

DORSET WILDLIFE TRUST
(A Company Limited by Guarantee and not having any share capital)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

Company Number: 00688439
Charity Number: 200222

DORSET WILDLIFE TRUST
Financial Statements for the year ended 31 March 2023

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DORSET WILDLIFE TRUST

Financial statements for the year ended 31 March 2023

Reference and administrative details

The registered name of the Charity is Dorset Wildlife Trust. It is registered with the Charity Commission in England and Wales with the number 200222.

Dorset Wildlife Trust is registered at Companies House with the number 00688439.

Registered office

Brooklands Farm, Forston, Dorchester, Dorset, DT2 7AA.

Members of the Board

The charitable company's Board, known as the Council is made up of the Company Directors who are also Trustees of the charity. The Trustees of the charity who have held office in the year ended 31 March 2023 and to date are:

M G Kibblewhite PhD, MBA, FRSC, FIAGrE	(Chair of Council)
J Davies MBE	(Vice Chair)
J White MBE, BSc	(Vice Chair)
H G A Bates MBE, BSc, Ceng, MIMM	(Resigned 6 December 2022)
R Cole BA	
K Derrick OBE, BSc, MSc(Econ)	
J D Gaye	
S Goldsack	(Appointed 6 December 2022)
G Ninnim FCA	(Appointed 6 December 2022)
G Pugh BSc (Econ), FCA	
I Reynolds BA, MA	
A Simmons BVMS, MSc, MRCVS	(Resigned 6 December 2022)
J Stobart	(Appointed 6 December 2022)
J A Thomas OBE, MA, PhD, FRES	(Resigned 6 December 2022)
N R Webb BSc, PhD, DSc, C Biol FRSB	
A V Wheatcroft BA, MSc	

Dorset Wildlife Trust is the sole trustee of the Helen Brotherton Trust, a permanent endowment fund, established as a separate legal entity in June 2019 and a linked-charity (Charity Commission registration number 200222-1).

Dorset Wildlife Trust has three wholly owned subsidiaries:

DWT Services Ltd (Company registration number 02293763)– company directors who have held office in the year ended 31 March 2023:

B Bleese BSc, FRGS.
J Davies MBE
K Derrick OBE, BSc, MSc(Econ)
S E Patterson ACA
A V Wheatcroft BA. MSC

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Financial statements for the year ended 31 March 2023

Reference and administrative details continued

Dorset Ecology Limited (Company registration number 08098097) – company directors who have held office in the year ended 31 March 2023:

J Davies MBE
J D Gaye
S E Patterson ACA
N R Webb BSc, PhD, DSc, C Biol FSB

The National Wildlife Garden Limited (Company registration number 10948799) – company directors who have held office during the year ended 31 March 2023:

B Bleese
J Davies MBE
J Gaye
M Kibblewhite PhD, MBA, FRSC, FIAGR
S E Patterson ACA
J White MBE, BSc

President, Vice Presidents and Patrons

Dr G McGavin	(President)
L Bunce	(Vice President)
L Haskins	(Vice President)
J McDavid	(Vice President)
J Powne	(Vice President)
P Scupholme	(Vice President)
P Westgate	(Vice President)
J Westgate	(Vice President)
Sir J Eliot Gardiner	(Patron)
S Fine King	(Patron)

Chief Executive and senior management team

B Bleese BSc, FRGS	Chief Executive
I Davenport BSc	(Director of Nature Based Solutions)
S E Patterson ACA	(Director of Finance and Resources)
A Pollard BSc, MSc	(Director of Nature Recovery Networks)
S Thompson	(Director of Marketing & Fundraising)
L McLellan	(Acting Director of Marketing & Fundraising)

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Financial statements for the year ended 31 March 2023

Reference and administrative details continued

Company Secretary

S E Patterson ACA

Bankers

National Westminster Bank plc, 7 West Borough, Wimborne, Dorset, BH21 1PE
Close Brothers Group, 10 Crown Place, London EC2A 4FT

Solicitors

Battens, Mansion House, Princes Street, Yeovil, Somerset, BA20 1EP
Stone King LLP, 13 Queen Square, Bath BA1 2HJ

Investment Advisors

Close Brothers Asset Management, 10 Crown Place, London EC2A 4FT
Ruffer LLP 80 Victoria Street, London SW1E 5JL
CCLA Investment Management, 1 Angel Lane, London EC4R 3AB

Auditors

Moore (South) LLP, 33 The Clarendon Centre, Salisbury Business Park, Dairy Meadow Lane, Salisbury,
Wiltshire SP1 2TJ

VAT Advisor

Saffery Champness, 71 Queen Victoria Street, London EC4V 4BE

DORSET WILDLIFE TRUST

Chair's Report

For the year ended 31 March 2023

Dorset Wildlife Trust is a membership-based organisation and building and supporting the membership is a priority. The relatively high number of members has remained almost constant over the past year, despite the cost-of-living crisis. However, engaging more people is arguably the most important of our strategic objectives. Hopefully, more will decide to become members. Regardless, we have a key role in raising awareness, understanding, and a hunger for action to meet the challenges of the climate and ecological emergencies. And we need to reach out to communities beyond our traditional conservation-orientated membership. Growing our engagement with the people of Dorset is at the heart of our purposes.

The future of Dorset's environment and wildlife is uncertain at best, and dire at worst. Several factors are working together to create an unprecedented level of threats. Firstly, climate change is already adversely altering habitats more rapidly than models have generally predicted. Secondly, increasing regional economic growth is bringing intense pressure on land and its ecology. Thirdly, public policy has reduced the effectiveness of regulation by withdrawing inspection resources, alongside an intent to dilute statutory protections. Fourthly, the agriculture sector is coping with hesitant and much-altered post-Brexit support arrangements. In this context, we must and will step up and speak out more strongly for nature and the environment.

Since its foundation, more than 60 years ago, a core activity for Dorset Wildlife Trust has been acquiring and managing nature reserves, of which there are now more than 40. Judiciously adding to these reserves remains an important task, as does their effective management. However, we and others have a large portfolio of traditional reserves and there are fewer opportunities to acquire new ones. This is why we are growing a new strand of activity, which is acquiring land that has limited existing biodiversity and managing it to increase the abundance and diversity of wildlife. Wild Woodbury has shown us the way. We are targeting further similar developments, supported by the great generosity of donors, access to nutrient offset funds and successful grant applications.

The above can only be achieved if Dorset Wildlife Trust is well-governed and has a sustainable economic foundation. The trustees continue to review and enhance our governance. The staff are our greatest asset and supporting them is fundamental to our longer-term success. We have been able to prudently increase our staff numbers over the past year.

The trustees thank the Chief Executive and all employees for their dedication and exceptional output, often delivered in challenging circumstances. Finally, I thank the trustees, volunteers, all members, and the many individuals and organisations who have provided financial and other support for our important work.



Mark Kibblewhite
Chair – Dorset Wildlife Trust
4 September 2023

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023

The Board have pleasure in presenting their report together with the audited accounts for the year ended 31st March 2023. 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 2019) in preparing the annual report and financial statements of the charity. The accounts have been prepared in accordance with the Companies Act 2006.

Objectives and activities

Dorset Wildlife Trust is required by charity and company law to act only within the objects of its Articles of Association which are as follows:

For the public benefit:

- (I) To promote for the benefit of the public the conservation protection and improvement of the physical and natural environment both on land and sea, in particular but not exclusively in Dorset by:
 - a. establishing and maintaining nature reserves, wildlife habitats and natural spaces;
 - b. surveying, recording, researching and studying the natural environment; and
 - c. engaging people with their environment through events, centres, volunteering and/or other means.

- (II) To advance the education of the public in and inform them about the conservation, protection and improvement of the physical and natural environment, and the natural sciences both on land and sea in particular but not exclusively in Dorset by:
 - a. providing walk, talks, events, meetings, digital and other means of communications; and
 - b. advocating good practice and promoting environmentally sustainable lifestyles and working.

Dorset Wildlife Trust (DWT) aims to safeguard Dorset's wildlife areas for the future, and actively encourages sympathetic management of the countryside and coast as a whole. Over 3,700 acres of land are owned or leased by DWT as nature reserves. Support comes from the DWT's membership, as at 31 March 2023 27,228 individuals or 14,877 households and a network of about 471 active volunteers during the year, as well as a number of supportive corporate members and sponsors.

We play a leading role, in partnership with other organisations, to conserve and enhance Dorset's wildlife and wild places, focussing on:

- a. delivering advancements in conservation through our network of nature reserves and wildlife sites, to help protect threatened wildlife habitats and species; and
- b. engaging people and communities by working with landowners, farmers, local authorities, businesses and young people, and influencing the behaviour of all sectors of society.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The Trust's public benefit is enshrined in its charitable objects as outlined above.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

The advancement of environmental protection and improvement is recognised as a charitable purpose and is regarded universally as producing a public good. The Dorset Wildlife Trust exists to promote the care and protection of the environment and therefore provides a clear public benefit. The Wildlife Trusts' (TWT) 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 Dorset 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 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.

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Report of the Directors (including the Strategic Report)
For the year ended 31 March 2023 (continued)

Strategic report

The past year has, yet again, been one of opportunities and challenges. We launched our strategy, 'A wilder Dorset by 2030', two years ago and over that time there has been a series of global crises that have had significant local impacts. However, thanks to the loyal support of our members and the dedication of our staff, trustees, volunteers and many other supporters, we have been able to rise to these challenges and make significant progress towards our goals.

We should be very proud of our achievements over the year and the progress we have made towards achieving our goals of 30% of land and sea being managed in favour of nature and one in four people taking action for nature by 2030.

As can be seen in this report the scale of delivery is impressive and we continue to play a leading role in many conservation initiatives across the county.

The progress we have made in working with farmers and landowners is particularly notable. Dorset Wildlife Trust has played a key role in establishing four new farm cluster initiatives, helping deliver landscape-scale conservation gains across 14,000 hectares of Dorset's countryside. We also reached the amazing milestone of 100 hectares of species rich meadows created in west Dorset over recent years, a direct result of our farm liaison work in the area.

Dorset Wildlife Trust played a leading role in the development of the Wareham Arc Landscape Recovery project. Working with the RSPB and NT, the initiative brings together a broad coalition of farmers, wildlife charities, Forestry England and Natural England to revitalise historic wetland and heathland habitats across 3800 hectares in Purbeck.

Dorset Wildlife Trust nature reserves continue to play a major role in biodiversity conservation, increasingly serving as nature rich hubs supporting the delivery of nature recovery networks. We are in the process of developing a farm cluster initiative in west Dorset linking Kingcombe National Nature Reserve with neighbouring landowners. Our reserves have also made significant contributions to species recovery with heath tiger beetle and ladybird spider expanding in range and numbers, to name but a couple of success stories.

The year saw significant progress in the delivery and completion of a number of projects that had been delayed, initially by the Covid-19 crisis and latterly by problems caused by the Ukraine war. The cost of inflationary pressures and fuel costs caused supply chain issues and difficulties in securing contractors for capital projects. Lottery funded projects including Wild Paths, Explore West Dorset, Urban Green and Gillingham Royal Forest, all of which had been granted completion extensions, were all brought back on track as the year progressed.

The capital elements of the Wild Brownsea project remained significantly behind schedule throughout 2021 and 2022 and it was difficult to secure realistic tenders for either 'The Lookout' or the 'Wildlife and Wetland Centre' with a succession of contractors either withdrawing from the process or submitting excessively inflated quotes. We were pleased to secure a contract with Townsend Timber, who submitted a competitive and realistic tender, and to finally progress with the construction of the Lookout.

