

DORSET WILDLIFE TRUST

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

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

Company Number: 00688439

Charity Number: 200222

DORSET WILDLIFE TRUST
Financial Statements for the year ended 31 March 2019

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Financial statements for the year ended 31 March 2019

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 2019 and to date are:

J Davies MBE	(Chair of Council)
M G Kibblewhite PhD, MBA, FRSC, FIAGrE,	(Vice Chair)
J White MBE, BSc	(Vice Chair)
H G A Bates MBE, BSc, CEng, MIMM	
K Derrick OBE, BSc, MSc(Econ)	
J D Gaye	
J R Raymond DL	
I Reynolds (appointed 4 March 2019)	
G Pugh BSc (Econ), FCA	
A Simmons BVMS, MSc, MRCVS	
J A Thomas OBE, MA, PhD, FRES	
N R Webb BSc, PhD, DSc, C Biol FRBS	
A V Wheatcroft BA, MSc	

Company Directors of DWT Services Ltd who have held office in the year ended 31 March 2019:

B Bleese BSc, FRGS
S J Cripps BSc, MSc, PhD, Doc
J Davies MBE
K Derrick OBE, BSc, MSc(Econ)
J D Gaye
S E Patterson ACA
J R Raymond DL

Company Directors of Dorset Ecology Limited who have held office in the year ended 31 March 2019:

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

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Financial statements for the year ended 31 March 2019

Reference and administrative details continued

Company Directors of The National Wildlife Garden Limited who have held office during the year ended 31 March 2019:

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

President, Vice Presidents and Patrons

Dr G McGavin	(President appointed 7 July 2018)
H G A Bates	(President retired 4 June 2018)
L Bunce	(Vice President)
M Chandler	(Vice President)
K Cook	(Vice President retired 4 June 2018)
T Dampney	(Vice President appointed 30 July 2018)
L Haskins	(Vice President)
J Hawthorne	(Vice President)
J McDavid	(Vice President)
D Pearman	(Vice President retired 4 June 2018)
R Peers	(Vice President)
J Powne	(Vice President)
P Scupholme	(Vice President appointed 6 July 2018)
P Westgate	(Vice President)
J Westgate	(Vice President)
Sir J Eliot Gardiner	(Patron)
S Fine King	(Patron)
F Fairburn	(Patron retired 4 June 2018)
Prof J Lovelock	(Patron)

Chief Executive and senior management team

S J Cripps BSc, MSc, PhD, Doc	(Chief Executive)
B Bleese BSc, FRGS	(Director of Operations)
A D L Cook	(Director of Marketing and Fundraising)
I Davenport BSc	(Director of Conservation Policy)
S E Patterson ACA	(Director of Finance and Resources)
A Pollard BSc, MSc	(Director of Living Landscapes & Living Seas)

Company Secretary

S E Patterson ACA

Bankers

National Westminster Bank plc, 7 West Borough, Wimborne, Dorset, BH21 1PE.

Solicitors

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

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Reference and administrative details continued

Investment Advisors

Close Brothers Asset Management, 10 Exchange Square, Primrose Street, London, EC2A 2BY.
Ruffer LLP 80 Victoria Street, London SW1E 5JL

Auditors

Nexia Smith & Williamson, Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG.

VAT advisor

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

Health & Safety advisor

Safety and Health First, safetyandhealth1st@gmail.com.

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Chair's Report

For the year ended 31 March 2019

This year has been another successful year for Dorset Wildlife Trust in spite of the many uncertainties surrounding us. We are encouraged by the information coming from Government and lobbied for by The Wildlife Trusts (TWT), on environmental protection and funding post Brexit, and hope that this is fully implemented.

It is becoming increasingly difficult to secure grant funding, which funds the majority of our conservation work, due to the closure of many funds and more competition for the remaining few. Added to this a decline in our legacy income has forced us to reduce our budget for next year. This has resulted in a reorganisation and a slight reduction in staff numbers.

It is therefore important that we work with partnerships as much as possible and these are mentioned later in this report. However some exciting and interesting ideas are emerging for example rewilding and we are working with our many partnerships to be well placed to take advantage of new initiatives. Meanwhile we continue our invaluable core work to maintain our reserves and Sites of Nature Conservation Interests (SNCI's).

Our membership recruitment through our partner SWWFL (South West Wildlife Fundraising Ltd) has significantly improved. For the first time ever we surpassed £1,000,000 membership income. Our move to a new Customer Relationship Management (CRM) database was achieved very smoothly and will improve our supporter care.

Our Wild Brownsea project has taken a lot of work this year to finalise exciting plans for a new visitor centre on Brownsea and refurbishment of The Villa to enable a grant application to National Lottery. Match funding has been secured and the application submitted.

The Get Dorset Buzzing Campaign was launched at the end of the year and the number of 'sign-ups' exceeded targets immediately. The launch was carried out by Dr. George McGavin, the leading entomologist and broadcaster, who had agreed to become our President earlier in the year. He succeeded Tony Bates who stepped down as President to enable him to carry out his duties as a Trustee.

We continue to look at our governance procedures. Our Board Effectiveness Review continues and we successfully recruited and co-opted a new Trustee with marketing skills. Our committee structure has been reviewed and recommended changes will be implemented next year.

On behalf of my Trustees I would like to thank staff, volunteers and partners for their hard work resulting in the wonderful achievements which are detailed later in this report.

Jo Davies MBE
Chair – Dorset Wildlife Trust
2 September 2019



**Report of the Directors (including the Strategic Report)
For the year ended 31 March 2019**

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

Objectives and activities

Dorset Wildlife Trust is required by charity and company law to act 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.

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 3,000 acres of land are owned or leased by DWT as nature reserves. Support comes from the DWT's membership, at 31 March 2019 25,111 individuals or 13,803 households and a network of about 1,200 active volunteers, as well as 42 supportive corporate members and numerous 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 conservation gains 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, business and young people, and influencing the behaviour of all sectors of society.

Strategic Plan 2017-2020

The charity has five long-term, 25 year strategic aims, namely:

1. **Living Landscapes and Living Seas:** to restore, reconnect and recreate wildlife habitats within large-scale areas for both wildlife and people.
2. **Wildlife Champions:** to influence policies, decisions and plans to safeguard and enhance wildlife.
3. **Inspiring and Involving:** to increase empathy for, knowledge of and involvement with wildlife.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

4. **Promote Sustainable Living:** to make the connections between wildlife and the way we live to avoid compromising the environment for future generations.
5. **Efficient and Effective Organisation:** to adopt practices which enable DWT to function smoothly and adapt to changing circumstances.

In order to ensure that these long-term strategic aims are achieved, mid-term targets covering three to ten years have been established. Within these targets, specific three-year objectives have been set for the period 2017 to 2020 which direct our day-to-day practical work. Our staff reporting system has been designed to ensure that all the Objectives are accountable to a named individual or a defined team reported on quarterly to Council and linked to the Strategic Plan.

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. The Trust's public benefit is 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 Trust's philosophy is based on the belief that the natural world deserves conserving for its own sake and, since this is widely perceived to be a worthy aim of public policy, it may fairly be regarded as a benefit to the public at large. However, the public benefits provided by the 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 also, of course, recognised as a charitable activity in its own right.

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

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

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

Strategic report

The information below including the Review of activities, Financial review, Risk management statement and summary of future plans forms the Strategic report for the purpose of the Companies Act 2006.

There were many good news stories for this year. In particular the growth in our membership against expectations and national predictions has been the result of both excellent work by DWT's joint venture South West Wildlife Fundraising Ltd (SWWFL), and by our in-house team to support SWWFL, raise profile and hugely improve our supporter care. This latter element was partially achieved by a move to a new CRM (customer relationship management) database which needed to be executed with extreme care given the importance and sensitivity of our membership records. Our grants work continues to be the foundation upon which we build our conservation programmes. Despite ever increasing levels of competition and fewer foundations to apply to, income continues to be maintained at a high level. Also our corporate development programme is expanding, with new companies seeking to join our network and existing companies upgrading to higher membership categories.

The enormous upheavals and uncertainty in the external political environment are both a worry and challenge as well as an opportunity. We have a government that is seeking to introduce national standards and legislation to replace those from the EU. Heavy lobbying from the TWT network and the whole environment sector, together with Government appearing to make significant steps in the right direction (subject to detail) looks hopeful. The joining together of concepts such as rewilding, natural capital and environmental net gain with new ELMS (Environmental Land Management Schemes) to take over from Basic Payment Scheme to landowners gives conservation in general and DWT in particular some real win-win opportunities for partnerships with farmers and land managers. Our work on conservation services, rivers management, farm advice and development mitigation position us well to provide even more conservation across the county with a range of partners, authorities and stakeholders. With our experience of managing nature reserves for public benefit we will be able to work at a landscape scale in future years.

The following pages list in detail some of the many successes that DWT has achieved, often with a wide range of partners. Our constant battle with scrub and invasive plants and the never-ending fencing needed to allow grazing has seen the condition of most of our reserves improving. Rewilding on stretches of river have important benefits not just for the wildlife in situ, but also for the environment downstream with reductions in sediment and nutrient run-off and decreased flooding. Ground-breaking work with fishermen by DWT to support a project run by the Fisheries Authority (IFCA) to certify the clam and cockle fishery in Poole Harbour will help to protect marine species and habitats, as will collaboration with the authorities to ensure sustainable fisheries management and protection for Marine Protection Areas (MPA's).

Overall this has been a good year for conservation but challenging from a financial perspective although we remain within our free reserves policy. We are constantly grateful to our members, trustees, volunteers, supporters and partners for their continued, loyal support which has done so much to benefit the natural environment and people of Dorset.

Achievements and performance

Goal 1. Habitats. Maintain, enhance, restore and reconnect habitats to meet biodiversity targets and increase resilience to climate change, using our nature reserves and working with land and sea managers.

