Company Registration No. 585247 (England and Wales)

Warwickshire Wildlife Trust Ltd
(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

(Registered Charity Number 209200)

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Warwickshire Wildlife Trust Ltd
Legal and Administrative Information

DIRECTORS

C P Waring	**Chair**
Dr M G M Randall	**Vice Chair**
M Bunney	
J McKenzie	**Treasurer**
K M Reeve	
D McArdle	
Dr H I Brittain	
A A Gabbitas	
Dr S Juned	
L Wilbraham	
G Litterick	
B Nicholson	**Appointed 14 September 2020**
C Reading	**Appointed 14 September 2020**
M Sanderson	**Appointed 14 September 2020**

COMPANY SECRETARY

Vacant

Company No. 585247

Charity No. 209200

REGISTERED OFFICE

Brandon Marsh Nature Centre
Brandon Lane
Coventry
West Midlands
CV3 3GW

Telephone: 024 7630 2912
Fax: 024 7663 9556
Email: enquires@wkwt.org.uk

AUDITORS

Harrison Beale & Owen Limited
Highdown House
11 Highdown Road
Leamington Spa
CV31 1XT

BANKERS

The Co-operative Bank
6 Warwick Row
Coventry
CV1 1EE

SOLICITORS

Wright Hassall LLP
Olympus Avenue
Leamington Spa
CV34 6BF

The board of Trustees present their annual report together with the audited consolidated financial statements of the charity and its subsidiary for the year ended 31 December 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Annual report 2020

Warwickshire Wildlife Trust exists to achieve our vision of an environment rich in wildlife for everyone in Warwickshire, Coventry and Solihull.

The trust is a registered charity (No. 209200) and a company limited by guarantee (No. 585247). We were established in 1970 to protect our local natural heritage and encourage people to engage, enjoy and get involved with the natural environment. We are a membership organisation, governed by a Memorandum and Articles of Association.

The Trust is managed by a Council of voluntary Trustees, elected from its members, who provide the overall strategic direction for the development and work of the charity. On a day-to-day basis our work is carried out by a staff of 153 (at 31 December 2020, including Middlemarch Environmental Ltd, the Trust's wholly-owned subsidiary consultancy company), assisted hugely by a large number of volunteers. The Charity's Head Office is at Brandon Marsh Nature Centre near Coventry and it owns the Parkridge Centre in Brueton Park, Solihull as well as leasing offices for Middlemarch Environmental Ltd near Meriden and the Hams Hall Environmental Centre, near Coleshill.

Warwickshire Wildlife Trust is one of 47 independent charities, which form a national partnership – The Wildlife Trusts - through the Royal Society of Wildlife Trusts. Together we have over 800,000 members and around 2,300 nature reserves throughout the UK. The Trust's junior membership is also part of the national environment club, Wildlife Watch, which provides projects for our members and affiliated schools, so involving them directly with environmental issues. During 2020, the membership of the Trust in Warwickshire, Coventry and Solihull totalled around 24,000. If you would like to join, or find out more, please contact us:

Warwickshire Wildlife Trust
Brandon March Nature Centre
Brandon Lane
Coventry
CV3 3GW

Tel: (024) 7630 2912
Fax: (024) 7663 9556
Email: enquiries@wkwt.org.uk

Website: www.warwickshirewildlifetrust.org.uk

Vision and Mission

People close to nature, with land rich in wildlife.

Our role in making this happen – our mission – is to bring about Living Landscapes and a society where Nature Matters.

Living Landscapes are where

- wildlife is abundant and thriving in our towns and cities, and across our rural landscape
- whole landscapes and ecosystems have been restored to provide a resilient foundation for wildlife and people for generations to come
- wildlife can adapt to a changing climate by moving freely across the land and along its watercourses
- natural habitats and soils accumulate carbon and store water helping to slow down climate change and reduce droughts and flooding

Nature Matters in a society when everyone

- has a strong personal connection with wildlife and wild places
- benefits from better health, well-being and prosperity thanks to a healthy natural environment, full of wildlife
- reflects the value of wildlife in their attitudes and behaviours
- takes action for wildlife and wild places to bring about nature's recovery

How We Will Achieve Change

We will achieve our mission by acting directly ourselves and by leading those around us, showing them what is possible.

We will inspire people to connect with wildlife by

- saving and nurturing wild places
- providing wild experiences
- telling wild stories

The outcome will be people connected to wild places and the natural world.

We will empower people to champion wildlife by

- supporting learning
- speaking out and encouraging influence
- promoting membership

The outcome will be a motivated society that supports investment in wild places and the natural world.

We will enable people to act for wildlife by

- providing guidance and advice
- supporting volunteering
- bringing together funds from many sources

The outcome will be a healthy wildlife rich environment that benefits society.

We will demonstrate the value of wildlife by

- collecting and sharing evidence
- pioneering natural solutions
- evaluating impact

The outcome will be more wildlife, more wild places and people closer to nature.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Trustees

The Council of Trustees is responsible for the overall governance of the Trust. Trustees are either co-opted during the year or elected at the Annual General Meeting. Co-opted Trustees must stand for election at the Annual General Meeting immediately following their appointment. After election at the Annual General Meeting, Trustees serve for a period of 3 years and may be elected for 2 further periods of 3 years, but no longer unless the Council resolves that there are exceptional circumstances justifying their re-election. Council elects one of its numbers to act as Chair for the year at their first meeting following the Annual General Meeting.

Effective partnership between Trustees and staff continues to contribute significantly to our success. Trustees have differing experiences and backgrounds and their roles and responsibilities require them to have an understanding of all aspects of the Charity's work. Trustees meet at a minimum of four Council meetings each year, where they review strategy and operational performance and set policies, operating plans and budgets. New Trustees are offered an induction process to give them all the information they need about the Charity and its work. In addition, Trustee training sessions are held as and when needed. Trustees are encouraged to attend appropriate external training events where these will help their role.

The Council delegates the exercise of certain tasks in connection with the management and administration of the Charity as set out in a written list of delegated responsibilities, reviewed annually.

Statement of Trustees' Responsibilities and Corporate Governance

The Trustees (who are also directors of Warwickshire Wildlife Trust for the purposes of company law) are responsible for preparing the Trustees' annual report (including the Strategic Report) and the financial statements for each financial year in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2019 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Processes are in place as part of the Trust's Quality Management System to ensure that performance is monitored and the appropriate management information is prepared and reviewed monthly by executive management and regularly by the Board of Trustees. A programme of internal audits is in place, linked to a comprehensive risk assessment process.

The systems of internal control are designed to provide assurances against material misstatement or loss. They include:

- A strategic five-year plan and annual budget and work-plan approved by the Trustees;
- Regular consideration by the Trustees of financial results, variances from budget, non-financial performance indicators and benchmarking reviews;
- Delegation of day to day management authority and segregation of duties;
- Identification and management of risks

Statement of Trustees' Responsibilities and Corporate Governance (continued)

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Risk Management

Internal risks are minimised by the implementation of a Risk Management Strategy, reviewed annually, and by procedures for the authorisation of all transactions and projects. Procedures are also in place within the Quality Management System to ensure compliance with health and safety of staff, volunteers, clients and visitors, and to minimise our environmental impacts.

