trust, NE, EA, North Lincolnshire Council, Doncaster Metropolitan Borough Council, East Riding of Yorkshire Council, RSPB, English Heritage, Internal Drainage Boards.
- **Lincolnshire Chalk Stream Partnership & Trust:** particular focus on project delivery to improve the water environment of the chalk streams.
- **Lincolnshire Wolds AONB Joint Advisory Committee & Countryside Service:** working with a wide variety of partners and the team to ensure the special qualities of the area are maintained and enhanced.
- **National Seed Bank and Plant Propagation Network:** chaired and led by the Trust with representatives from across the Wildlife Trusts with Millennium Seed Bank, Kew Wakehurst.
- **North Sea Wildlife Trusts:** collectively securing sustainable management for MPAs, and initiating restoration activities.
- **South Lincolnshire Water Partnership:** working to secure an integrated approach to water management at a landscape-scale with Anglian Water, Black Sluice IDB, EA, Lincolnshire County Council (LCC), NE, NFU, Welland & Deeping IDB, UK Irrigation Association, individual farmers and farm businesses.
- **Water Resource East:** inputting to strategic planning for water resources across Eastern England.
- **The Wash & North Norfolk Coast Marine Partnership:** the Trust sits on the Full Management Board now as a full partner with the relevant authorities and the chairs of the three local advisory groups. Nature Reserves and Conservation input to the Boston Advisory Group.

Several of the Trust's nature reserves are operated in conjunction with local authorities, notably: Gibraltar Point near Skegness (LCC and ELDC); Whisby Nature Park near Lincoln (LCC and North Kesteven District Council (NKDC); and Snipe Dales near Horncastle (LCC).

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

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REFERENCE AND ADMINISTRATIVE DETAILS

<u>Charity Name</u>	Lincolnshire Wildlife Trust The organisation is sometimes referred to simply as The Lincolnshire Trust. Former names were The Lincolnshire Naturalists' Trust, The Lincolnshire Trust for Nature Conservation and The Lincolnshire & South Humberside Trust for Nature Conservation.
<u>Charity number</u>	218895
<u>Company number</u>	00461863
<u>Headquarters and Registered office</u>	Banovallum House Manor House Street Horncastle Lincolnshire LN9 5HF Tel: 01507 526667
<u>Auditors</u>	Wright Vigar Limited Statutory Auditors Chartered Accountants & Business Advisers 15 Newland Lincoln LN1 1XG
<u>Bankers</u>	Barclays Bank plc 65 Lumley Road Skegness Lincolnshire PE25 3LU
<u>Solicitors</u>	Chattertons Legal Services Ltd St Swithin's Court 1 Flavian Road Nettleham Road Lincoln LN2 4GR
<u>Investment Managers</u>	CCLA One Angel Lane London EC4R 3AB

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Presidents

Geoff Trinder	(President)
Brian Tear	(Vice President)

Trustees/Directors

Anita C Quigley	Chair
Julian C Purvis	Honorary Treasurer resigned 22 October 2022
Michael J Burgass	
Emma L Buyers	
Grace E Corn	resigned 30 April 2023
Kitty E Hamilton	
Robert Oates	
Timothy S Sands	
Catherine J Sirett	Vice Chair
Mark Smith	
Joanne Woolley	Honorary Treasurer appointed 22 October 2022

Company Secretary

Paul V Learoyd

The Board of Trustees and Directors

Members of the Board are Trustees for the purpose of charity law and are also company directors. They are elected at the Annual General Meeting and are collectively referred to throughout this report as the Trustees.

Senior Staff

Chief Executive:	Paul V Learoyd
Head of Conservation:	Tammy M Smalley
Head of Finance:	Sarah J Smith
Head of Nature Reserves:	David R Bromwich
Head of Public Engagement & Communications:	Matthew J Capper

FINANCIAL SUPPORT

We are grateful to the following for substantial financial support in 2022-2023 through donations, grants and the sponsorship of projects:

Anglian Water Services	Natural England
Defra	North Kesteven District Council
East Lindsey District Council	North Lincolnshire Council
Environment Agency	People's Postcode Lottery
Esmée Fairbairn Foundation	Phillips 66
European Union	Royal Society of Wildlife Trusts
FKB Ltd	Sea-changers
HMRC Coronavirus Job Retention Scheme	Severn Trent Water
Lincolnshire Co-operative Society Limited	Skegness Rotary
Lincolnshire County Council	T Balfe Construction Ltd
Ministry of Defence	Tesco
National Grid	SSE
National Lottery Heritage Fund	Vine House Farm

Partner contributions to the Greater Lincolnshire Nature Partnership (hosted by Lincolnshire Wildlife Trust) are acknowledged separately and therefore not in this report.

The following were Corporate Members during the reporting period:

Anglian Water Services	Lindum Group Limited
B A Bush & Son Limited	Mortons of Horncastle Limited
Cleethorpes Builders Merchants	Natureland Seal Sanctuary
Cray Valley Limited	Page Paper Limited
Creative Nature	Rowhire Limited
Crowder & Sons Ltd	SCS Technology Solutions Limited
Fenland Laundries Limited	Sibelco UK
Growin Wild Limited	Truelove Property & Construction
Holivans Limited	Yara (UK) Limited
J E Piccaver & Co	Wienerberger Limited
J W Ruddock & Sons Limited	Woodhall Country Park
John Kinch Group	

We are delighted to record our appreciation to the following individuals whose legacies we received or were notified of in the year ended 31 March 2023:

Elizabeth Hill Addison	Eva Frith
Mary Ambrey	Edward Charles Gostelow
Neville Geoffrey Arthurs	Margot Adelaide Hill
Derek Barnett	Alan George Riseborough
Peta Bourdillon	Sheila Mary Scarbro
Michael George Chambers	John David Sowards
Joy Helen Chambers	Joan Francis Smith
Stanley Barker Corden	Sylvia May Smith
Mrs W Dixon	Jane Ward
Colin Elliott	Evelyn Lilian Weir

STATEMENT OF THE BOARD'S RESPONSIBILITIES

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

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

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

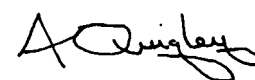
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

The Report of the Members of the Board, which includes the Strategic Report on pages 3 to 9, were approved by the Board on 8 September 2023 and signed on its behalf.