- DWT coordinated scrub management under the South Dorset Ridgeway project on a 4 Ha block on top of the chalk ridge. The cleared patch continues a 5 Km² landscape-scale 'farm conservation zone' made up of contiguous holdings.
- We are coordinating the majority of conservation packages across 25 farms between Bridport and Lambert's Castle. Achievements include a new 2 Ha wildflower meadow sown with 45 kgs of locally

**Report of the Directors (including the Strategic Report)
For the year ended 31 March 2019 (continued)**

brush-harvested seed. Over 1 km of hedge has been laid, 30 new hedgerow oak trees planted and guarded, 2 orchards re-planted, and new fruit trees grafted for 5 more. 3 ponds have been restored, and scrub has been tackled on 4 Sites of Nature Conservation Interest (SNCI) sites.

- Infrastructure upgrades and interpretation for the Portland Quarries Nature Park were funded by the Coastal Communities Project.
- We have worked collaboratively with Farming and Wildlife Advisory Group South West Ltd (FWAG SW) to deliver practical habitat improvements through Dorset Wild Rivers, including 800m of river-side woodland thinning and coppicing, installation of silt traps and pasture pumps, and riverbank protection works on the Corfe River.
- We have new grazing animals at Powerstock nature serve with 6 Exmoor ponies and more to come.
- Over 0.5ha of scrub has been cleared on various nature reserve sites in North and West Dorset, mainly Fontmell Down, with some at Kingcombe, Powerstock, Bracketts and Loscombe. Another block of reed was cut at West Bexington (0.2ha).
- As part of the new Countryside Stewardship Scheme (CSS) at Bracketts Coppice, a coppice coupe was cut and deer-fenced - an area of approx. 0.3ha and total of 540m of hedge was laid.
- Work across our heathland sites has been many and varied. Highlights include: close to 5ha of scrub and gorse has been removed from Upton Heath, Lower Common and Higher Hyde Heath; 3.7ha of heathland and mire restoration at Tadnoll and Winfrith as part of CS capital works; 8km of fire defendable fire lines cut on Upton Heath; and 2ha of seed has been harvested for future restoration works.
- Several of DWT's nature reserves are at risk of fire damage, either accidental or deliberate. These are mainly the heathland reserves to the SE of the county. This year there was just one main fire, thought to be deliberately started, on Upton Heath which caused relatively minor damage as it was extinguished quickly by Dorset Fire & Rescue. A system of heathland volunteers has been established to watch over the main areas of risk though the risk of further fires can never be totally eradicated.
- Over 1km of preparation work for new fencing has been completed at Lorton Meadows, Lower Common and Upton Heath, with 950m installed at the latter site. In a continued effort to welcome visitors to our sites, new steps have been installed at Higher Hyde Heath and a new dipping platform installed at Lorton.
- Key work on Brownsea has been focussed on habitat restoration and enabling improved access for the public. This has included: 1.4ha of bracken cleared to aid heathland restoration; removal of 1.6ha of scattered rhododendron; 0.8ha of thinning in old deer enclosures; installation of a new welcome platform installed at the reserve entrance; new steps installed and 50m of new path cleared at St Andrews hill.
- Whilst the bTB outbreak had limited financial impact on our herd at Kingcombe due to government compensation, the quarantine requirements did limit DWT's ability to graze our sites as we would have liked. We had insufficient space and feed to get them through the winter so the steers were sold rather than being used to graze our Powerstock reserve in the winter.

Goal 2. Influencing land and sea management. Working in partnership with others, influence land and sea management and the work of individuals and organisations within and outside the conservation sector to the benefit of wildlife in Dorset.

- Over 100 planning applications were either responded to or had DWT input through the Biodiversity Mitigation & Enhancement Plan process (led by Dorset County Council Natural Environment Team). Of 77 specific DWT responses, many are yet to be decided but 34 outcomes included changes influenced

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by DWT. Particularly notable cases included the Beacon Hill landfill site, the A338 north of the Cooper Dean roundabout, Lower Chapel Marsh Farm and Marshwood Vale.

- Six Local Plan responses were submitted, including amendments to the BDP Minerals Sites and Waste Plans, and the Horton Common 'Omission Site'.
- Marine consultations included an application to drill an oil exploration well in Poole Bay, a commercial-scale scallop-farming trial off Ringstead and an application for a Fishery Order in Portland Harbour.
- Through participating on the Board of the Southern Inshore Fisheries and Conservation Authority (SIFCA) and as observers, DWT staff acting in an individual capacity have acted as a lead board voice for nature conservation as the Authority develops fisheries management policies and legally enforceable bylaws. Also in a personal capacity DWT staff serve on the Board of the Port of Poole as a Poole Harbour Commissioner.
- DWT continues to part-fund and be represented on the Steering Group of the Dorset Coast Forum.
- In total 76 landowners have received conservation advice in the last year and more than 81 SNCI owners covering 696ha of land.
- DWT is the host and employs the Chair, the manager and a member of the officer group of the Dorset Local Nature Partnership (LNP). DWT and the LNP are represented on the Rural Enterprise Group of the Local Enterprise Partnership (LEP).
- We continue to be a lead partner in the Stour Catchment and Poole Harbour Catchment Initiatives.
- DWT submitted responses to government consultations on agriculture, the National Planning Policy Framework and Marine Conservation Zones, as well as feeding in to national TWT responses.
- A joint project - "Community Planning in Marine Protection Areas (MPAs)" was launched in the autumn with SIFCA, Natural England and National Trust.
- We welcomed to Kingcombe the DEFRA team reviewing designated landscapes in England, led by Julian Glover.
- West Dorset Countryside Stewardship applications generated over £180,000 in payments from government to farmers for sympathetic management of approximately 200 hectares of wildlife-rich habitat in 2018, and capital works for farmers to facilitate this.
- With FWAG-SW, 5 farm visits were made on the Corfe River to look at soil and nutrient management, yard infrastructure and opportunities for habitat enhancement and river corridor improvements.
- Working with our partners Wessex Water, Catchment Sensitive Farming and ADAS Environmental Farming Association we held a farmer's pie and a pint evening in the River Win catchment, to bring the farming community up-to-date on the latest Environment Agency (EA) funded projects, as well as to introduce the Natural Flood Management approach.
- We have established a new Service Level Agreement with Gillingham Town Council to assist their greenspace interests.

Goal 3. Providing Evidence. Gather and present high quality, robust information to inform and support our conservation work.

- 40 SNCIs were monitored in 2018-19 with the help of 17 volunteers. 47% of SNCIs were recorded as being in good or improving condition, up from 43% in 2017-18.
- Currently 58% of our nature reserves are in 'good' or 'excellent' condition biologically, meaning they are meeting most of our objectives with only minor issues to attend to. This is up from 53% last year.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

- DWT has been working on a project to map natural capital in the River Brit catchment and look at options for future funding for 'public goods' for farmers. This study is funded by Dorset Area of Outstanding Natural Beauty (AONB).
- 7 species of bat were caught on Kilwood Coppice reserve in one night, including a post-breeding female barbastelle (a rare bat with little known of breeding colonies).
- Early gentian numbers are up from 110 plants in spring 2017 to 647 in spring 2018 at Fontmell Down.
- On Brownsea, there were 110 pairs of sandwich tern with 150 chicks fledging and 115 pairs of common tern with 178 chicks fledging. Avocet also bred, though sadly the chicks were predated.
- DWT deployed a porpoise detector underwater near Durlston for 4 months, detecting 10 separate verified porpoise encounters – only one of which was sighted from land.
- A successful Seasearch programme was run in 2018, with 9 days of Seasearch diving, one Seasearch Observer course and three specialist courses – seaweeds, sea-squirts and a Seasearch Recorder workshop.
- Seasearch and Shoresearch have also recorded the spread of non-native species, including the Asian kelp, *Undaria pinnatifida* in Portland Harbour, Balaclava Bay and on Swanage Pier and the compass sea-squirt, *Asterocarpa humilis*, now on Bournemouth Pier, Portland Harbour and Ferrybridge.
- DWT completed River Asker walkover surveys and, through a partnership between the AONB, DWT and FWAG-SW, funded by the EA, an assortment of Natural Flood Management measures have been implemented in the Asker catchment.
- A strategic walkover along the Corfe Valley identified priority reaches for riparian tree management, river restoration and wetland creation.
- A riparian management plan has been produced for a local resident on the River Win. Engagement with the local community continues along this stretch through supporting residents in undertaking an extended Riverfly Monitoring Scheme.

Goal 4. Enabling Action for Wildlife. Work with volunteers and Dorset's local communities to enable people of all backgrounds and abilities to play an active role in supporting DWT and making a difference for their local wildlife.

- A total of 1,640 volunteer days were supported on our reserves, including 9 corporate days, covering a huge amount of valuable habitat management.
- The beach cleans at Chesil continue to be well attended with 150 people turning up at the Great British Clean. Over the year we had 400 volunteers collecting one tonne of rubbish off the beach.
- In the Corfe Valley we have conducted community engagement meetings with 3 parish councils, 10 local farms and 5 local residents to outline our project and engage people's involvement in river conservation. Riverfly training took place as a result.
- West Dorset wider countryside volunteers have been busily meeting the ambitious targets set out in the Magical Marshwood Vale Landscape Enhancement Initiative project funded by the National Grid. Over 2,000 volunteer hours were donated over the past year.

Goal 5. Raising awareness. Increase awareness of DWT and nature conservation and enable more people to learn about and enjoy nature in Dorset.

- The media-coverage highlight for the year was having BBC Countryfile film at Lorton Meadows Nature Reserve giving us a huge awareness boost nationally. We were represented in the BBC4 national

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programme 'Beach Live: Jurassic Coast'. Fires on Upton Heath led to local and regional television and radio news coverage.