Key risks include: Loss of key staff; over-dependency on a few income streams; management of expenditure within budgets; health and safety and other risks of non-compliance; and reputational risks. Management have put in place systems and controls to mitigate these risks such as HR procedures; training and succession planning; development of a range of activities and income streams; and a robust reserves policy. Management are aware that risk management cannot entirely eliminate all risks to the Charity.

The Council last formally signed off the organisational risk register in August 2019. Risk was managed in an entirely different way in 2020, whereby the acute nature of the Covid-19 pandemic necessitated regular, ad hoc meetings amongst the trustees and key management, with the risk of Covid-19 being a standing agenda item throughout. The risk register will therefore again be formally considered in 2021.

Public Benefit

The advancement of environmental protection and improvement is recognised as a charitable purpose and is regarded universally as producing a public good. Warwickshire 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 Warwickshire Wildlife Trust go much further.

Firstly, our nature reserves are used by the public, and many have access on way-marked routes. At most 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 though 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 all and we try to make special provision for the disabled and disadvantaged wherever possible.

It is a requirement of the Council of Warwickshire Wildlife Trust to ensure that the organisation continues to deliver services for public benefit and the trustees have considered the Charity Commission's guidance on public benefit.

STRATEGIC REPORT

Covid-19 Statement

These accounts cover the financial year January to December 2020 and so include the first and second national lockdowns mandated by the UK government in a response to the global Covid-19 pandemic declared by the World Health Organisation on 11th March 2020. They were completed while the third national lockdown which began on 6th January 2021 was still in force.

Like almost every other organisation in the UK the lockdowns, the restrictions and regulations associated with social distancing and the need to ensure that we provide a Covid-19 secure environment for all employees, volunteers and staff all significantly affected the finances and the operational ability of the Trust in 2020. Government support such as the Coronavirus Job Retention Scheme (CJRS) and grants to businesses have helped and between March and July the Trust placed the majority of its employees on furlough while retaining a small skeleton staff to maintain crucial operations. The introduction of part-time furlough enabled some staff to start a gradual return to work in the summer, and with safe systems of work in place the Trust made less use of the CJRS in the second and third lockdowns. The visitor centres and cafés at Brandon Marsh and Parkridge were seriously affected, being closed for long periods, though all other nature reserves remained open and received much higher numbers of visitors than usual, with some unfortunate anti-social behaviour. Middlemarch reduced staff hours for a short period but retained most employees at work with only a few positions being furloughed, with the company posting impressive business results from a busy year.

In total the Trust received £177,639 from the CJRS and £99,700 in Covid-19 related emergency grants from the National Heritage Lottery Fund and local authorities. The CJRS supported the salaries of staff whose work was suspended: in every relevant case this was in agreement with external funders who were understanding of the need for a flexible approach to project delivery. In most cases this was a suspension or delay of planned work. The emergency grants helped cover some of the costs related to establishing safe systems of work and a Covid secure environment for staff, volunteers and visitors, as well as improvements to ensure the future sustainability of some of the Trust's operations. The combined approach was to use this varied support to protect the Trust's capacity to resume work following the easing of restrictions.

Looking ahead there is no doubt that the Trust is a going concern, and this applies to both the charity and subsidiary company. Contrary to expectations stated in the 2019 accounts Middlemarch had a very successful year in 2020 and was able to transfer a significant amount of 2020 profit to the charity. Their business forecasts for 2021 are robust and there is no expectation of a decline in this source of income. Earned income from the charity's retail and catering is expected to recover with the full re-opening of the visitor centres in 2021, especially as income from takeaway services has held up well during 2020. The Trustees previously provided for unforeseen circumstances by designating the financial surplus generated in 2019 to the Covid-19 Recovery Fund and this has been held over in case it is required in 2021.

ACHIEVEMENTS AND PERFORMANCE

2020 was of course an exceptional year. The capacity of the Trust was significantly reduced through the need to furlough roles: from March onwards staff capacity was always less than 100% with monthly capacity down between 6 to 55%, depending on the number of roles furloughed. Between April and September the Trust operated with just 62% of its workforce and across the whole year staff capacity was 20% down. Furthermore the volunteer programme was suspended for the majority of the year. Of probably even greater impact, a large and unmeasured amount of staff time was diverted away from delivery to responding to changing regulations, the need to develop and implement Covid safe systems of working and financial planning. This all had a cumulative and significant effect on the ability to deliver on strategic objectives.

Despite the difficulties related to Covid-19 and lockdown, and the suspension of many of our work programmes for long periods (in some cases the majority of the year), the Trust was nonetheless able to make progress on the delivery of its strategic plan throughout 2020. Council adopted the current five year plan in May 2017 with a number of strategic objectives, and Trustees reviewed progress towards these objectives at Council on 9th February 2021. This is a narrative summary.

Nature Reserves & Community Engagement

This was the second year of delivery of the Trust's woodland management strategy with 35 ha of thinning, coppicing and ride side clearance undertaken in Oakley Wood, Ryton Wood and Snitterfield Bushes – this amounts to 7% of the Trust's woodlands.

At Brandon Reach the Reaching Out to Communities project funded by FCC Environment was completed providing £47,000 worth of access and infrastructure improvements to make the site accessible to all. Draft management plans for Brandon Reach were shared with several external organisations as part of a consultation prior to an application to the Forestry Commission for permission to undertake active woodland management. The Trust was criticized through an energetic and prolonged campaign by one organisation protesting over their interpretation of our plans for Piles Coppice, an interpretation which misrepresented the intention and motivation for managing the wood. This campaign required lengthy responses to the media, MPs and members of the public including some members.

Education was the area most severely affected in 2020 with schools either closed or not organising external visits when open. Some one to one support for children affected by the pandemic was possible, as were visits into schools when regulations permitted and funding could be redirected.

Habitat Creation

A number of opportunities across the county for the creation of new habitats were pursued, most prominently the extension of Leam Valley local nature reserve through the incorporation of a significant proportion of the former golf course at Newbold Comyn. Several discussions were held with Warwick District Council as the landowner and the Trust helped consultants commissioned by the Council, responded extensively to public consultations organised by them, as well as conducting its own in depth Habitat Creation Feasibility Study.

Habitat Biodiversity Audit

In 2020 the HBA were only able to survey 25 sites with seven more started and then held over to the spring of 2021. Ten have been designated as new Local Wildlife Sites, one in Solihull, three in Warwick, two in Rugby and four in Stratford containing county important colonies of field garlic and orpine in Stratford; Nelson's Wharf in Rugby which contains restored calcareous grassland; and areas of the adjoining Stockton Cutting nature reserve which are not covered by the SSSI designation. We also completed seven resurveys of sites including the Lench Meadows in Stratford and several suburban woodlands in Solihull which have not been surveyed for over 20 years.

Commissioned projects included woodland habitat connectivity opportunity mapping for Neighbourhood Services Department at Warwick District Council; urban woodland connectivity and urban green space mapping for Birmingham and the Black Country; three National Grid sub-station non-operational area habitat surveys for Biodiversity Net gain assessment; and pollinator grassland assessments for the Heart of England Forest.