In contrast, the engagement and empowerment elements of Wild Brownsea progressed very well after initial delays with all targets being met or exceeded. The project has been particularly successful in diversifying audiences and participants in nature conservation activities on Brownsea Island and in increasing volunteer support across the breadth of our work on the Island.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

Membership remains the single most important source of revenue income, with some £1,185,000 of income from membership subscriptions and associated gift aid. Additional income derived from membership includes donations to appeals and legacies amounting to c£2.3m for the year. We started the year with 27,563 members (15,060 memberships) and in a very challenging year for membership recruitment we were able to welcome 1700 new members ending the year only slightly down in membership with 27,228 members (14,887 memberships). An excellent performance by the Fundraising and Marketing team considering the prevailing economic climate. Legacy income has provided a huge boost to our finances and put us in a strong position at the end of the year.

Looking forward, perhaps our biggest challenge will be responding effectively to the many opportunities and threats that face the natural environment of Dorset. As an organisation we are at a tipping-point in terms of scale and delivery. We have invested in staffing to position ourselves to enhance our conservation delivery but we do need to look strategically at how we can take ourselves to the level required to make an even greater contribution to addressing the ecological crisis.

Financial review

A review of the financial position at the end of the reporting period

The results for the year under review show an overall surplus of £791,000 which is predominantly due to the receipt of an unrestricted legacy of £1.2M in the second half of the year. The restricted funds show a deficit of £234,000 reflecting the utilisation of restricted donations received in prior years on projects in the current year. When looking at the comparatives with the prior year it should be remembered that those results were distorted by the inclusion of £3.12 million restricted capital grants for the acquisition of land at Wild Woodbury.

Dorset Wildlife Trust continues to exclude legacy income from its budget due to its unpredictability and to restrict drawdowns from free reserves towards future budgeted activities in order to maintain sufficient free reserves for the stability of the charity. This has allowed us to invest more of our ongoing free reserves to try to protect funds from inflationary pressures whilst maintaining sufficient working capital to service ongoing activities.

Dorset Wildlife Trust is in a strong position at the year end with net current assets of £1.88 million. In March 2023 Council designated unrestricted funds totalling £395,000 to fund specific future planned projects and these are detailed in note 23(b) to the financial statements.

Dorset Wildlife Trust hosts the Local Nature Partnership (LNP); all contributions received towards the funding of the LNP are treated as restricted funds and all relevant costs are expended from those funds. There is a balance of £74,000 (2022: £72,000) on the LNP fund relating to income for 2023/24.

The Dorset Peat Partnership is managed by Dorset Wildlife Trust to deliver the Climate Fund Peatland Discovery grant scheme funded by Natural England. Grant income due for the year is £80,362 to cover expenditure during the year with a net transfer of £8,000 of matched funding.

Balance Sheet

Dorset Wildlife Trust's financial position at the balance sheet date shows an increase in overall funds of £800,000 during the year to £16.6 million (2022: £15.8 million). General unrestricted funds have increased by £1.05 million to £6.12 million (2022: £5.07 million); this is mainly due to legacy income received during the year and £395,000 of these funds have been designated for specific projects. Restricted funds have

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

decreased by £234,000 to £9.16 million (2022: £9.40 million). Endowment funds have decreased by £26,000 to £1.27 million due to investment losses (2022: £1.35 million).

Heritage assets of £7.57 million (2022: £7.77 million) represent the nature reserves held by the charity, of which £6.15 million (2022: £6.15 million) are restricted. The reduction in value reflects the re-allocation of the original acquisition cost of Court Farm in June 2021 following a formal re-assessment of the those costs by an independent surveyor which resulted in an adjustment of £195,000 between Heritage assets and freehold buildings. Fixed assets of £3.15 million (2022: £2.99 million) represent the assets utilised in the activities of the charity of which £1.85 million (2022: £1.68 million) are restricted.

Investments as at 31 March 2023 are £4.01 million (2022: £3.93 million). The net increase of £80,000 in investments includes investment income reinvested and the investment of a new SANG contribution of £252,000 during the year, movement of funds to cash, unrealised and realised losses of £115,000 and £20,000 revaluation of investment property.

Debtors as at 31 March 2023 are £1.54 million (2022: £1.18 million). The increase of £360,000 is due the inclusion of £90,000 of deposits paid on capital contracts and an increase in accrued grant income.

Cash at bank at 31 March 2023 is £1.40 million (2022: £834,000). The increase of £566,000 arises from the receipt of legacies and the surplus arising during the year. At the balance sheet date £850,000 was placed on Fixed Term Deposit and 95 Day Notice Account with Close Brothers Bank.

Creditors

Creditors due within one year as at 31 March 2023 are £1.22 million (2022: £1.04 million). The increase of £180,000 reflects the receipt of a second SANG contribution of £252,000 which is included in deferred income as the management of the site has not yet been transferred to Dorset Wildlife Trust. The SANG contribution of £678,000 received in prior years is still included in deferred income on the same basis.

Income

Overall income for the year is down by £2.10 million to £5.10 million (2022: £7.20 million). However in the prior year income included capital grants of £3.12 million funding a land acquisition. All income streams have performed strongly during the year and boosted particularly by the receipt of the large legacy.

Expenditure

Total expenditure during the year amounted to £4.17 million (2022: £3.23 million) of which expenditure on charitable activities totalled £3.14 million (2022: £2.40 million). The increase in overall expenditure of £940,000 reflects an increase in staff costs of £432,000 due to an increase in staff numbers (8FTE) and an early pay award in December 2022 to assist staff with the cost-of-living crisis. Expenditure of £345,000 on the rewilding project on the land acquired last year at Wild Woodbury has also contributed to the increase in total expenditure.

Expenditure on raising funds of £1.03 million (2022: £835,000) includes membership servicing and recruitment costs of £534,000 (2022: £498,000), fundraising & marketing costs of £350,000 (2022: £234,000) and trading company costs of £115,000 (2022: £75,000). The increase in membership servicing reflects the increased costs of salaries and external costs of printing and distributing the membership newsletters. The increase in fundraising & marketing costs reflects increased costs of salaries and the allocation of increased support costs.

Support costs, including depreciation and governance, totalled £841,000 (2022: £718,000). Support costs are detailed in note 10 of the financial statements. The increase in costs of £123,000 is due to additional

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

1.6FTE staff resources recruited within the support function, implementation costs of new accounting system and rising costs of energy and other expenditure due to inflation.

Financial reserves

Free Reserves

The Trustees believe that, because of the uncertain nature of much of its income, it would be prudent for the charity to hold a level of free financial reserves (general unrestricted funds less those held as fixed assets) for the following purposes:

- To provide adequate short-term liquidity, and cover temporary timing differences in grant claims;
- To provide reliable funding over the longer term;
- To enable the Trust to respond quickly to unexpected opportunities, such as the purchase of land for nature reserves (the first of its charitable objects);
- To absorb setbacks and manage change should a major income stream fail.

The Trustees have determined that the level of free reserves held by the charity should not normally fall below six months' total budgeted costs of the following year for both unrestricted and restricted fund expenditure.

The Finance Committee monitor the level of reserves and report regularly to Council. Council, advised by the Finance Committee, review the Policy annually.

<i>Free Reserves Calculation</i>	2023	2022
	£'000	£'000
General unrestricted funds	5,319	4,499
Less tangible fixed assets	(1,304)	(1,313)
Less Heritage assets	(815)	(815)
Less investment property	<u>(230)</u>	<u>(250)</u>
Free reserves	<u>2,970</u>	<u>2,121</u>

At the balance sheet date free financial reserves represented approximately six months of our budgeted total costs for the coming year (2022: six months).

Designated reserves

Designated funds are those unrestricted reserves that the Trustees have designated for particular purposes.

The total value of funds designated for specific projects as at 31 March 2023 totals £802,000 (2022: £571,000). The projects are detailed in note 23b of the financial statements.

Investment powers and policy

Under the charity's governing document trustees are authorised to invest monies not immediately required for the furthering of the objects of the Trust in such manner, and upon such securities as may be deemed expedient, provided that monies subject or representing property subject to the jurisdiction of the Charity Commission shall only be invested in such securities and with such sanction as may for the time be prescribed by law.

Governance

The Finance Committee acts in accordance with the investment strategy approved by the Council. With the approval of Council the Finance Committee may delegate the management of investment to one or more authorized fund managers on a discretionary basis in line with letters of instruction issued in line with this policy. The charity has nominated a list of authorized signatories, two of which are required to sign

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

instructions to investment managers. With the approval of Council the Finance Committee has delegated the oversight and monitoring of investment manager performance to an Investment Sub-Committee. The Council has delegated authority to the Finance Committee to make investment decisions based on independent advice from the investment managers in circumstances requiring urgent action to mitigate risk of substantial losses to the charity. Such a decision requires a quorum of three Trustees members of the Finance Committee or Investment Sub-Committee.

Investment Policy

Dorset Wildlife Trust's investment policy has two guiding principles:

1. Protect the real value of capital of the investment over the period in which it is invested.
2. Optimise the total return of the investment over the period in which it is invested.

Ethical Investment Policy

Dorset Wildlife Trust has established an ethical investment policy which excludes investments in companies based on the level of environmental impact from the activities of those companies and the actions taken by those companies to mitigate negative impacts.

Investment Objectives

The charity seeks to produce the best financial return within an acceptable level of risk. The investment objective for the unrestricted long-term reserves and the endowment funds is to generate a return in excess of inflation over the long term to support the on-going activities of the charity. The investment objective for the unrestricted short-term reserves and restricted reserves is to preserve the capital value with a minimum level of risk. Unrestricted assets should be readily available to meet unexpected cash flow requirements.

Risk

The key risk to the long-term reserves is future inflation, and the assets should be invested to mitigate this risk over the long term. The Trustees understand that this is likely to mean that investments will be concentrated in real assets and that the capital value will fluctuate.

The short-term reserves are held to provide financial security and may be required at short notice. As such excess capital volatility is undesirable and liquidity of investments of these assets should be required.

The base currency of the investment portfolios is Sterling.

Cash

The Charity's cash balances should be deposited with institutions with a minimum rating of A- or invested in a diversified money market fund including Common Deposit Funds.

The Charity will draw down the cash in line with the budgeted expenditure and maturities of cash deposits should match the budget schedule.

Time Horizon

The charity has divided its reserves into those expected to be held for a long-term time horizon and those that may be needed in the short term.

Investment Strategy

Dorset Wildlife Trust's investments are split between three independent professional investment managers; each has differing approaches to investment which, to some degree, should reduce the overall risk. Ruffer LLP manage £2.02 million; their approach is absolute return. They aim not to lose money on a 12-month rolling basis and to grow funds at a higher rate than would be achieved by depositing them in cash. Ruffer

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

seeks to mitigate the risk of equity falls using financial instruments the nature of which is driven by the most likely factor that would lead to a fall in equities. They also invest in long-dated index-linked bonds to mitigate against a rise in inflation.

Close Asset Management manages £1.10 million; the risk profile of the portfolio is medium with the priority being to make long-term gains and to take advantage of the greater long-term returns that may be available from higher risk assets. The increased weighting in higher risk assets is likely to increase the volatility of returns which can be mitigated to a degree by holding a spread of different investment types.

A further £726,000 is invested in CCLA Charity Official Ethical Investment Fund. The investment objective of the fund is to provide real long-term growth in capital values and rising income from a portfolio managed within a clear risk control framework. The fund is an actively managed, diversified portfolio of assets designed to help protect funds from the effects of inflation. It has an emphasis on real assets, predominantly global equities but also includes property and infrastructure.