- Other media highlights were the oil rig coming to Poole Bay, with a series of interviews on BBC Solent and national articles in the Times, Mail and Telegraph. Fly-tipping in East Dorset made it into the Express and Heart Radio. We gained a lot of media coverage for our 30 Days Wild campaign in June and paid to feature in the Primary Times magazine which has a 50,000 circulation in the region.
- The Get Dorset Buzzing campaign was launched in March 2019. By the end of March, we had exceeded our sign-up target of 1,000, achieving over 2,000.
- We wrote monthly articles for more than 25 magazines during the year and had 521 articles published. Press coverage for DWT included the Express, Daily Mail, the Sun, Waitrose Magazine, Primary Times, The Telegraph, The Independent, BBC Wildlife Magazine, Country Walking Magazine, and locally, the CE's blog about marine litter was included on the front page of the Dispatch newspaper.
- The new Kingcombe Centre website went live on the TWT web platform in November 2018, followed by the new DWT website in February. In the first 2 months, compared to the previous 2, user numbers increased by 39% (41,740 vs 29,991).
- DWT now has 29,000 followers on Twitter and 17,737 on Facebook. Instagram increased by 25% to 2,149 with 100% increase on impressions and 96% increase in the number of engagements. DWT had more than 300,000 page views from April-September 2018 – a new record. A post about stranded dolphins in Dorset reached over 100,000 people.
- A large volume of design and branding work for the Get Dorset Buzzing campaign included the logo, Powerpoint talks, videos, posters, the wildlife garden plaque, a series of 7 booklets, the campaign pack including wildflower seeds, email template, postcards, bookmarks, plant discount vouchers, badges, membership recruiter stand panels, flags, banners, t-shirts, van panels and event games.
- The Fleet Explorer had an excellent season, with ticket sales and passenger numbers the highest in 10 years, engaging around 1,800 visitors.
- Work continued on the refurbishment of the Wild Seas Centre at Kimmeridge thanks to the funding grant from the Coastal Communities Fund.
- The Brownsea winter bird boat trips were well attended and plenty of bird life and other wildlife including seals was spotted. Busy members' days particularly the new Tuesday Club during the winter gave DWT members the chance to visit the reserve whilst the island was closed.
- The 2019-20 event programme planning has focussed on the Get Dorset Buzzing campaign including roadshow events.
- In partnership with the DWT Wimborne Members' group, we won the first Knoll Gardens Foundation Community Lecture competition and the prize of a talk by Neil Lucas.

Goal 6. Connecting with sustainable living. Promote the benefits of integrating nature conservation into Dorset's economic and social activities.

- DWT now boasts renewable heating systems at the Wild Seas Centre, Brooklands Farm, The Kingcombe Centre, Kingcombe Meadows Farm and the Chesil Centre. As well as substantially reducing the carbon footprint of these facilities they currently generate an income from the Renewable Heat Incentive Scheme.
- Amongst others DWT is represented (in an individual or organisation basis) on the following: Catchment Partnerships, Dorset Local Nature Partnership, Poole Harbour Commissioners, Purbeck

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

Heritage Board, Southern Inshore Fisheries & Conservation Authority, Dorset Coast Forum, Dorset Environmental Records Centre (DERC), Dorset AONB Board, Angling Trust Wessex Marine Committee, SWWFL and South West Wildlife Trust (SWWT).

- DWT is leading the delivery of the 'Community Planning for MPAs' project. Working in partnership with SIFCA, NT, NE and others the project will raise awareness of the value of MPAs and establish fisheries management plans. DWT has also worked with SIFCA and Poole Harbour Fisherman's Association to enable 13 vessels to gain accreditation under the Responsible Fishing Scheme.
- Dorset Local Nature Partnership is working with partners on nature-based health and wellbeing, including the development of a SW Health and Nature Charter now endorsed by eight partners. We were chosen to work with the Wessex Public Health Community Fellowship to undertake Natural Choices evaluation by 4 junior doctors.
- A new Local Enterprise Partnership representative has joined the LNP Board and a supporting officer is developing stronger links.
- The Dorset LNP, which is chaired and part-managed by DWT, was invited to form an Assessment Panel to evaluate and choose projects to be funded under the Low Carbon Dorset programme.

Goal 7. Members & Supporters. Build and sustain our membership and supporter base and extend opportunities to play an active role in the work of DWT.

- DWT's membership grew by 229 memberships during 2018/19, primarily due to a significantly improved membership recruitment performance by South West Wildlife Fundraising Limited (SWWFL). At the end of March 2019 the total number of memberships was 13,803 households and year-on-year growth was 1.0%. This equates to 25,111 individual members.
- During the year we recruited 2,184 new memberships, the highest number in more than a decade.
- In Dorset, SWWFL recruited 1,508 memberships during the year (69% of all new members), 37% ahead of the target we had set and of the previous year's level.
- Between May and September, we ran a programme of eight 'Wildlife Discovery Walks' for new members, led by conservation staff and the Supporter Care Officer.
- Despite good engagement, the attrition rate has risen during the last year from 10.4% to 14.2%. This is primarily due to face-to-face membership recruitment having a higher lapse rate than other methods of supporter acquisition.
- We continue to engage with members through various communication channels including via the Dorset Wildlife Magazine, face-to-face at events and at our visitor centres, via email bulletins, post and increasingly through social media.

Goal 8: Securing Funding. Diversify and strengthen funding sources, prioritising secure, sustainable income sources.

- Unrestricted membership subscription income and its associated Gift Aid (GA) reached £1,035,000 million for the year, an increase of £55,000 or 6% on the previous year and £17,000 ahead of the budget target. This was the first time we have surpassed £1,000,000 for membership income.
- 97% of DWT members have a confirmed GA status. 88% have confirmed that we can claim GA on their contributions, 9% have confirmed that we cannot claim GA on their contributions and 3% have an unknown GA status.
- Sources of major grants are declining with the demise of the Landfill Community Fund and the loss of European grants the National Lottery is now the only source of large grants. Competition for major

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

grants from Lottery sources is also increasing with local authorities looking to fund much of their conservation, parks and countryside activity from external sources.

- DWT nevertheless continues to experience a high level of success with major grant applications. The year has seen new grants from the National Lottery Heritage Fund (formerly HLF) for the Gillingham Royal Forest project and the National Lottery Community Fund (formerly Big Lottery) for the Urban Green project.
- Approximately £550,000 of match funding, including £150,000 of contributions in kind, has been secured for the Wild Brownsea project from major donors, grants and partner contributions.
- Appeals and donations for the year (including Gift Aid) came to £216,000, including a £50,000 in-memoriam donation. We promoted 3 large appeals (Wild Brownsea, nature reserves and barn owls) and 2 smaller appeals (marine and Kingcombe) which raised £64,000 of restricted income.
- We received 19 new legacy notifications during the year with an estimated value of £339,000. There was also a positive variance of £21,000 against legacy accruals made in the previous financial year. So, the total legacy income contribution towards the year was £362,000 which was £158,000 behind the budget target of £520,000. This is significantly less than our five-year average for legacy income. Many other charities are reporting a fall in legacy income during the last year. Longer-term national forecasts for charity legacy income predict steady growth in the coming years.
- The 'A Walk with Nature' programme ran through the spring and summer. Potential high value supporters, long-term supporters and legators were invited to 9 walks and talks. In total 220 members attended.
- Two major restricted donations (£5,000 or more) were received during the year and a commitment from one individual for a significant contribution towards our Wild Brownsea project.
- Our corporate fundraising programme generated just over £94,000 of new income, with growth driven primarily by sponsorship and donations, which accounted for more than £60,000 of the total. Total Corporate income grew by 48% year-on-year and £67,000 of which contributed towards this year's work, some £8,000 ahead of the Budget target.

Goal 9. Managing Effectively. Smooth and efficient management and administration of DWT's work, to ensure financial stability and a safe, productive and fulfilling working environment for staff and volunteers.

- There have been no RIDDOR reportable injuries and no serious accidents involving staff or volunteers. 38 accidents and near-misses were reported during the year. This is a slight increase on the previous year and as none were serious it is a good indication that people are more willing to report minor accidents. However, near-miss reporting is an area that needs to improve.
- The external H&S audit carried out early in the year has formed the basis of the H&S Development Plan and highlighted a number of areas where we can improve our H&S processes and performance.
- As a result of the restructuring process this year 3 staff took voluntary redundancy, 4 staff were the subject of compulsory redundancies and several staff were offered alternative employment.
- Training has been delivered throughout the year. In all 15 members of staff have completed the internal leadership training programme.
- Statutory training was conducted for H&S priority areas such as chainsaw operating, off-road driving and tree safety. Additionally, first aid training has now been moved to a rolling programme which has saved money and made keeping up-to-date easier.

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- Safeguarding and whistleblowing policies have been adopted, with level 3 safeguarding qualifications now held by Head of HR & Resources and the Volunteering Co-ordinator. All staff have completed e-learning training in safeguarding.
- Mental Health First Aid (MHFA) training has been completed and a MHFA team established, meeting on a monthly basis to consider wellbeing and mental health matters. Staff wellbeing is also supported by the BUPA Employee Assistance Programme which continues to be utilised by staff.
- Site security has been a problem this year and DWT has suffered from the increase in rural crime. Beacon Hill has experienced 3 break-ins and there has been a break-in at Brooklands. We have made improvements to security with more robust gates at Brooklands and CCTV linked to a mobile app at both sites.
- The budgeting process for 2019/20 commenced at the end of August 2018. There have been several different plans discussed with trustees with the final business plan put to Council in March 2019.
- A request for candidates wishing to put themselves forward as trustees to contact the Company Secretary by 7 September 2018 was published in the Summer newsletter. None were forthcoming.
- The charity's AGM was held at the Chesil Centre on Tuesday 27 November 2018.

Goal 10. Governing our charity soundly. Effective and efficient oversight and governance of DWT to enable the best possible delivery of our charitable objectives.