Living Landscapes

The start of the River Sherbourne Valley Living Landscape scheme scheduled for March was delayed until the summer when the team was successfully recruited with three new staff members joining in November. The project is now running and supported by a significant increase in match funding from partners. The UK City of Culture was similarly delayed and will now run from May 2021 to April 2022 meaning discussion on our partnership was postponed into 2021.

During 2020 confirmation of continuation funding from Severn Trent Water for the Trust's Agricultural Advisor was received and the network of farmers and landowners supported by Natural England Facilitation Funding grew in 2020 from 33 to 40 members, who together manage nearly 10,000 hectares of farm land. A consortium of West Midlands Wildlife Trusts registered as providers of agricultural advice with DEFRA and bid for two contracts in 2020, unsuccessfully, with the lack of latent capacity the main reason. The Director of Living Landscapes has contributed to the programme through which TWT are developing a national land advice offer.

Health and Well-Being (including Training)

The Environment and Me project was successfully extended through an application to the National Lottery Community Fund allowing us to expand the programme into Warwickshire. Despite restrictions the Health & Skills team spent 836 hours with over 90 different people exploring how being in nature can benefit their emotional and mental wellbeing and how they can give back to nature in return, and funding was secured for Armed Forces veteran projects and from the European Social Fund to develop the 8-week bush craft programme.

Wilder Future for Warwickshire started in January with a launch event at Warwick University addressed by young speakers including students from Coventry University. The original emphasis on events caused the project to be suspended in March for six months but since restarting 34 young adults have signed up, with 10 of the volunteers regularly and actively participating in events. The project has transitioned to being run online, with webinars, videos, resources, socials and a chat group available. Ten webinars have now been held, spanning subjects from winter birds to thermal imagery, and a selection of these have been added to our website and YouTube channel for members of all ages to watch. The project has been extended by 5 months to June 2022 to make up for the pause in 2020 and the future objectives are to bring together the young adults and older members and founders of the Trust to help share knowledge and tell the story of the Trust and inspire the next generation of wildlife champions.

In December a partnership led by Warwickshire Wildlife Trust through the Tame Valley Wetlands team was successful in obtaining a grant of £705,000 from the Green Recovery Challenge Fund to continue its work as part of the Love Your River Cole (LYRiC) project. Delivering a strategic vision for the river and its valley from the centre of Birmingham to where the river joins the River Blythe near Coleshill in north Warwickshire, jointly commissioned in 2019 by the Environment Agency and Tame Valley Wetlands Partnership, the new grant will allow the LYRiC project to work towards making the vision a reality, delivering improvements to various key locations. These include the historic Parkland at Castle Bromwich Gardens (Solihull), Cole End Park (North Warwickshire), Glebe Farm Recreation Ground (Birmingham), and Meriden Park (Solihull). Work will be delivered by a partnership of eight organisations (including the Wildlife Trust for Birmingham and the Black Country) and will involve tree planting, wildflower meadow creation and wetland habitat enhancements as well as access improvements to paths and trails through the key sites. We will also be focusing on creating and supporting local green jobs, and will offer traineeships aimed at giving people the experience and accredited training required to pursue a career in the environmental sector.

Visitor Centres

The visitor centres were closed for long periods during lockdown but nonetheless some progress was possible as a result of experimentation and adaptability to changing regulations. At Brandon Marsh an online shop was established and served as a profitable point of continued contact with members, and the opportunity was taken for an improved agreement with new tearoom operators. At Parkridge the switch was made to a cashless operation and takeaway only and has proved to be much more efficient in terms of staffing, and just as profitable as the previous offer.

Volunteering

The suspension of volunteering meant that in 2020 volunteers donated 21,524 hours compared to 36,545 in 2019 so overall the programme operated at 59% of its 2019 capacity. On nature reserves volunteer time was 11,057 hours in 2020 compared 28,315, a 61% reduction. However, we are very grateful for the loyalty of our volunteers in difficult circumstances and the majority are still registered with the Trust. There was also an overwhelming response to new opportunities and general enquiries as people took a greater interest in local nature: we were holding 120 expressions of interest at the beginning of 2021. Work looking at barriers to volunteering began but what emerged were barriers across the whole of Trust which would be better addressed by an organisation-wide Equality, Diversity and Inclusivity approach, starting with an all-staff workshop on 4th November. An analysis of the cost of volunteering to the Trust has been completed to help with any future management agreements.

Membership

Membership of the Trust held steady throughout the year – in December 2020 there were 10,859 membership subscriptions and 24,196 memberships (2019 equivalent figures: 10,794 subscriptions and 24,212 memberships). The start of lockdown in March 2020 saw a spike in lapsed memberships followed by a steady recovery.

Conditions in 2020 forced experimentation with new ways of communicating with members leading to a more personalised style which makes greater use of video with stories and messages widespread across many more roles at the Trust, certainly beyond just the communication team. This approach, and the heightened awareness in society of the value of local nature, underpinned the membership results from 2020.

The Trust is very grateful to the following people who remembered local wildlife and gave a lasting gift in their wills this year, contributing to a total receipt from legacies of £108,707: Carole Robinson, Christine Kitchen, Dorothy Elstub, Herbert Haywood, Jenny Skidmore, June Cooper, Margaret Cotton, Vera Rosemary Harrison, William Hulme.

Keeping Up The Good Work

In addition to work on the current strategic objectives we have kept up the good work which has sustained nature in Warwickshire for nearly 50 years. Through the management of our nature reserves we continued to look after wildlife where our supporters (members, volunteers, donors, well-wishers) live, work and play. Through the work of the HBA we continued to survey the habitats on other people's land, building our knowledge of the wildlife of our county and its condition and ecological functionality. We provided a voice for nature commenting on everything from Environmental Statements submitted by HS2 through to major housing development schemes across Warwickshire, Coventry and Solihull. Projects we are part of and collaborations we have entered into have delivered on their current commitments over the past year, e.g. those within the Tame Valley Wetlands Partnership and the Dunsmore Living Landscape.

Governance

A recruitment launched in the late spring ended with the election of three new Trustees to Council at the AGM in September 2020. Their induction was delivered online and all are now paying an active role in governance.

Strategic Planning

The Trust supported the development of national Wildlife Trust strategy over the course of 2020 playing a full role in the development of the 30by30 campaign (a call for 30% of the UK land area to be managed for wildlife by 2030) and related issues such as the proposal for a new legal designation referred to as Wildbelt. The development of national Wildlife Trust strategy has continued into 2021 and the Trust will be working on its own plan for delivering that collective strategy locally across Warwickshire, Coventry and Solihull.

Financial Review

Financially, the Group's income increased from £7.837M in 2019 to £8.095M, with costs decreased to £7.490M compared to £7.657M in 2019 leaving a group surplus for the year of £605,250 (2019: £179,141). Given the turbulent financial nature of the world at large and the impact of Covid-19 in particular, these figures are impressive.

For the charity alone, income including Middlemarch's Gift Aid donation, slightly decreased to £3.445M (2019: £3.539M) with costs slightly increasing to £2.834M (2019: £2.790M). Net profit decreased to £611,345 compared to £748,345 in 2019, although changes in accounting guidance governing the way gift aid is accounted for resulted in more income being recognised in 2019 as the year of transition.

