



Lancashire,
Manchester &
N Merseyside

The Lancashire Wildlife Trust Limited

Annual Report and Financial Statements

Year Ended:

31 MARCH 2020

Registered Number:

00731548

Charity Number:

229325

CONTENTS

Reference and administrative details	1
Chairman's annual report	2
Report of the Trustees	4
Auditors' report	19
Consolidated statement of financial activities	22
Consolidated and Charity balance sheets	23
Consolidated cash flow statement	24
Notes to the financial statements	25

REFERENCE AND ADMINISTRATIVE DETAILS

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

Registered office

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

Members of the Board

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

Mr S P Garland	Chair	
Mr A R Thomas	Vice-Chair	Resigned 5th October 2019
Ms. H A Ryan	Vice-Chair	Stepped down as Vice Chair 2 nd February 2020
Mr J M Drury	Hon. Treasurer	Resigned 5th October 2019
Mr J B Jackson	Hon. Treasurer	Appointed Hon Treasurer 5th October 2019
Mr A D J Royce	Hon Secretary	
Mr G Higginbottom		Resigned 5th October 2019
Dr C H Elphick		Resigned 5th October 2019
Mr S Niven		
Mr R Wade		
Mr J M Wells		
Mr A J M Berry		
His Honour Judge J R Duggan		
Professor Philip James		
Mr Mustafa Desai		
Ms Gemma Grady		
Ms Deborah Shackleton CBE		
Mr Satyen Sinha		Elected at AGM 5th October 2019

President	Mr C G Davies
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Vice President	Mr E E Jackson MBE
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Chief Executive	Mrs A Selby
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Company Registered Number	00731548
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Entrust Registered Number	025077
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Bankers	Royal Bank of Scotland 175-177 Station Road, Bamber Bridge, Preston, PR5 6LA Yorkshire Bank 44 Fishergate, Preston, PR1 8BH
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Investment Advisors	Brooks MacDonald Group plc No 1 Marsden Street, Manchester, M2 1HW
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Auditors and VAT Advisors	MHA Moore and Smalley Richard House, 9 Winckley Square, Preston, PR1 3HP
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Chair's Statement

The current year has again seen the Wildlife Trust make good progress in a number of areas. However, it ended amidst some of the most unusual and challenging circumstances beyond anything that we could possibly have imagined.

The arrival of Coronavirus Disease in February and the subsequent lock-down of the UK population had a huge effect on the operation and work of the Trust. Initial work was undertaken to ensure that the Trust was able to survive in the short to medium term. A number of projects found it difficult to continue under tight restrictions and several sources of Trust income were immediately cut off. We took advantage of the Government's invaluable furloughing scheme and worked with a number of funding partners to identify emergency funding and to redesign projects and work to keep as many activities going as we could. We ended the year with great uncertainty as to the future operating landscape and with little idea of when and if normality of some form would return.

The timing of the health crisis had minimal effect on the out-turn for our year, but the potential impact on the next year is enormous. As I write this, we have little idea of what the future holds.

The year began with the launch of a Wind in the Willows themed animation promoting the launch of Nature Recovery Networks. These form a key part of The Wildlife Trust movement's campaign to reverse the decline in wildlife and to 'put nature into recovery'. The work to develop these networks is progressing and advocacy for them is strong at local, regional and national level. Nationally we have been trying to ensure the best outcomes for wildlife from the new Environment, Agriculture and Fisheries Bills, all due to be enacted in the next year as we leave Europe. To do this we work with other Trusts and the Royal Society of Wildlife Trusts, who also partner many other environmental organisations at a national level.

During the year, we continued delivery of many important projects. MyPlace helps young people with mental health issues and has been very successful since it was launched and in November an independent report demonstrated its important and significant impact on the health and well-being of many young participants. It is delivered in partnership with the Lancashire & South Cumbria NHS Trust and reached an amazing milestone as the 1000th participant was welcomed – an event for justifiable celebration. Young people are also active in the continued activities and development of our Youth Forum, which meets regularly throughout the year. Their enthusiasm and energy bodes well for the future of the Wildlife Trust as they get more involved with the Trust and begin to have a real influence on its work.

The exciting new visitor, volunteer and staff facilities at our Mere Sands Wood reserve became a reality at last, the culmination of a huge effort by the team to pull together a diverse range of funding to enable construction and installation to begin.

The previous year, the reserve had witnessed one of our saddest events when a long-standing volunteer was tragically killed in an accident while volunteering. The inquest was finally held this year, bringing closure to all those involved – a distressing and difficult experience for all. We have always been safety conscious and as we grow as a Trust, we increased our capacity in this area. A new Safety, Health and Environment Advisor was appointed towards the end of the year which also makes us better resourced during the current pandemic.

Our peatland reserves around Greater Manchester continue to develop, with projects to regenerate huge areas of active peat mossland now well under way. Already the bare peat left after extraction for horticulture is developing into a rich, green habitat with plants such as Sundew (*Drosera*) making a welcome return. Large Heath Butterfly were reared at Chester Zoo in preparation for their release later in 2020.

The South Pennines Grassland Project delivered significant improvements to the upland environment and wildlife of an area that included the recently designated West Pennines SSSI.

Our CEO, Anne Selby held useful talks with the National Lottery Heritage Fund's Northern Region Director, talking about how the Trust can be involved in their future plans now that the environment has been identified as one of their top priorities, following extensive consultation across the UK. Approval was later gained for NLHF funding of a major project at Lunt Meadows Nature Reserve, which should provide facilities for visitors as well as interpretation for the amazing archaeological discoveries of early human settlement on the site.

A massive change for our teams this year has been in the ICT sphere with the moving of the whole of the Trust's financial systems and all of our customer contacts, membership and volunteer database systems onto new software. Xledger will be a powerful tool in providing financial monitoring, processing and planning for the Trusts increasingly-complex range of operations. These changes have involved a number of staff teams in a considerable amount of work, for which I am grateful. I also thank my Trustees for their patience in governing the organisation through a period where financial information was often not as current as they may have liked. However, the new systems are already proving their worth. We have also updated and redesigned our website.

I continue to work with our Trustees to consider how best to organise governance of the Trust. We had already revised our decision-making processes to allow for all-electronic decision-making; a change that has proved essential as we entered lock-down.

In October we said goodbye to several long-serving trustees; namely John Drury (Treasurer), Richard Thomas, Geoff Higginbottom and Clive Elphick. Satyen Sinha was elected as a new Trustee and formally joined the Board, having been co-opted in the previous year. We also said our farewell to Joe Bowyers who sadly died in February 2020. He had served as a trustee for many years and contributed much valuable business thinking to our work as well as unbounded enthusiasm and support for the Trust. He had also been an active volunteer and supporter of Mere Sands Wood Nature Reserve.

Finally, I must give sincere thanks to both the staff teams and my Board for the work, support and resilience they have shown as we plan for a different future post-coronavirus. We have a challenging agenda, huge and diverse workload, but with a clear agenda of reversing the decline in our wildlife. We will continue working with our local and national partners to develop strategies to do this in a variety of ways as we make progress in the next year.

Thank you



Steve Garland, Chair

The Board have pleasure in presenting their report together with the audited accounts for the year ended 31st March 2020. The Board have adopted the provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

Key Objectives:

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

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

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

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

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

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

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

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

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

Strategic Report

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

OUR VISION

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

OUR AIM

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

Achievement and Performance

Core objectives

- To protect, create and enhance wildlife in our region, creating Living Landscapes and Living Seas.
 - To stand up for wildlife and the environment.
 - To inspire people about the natural world and encourage everyone to take action for wildlife.
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Our achievements for the year are reported below and are structured according to these core objectives.