- The charity went out to tender for its audit services in October 2018. After due consideration of quality and fees, Finance & Property Panel (FPP) recommended that Nexia Smith & Williamson should be retained as auditors for the next three years.
- An investment sub-group was established to review investment portfolios in March 2019 with the investment managers to address any specific risks around Brexit. It also reviewed the ethical investment policy which has been redrafted.
- A Task & Finish Group was established by Council during the year to carry out a full review of the Panel structure, assessing the effectiveness of each Panel, the changing needs of the charity and Management Team. The results of the review were reported to Council in May 2019 and will be implemented over the coming year.

Financial review

Investment powers and policy

General Background and Financial Objective

The charity is funded through membership subscriptions, donations and legacies, and grant income.

The charity's reserve policy is to hold six months of planned unrestricted expenditure as free reserves for the following purposes:

- To provide adequate short-term liquidity and cover temporary timing differences on grant claims;
- To provide reliable funding over the longer term;
- To enable the Trust to respond quickly to unexpected opportunities;
- To absorb setbacks and manage change should a major income stream fail.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

Investment Powers

Under the charity's governing document trustees are able to invest all 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 & Property Panel has delegated responsibility from the Council for agreeing strategy and monitoring the investment assets. The implementation of the strategy is delegated to fund managers and the charity has nominated a list of authorized signatories, two of which are required to sign instructions to investment managers. The Council has also delegated authority to the Finance & Property Panel 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 four trustees.

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 maintain capital whilst generating an income 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 unanticipated 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 investment 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 capital volatility is undesirable and investment of these assets should be focused on minimizing this.

Restricted and unrestricted reserves should be invested in a medium risk, high liquidity portfolio which would include investments such as gilts and high-quality corporate bonds.

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.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

Ethical Investment Policy

The Trustees have established an ethical investment policy which excludes 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 Strategy

The charity has divided the funds available for investment between two independent professional investment managers. The two managers have differing approaches to investment which counteract one another and therefore reduce the overall risk. Approximately £1million is managed by Close Brothers Asset Management who take a conventional approach in that they seek to outperform the markets through timely asset allocation and security selection. This approach is subject to greater short-term volatility but the funds are invested for the long term and are therefore able to weather such volatility.

A further £1million is managed by Ruffer LLP; their approach is an absolute return with no benchmarking seeking to manage the risk of losing money. Their investment aims are 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. The strategy for achieving this is to guard against future risks whilst capturing available opportunities, in effect attempting to remove market timing by offsetting investments such as inflationary bonds versus equities.

Management, Reporting and Monitoring

The charity has appointed two professional investment managers to manage the funds available for investments both on a discretionary basis in line with letters of instruction issued in line with this policy. The managers are required to produce a valuation and performance reports quarterly and required to present to the Finance & Property Panel on at least an annual basis. The charity has nominated a list of authorized signatories, two of which are required to sign instructions to the investment managers.

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 & Property Panel at each quarterly meeting. The Panel reports formally to Council on a quarterly basis.

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

Balance Sheet

DWT's financial position at the balance sheet date shows a reduction in overall funds of £270,000 during the year to £10.56 million (2018: £10.83 million). The unrestricted funds have decreased by £312,000 to £3.87 million (2018: £4.18 million). This reduction includes the expending of £122,000 previously designated funds. The Endowment funds have increased by £65,000 to £1.2 million (2018: £1.14 million). Restricted funds have decreased by £23,000 to £5.48 million (2018: £5.50 million).

Heritage assets of £4.67 million (2018: £4.65 million) represent the nature reserves held by the trust. Fixed asset of £2.26 million (2018: £2.28 million) represent the assets utilised in the activities of the charity.

Investments as at 31 March 2019 are £2.24 million (2018: £2.27 million).

Debtors as at 31 March 2019 are £716,000 (2018: £776,000) and are largely comprised of accrued grant income due and legacy income notified as due. The decrease in debtors is due to less legacy income accrued and less VAT recoverable at the balance sheet date. Stock values are down by £36,000 and this is largely down to a reduction in livestock value and numbers due to a bovine tuberculosis infection within the herd in the latter part of the financial year.

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Cash at bank at 31 March 2019 is £963,000 (2018: £1.08 million). Overall net current assets have reduced by £253,000 which together with the £17,000 reduction in fixed assets reflects the reduction in overall funds of £270,000.

Income

Overall income for the year is up by £99,000 to £3,342,000 (2018: £3,243,000). The overall increase in income relates to restricted income which has increased by £101,000 reflecting mostly an increase in restricted grant income.

Unrestricted membership income continues to grow year on year with an increase of £52,000. Non-performance related grants and donations income have risen by £123,000; the most significant transaction was the receipt of £150,000 from Dorset County Council towards the management of an ecological mitigation area of which £105,000 has been carried forward for future years. Legacy income for the year is down by £233,000 and this decline has significantly impacted the unrestricted funds results for the year. Income from charitable activities has increased by £105,000 mostly due to an increase in primary trading income. This increase may not be sustained in future years as £21,000 relates to farm income including some compensation for cattle infected by bovine tuberculosis and also the sale of some cattle in the autumn due to the high price of winter feed. There is also £45,000 of income for recharging of fencing supplied as part of conservation services income.

Expenditure

Total expenditure during the year amounted to £3,615,000 (2018: £3,520,000) of which expenditure on charitable activities totalled £2,682,000 (2018: £2,651,000).

Expenditure on raising funds of £905,000 (2018: £869,000) includes membership servicing and recruitment costs of £517,000 (2018: £476,000), fundraising & marketing costs of £233,000 (2018: £223,000) and trading company costs of £113,000 (2018: £131,000). The increase in expenditure on membership servicing and recruitment costs of £41,000 is due to additional recruitment costs of increasing membership numbers. The return on investment period for recruitment of new members using SWWFL (South West Wildlife Fundraising Ltd) is 18 months.

Support costs, including depreciation and governance, totalled £805,000 (2018: £772,000). The increase of £33,000 is in part due to a write back of a bad debt provision of £11,000 in the prior year (reducing the prior year costs), the inclusion of £14,400 of re-organisation costs in the current year and an increase in general irrecoverable VAT. Support costs are detailed in note 10 of the financial statements.

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.

Trustees have determined that the level of free reserves held by the charity should not normally fall below six months total unrestricted costs.

The Finance & Property Panel monitor the level of reserves and report regularly to the Trustees. Trustees, advised by the Finance & Property Panel, review the Policy annually.

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<i>Free Reserves Calculation</i>	2019	2018
	£'000	£'000
General unrestricted funds	3,500	3,690
Less Intangible and tangible fixed assets	(1,300)	(1,311)
Less Heritage assets	(814)	(817)
Less investment property	(250)	(250)
Free reserves	<u>1,136</u>	<u>1,312</u>

Free financial reserves represented approximately 6 months of our budgeted unrestricted costs for 2019/20 (2018: 6.5 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 2019 totals £398,000 (2018: £495,000). The projects are detailed in note 22 of the financial statements.

Fundraising Activities

Our fundraising standards

1. Data protection

DWT is registered with the Information Commissioner's Office as a data controller.

DWT revised its Data Protection Policy and Notice to ensure compliance with the General Data Protection Regulation (GDPR). All staff have received a copy of this and training at a Staff Forum. New members of staff receive a copy of our Data Protection Policy as part of their induction training.

2. Fundraising Regulator

DWT 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. DWT follows the standards of the Code of Fundraising Practice in all of its fundraising activities.

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

3. Institute of Fundraising

DWT is a corporate member of the Institute of Fundraising, the professional membership body for UK fundraising and as such we have signed-up to support and adhere to the Code of Fundraising Practice.

4. 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)

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.

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DWT has a data processing agreement in place with SWWFL that stipulates how the two organisations will share and protect the data of the DWT 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 DWT promptly.

SWWFL is a member of the 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 Institute of Fundraising's Compliance Directorate and their membership recruiters are regularly 'mystery shopped' by agents of the Compliance Directorate, to ensure ongoing compliance.

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

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. DWT contracts with QTS to undertake administrative 'welcome calls' for new members and to undertake fundraising campaigns such as upgrading membership subscriptions and re-recruiting lapsed members.

DWT has an agreement in place with QTS which stipulates that their fundraisers must adhere to the Fundraising Regulator's code of fundraising practice and with data protection laws. It also states that telephone 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 QTS to report any complaints to DWT.

QTS adheres to the Fundraising Regulator's rules and the stipulations regarding the Telephone Preference Service.

DWT also has a data processing agreement in place with QTS, which stipulates how the two organisations will share and how QTS will protect and process the data of the DWT members.

3. Individual giving fundraising

DWT undertakes a range of fundraising activities to generate additional income and these are 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 guided walks around our nature reserves during the summer months, where they can hear how legacies have benefitted our work and learn about the management of these sites.

4. DWT Services Ltd.

DWT sells a range of retail goods to the public through a number of visitor centres, a website shop and a retail catalogue which is mailed to all members before Christmas. Some retail goods, such as the DWT Christmas calendar, are also sold to other retail outlets across Dorset.

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5. Corporate fundraising

DWT 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.

6. Grants & Trusts

Securing funding from grants and trusts is a major part of DWT's fundraising work and involves significant resource from the Operations & Development and Conservation teams collaborating in constructing funding bids.

Monitoring fundraising activities

Agreements are in place with the agencies (SWWFL and QTS) that carry out fundraising services on behalf of DWT. 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 DWT.

DWT holds regular meetings with SWWFL 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. Some of these activities are also discussed at quarterly Marketing Panel meetings, which involve Trustees.

Each quarter the Marketing Panel receives a report on any complaints DWT has received during that period.

Complaints about fundraising

During 2018/19 DWT received a total of 47 complaints from the public, of which just 4 related to fundraising activities. Of these, 3 related to face-to-face membership recruitment via SWWFL, but were all different in nature and involved different recruiters. On one occasion the recruiter did not offer the minimum membership subscription rate, on another the person reported that the recruiter promised free parking at Studland (a NT site), and the third complaint came from a charity about the behaviour of a membership recruiter at an event. In each case the complaint was followed up either by DWT or SWWFL and resolved. The fourth complaint was from a person who objected to the 'officious' manner of the DWT who asked for a £2 donation in return for entering the Brownsea Island nature reserve.