By Order of the Board



A Quigley
Chair

8 September 2023

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

We have audited the financial statements of Lincolnshire Wildlife Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Group Statement of Financial Activities, the group and the Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Board's responsibilities statement set out on page 19, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed under the Companies Act 2006 and report in accordance with this.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.
- Assessing the extent of compliance with the relevant laws and regulations.

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



Paul Colcomb FCCA (Senior Statutory Auditor)
For and on behalf of Wright Vigar Limited
Statutory Auditors, Chartered Accountants and Business Advisors
15 Newland
Lincoln
LN1 1XG

3 October 2023

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
Charity No: 218895

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account) for the year ended 31 March 2023

	Notes	Unrestricted Income £	Restricted Income £	Designated & Endowment Fund £	Total 2023 £	Total 2022 £
Income						
Donations and legacies	2	1,285,607	0	0	1,285,607	1,907,348
Charitable activities	3	526,672	1,209,961	0	1,736,633	3,509,779
Other trading activities	9	84,453	0	0	84,453	50,318
Investments	11	126,366	19,718	0	146,084	147,626
Other		47,830	0	0	47,830	295,429
Total		2,070,928	1,229,679	0	3,300,607	5,910,500
Expenditure						
Raising funds	4	296,786	0	0	296,786	283,969
Charitable activities	8	2,337,938	1,785,725	0	4,123,663	3,125,429
Other		0	0	0	0	0
Total		2,634,724	1,785,725	0	4,420,449	3,409,398
Net gains/(losses) on investments	11	(215,284)	0	(33,280)	(248,564)	414,740
Net income/(expenditure)		(779,080)	(556,046)	(33,280)	(1,368,406)	2,915,842
Transfers between funds	16-19	60,118	(39,718)	(20,400)	0	0
Other recognised gains/(losses)						
Actuarial (loss)/gain on defined benefit pension schemes	21	(128,688)	0	0	(128,688)	210,116
Movement in pension asset – not recognised	21	86,863	0	0	86,863	(143,391)
Net movement in funds		(760,787)	(595,764)	(53,680)	(1,410,231)	2,982,567
Reconciliation of funds						
Total funds brought forward		6,830,480	2,323,024	10,639,982	19,793,486	16,810,919
Total funds carried forward		6,069,693	1,727,260	10,586,302	18,383,255	19,793,486

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

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

The notes on pages 27 to 45 form part of these financial statements

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
Charity No: 218895

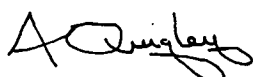
CONSOLIDATED AND CHARITY BALANCE SHEET at 31 MARCH 2023

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Fixed assets					
Heritage assets	10	9,820,365	9,807,765	9,820,365	9,807,765
Tangible assets	10	1,531,471	1,356,923	1,531,467	1,356,919
Investments	11	4,779,040	5,027,604	4,804,040	5,052,604
Total fixed assets		16,130,876	16,192,292	16,155,872	16,217,288
Current assets					
Stocks	12	53,315	32,258	44,265	20,465
Debtors	13	2,215,466	2,397,524	2,221,478	2,407,456
Cash at bank and in hand	14	768,238	1,924,298	710,626	1,889,639
Total current assets		3,037,019	4,354,080	2,976,369	4,317,560
Liabilities					
Creditors					
Amounts falling due within one year	15	480,640	430,261	478,057	436,450
Net current assets		2,556,379	3,923,819	2,498,312	3,881,110
Net assets less current liabilities		18,687,255	20,116,111	18,654,184	20,098,398
Creditors					
Amounts falling due after one year	15	304,000	322,625	304,000	322,625
Net assets		18,383,255	19,793,486	18,350,184	19,775,773
The funds of the charity					
Endowment and designated funds	16	10,012,434	9,999,834	10,012,434	9,999,834
Restricted endowment fund	17	573,868	640,148	573,868	640,148
Restricted funds	18	1,727,260	2,323,024	1,727,260	2,323,024
Unrestricted funds	19	6,069,693	6,830,480	6,036,622	6,812,767
Total		18,383,255	19,793,486	18,350,184	19,775,773

The financial statements were approved by the Board of Trustees on 8 September 2023 and were signed on its behalf by:



J Woolley – Honorary Treasurer



A Quigley - Chair

Company Number 00461863

The notes on pages 27 to 45 form part of these financial statements

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
Charity No: 218895

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 March 2023

	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities				
Net cash provided by (used in) operating activities		(972,155)		1,174,657
Cash flows from investing activities				
Dividends, interest and rents from investments	146,084		147,626	
Proceeds from the sale of property, plant and equipment	1,450		119,137	
Proceeds from the sale of investments	0		4,856,234	
Purchase of property, plant, equipment and heritage assets including work in progress	(331,439)		(1,556,906)	
Purchase of investments	0		(4,606,234)	
Net cash provided by (used in) investing activities		(183,905)		(1,040,143)
Change in cash and cash equivalents in the reporting period		(1,156,060)		134,514
Cash and cash equivalents at the beginning of the reporting period		1,924,298		1,789,784
Cash and cash equivalents at the end of the reporting period		768,238		1,924,298
Net income/(expenditure) for the reporting period (as per statement of financial activities)		(1,410,231)		2,982,567
Adjustments for:				
Depreciation		156,888		121,298
(Gains)/losses of investments		248,564		(414,740)
Dividends, interest and rents from investments		(146,084)		(147,626)
Loss/(profit) on the sale of fixed assets		(1,448)		(95,878)
Donation of land at market value		(12,600)		0
(Increase)/decrease in stock		(21,057)		5,381
(Increase)/decrease in debtors		182,058		(1,324,149)
Increase/(decrease) in creditors		31,754		175,038
Pension contributions paid into defined benefit scheme in period		(79,614)		(77,296)
Other gains/(losses) on pension in period		(86,862)		143,391
Pension interest and expenses		37,789		16,787
Pension provision in period		128,688		(210,116)
Net cash inflow from operating activity		(972,155)		1,174,657

The notes on pages 27 to 45 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2023**

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2019) and the Companies Act 2006.

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

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

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

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

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

Consolidation

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

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

Voluntary Income

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

Legacies

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

Grants Received (including Government Grants)

Capital grants received for Fixed Assets are taken to the Capital Grants Fund and are released to the Income and Expenditure Account in instalments relating to the relevant asset lives to match the associated depreciation charge. Grants are treated as restricted whilst restrictions exist on the underlying assets and are transferred to unrestricted when such restrictions cease to apply. Revenue grants are credited to the Income and Expenditure account in the period in which they are receivable.

Investment Income

Income on fixed interest investments is accounted for on an accruals basis. Dividends on investments are also credited to revenue on an accruals basis.

LINCOLNSHIRE WILDLIFE TRUST

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Deferred Income

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

Expenditure

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

Investment Properties

Investment properties are valued at the lower of cost or fair value at the year end. Any gains or losses arising on revaluation are recognised in the SOFA.

Fixed Assets

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

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

Donated Assets, Services and Facilities

Donated assets, services and facilities are included at the market value to the charity where it can be quantified. The value of services provided by volunteers has not been included in these accounts.

Depreciation

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

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

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

Motor vehicles	25%
Plant fixtures and fittings	10-25%
Other buildings	0-20%
Heritage assets	Not depreciated

Stock

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

Permanent Endowment Fund

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

Restricted Funds

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

Pensions

The charity offered one pension arrangement during the year, a Royal London Group Personal Pension scheme into which staff were auto-enrolled. Contributions in respect of the Royal London Group Personal Pension scheme are charged to the profit and loss account on an accruals basis. They are allocated across unrestricted and restricted funds in line with the associated salary costs.

Formerly the Trust also offered the Wildlife Trusts Pension Scheme (WTPS), a multi-employer hybrid scheme, which had two types of membership: defined benefit and defined contribution. The defined contribution category of the WTPS was closed at the end of the financial year 2018-19 and existing

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

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members were transferred to the Royal London scheme. The defined benefit scheme was closed to new members in October 2005.

The defined benefit scheme amount charged in resources expended is the net of the interest cost and interest income relating to the Trust's share of the assets in the scheme. Re-measurements are recognised immediately under Other recognised gains and losses.

The WTPS is funded, with the assets of the scheme, held separately to those of the Trust, in pension trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method at a rate equivalent to the current rate of return on high-quality corporate bonds of equivalent currency and term to the scheme's liabilities. The Trust's share of the resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet. Full actuarial valuations are obtained triennially.

Further details of the pension arrangements are given in Note 21 to these accounts.

Investments

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

Heritage Assets

Heritage Assets are nature reserves, capitalised at cost at the date of addition. Any assets donated, where the cost is unknown, are capitalised at valuation at the date of addition. Further details are disclosed within Note 10 to the financial statements.

Financial Instruments

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

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Membership income	825,441	775,369
Grants and donations	62,712	41,215
Legacies	397,454	1,090,764
Total	<u>1,285,607</u>	<u>1,907,348</u>

At 31 March 2023, our estimate of the value of legacies that had been bequeathed to the Trust, but which had not been included in the financial statements, was £36k (2022: £220k).

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

3. CHARITABLE ACTIVITIES

	Unrestricted income £	Restricted income £	Total 2023 £	Total 2022 £
Nature Reserves				
Environmental funding	129,408	296,418	425,826	442,796
Local authority funding	0	42,417	42,417	33,895
Central Government funding	0	157,851	157,851	88,031
Other grant income	0	0	0	870,864
Donations	0	16,623	16,623	452
Earned income	0	33,610	33,610	34,593
Income from properties	173,116	0	173,116	209,992
Other incoming resources	0	74,399	74,399	24,420
Total	302,524	621,318	923,842	1,705,043
Wider Countryside Conservation				
Local authority funding	0	61,250	61,250	67,135
Central Government funding	0	106,938	106,938	1,191,706
Other public bodies	0	3,152	3,152	3,415
Other grant income	0	88,859	88,859	224,411
Earned income	0	66,434	66,434	52,432
Other incoming resources	0	237,323	237,323	643
Total	0	563,956	563,956	1,539,742
Inspiring People				
Local authority funding	3,500	0	3,500	8,500
Central Government funding	0	0	0	17,534
Other grant income	0	24,687	24,687	36,079
Earned income	220,648	0	220,648	202,881
Total	224,148	24,687	248,835	264,994
Total	526,672	1,209,961	1,736,633	3,509,779

The charity received Government grants totalling £62,972 in the period (2022: £908,063).

