

**WATCHTREE NATURE RESERVE LIMITED**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

**CONTENTS**

Page	1/4	Directors and Trustees Annual Report
	5	Statement of Directors Responsibilities
	6	Balance Sheet
	7	Profit and Loss Account
	8/9	Notes to the Account
	10	Independent Examiners Report
	11	Detailed Profit and Loss Account (Not forming Part of the Statutory Accounts)

**COMPANY INFORMATION**

**COMPANY NUMBER** 5214585

**CHARITY NUMBER** 1127029

**REGISTERED OFFICE** Watchtree,  
Great Orton,  
Carlisle  
CA5 6NL

**DIRECTORS**

F J Mawby	B. Bowe,
W Little	P. MacDonald
R W Bushby	W J Knowles
Dr E A Still	A. MacKay (Resigned Dec 2010)
R. Timmins	C Tinker (Treasurer)
J Markwell (Appointed July, 2010)	
S Griffin (Appointed July, 2010)	

**BANKERS** The Co-operative Bank PLC  
P.O. Box 250,  
Delf House,  
Southway,  
Skelmersdale, WN8 6WT

**AUDITORS** N B Lancaster and Co ,  
Chartered Accountants,  
and Registered Auditor,  
5 Cecil Street,  
Carlisle CA1 1NL

THURSDAY



**WATCHTREE NATURE RESERVE LIMITED**  
**DIRECTORS AND TRUSTEES ANNUAL REPORT**

The Directors present their seventh Annual Report together with the Accounts for the year ended 31<sup>st</sup> March, 2011

<u>Trading Results and State of Affairs</u>	<u>2011</u>	<u>2010</u>
Profit on Ordinary Activities Before Tax	15,542	28,746
Taxation	-	-
Profit on Ordinary Activities After Tax	15,542	28,746
Appropriations	-	-
<u>Unappropriated Profit</u>	<u>15,542</u>	<u>28,746</u>

The Directors consider the Company's State of Affairs to be satisfactory

**Principal Activities**

The Company's Principal Activity is the provision of environment services to D.E F R A , including the management of a Nature Reserve

**Directors and Trustees**

The persons serving as Directors and Trustees during the year were as follows -

Francis J Mawby – Chairman	Brian Bowe
William Little	Patricia MacDonald
Robert W Bushby	William J Knowles
Dr Elizabeth A Still	Anne MacKay (Resigned December, 2010)
Robert Timmins	Clive Tinker
John Markwell (appointed July, 2010)	Samuel Griffin (Appointed July, 2010)

**Staff**

Tim Lawrence – Nature Reserve Manager  
Ryan Dobson – Project Officer

**AUDITORS**

Although the Company is entitled to exemption from the requirements to have an Audit under the provisions of Section 477 of the Companies Act 2006 and no Audit has been undertaken the company's Auditors, Messrs N B Lancaster and Co , Chartered Accountants, have been appointed and a resolution re-appointing them as Registered Auditors will be put to the Annual General Meeting.

**WATCHTREE NATURE RESERVE LIMITED**  
**DIRECTORS AND TRUSTEES ANNUAL REPORT**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

Memorandum and Articles of Association incorporated 25<sup>th</sup> August, 2004 as amended by a Special Resolution 20<sup>th</sup> November, 2008

**Constitution**

Company limited by Guarantee and not having Share Capital

**Trustee Selection Method**

Appointed by the Trustees

**OBJECTIVES AND ACTIVITIES**

**Charitable Objects**

- (i) to maintain, improve or provide public amenities
- (ii) to promote for the public benefit the Watchtree site in Cumbria and its environs, in particular by associating local community organizations in a common effort to advance education, to relieve poverty, need and hardship to provide facilities for leisure time occupation in the interests of social welfare, and to conserve and improve the environment

**Activities undertaken for the Public Benefit**

In planning the activities for the year the Trustees had regard to the guidance on Public Benefit issued by the Charities Commission, activities included -