Overall, the Trust's income from charitable activities increased by £158k, with grants, projects and other income increasing from £1,597k in 2019 up to £1,755k this year, though income from generated funds decreased from £1,291k in 2019 to £1,090k this year. Subscriptions increased to £613k (2019: £588k), with corporate subscriptions remaining fairly stable at £3k in 2020 versus £12k in 2019. Legacies decreased significantly during the year from £459k in 2019 to £109k, however these will vary from year to year. Investment income decreased slightly from £15k down to £7k. Visitor Centres income held up well and even increased during the year from £267k in 2019 to £277k this year.

Financial review (continued)

The Contingency Fund remained the same at £730,000, in order to provide sufficient cover for operating costs and the additional Covid-19 Recovery Fund, set up in 2019, also remains in place at £315,000.

Middlemarch Environmental Ltd, our subsidiary ecological consultancy company, produced very good results in the context of the particular circumstances of 2020 in what was already an increasingly competitive consultancy market, with turnover increasing to £5.340M (2019: 4.948M). Furthermore, total expenditure decreased by £69k, assisted by a CJRS grant received in the year of £44k and so the comparable level of gift aid accrued to the Trust at the year-end was £600k compared to £95k in 2019, once the impact of the element originally accrued in 2018 of £556k, is removed.

The group's cash increased in the year by £1,119k (2019: increase £394k), thus the group's cash position remains healthy. Whilst most of this cash is earmarked for future projects, it nevertheless reflects a reasonably strong position for both the Trust and Middlemarch given the continuing overall position of the economy in 2020 and the impact of events since then.

Investment Policy

The Charity's Investment objective is to optimise its return from its investments consistent with a moderate level of risk and does not knowingly invest in institutions with objectives contrary to its environmental policies.

The Charity's policy is to identify cash funds surplus to immediate needs and invest the surplus in short-term investments, near cash funds and immediate cash funds.

Short-term investments represent money identified as not needed within the foreseeable future and should be invested only in UK bonds with high credit rating and for a period not exceeding 12 months. The amounts involved are restricted to £100,000 per institution and to be spread throughout the year to avoid concentration of renewal activity.

Near cash funds represents money not required in the immediate future but may be required in the foreseeable future and should be invested in institutions with minimal risk to capital and the availability of instant withdrawal.

At present the Charity invests the majority of its surplus funds in a COIF account to maximise interest returns whilst providing a high level of security. The COIF Charity Funds (Registered Charities No's 218873/803610/1046249/1093084) are common investment and deposit funds and managed by CCLA. Other high profile institutions are now being used to invest near future cash funds.

Immediate cash funds are held within the Charity's bank account and represents money that is required for its day to day activities.

Fundraising

Whilst the Charity does incur some expenditure in respect of fundraising activities, these are considered to be on a small scale and so do not form part of the Charity's principal activities. The Charity neither participates in publicly marketed fundraising events nor in the active soliciting of donations from members of the general public. Accordingly, the Charity is not registered with the Fundraising regulator, although the situation will be kept under review.

Reserves Policy

The Trustees believe that the Charity should hold financial reserves because:

1) It has no income from endowment funding and is entirely dependent for income on membership, donations, grants and legacies which can vary from year to year;
2) It requires protection against unforeseen setbacks and the ability to continue operation despite these circumstances; and
3) It requires the ability to be able to take advantage of change and opportunities to further its objectives.

Reserves Policy (continued)

The Trustees believe that the minimum level of unrestricted reserves should be the equivalent of 2 months' operating costs calculated and reviewed annually, and believe that the reserves should be built up to the desired level in stages consistent with the Charity's overall financial position and its needs to maintain and develop its charitable activities. At the end of 2020, both the Contingency Fund and the Covid-19 Recovery Fund were maintained to give continued cover to position of the Charity in what remain uncertain times.

At the year end the Charity had Endowment funds of £1,688k (2019: £1,704k); Restricted funds of £56k (2019: £47k); Unrestricted designated funds of £3,516k (2019: £3,016k) and Unrestricted funds of £524k (2019: £422k). The charity also has control over a non-charitable fund of £1,379k (2019: £1,369k).

Employees

The Charity supports equal opportunities. The Trust's staff operates primarily from its headquarters office at Brandon Marsh Nature Centre with some out-posted staff in the Parkridge Centre Solihull and Environmental Studies Centre, Hams Hall, as well as rented offices in Warwick. Staff of Middlemarch Environmental Ltd operate from rented offices near Millisons Wood on the outskirts of Coventry. During 2020 there was a total of 153 staff, including 72 at the Trust and 81 at Middlemarch Environmental Ltd (2019: 151, split 73:78).

Pay policy for senior staff

The pay of the senior staff is reviewed by the Audit & Remuneration Committee (at least annually) and normally increased in line with average earnings or review against performance objectives. In view of the nature of the charity, the trustees benchmark against pay levels in other regional charities of a similar size.

Pensions

The Charity operates a Group Personal Pension scheme, where minimum contributions of 4.5% from employees are matched by contributions of between 4.5% and 6% from the Charity or its trading company. The scheme is optional to all staff once they have completed a probationary period, and transportable should they leave.

Many Thanks

Warwickshire Wildlife Trust is your organisation and as such is the natural home for all those who care about local wildlife, wild places, geology and the natural environment. Our work is vital – it's important for the integrity of the natural world on our doorstep. The quality and health of our natural environment is also important for our own health and well-being – and for the future of society, the economy, jobs and growth.

The Trust works hard on everyone's behalf for local wildlife and local people and we can achieve nothing without the support of members – and the hard work and dedication of all of our volunteers and staff.

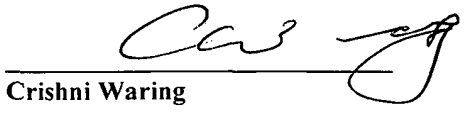
We would like to offer our warm thanks and sincere gratitude to everyone who has contributed to our activities and success in 2020 and, most of all, for helping make Warwickshire a better place to live and work.

We can be justifiably proud of what we are achieving. Keep up the superb work in 2021 and thank you for being a part of it!

In approving the Trustees' Report, we also approve the Directors' report included therein, in our capacity as company directors.

Crishni Waring	Dr Ed Green	Tom Docker
Chair	Chief Executive	Managing Director, Middlemarch

Signed on behalf of the Trustees:



Crishni Waring
Chair

Date: 28 September 2021

Management of the Trust 2020

COUNCIL OF TRUSTEES

Crishni Waring	(Chair)
Dr Martin Randall	(Vice Chair)
Michael Bunney	
John McKenzie	(Hon Treasurer)
Kay Reeve	
Duncan McArdle	
Dr Helen Brittain	
Andrew Gabbitas	
Dr Susan Juned	
Laurence Wilbraham	
Geoff Litterick	
Beth Nicholson	(Appointed 14 September 2020)
Christopher Reading	(Appointed 14 September 2020)
Marc Sanderson	(Appointed 14 September 2020)

Chief Executive

Dr Ed Green

MIDLEMARCH ENVIRONMENTAL LTD - BOARD

Jonathan Bird	(Appointed as director 3 December 2020) (Company Secretary)
Tom Docker	(Appointed 13 January 2020)
Eamon Collins	
Rodney Aspinwall	
Dr Ed Green	
John McKenzie	
Anne Doswell	(Resigned 31 March 2021)
Duncan McArdle	
Fiona White	
Christopher Hayton	(Appointed 18 January 2021)
Karen Davies	(Appointed 1 April 2021)

TRUST SOLICITORS

Wright Hassall LLP, Leamington Spa

TRUST AUDITORS

Harrison Beale & Owen Ltd,
Leamington Spa

Opinion

We have audited the financial statements of Warwickshire Wildlife Trust Ltd (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Income and Expenditure Accounts, the Group and the Parent Charity Balance Sheet, the Statement of Cash Flows and Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the consolidated financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

- adequate 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 5 to 6, the trustees (who are also the 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 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 auditor under the Companies Act 2006 and report in accordance with this Act.