Management, Reporting and Monitoring

The investment managers are required to produce a valuation and performance reports quarterly and are required to present to the Finance Committee on at least an annual basis.

The charity manages its own cash deposits and has nominated a list of authorized signatories, two of which are required to sign instructions to the deposit taking institution. The Finance Director monitors the cash position and prospective cash flow schedule and reports this to the Finance Committee at each quarterly meeting. The Committee reports formally to Council as appropriate.

Fundraising Activities

Our fundraising standards

1. Data protection

Dorset Wildlife Trust is registered with the Information Commissioner's Office as a data controller.

Dorset Wildlife Trust revised its Data Protection Policy and Notice to ensure compliance with the General Data Protection Regulation (GDPR). This information is publicly available on Dorset Wildlife Trust's website.

2. Fundraising Regulator

Dorset Wildlife Trust is a member of the Fundraising Regulator, the independent regulator of charitable fundraising. The Regulator sets and promotes the standards for fundraising through the Code of Fundraising Practice. Dorset Wildlife Trust follows the standards of the Code of Fundraising Practice in all of its fundraising activities.

Our fundraising standards are published on our website along with our fundraising complaints procedure. Complainants who are unsatisfied with how Dorset Wildlife Trust responds are referred to the Fundraising Regulator for further investigation.

3. Breaches of fundraising standards

There were no identified breaches of the Code of Fundraising Standards during the year.

Our fundraising methods, including fundraising agencies

1. Face-to-face fundraising

- South West Wildlife Fundraising Limited (SWWFL)

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

SWWFL is a company limited by guarantee, established by eight Wildlife Trusts, to engage in mutual trading and provide the Member Trusts with new members. SWWFL fundraisers attend booked venues or events, where they engage with the public.

Dorset Wildlife Trust has a data processing agreement in place with SWWFL that stipulates how the two organisations will share and protect the data of the Dorset Wildlife Trust members signed-up by SWWFL.

There is also an agreement in place between the two organisations which stipulates that SWWFL fundraisers must adhere to the Fundraising Regulator's face-to-face private site fundraising rule book. It also states that SWWFL fundraisers must protect vulnerable people and members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent and which places undue pressure on a person to give money. The agreement also requires SWWFL to report any complaints to Dorset Wildlife Trust promptly.

SWWFL is a corporate member of the Chartered Institute of Fundraising, and all their fundraisers are trained on data protection laws and best fundraising practices using the Fundraising Regulator's rule book on face-to-face private site fundraising. SWWFL's private site face-to-face activities have been certified as following best practice by the Chartered Institute of Fundraising's Compliance Directorate.

SWWFL fundraisers use a solicitation statement to explain to the public how they are paid and how much of any donation will benefit Dorset Wildlife Trust.

2. Telephone fundraising

- Quality Telephone Services Ltd (QTS)

QTS is a south-west based professional telephone fundraising agency that is used by many Wildlife Trusts to help with supporter retention and development. Dorset Wildlife Trust contracts with QTS to undertake administrative 'welcome calls' for new members and to undertake fundraising campaigns such as recruiting new members, upgrading membership subscriptions and re-recruiting lapsed members. QTS adheres to the Fundraising Regulator's rules and the stipulations regarding the Telephone Preference Service.

Dorset Wildlife Trust also has a data processing agreement in place with QTS which stipulates how they will share and protect and process the data of Dorset Wildlife Trust members.

3. Individual giving fundraising

Dorset Wildlife Trust undertakes a range of fundraising activities to generate additional income, primarily focussed at members. These activities include amongst others, raffles and appeals, which involve mailing, email, website and social media promotion. These fundraising activities may also be promoted to the wider public through social media and website communication and press releases.

Our legacy fundraising is focussed around inviting longstanding members to attend a series of events around our nature reserves, where they can hear how legacies have benefitted our work and learn about the management of these sites. Legacy marketing also regularly features in *Dorset Wildlife*, our membership magazine. This year we are creating a legacy enquirer pack, which we are encouraging members to request should they require more information about leaving a gift in their Will.

4. DWT Services Ltd.

DWT Services Ltd sells a range of retail goods to the public through a number of visitor centres.

5. Corporate fundraising

Dorset Wildlife Trust runs a corporate membership scheme, whereby businesses pay an annual membership subscription in return for benefits. In addition, we encourage our corporate partners to support our work through further donations, sponsorship or voluntary work.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

6. Grants & Trusts

Securing funding from grants and trusts is a major part of Dorset Wildlife Trust's fundraising work and involves significant resource from the Conservation teams collaborating in constructing funding bids.

Monitoring fundraising activities

Agreements are in place with the agencies that carry out fundraising services on behalf of Dorset Wildlife Trust. These agreements stipulate the required standards of fundraising that must be adhered to, data protection protocols and how any issues with regards to fundraising practices must be reported back to Dorset Wildlife Trust.

Dorset Wildlife Trust holds regular meetings with the agencies where any issues with fundraising activities are discussed and resolved.

The Director of Fundraising & Marketing signs off on all fundraising activities. The approach used for each fundraising campaign is discussed in Fundraising & Marketing team meetings, and Fundraising and Marketing Management Team meetings. Some of these activities are also discussed at quarterly Marketing Committee meetings, which involve Trustees.

Each quarter the Marketing Committee receives a report on any complaints Dorset Wildlife Trust has received during that period.

Complaints about fundraising

During 2022/23 DWT received a total of 99 complaints from the public, of which 24 related to fundraising activities, many of which related to the subscription increase. All complaints were responded to directly and where appropriate the member's preferences updated on the database.

Protecting vulnerable people

In accordance with the Fundraising Regulator's Code of Fundraising Practice our fundraisers take reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This includes considering the needs of any potential donor who may be in a vulnerable circumstance or require additional care and support to make an informed decision.

Our fundraisers will not exploit the credulity, lack of knowledge, apparent need for care and support or vulnerable circumstance of any donor at any point in time.

If one of our fundraisers reasonably believes that a supporter is unable to make a decision or is in a position which does not allow them to make a donation, then a donation is not to be taken or accepted.

Our fundraisers must not use behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent and/or which places undue pressure on a person to give money.

The agreements we have with fundraising agencies include requirements to protect vulnerable people.

Structure, governance and management

Dorset Wildlife Trust is governed by its Articles of Association and is a company limited by guarantee with the number 688439 and charity number 200222.

The charity's governing body is the Council to which Trustees are elected by members at the Annual General Meeting (normally around December each year). Council may co-opt additional Trustees to fill vacancies between AGMs, but such persons must face election by members at the next AGM. Trustees endeavour to maintain a balance of skills and expertise on the Council when seeking new or replacement Trustees and to that end a skills audit has been conducted. Officers of the Trust (Chair and Vice Chairs) are appointed by Council from those elected by members.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

Dorset Wildlife Trust is the sole trustee of The Helen Brotherton Trust which is registered with the Charity Commission as a linked-charity.

DWT Services Ltd, the charity's trading subsidiary, was primarily involved in the sale of goods, holiday lets and other services. Profits generated are transferred to its parent company Dorset Wildlife Trust on an annual basis as a gift aided charitable donation. Both Dorset Ecology Limited and The National Wildlife Garden Limited are dormant subsidiaries of Dorset Wildlife Trust. The directors of DWT Services Ltd and the two dormant companies are appointed by the Council of Dorset Wildlife Trust and confirmed annually.

Dorset Wildlife Trust's organisation can be summarised as follows:

- The Council of Trustees, which meets every quarter to review performance and set DWT policy and strategy.
- Council is supported and advised by six committees:
 - Conservation Committee.
 - Finance Committee.
 - Risk & Audit Committee.
 - Health and Safety Committee.
 - Fundraising & Marketing Committee.
 - Personnel and Remuneration Committee.

Council has responsibility for all decisions of Dorset Wildlife Trust. Committees may only make decisions on Council's behalf where they have been formally delegated defined powers by the Council. Otherwise, all committees make recommendation to Council only. Only members of the committees appointed by Council are entitled to vote on advice or recommendations to Council.

The only committee with delegated powers is the Finance Committee where exceptionally, and when a delay in decision-making presents a substantive risk to the charity's assets, named Trustee members of the Finance Committee may collectively make urgent investment decisions on behalf of Council.

The Chief Executive has delegated responsibility for financial and operating performance, and all staff.

Dorset Wildlife Trust has several joint volunteer/staff groups that deal with reserves, special events, and projects such as Living Churchyards, Sites of Nature Conservation Interest (SNCI) Forum, Agriculture Forum and Environmental Performance Group. Volunteers provide assistance and support in a wide variety of ways, practically and with administrative tasks.

How does the charity make decisions?

The Council makes decisions on policy as recommended by Committees and management. Implementation of those policies and operating decisions are delegated to the Chief Executive who may delegate authority through the management structure. The Council can over-ride any operating decision that it feels is not consistent with the Strategic Plan, Dorset Wildlife Trust policies or legal requirements.

Induction and training of Board members

Trustees' skills are reviewed regularly to ensure that the balance is suitable. New trustees undergo an induction process which involves meeting with officers and senior Dorset Wildlife Trust staff and are provided with an information pack detailing their responsibilities, governance, financial and other information relating to the structure and operation of the Trust. All Trustees are invited to attend a range of training events relating both to governance issues and specific areas of the charity's work.

Arrangements for setting the pay and remuneration for the key management personnel.

On at least a three-year basis, pay and remuneration are benchmarked by Personnel and Remuneration Committee (PRC) against other Wildlife Trusts and the wider sector. PRC then makes recommendations to

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

Council. PRC may recommend an annual increment to salary levels if DWT can afford it. The rise is commonly determined by market rate comparisons combined with affordability.

The wider The Wildlife Trust (TWT) network

Dorset Wildlife Trust is one of 46 Wildlife Trusts in the UK that together make up The Wildlife Trusts Network. Together, the Wildlife Trusts have over 911,000 members and more than 2,300 nature reserves covering 98,500 hectares in their care. Dorset Wildlife Trust feeds into and may choose to adopt policies developed by, and participate in activities run by, The Wildlife Trusts network.

On a regional basis DWT works closely with other Wildlife Trusts in the South-West including on joint projects and initiatives.

Relationship with the charity and related parties including its subsidiaries

The charity group consists of Dorset Wildlife Trust (a charitable company limited by guarantee and having no share capital), the Helen Brotherton Trust, a permanent endowment fund formerly held within the charity and of which the charity is the sole trustee, and three wholly owned subsidiary companies; a trading subsidiary company, DWT Services Ltd (a company limited by shares) and two dormant subsidiary companies, Dorset Ecology Limited and The National Wildlife Garden Limited, both are companies limited by shares. Separate Articles of Association govern each company.

Risk management

The Risk and Audit Committee review and update the Corporate Risk Register at each meeting throughout the year reporting to Council any significant increases in risk to which the charity might be exposed in light of current prevailing circumstances. The perceived risks are categorised and prioritised by potential impact and likelihood of occurrence and appropriate risk management strategies are implemented. There is a risk management policy in place with systems and procedures to mitigate risks identified.