Developing Watchtree Nature Reserve as a local community asset managed for and by local people in co-operation with the site owners (Defra) and their Facility Management Company (Interserve) who manage the "Operational" aspect of the FMD carcass disposal site

The provision of public access and quiet enjoyment of the site and its wildlife by people of all ages and abilities

Provide opportunities for local school and education establishments to use the site for curriculum related studies

Manage and maintain the created habitats as set out in the habitat establishment plan

Recruiting volunteers to help with the running of the site and its management

**WATCHTREE NATURE RESERVE LIMITED**  
**DIRECTORS AND TRUSTEES ANNUAL REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

**Achievements**

The membership scheme was well received and 107 memberships were taken during the financial year comprising 50 individual, 53 family and 4 group memberships

**Habitat and Estate Management**

A Biffa award enabled us to plant and fence off another 2km of new hedgerow to fenced boundaries enhancing the landscape and adding to the site diversity

We maintained progress with our Marsh Fritillary butterfly habitat creation ploughing out and reseeded another 4 small fields and planting other 4000 food plant plugs of Devils' bit Scabious.

We contributed significantly to the Cumbria Marsh Fritillary Action Group reintroduction scheme, our captive breeding stock producing over 3000 caterpillars for sites in West Cumbria

We converted our only remaining agricultural grassland into wildflower meadow to further increase and enhance site biodiversity

We commenced the development of an "Elemental Garden area primarily for less able visitors to enjoy the site wildlife within a sheltered environment and received a donation of topsoil from Birse Civils

Our overall visitor numbers increased to 4,103 including 1,055 school children, 33 visits by 9 different schools. Students from The University of Cumbria (Newton Rigg campus) and Hadlow College, Kent made study visits and we developed two research student opportunities with Lancaster University. We work with a number of organisations and groups who care for disabled and disadvantaged people including Garden Links. A number of students undertook their John Muir Awards projects at Watchtree. Sixth form students from Limehouse School and William Howard School undertook projects for the EES (Environmental Engineering Award Scheme) in business partnership to increase and develop engineering talent and understanding. Their projects were for Limehouse to produce an "underwater viewer" for wheelchair users and William Howard to produce a feasibility study for webcams at Watchtree

Our own volunteers accomplished over 2,500 man hours of work to a wide variety of projects

Watchtree Wheelers continue to make very good progress and 756 people used the cycles and cycle track with groups from Chrysalis and Cumbria Care being the main users. A grant of £1,800 from Cumbria Community Foundation funded free drop in sessions from April to October

We extended the size and range of our cycle fleet and continued to work with the Charity "Cycling Projects" on their "wheels for All" project.

**WATCHTREE NATURE RESERVE LIMITED**  
**DIRECTORS AND TRUSTEES ANNUAL REPORT**

A number of individuals made small grants ranging from a few pounds to £500 and donations in kind included an electric mobility scooter and cycles

Two late grants of £12,000 from Aiming High and £2,500 from Cumbria Community Foundation enabled us to purchase enough tools to equip our cycle maintenance facility, acquire a large cabin as a cycle workshop area and volunteer base and to develop a sustainable energy (wind turbine) interpretive panel

We commissioned and commenced the implementation of visitor interpretation plan

We made a significant achievement for our Watchtree Wheelers cycling project when we secured funding for a Watchtree Wheelers Project Officer from June 2011 from the Northern Rock foundation. This secured the employment of our current Access and Development Officer for a further 3 years from June 2011

**FINANCIAL REVIEW**

**Policy on Reserves**

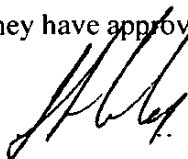
The Trustees have agreed that any excess funds should be set aside in interest bearing accounts to build up reserves for when the funding from DEFRA ceases in April, 2016

As far as possible the Watchtree Wheelers project is independent of the Defra contract funding and relies on various conventional fund raising. Some of the "Reserve Income" may be used as matched funding against this and other initiatives that the Trustees are developing.