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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor's-responsibilities-for. This description forms part of our auditor's report.

Auditor's responsibilities for the audit of the financial statements (continued)

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

The audit process includes an assessment of the entity's risk environment, through enquiry of and discussion with management and those charged with governance, including an assessment of any key laws and regulations with which the charitable company must comply in the ordinary course of its operations.

Additionally, the overall risks of irregular transactions occurring are assessed following our observations and confirmation of the design and implementation of management's controls. Whilst we are mindful of these risks, our audit focus is geared towards the risk of material misstatement in the financial statements as a whole.

As such, our procedures cannot guarantee that all transactions have been fully compliant with all relevant laws and regulations, including those regulations relating to fraud, as our procedures are not designed to detect all instances of non-compliance. By definition, the risk of our detection of non-compliance is greater where compliance with a law or regulation is removed from the events and transactions reflected in the financial statements. The risk is also greater regarding irregularities due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

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



Mark Ashfield (Senior Statutory Auditor)

Date: 28 September 2021

For and on behalf of Harrison, Beale & Owen Limited
Chartered Accountants, Statutory Auditor

Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Harrison, Beale & Owen Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Warwickshire Wildlife Trust Ltd
Consolidated Statement of Financial Activities
For the year ended 31 December 2020

	Note	Unrestricted funds: Undesignated funds	Unrestricted funds: Designated funds	Restricted funds	Endowment funds	Total funds 2020	Total funds 2019
		£	£	£	£	£	£
Income and endowments from:							
Donations and legacies	2	884,315	-	-	-	884,315	1,227,445
Charitable activities	3	505,766	-	1,249,345	-	1,755,111	1,597,398
Other trading activities	4	5,449,076	-	-	-	5,449,076	4,995,698
Investment income		6,693	-	-	-	6,693	16,009
Total income		6,845,850	-	1,249,345	-	8,095,195	7,836,550
Expenditure on:							
Raising funds	5	5,140,152	107,985	-	-	5,248,137	5,416,154
Charitable activities	6	263,446	337,948	1,624,279	16,135	2,241,808	2,241,255
Total expenditure		5,403,598	445,933	1,624,279	16,135	7,489,945	7,657,409
Net income/(expenditure)		1,442,252	(445,933)	(374,934)	(16,135)	605,250	179,141
Transfers between funds	24	(1,329,888)	945,933	383,955	-	-	-
Net movement in funds		112,364	500,000	9,021	(16,135)	605,250	179,141
Total funds brought forward at 1 January 2020		1,790,223	3,016,230	47,202	1,704,088	6,557,743	6,378,602
Total funds carried forward at 31 December 2020		1,902,587	3,516,230	56,223	1,687,953	7,162,993	6,557,743

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

Warwickshire Wildlife Trust Ltd
Consolidated and Parent Charity Income and Expenditure Accounts
For the year ended 31 December 2020

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Income from:				
Donations, legacies and other trading activities	6,340,084	6,239,152	1,090,340	1,290,570
Charitable activities	1,755,111	1,597,398	1,755,111	1,597,398
Total income	8,095,195	7,836,550	2,845,451	2,887,968
Expenditure on:				
Raising funds	5,248,137	5,416,154	607,970	567,228
Charitable activities	2,225,673	2,223,075	2,225,673	2,223,075
Total expenditure on continuing operations	7,473,810	7,639,229	2,833,643	2,790,303
Net income/ (expenditure) for the year	621,385	197,321	11,808	97,665
Donations under gift aid from subsidiary			599,537	651,000
Net income for the year - parent charity			611,345	748,665

Endowment fund income and expenditure has been excluded from the above figures.

A detailed analysis of the subsidiary trading results in shown in note 1.

The income and expenditure account is provided for Company Act purposes.

Warwickshire Wildlife Trust Ltd
Balance Sheet
As at 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Tangible assets	11	2,139,223	2,197,829	2,104,129	2,126,359
Investments	12	-	-	100	100
Total fixed assets		2,139,223	2,197,829	2,104,229	2,126,459
Current assets					
Stocks	13	11,552	22,828	11,552	22,828
Debtors	14	1,665,508	1,918,464	1,214,784	728,813
Cash at bank and in hand	15	5,216,699	4,098,198	3,564,248	3,319,752
		6,893,759	6,039,490	4,790,584	4,071,393
Creditors: amount falling due within one year	16	(1,864,979)	(1,668,546)	(1,110,402)	(1,008,651)
Net current assets		5,028,780	4,370,944	3,680,182	3,062,742
Total assets less current liabilities		7,168,003	6,568,773	5,784,411	5,189,201
Provision for liabilities	17	(5,010)	(11,030)	-	-
Total net assets	22	7,162,993	6,557,743	5,784,411	5,189,201
Funds					
Endowments	18	1,687,953	1,704,088	1,687,953	1,704,088
Restricted funds	19	56,223	47,202	56,223	47,202
Unrestricted designated funds	20	3,516,230	3,016,230	3,516,230	3,016,230
Unrestricted funds	21	524,005	421,681	524,005	421,681
Non-charitable funds	21	1,378,582	1,368,542	-	-
Total funds		7,162,993	6,557,743	5,784,411	5,189,201

Approved and authorised by the Council on 28 September 2021 and signed on its behalf by:



C WARING
Chair of Trustees

Warwickshire Wildlife Trust Ltd
Statement of Cash Flows and Consolidated Statement of Cash Flows
For the year ended 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Cash provided by/ (used in) operating activities	29	1,160,228	536,196	264,937	226,203
Tax paid		-	(2,784)	-	-
Net cash provided by/ (used in) operating activities		1,160,228	533,412	264,937	226,203
Cash flows from investing activities					
Interest from investments		6,693	16,009	6,693	15,288
Purchase of tangible fixed assets		(51,197)	(163,702)	(27,134)	(84,971)
Proceeds from sale of fixed assets		2,777	8,750	-	-
Cash (used in)/ provided by investing activities		(41,727)	(138,943)	(20,441)	(69,683)
Increase/ (decrease) in cash and cash equivalents in the year		1,118,501	394,469	244,496	156,520
Total cash and cash equivalents at the beginning of the year		4,098,198	3,703,729	3,319,752	3,163,232
Total cash and cash equivalents at the end of the year		5,216,699	4,098,198	3,564,248	3,319,752

Analysis of change in net funds

Net cash	**At 1.1.2020 £**	**Cash flow £**	**At 31.12.20 £**
Cash at bank and in hand	4,098,198	1,118,501	5,216,699
	4,098,198	1,118,501	5,216,699

General information and basis of preparation
Warwickshire Wildlife Trust is a private company limited by guarantee, incorporated in England and Wales. The address of the registered office is given in the legal and administrative information on page 2 of these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern
The trustees are of the opinion that there are no material uncertainties that cast significant doubt upon the Charity's ability to continue as a going concern and as such the accounts are prepared on a going concern basis.