Protecting vulnerable people

In accordance with the Fundraising Regulator's Code of Fundraising Practice our fundraisers (including SWWFL) take reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This includes taking into account 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 to 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 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 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.

DWT Services Ltd, the trading company for the group, was primarily involved in the sale of goods, delivering educational courses and other services. Profits earned by the trading company are passed to its parent company DWT as a gift aided charitable donation on an annual basis. Dorset Ecology Limited is a dormant subsidiary of Dorset Wildlife Trust which has never traded and a new subsidiary, The National Wildlife Garden Limited was incorporated during the year which has not traded. The directors of DWT Services Ltd and the two dormant companies are appointed by the Council of DWT and confirmed annually.

DWT'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 eight groups:
 - Conservation Panel
 - Finance and Property Panel
 - Governance Panel
 - Health and Safety Committee
 - Fundraising & Marketing Panel
 - Members Panel
 - Personnel and Remuneration Panel
 - Commercial Board of DWT Services Ltd

All these groups are advisory with the exception of the Commercial Board which has decision-making powers delegated and reviewed by Council annually, and the Finance & Property Panel which has delegated power to make urgent investment decisions.

The Chief Executive has delegated responsibility for financial and operating performance, and staff teams for conservation, fundraising and marketing, finance and administration, and operations and development.

In addition DWT has a number of 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. There are also 8 Local Groups of members who organise events for member in their area. Volunteers provide assistance and support in a wide variety of ways, practically and with administrative tasks.

How does the charity make decisions?

DWT Council makes decisions on policy advised by relevant Panels and DWT management. Implementation of those policies and operating decisions are delegated to the Chief Executive who may delegate authority through the management structure. Council can over-ride any operating decision that it feels is not consistent with the Strategic Plan, DWT policies or legal requirements. Panels are advisory but can recommend decisions to Council or management.

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Report of the Directors (including the Strategic Report) For the year ended 31 March 2019 (continued)

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 DWT 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 3-year basis, pay and remuneration are benchmarked by Personnel and Remuneration Panel (PRP) against other Wildlife Trusts and the wider sector. PRP then makes recommendations to Council. Annually PRP may recommend an 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

DWT is one of 46 Wildlife Trusts in the UK that together make up the Wildlife Trusts Network. Together, the Wildlife Trusts have over 800,000 members and more than 2,300 nature reserves covering 98,500 hectares in their care. DWT 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) and three wholly owned subsidiaries; 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 trustees review annually the risks to which the charity might be exposed in the 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 risks to DWT's operation that have been identified and prioritised for 2019/20, many of which result from the decision for the UK to leave the European Union are summarised below:

- Increased competition for funding from new organisation such as academic institutions and devolved local authorities searching for replacement funds to EU Grants.
- Stewardship grants for reserves management are worth over £300,000 per annum to DWT and there is no guarantee these will be replaced at the same financial level as currently. The Government have consulted on a new agricultural policy and are minded to remove area-based payments in favour of payment for 'public benefits' which includes environmental and wildlife benefits. DWT should then be well positioned to receive such payments.
- Development and research funding such as from Interreg and Life programmes have been important to DWT and our partnerships. There is no clarity yet as to whether the UK will continue to participate in such programmes.
- Many protected area designations and environmental laws and principles at sea and on land come from European legislation. The legislation is due to be transferred in full when the UK leaves the EU, and the Government have now agreed that principles like the precautionary principle need to be

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underpinned by law. Government are consulting on an environmental oversight body to replace the role of the EU Court of Justice, however the current proposals are weak.

Conversely Brexit may offer opportunities to influence policy to greater support wildlife and the environment.

Health and safety risk assessment guidelines for a range of DWT activities have been amplified and issued to all appropriate staff and volunteers. Following the outsourcing of the IT support from May 2020, the IT systems and security practices are undergoing a full review by professional IT consultants. This should ensure that our systems are up-to-date and as secure as possible as well as being more efficient and effective for staff.

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.

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 2 September 2019 and signed on their behalf:



M G Kibblewhite

Vice Chair of Trustees

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

Opinion

We have audited the financial statements of Dorset Wildlife Trust (the "parent charitable company") and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Summary Income and Expenditure Account, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash flow Statement and the 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 financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

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

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report (incorporating the Strategic Report) prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report (incorporating the Strategic 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 parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report (incorporating the Strategic Report).

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; 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

Responsibilities of trustees

As explained more fully in the Boards' Responsibilities Statement set out on page 23, the trustees (who are directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

DORSET WILDLIFE TRUST

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

Use of our report

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

Nexia Smith & Williamson

Julie Mutton

Date: 24/9/19

Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Cumberland House
15-17 Cumberland Place
Southampton
SO15 2 BG

DORSET WILDLIFE TRUST

Consolidated Statement of Financial Activities For the year ended 31 March 2019

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Year ended 31 March 2019 £'000	Year ended 31 March 2018 £'000
		£'000	£'000	£'000		
INCOME & ENDOWMENTS FROM:						
Donations & legacies	2	1,511	375	-	1,886	1,944
Charitable activities	3	253	832	-	1,085	980
Other trading activities	4	270	-	-	270	241
Investments	5	28	1	38	67	54
Other	6	30	4	-	34	24
TOTAL INCOME		<u>2,092</u>	<u>1,212</u>	<u>38</u>	<u>3,342</u>	<u>3,243</u>
EXPENDITURE ON:						
Raising funds	7	896	-	9	905	869
Charitable activities	8	1,456	1,226	-	2,682	2,651
Other		17	-	11	28	-
TOTAL EXPENDITURE		<u>2,369</u>	<u>1,226</u>	<u>20</u>	<u>3,615</u>	<u>3,520</u>
NET (EXPENDITURE)/INCOME FOR THE YEAR BEFORE GAINS/(LOSSES) ON INVESTMENTS		(277)	(14)	18	(273)	(277)
Net (losses)/gains on investments		<u>(14)</u>	<u>5</u>	<u>12</u>	<u>3</u>	<u>(65)</u>
NET (EXPENDITURE)/INCOME		(291)	(9)	30	(270)	(342)
Transfers between funds		4	(39)	35	-	-
NET MOVEMENT IN FUNDS		(287)	(48)	65	(270)	(342)
TOTAL FUNDS B/FWD	21-23	<u>4,185</u>	<u>5,505</u>	<u>1,138</u>	<u>10,828</u>	<u>11,170</u>
TOTAL FUNDS C/FWD	21-23	<u>3,898</u>	<u>5,457</u>	<u>1,203</u>	<u>10,558</u>	<u>10,828</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 33 to the financial statements.

The notes on pages 31 to 56 form part of these financial statements.

DORSET WILDLIFE TRUST

Consolidated Summary Income and Expenditure Account For the year ended 31 March 2019

	Notes	2019 £'000	2018 £'000
Income		3,275	3,189
Gains/(Losses) on investments		3	(65)
Interest and investment income		<u>67</u>	<u>54</u>
Gross income in the financial year		<u>3,345</u>	<u>3,178</u>
Expenditure		3,475	3,387
Interest payable		17	1
Depreciation & charges for impairment of fixed assets		<u>123</u>	<u>132</u>
Total expenditure in the financial year		<u>3,615</u>	<u>3,520</u>
Net expenditure before tax for the financial year		(270)	(342)
Tax on (loss) on ordinary activities	14	—	—
Net expenditure for the year		<u>(270)</u>	<u>(342)</u>

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

The notes on pages 31 to 56 form part of the financial statements.

DORSET WILDLIFE TRUST

Consolidated and Charity Balance Sheets Company Number 00688439 For the year ended 31 March 2019

		Group		Company	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	15	2,264	2,280	2,260	2,276
Heritage assets	16	4,669	4,635	4,669	4,635
Investments	17	2,237	2,272	2,237	2,272
		<u>9,170</u>	<u>9,187</u>	<u>9,166</u>	<u>9,183</u>
CURRENT ASSETS					
Stock	18	155	191	109	153
Debtors	19	716	776	771	812
Cash at bank and in hand		963	1,079	845	993
		<u>1,834</u>	<u>2,046</u>	<u>1,725</u>	<u>1,958</u>
CREDITORS: Amounts falling due within one year	20	(446)	(405)	(413)	(372)
NET CURRENT ASSETS		<u>1,388</u>	<u>1,641</u>	<u>1,312</u>	<u>1,586</u>
TOTAL NET ASSETS		<u>10,558</u>	<u>10,828</u>	<u>10,478</u>	<u>10,769</u>
RESERVES AND FUNDS					
CAPITAL FUNDS					
Endowment funds	21	<u>1,203</u>	<u>1,138</u>	<u>1,203</u>	<u>1,138</u>
INCOME FUNDS					
General funds	22 (a)	3,500	3,690	3,420	3,631
Designated funds	22 (b)	<u>398</u>	<u>495</u>	<u>398</u>	<u>495</u>
Unrestricted funds		3,898	4,185	3,818	4,126
Restricted funds	23	5,457	5,505	5,457	5,505
TOTAL FUNDS	24	<u>10,558</u>	<u>10,828</u>	<u>10,478</u>	<u>10,769</u>

The parent company made a deficit for the year of £291,000 (2018: deficit £371,000)

The notes on pages 31 to 56 form part of these financial statements.