Protect, Create and Enhance Land for Wildlife and People

Living Sea Campaign

We had great news at the beginning of the year in the successful designation of 6 new Marine Conservation Zones (MCZ) in the NW Irish Sea. This followed considerable NW Wildlife Trusts campaigning work around a Government consultation that saw 1,800 responses from people across the North West. There are now a total of 10 Marine Conservation Zones in the Irish Sea and work continued throughout the year to increase awareness of these areas and work to ensure they are meaningful through work with the NW Inshore Fishing and Conservation Authority. Welcome news late in this year was that, the Esme Fairbairn Foundation has agreed to support the NW Trusts marine project for another 3 years, thus allowing us to maintain our campaigning and liaison work.

Public awareness work has involved numerous public events along the coast and particularly with marine Week events. Some shore based events proved so popular that over 100 people attended. Resourcing the marine awareness work has proved difficult and continuity of staff has been problematic and a constant challenge. The Connecting to Nature Project at Heysham Nature Reserve had over 1200 people participating during the year in a wide range of family and specialist events in partnership with EDF Energy.

Living Landscape Campaign

In partnership with local councils and the Environment Agency, the Trust had another successful year progressing the protection of the delicate dune system on the Fylde coast. The Lancashire Dunes Project undertakes practical measures to rebuild the dunes system such as sand capture barriers, in combination with activities to increase awareness of the delicate ecosystem and its role in coastal defense and the benefits to the tourist industry. The January Christmas tree planting has become a successful annual event whereby Christmas trees are upcycled into coastal defense barriers. This year over 200 volunteers partially buried 2,000 trees upside down on the foreshore, trapping windblown sand. The event was closely followed by storms Ciara, Dennis and Jorge that lashed the Fylde coast but, the trees held very well and helped prevent considerable further damage to the coast. Dune re-profiling work at Town Gate, Blackpool was undertaken. There has been a welcome moratorium on sand quarrying in the inter-tidal sands off Lytham St. Annes.

A new Tale Trail was launched in the North Blackpool area and a considerable number of public events attracted over 3,500 participants over the year. A successful 'Bioblitz' wildlife recording day was held in July. A bid for major dunes awareness information panels along the Fylde coast has been successful and work on the text started.

The - 5 year long - South Pennines Grasslands Project came to an end in September with activity focused on the management and restoration of herb-rich grasslands in the West Pennine Moors. The project has been a significant success and exceeded its target of restoring 250 hectares of rare grassland in the area. Considerable surveying of grasslands has occurred in the project, increasing and updating our knowledge of biodiversity in the area.

Surveying of other sites across our area this year included a number of survey and management planning under contract and through Biodiversity Benchmark assessments. A new scheme to quality assure suppliers to Jordan's Serials was started and training given to staff. A considerable amount of surveying of invertebrates, particularly bees and wasps, was undertaken through the 'Plan Bee' Project in South Lancashire.

The Red Squirrel project's spring 2019 monitoring showed good results overall despite recent and ongoing squirrel pox outbreaks with the population in the reserve woodlands at 90% of the baseline figure in 2002. The project officer and her dog appeared on 'Countryfile Diaries' on the use of conservation detection dogs to find dead red squirrels during a disease outbreak. Funding is being sought to continue the project as the current EU LIFE and lottery funding is coming to an end. The local 'Red Alert' volunteer group became a 'Local Group' of the Trust. The Trust hosted the UK Red Squirrel fair in Southport.

Reserve Management

Our nature reserve portfolio has 39 sites covering over 1,300 hectares. The Trust also manages and advises on the wildlife management of a number of other substantial sites in the sub-region – safeguarding, enhancing and influencing others to benefit wildlife. Resourcing the management of this land is a constant challenge and we bid for agri-environment and other grants to enhance what we can achieve through membership fees alone. Purchasing and replacing vehicles, tractors, mowers etc. are particularly difficult to fund through third party grants. Some investment is needed in reserve infrastructure such as, fencing, access paths, gates, animal husbandry equipment and tree management. Volunteers contribute a huge amount of time to the conservation work of the Trust on sites and through campaigning. The year proved to be a difficult year to achieve goals with extreme weather moving through the autumn and winter period with very wet conditions

Additional staff resources were put in place to develop strategic reserves work such as better management planning, communications and grant / legal compliance. The suite of Conservation Key Performance Indicators (KPI) performance for the year indicates the successful completion of most nature reserve tasks. A task and finish group produced a new management plan template. Signage and interpretation on sites is deteriorating and in need of investment and particularly, to take advantage of new digital media.

The Trust's Mere Sands Wood Nature Reserve redevelopment gained pace during the year. The refurbishment of the staff and volunteer accommodation and shop was completed. Fit out of the new café and community space building extension was underway when Coronavirus measures stopped progress at the end of March. The redevelopment is costing over £500,000 and the Trust is grateful for the generosity of donors, grant aiders and the Friends of MSW. Once completed, the upgraded accommodation and facilities will establish the reserve as a premier green visit location. The reserve's wildlife continues to develop with considerable habitat development work on the woodlands. This may be paying dividends as indicated by a survey that found maternity roosts for Brown Long-eared and Noctule bats, which confirms them breeding on site for the first time. Sadly, a set back to the development of the reserve was that, the excellent, Cyril Gibbons bird hide was burnt to the ground by youths.

Another site with rapidly developing people engagement facilities is Lunt Meadows Nature Reserve on the edge of Liverpool. The site continues to amaze at the number of breeding and over-wintering birds that are using the site. News was received in March 2020 that our bid for £1.1 million match funding to the National Lottery Heritage Fund was successful, following considerable work during the year to develop the bid and to trial activities. The bid was jointly developed with the Museum of Liverpool and the funding will include a new visitor facility providing schools and community awareness raising programmes focusing on the wildlife and hunter-gatherer archaeological findings on the site.

New reserve acquisitions were completed on a 25 hectares extension to Winmarleigh Moss Nature Reserve. Future acquisitions are being developed at Hope Carr, Leigh and an extension to Freshfield Dune Heath Nature Reserve where a successful planning application for 200 houses next to Freshfield Dune Heath included mitigation measures for a buffer zone piece of habitat to be gifted to the wildlife Trust.

Seven Longhorn cattle have been gifted to The Trust and these are now grazing on Bickershaw grasslands in Wigan. The Trust's Grazing Project now has a small herd of Longhorn and Highland cattle, a flock of over 100 Hebridean sheep and a small 'trip' of goats, provided invaluable grazing on our grassland sites. Access to vehicles powerful enough to haul a trailer full of cattle out of fields is proving a challenge as funding vehicles through external grants is very difficult.

Heysham Nature Reserve had a boost this year with the reserve lake undergoing a successful desilting project, revealing more deep water and variety of edge habitat. Heysham Moss Wet Grassland Project added to the diversity of wetland habitats on site. Warton Crag reserve benefitted from a further season of tree thinning to encourage the endangered High Brown and other Fritillary butterflies. Moor Piece reserve has had the Rhododendron removed as part of actions to reduce further problems with the Larch Dieback vector, *Phytophthora ramorum* on the site. Breeding Common Turn on site at Seaforth Nature Reserve had a good breeding year with 170 chicks fledging.

The volunteer reserve manager for Upper Coldwell Reservoir NR, Keith Sutton, sadly passed away in July having looked after the reserve for over 30 years.