Consolidation
The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary, Middlemarch Environmental Ltd. Intra-group transactions are eliminated on consolidation. The results of the subsidiary are consolidated on a line by line basis. A separate SOFA for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Fund Accounting
Unrestricted Funds:
These funds can be used for any of the charity's purposes.

Restricted and Endowment Funds:
These funds have been given to the Trust for a particular purpose to be used in accordance with the wishes of the donor. The capital can generally not be realised.

Designated Funds:
These funds are unrestricted funds set aside by the trustees and earmarked to meet future costs. These include a designated contingency fund, which represents an amount set aside to meet unforeseen costs.

Incoming resources
Income is recognised in the period in which the group is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Voluntary income
Voluntary income is received by way of donations, gifts, subscriptions, covenants and fundraising activities. This income is credited to the income and expenditure account on a receipts basis.

Legacies
Legacies are taken into account on the earlier of the when the charity is notified or when a distribution is received. Receipt is only considered probable when the amount can be measured reliably. Where legacies have been notified to the charity but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Government and capital grants
Capital grants, including Government Grants, received for the purchase of Freehold and Leasehold Land are credited to the Trust's restricted funds in the year of receipt. Leasehold land and property is written off over the expected useful life of the relevant asset in equal annual instalments.

Government revenue grants arising from the impact of Coronavirus (COVID-19) with the purpose of compensating the charity for lost income and ongoing expenditure, are recognised in the period in which they become receivable.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on raising funds includes those costs incurred by the charity in its trading activities, fundraising and member services. It includes both costs that relate directly to an activity and those of an indirect nature necessary to support them.
- Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries, including those relating to specific projects. It includes both costs that relate directly to an activity and those of an indirect nature necessary to support them.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Pension costs
The Trust company operates a defined contribution scheme for the benefit of its employees. The costs of the contributions are expensed as they become payable. The assets of the scheme are held separately from the Trust in independently administered funds. Expenditure is allocated to activities and funds dependent upon the staff members' time spent.

Volunteer help
The Trust 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 differences in time spent, and the sheer number of volunteers who gave their time.

Fixed assets
Depreciation is not provided on freehold land which is considered to have a useful life of more than fifty years. Depreciation has been provided on buildings which comprise construction of the Trust's headquarters and the Visitors' Centres at Brandon and Brueton Park at a rate to write off the assets over the term of the lease.

Equipment costing less than £1,000 per individual item is written off in the period of acquisition. All other equipment is capitalised at cost. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Motor vehicles	33% per annum	Equipment	10% to 25% per annum
Tractors	15% per annum	Computer equipment	50% per annum

Investments
Fixed and current asset investments are stated at historic cost, net of any impairment losses.

Operating leases
Rentals payable under operating leases are charged to the SOFA over the period in which the cost is incurred.

Stocks
Stocks are valued at the lower of cost and net realisable value.

Deferred taxation
Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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

Critical accounting estimates and judgements
To be able to prepare financial statements in accordance with FRS 102, the charity must make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made.

1. Net Income from Trading Activities of Subsidiary

The charity has a wholly owned trading subsidiary, Middlemarch Environmental Limited (company number 02593908), which is incorporated in the UK. The principal activity of Middlemarch Environmental Ltd is to provide ecological consultancy services. The company pays a proportion of its taxable profits to the Trust by way of gift aid. A summary of their trading results is shown below. Audited financial statements are filed with the Registrar of Companies.

	2020	2019
	£	£
Turnover including £nil intercompany (2019: £nil)	5,340,487	4,947,861
Cost of sales	(788,745)	(1,122,998)
Gross profit	4,551,742	3,824,863
Other operating income	44,373	-
Other operating expenses	(3,984,183)	(3,718,752)
Investment income	-	721
Net profit	611,932	106,832
Taxation	(2,355)	(7,176)
	609,577	99,656
Gift Aid donation to Warwickshire Wildlife Trust	(599,537)	(651,000)
Retained in Subsidiary	10,040	(551,344)
Aggregate assets, liabilities and funds	1,378,682	1,368,642

2. Donations and legacies income

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Subscriptions	613,461	-	613,461	587,655
Corporate subscriptions	3,057	-	3,057	12,486
Donations and gifts	23,878	-	23,878	34,778
Income tax recovered under gift aid	135,212	-	135,212	133,673
Legacies	108,707	-	108,707	458,853
	884,315	-	884,315	1,227,445

All donations and legacies income in 2019 was unrestricted.

3. Charitable activities income

	Unrestricted funds					
	Designated funds	Undesignated funds	Restricted funds	Endowment funds	Total 2020	Total 2019
	£	£	£	£	£	£
Visitor centres	-	277,419	-	-	277,419	267,165
Reserves and community engagement	-	131,939	310,100	-	442,039	339,892
Living landscapes	-	72,029	712,835	-	784,864	673,451
Habitat biodiversity audit	-	-	110,673	-	110,673	111,477
Health and wellbeing	-	24,379	105,737	-	130,116	205,413
Nature recovery strategy	-	-	10,000	-	10,000	-
	-	505,766	1,249,345	-	1,755,111	1,597,398

2019 comparatives include visitor centres income of £267,165, Living landscapes income of £24,516 and Health and wellbeing income of £4,872 in unrestricted funds. All other income was recorded within restricted funds.

4. Other trading activities income

	Unrestricted funds					
	Designated funds	Undesignated funds	Restricted funds	Endowment funds	Total 2020	Total 2019
	£	£	£	£	£	£
Subsidiary trading company	-	5,384,860	-	-	5,384,860	4,947,861
Fundraising	-	64,216	-	-	64,216	47,837
	-	5,449,076	-	-	5,449,076	4,995,698

All other trading activities income in 2019 was unrestricted.

5. Raising funds expenditure

	Unrestricted funds					
	Designated funds	Undesignated funds	Restricted funds	Endowment funds	Total 2020	Total 2019
	£	£	£	£	£	£
Marketing	10,171	116,141	-	-	126,312	226,675
Membership servicing	97,814	248,728	-	-	346,542	340,553
Subsidiary trading company	-	4,775,283	-	-	4,775,283	4,848,926
	107,985	5,140,152	-	-	5,248,137	5,416,154

2019 comparatives include marketing costs of £51,001 and membership servicing costs of £37,091 in unrestricted designated funds. All other expenditure was recorded within unrestricted undesignated funds.