Approved by the Directors on 2 September 2019 and signed on their behalf by:

J Davies.....
Chair of Trustees

M Kibblewhite.....
Vice Chair of Trustees

DORSET WILDLIFE TRUST

Consolidated and Charity Cash Flow Statements For the year ended 31 March 2019

		Group		Company	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities:					
<i>Net cash used by/provided by operating activities</i>	30	<u>(37)</u>	<u>(156)</u>	<u>(71)</u>	<u>(210)</u>
Cash flows from investing activities					
Dividends, interest & rents from investments		67	54	67	54
Investment management costs		(20)	(21)	(20)	(21)
Proceeds from sale of fixed assets		31	-	31	-
Purchase of fixed assets		(163)	(116)	(161)	(115)
Proceeds from sale of investments		871	634	871	634
Purchase of investments		<u>(832)</u>	<u>(978)</u>	<u>(832)</u>	<u>(978)</u>
<i>Net cash used in investment activities</i>		<u>(46)</u>	<u>(427)</u>	<u>(44)</u>	<u>(426)</u>
Cash flows from financing activities					
Repayment of borrowing		<u>(33)</u>	<u>(18)</u>	<u>(33)</u>	<u>(18)</u>
<i>Net cash used in financing activities</i>		<u>(33)</u>	<u>(18)</u>	<u>(33)</u>	<u>(18)</u>
Change in cash and cash equivalents in the financial year		(116)	(601)	(148)	(654)
Cash and cash equivalents at the beginning of the year		<u>1,079</u>	<u>1,680</u>	<u>993</u>	<u>1,647</u>
Cash and cash equivalents at the end of the year	31	<u>963</u>	<u>1,079</u>	<u>845</u>	<u>993</u>

The notes on pages 31 to 56 form part of these financial statements.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019

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

The accounts are prepared on a going concern basis; there are no material uncertainties about the charity's ability to continue as a going concern.

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.

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.

Notes to the financial statements

For the year ended 31 March 2019 (continued)

1. ACCOUNTING POLICIES (continued)

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.

Legacy income is accounted for when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grants receivable 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.

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.

Notes to the financial statements
For the year ended 31 March 2019 (continued)

ACCOUNTING POLICIES (continued)

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, 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. The valuation of these heritage assets is reviewed annually to ensure that there has been no indicator 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

Notes to the financial statements
For the year ended 31 March 2019 (continued)

ACCOUNTING POLICIES (continued)

1.9 Investments

Investments are included at their market value at the period end date.

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.

Due to the nature of livestock, this aspect of stock is restated annually to the fair market value prevailing at 31 March each year.

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 2019 (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 2019 the Trust has provided to depreciate assets by £123,000.

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 at 31 March 2019 are £Nil (2018: £Nil).

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 2019 (continued)

2. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2019 £'000
Membership income	1,034	1	-	1,035
Grants and donations	162	327	-	489
Legacies	<u>315</u>	<u>47</u>	<u>-</u>	<u>362</u>
	<u>1,511</u>	<u>375</u>	<u>-</u>	<u>1,886</u>
<i>Prior year comparatives</i>				<u>2018</u>
Membership income	983	-	-	983
Grants and donations	105	261	-	366
Legacies	<u>560</u>	<u>35</u>	<u>-</u>	<u>595</u>
	<u>1,648</u>	<u>296</u>	<u>-</u>	<u>1,944</u>

3. CHARITABLE ACTIVITIES

				2019
Grants and contracts	-	832	-	832
Primary purpose trading	<u>253</u>	<u>-</u>	<u>-</u>	<u>253</u>
	<u>253</u>	<u>832</u>	<u>-</u>	<u>1,085</u>
<i>Prior year comparatives</i>				<u>2018</u>
Grants and contracts	-	810	-	810
Primary purpose trading	<u>170</u>	<u>-</u>	<u>-</u>	<u>170</u>
	<u>170</u>	<u>810</u>	<u>-</u>	<u>980</u>

4. OTHER TRADING ACTIVITIES

				2019
Retail	119	-	-	119
Facilities/resource hire	103	-	-	103
Rental income	28	-	-	28
Fundraising	<u>20</u>	<u>-</u>	<u>-</u>	<u>20</u>
	<u>270</u>	<u>-</u>	<u>-</u>	<u>270</u>
<i>Prior year comparatives</i>				<u>2018</u>
Retail	107	-	-	107
Facilities/resource hire	100	-	-	100
Rental income	29	-	-	29
Fundraising	<u>5</u>	<u>-</u>	<u>-</u>	<u>5</u>
	<u>241</u>	<u>-</u>	<u>-</u>	<u>241</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2019
	£'000	£'000	£'000	£'000
5. INVESTMENT INCOME				
Interest	5	-	17	22
Dividend	16	1	21	38
Rental income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>28</u>	<u>1</u>	<u>38</u>	<u>67</u>
<i>Prior year comparatives</i>				<u>2018</u>
Interest	8	-	-	8
Dividend	17	1	21	39
Rental income	<u>7</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>32</u>	<u>1</u>	<u>21</u>	<u>54</u>
				Total 2019
6. OTHER INCOME				
Insurance claims	9	-	-	9
Wayleaves	1	-	-	1
Sundry income	20	2	-	22
Profit on sale of fixed assets	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>
	<u>30</u>	<u>4</u>	<u>-</u>	<u>34</u>
<i>Prior year comparatives</i>				<u>2018</u>
Insurance claims	2	-	-	2
Wayleaves	1	-	-	1
Sundry income	17	4	-	21
Profit on sale of fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>20</u>	<u>4</u>	<u>-</u>	<u>24</u>
				Total 2019
7. EXPENDITURE ON RAISING FUNDS				
	£'000	£'000	£'000	£'000
Raising donations and legacies	233	-	-	233
Membership servicing & recruitment	517	-	-	517
Event costs	22	-	-	22
Trading company costs	113	-	-	113
Investment management	<u>11</u>	<u>-</u>	<u>9</u>	<u>20</u>
	<u>896</u>	<u>-</u>	<u>9</u>	<u>905</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2019 (continued)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018
	£'000	£'000	£'000	£'000
7. EXPENDITURE ON RAISING FUNDS				
CONTINUED				
<i>Prior year comparatives</i>				
<i>Raising donations and legacies</i>	222	1	-	223
<i>Membership servicing & recruitment</i>	476	-	-	476
<i>Event costs</i>	19	-	-	19
<i>Trading company costs</i>	131	-	-	131
<i>Investment management</i>	<u>11</u>	<u>-</u>	<u>9</u>	<u>20</u>
	<u>859</u>	<u>1</u>	<u>9</u>	<u>869</u>
8. CHARITABLE ACTIVITIES				
				Total 2019
	£'000	£'000	£'000	£'000
Nature Reserve management	334	463	-	797
Living Landscapes & Living Seas	692	658	-	1,350
Policy Advocacy & Evidence	<u>430</u>	<u>105</u>	<u>-</u>	<u>535</u>
	<u>1,456</u>	<u>1,226</u>	<u>-</u>	<u>2,682</u>
<i>Prior year comparatives</i>				<i>2018</i>
<i>Nature Reserve management</i>	268	478	-	746
<i>Living Landscapes & Living Seas</i>	659	757	-	1,416
<i>Policy Advocacy & Evidence</i>	<u>427</u>	<u>62</u>	<u>-</u>	<u>489</u>
	<u>1,354</u>	<u>1,297</u>	<u>-</u>	<u>2,651</u>
9. TOTAL EXPENDITURE				
	Direct Staff Costs	Other Direct Costs	Support Costs	Total 2019
	£'000	£'000	£'000	£'000
Raising funds	264	396	225	885
Investment management	-	20	-	20
Nature reserve management	343	256	198	797
Living Landscapes & Living Seas	650	487	213	1,350
Policy Advocacy & Evidence	291	75	169	535
Other	<u>-</u>	<u>28</u>	<u>-</u>	<u>28</u>
	<u>1,548</u>	<u>1,262</u>	<u>805</u>	<u>3,615</u>
<i>Prior year comparatives</i>				<i>2018</i>
<i>Raising funds</i>	242	387	220	849
<i>Investment management</i>	-	20	-	20
<i>Nature reserve management</i>	373	172	201	746
<i>Living Landscapes & Living Seas</i>	661	576	179	1,416
<i>Policy Advocacy & Evidence</i>	<u>267</u>	<u>50</u>	<u>172</u>	<u>489</u>
	<u>1,543</u>	<u>1,205</u>	<u>772</u>	<u>3,520</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

9. TOTAL EXPENDITURE (continued)

Total expenditure is stated after charging:

	Group 2019 £'000	Group 2018 £'000
Auditors' remuneration		
Audit (Company £17,090; 2018 £12,929)	20	15
Non-audit (Company £Nil; 2018 £Nil)	1	1
Depreciation on owned assets	123	122
Depreciation on financed assets	-	10
Amounts payable under operating leases	12	12
(Loss)/profit on sale of fixed assets	<u>(2)</u>	<u>-</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019

10.SUPPORT COSTS

	Raising Funds	Nature Reserve Management	Living Landscapes & Living Seas	Policy, Advocacy & Evidence	Total 2019
	£'000	£'000	£'000	£'000	£'000
Management costs	24	15	33	29	101
Administration	25	15	17	20	77
Finance	52	20	18	18	108
Governance	21	18	18	18	75
Health & Safety	1	2	2	2	7
Human Resources	5	8	16	7	36
ICT	30	22	22	24	98
National & Regional costs	19	24	31	16	90
Premises & equipment	32	23	35	29	119
Professional fees	7	7	-	-	14
Depreciation	9	44	21	6	80
	<u>225</u>	<u>198</u>	<u>213</u>	<u>169</u>	<u>805</u>

	£'000	£'000	£'000	£'000	£'000
<i>Prior year comparatives</i>					
Management costs	26	18	18	34	96
Administration	29	18	19	19	85
Finance	45	19	17	17	98
Governance	19	16	16	17	68
Health & Safety	1	2	2	2	7
Human Resources	6	6	8	5	25
ICT	27	18	19	20	84
National & Regional costs	19	24	33	15	91
Premises & equipment	36	25	35	31	127
Professional fees	7	5	1	1	14
Bad debt provision	(11)	-	-	-	(11)
Depreciation	<u>16</u>	<u>50</u>	<u>11</u>	<u>11</u>	<u>88</u>
	<u>220</u>	<u>201</u>	<u>179</u>	<u>172</u>	<u>772</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

Support costs are allocated to different activities on the following basis:

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
Health & Safety	Head count
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

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019

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 2019 is shown below. Audited accounts are filed with the Registrar of Companies.