Standing Up for Wildlife and the Environment

Campaigning and lobbying through local commenting on strategic planning documents continued through the year and we gave evidence at the Lancaster City Local Plan Examination in Public. Presenting our view on major development proposals, such as High Speed 2, the Mersey Barrage and 'Fracking' continued over the year. Austerity measures introduced by successive Governments had resulted in many Lancashire based discussions being discontinued however work during the year to re-establish Lancashire's Local Nature Partnership (LNP) made great progress. Led by Lancaster University, the Trust helped with this work. A relaunch conference was planned for the end of March 2020 had to be cancelled due to Coronavirus lockdown measures. The re-emergence of an effective strategic voice for nature in Lancashire will be a welcome development and sit alongside the partnerships that operate in Greater Manchester and Liverpool City Region. Post Brexit legislation lobbying for new environmental protection laws was undertaken by staff under the campaign banner of 'A Wilder Future'. These legislation changes provide the LNPs with a framework to rebuild nature.

As an example of effective LNP work increasing awareness of wildlife areas, the 2019 'Year of the Environment' banner was embraced by Liverpool City Region's LNP who are called 'Nature Connected'. LWT and Merseyside Biobank led on the 'Greenspace Challenge' – a global recording competition using the web based 'iNaturalist' app. The challenge has seen a positive uptake with over 57,000 wildlife records being sent in and over 700 people participating.

Other changes in the development planning system included Natural England's Great Crested Newt (GCN) Local Licencing initiative whereby developers can opt in to an offsite compensation scheme, if protection of the GCN population can't be effectively mitigated for on the development site. The Trust successfully tendered for a framework contract to pilot the development of new and restored ponds in Lancashire, creating 20 ponds before the end of March.

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

2019 – 2020 has been an exciting year of growth for our projects and activities that inspire people about the Natural World. Of significant note this year compared to our Key Performance Indicators for last year is that the number of people attending events, and the number of children and young people engaged has doubled – we have directly reached 54,309 people. All credit to our passionate, enthusiastic and dedicated team and the volunteers that support them.

My Wild City has received excellent feedback from over 2,000 local people across Manchester culminating with a report produced on our priorities for encouraging and enabling contact with nature and activities for improving biodiversity across the city. Our first Manchester Festival of Nature saw over 7,000 people taking part in activities at Heaton Park organised by a consortium of environmental organisations.

MyPlace is achieving some outstanding impacts for both young people and those classed as economically inactive. Our Youth Council has over 10 regular young people actively contributing to important campaign work, and our independent evaluation has demonstrated some significant impacts on how our activity has improved health and employability. We are responding to requests for hub activity in Greater Manchester and working with the Greater Manchester Mental Health NHS Trust to look at expanding our activity. Our work in partnership with Active Lancashire has seen the development of a consortium to secure further funding from ERDF for the More Positive Together project which MyPlace is now a partner within and receiving a contribution of £150k. The current ERDF funding required an audit and we received excellent feedback for our record keeping and achievements. The project was extended to the end of the year and has now completed.

Our fundraising efforts for continuation is now underway and our first success was with a significant new fund secured from the Ministry of Justice who have confirmed funds of £52,300 for a project working with people coming out of prison. Lastly we were the winner of the North West Coast Research and Innovation Partnership and Innovation Award together with the Lancashire and South Cumbria NHS Foundation Trust.

The Carbon Landscape Partnership is now half way through the programme and has completed a mid-term review which has highlighted some significant successes and project activity across the programme running at full pace building stronger partnerships and reaching new audiences.

Our education work is growing from strength to strength with continued growth in requests and delivery at Brockholes. We secured funding through the DEFRA Nature Friendly Schools consortia led by RSWT which has seen a significant growth in teachers trained and school grounds development.

The Hive at Moss Bank Park in Bolton continues to expand our offer for families and events are often sold out. This is successfully achieving an increase in footfall to the café as well as a profit from charged events, and proving an excellent model for events across our other Visitor Centres.

The growing interest in our Living Seas has seen our coastal, sand dunes and marine events receiving large attendances. We continue to deliver some key messages about our marine environment and see the importance of this work growing each year.

Nature tots at Brockholes and Bolton continue to do well and Peoples Postcode Lottery (PPL) funding for Forest Schools (£116,000) has continued to reach out to children in Manchester and Liverpool who most need contact with nature. Forest Schools training, activities and development of facilities, continues to grow as interest in the initiative gains momentum.

In Wigan we have engaged members of the public through a variety of events, thanks to funding from Service Level Agreements that we have with Wigan Council. Our Bickershaw project has seen more people taking ownership of one of the largest open spaces in Wigan, which thanks to funding via Wigan Council through the Environment Agency, has made significant landscape changes to 'slow the flow' with a natural flood management scheme reducing the flooding in areas of Wigan. This work has also created natural barriers to people accessing the site for illegal off roading activities and local people are feeling more confident in the use of this site.

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

Our Trading Subsidiary – Brockholes

Brockholes Enterprise Limited, was established in 2010 to run the commercial activities of the Brockholes site. From 2010 to 2015 the company also bore the cost of all charitable activities at the site and incurred repeated losses as a result. In 2016, following a review led by Trustees of the Lancashire Wildlife Trust working with the Directors of Brockholes Enterprises Limited, the Trust took over the cost of the charitable activities.

During the period from 2010 to 2015 the company losses were financed through intercompany loans from the Trust. This debt was shown as liability in Brockholes Enterprise Limited accounts and as a corresponding asset in the Lancashire Wildlife Trust accounts and whilst these balanced out in the consolidated group accounts it was felt they provided a misleading view of the situation at a company level. They also adversely and unnecessarily affected the credit rating of Brockholes Enterprises Limited.

The Trustees of the Lancashire Wildlife Trust agreed that the change in policy which had been applied from 2016 for all charitable costs to be borne by the Trust, should also have been applied to the earlier years and a prior year adjustment has therefore been made to reflect this policy and to reimburse Brockholes Enterprises Limited a total of £1.38m it had incurred in charitable expenditure during the period from 2010 to 2015.

This has enabled Brockholes Enterprises Limited to repay the intercompany loan of £661,492 and the balance on the inter-company account and at 31 March 2020 it had positive reserves of £290,852. A charitable donation of £178,039 will be made to the Lancashire Wildlife Trust in 2020.

Access infrastructure and reserve works have continued this year with funding from RDPE, Quercia and LEF. Work has included re-surfacing sections of the access road, upgrading of the play area and installation of a new covered canopy. Significant improvements have also been made to our works compounds and office facilities, including a new modular office for volunteers and education staff. We have further invested in our conservation team who are doing great work around the reserve and developing important new projects to tackle opportunities and issues on the site such as 'Ash dieback'.

Following a difficult year with our catering operation we finally secured funds to appoint a Catering Development Manager and also a new Catering Manager post and we are working closely with our new staff members to re-invent our catering offer at Brockholes and other sites for the future.

We endured a difficult end to the year with a series of successive storms starting with storm Ciara in February, which led to record river levels and the visitor village forced to close for seven days, this was then followed by the complete closure of the site due to Covid 19 restrictions, before the year end.

Operational objectives

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

Marketing Department

The Marketing Team continues to drive growth in unrestricted income generation, both through our commercial and charitable channels. Our Policy and Advocacy steering group continue to scan the horizon for future threats, and focus on creating a strategic approach to dealing with the threats to local wildlife.

Recognised and respected for our work

The profile for the environment has never been higher, with a growing concern within the general public; now is the time for us to grasp this and continue to engage people with our work and our purpose. The Trust continues to grow presence both through social media and regional television, newspapers and radio. We took part in the national Wildlife Trusts Wilder Future Campaign, which involved lobbying MP's and creating a higher profile for the importance of a strong Environment Act. We continue to write regular features for key regional titles such as the Manchester Evening News and Lancashire Life Magazine, and our local radio appearances are now occurring on at least a weekly basis. Our My Wild City Project and 30 Days Wild campaigns continue to see a growth in engagement levels, with this year seeing the launch of My Wild Gardens. We were also the leading organisation behind the Manchester Festival of Nature, which saw thousands of people engage in nature activities in Heaton Park and created the Manchester Nature Consortium, which sees the leading environmental organisations working together in Manchester. Whilst our core audiences remain the same and appreciate the more traditional communication channels, we are constantly having to adapt to the new digital age – people want information in a more accessible and prompt way than ever before.