4. EXPENDITURE ON RAISING FUNDS

	2023 £	2022 £
Supporter recruitment	252,668	258,717
Recruitment overheads	98	109
Merchandising	44,020	25,143
Total	296,786	283,969

LINCOLNSHIRE WILDLIFE TRUST

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5. EMPLOYEE INFORMATION

	2023 £	2022 £
The movement in the year is after charging:		
Salaries and wages	1,833,393	1,570,115
Social security costs	166,161	134,171
Other pension costs	91,805	84,110
Staff costs for the company	2,091,359	1,788,396
The average number of employees, during the period, was made up as follows:		
Full time	54	44
Part time	26	23
Company totals	80	67
Group total	80	67

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

Nature Reserves	26	24
Wider Countryside Conservation	19	13
Inspiring People	25	21
Raising Funds	1	1
Management and Administration	9	8
Company totals	80	67
Group total	80	67

The Trust operates a Royal London Group Personal Pension defined contribution scheme that all members of staff are eligible to join. The Trust contributes a minimum of 4% of employees' salaries and will match employee contributions to a maximum of 7.5%.

72 members of staff (2022: 65) were members of a scheme at the end of the year.

Pension contributions of £5,995 (2022: £5,709) were made on behalf of higher paid employees.

The total value of employee benefits received by key management personnel (our senior staff) were £326,932 (2022: £303,608).

Employees paid £60,000 or more:	2023	2022
£70,000-£79,999	1	1

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

6. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No payments for professional services associated with any member of the Board were made during the year (2022: £2,505 plus VAT for environmental consultancy work).

Travel costs of £232 were paid during the year to two members of the Board (2022: nil).

During the year, the Trust paid £1,109 (2022: £1,075) to the Humber Nature Partnership, a company of which Paul Learoyd, the Chief Executive of Lincolnshire Wildlife Trust, is Chair of the Board of Directors.

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

Wildlife Fundraising (Central) is a joint venture with five other Wildlife Trusts to provide membership recruitment services to the founding members. The Chief Executive of Lincolnshire Wildlife Trust, Paul Learoyd, is Chair of the Board of Directors. Recruitment costs of £200,532 (2022: £215,651) were incurred in the year in respect of services received from Wildlife Fundraising (Central) Limited. £23,904 was owed to them (2022: £15,148) at 31 March 2023 and is included in the Trade Creditors figure in Note 15 on page 37.

7. ANALYSIS OF SUPPORT COSTS BY CHARITABLE ACTIVITY

	Overheads £	IT & HR £	Finance £	Premises £	Governance £	Total £
Nature Reserves	109,365	25,543	33,024	18,956	13,013	199,901
Wider Countryside Conservation	95,054	22,201	28,703	16,476	11,310	173,744
Inspiring People	78,397	18,310	23,673	13,588	9,328	143,296
Total	282,816	66,054	85,400	49,020	33,651	516,941
Total Support Costs 2022	315,095	43,665	80,425	42,948	40,058	522,191

8. ANALYSIS OF TOTAL EXPENDITURE

	Direct Employment costs £	Support costs £	Direct costs £	2023 Total £	2022 Total £
Nature Reserves	673,533	199,901	676,428	1,549,862	1,404,075
Wider Countryside Conservation	585,410	173,744	772,601	1,531,755	808,841
Inspiring People	483,023	143,296	415,727	1,042,046	912,513
Charitable Activities	1,741,966	516,941	1,864,756	4,123,663	3,125,429
Raising Funds	37,549	98	215,119	252,766	258,826
Merchandising	0	3,491	40,529	44,020	25,143
Total expenditure	1,779,515	520,530	2,120,404	4,420,449	3,409,398
Total expenditure 2022	1,495,644	525,426	1,388,328	3,409,398	

Total resources expended are stated after charging:

Auditor's remuneration

The amounts payable to Wright Vigar were:

	2023 £	2022 £
Statutory	10,825	10,500
Tax Advice	500	260
	11,325	10,760

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
Charity No: 218895

9. TRADING SUBSIDIARY

Lapwings Consultants Limited	2023	2022
Profit and loss account year ended 31 March 2023	£	£
Turnover	84,453	50,318
Cost of sales	(40,529)	(22,017)
Gross profit	43,924	28,301
Administrative expenses	(12,560)	(12,129)
Operating profit	31,364	16,172
Interest receivable and similar income	69	3
	31,433	16,175
Interest payable and similar expenses	(100)	(200)
Profit before taxation	31,333	15,975
Tax on profit	0	0
Profit for the financial year	31,333	15,975

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
Charity No: 218895

Balance Sheet at 31 March 2023	Notes	2023	2022
Fixed assets		4	4
Stock		9,050	11,793
Debtors		308	95
Amounts owed by group companies		0	8,673
Cash at bank and in hand		57,612	34,659
		<u>66,970</u>	<u>55,220</u>
Creditors: amounts falling due within one year		(2,583)	(2,511)
Amounts owed to group companies		(6,320)	(10,000)
		<u>(8,903)</u>	<u>(12,511)</u>
Net current assets/(liabilities)		58,067	42,709
Total assets less current liabilities		<u>58,071</u>	<u>42,713</u>
Capital and reserves			
Share capital	11	25,000	25,000
Profit and loss account brought forward		17,713	2,142
Profit for year		31,333	15,975
Gift Aid paid to charity		(15,975)	(404)
Profit and loss account carried forward		33,071	17,713
		<u>58,071</u>	<u>42,713</u>

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863
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10. FIXED ASSETS