6. Charitable activities expenditure

	Unrestricted funds					
	Designated funds	Undesignated funds	Restricted funds	Endowment funds	Total 2020	Total 2019
	£	£	£	£	£	£
Visitor centres	46,785	232,480	-	16,135	295,400	412,747
Reserves and community engagement	143,389	-	536,899	-	680,288	555,534
Living landscapes	89,138	-	787,563	-	876,701	858,411
Habitat biodiversity audit	-	-	105,693	-	105,693	111,450
Health and wellbeing	52,636	-	188,165	-	240,801	275,675
Nature recovery strategy	-	-	5,959	-	5,959	-
Governance costs	6,000	-	-	-	6,000	15,469
Volunteer costs	-	30,966	-	-	30,966	11,969
	337,948	263,446	1,624,279	16,135	2,241,808	2,241,255

2019 comparatives include visitor centres costs of £349,762 in unrestricted undesignated funds and £18,180 in endowment funds; Reserves and community engagement costs of £416,433 in restricted funds; Living landscapes costs of £771,906 in restricted funds; Habitat biodiversity costs of £111,450 in restricted funds; Health and wellbeing costs of £223,865 in restricted funds; and Volunteer costs of £11,969 in unrestricted undesignated funds. All other expenditure was recorded within unrestricted designated funds.

7. Total resources expended

	Staff costs	Depreciation	Other costs	Total 2020	Total 2019
	£	£	£	£	£
Direct charitable expenditure	1,128,306	31,320	755,816	1,915,442	1,816,539
Visitors centre	144,910	13,355	137,135	295,400	412,747
Expenditure on raising funds	262,549	4,689	205,616	472,854	567,228
Volunteer costs	28,986	-	1,980	30,966	11,969
	1,564,751	49,364	1,100,547	2,714,662	2,808,483
Middlemarch Environmental Limited	3,303,897	60,439	1,410,947	4,775,283	4,848,926
	4,868,648	109,803	2,511,494	7,489,945	7,657,409

Total resources expended are stated after charging/ (crediting):	2020 £	2019 £
Directors' remuneration	178,890	317,271
Settlements paid to former directors	-	165,882
Auditors' remuneration	11,500	11,250
Depreciation	109,803	107,821
(Profit)/ loss on sale of fixed assets	(2,777)	(8,750)
Government grants re: COVID-19	(277,339)	-
Amounts payable under operating leases	49,378	49,279

8. Staff Costs

	2020 £	2019 £
Wages and salaries	4,156,533	3,860,055
Social security costs	394,839	299,799
Pension costs	317,276	450,659
	4,868,648	4,610,513

The average number of employees, analysed by function was:	2020 No	2019 No
Trust activities	60	60
Fundraising and publicity	5	6
Management and administration	7	7
Subsidiary trading company	81	78
	153	151

The above average number of employees comprise

Warwickshire Wildlife Trust	72	73
Middlemarch Environmental Limited	81	78
	153	151

The following members of the Council of Trustees received remuneration during the year for duties as non-executive directors of the trading company:

J McKenzie	£8,476	(2019: £8,833)
D McArdle	£6,838	(2019: £6,973)

All other members of the Council of Trustees act in an unpaid capacity.

No trustees received expenses in 2020. In 2019 three trustees received expenses of £358 relating to travel and subsistence.

Key management are considered to be the Chief Executive officer, the Financial Controller of the Charity and the Executive Directors of the trading subsidiary. The total employment benefits including pension contributions of key management personnel was £233,590 (2019: £545,531).

8. Staff Costs (continued)

Higher paid staff

Employees' remuneration (excluding pension contributions) in excess of £60,000 for the year fell within the following bands:

	Charity		Trading Company	
	2020	2019	2020	2019
	No.	No.	No.	No.
£70,001 - £80,000	1	1	-	-
£90,001 - £100,000	-	-	-	1
£100,001 - £110,000	-	-	1	-
£120,001 - £130,000	-	-	-	1
£190,001 - £200,000	-	-	-	1

All of the higher paid staff except one are employed by Middlemarch Environmental Ltd, the subsidiary undertaking. One (2019: One) charity employee received remuneration in excess of £60,000.

Highest paid director (subsidiary undertaking)

The highest paid director received £103,316 (2019: £192,301), including a settlement of £nil (2019: £99,497) and had £2,946 (2019: £8,493) added to their pension.

	2020	2019
	£	£
Pension contributions in respect of the above employees are	9,610	22,889
The number of employees accruing retirement benefits included above is	2	4

The number of directors to whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019: 3).

9. Pension arrangements

The Trust operates a defined contribution Group Personal Pension Scheme open to all employees. Contributions to the scheme are charged to the accounts as they fall due. Total amounts paid in the year were £317,276 (2019: £450,659).

10. Taxation

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax (charged at 19%):		
UK Corporation tax	8,375	-
Deferred tax	(6,020)	7,176
	2,355	7,176

The above charge related to the subsidiary undertaking, as shown in note 1.

11. Tangible fixed assets

Group	Freehold Property £	Leasehold Property £	Plant and Equipment £	Motor Vehicles £	Total £
Costs					
1 January 2020	1,328,316	923,252	529,845	330,211	3,111,624
Additions	-	-	37,203	13,994	51,197
Disposals	-	-	-	(25,000)	(25,000)
31 December 2020	1,328,316	923,252	567,048	319,205	3,137,821
Depreciation					
1 January 2020	-	223,541	375,480	314,774	913,795
Charge for the year	-	10,147	83,901	15,755	109,803
Disposals	-	-	-	(25,000)	(25,000)
31 December 2020	-	233,688	459,381	305,529	998,598
Net book value					
31 December 2020	1,328,316	689,564	107,667	13,676	2,139,223
31 December 2019	1,328,316	699,711	154,365	15,437	2,197,829
Charity					
Costs					
1 January 2020	1,328,316	923,252	341,509	63,148	2,656,225
Additions	-	-	27,134	-	27,134
Disposals	-	-	-	-	-
31 December 2020	1,328,316	923,252	368,643	63,148	2,683,359
Depreciation					
1 January 2020	-	223,541	243,177	63,148	529,866
Charge for the year	-	10,147	39,217	-	49,364
Disposals	-	-	-	-	-
31 December 2020	-	233,688	282,394	63,148	579,230
Net book value					
31 December 2020	1,328,316	689,564	86,249	-	2,104,129
31 December 2019	1,328,316	699,711	98,332	-	2,126,359

Freehold property shown above is in respect of the Trust's Nature Reserves, which are essentially held for the charitable objects of the Trust. These assets cannot therefore be readily sold and it is therefore not considered appropriate to show them at market value.

There is a legal charge over the freehold property at Bubbenhall Wood.