Grow our resources

Membership growth continued again this year, despite a continuing challenging environment in this area. Recruiting on Trust reserves remains a key area of growth potential for the future and we continue to trial a number of methods. Public anticipation for free parking when joining on one of our reserves, and the VAT barriers around us being able to do so remain a challenge to increasing our supporter numbers. We do know however, that those joining us are committed to our cause. Our door to door scheme has had a slow start, with two difficult seasons. Our individual giving programme has allowed for more cash donations and an increase in legacy pledges.

Commercially, we have increased our catering offer within the Trust and we continue to develop the offers here in line with our core values as a conservation organisation. We continue to deliver strong campaigns to drive visitors, conference delegates and wedding bookings. A new catering development project is underway to help us increase our profitability. This provides the conservation work with much needed funds to continue into the future, whilst raising the overall profile of the Trust.

Ensure the organisation is effective and fit for purpose

Our new customer relationship management system has now been implemented across membership and volunteering. Training is ongoing, and integration of our communications and donations processing is underway. We moved our face to face recruitment team to digital sign ups; This will allow us to respond to the growing demands for instant information in the digital age, and is also allowing us to create a clearer picture of our supporters and develop clear and relevant communications to keep them engaged.

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

Fundraising to the public

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

Delivered by carefully vetted fundraising professionals:

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

Delivered by our skilled in-house fundraising team:

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

Respectful fundraising

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

Keeping high standards

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

1. Communication

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

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

2. Training and Guidelines

- Public fundraiser guidelines are issued, ensuring all fundraising regulations are adhered to from solicitation statements and Identification to protecting vulnerable individuals and appropriate respectful fundraising techniques.
- Initial training is delivered at the point of recruiting the fundraiser, and then enhanced throughout their time with the Trust through regular meetings and communications.
- Formal agreements are in place between all professional fundraisers and the Trust which details the standards required.
- Regular training and monitoring of changes to regulations is shared with all fundraisers, both professional and within our skilled in-house team.
- Guidelines, policies and procedures around vulnerable individuals are also in place.

3. Monitoring and assessment

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

4. Complaints

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

5. Protecting Vulnerable Individuals

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

Financial Review

The financial year 2019/20 was a successful year for the trust that was only impacted by the coronavirus pandemic right at the end. Income from membership, donations and legacies increased by 5% to £1,342k owing to the continued work by our Marketing Department. Income from grants and trading related directly to the trusts charitable purposes increased by 3.7% to £3,768k. Income from other trading activities, primarily the Brockholes Visitor Centre, fell by 1.5% to £1,127k. Investment income increased to £22k from £6k. Total income increased by 3.3% to £6,260k.

This increase in income supported an increase of 10.8% in expenditure on charitable activities, operations and people engagement, conservation and education to £4,423k. The Trust was able to make investments in land at Winmarleigh Moss, £380k, a new visitor centre at Mere Sands Wood, £465k and a new volunteer building, £49k at Brockholes. Expenditure on raising funds and other activities increased by 6% to £1,830k. These included operation of the Brockholes Visitor Centre, membership recruitment and marketing and advertising. The net assets of the trust fell marginally from £12.23m to £12.22m.

Financial Activities

The Finance Team successfully completed a project to introduce a new accounting system. This will make the accounting function more efficient and providing better and more timely management information to the management team. Work has been started to simplify the product offering, reduce the supplier base and improve the systems within the catering and retail operations. This work has been continued into the new financial year and will help to improve profitability into the future.

Balance Sheet

The level of fixed asset expenditure increased in the year following land purchases and development at Mere Sands Wood nature reserve. The overall value of fixed assets for the Group increased by approximately £393k as a result of the purchases and development work undertaken. Our Investments fell by £15k to £213k. The level of debtors has increased whilst creditors has decreased during the year.

Cash Flow

Cash balances have decreased by £774k in the year to £962k. £745k of this reduction is accounted for by significant investments by the trust. The purchase of land at Winmarleigh Moss which concluded in April 2019 partly used funds received in 2018-19. This reduced the year end cash balance by £284k. Funds received by the trust in Financial Year 2018/19 under the Landfill Tax Distributing Environmental Body arrangement from Casey and Quercia were invested by the trust in 2019/20 in a new visitor centre at Mere Sands Wood, volunteer facilities and improvements at Brockholes Nature Reserve, and the large heath butterfly re-introduction project in the Manchester Mosslands. These investments reduced the year end cash balance by £461k.

Future Outlook

As the financial year closed, we were beginning to see the impacts of Coronavirus and the need to take measures to stop transmission. The movement to lockdown has severely impacted on the charity as most of our income generating operations have had to stop. Our car parks and catering facilities have been closed and normal fundraising activities have been halted which will impact membership and donations. There will be a large drop in our income.

The Senior Management Team took immediate mitigating action. Many staff were furloughed with support from the government job retention scheme, and non-essential expenditure stopped. These prompt actions and the receipt of some emergency grant funding have limited the damage to the charity's financial position. Financial forecasts show that the charity will be able to absorb any losses without any risk to its viability.

In the short term the Trust will be able to weather the pandemic but the longer it continues the more damaging it will be and our ability to champion nature may be reduced.

As we leave Europe, there has been much work on shaping the new legislation pertaining to wildlife and the natural environment. The movement to a new Environment Act, plus Agriculture Act and Fisheries Act will keep us on our toes. On the positive side there are opportunities for new funding sources to help restore nature and we are keen to see these optimised. The partnership of all 46 Wildlife Trusts helps us share that work.

We have been surprised, recently, by the number of individuals approaching us to look after their land for the future, often leaving an endowment to provide funds for the Trust to do this. We will be considering these offers and how they can fit into our plans for nature's recovery, but it is heartening that people want to trust us with their estates.

Principal Risks and Uncertainties

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

Risk	Mitigations
Coronavirus - impact on cash flow, funding, people and reserves	- A thorough risk assessment on coronavirus and its potential impacts on all areas of the Trust's work has been undertaken. Mitigation measures for various scenarios have been worked through and contingency plans have been put in place. - We furloughed the majority of staff who were unable to carry out their normal activities. Those funded and able to do so are home working. Those required to work on site have strict distancing protocols to work to. - We have kept business critical services in place to ensure communications with staff, volunteers, members, service users and funders are maintained and that funding opportunities in the short and long term are maximised.
Economic pressures, competition and consumer behaviour changes impact negatively on voluntary income, particularly following the Coronavirus outbreak	- We will continue the focus in our marketing department on the introduction of new members and keeping existing members well informed in order to protect our voluntary income. - Emphasis on good news stories and social media content to engage with members. - Benefits of exposure to the natural world have been evident during the lockdown and the trust has continued virtual engagement with members. The member drop-out rate is low.
Cash flow and income generation continues to dominate our current risk analysis. Loss of income caused by the impact of Coronavirus has added to potential income loss due to changes in public sector and EU funding	- We continue to strengthen our internal controls and to operate tight budget setting. We have introduced a new financial system to improve spotting trends, monthly monitoring and management reporting. - We continue to secure new sources of income and diversify our funding sources, whilst developing new ways of generating sustainable sources of income through carbon capture and environmental land management systems. - We are monitoring the introduction of the new Environmental Land Management Scheme and the opportunities that might bring.
Attracting, developing and retaining talented staff at both Brockholes and at the Trust, combined with the reliance on significant levels of stalwart volunteer support	- There will be a new focus on staff and volunteers post lockdown and furlough to ensure good engagement with the Trust. - Talent management, development and succession planning programmes, managed through the HR committee will continue. - New formats of staff engagement days and the volunteer conference will be needed to comply with social distancing.