Group	Heritage assets	Tangible assets				
	Nature reserves £	Banovallum House £	Other buildings £	Motor vehicles £	Fixtures fittings & equipment £	Total tangible assets £
Cost:						
At 1 April 2022	9,807,765	442,807	427,459	235,767	1,650,717	2,756,750
Additions	12,600	0	0	26,485	198,620	225,105
Disposals	0	0	0	(15,493)	(15,300)	(30,793)
Work in progress	0	0	106,334	0	0	106,334
Cost at 31 March 2023	9,820,365	442,807	533,793	246,759	1,834,037	3,057,396
Depreciation:						
At 1 April 2022	0	0	158,779	226,524	1,014,524	1,399,827
Provided for the period	0	0	24,782	11,083	121,023	156,888
Disposals	0	0	0	(15,492)	(15,298)	(30,790)
Depreciation at 31 March 2023	0	0	183,561	222,115	1,120,249	1,525,925
Net book value 31 March 2023	9,820,365	442,807	350,232	24,644	713,788	1,531,471
Net book value 31 March 2022	9,807,765	442,807	268,680	9,243	636,193	1,356,923

Nature Reserves Additions at Cost or Market Value where donated

	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
Rush Furlong	3,128		200		
Far Ings	42,464				
Sow Dale		302,924			
Castle Bytham		182,038			
Bourne North Fen				1,181,057	
Bailey's Field Scotton					12,600

Nature Reserves Disposals

The Yews				(23,000)	
Total:	45,592	484,962	200	1,158,057	12,600

Tangible assets with a net book value of £1,531,467 and Heritage assets with a net book value of £9,820,365 are owned by the Parent Company.

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

The book value shown for nature reserves is based on historical cost and relates to areas of land which the Trust owns and which it manages and maintains. The Trustees believe that the market value of the nature reserves is significantly higher than the book value but they do not propose to carry out a revaluation at the

LINCOLNSHIRE WILDLIFE TRUST

Company No: 00461863

Charity No: 218895

present time since this would be complicated and expensive. The nature reserve values are in any case mostly not realisable and represent a long-term maintenance liability rather than a real asset.

Included within the net book value above is £4 (cost: £17,142; depreciation £17,138) which relates to the Fixtures and Fittings of Lapwings Consultants Limited.

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

11. INVESTMENTS

Group

	2023	2022
	£	£
Market value at 31 March 2022	5,027,604	4,862,864
Investments made in the year	0	4,606,234
Disposals	0	(4,856,234)
Realised gains on disposal	0	358,872
Net gains on revaluation at 31 March 2023	(248,564)	55,868
Market value at 31 March 2023	4,779,040	5,027,604
Historical cost at 31 March 2023	2,517,875	2,517,875

The above market value can be analysed as follows:

	Investment income		Market value	
	2023	2022	2023	2022
	£	£	£	£
UK listed investments unrestricted	126,366	128,613	4,139,172	4,354,456
UK listed investments restricted	19,718	19,013	639,868	673,148
Total	146,084	147,626	4,779,040	5,027,604

The investment figure in the company balance sheet also includes £25,000 which is the nominal value of the shares held in its wholly owned subsidiary Lapwings Consultants Limited.

12. STOCK

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Goods for resale	9,050	11,793	0	0
Café stock	1,565	1,565	1,565	1,565
Livestock	37,700	13,900	37,700	13,900
Consumables	5,000	5,000	5,000	5,000
Total	53,315	32,258	44,265	20,465

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13. DEBTORS

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Owed by group companies	0	0	6,320	10,000
Trade debtors	64,972	39,800	64,972	39,800
Other debtors	1,302,948	1,230,095	1,302,948	1,230,095
Prepayments	233,053	232,358	232,745	232,290
VAT	8,690	0	8,690	0
Legacies receivable	605,803	895,271	605,803	895,271
Total	2,215,466	2,397,524	2,221,478	2,407,456

The amount owed by group companies includes a loan to Lapwings Consultants Limited of £5,000 (2022: £10,000). Interest is payable on the loan at 2% per annum.

14. CASH AT BANK AND IN HAND

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank balances	555,202	1,251,033	498,360	1,217,164
COIF Charities Deposit Fund	210,000	670,000	210,000	670,000
Cash in hand	3,036	3,245	2,266	2,475
Total	768,238	1,924,278	710,626	1,889,639

15. CREDITORS

Falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
VAT	0	7,441	0	7,468
Amounts owed By Group companies	0	0	0	8,673
Trade creditors	291,071	275,533	290,575	275,006
Other creditors	7	7	7	7
Accruals	118,583	83,135	116,496	81,151
PAYE and pension	52,354	45,420	52,354	45,420
Bourne North Fen loan	13,000	13,000	13,000	13,000
Deferred income including Badger Farm	5,625	5,725	5,625	5,625
Total	480,640	430,261	478,057	436,350

Falling due after one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Deferred income including Badger Farm	135,000	140,625	135,000	140,625
Bourne North Fen loan – secured loan (falling due in less than five years)	52,000	52,000	52,000	52,000
Bourne North Fen loan – secured loan (falling due after five years)	117,000	130,000	117,000	130,000
Total	304,000	322,625	304,000	322,625

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Deferred income resources

	2023	2022
	£	£
Deferred income:		
Deferred income at 1 April 2022	146,350	151,875
Amount released in year	(5,725)	(5,625)
Amount deferred in year	0	100
Deferred income at 31 March 2023	140,625	146,350

16. PERMANENT ENDOWMENT AND DESIGNATED FUNDS

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

	Endowment	Designated	Total
	£	£	£
Fund balances at 1 April 2022	4,512,248	5,487,586	9,999,834
Designated from unrestricted funds	0	12,600	12,600
Fund balances at 31 March 2023	4,512,248	5,500,186	10,012,434