The key risks to Dorset Wildlife Trust's operation that have been identified and prioritised for 2023-2024 are summarised below and derive from the ongoing economic crisis arising from the war in Ukraine and Brexit:

- Strategic risk of failing to prioritise activities, capacity and resources would mean that Dorset Wildlife Trust is unable to respond to new opportunities or changes in policy. An annual budget for 2023-24 detailing key operational areas of work and including a risk assessment and mitigation plan has been approved by Council. A formalised work planning system via internal project management was established in 2022-23 which has worked well in some areas but needs further embedding within the organisation. Additional staff resources have been implemented to ease pressure points and take forward certain areas of work providing more flexibility to respond to new opportunities.
- Changes in local or national government policies may have a negative impact on the work of nature conservation organisations. The most significant current policy threat is the potential impact of the Retained EU Law Bill which may lead to the removal or downgrading of environmental protection legislation. Dorset Wildlife Trust participates in key areas of national policy work both through our umbrella organisation The Wildlife Trusts and locally via the Local Nature Partnership and engagement with Natural England seeking opportunities for influence.
- High workload combined with external pressures impacting on cost-of-living results in increased levels of stress amongst staff. Dorset Wildlife Trust has maintained hybrid working scheme to help staff maintain a healthy work-life balance while keeping team communications at appropriate levels. Regular contact is maintained with all staff via monthly one-to-one meetings as part of the performance management systems. Dorset Wildlife Trust also awarded an annual pay rise and brought forward the implementation by 4 months to 1 December 2022. The Chief Executive has also met with all staff individually and a staff survey has been carried out to provide staff with the opportunity to raise concerns.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

- External financial pressures such as inflation, delays in supply chains and instability lead to reduction in income, increase in costs and an inability to meet delivery targets and obligations. Income streams and ongoing costs are closely monitored and corrective action taken when necessary to offset major impacts. Supply chain issues continue to cause delays to some work and a reluctance by contractors to tender for work or provide quotes. Materials for fencing have been bought in bulk during the year to take advantage of pricing and to ensure ongoing work is not delayed. The management are working on preparing business scenarios and business continuity plans including budget contingencies and a review of estates/facilities in terms of efficiency, costs, sustainability and likely future needs.
- Failure to obtain adequate income from membership and fundraising activities. Annual fundraising plans are drawn-up as part of the budgeting procedure and evaluated in the budget risk assessment. The implementation of the plan and income generated are monitored on a continuous basis by managers and quarterly by the Marketing Committee and Finance Committee. Where additional resources might be required to meet funding targets this is assessed on a cost-benefit analysis at the budgeting stage. A new post was established in 2022-23 with the specific purpose of diversifying income generation and reinforcing member recruitment and retention. A regular giving product has since been implemented to offer as an alternative to membership and the implementation of supporter journeys programme is planned for 2023-24. A new legacy campaign is being introduced in 2023-24 to boost legacy pledges. In April 2023 an increase of 14% in subscription fees was implemented; this is the first increase in fees since pre-pandemic. A number of large and small grant applications have been submitted post year end to replace those funded projects completed during the year.
- Increased competition for funding from existing and new organisations and devolved operations of local authorities. Dorset Wildlife Trust closely monitors potential funding sources and opportunities and has a grant approval process to ensure all applications are completed to the highest standard.

Statement of the Board's responsibilities

The Trustees (who are also directors of Dorset Wildlife Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

In preparing these financial statements, the Trustees are required to:

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

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.

DORSET WILDLIFE TRUST

Report of the Directors (including the Strategic Report) For the year ended 31 March 2023 (continued)

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 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 were approved by the Board on 4 September 2023 and signed on their behalf:



M G Kibblewhite

Chair of Trustees

Independent auditor's report to the members and trustees of Dorset Wildlife Trust

Opinion

We have audited the consolidated financial statements of Dorset Wildlife Trust (the 'charitable parent company') and its subsidiary ('the group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the group's and charitable parent company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' annual report (incorporating the Directors' report) other than the consolidated financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' Annual Report. Our opinion on the consolidated financial statements does not cover the other information and, except to the

DORSET WILDLIFE TRUST

Independent auditor's report to the members and trustees of the Dorset Wildlife Trust (continued)

extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated 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 (which includes the Directors' Report) prepared for the purpose of company law, for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements; and
- the Directors' Report, which is included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report, included in the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the statement of trustees responsibilities, the Trustees, who are also the Directors of the charitable parent company for the purpose of company law, are responsible for the preparation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters

DORSET WILDLIFE TRUST

Independent auditor's report to the members and trustees of the Dorset Wildlife Trust (continued)

related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected a team for the audit, led by persons who had knowledge of the sector and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant fraud risk due to the ability of management to bypass controls and disclosure requirements.
- Completeness and cut-off of income was identified as a significant risk; in particular recognition of legacy income and the timing of membership income.
- Classification of income was identified as a significant risk in relation to the correct allocation of income between restricted and unrestricted funds. We also had to ensure that the expenditure against restricted income was in line with the income restrictions.

DORSET WILDLIFE TRUST

Independent auditor's report to the members and trustees of the Dorset Wildlife Trust (continued)

- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable parent company and the group and considered that the most significant are the Companies Act 2006, The Charities Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the charitable parent company and the group complies with these requirements through discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances.
- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are the auditors to the whole group and the same approach has been adopted to the subsidiary company as appropriate to that entity.

To address the risk of fraud through management override, we:

- performed analytical procedures, tested journal entries and related party transactions to identify any unusual transactions or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the nature of the disclosures within the financial statements to ensure they meet the requirements of accounting standards and relevant legislation.

In response to the risk relating to income completeness and cut-off, we:

- reviewed the accounting policies adopted for consistency of application and compliance with acceptable accounting practices.
- performed analytical procedures to identify any unusual or unexpected variations in recorded income.
- agreed a sample of income receipts from source documentation into the accounting records.
- reviewed the terms and conditions of a sample of grants received to ensure the income is accounted for in the correct period.
- reviewed board minutes and correspondence for evidence of any further unrecorded income.
- obtained details of legacies due to received at the year end from source documentation and ensuring that none were omitted from the accounts and those included were at the correct value; and
- discussed with management that there was no further income they were aware of that needed to be accounted for.

In response to the classification of income between restricted and unrestricted funds we:

- agreed a sample of income receipts from source documentation into the accounting records to ensure any restrictions to the income were correctly identified in revenue.
- reviewed the analysis of funds for any misallocations of income or expenditure; and
- confirmed that expenses and payroll costs allocated against restricted and unrestricted funds met the purpose for which the income was given.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-

DORSET WILDLIFE TRUST

Independent auditor's report to the members and trustees of the Dorset Wildlife Trust (continued)

compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable parent company's members those matters we are required to state to them in an auditors' 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 parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Robert Mac Donald (Senior Statutory Auditor)

for and on behalf of Moore (South) LLP

8th September 2023

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

DORSET WILDLIFE TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2023

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Year ended 31 March 2023	Year ended 31 March 2022
		£'000	£'000	£'000	£'000	£'000
INCOME & ENDOWMENTS						
FROM:						
Donations & legacies	2	3,024	479	-	3,503	5,756
Charitable activities	3	197	1,034	-	1,231	1,160
Other trading activities	4	227	-	-	227	207
Investments	5	41	2	14	57	37
Other	6	79	-	-	79	35
TOTAL INCOME		<u>3,568</u>	<u>1,515</u>	<u>14</u>	<u>5,097</u>	<u>7,195</u>
EXPENDITURE ON:						
Raising funds	7	1,020	4	8	1,032	835
Charitable activities	8	1,522	1,617	-	3,139	2,396
Other		-	-	-	-	-
TOTAL EXPENDITURE		<u>2,542</u>	<u>1,621</u>	<u>8</u>	<u>4,171</u>	<u>3,231</u>
NET INCOME/(EXPENDITURE) FOR THE						
YEAR BEFORE (LOSSES)/GAINS ON						
INVESTMENTS						
Net (losses)/gains on investments		<u>(84)</u>	<u>(19)</u>	<u>(32)</u>	<u>(135)</u>	<u>104</u>
NET INCOME/(EXPENDITURE)		942	(125)	(26)	791	4,068
Transfers between funds		<u>109</u>	<u>(109)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS		1,051	(234)	(26)	791	4,068
TOTAL FUNDS B/FWD	22-24	<u>5,070</u>	<u>9,402</u>	<u>1,353</u>	<u>15,825</u>	<u>11,757</u>
TOTAL FUNDS C/FWD	22-24	<u>6,121</u>	<u>9,168</u>	<u>1,327</u>	<u>16,616</u>	<u>15,825</u>

The group has no recognised gains or losses other than those included above. The Consolidated Statement of Financial Activities has been prepared on the basis that all operations are continuing operations.

The comparative figures are disclosed in note 35 to the financial statements.

The notes on pages 28 to 54 form part of these financial statements.

DORSET WILDLIFE TRUST

Consolidated Summary Income and Expenditure Account For the year ended 31 March 2023

	Notes	2023 £'000	2022 £'000
Income		5,040	7,158
Gains on investments		-	104
Interest and investment income		<u>57</u>	<u>37</u>
Gross income in the financial year		<u>5,097</u>	<u>7,299</u>
Expenditure		4,057	3,122
Losses on investments		135	-
Depreciation & charges for impairment of fixed assets		<u>114</u>	<u>109</u>
Total expenditure in the financial year		<u>4,306</u>	<u>3,231</u>
Net income before tax for the financial year		791	4,068
Tax on net income from ordinary activities	14	<u>-</u>	<u>-</u>
Net income for the year		<u>791</u>	<u>4,068</u>

The group's income and expenses all relate to continuing operations.

The notes on pages 28 to 54 form part of the financial statements.

DORSET WILDLIFE TRUST

**Consolidated and Charity Balance Sheets Company Number 00688439
For the year ended 31 March 2023**

	Notes	Group		Company	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	15	3,155	2,992	3,145	2,983
Heritage assets	16	7,565	7,767	7,565	7,767
Investments	17	4,007	3,934	4,007	3,934
		<u>14,727</u>	<u>14,693</u>	<u>14,717</u>	<u>14,684</u>
CURRENT ASSETS					
Stock	18	167	162	151	146
Debtors	19	1,537	1,184	1,556	1,206
Cash at bank and in hand		1,404	834	1,315	728
		<u>3,108</u>	<u>2,180</u>	<u>3,022</u>	<u>2,080</u>
CREDITORS: Amounts falling due within one year	20	<u>(1,219)</u>	<u>(1,038)</u>	<u>(1,193)</u>	<u>(1,008)</u>
NET CURRENT ASSETS		<u>1,889</u>	<u>1,142</u>	<u>1,829</u>	<u>1,072</u>
CREDITORS: Amounts falling due after one year	21	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>(10)</u>
TOTAL NET ASSETS		<u>16,616</u>	<u>15,825</u>	<u>16,546</u>	<u>15,746</u>
RESERVES AND FUNDS					
CAPITAL FUNDS					
Endowment funds	22	<u>1,327</u>	<u>1,353</u>	<u>1,327</u>	<u>1,353</u>
INCOME FUNDS					
General funds	23 (a)	5,319	4,499	5,249	4,420
Designated funds	23 (b)	<u>802</u>	<u>571</u>	<u>802</u>	<u>571</u>
Unrestricted funds		6,121	5,070	6,051	4,991
Restricted funds	24	9,168	9,402	9,168	9,402
		<u>16,616</u>	<u>15,825</u>	<u>16,546</u>	<u>15,746</u>
TOTAL FUNDS	25	<u>16,616</u>	<u>15,825</u>	<u>16,546</u>	<u>15,746</u>

The parent company made a surplus for the year of £800,000 (2022: surplus £4,031,000).

The notes on pages 28 to 54 form part of these financial statements.