	2019 £'000	2018 £'000
Turnover	237	208
Cost of sales	(95)	(114)
Gross profit	<u>142</u>	<u>94</u>
Other operating charges	(95)	(71)
Profit for the year before tax	<u>47</u>	<u>23</u>

A donation under Gift Aid of £24,746 was paid during the year to the charity out of distributable profits brought forward (2018: £29,000). Capital and reserves of the subsidiary at 31 March 2019 were £73,869 (2018: £51,893).

12. STAFF COSTS

	2019 £'000	2018 £'000
Wages and salaries	1,674	1,604
Social security costs	132	133
Other pension costs	81	78
Redundancy costs	61	-
Staff costs for the Group and Company	<u>1,948</u>	<u>1,815</u>

At the balance sheet date the redundancy payments accrued amounted to £60,575 (2018: £Nil).

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

The total amount of employee emoluments for the five key management personnel during the year was £241,463 (2018: £236,728). Employers national insurance contributions totalling £22,866 (2018: £22,802) were made and pension contributions of £12,595 (2018: £11,834) 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 £69,592 (2018: £68,227) and pension contributions of £4,002 (2018: £3,411).

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

	2019	2018
£60,001 –£70,000	<u>1</u>	<u>1</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (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	
	2019	2018	2019	2018
Management and administration	10	10	10	10
Raising funds	14	11	13	11
Nature reserve management	11	12	11	12
Living Landscapes & Living Seas	28	30	28	30
Policy Advocacy & Evidence	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
	<u>71</u>	<u>71</u>	<u>70</u>	<u>71</u>
Equivalent full-time staff	<u>57</u>	<u>54</u>	<u>56</u>	<u>54</u>

None of the Trustees received remuneration during the year (2018: £ nil). No expenses were reimbursed for mileage expenses to trustees during the year (2018: £32). Expenses totalling £230 (2018: £671) were paid direct to third parties in respect of 1 trustee attending the RSWT AGM and conferences.

The charity has Trustee Liability insurance in place and the cost for the year was £2,800 (2018: £1,751).

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 £81,232 (2018: £78,580). As at the balance sheet date pension contributions outstanding totalled £12,399 (2018: £11,964).

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 2019 (continued)

15. TANGIBLE FIXED ASSETS

GROUP	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 2018	1,776	137	567	1,438	3,918
Additions	37	-	21	37	95
Disposals	-	-	-	(122)	(122)
As at 31 March 2019	<u>1,813</u>	<u>137</u>	<u>588</u>	<u>1,353</u>	<u>3,891</u>
DEPRECIATION & IMPAIRMENT					
As at 1 April 2018	130	82	364	1,062	1,638
Charge for the year	8	8	23	68	107
Disposals	-	-	-	(118)	(118)
As at 31 March 2019	<u>138</u>	<u>90</u>	<u>387</u>	<u>1,012</u>	<u>1,627</u>
NET BOOK VALUE					
As at 31 March 2019	<u>1,675</u>	<u>47</u>	<u>201</u>	<u>341</u>	<u>2,264</u>
As at 31 March 2018	<u>1,646</u>	<u>55</u>	<u>203</u>	<u>376</u>	<u>2,280</u>

The net book value of assets held under finance leases is £Nil (2018: £77,875).

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (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 2018	1,776	137	567	1,388	3,868
Additions	37	-	21	35	93
Disposals	-	-	-	(122)	(122)
As at 31 March 2019	<u>1,813</u>	<u>137</u>	<u>588</u>	<u>1,301</u>	<u>3,839</u>
DEPRECIATION & IMPAIRMENT					
As at 1 April 2018	130	82	365	1,015	1,592
Charge for the year	8	8	23	66	105
Disposals	-	-	-	(118)	(118)
As at 31 March 2019	<u>138</u>	<u>90</u>	<u>388</u>	<u>963</u>	<u>1,579</u>
NET BOOK VALUE					
As at 31 March 2019	<u>1,675</u>	<u>47</u>	<u>200</u>	<u>338</u>	<u>2,260</u>
As at 31 March 2018	<u>1,646</u>	<u>55</u>	<u>202</u>	<u>373</u>	<u>2,276</u>

The property known as Brooklands Farm was revalued in March 2000 by Hull, Gregson & Hull, Chartered Surveyors. This valuation is considered not to have changed significantly since that date. 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 (2018: £77,875).

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 2018 and 31 March 2019	<u>586</u>
Depreciation	
At 1 April 2018	212
Charge for the year	<u>11</u>
As at 31 March 2019	<u>223</u>
Net book value as at 31 March 2019	<u>363</u>
Net book value as at 31 March 2018	<u>374</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (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 2018	4,532	356	4,888
Additions	84	-	84
Disposal	(34)	-	(34)
As at 31 March 2019	<u>4,582</u>	<u>356</u>	<u>4,938</u>
DEPRECIATION			
As at 1 April 2018	15	238	253
Charge for the year	1	15	16
As at 31 March 2019	<u>16</u>	<u>253</u>	<u>269</u>
NET BOOK VALUE			
As at 31 March 2019	<u>4,566</u>	<u>103</u>	<u>4,669</u>
As at 31 March 2018	<u>4,517</u>	<u>118</u>	<u>4,635</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:

	2019 £'000	2018 £'000	2017 £'000	2016 £'000	2015 £'000
Acquisitions					
Littlemoor land at Lorton Meadows	-	-	-	-	-
Land at Butts Lane, Lower Kingcombe	-	-	-	-	-
Land at Lower Common, Verwood	84	-	-	34	1
Lease of Tout Quarry	-	-	-	-	-
South Poorton	-	-	-	-	-
Land at Lytchett Bay	-	-	-	-	-
Land at Upton Heath & Beacon Hill	-	-	-	-	45
Land at Cottage Farm (Happy Bottom)	-	-	-	-	-
Land at West Milton	-	-	-	-	270
Total acquisitions	<u>84</u>	<u>-</u>	<u>-</u>	<u>34</u>	<u>316</u>
Disposals	<u>(34)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

17. INVESTMENTS – GROUP AND COMPANY

	2019 £'000	2018 £'000
Carrying value as at 1 April 2018	2,272	1,994
Additions to investments at cost	832	978
Disposals at carrying value	(861)	(632)
Net (loss)/gain on revaluation	(6)	(68)
	<u>2,237</u>	<u>2,272</u>
Carrying value as at 31 March 2019		
Analysis of investments:	£'000	£'000
Quoted investments	1,987	2,022
Investment property	250	250
Cash held for re-investment	-	-
	<u>2,237</u>	<u>2,272</u>
Quoted investments	Market Value 2019 £'000	Market Value 2018 £'000
Fixed Interest Securities	677	770
UK Equities	342	332
Overseas Equities	659	657
Property	29	9
Alternatives	173	171
Commodities	98	83
Hedge Funds	9	-
	<u>1,987</u>	<u>2,022</u>
Investment property	2019 £'000	2018 £'000
Value as at 1 April 2018 and 31 March 2019	<u>250</u>	<u>250</u>

The investment property is a freehold property at Elmview Terrace, Gillingham. In the opinion of the directors, the market value of the property at the balance sheet date remains unchanged at £250,000.

The company also holds investments of £8 (2018: £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 2019 (continued)

18. STOCK

	Group		Company	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Goods For Resale	46	38	-	-
Farm Livestock and Deadstock	109	153	109	153
	<u>155</u>	<u>191</u>	<u>109</u>	<u>153</u>

19.DEBTORS: FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	110	110	147	109
Amounts due from subsidiary undertaking	-	-	23	39
Other debtors	13	39	14	41
Prepayments and accrued income	593	627	587	623
	<u>716</u>	<u>776</u>	<u>771</u>	<u>812</u>

20.CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade creditors	116	118	106	112
Other taxes and social security costs	37	33	37	33
Other creditors	62	52	62	52
Obligations under hire purchase and finance agreements within one year	-	16	-	16
Accruals and deferred income	231	186	208	159
	<u>446</u>	<u>405</u>	<u>413</u>	<u>372</u>

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

21.ENDOWMENT FUNDS

Group and Company	1 April 2018 £'000	Income £'000	Expenditure £'000	Realised gains/ Revaluations £'000	Transfers £'000	31 March 2019 £'000
Brownsea Island Endowment	108	1	(1)	(2)	-	106
Helen Brotherton Endowment Fund	1,030	37	(19)	14	35	1,097
	<u>1,138</u>	<u>38</u>	<u>(20)</u>	<u>12</u>	<u>35</u>	<u>1,203</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.

Income earned during the year represents interest receivable and investment income; expenditure during the year includes investment management charges and legal fees. The transfer of £35,000 to the Endowment Fund represents the correction of the brought forward balance.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2019 (continued)

22(a) UNRESTRICTED FUNDS - GROUP

	General Fund £'000	Designated Fund £'000	Total £'000
Balance as at 1 April 2018	3,690	495	4,185
Movement in funds for the year	(169)	(97)	(266)
Transfer between funds	(21)	-	(21)
Balance as at 31 March 2019	<u>3,500</u>	<u>398</u>	<u>3,898</u>

UNRESTRICTED FUNDS - COMPANY

	General Fund £'000	Designated Fund £'000	Total £'000
Balance as at 1 April 2018	3,631	495	4,126
Movement in funds for the year	(190)	(97)	(287)
Transfer between funds	(21)	-	(21)
Balance as at 31 March 2019	<u>3,420</u>	<u>398</u>	<u>3,818</u>

22 (b) DESIGNATED FUNDS - GROUP AND COMPANY

	1 April 2018 £'000	Net Movement £'000	31 March 2019 £'000
Membership investment fund (formerly Purbeck Fund)	94	(49)	45
Brownsea building improvements	33	(8)	25
Multiplier Appeal (Third Party Funding - Brownsea)	31	-	31
Living Landscapes fund	-	25	25
SWWT Supporter Development fund	11	(2)	9
SWWT CRM Database fund	6	(6)	-
Strategic Refocussing fund	35	(25)	10
Nature Reserve Fencing Programme	78	(31)	47
Water infrastructure fund	37	(1)	36
Brownsea development fund	50	-	50
Brexit fund	<u>120</u>	<u>-</u>	<u>120</u>
	<u>495</u>	<u>(97)</u>	<u>398</u>

The Council took the decision to re-designate the Purbeck fund for investing in membership recruitment and drawdown £49,000 towards the additional recruitment costs in the year. The Brownsea building improvements fund relates to expenditure on improvements to the Brownsea villa which have been capitalised. The Multiplier Appeal fund is held for match funding grant applications and it is proposed to utilise this fund for the upcoming project on Brownsea.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

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

The Living Landscapes fund is an unrestricted donation designated for specific conservation work in river catchment areas.