The funds are represented by the following:

	£
Nature Reserves* owned by the charity	9,820,365
Banovallum House (Trust Headquarters) - proportion	117,551
Sykes Farm improvements	74,518
	10,012,434

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

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17. RESTRICTED ENDOWMENT FUND

	Balance 1 April 2022	Incoming resources	Expenditure	Transfers	Investment unrealised loss	Balance 31 March 2023
	£	£	£	£	£	£
Heritage Lottery						
Catalyst Fund	640,148	0	0	(33,000)	(33,280)	573,868

A transfer of £33,000 was made from the Catalyst Endowment Fund to unrestricted funds to recognise the release of the capital element of the endowment over the agreed terms of the funding.

Summary of Endowment Funds

Funds balances at 31 March 2023

Represented by nature reserves and heritage assets

Endowment funds

Designated funds

4,512,248

5,500,186

Heritage Lottery Catalyst Fund

573,868

Total

10,586,302

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18. RESTRICTED FUNDS

	Balance 31 March 2022	Incoming resources	Resources expended	Funds transfer	Balance 31 March 2023
	£	£	£	£	£
Coastal Grazing Marshes	15,319	0	(3,500)	0	11,819
Greater Lincolnshire Nature Partnership	313,384	197,903	(204,817)	0	306,470
Fens for the Future	(469)	1,000	(1,044)	0	(513)
Lincolnshire Plants Past & Future HLF	30,000	0	(2,498)	0	27,502
South Lincolnshire Fens	20,346	0	(9,312)	0	11,034
Viking Link Interconnector	21,770	0	(5,118)	0	16,652
EA Slow the Flow Project	4,640	0	(2,240)	0	2,400
EA CaBA Projects	20,155	7,500	(6,809)	0	20,846
Lincolnshire Co-op Community Champions	10,375	0	(9,099)	0	1,276
Coastal Ranger	10,000	10,000	(10,000)	0	10,000
Bird Data Project	(1,096)	0	1,096	0	0
Marine Planning Officer	34,629	2,500	(37,129)	0	0
Lincolnshire Plant Propagation	39,062	0	(632)	0	38,430
Catalyst Fund Income	0	19,718	0	(19,718)	0
Dynamic Dunescapes	(18,293)	105,150	(83,702)	0	3,155
Dynamic Dunescapes Capital Grant	140,280	0	(14,028)	0	126,252
Defra ELMS projects	(27,283)	42,169	(15,953)	0	(1,067)
Castle Bytham donations	1,350	0	(1,350)	0	0
Heritage Lottery COVID-19	20,155	0	(20,155)	0	0
EA Anderby Marsh	1,010	0	(1,010)	0	0
EA Huttoft Marsh	9,900	0	(3,725)	0	6,175
Legacy - Angela Bates	289,099	0	0	0	289,099
EA Bulldog Bank Gibraltar Point	22,500	0	(734)	0	21,766
EA Woodhall silt lagoons	5,000	5,000	(6,200)	0	3,800
EA Sow Dale Phase 1 and 2	27,000	12,000	(8,830)	0	30,170
EA sea bank clay pits	0	14,000	0	0	14,000
EA Crassula control	0	5,000	0	0	5,000
EA Anderby viewing screen	0	1,250	(1,528)	0	(278)
EA Fiskerton car park	0	5,000	0	0	5,000
EA Huttoft tern rafts	0	2,000	0	0	2,000
Leachman donations Gosling Corner Wood	0	4,450	(1,430)	0	3,020
Biffa Bourne North Fen	0	20,000	0	(20,000)	0
NE Gibraltar Point saline lagoon	4,102	0	(4,102)	0	0
Severn Trent Water Isle of Axholme	(13,953)	13,953	(34,798)	0	(34,798)
Tesco Bags of Help	1,000	0	(1,000)	0	0
People's Postcode Lottery Team Wilder	10,000	0	(10,000)	0	0
Nature Recovery Network – Biodiversity Opportunity Mapping	7,550	0	0	0	7,550
NEIRF Green Investment in Greater Lincolnshire	9,031	28,589	(47,174)	0	(9,554)
Nature for Climate Peatland Scheme Fens East	752,057	7,000	(665,030)	0	94,027
EU Life Moor Space	236,725	0	(13,908)	0	222,817
EA Lyme Natural Flood Management	9,464	0	(10,380)	0	(916)
Precious Peatlands	111,593	0	0	0	111,593
Humberhead Levels Great North Fen	(370)	19,972	(35,490)	0	(15,888)

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	Balance 31 March 2022 £	Incoming resources £	Resources expended £	Funds transfer £	Balance 31 March 2023 £
Orsted Humber Biodiversity Enhancement	0	237,323	(61,420)	0	175,903
NLDLL Great Crested Newt pond creation	0	0	(771)	0	(771)
Nextdoor Nature	0	24,687	(35,312)	0	(10,625)
Anglian Water wind turbines	1,369	28,500	0	0	29,869
LCC Gibraltar Point North car park repairs	(4,167)	4,167	0	0	0
Gibraltar Bird observatory Sea-changers and Dick Lambert donation	1,254	3,500	0	0	4,754
Richard Heath donation for reserves kit	0	5,000	0	0	5,000
Harvey's Hide donation	0	1,000	0	0	1,000
Snipe Dale Tombs donation	0	1,400	(590)	0	810
Sleaford Area Group donation	0	1,000	0	0	1,000
Louth Area Group donation	633	0	(633)	0	0
Stanley Barker Corden legacy for reserve purchase	26,000	0	0	0	26,000
John David Swards legacy for reserve improvement and extension	50,000	0	0	0	50,000
Environmental funding	0	296,418	(296,418)	0	0
Local Authority funding	4,845	60,610	(62,079)	0	3,376
Central Government funding	33	9,700	(9,700)	0	33
Other funds	127,025	32,220	(47,173)	0	112,072
Total	2,323,024	1,229,679	(1,785,725)	(39,718)	1,727,260

A transfer of £20,000 was made to reflect the receipt of £20,000 from Anglian Water in July 2022 to contribute to the funding of Bourne North Fen, which was acquired in 21/22. This effect of this transfer is to increase the Trust's unrestricted funds, which had been used, in part, to purchase the land.