Risk	Mitigations
Climate change undermines habitat management basis	▪ Identification of susceptible habitats, significant impacts likely on some sites. Constant refocus on habitat management, future proofing if investment available. ▪ Manage habitats on a landscape scale where possible. Ensure management plans are up to date and be ready to respond to issues arising, e.g. fires and reduced rainfall means loss of peatlands.
Successful challenge-funded projects fail to develop ongoing funding and end. Key contributions to LWT's activities cease	▪ Identify the most significant elements in advance and try to identify options for further funding or partnerships to continue them. Have an exit strategy when the project starts. ▪ A staff culture of sustaining projects from alternative future funding is improving.
Insufficient capacity to deliver strategy/business plan objectives. Excessive workloads	▪ BREXIT changes have increased need for lobbying /campaigning capacity. Identify investment needs. Address other teams in the same way where needs are identified. ▪ Monitor strategic objectives to ensure they are realistic/reformulate if needed. SMT/Trustees prioritise appropriately, recognising that LWT cannot necessarily do all the activities it wants to do. SMT away day worked on the process of prioritising. ▪ Furloughing of staff has meant remaining staff are covering many tasks, and the welfare of existing staff is being kept under constant review.
Child welfare/Safeguarding of vulnerable persons	▪ A Trustee with responsibility for safeguarding has been appointed and a new safeguarding committee has been set up. ▪ Staff leads also in place with ongoing review of safeguarding policies, systems and training. ▪ Risk assessments carried out by staff in potentially vulnerable situations.

Safety, Health and Environmental Performance (SHE)

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

A new, SHE Advisor post at the Trust was established to help advise staff and volunteers and to develop our systems. A new risk assessment and method statement system has been developed and key policy and guidance updated to ensure staff are supported to deliver consistently high standards of legal compliance. A new committee has been formed to concentrate on 'safeguarding' development work within the Trust and reflects our increasing work in this area and need for support to staff and volunteers on existing programs. Training of staff and volunteers in mental health awareness, safeguarding and specialist practical skills has also increased.

A new suite of SHE key performance indicators was instigated this year and has helped to focus activity and gauge both good practice and where development work is needed. Outcomes for the year highlighted the good communications of SHE across the staff and its committees, good training and update compliance and regular internal audits to test compliance. Further investment need was identified on buildings and workshop systems and the SHE advisor will develop these areas.

A Coroner's inquest was held in October for the death of a volunteer at Mere Sands Wood Nature Reserve in 2018. The Inquest concluded that 'Accidental Death' had occurred.

Two RIDDOR reports were sent to the Health and Safety Executive over the year for a slip on uneven ground that resulted in a broken ankle and time off work due to a strained back muscle.

Investment policy

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

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

Financial Reserves

The Trust's financial reserves are made up of permanent endowment funds of £673k (2019: £712k), and a variety of restricted and unrestricted funds. Total funds as at the 31st March 2020 were £12,000k (2019: £12,234k).

Restricted Funds

The Trust has a number of restricted funds where the donor restricts the purpose for which the funds can be used. As at 31st March 2020 restricted funds were £10,575k (2019: £10,503k) including fixed assets of £7,011k (2019: £6,932k). Further details of these funds and the purposes for which they are intended are provided in note 23. There has been a net increase in restricted funds during 2019-20 of £72k.

Unrestricted Funds

The remainder of the Trust's funds is held in a general unrestricted fund, which as at 31st March 2020 was £978k (2019: £1,019k).

Reserves policy

The Trust has established a financial reserves policy to cover for unexpected reductions in short-term income. Under the policy the Trust aims to hold sufficient unrestricted reserves in sufficiently liquid form (i.e. as net current assets) to enable it to cover 3 months of core operating expenditure (excluding depreciation). Core operating expenditure excludes expenditure funded by restricted or endowment funds. Based on the budget for the coming year the Trust has calculated that the level of reserves required under this policy to be approximately £642k. At 31st March 2020 the Trust had £545k (2019: £556k) of unrestricted net current assets and has plans in place to increase reserves to the preferred level.

Remuneration Policy

The Trust is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The Human Resources Manager undertakes comparisons with other public sector and charitable organisations, particularly other Wild Life Trusts, to benchmark salaries in combination with an internal benchmarking system.

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

Structure, Governance and Management

Legal Entity

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

Governing Document and Constitution

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

Organisation Structure

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

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

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

- Management Action Group
- Finance Sub Committee
- Human Resources Sub Committee
- Safety, Health and Environment Sub Committee
- Conservation Sub Committee
- Succession/Nomination Sub Committee

Other sub groups/ task and finish groups are commissioned as required by the Trustees.

Remuneration of key management personnel is benchmarked against salaries for similar roles.

Method of election of Trustees

Trustees have a recruitment and retirement policy, in line with this policy, 4 Trustees resigned at the Annual General Meeting of the Charity in October. One co-opted member was elected, being nominated and seconded by Members as required by the Charity's Articles of Association. The new system has and will increase diversity on the Board. All Trustees must now stand for re-election every 3 years and now have limited terms in office as Trustees serving a maximum of 9 years except in extenuating circumstances that best serve the interests of the Trust.

Induction and training of Board members

Trustees' skills are reviewed regularly as part of the recruitment process to ensure a broad and balanced group. A new induction pack was further developed with Trustee input. The Chair has held Trustee only sessions to further develop the Board and focus it strategically. Trustees have access to a Trustee Team site with additional information on the Trust and communication options.

Related parties

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

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

Statement of the Board's responsibilities

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

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

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

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

Statement as to disclosure of information to auditors

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

The Report of the Members of Board, which includes the Strategic Report on pages 3 to 18, were approved by the Board on 16th July 2020 and signed on their behalf on24/09/2020



S Garland, Chairman

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

Opinion

We have audited the financial statements of The Lancashire Wildlife Trust Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

**INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31st MARCH 2020**

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 18, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



Tracey Johnson (Senior Statutory Auditor)

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

Richard House
9 Winckley Square
Preston
PR1 3HP

24/09/2020

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st MARCH 2020

	Notes	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Income and endowments from:						
Donations and legacies	2	1,202	140	-	1,342	1,279
Charitable activities	3	1,244	2,525	-	3,769	3,632
Other trading activities	4	1,127	-	-	1,127	1,145
Investments	5	18	-	4	22	6
Total		3,591	2,665	4	6,260	6,062
Expenditure on:						
Raising funds	6	1,767	16	4	1,787	1,630
Charitable activities	7	1,824	2,575	24	4,423	3,991
Other	8	43	-	-	43	43
Total	9	3,634	2,591	28	6,253	5,664
Net incoming/(outgoing) resources Before other recognised gains and losses		(43)	74	(24)	7	398
Net (losses)/gains on investments		-	-	(15)	(15)	10
Net income / (expenditure)		(43)	74	(39)	(8)	408
Transfers between funds		2	(2)	-	-	-
Net movement in funds		(41)	72	(39)	(8)	408
Reconciliation of funds						
Total funds brought forward	23	1,019	10,503	712	12,234	11,826
Total funds carried forward		978	10,575	673	12,226	12,234

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

A full breakdown of the comparative figures is given in note 33.