Approved by the Directors on 4 September 2023 and signed on their behalf by:

M G Kibblewhite
M G Kibblewhite.....
Chair of Trustees

DORSET WILDLIFE TRUST

Consolidated and Charity Cash Flow Statements For the year ended 31 March 2023

	Notes	Group		Company	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		£'000	£'000	£'000	£'000
Cash flows from operating activities:					
<i>Net cash provided by operating activities</i>	32	<u>590</u>	<u>4,311</u>	<u>604</u>	<u>4,274</u>
Cash flows from investing activities					
Dividends, interest & rents from investments		57	37	57	37
Investment management costs		(33)	(28)	(33)	(28)
Proceeds from sale of fixed assets		67	3	67	3
Purchase of fixed assets		(139)	(3,940)	(136)	(3,933)
Proceeds from sale of investments		2,339	482	2,339	482
Purchase of investments		<u>(2,547)</u>	<u>(1,782)</u>	<u>(2,547)</u>	<u>(1,782)</u>
<i>Net cash used in investment activities</i>		<u>(256)</u>	<u>(5,228)</u>	<u>(253)</u>	<u>(5,221)</u>
Cash flows from financing activities					
Deferred SANG income		252	-	252	-
Repayment of borrowing		(16)	(6)	(16)	(6)
<i>Net cash (used in)/generated by financing activities</i>		<u>236</u>	<u>(6)</u>	<u>236</u>	<u>(6)</u>
Change in cash and cash equivalents in the financial year		570	(923)	587	(953)
Cash and cash equivalents at the beginning of the year		<u>834</u>	<u>1,757</u>	<u>728</u>	<u>1,681</u>
Cash and cash equivalents at the end of the year	33	<u>1,404</u>	<u>834</u>	<u>1,315</u>	<u>728</u>

The notes on pages 28 to 54 form part of these financial statements.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023

1. ACCOUNTING POLICIES

Dorset Wildlife Trust is a company limited by guarantee and incorporated in England and Wales. The address of the registered office is Brooklands Farm, Forston, Dorchester, Dorset DT2 7AA.

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments and stocks of biological assets, which are shown at market value, and freehold land and buildings, which have been revalued. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Helen Brotherton Endowment Fund is established as a separate legal entity known as the Helen Brotherton Trust of which Dorset Wildlife Trust is the sole trustee. The Helen Brotherton Trust is included in the company financial statements as it is a link-charity.

The Trustees confirm that the charity is a public benefit entity, as defined in FRS 102.

The financial statements are prepared on a going concern basis. The Trustees have carefully reviewed the future prospects of the charity and its future cash flows. Having assessed this, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

1.2 Group financial statements

The Statement of Financial Activities (SOFA), Consolidated Summary Income and Expenditure Account and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

1.3 Fund Accounting

1.3.1 Unrestricted Funds

These funds can be used for any of the charity's purposes.

1.3.2 Restricted Funds

These funds have been given to the charity for a particular purpose to be used in accordance with the wishes of the donor.

1.3.3 Endowment Funds

These funds have been given to the charity for a particular purpose to be used in accordance with the wishes of the donor. The capital can generally not be realised.

Notes to the financial statements

For the year ended 31 March 2023 (continued)

1. ACCOUNTING POLICIES (continued)

1.3.4 Designated Funds

These funds which have been set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

1.4 Income

All income is included in the SOFA when the charity is legally entitled to the income, the monetary value can be measured reliably and it is more likely than not that the economic benefits associated with the gift or transaction will flow to the charity.

Membership subscription income is accounted for as received.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Grants receivable (including government grants) are accounted for when there is sufficient information to enable the claim to be made or the claim has been made and there is clear indication to suggest that the claim will be met. Performance related grants are accounted for when the conditions of the grant have been met.

Income from investments and Gift Aid is accounted for when it is receivable or the charity's right to it becomes legally enforceable.

1.5 Volunteer help and Gifts in kind

The charity receives support from a wide variety of volunteers. It is not practical to place a value on the time volunteered by all these persons due to the variety of duties performed, the difference in time spent and the sheer number of volunteers who give of their time.

Gifts in kind are valued on the following basis:

- Land values are as stated in transfer documentation; where no value is quoted a best estimate of value by the trustees is used.
- Shares are valued at market value at the time of receipt.

1.6 Expenditure

All expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be fully recovered and has been classified under headings that aggregate all costs related to that category.

Costs of Raising Funds consist of expenditure relating to appeals, communications requesting funds, servicing of membership, grant applications and other general publicity as part of fundraising together with associated support activities and cost of sales.

Notes to the financial statements

For the year ended 31 March 2023 (continued)

ACCOUNTING POLICIES (continued)

Support costs are indirect costs incurred in providing support for activities related directly to the objects of the charity. The method of allocation of support costs to the different activities is dependent on the type of costs and details are given in note 10 to the financial statements.

1.7 Tangible fixed assets

Fixed assets are stated at original cost, less depreciation, with the exception of revalued freehold land and buildings. Assets donated subsequent to 1 February 1996 are included at their value on the date of receipt, except where the Directors' believe that the cost of valuation would be excessive. Assets below a value of £500 are not capitalised.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Land	Nil
Freehold Property and Improvements	2 - 4% Straight line
Leasehold Property and Improvements	Straight line over period of lease
Farm Buildings, Hides and Fencing	4 - 10% straight line
Tools and Equipment	5 - 25% straight line

All assets are carried at historical cost (subject to the statement above regarding donated assets), except for the freehold land and buildings which had been revalued prior to the implementation of Financial Reporting Standard 102. As permitted by the standard, assets which had been previously revalued are included in the balance sheet on that basis which is now regarded as deemed cost. Acquisitions of fixed assets are accounted for when the purchase contract becomes unconditional.

1.8 Heritage Assets

Heritage assets are assets of historical, artistic or scientific importance that are held to advance preservation, conservation and educational objectives of charities at a national or local level. Such assets are central to the achievement of the purposes of such charities and include land, buildings and structures that are conserved and are central to the educational objectives of such charities. They include land relating to the habitat needs of species, or the environment generally.

The Trust's policy for the acquisition of heritage assets is set down in its Land Acquisition Guidelines. These Guidelines have been established to ensure that where opportunities arise for land acquisition, the benefits of potential ownership are measured against the criteria of the long-term strategic objectives of the Trust.

All purchased heritage assets are carried at historical cost, except for the freehold land and buildings which had been revalued prior to the implementation of Financial Reporting Standard 102. As permitted by the standard, assets which had been previously revalued are included in the balance sheet on that basis which is now regarded as deemed cost.

Heritage assets gifted to the Trust are carried at the valuation at the date of receipt of the gift in kind. Heritage assets are reviewed annually to ensure that there has been no indicator

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

ACCOUNTING POLICIES (continued)

of impairment affecting the valuation. Depreciation is provided on heritage assets on the following annual rates:

Freehold buildings – 2%
Leasehold land & buildings – over the life of the lease

1.9 Investments

Listed Investments and the investment property are included at their market value at the period end date. Investments in subsidiaries are measured at cost less accumulated impairment.

1.10 Stock and biological assets

Stock of goods for resale is stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock of raw materials is stated at the lower of cost and net realisable value.

Due to the nature of livestock, this aspect of stock is restated annually to the fair market value prevailing at 31 March each year. Livestock is valued using the local auction prices published by specialist auctioneers for the auction nearest to the balance sheet date and based on breed and age of livestock; a provision is made for auctioneer commission costs.

1.11 Pension contributions

The Trust contributes to a defined contribution pension scheme (Group Personal Pension Plan), which is open to all staff after a three- month service period. The assets of the scheme are held separately from those of the charity.

The contributions to the defined contribution scheme are charged to the statement of financial activities in the period they become payable.

1.12 Leasing

Rentals payable under operating leases are charged on a straight- line basis over the term of the lease.

Assets held under finance leases are included in fixed assets and the capital element of the related lease commitment is shown as obligations under finance leases within creditors. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against the statement of financial activities over the period of the lease.

1.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of finance leases which are measured at the amortised cost.

Notes to the financial statements

For the year ended 31 March 2023 (continued)

ACCOUNTING POLICIES (continued)

1.14 Judgements in applying accounting policies and key sources of estimation

Estimates and judgments are evaluated at each reporting date and are based on historical experience as adjusted for current market conditions and other factors. Management makes estimates and assumptions concerning the future in preparing the financial statements and the actual results will not always reflect the account estimates made. The estimates and assumptions that potentially have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities of the Group are outlined below:

Fixed Assets: As described above, the Trust reviews the residual values, estimated useful lives and depreciation rates of its tangible fixed assets at each reporting date to identify where any evidence of significant change exists since the last reporting date. For the year ending 31 March 2023 the Trust has provided to depreciate assets by £114,000 (2022: £109,000).

Bad Debt Provision: At each reporting date and throughout the year, the Trust's debtor balance is reviewed to identify any impairment required, and specific provisions are made against this balance. The value of these provisions as at 31 March 2023 are £Nil (2022: £2,800).

Recognition of legacy income: Where notifications of legacies are received prior to the balance sheet date but the income has not been received, an accrual for legacy income will be made if probate has been granted and a copy of the estates' accounts are available to determine the probable amount due and that there are sufficient assets in the estate to pay all liabilities and beneficiaries.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

2. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Membership income	1,183	2	-	1,185
Grants and donations	95	394	-	489
Legacies	<u>1,746</u>	<u>83</u>	-	<u>1,829</u>
	<u>3,024</u>	<u>479</u>	-	<u>3,503</u>
<i>Prior year comparatives</i>				<u>2022</u>
<i>Membership income</i>	1,143	2	-	1,145
<i>Grants and donations</i>	79	3,904	-	3,983
<i>Government Covid support grants</i>	40	-	-	40
<i>Gifts in kind</i>	2	-	-	2
<i>Legacies</i>	<u>584</u>	<u>2</u>	-	<u>586</u>
	<u>1,848</u>	<u>3,908</u>	-	<u>5,756</u>

3. CHARITABLE ACTIVITIES

				2023
Grants and contracts	-	1,034	-	1,034
Primary purpose trading	<u>197</u>	-	-	<u>197</u>
	<u>197</u>	<u>1,034</u>	-	<u>1,231</u>
<i>Prior year comparatives</i>				<u>2022</u>
<i>Grants and contracts</i>	-	1,042	-	1,042
<i>Primary purpose trading</i>	<u>118</u>	-	-	<u>118</u>
	<u>118</u>	<u>1,042</u>	-	<u>1,160</u>

4. OTHER TRADING ACTIVITIES

				2023
Retail	66	-	-	66
Facilities/resource hire	113	-	-	113
Rental income	44	-	-	44
Fundraising	<u>4</u>	-	-	<u>4</u>
	<u>227</u>	-	-	<u>227</u>
<i>Prior year comparatives</i>				<u>2022</u>
<i>Retail</i>	59	-	-	59
<i>Facilities/resource hire</i>	92	-	-	92
<i>Rental income</i>	50	-	-	50
<i>Fundraising</i>	<u>6</u>	-	-	<u>6</u>
	<u>207</u>	-	-	<u>207</u>

DORSET WILDLIFE TRUST

**Notes to the financial statements
For the year ended 31 March 2023 (continued)**

5. INVESTMENT INCOME	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023
	£'000	£'000	£'000	£'000
Interest	4	-	-	4
Dividend	30	2	14	46
Rental income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>41</u>	<u>2</u>	<u>14</u>	<u>57</u>

Prior year comparatives

				<u>2022</u>
Dividend	19	-	11	30
Rental income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>26</u>	<u>-</u>	<u>11</u>	<u>37</u>