A transfer of £19,718 was made in respect of the Catalyst Fund which relates to the release of income to support the management of the Trust's nature reserves in line with the Heritage Lottery Fund (now National Lottery Heritage) requirements.

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19. UNRESTRICTED FUNDS

	Balance 31 March 2022 £	Incoming resources £	Resources expended £	Funds transfer £	Balance 31 March 2023 £
Working capital	350,000	2,070,928	(2,616,709)	545,781	350,000
Income resilience fund	900,000	0	0	0	900,000
General fund	1,250,000	2,070,928	(2,616,709)	545,781	1,250,000
Development fund	920,907	0	0	(494,057)	426,850
Conservation fund	4,201,907	0	(215,284)	0	3,986,623
	6,372,814	2,070,928	(2,831,993)	51,724	5,663,473
Capital Grant fund	87,753	0	(18,015)	8,394	78,132
Pension fund 21	369,913	0	(41,825)	0	328,088
Total	6,830,480	2,070,928	(2,891,833)	60,118	6,069,693

20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Designated funds £	Endowment funds £	Total funds £
Fund Balances at 31 March 2023 are represented by:					
Heritage assets	0	0	5,419,447	4,400,918	9,820,365
Tangible assets	1,339,402	0	80,739	111,330	1,531,471
Investments	3,386,120	819,052	0	573,868	4,779,040
Current assets	2,128,811	908,208	0	0	3,037,019
Current liabilities	(480,640)	0	0	0	(480,640)
Long term liabilities	(304,000)	0	0	0	(304,000)
Total net assets	6,069,693	1,727,260	5,500,186	5,086,116	18,383,255

21. PENSION ARRANGEMENTS

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

The Wildlife Trust Pension Scheme (WTPS)

The WTPS is a multi-employer scheme with the Royal Society of Wildlife Trusts acting as the lead employer on behalf of 11 other Wildlife Trusts. The defined contribution section of the Scheme, which included further Trusts, was closed with effect from 31 March 2019.

The Royal Society of Wildlife Trusts (RSWT) is currently investigating whether additional payments to the Wildlife Trusts Pension Scheme by Lincolnshire Wildlife Trust are required to meet historical pension liabilities. RSWT's investigation may require legal proceedings against third parties. The outcome of the process is not expected to be known for 12-24 months.

The defined benefit or 'final salary' category closed to future accrual of benefits in October 2005. This section of the Scheme provided retirement benefits based on members' salaries when they left employment. The assets of the Scheme are held in a separately administered fund and the Scheme is administered by the Trustees (independent of the Employers) who is responsible for ensuring that the Scheme is sufficiently funded to meet current and future obligations. However, the assets and liabilities are not segregated between the Employers. The liabilities set out in this note have been calculated based on the preliminary results of the full Scheme Funding Assessment at 1 April 2019, updated to March 2022. The present value of the defined benefit obligation was measured using the project unit credit method. This is consistent with the approach taken last year. This report shows the position for accounting purposes moving from a surplus of £143,391 to a surplus of £56,528. The recommendation from the actuary is to record a nil asset value in

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the Trust's accounts as the future recoverability of this book surplus is in doubt. This surplus is not recognised in note 19. Therefore, at 31 March 2023, the surplus in the Retirement Benefits Scheme was £56,528 (2022: a surplus of £143,391). In accordance with s7.12 of the Statement of Recommended Practice FRS102 (S28.22 of FRS102), this surplus has not been recognised in the Trust's accounts which instead report a position of no surplus nor deficit.

	2023 £	2022 £
Pension provision at 1 April 2022	0	127,234
Release of irrecoverable surplus from prior year	(143,391)	0
Contributions paid by the Trust	(79,614)	(77,296)
Costs included in net income/(expenditure)	37,789	16,787
Movement of pension deficit provision	(185,216)	(60,509)
Remeasurements included in other recognised gains/(losses)	128,688	(210,116)
Defined benefit (asset)/liability following actuarial valuation	(56,528)	(143,391)
Irrecoverable surplus increased and treated as actuarial loss	56,528	143,391
Pension provision at 31 March 2023 on the defined benefit basis	0	0

The Employers have agreed a funding plan with the Trustees. A Designated fund has been set up (opening value £287,616) to cover the difference between the FRS 102 valuation at 31 March 2020 (£197,770) and the net present value of the deficit recovery payments at the same date (£485,386), up to the end of the current Schedule of Contributions which is August 2026. Remeasurements in year are taken to or set against this fund (March 2023 £328,088).

The following disclosures are based on calculations carried out at 31 March 2023 by an independent qualified actuary.