The notes on pages 25 to 50 form part of these accounts

CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31st MARCH 2020

		Group		Charity	
	Notes	2020	2019	2020	2019
		£'000	£'000	£'000	£'000
As re-stated					
Fixed assets:					
Intangible fixed assets	13	58	46	47	46
Tangible fixed assets	14	7,386	7,345	7,339	7,283
Heritage assets	15	3,133	2,778	3,133	2,778
Investments	16	213	228	213	228
Total fixed assets		10,790	10,397	10,732	10,335
Current assets:					
Stocks	18	32	27	3	3
Debtors	19	1,342	1,109	1,281	1,043
Cash at bank and in hand		962	1,706	947	1,593
Total current assets		2,336	2,842	2,231	2,639
Liabilities:					
Creditors: falling due within one year	20	(793)	(905)	(856)	(931)
Net current assets		1,543	1,937	1,375	1,708
Creditors: falling due after more than one year	22	(107)	(100)	(107)	(100)
Total net assets		12,226	12,234	12,000	11,943
The funds of the charity:					
Endowment funds	23	673	712	673	712
Restricted funds	23	10,575	10,503	10,575	10,503
Unrestricted funds	23	978	1,019	752	728
		12,226	12,234	12,000	11,943

These accounts were approved by the Board on 16th July 2020 and signed on their behalf on 24/09/2020



Steve Garland - Chairman



Julian Jackson - Treasurer

The notes on pages 25 to 51 form part of these accounts

Company number 00731548

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31st MARCH 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Cash flows from operating activities:					
Net cash provided by operating activities	29		313		1,006
Cash flows from investing activities:					
Dividends, interest and rents from investments		4		6	
Purchase of property, plant and equipment		(995)		(229)	
Purchase of intangible assets		(16)		(47)	
Sale of heritage assets		25		-	
Net cash used in investing activities			(982)		(270)
Cash flows from financing activities:					
Loan repayment		(75)		(50)	
Net cash used in financing activities			(75)		(50)
Change in cash and cash equivalents in the reporting period			(744)		686
Cash and cash equivalents at the beginning of the reporting period	30		1,706		1,020
Cash and cash equivalents at the end of the reporting period			962		1,706

1. ACCOUNTING POLICIES

1.1 Basis of accounting

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

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

The Trustees have considered the appropriateness of the going concern assumption and believe it is appropriate to prepare the financial statements on this basis due to the Trust's level of reserves and agreed funding. Details relating to the impact of Covid 19 together with the action being taken has been included in the Trustees report. The Trustees are confident that they can manage the situation and will be able to meet all liabilities as they fall due for a period of at least 12 months from the signing of the accounts. They are therefore satisfied that the accounts should be prepared on a going concern basis.

1.2 Group accounts

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

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

1.3 Company status

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

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

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

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

1. ACCOUNTING POLICIES (continued)

1.5 Incoming resources

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

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

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

Grants receivable for activities are credited to income upon entitlement.

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

Donations are recognised as income when the donation is made.

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

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

1.6 Resources expended

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

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

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

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

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

1.7 Intangible fixed assets

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

1. ACCOUNTING POLICIES (continued)

1.8 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised at cost.

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

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

Land and buildings	-	4% - 20%	straight line
Motor Vehicles	-	33 ⅓%	straight line
Furniture, fittings and equipment	-	20%	straight line

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

1.9 Heritage assets

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

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

1.10 Investments

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

1.11 Stocks

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

1.12 Operating leases

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

1.13 Pensions

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

1.14 Critical accounting estimates and areas of judgement

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

Useful economic life of tangible fixed assets

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

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

There are no critical areas of judgement.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

1. ACCOUNTING POLICIES (continued)

1.13 Prior year adjustment

Opening reserves for the charity have been amended as a result of recharges from the subsidiary Brockholes Enterprises Limited. These recharges relate to charitable expenditure incurred by Brockholes Enterprises Limited in respect of the nature reserve in earlier years.

Significant net liabilities had built up historically because the company was bearing costs incurred on charitable activities undertaken at the site but unrelated to its commercial and fundraising activities. The Directors undertook a comprehensive review of the financial arrangements and management of the company during the year ended 31 March 2017.

Following this review undertaken by the directors, and in agreement with the Trustees of The Lancashire Wildlife Trust Limited, the costs relating to the charitable work undertaken on the site have been borne by The Lancashire Wildlife Trust Limited. In the current year the directors have undertaken a review of costs in earlier years and amended the recharges to transfer the charitable costs incurred. A total recharge of £1,380k has been invoiced to The Lancashire Wildlife Trust.

2. Donations and legacies

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Membership	986	-	-	986	924
Donations	102	140	-	242	274
Legacies	111	-	-	111	75
Donated goods and services	-	-	-	-	4
Other	3	-	-	3	2
	1,202	140	-	1,342	1,279

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

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

3. Charitable activities

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Grants	302	2,525	-	2,827	2,783
Primary purpose trading	942	-	-	942	849
	1,244	2,525	-	3,769	3,632

Prior Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000	2018 £'000
Grants	208	2,576	-	2,784	2,372
Primary purpose trading	848	-	-	848	709
	1,056	2,576	-	3,632	3,081

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

- The National Lottery Community Fund (Our Bright Future) – My Place. £179,784.
- The National Lottery Community Fund (Reaching Communities) – My Place £12,568.
- European Social Fund – My Place. £262,041.
- Esmee Fairbairn Foundation – Lancashire Peatlands Initiative £70,000.
- Esmee Fairbairn Foundation – My Wild City £60,000.
- Department for Communities and Local Government – Coastal Communities Fund: Lancashire's Living Seas £40,624.
- Department of Education, Department for Food, Environment and Rural Affairs and Natural England - Nature Friendly Schools £145,280.

4. Other trading activities

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Brockholes visitor centre	1,027	-	-	1,027	1,057
Visitor centre shops	13	-	-	13	21
Rent and room hire	24	-	-	24	15
Other	63	-	-	63	52
	1,127	-	-	1,127	1,145

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

4. Other trading activities (continued)

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

5. Investment income

	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Current Year					
Interest	18	-	-	18	-
Dividends	-	-	4	4	6
	18	-	4	22	6

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

6. Expenditure on raising funds

	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Current Year					
Brockholes visitor centre	1,094	-	-	1,094	1,030
Membership recruitment	227	-	2	229	190
Marketing and advertising	423	-	2	425	385
Other	23	16	-	39	25
	1,767	16	4	1,787	1,630

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

6. Expenditure on raising funds (continued)

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

7. Expenditure on charitable activities

	Unrestricted	Restricted	Endowment	2020	2019
Current Year	£'000	£'000	£'000	£'000	£'000
Operations and people engagement	354	1,410	10	1,774	1,722
Conservation	1,048	362	10	1,420	1,288
Education	422	803	4	1,229	981
	1,824	2,575	24	4,423	3,991

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

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

7. Expenditure on charitable activities (continued)

Current Year	Direct Costs £'000	Support £'000	2020 £'000	2019 £'000
Operations and people engagement	1,607	167	1,774	1,722
Conservation	1,248	172	1,420	1,288
Education	1,153	76	1,229	981
	4,008	415	4,423	3,991

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

8. Other expenditure

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
RSWT levy	41	-	-	41	40
Loan interest	2	-	-	2	3
	43	-	-	43	43

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

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020 (continued)

9. Total expenditure

	Direct Staff Costs £'000	Other direct costs £'000	Support £'000	Governance £'000	2020 £'000	2019 £'000
Current Year						
Raising funds	808	856	108	15	1,787	1,630
Operations and people engagement	914	693	157	10	1,774	1,722
Conservation	652	596	161	11	1,420	1,288
Education	765	388	71	5	1,229	981
Other	-	43	-	-	43	43
	3,139	2,576	497	41	6,253	5,664