6. OTHER INCOME

				Total 2023
Wayleaves	1	-	-	1
Sundry income	75	-	-	75
Profit on sale of fixed assets	<u>3</u>	<u>-</u>	<u>-</u>	<u>3</u>
	<u>79</u>	<u>-</u>	<u>-</u>	<u>79</u>

Prior year comparatives

				<u>2022</u>
Wayleaves	1	-	-	1
Sundry income	31	-	-	31
Profit on sale of fixed assets	<u>3</u>	<u>-</u>	<u>-</u>	<u>3</u>
	<u>35</u>	<u>-</u>	<u>-</u>	<u>35</u>

7. EXPENDITURE ON RAISING FUNDS	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023
	£'000	£'000	£'000	£'000
Raising donations and legacies	347	3	-	350
Membership servicing & recruitment	534	-	-	534
Trading company costs	115	-	-	115
Investment management	<u>24</u>	<u>1</u>	<u>8</u>	<u>33</u>
	<u>1,020</u>	<u>4</u>	<u>8</u>	<u>1,032</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022
	£'000	£'000	£'000	£'000
7. EXPENDITURE ON RAISING FUNDS				
<i>(continued)</i>				
<i>Prior year comparatives</i>				
<i>Raising donations and legacies</i>	234	-	-	234
<i>Membership servicing & recruitment</i>	498	-	-	498
<i>Trading company costs</i>	75	-	-	75
<i>Investment management</i>	<u>20</u>	<u>-</u>	<u>8</u>	<u>28</u>
	<u>827</u>	<u>-</u>	<u>8</u>	<u>835</u>
8. CHARITABLE ACTIVITIES				
				Total 2023
	£'000	£'000	£'000	£'000
Nature Reserve management	496	567	-	1,063
Nature Network Recovery	560	236	-	796
Nature Based Solutions	<u>466</u>	<u>814</u>	<u>-</u>	<u>1,280</u>
	<u>1,522</u>	<u>1,617</u>	<u>-</u>	<u>3,139</u>
<i>Prior year comparatives</i>				<u>2022</u>
<i>Nature Reserve management</i>	314	605	-	919
<i>Living Landscapes & Living Seas</i>	424	196	-	620
<i>Policy Advocacy & Evidence</i>	<u>307</u>	<u>550</u>	<u>-</u>	<u>857</u>
	<u>1,045</u>	<u>1,351</u>	<u>-</u>	<u>2,396</u>
9. TOTAL EXPENDITURE				
	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2023
	£'000	£'000	£'000	£'000
Raising funds	318	436	245	999
Investment management	-	33	-	33
Nature reserve management	480	378	205	1,063
Nature Network Recovery	351	245	200	796
Nature Based Solutions	<u>560</u>	<u>529</u>	<u>191</u>	<u>1,280</u>
	<u>1,709</u>	<u>1,621</u>	<u>841</u>	<u>4,171</u>
<i>Prior year comparatives</i>				<u>2022</u>
<i>Raising funds</i>	237	368	202	807
<i>Investment management</i>	-	28	-	28
<i>Nature reserve management</i>	365	366	188	919
<i>Living Landscapes & Living Seas</i>	287	178	155	620
<i>Policy Advocacy & Evidence</i>	<u>437</u>	<u>247</u>	<u>173</u>	<u>857</u>
	<u>1,326</u>	<u>1,187</u>	<u>718</u>	<u>3,231</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

9. TOTAL EXPENDITURE (continued)

Total expenditure is stated after charging:

	Group 2023 £'000	Group 2022 £'000
Auditors' remuneration		
Audit (Company £14,717; 2022 £14,635)	20	19
Non-audit (Company -£1,550); 2022 £3,000)	-	4
Depreciation on owned assets	114	104
Depreciation on financed assets	-	5
Amounts payable under operating leases	31	36
Profit on sale of fixed assets	<u>3</u>	<u>3</u>

Notes to the financial statements
For the year ended 31 March 2023

10.SUPPORT COSTS

	Raising Funds	Nature Reserve Management	Nature Network Recovery	Nature Based Solutions	Total 2023
	£'000	£'000	£'000	£'000	£'000
Management costs	19	11	38	16	84
Administration	23	17	17	17	74
Finance	67	29	26	26	148
Governance	23	17	17	17	74
Human Resources	20	22	18	20	80
ICT	25	32	32	37	126
National & Regional costs	13	16	16	19	64
Premises & equipment	35	24	15	27	101
Professional fees	2	3	5	1	11
Depreciation	<u>18</u>	<u>34</u>	<u>16</u>	<u>11</u>	<u>79</u>
	<u>245</u>	<u>205</u>	<u>200</u>	<u>191</u>	<u>841</u>

Cost Type	Basis of allocation
Management costs	Time allocation
Administration	Time allocation for staff costs and Head count for other costs
Finance	Time allocation for staff costs and Head count for other costs
Governance	Directly where appropriate and time allocation for staff costs
Human Resources	Time allocation for staff costs and Head count for other costs
ICT	Time allocation for staff costs and Head count for other costs
National & Regional costs	Head count
Premises & equipment	Time allocation for staff costs and Head count for other costs
Professional fees	Directly where appropriate and then split equally
Depreciation	Usage of assets

Notes to the financial statements
For the year ended 31 March 2023 (continued)

10. SUPPORT COSTS Continued

Prior year comparatives	Raising Funds	Nature Reserve Management	Living Landscapes & Living Seas	Policy, Advocacy & Evidence	Total 2022
	£'000	£'000	£'000	£'000	£'000
Prior year					
Management costs	14	10	14	16	54
Administration	17	12	13	13	55
Finance	51	21	19	19	110
Governance	20	15	15	14	64
Health & Safety	2	3	4	4	13
Human Resources	18	19	15	16	68
ICT	25	30	32	38	125
National & Regional costs	13	17	17	21	68
Premises & equipment	26	19	9	21	75
Professional fees	2	6	1	1	10
Depreciation	<u>14</u>	<u>36</u>	<u>16</u>	<u>10</u>	<u>76</u>
	<u>202</u>	<u>188</u>	<u>155</u>	<u>173</u>	<u>718</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023

11. TRADING INCOME

The Company has a wholly owned trading subsidiary, DWT Services Ltd (Company Number 2293763), which is incorporated in England and Wales. A summary of the trading results of the subsidiary to 31 March 2023 is shown below. Audited accounts are filed at Companies House.

	2023 £'000	2022 £'000
Turnover	185	155
Cost of sales	(77)	(60)
Gross profit	<u>108</u>	<u>95</u>
Other operating charges	(69)	(47)
Profit for the year before tax	<u>39</u>	<u>48</u>

A donation under Gift Aid of £43,866 was paid during the year to the charity out of distributable profits brought forward (2022: £15,891). Capital and reserves of the subsidiary at 31 March 2022 were £65,279 (2022: £69,877).

12. STAFF COSTS

	2023 £'000	2022 £'000
Wages and salaries	1,767	1,393
Social security costs	157	117
Other pension costs	86	68
Staff costs for the Group and Company	<u>2,010</u>	<u>1,578</u>

Pension costs are allocated across activities in line with the allocation of wages and salaries.

The total amount of employee emoluments for the six key management personnel during the year was £284,725 (2022: £273,348). Employers' national insurance contributions totalling £25,331 (2022: £22,610) were made and pension contributions of £12,998 (2022: £12,809) were made to a defined contribution scheme for the year for those personnel. The highest paid employee is the Chief Executive who received emoluments of £64,921 (2022: £61,200) and pension contributions of £3,246 (2022: £3,060).

The number of employees with emoluments over £60,000 per annum is as follows:

	2023	2022
£60,001 –£70,000	<u>1</u>	<u>1</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

12. STAFF COSTS (continued)

The average weekly number of persons (including part time staff) employed during the year analysed by function was:

	Group		Company	
	2023	2022	2023	2022
Management and administration	10	7	10	7
Raising funds	14	13	14	13
Nature reserve management	14	12	14	12
Nature Recovery Networks	14	13	14	13
Nature Based Solutions	19	15	19	15
	<u>71</u>	<u>60</u>	<u>71</u>	<u>60</u>
Equivalent full-time staff	<u>59</u>	<u>51</u>	<u>59</u>	<u>51</u>

None of the Trustees received remuneration during the year (2022: £nil). No expenses were reimbursed to trustees during the year (2022: £nil). During the year £125 (2022: £nil) was paid direct to third parties in respect of a trustee attending the RSWT AGM and conferences.

The charity has Directors and Officers Liability insurance in place and the cost for the year was £3,464 (2022: £3,387).

13. PENSIONS COSTS

The charity operates a defined contribution group personal pension scheme. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds and amounted to £86,018 (2022: £68,311). As at the balance sheet date pension contributions outstanding totalled £14,376 (2022: £11,315).

14. TAXATION

No corporation tax is charged in the accounts due to the charitable status of the company. The trading subsidiary is liable to corporation tax on taxable profits.

DORSET WILDLIFE TRUST

**Notes to the financial statements
For the year ended 31 March 2023 (continued)**

15. TANGIBLE FIXED ASSETS

GROUP	Freehold	Leasehold	Farm	Tools and	Total
	Property and Improvements	Property and Improvements	Buildings, Hides and Fencing	Equipment	
	£'000	£'000	£'000	£'000	£'000
COST					
As at 1 April 2022	2,543	137	716	1,406	4,802
Additions	27	-	24	88	139
Disposals	-	-	(54)	(228)	(282)
Transfers	195	-	-	-	195
As at 31 March 2023	<u>2,765</u>	<u>137</u>	<u>686</u>	<u>1,266</u>	<u>4,854</u>
DEPRECIATION & IMPAIRMENT					
As at 1 April 2022	162	114	460	1,074	1,810
Charge for the year	14	8	29	56	107
Disposals	-	-	(54)	(164)	(218)
As at 31 March 2023	<u>176</u>	<u>122</u>	<u>435</u>	<u>966</u>	<u>1,699</u>
NET BOOK VALUE					
As at 31 March 2023	<u>2,589</u>	<u>15</u>	<u>251</u>	<u>300</u>	<u>3,155</u>
As at 31 March 2022	<u>2,381</u>	<u>23</u>	<u>256</u>	<u>332</u>	<u>2,992</u>

The net book value of assets held under finance leases is £Nil (2022: £63,333).

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

15. TANGIBLE FIXED ASSETS (continued)

COMPANY	Freehold Property and Improvements £'000	Leasehold Property and Improvements £'000	Farm Buildings, Hides and Fencing £'000	Tools and Equipment £'000	Total £'000
COST					
As at 1 April 2022	2,543	137	716	1,347	4,743
Additions	27	-	24	85	136
Disposals	-	-	(54)	(224)	(278)
Transfers	195	-	-	-	195
As at 31 March 2023	<u>2,765</u>	<u>137</u>	<u>686</u>	<u>1,208</u>	<u>4,796</u>
DEPRECIATION & IMPAIRMENT					
As at 1 April 2022	162	114	461	1,023	1,760
Charge for the year	14	8	29	54	105
Disposals	-	-	(54)	(160)	(214)
As at 31 March 2023	<u>176</u>	<u>122</u>	<u>436</u>	<u>917</u>	<u>1,651</u>
NET BOOK VALUE					
As at 31 March 2023	<u>2,589</u>	<u>15</u>	<u>250</u>	<u>291</u>	<u>3,145</u>
As at 31 March 2022	<u>2,381</u>	<u>23</u>	<u>255</u>	<u>324</u>	<u>2,983</u>

On 16 June 2021 DWT acquired Court Farm at Bere Heath consisting of approximately 170ha of farmland including freehold buildings. A formal re-assessment of the original acquisition costs was carried out by an independent surveyor during 2022/23 and as a result an adjustment has been made to increase the cost of acquisition of freehold buildings by £195,000 with a matching reduction in the acquisition cost of rewilding land categorised as heritage assets.