The South West Wildlife Trusts (SWWT) Supporter Development project is a collaborative project to pool knowledge and expertise. It is looking at how to identify, reach and engage with new supporters; some funds have been expended during the year and the remaining balance is budgeted to be spent out in 2019/20.

The SWWT CRM Database project to replace the membership and supporter database was completed in February 2019.

The Strategic Refocussing fund was designated in 2016/17 following a strategic review and was to facilitate the refocussing at the discretion of the Chief Executive. This has been utilised over the past two years and the balance of £10,000 is budgeted to be spent out in 2019/20.

In 2016/17 an ongoing review of infrastructure needs identified a five- year plan to replace fencing on many of our nature reserves and £80,000 was designated to meet this need over five years. Similarly work on water pipes to nature reserves for livestock was identified as likely to require substantial outlay in the short to medium term following a number of water leaks. A designation of £50,000 was made to facilitate this work. These funds are being expended over the five year period.

As part of the long-term plans for our nature reserve and facilities on Brownsea Island a designated fund of £50,000 was set up to assist in matched funding needs for partnership work and a large grant application. The application to the National Lottery Heritage Fund has been submitted in June 2019 and the Trust is waiting to hear if the application is successful.

As part of the strategic refocussing and the identification of key risks to the charity in terms of loss of European Union (EU) funding and the need to find other sources of income, the charity designated £120,000 in 2016/17 towards the management of our nature reserves over the next few years. This should assist in the transition period following Britain's exit from the EU when our agri-environmental income is potentially at risk.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

23. RESTRICTED FUNDS – GROUP & COMPANY

	Balance at 1 April 2018	Income	Expenditure	Revalu ations	Transfers	Balance at 31 March 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Heritage Assets – Nature Reserves	3,739	-	(7)	-	84	3,816
Visitor Centres	842	32	(38)	-	-	836
Reserve Acquisition Funds	348	1	-	5	(54)	300
Appeal Funds	139	72	(84)	-	(65)	62
Nature Reserve Management	20	541	(393)	-	(45)	123
Living Landscapes & Seas	338	535	(641)	-	41	273
Policy Advocacy & Evidence	79	28	(63)	-	-	44
Fundraising development	-	3	-	-	-	3
	<u>5,505</u>	<u>1,212</u>	<u>(1,226)</u>	<u>5</u>	<u>(39)</u>	<u>5,457</u>

The Heritage Assets – Nature Reserves Funds represent land acquired as nature reserves with restricted funds. The transfer into the fund of £84,000 represents the purchase of land at Homestead Farm, Lower Common funded by £54,000 from the Reserve Acquisition funds and £30,000 from the proceeds of the disposal other land at Lower Common.

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. During the year funds have been received from the Coastal Communities Fund to refurbish our Kimmeridge Centre.

The Reserve Acquisition Fund represents legacies received specifically for the acquisition of land. The transfer from this fund of £54,000 represents the part of the purchase price of Homestead Farm at Lower Common.

The Appeals Fund represents donations received from appeals for money for specific purposes. The transfer of £65,000 includes £25,000 of The Great Heath appeal funds allocated towards the Living Landscapes and Seas fund for the continuation of The Great Heath activities, £10,000 for river restoration work and £30,000 of sale proceeds from land previously acquired using Appeals funds.

The Nature Reserve Management fund predominantly represents agri-environmental funding received and expended on the restoration and upkeep of our nature reserves. During the year £150,000 was received from Dorset County Council to manage the ecological mitigation area at Lorton and the transfer of £45,000 from this fund is to cover the costs already incurred in this and prior years in managing the land.

The Living Landscapes & Seas fund represents restricted funding received, usually in the form of grants, for the specific purpose of raising awareness of the natural environment, educational activities 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 £41,000 represents £25,000 from The Great Heath Appeal, £25,000 to designated funds, £9,000 from the River Restoration Appeal and £32,000 from unrestricted funds to match fund the specific projects such as the Coastal Communities Funded project at Portland Quarries Nature Park, Wild Brownsea Development project and the EU Marine Management project.

The Policy, Advocacy & Evidence funds represent restricted funding received for work monitoring biodiversity in the county and working with the Local Nature Partnership and other partners.

DORSET WILDLIFE TRUST

Notes to the financial statements For the year ended 31 March 2019 (continued)

24.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 2019 are represented by:					
- Tangible fixed assets	1,300	25	939	-	2,264
- Heritage assets	815	-	3,854	-	4,669
- Investments	1,134	-	21	1,082	2,237
- Net current assets	251	373	643	121	1,388
	<u>3,500</u>	<u>398</u>	<u>5,457</u>	<u>1,203</u>	<u>10,558</u>
	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2018 are represented by:					
- Tangible fixed assets	1,311	33	936	-	2,280
- Heritage assets	817	-	3,818	-	4,635
- Investments	1,351	-	16	905	2,272
- Net current assets	211	462	735	233	1,641
	<u>3,690</u>	<u>495</u>	<u>5,505</u>	<u>1,138</u>	<u>10,828</u>

25. SHARE CAPITAL

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

26.COMMITMENTS UNDER OPERATING LEASES

At 31 March 2019 the charity had non-cancellable commitments under operating leases expiring as follows:

	Land & Buildings		Other	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Lease payments				
Falling due within one year	4	3	10	6
Falling due between two and five years	14	6	31	5
Falling due after five years	<u>34</u>	<u>1</u>	<u>-</u>	<u>-</u>
	<u>52</u>	<u>10</u>	<u>41</u>	<u>11</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2019 (continued)

27. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by Financial Reporting Standard 102 section 33 from the requirement to make disclosures concerning related parties within the group. Details of key management personnel compensation are disclosed in note 12.

28. CAPITAL COMMITMENTS

As at 31 March 2019 the Group and Trust had outstanding contracted capital commitments of £10,000 (2018: £Nil).

29. CONTROL

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

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

	Group		Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Net expenditure for the year	(270)	(342)	(291)	(371)
<i>Adjusted for:</i>				
Gifts in kind	(12)	-	(12)	-
Losses/(gains) on investments	(3)	65	(3)	65
Net investment income	(47)	(33)	(47)	(33)
Interest payable	17	-	17	-
Depreciation charges	123	132	121	131
Loss on disposal of fixed assets	2	-	2	-
(Increase)/decrease in stocks	36	(51)	44	(52)
(Increase)/decrease in debtors	60	138	42	114
(Decrease)/increase in creditors	<u>57</u>	<u>(65)</u>	<u>56</u>	<u>(64)</u>
	<u>(37)</u>	<u>(156)</u>	<u>(71)</u>	<u>(210)</u>

31. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group		Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Cash in hand	807	1,017	689	931
Cash for re-investment	<u>156</u>	<u>62</u>	<u>156</u>	<u>62</u>
Total cash and cash equivalents	<u>963</u>	<u>1,079</u>	<u>845</u>	<u>993</u>

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2019 (continued)

32. FINANCIAL INSTRUMENTS

	Group		Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Financial assets measured at amortised cost	703	917	764	940
Financial liabilities measured at amortised cost	(340)	(347)	(326)	(314)
Financial assets held at fair value	<u>2,237</u>	<u>2,272</u>	<u>2,237</u>	<u>2,272</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors and accrued income. Financial liabilities measured at amortised cost comprise trade creditors, other creditors, obligations under finance leases and accruals. Financial assets held at fair value comprise fixed asset investments.

DORSET WILDLIFE TRUST

Notes to the financial statements

For the year ended 31 March 2019 (continued)

33. DISCLOSURE OF COMPARATIVES FOR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Funds	Year ended 31 March 2018 £'000
	£'000	£'000	£'000	£'000
INCOME & ENDOWMENTS FROM:				
Donations & legacies	1,648	296	-	1,944
Charitable activities	170	810	-	980
Other trading activities	241	-	-	241
Investments	32	1	21	54
Other	<u>20</u>	<u>4</u>	<u>-</u>	<u>24</u>
TOTAL INCOME	<u>2,111</u>	<u>1,111</u>	<u>21</u>	<u>3,243</u>
EXPENDITURE ON:				
Raising funds	859	1	9	869
Charitable activities	1,354	1,297	-	2,651
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURE	<u>2,213</u>	<u>1,298</u>	<u>9</u>	<u>3,520</u>
NET EXPENDITURE FOR THE YEAR BEFORE GAINS/(LOSSES) ON INVESTMENTS	(102)	(187)	12	(277)
Net (losses)/gains on investments	<u>(37)</u>	<u>(2)</u>	<u>(26)</u>	<u>(65)</u>
NET INCOME/(EXPENDITURE)	(139)	(189)	(14)	(342)
Transfers between funds	<u>8</u>	<u>4</u>	<u>(12)</u>	<u>-</u>
NET MOVEMENT IN FUNDS	(131)	(185)	(26)	(342)
TOTAL FUNDS B/FWD	<u>4,316</u>	<u>5,690</u>	<u>1,164</u>	<u>11,170</u>
TOTAL FUNDS C/FWD	<u>4,185</u>	<u>5,505</u>	<u>1,138</u>	<u>10,828</u>