12. Investments

The Trust owns 100% of the equity of the following company:	2020 £	2019 £
Middlemarch Environmental Limited, incorporated in England		
100 ordinary shares of £1 each	100	100

13. Stocks

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Goods for resale	11,552	22,828	11,552	22,828

14. Debtors

Trade debtors	1,110,312	1,488,703	51,394	55,081
Amounts due from subsidiary undertaking	-	-	660,737	273,253
Other debtors	504,584	391,833	452,041	362,551
Prepayments	35,612	22,928	35,612	22,928
Investment - Wildlife Fundraising (Central) Ltd	15,000	15,000	15,000	15,000
	1,665,508	1,918,464	1,214,784	728,813

15. Cash at bank and in hand

COIF Charities Deposit Fund	2,620,700	2,414,006	2,620,700	2,414,006
Other bank accounts and cash	2,595,999	1,684,192	943,548	905,746
	5,216,699	4,098,198	3,564,248	3,319,752

16. Creditors due within one year

Trade creditors	128,697	350,346	74,487	180,242
Corporation tax	8,375	-	-	-
Other taxation and social security	388,212	346,642	123,698	87,671
Pension contributions	66,638	70,373	66,638	70,373
Other creditors and accruals	439,890	247,824	12,412	17,004
Deferred income	833,167	653,361	833,167	653,361
	1,864,979	1,668,546	1,110,402	1,008,651

Deferred income represents grants in advance on 2020 projects:	2020 £
Balance at 1 January	653,361
Amounts released to incoming resources	(283,608)
Amounts deferred in year	463,414
Balance at 31 December	833,167

17. Provision for liabilities

Deferred taxation	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Balance at 1 January	11,030	3,854	-	-
Profit & loss account	(6,020)	7,176	-	-
Balance at 31 December	5,010	11,030	-	-

The deferred tax liability is made up as follows:

	2020	2019	2020	2019
	£	£	£	£
Accelerated capital allowances	5,010	11,030	-	-

18. Endowments

		Movement in Resources			
	Balance 31 Dec 2019	Incoming	Outgoing	Transfer	Balance 31 Dec 2020
	£	£	£	£	£
Wappenbury Woods	135,033	-	-	-	135,033
Brandon Marsh Headquarters	23,792	-	(1,663)	-	22,129
Whitacre Heath	29,707	-	-	-	29,707
Meadows Appeal	30,868	-	-	-	30,868
Rough Hill Wood	54,339	-	-	-	54,339
Cock Robin Wood	11,274	-	(46)	-	11,228
Wire Hill	1,760	-	-	-	1,760
Alvecote Pools	49,623	-	-	-	49,623
Brandon Marsh Visitor and Education Centre	355,023	-	(5,147)	-	349,876
Parkridge Centre	218,026	-	(3,291)	-	214,735
Radway Meadow	70,881	-	-	-	70,881
Tasker Meadow	77,379	-	-	-	77,379
Reserves Tractor	18,565	-	(5,988)	-	12,577
Reedbed Bird Hides	5,100	-	-	-	5,100
Bubbenhall Wood Fund	622,718	-	-	-	622,718
	1,704,088	-	(16,135)	-	1,687,953

Endowment funds represent gifts and donations of, or to acquire, capital assets.

19. Restricted income funds

	Balance 31 Dec 2019 £	Movement in Resources: Incoming £	Outgoing £	Transfer £	Balance 31 Dec 2020 £
Reserves and Community Engagement	-	310,100	(536,899)	226,799	-
Habitat Biodiversity Audit	27	110,673	(105,693)	-	5,007
Living Landscapes	-	712,835	(787,563)	74,728	-
Health and Wellbeing	-	105,737	(188,165)	82,428	-
Nature Recovery Strategy	-	10,000	(5,959)	-	4,041
Sensory Garden	4,583	-	-	-	4,583
Peregrine Appeal	4,345	-	-	-	4,345
Badger Vaccination Appeal	4,407	-	-	-	4,407
Hedgehog Campaign Appeal	23,710	-	-	-	23,710
Landfill Appeal	3,677	-	-	-	3,677
Reserves Appeal	6,453	-	-		6,453
	47,202	1,249,345	(1,624,279)	383,955	56,223

Restricted revenue funds represent unspent income received for revenue purposes where the funder or donor has imposed restrictions. The transfers to designated funds originate from charity surpluses.

20. Designated funds

	Balance 31 Dec 2019 £	Movement in Resources: Incoming £	Outgoing £	Transfer £	Balance 31 Dec 2020 £
Charity Projects Fund	945,649	-	(445,933)	445,933	945,649
Nature Recovery Fund	1,000,000	-	-	500,000	1,500,000
Infrastructure Investment Fund	25,581	-	-	-	25,581
Covid-19 Recovery Fund	315,000	-	-	-	315,000
Contingency Fund	730,000	-	-	-	730,000
	3,016,230	-	(445,933)	945,933	3,516,230

The transfers to designated funds originate from donations under gift aid from the charity's subsidiary company, Middlemarch Environmental Limited, and charity surpluses.

21. Undesignated funds

	Balance 31 Dec 2019 £	Movement in Resources: Incoming £	Outgoing £	Transfer £	Balance 31 Dec 2020 £
Unrestricted fund	421,681	1,460,990	(628,315)	(730,351)	524,005
Non charitable fund	1,368,542	5,384,860	(4,775,283)	(599,537)	1,378,582
	1,790,223	6,845,850	(5,403,598)	(1,329,888)	1,902,587

22. Analysis of group net assets between funds

	Tangible Fixed Assets £	Net Current Assets £	Total £
Endowments	1,687,953	-	1,687,953
Restricted funds	-	56,223	56,223
Designated funds	-	3,516,230	3,516,230
Unrestricted funds:			
Charitable	416,177	107,828	524,005
Non-charitable trading	35,093	1,343,489	1,378,582
	451,270	1,451,317	1,902,587
Total	2,139,223	5,023,770	7,162,993

23. Guarantees and other financial commitments

At 31 December 2020 the future minimum lease payments under non-cancellable operating leases were as follows:

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Land and buildings:				
Expiring within one year	45,500	45,500	-	-
Expiring between two and five years	74,167	119,667	-	-
	119,667	165,167	-	-
Other equipment:				
Expiring within one year	-	3,562	-	3,562
Expiring between two and five years	-	-	-	-
	-	3,562	-	3,562

24. Transfer between funds

The Trustees have this year designated by way of a transfer from unrestricted undesignated funds £1,329,888 (2019: £839,595) with transfers made to unrestricted designated funds of £945,933 (2019: £661,363), and £383,955 to restricted funds (2019: £178,232). Transfers have been made to earmark funds for specific future planned activities and to ensure various funds do not go into deficit.

25. Members' guarantee

The company is limited by guarantee and does not have any share capital. The liability of each member is limited to £1.

26. Capital commitments

As at 31 December 2020, the Trust had no capital commitments (2019: £nil).

27. Contingent liabilities

The Trust Council was not aware of any contingent liabilities at the balance sheet date (2019: £nil).

28. Related party transactions

There were no related party transactions during the period. Key management remuneration is shown in the preceding notes to these financial statements.

29. Reconciliation of net movement in funds to net cash flow from operating activities

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Net movement in funds	605,250	179,141	611,345	748,665
Add back tax charged	2,355	7,176	-	-
Deduct amortisation of endowments	-	-	(16,135)	(18,180)
Add back depreciation charge	109,803	107,821	49,364	55,161
Deduct interest income shown in investing activities	(6,693)	(16,009)	(6,693)	(15,288)
Profit on sale of fixed assets	(2,777)	(8,750)	-	-
Decrease/ (increase) in stock	11,276	(7,783)	11,276	(7,783)
Decrease/ (increase) in debtors	252,956	189,509	(485,971)	(294,158)
Increase/ (decrease) in creditors	188,058	85,091	101,751	(242,214)
Net cash provided by operating activities	1,160,228	536,196	264,937	226,203