The property known as Brooklands Farm was revalued in March 2000 by Hull, Gregson & Hull, Chartered Surveyors. This valuation is regarded as the deemed cost. As stated in the accounting policy, the Trust carries the freehold land and buildings at a valuation of £460,000. The assets were revalued in 2000 and have not been updated since. The historical cost of these assets is £585,858. The net book value of assets held under finance leases is £Nil (2022: £63,333). The comparable amounts of land and buildings included at valuation, determined according to the historical cost accounting rules, are as follows:

	£'000
Cost	
As at 1 April 2022 and 31 March 2023	<u>586</u>
Depreciation	
At 1 April 2022	257
Charge for the year	<u>12</u>
As at 31 March 2023	<u>269</u>
Net book value as at 31 March 2023	<u>317</u>
Net book value as at 31 March 2022	<u>329</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

16. HERITAGE ASSETS

GROUP AND COMPANY	Freehold Property and Improvements £'000	Leasehold Property and Improvements £'000	Total £'000
COST OR VALUATION			
As at 1 April 2022	7,721	356	8,077
Transfers	(195)	-	(195)
As at 31 March 2023	<u>7,526</u>	<u>356</u>	<u>7,882</u>
DEPRECIATION			
As at 1 April 2022	19	291	310
Charge for the year	1	6	7
As at 31 March 2023	<u>20</u>	<u>297</u>	<u>317</u>
NET BOOK VALUE			
As at 31 March 2023	<u>7,506</u>	<u>59</u>	<u>7,565</u>
As at 31 March 2022	<u>7,702</u>	<u>65</u>	<u>7,767</u>

Heritage assets include land relating to the habitat needs of species, or the environment generally.

The five year financial summary of heritage asset transactions is as follows:

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Acquisitions					
Land at Wild Woodbury	(195)	3,139	-	-	-
Land at Lower Common, Verwood	-	-	-	-	84
Total acquisitions	<u>(195)</u>	<u>3,139</u>	<u>-</u>	<u>-</u>	<u>84</u>
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34)</u>

On 16 June 2021 DWT acquired Court Farm at Bere Heath consisting of approximately 170ha of farmland. The land has been renamed as Wild Woodbury and forms a long-term rewilding project. A formal re-assessment of the original acquisition costs was carried out by an independent surveyor during 2022/23 and as a result an adjustment has been made to reduce the cost of acquisition of the rewilding land by £195,000 with a matching increase in the acquisition cost of the freehold buildings.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

17. INVESTMENTS – GROUP AND COMPANY

	Group	
	2023	2022
	£'000	£'000
Carrying value as at 1 April 2022	3,934	2,530
Additions to investments at cost	2,547	1,782
Disposals at carrying value	(2,349)	(482)
Net gain on revaluation	(125)	104
	<u>4,007</u>	<u>3,934</u>
Analysis of investments		
Quoted investments	3,777	3,684
Investment properties	<u>230</u>	<u>250</u>
	<u>4,007</u>	<u>3,934</u>
	Market	Market
	Value	Value
	2023	2022
	£'000	£'000
Fixed Interest Securities	975	615
UK Equities	329	416
Overseas Equities	881	839
Alternatives	567	377
Commodities	260	191
Property	39	45
Ruffer Charity Assets Trust	-	724
CCLA Charities Ethical Investment Fund	<u>726</u>	<u>477</u>
	<u>3,777</u>	<u>3,684</u>
Investment property		
	2023	2022
	£'000	£'000
Value as at 1 April 2022	250	250
Revaluation during the year	(20)	-
Value as at 31 March 2023	<u>230</u>	<u>250</u>

The investment property is a freehold property at Elmview Terrace, Gillingham. The property was valued at £230,000 by an independent surveyor as at 31 March 2023.

The company also holds investments of £8 (2022: £8). These include £4 being the nominal value of the shares held in its wholly owned subsidiary DWT Services Ltd, £2 being the nominal value of the shares held in the wholly owned subsidiary Dorset Ecology Limited and £2 being the nominal value of the shares held in the wholly owned subsidiary The National Wildlife Garden Limited.

The trading results of DWT Services Ltd are given in note 11. Dorset Ecology Limited and The National Wildlife Garden Limited are both dormant companies. The registered office of all three subsidiaries is Brooklands Farm, Forston, Dorchester, Dorset DT2 7AA.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

18. STOCK

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Goods For Resale	16	16	-	-
Farm Livestock and Deadstock	139	146	139	146
Raw Materials	12	-	12	-
	<u>167</u>	<u>162</u>	<u>151</u>	<u>146</u>

19. DEBTORS: FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	106	122	133	122
Amounts due from subsidiary undertaking	-	-	-	27
Other debtors	150	136	149	136
Prepayments and accrued income	1,281	926	1,274	921
	<u>1,537</u>	<u>1,184</u>	<u>1,556</u>	<u>1,206</u>

Prepayments and accrued income include £91,674 of deposits paid for capital items that were ordered but not delivered or completed by the balance sheet date,

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	8	84	8	88
Amounts owed to subsidiaries	-	-	1	-
Other taxes and social security costs	41	45	41	40
Other creditors	100	109	100	109
Obligations under hire purchase and finance agreements within one year	-	6	-	6
Accruals and deferred income	1,070	794	1,043	765
	<u>1,219</u>	<u>1,038</u>	<u>1,193</u>	<u>1,008</u>

In both the current and prior year accruals and deferred income include £678,000 relating to a payment received for the management of a SANG at Frome Valley Road and the management of the site has not yet been transferred to the charity. Also included in the current year accruals and deferred income is £252,293 relating to a payment received for the management of a SANG at Corfe Mullen; likewise the management of the SANG has not yet been transferred to the charity.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

21. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Obligations under hire purchase and finance agreements	-	10	-	10
	<u>-</u>	<u>10</u>	<u>-</u>	<u>10</u>

22. ENDOWMENT FUNDS

GROUP AND COMPANY	1 April 2022 £'000	Income £'000	Expenditure £'000	Realised gains/ Revaluations £'000	Transfers £'000	31 March 2023 £'000
Brownsea Island Endowment Helen Brotherton Endowment Fund	132	1	(1)	(3)	-	129
	<u>1,221</u>	<u>13</u>	<u>(7)</u>	<u>(29)</u>	<u>-</u>	<u>1,198</u>
	<u>1,353</u>	<u>14</u>	<u>(8)</u>	<u>(32)</u>	<u>-</u>	<u>1,327</u>

GROUP AND COMPANY	1 April 2021 £'000	Income £'000	Expenditure £'000	Realised gains/ Revaluations £'000	Transfers £'000	31 March 2022 £'000
Brownsea Island Endowment Helen Brotherton Endowment Fund	131	-	(1)	2	-	132
	<u>1,185</u>	<u>11</u>	<u>(7)</u>	<u>32</u>	<u>-</u>	<u>1,221</u>
	<u>1,316</u>	<u>11</u>	<u>(8)</u>	<u>34</u>	<u>-</u>	<u>1,353</u>

The Brownsea Island Fund was set up to fund the upkeep of the reserves on Brownsea Island. The Fund is held within an investment portfolio managed by Ruffer LLP. Income earned during the year is transferred to the general unrestricted fund to set off against the costs incurred during the year.

The Helen Brotherton Endowment Fund was set up under the terms of a bequest from Miss Brotherton. Income from the fund may be used for the acquisition of new reserves, the management of existing reserves, the promotion of recording and monitoring of wildlife and to promote education and enjoyment of the charity's nature reserves with an emphasis on local people and youth. The Endowment Fund is established as The Helen Brotherton Trust, a separate legal entity but a linked charity. In March 2021 the trustees decided to invest part of the fund in the acquisition of land for a re-wilding project. The acquisition was completed on 16 June 2021 and £598,865 is invested in land at Wild Woodbury. The remaining assets of the endowment are held as investments managed by Close Brothers Asset Management.

Income earned during the year represents interest receivable and investment income; expenditure during the year includes investment management charges.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

23(a) UNRESTRICTED FUNDS - GROUP

	General Fund £'000	Designated Fund £'000	Total £'000
Balance as at 1 April 2022	4,499	571	5,070
Movement in funds for the year	1,032	(90)	942
Transfer between funds	(212)	321	109
Balance as at 31 March 2023	<u>5,319</u>	<u>802</u>	<u>6,121</u>

UNRESTRICTED FUNDS - COMPANY

	General Fund £'000	Designated Fund £'000	Total £'000
Balance as at 1 April 2022	4,420	571	4,991
Movement in funds for the year	1,041	(90)	951
Transfer between funds	(212)	321	109
Balance as at 31 March 2023	<u>5,249</u>	<u>802</u>	<u>6,051</u>

23 (b) DESIGNATED FUNDS - GROUP AND COMPANY

	1 April 2022 £'000	Net Movement £'000	31 March 2023 £'000
Ash Die back fund	34	138	172
Brexit impact fund	213	(50)	163
Brownsea development fund	61	120	181
Environmental performance fund	50	-	50
Explore Dorset fund	15	10	25
Headquarters development	-	20	20
Imerys fund	17	(5)	12
Kingcombe Centre repairs fund	10	(2)	8
Kingcombe Farmhouse repairs fund	40	(28)	12
Nature Reserve Fencing Programme	16	56	72
Water infrastructure fund	15	(15)	-
Wild Woodbury site development fund	<u>100</u>	<u>(13)</u>	<u>87</u>
	<u>571</u>	<u>231</u>	<u>802</u>

The Council approved six new designations of funds in March 2023 for activities identified as requiring significant investments to be set aside over the coming few years.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

23 (b) DESIGNATED FUNDS GROUP AND COMPANY (continued)

The Ash Die back fund is being used to cover the costs of dealing with the removal of affected trees on our nature reserves. During the year £12,000 was drawdown and Council approved a further designation of £150,000 for future years in the light of increased contractor costs. There is a budgeted drawdown of £55,000 for 2023/24.

Nature Reserve Fencing Programme fund was put aside to support an ongoing programme to replace fencing on our reserves. During the year £13,000 was drawdown and Council designated a further £70,000 to this fund. There is a budgeted drawdown of £27,000 for 2023/24.

The Brownsea development fund is designated to support the National Lottery Heritage Funded Wild Brownsea project. The project was impacted by delays due to lockdowns and subsequent increasing costs due to external factors. There have been no drawdowns during the year due to delays in securing contractors. Council designated a further £120,000 to this fund to ensure the project can be completed to the desired standard.

The Explore Dorset designated fund is to cover the costs of a programme of replacing and updating interpretation on Nature Reserves and visitor centres. During the year £15,000 was drawn down and Council designated a further £25,000 for the continuance of the project.

Council designated £20,000 to a Headquarters development fund to carry out an assessment of the charity's future requirements for its headquarters as part of a strategic estates review and in light of the changing work environment.

The Kingcombe Farmhouse repairs fund was set up to cover urgent repairs to the Kingcombe farmhouse including a new sewage system, windows and insulation. The new sewage system was completed during the year and new windows ordered and a total of £28,000 drawdown. Council designated a further £10,000 towards the outstanding repairs.

The Brexit impact fund was designated to ease the transition in agri-environmental funding arrangements that supports the conversation work on our nature reserves. There has been a drawdown of £50,000 in the current year to offset costs of wardens on nature reserves. There is a budgeted drawdown of £50,000 in 2023/24.