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

Total resources expended are stated after charging:

	2020 £'000	2019 £'000
Current Year		
Auditors remuneration		
- audit	11	10
- taxation services	1	1
Depreciation	570	553
Amortisation	7	1
Loss on disposal of tangible fixed assets	1	8
Amounts payable under operating leases	3	3

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020 (continued)

10. Analysis of support costs

	Raising funds	Operations and people engagement	Conservation	Education	Total	Basis
Current Year	£'000	£'000	£'000	£'000	£'000	
Finance	28	66	66	28	188	(1)
Human Resources	23	16	18	9	66	(2)
Management	36	26	28	13	103	(2)
Governance	15	10	11	5	41	(2)
Premises	17	40	40	17	114	(1)
IT	4	9	9	4	26	(1)
	123	167	172	76	538	

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

(1) Estimated % of Charity only activities

(2) Estimated % of total Group activities

11. Staff costs

	2020	2019
Current Year	£'000	£'000
The movement in the year is after charging:		
Salaries and wages	3,154	2,887
Redundancy payments	-	10
Social security costs	238	221
Other pension costs	125	89
	3,517	3,207

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2020 (continued)

11. Staff costs (continued)

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

Current Year	2020	2019
Operations and people engagement	48	44
Conservation	25	24
Education	33	28
Fundraising	12	12
Brockholes visitor centre	46	53
Management and administration	15	14
	179	175

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

Board's and employees' emoluments

Members of the Board did not receive any remuneration or benefits in kind during the period. Costs incurred by the Board travelling on Trust business and reimbursed to them amounted to £nil (2019: £nil).

Total donations received from Members of the Board were £1,000 (2019: donations totalling £10,500)

One employee received emoluments of £60,000 or over in the band £70,000 - £80,000.

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

Current Year	2020 £'000	2019 £'000
Salaries and wages	324	295
Social security costs	35	32
Other pension costs	60	39
	419	366

12. Pension arrangements

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

Historically the Trust has an obligation for one ex-member of staff who is part of the Wildlife Trust’s multi-employer defined pension scheme. The underlying assets and liabilities of the scheme cannot be identified on a reasonable and consistent basis and the scheme is accounted for as a defined contribution scheme. Based on the last valuation at 1 April 2016, the Trust's share of the scheme deficit amounted to approximately £8k (2019: £8k) and provision has been made in the accounts for this amount which is included in creditors. At 31 March 2020, there is a possibility that the Trust's liability is more than £8k. The amount of the additional contingent liability cannot be quantified at present but is not believed to be material.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

13. Intangible fixed assets

Group

	Computer Systems £'000	Total £'000
Cost		
At 1 st April 2019	47	47
Additions	16	16
Transfer	5	5
Disposals	-	-
At 31st March 2020	68	68
Depreciation		
At 1 st April 2019	1	1
Charge for year	7	7
Transfer	2	2
Disposals	-	-
At 31st March 2020	10	10
Net book value		
At 31st March 2020	58	58
At 31 st March 2019	46	46

Charity

	Computer Systems £'000	Total £'000
Cost		
At 1 st April 2019	47	47
Additions	7	7
Disposals	-	-
At 31st March 2020	54	54
Depreciation		
At 1 st April 2019	1	1
Charge for year	6	6
Disposals	-	-
At 31st March 2020	7	7
Net book value		
At 31st March 2020	47	47
At 31 st March 2019	46	46

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

14. Tangible fixed assets
Group

	Freehold Buildings £'000	Motor Vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 st April 2019	11,092	274	1,295	12,661
Additions	514	42	59	615
Transfer	-	-	(5)	(5)
Disposals	-	(12)	(1)	(13)
At 31st March 2020	11,606	304	1,348	13,258
Depreciation				
At 1 st April 2019	4,036	195	1,085	5,316
Charge for year	459	44	67	570
Transfer	-	-	(2)	(2)
Disposals	-	(11)	(1)	(12)
At 31st March 2020	4,495	228	1,149	5,872
Net book value				
At 31st March 2020	7,111	76	199	7,386
At 31 st March 2019	7,056	79	210	7,345

Charity

	Freehold Buildings £'000	Motor Vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 st April 2019	11,092	274	1,124	12,490
Additions	514	42	50	606
Disposals	-	(12)	(1)	(13)
At 31st March 2020	11,606	304	1,173	13,083
Depreciation				
At 1 st April 2019	4,036	195	976	5,207
Charge for year	459	44	46	549
Disposals	-	(11)	(1)	(12)
At 31st March 2020	4,495	228	1,021	5,744
Net book value				
At 31st March 2020	7,111	76	152	7,339
At 31 st March 2019	7,056	79	148	7,283

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

15. Heritage assets – Group and charity

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

Five-year summary of heritage asset transactions.

	2020	2019	2018	2017	2016
	£'000	£'000	£'000	£'000	£'000
Cost brought forward	2,778	2,778	2,778	2,778	2,774
Purchases in year	380	-	-	-	4
Disposals in year	(25)	-	-	-	-
Cost carried forward	3,133	2,778	2,778	2,778	2,778

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

16. Investments

Group and charity

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

	£'000
Market value at 1 st April 2019	228
Movement in valuation from investment management	(15)
Market value at 31st March 2020	213

Analysis of investments by category of holding:

	2020	2019
	£'000	£'000
Collective investment funds	204	208
Cash held as part of the portfolio awaiting re-investment	9	20
	213	228

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

16. Investments (continued)

Analysis of investment by location:

	2020	2019
	£'000	£'000
Funds invested in UK	120	130
Funds invested outside UK	93	98
	213	228

17. Trading company

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

A summary of its financial affairs is as follows:

	2020	2019
	£'000	Restated £'000
Turnover	1,026	1,057
Other income	-	-
Total income	1,026	1,057
Overheads	(1,092)	(1,093)
Loss before interest	(65)	(36)
Interest payable	-	-
Loss for the year	(65)	(36)

	£'000	£'000
		Restated
Total net assets	226	290

For more information on Brockholes performance please refer to the Brockholes accounts.

18. Stocks

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Visitor centre retail and food stocks	32	27	3	3

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

19. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
				As re-stated
Trade debtors	460	567	446	536
Prepayments and accrued income	879	536	835	501
Other debtors	3	6	-	6
	1,342	1,109	1,281	1,043

20. Creditors: Amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade creditors	315	250	232	171
Social security and other taxes	56	54	56	54
Accruals and deferred income	318	205	301	163
VAT	43	69	28	43
Other creditors	61	252	61	254
Loan due to RSWT	-	75	-	75
Amounts owed to subsidiary undertaking	-	-	178	171
	793	905	856	931

21. Deferred income

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Deferred income at 1 April	34	38	34	38
Released from previous years	(34)	(38)	(34)	(38)
Resources deferred in the year	6	34	6	34
Deferred income at 31 March	6	34	6	34

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

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

Group and Charity

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Loan due to RSWT	100	100	100	100
Other creditors	7	-	7	-
Deferred income at 31 March	107	100	107	100

The loan is repayable as follows:

	2020	2019
	£'000	£'000
Amounts falling due within 1-2 years	100	100
Amounts falling due within 2-5 years	-	-
	100	100

Interest rates payable on the loan are as follows:

1st April 2020 – 31th March 2021

0%

Thereafter

Bank of England base rate + 7.0%

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

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

23. Statement of funds

Group

Current Year	Balance at 1st April 2019 £'000	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31st March 2020 £'000
Unrestricted						
General funds	1,019	3,591	(3,634)	-	2	978
Restricted						
Raising funds	166	140	(16)	-	(2)	288
Operations and people engagement	9,416	1,297	(1,410)	-	-	9,303
Conservation	801	433	(362)	-	-	872
Education	120	795	(803)	-	-	112
	<u>10,503</u>	<u>2,665</u>	<u>(2,591)</u>	<u>-</u>	<u>(2)</u>	<u>10,575</u>
Endowment						
Permanent endowment funds	211	-	-	-	-	211
Expendable endowment funds	501	4	(28)	(15)	-	462
	<u>712</u>	<u>4</u>	<u>(28)</u>	<u>(15)</u>	<u>-</u>	<u>673</u>
Total funds	12,234	6,260	(6,253)	(15)	-	12,226

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

23. Statement of funds (continued)

Group

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

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

23. Statement of funds (continued)

Charity

Current Year	Balance at 1 st April 2019 £'000 Restated	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31 st March 2020 £'000
Unrestricted						
General funds	728	2,626	(2,604)	-	2	752
Restricted						
Raising funds	166	140	(16)	-	(2)	288
Operations and people engagement	9,416	1,297	(1,410)	-	-	9,303
Conservation	801	433	(362)	-	-	872
Education	120	795	(803)	-	-	112
	10,503	2,665	(2,591)	-	(2)	10,575
Endowment						
Permanent endowment funds	211	-	-	-	-	211
Expendable endowment funds	501	4	(28)	(15)	-	462
	712	4	(28)	(15)	-	673
Total funds	11,943	5,295	(5,223)	(15)	-	12,000

The surplus for the year for the charity was £57k (2019 £444k).

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)**

**23. Statement of funds (continued)
Charity**

Prior Year	Balance at 1 st April 2018 £'000 As restated	Total income £'000	Total expenditure £'000	Net losses on investments £'000	Transfers £'000	Balance at 31 st March 2019 £'000
Unrestricted						
General funds	663	2,803	(2,730)	-	(8)	728
Restricted						
Raising funds	24	156	(22)	-	8	166
Operations and people engagement	9,385	1,289	(1,258)	-	-	9,416
Conservation	575	632	(406)	-	-	801
Education	127	655	(662)	-	-	120
	<u>10,111</u>	<u>2,732</u>	<u>(2,348)</u>	<u>-</u>	<u>8</u>	<u>10,503</u>
Endowment						
Permanent endowment funds	211	-	-	-	-	211
Expendable endowment funds	514	6	(29)	10	-	501
	<u>725</u>	<u>6</u>	<u>(29)</u>	<u>10</u>	<u>-</u>	<u>712</u>
Total funds	11,499	5,541	(5,107)	10	-	11,943

Endowment Funds

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

Restricted Funds

The balances on the restricted funds comprise:

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

Due to their number it is not practical to provide information for all projects. The balance at 31st March 2020 includes:

- Net book value of Brockholes Visitor Centre £ 6,489,000
- Mosslands Nature Reserves £ 1,334,000
- Net book value of Bolton Environmental Resource Centre £ 566,000

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

24. Analysis of net funds between funds

Group

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Intangible fixed assets	58	-	-	58	46
Tangible fixed assets	137	7,011	238	7,386	7,345
Heritage assets	345	2,576	212	3,133	2,778
Investments	-	-	213	213	228
Net current assets	545	988	10	1,543	1,937
Long term liabilities	(107)	-	-	(107)	(100)
	978	10,575	673	12,226	12,234

Group

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

Charity

Current Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 £'000	2019 £'000
Intangible fixed assets	47	-	-	47	46
Tangible fixed assets	90	7,011	238	7,339	7,283
Heritage assets	345	2,576	212	3,133	2,778
Investments	-	-	213	213	228
Net current assets	377	988	10	1,375	1,708
Long term liabilities	(107)	-	-	(107)	(100)
	752	10,575	673	12,000	11,943

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

25. Analysis of net funds between funds (continued)

Charity

Prior Year	Unrestricted £'000	Restricted £'000	Endowment £'000	2019 £'000 As re-stated	2018 £'000 Re-stated
Intangible fixed assets	46	-	-	46	-
Tangible fixed assets	85	6,932	266	7,283	7,622
Heritage assets	370	2,196	212	2,778	2,778
Investments	-	-	228	228	217
Net current assets	327	1,375	6	1,708	1,057
Long term liabilities	(100)	-	-	(100)	(175)
	728	10,503	712	11,943	11,499

26. Prior year adjustment

Opening reserves for the charity have been amended as a result of recharges from the subsidiary Brockholes Enterprises Limited. These recharges relate to charitable expenditure incurred by Brockholes Enterprises Limited in respect of the nature reserve in earlier years.

Significant net liabilities had built up historically in Brockholes Enterprises Limited because the company was bearing costs incurred on charitable activities undertaken at the site but unrelated to its commercial and fundraising activities. The Directors undertook a comprehensive review of the financial arrangements and management of the company during the year ended 31 March 2017.

Following this review undertaken by the directors, and in agreement with the Trustees of The Lancashire Wildlife Trust Limited, the costs relating to the charitable work undertaken on the site have been borne by The Lancashire Wildlife Trust Limited. In the current year the directors have undertaken a review of costs in earlier years and amended the recharges to transfer the charitable costs incurred. A total recharge of £1,380k has been invoiced to The Lancashire Wildlife Trust. This has been offset by a reduction in the bad debt provision which was at 31 March 2019 was £1,089k. This has resulted in the net debtor due from Brockholes Enterprises Limited now being a creditor of £178k.

	2019 £'000 Charity
Reserves balance as at 1 April 2018 as previously reported	11,826
Net result of the recharges to 31 March 2018	(327)
Re-stated reserves as at 1 April 2018	11,499
Surplus for the year ended 31 March 2019 as originally stated	408
Impact of the re-statement	36
	444
Re-stated reserves as at 31 March 2019	11,943

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

27. Members guarantee

The liability of each member is limited to £1.

28. Commitments under operating leases

At 31st March 2020 the Group and Charity had total commitments under non-cancellable operating leases as follows:

	2020	2019
	£'000	£'000
Equipment		
Within 1 year	3	3
Between 1 and 2 years	2	2
Between 2 and 5 years	1	3
	6	8

29. Capital commitments

At the 31st March 2020 the group had no contracted future capital expenditure not provided for in these financial statements (2019: £nil)

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

	2020	2019
	£'000	£'000
Net income/(expenditure) for the year (as per statement of financial activities)	(8)	408
Depreciation and amortisation	577	554
Loss on disposal of tangible fixed assets	1	8
Losses/(gains) on investments	15	(10)
Dividends from investments	(4)	(6)
(Increase) / decrease in stocks	(5)	(1)
(Increase)/decrease in debtors	(233)	235
Increase/(decrease) in creditors	(30)	(182)
Net cash inflow from operating activities	313	1,006

31. Analysis of cash and cash equivalents

	2020	2018
	£'000	£'000
Cash in hand and at bank	962	1,706

32. Related parties

The Lancashire Wildlife Trust Limited is a member of Lancashire Environmental Fund Limited ("LEF") with the power to appoint one Trustee to the board. Mr J Drury, a Trustee of the charity, was the charity's appointed Trustee on the LEF board until his resignation from the charity in October 2019. During the year the charity provided management, organisational, administrative and supervision services to LEF for which £83,292 (2019: £87,494) was received in the statement of financial activities.

A balance of £47,892 (2019: £16,413) was due from LEF at 31st March 2020. This comprised outstanding grants of £36,734 (2019: £10,012) and service charges of £11,158 (2019: £6,401). Grants totalling £82,900 (2019: £80,750) have been awarded to Lancashire Wildlife Trust by LEF during the year.

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

An unrestricted donation of £1,000 has been received from a Trustee in the year.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2020 (continued)

33. Comparative Consolidated SOFA information

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

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