<u>Changes in the present value of the defined benefit obligation</u>	2023	2022
	£	£
Present value of defined benefit obligation at start of year	1,515,791	1,700,874
Benefits paid	(84,713)	(63,066)
Administration expenses	42,082	14,911
Interest expense	39,054	32,700
Remeasurements - actuarial gains and (losses)	(459,519)	(169,628)
Defined benefit obligation at end of year	1,052,695	1,515,791

<u>Changes in the fair value of assets</u>	2023	2022
	£	£
Fair value of assets at start of year	1,659,182	1,573,640
Interest income	43,347	30,824
Remeasurements - return on scheme assets excluding interest income	(588,207)	40,488
Employer contributions	79,614	77,296
Benefits paid	(84,713)	(63,066)
Fair value of assets at end of year	1,109,223	1,659,182

Costs relating to defined benefit scheme included in the Statement of Financial Activities

	2023	2022
	£	£
Interest expense	(39,054)	(32,700)
Interest income	43,347	30,824
Administration expenses	42,082	(14,911)
Costs included in net income/(expenditure)	46,375	(16,787)
Return on scheme assets excluding interest income	(588,207)	40,488
Actuarial gains and (losses)	459,519	169,628
Increase in irrecoverable surplus	0	(143,391)
Remeasurements included in other recognised gains/(losses)	(128,688)	66,725

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Net defined benefit liability recognised in the balance sheet

	2023	2022
	£	£
Fair value of scheme assets	1,109,223	1,659,182
Defined benefit obligation	1,052,695	(1,515,791)
Increase in irrecoverable surplus	(56,528)	(143,391)
Defined benefit liability recognised in the balance sheet	0	0

Principal assumptions

Discount rate	4.68%	2.65%
Retail Prices Index (RPI) Inflation	3.42%	3.65%
Consumer Prices Index (CPI) Inflation	2.70%	2.85%
Future increases to deferred pensions	2.70%	2.85%
Rate of increase to pensions in payment:		
Fixed 5% per annum	5%	5%
RPI max 5% per annum	3.20%	3.35%

Life expectancy of a male aged 65 at the balance sheet date	22.5	22.4
Life expectancy of a male aged 65 in 20 years at the balance sheet date	23.8	23.7
Life expectancy of a female aged 65 at the balance sheet date	25.0	24.9
Life expectancy of a female aged 65 in 20 years at the balance sheet date	26.4	26.3

Post-retirement mortality – 96% (males)/95% (females) of S3PA tables with future improvements in line with the CMI2021 projection model with w2021/w2020 = 5%, Sk 7.0, IAMI = 0.50% and a long term improvement rate of 1.25% pa.

Cash commutation assumptions for both years: Members are assumed to take 25% of their pension as tax free cash, subject to HMRC restrictions, using cash commutation factors currently in force.

For the avoidance of doubt, the financial assumptions above are in absolute terms. They are single equivalent rates, however in practice full yield curves are used.

For the assumptions which apply to pensions in payment, allowances for any minimum and maximum increases have been made using the Black Scholes option pricing model.

Asset breakdown

The majority categories of scheme assets as a percentage of total scheme assets are:

	2023	2022
UK Equities	0.0%	4.7%
Overseas Equities	24.6%	31.5%
Diversified Growth Funds	0.0%	23.0%
UK Government Fixed Interest Bonds	7.5%	12.5%
UK Government Index Linked Bonds	15.7%	15.3%
UK Corporate Bonds	30.1%	8.6%
Property	2.8%	2.5%
Cash	1.2%	1.9%
LDI	18.1%	0.0%
Total	100.0%	100.0%

The pension scheme has not invested in any of the Trust's own financial instruments, nor in properties or other assets used by the Trust. The assets are all quoted in active markets.

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Contributions to Royal London Group Personal Pension Scheme

	2023 £	2022 £
<u>Pension contributions in the year</u>		
Group personal pension scheme	79,614	84,110
<u>Pension contribution liabilities</u>		
Group personal pension scheme	13,852	12,499

22. OPERATING LEASE COMMITMENTS

At 31 March 2023, the Trust is committed to making the following payments in respect of operating leases:

	2023 £	2022 £
Leases which expire:		
Within one year	2,100	2,100
Within two to five years	6,826	8,401
Over five years	0	525
Total	8,926	11,026

23. CAPITAL COMMITMENTS

At 31 March 2023, the Trust had commitments for expenditure not provided for in the financial statements in respect of two vehicles and the balance of costs for volunteers' accommodation amounting to £415,000 (2022: £55,000 for a tractor and a truck).

24. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted income £	Restricted income £	Designated & Endowment Fund £	Total 2022 £	Total 2021 £
Income and endowments					
Donations and legacies	1,831,348	76,000	0	1,907,348	1,156,968
Charitable activities	602,594	2,907,185	0	3,509,779	1,440,033
Other trading activities	50,318	0	0	50,318	10,039
Investments	128,613	19,013	0	147,626	144,662
Other	295,429	0	0	295,429	70,603
Total income	2,908,302	3,002,198	0	5,910,500	2,822,305
Expenditure					
Raising funds	283,969	0	0	283,969	71,941
Charitable activities	2,170,266	955,163	0	3,125,429	2,826,923
Total expenditure	2,454,235	955,163	0	3,409,398	2,898,864
Net gains on investments	360,875	0	53,865	414,740	781,095
Net income	814,942	2,047,035	53,865	2,915,842	704,536
Transfers between funds	(288,539)	(836,518)	1,125,057	0	0
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	66,725	0	0	66,725	15,572
Net movement in funds	593,128	1,210,517	1,178,922	2,982,567	720,108
Reconciliation of funds					
Total funds brought forward	6,237,352	1,112,507	9,461,060	16,810,919	16,090,811
Total funds carried forward	6,830,480	2,323,024	10,639,982	19,793,486	16,810,919