The Environmental performance fund was designated in 2022 to invest in the charity's strategic goal of achieving net zero carbon footprint by 2030. It had been planned to use part of this fund to invest in electric vehicle charging units and renewable energy heat systems during the year but this has been delayed until the strategic estates and headquarters review has been completed.

The Imerys fund is an unrestricted donation designated for specific conservation work in river catchment areas. There has been a drawdown of £5,000 during the year.

The Kingcombe Centre repairs fund was designated to fund roof repairs. Due to the delays in securing contractors only £2,000 has been drawn down during the year.

The Wild Woodbury site development fund was designated towards the costs of planning the development of the redundant farm complex at Wild Woodbury. During the year £13,000 was drawn down with a further £42,000 budgeted to be utilised in 2023/24.

The designated water infrastructure fund has been released.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

24. RESTRICTED FUNDS – GROUP & COMPANY

	Balance at 1 April 2022	Income	Expenditure	Revalu ations	Transfers	Balance at 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Heritage Assets – Nature Reserves	6,340	-	(6)	-	(195)	6,139
Visitor Centres	809	18	(4)	-	(6)	817
Reserve Acquisition Funds	286	-	-	(3)	(3)	280
Appeals Funds	379	118	(155)	-	(123)	219
Nature Reserve Management	133	490	(409)	-	(15)	199
Nature Recovery Networks	246	212	(233)	-	63	288
Nature Based Solutions	1,132	524	(655)	(16)	166	1,151
Local Nature Partnership	72	73	(71)	-	-	74
Dorset Peat Partnership	-	80	(88)	-	8	-
Fundraising development	5	-	-	-	(4)	1
	<u>9,402</u>	<u>1,515</u>	<u>(1,621)</u>	<u>(19)</u>	<u>(109)</u>	<u>9,168</u>

	Balance at 1 April 2021	Income	Expenditure	Revalu ations	Transfers	Balance at 31 March 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Heritage Assets – Nature Reserves	3,804	-	(6)	-	2,542	6,340
Visitor Centres	811	2	(4)	-	-	809
Reserve Acquisition Funds	108	151	-	(2)	29	286
Appeals Funds	378	3,378	(26)	-	(3,351)	379
Nature Reserve Management	161	572	(585)	-	(15)	133
Nature Recovery Networks	266	138	(221)	-	45	246
Nature Based Solutions	232	598	(436)	18	738	1,132
Local Nature Partnership	27	83	(44)	-	6	72
Dorset Peat Partnership	-	28	(29)	-	1	-
Fundraising development	8	-	-	-	(3)	5
	<u>5,795</u>	<u>4,950</u>	<u>(1,351)</u>	<u>16</u>	<u>(8)</u>	<u>9,402</u>

The Heritage Assets – Nature Reserves Funds represent land acquired as nature reserves with restricted funds. The transfer relates to the formal re-assessment of the original acquisition costs carried out by an independent surveyor during 2022/23 and the resulting adjustment made to reduce the cost of acquisition of the rewilding land by £195,000 with a matching increase in the acquisition cost of the freehold buildings.

Visitor Centre Funds represent fixed assets at our visitor centres together with restricted bank balances for use in the general operating costs of two of our centres. The transfer of £6,000 relates to the receipt of restricted donation funding costs of interpretation within the designated Explore Dorset fund.

The Reserve Acquisition Fund represents legacies and donations received specifically for the acquisition of land. The transfer of £3,000 relates to legal fees relating to a potential land acquisition.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

24. RESTRICTED FUNDS – GROUP & COMPANY (continued)

The Appeals Fund represents donations and capital grants received from appeals for money for specific purposes. The transfer of £123,000 includes £60,000 of major donor funds utilised for land management of Kingcombe National Nature Reserve (£30,000) and Traineeships (£30,000); a drawdown of £63,000 from the Wild Brownsea Appeal funds to provide the matched funding for the project activity for the year.

The Nature Reserve Management fund predominantly represents agri-environmental funding received and expended on the restoration and upkeep of our nature reserves. Other funds held include those received under S106 agreements. The transfer of £15,000 reflects a drawdown from the Lorton Mitigation fund for work on the reserve.

The Nature Network Recovery fund represents restricted funding received, usually in the form of grants, for the specific purpose of raising awareness of the natural environment and large-scale landscape projects. This fund also includes some fixed assets which have been acquired as part of specific projects for use within those projects. The transfer of £63,000 represents matched funding from the Wild Brownsea Appeal.

The Nature Based Solution funds represent restricted funding received for community engagement, farm liaison projects, rewilding projects, work monitoring biodiversity in the county and working with other partners. The transfer of £166,000 includes the transfer of £195,000 from heritage assets to freehold buildings acquisition cost at Wild Woodbury, £12,000 from South West Wild Paths project towards related overheads and other small transfers to cover overhead recovery income within projects.

The Local Nature Partnership (LNP) is hosted by DWT and the LNP manager is employed by DWT. The fund includes contributions received and related costs of the partnership and the balance carried forward represents contributions received in March 2023 towards 2023/24 costs.

The Dorset Peat Partnership is managed by DWT to deliver the Climate Fund Peatland Discovery grant scheme funded by Natural England. The fund includes grant income due for the year and expenditure incurred and a net transfer of £8,000 of matched funding.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

25. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2023 are represented by:					
- Tangible fixed assets	1,304	-	1,851	-	3,155
- Heritage assets	815	-	6,153	597	7,565
- Investments	2,408	-	921	678	4,007
- Net current assets	792	802	243	52	1,889
	<u>5,319</u>	<u>802</u>	<u>9,168</u>	<u>1,327</u>	<u>16,616</u>
	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2022 are represented by:					
- Tangible fixed assets	1,313	-	1,679	-	2,992
- Heritage assets	815	-	6,355	597	7,767
- Investments	2,501	-	714	719	3,934
- Net current assets	(120)	571	654	37	1,142
- Long term creditors	(10)	-	-	-	(10)
	<u>4,499</u>	<u>571</u>	<u>9,402</u>	<u>1,353</u>	<u>15,825</u>

26. SHARE CAPITAL

The Company is limited by guarantee and does not have any share capital.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2023 (continued)

27. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2021 the charity had non-cancellable commitments under operating leases expiring as follows:

	Land & Buildings		Other	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Lease payments				
Falling due within one year	8	3	7	19
Falling due between two and five years	27	8	3	6
Falling due after five years	<u>90</u>	<u>29</u>	<u>1</u>	<u>-</u>
	<u>125</u>	<u>40</u>	<u>11</u>	<u>25</u>

28. RELATED PARTY TRANSACTIONS

As at 31 March 2023 the charity had an outstanding debtor of £30,238 (2022: £26,525) due from DWT Services Ltd, its wholly owned trading subsidiary. During the year the charity charged DWT Services Ltd £51,992 (2022: £31,764) for use of facilities and resources and received a donation from DWT Services Ltd of £43,866 (2022: £15,931). Details of key management personnel compensation are disclosed in note 12.

29. CAPITAL COMMITMENTS

As at 31 March 2023 the Group and Trust had outstanding contracted capital commitments of £589,172 (2022: £nil) and authorised but not contracted capital commitments of £Nil (2022: £Nil).

30. POST BALANCE SHEET EVENTS

The charity completed the purchase of freehold land at the former St Leonards Military Hospital in Ringwood for £1 on 29 June 2023. The agreement includes the payment of £486,000 capital sum to the charity under a S106 agreement to manage the land in accordance with the agreed Landscape & Ecology Management Plan (LEMP) for a period of 50 years. The funds are restricted and will confer financial obligations over the period of the agreement to manage the land in accordance with the LEMP.

The charity acquired 3 plots of land in West Dorset on 17 August 2023 to add to its Kingcombe nature recovery network.

The charity signed an agreement on 25 August 2023 with Dorset Council to manage 12.5 hectares of freehold land owned by the charity at its' Wild Woodbury site as an Suitable Alternative Natural Green Space (SANGS). The grant is a one-off payment of £895,035 and the period of the grant is 80 years. The grant is a restricted fund and will confer financial obligations over the period of the grant in managing the SANGS.

31. CONTROL

The Charity is controlled by its Trustees acting in accordance with the terms of the governing documents.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

32. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Net income for the year	791	4,068	800	4,031
Adjusted for:				
Losses/(gains) on investments	135	(104)	135	(104)
Net investment income	(24)	(9)	(24)	(9)
Depreciation charges	114	109	112	108
(Profit) on disposal of fixed assets	(3)	(3)	(3)	(3)
(Increase) in stocks	(5)	(25)	(5)	(32)
Decrease/(increase) in debtors	(352)	3,397	(350)	3,409
(Decrease)/increase in creditors	<u>(65)</u>	<u>(3,122)</u>	<u>(61)</u>	<u>(3,126)</u>
	<u>591</u>	<u>4,311</u>	<u>604</u>	<u>4,274</u>

33. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Cash in hand	1,317	779	1,227	673
Cash for re-investment	<u>88</u>	<u>55</u>	<u>88</u>	<u>55</u>
Total cash and cash equivalents	<u>1,405</u>	<u>834</u>	<u>1,315</u>	<u>728</u>

34. ANALYSIS OF CHANGES IN NET DEBT

GROUP	At start of year £'000	Cash flows £'000	New finance leases £'000	Other non- cash changes £'000	At end of year £'000
Cash	779	537	-	-	1,316
Cash equivalent	<u>55</u>	<u>33</u>	-	-	<u>88</u>
	834	570	-	-	1,404
Finance lease obligations	<u>(16)</u>	<u>16</u>	-	-	-
	<u>818</u>	<u>586</u>	-	-	<u>1,404</u>

COMPANY	At start of year £'000	Cash flows £'000	New finance leases £'000	Other non- cash changes £'000	At end of year £'000
Cash	673	554	-	-	1,227
Cash equivalent	<u>55</u>	<u>33</u>	-	-	<u>88</u>
	728	587	-	-	1,315
Finance lease obligations	<u>(16)</u>	<u>16</u>	-	-	-
	<u>712</u>	<u>603</u>	-	-	<u>1,315</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2023 (continued)

35. DISCLOSURE OF COMPARATIVES FOR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Funds	Year ended 31 March 2022 £'000
	£'000	£'000	£'000	£'000
INCOME & ENDOWMENTS FROM:				
Donations & legacies	1,848	3,908	-	5,756
Charitable activities	118	1,042	-	1,160
Other trading activities	207	-	-	207
Investments	26	-	11	37
Other	<u>35</u>	<u>-</u>	<u>-</u>	<u>35</u>
TOTAL INCOME	<u>2,234</u>	<u>4,950</u>	<u>11</u>	<u>7,195</u>
EXPENDITURE ON:				
Raising funds	827	-	8	835
Charitable activities	1,045	1,351	-	2,396
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURE	<u>1,872</u>	<u>1,351</u>	<u>8</u>	<u>3,231</u>
NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE GAINS/(LOSSES) ON INVESTMENTS	362	3,599	3	3,964
Net gains/ (losses) on investments	<u>54</u>	<u>16</u>	<u>34</u>	<u>104</u>
NET INCOME	416	3,615	37	4,068
Transfers between funds	<u>8</u>	<u>(8)</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS	424	3,607	37	4,068
TOTAL FUNDS B/FWD	<u>4,646</u>	<u>5,795</u>	<u>1,316</u>	<u>11,757</u>
TOTAL FUNDS C/FWD	<u>5,070</u>	<u>9,402</u>	<u>1,353</u>	<u>15,825</u>