£100,000 is invested in a Guaranteed Investment Account with the Co-operative Bank which will be reviewed every 6 months

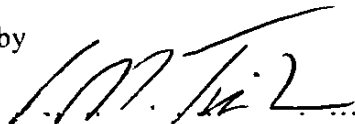
The Trustees declare that they have approved the Trustees Report

Signed



Full Name Francis J Mawby

Signed



Full Name Clive Tinker

**19<sup>th</sup> MAY, 2011**

**WATCHTREE NATURE RESERVE LIMITED**

**STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

Company law requires the directors to prepare financial statements for each financial year which gives a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to -

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

**BY ORDER OF THE BOARD**



F J Mawby

**DIRECTOR**

**19<sup>th</sup> MAY, 2011**

**WATCHTREE NATURE RESERVE LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011****AS AT 31.3 2010****COMPANY NO. 5214585 (REGISTERED IN ENGLAND AND WALES)****ASSETS EMPLOYED****FIXED ASSETS**

23,050

Tangible Assets (Note 7)

20,469

**CURRENT ASSETS**1,586  
162,893Debtors (Note 5)  
Cash at Bank and In Hand6,084  
176,588164,479  
=====182,672  
=====**LESS CURRENT LIABILITIES**750  
=====

Creditors Falling Due Within One Year (Note 6)

820  
=====

163,729

**NET CURRENT ASSETS**

181,852

186,779

**TOTAL ASSETS LESS CURRENT LIABILITIES**

202,321

-

**DEDUCT CREDITORS FALLING DUE AFTER ONE YEAR**

-

186,779  
=====**NET ASSETS**202,321  
=====**REPRESENTED BY -****CAPITAL AND RESERVES****RESERVES -**70,000  
116,779Project Reserve Fund (Note 8)  
Profit and Loss Account (Note 8)70,000  
132,321186,779  
=====**CAPITAL EMPLOYED**202,321  
=====

For the period ending 31st March, 2011 the company was entitled to exemption from audit under section 477(2) of the Companies Act 2006 relating to small companies

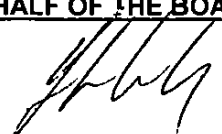
Directors Responsibilities -

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

**APPROVED BY THE DIRECTORS ON 18th MAY, 2011**  
**AND SIGNED ON BEHALF OF THE BOARD BY:-**

F J Mawby



DIRECTOR

**WATCHTREE NATURE RESERVE LIMITED****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**Y E 31 3 2010

128,789	<b><u>TURNOVER</u></b> (Note 1(b))	128,183
16,373	<u>Less</u> Cost of Sales	36,431
112,416	<b><u>GROSS PROFIT</u></b>	91,752
60,747	<u>Add</u> Other Income (Note 2)	41,042
173,163		132,794
144,812	<u>Less</u> Administrative Expenses	118,175
28,351	<b><u>OPERATING PROFIT</u></b>	14,619
395	<u>Add</u> Interest Received (Note 3)	923
28,746	<b><u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAX</u></b>	15,542
-	<b><u>TAXATION</u></b> (Note 4)	-
28,746	<b><u>PROFIT ON ORDINARY ACTIVITIES AFTER TAX</u></b> (Note 8)	15,542
=====		=====
<b><u>NOTES:-</u></b>		
1 <u>Continuing Operations</u>		
None of the Company's Activities were acquired or discontinued during the above Financial Periods		
2 <u>Total Recognised Gains and Losses</u>		
The Company has no recognised Gains or Losses other than the Profit and Loss for the above Financial Periods		



**WATCHTREE NATURE RESERVE LIMITED**

**NOTES TO THE ACCOUNTS**

**1 ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The Company's Financial Statements have been prepared under the Historical Cost Convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2007)

**(b) Turnover**

Turnover represents the value of Invoiced Receipts after provision for Bad and Doubtful Debts

**(c) Depreciation**

Depreciation is provided on Tangible Assets at the following rates in order that the cost of assets may be reduced to their estimated residual value over their estimated useful lives -

Fixtures and Fittings	-	25% Reducing Balance
Plant and Equipment	-	25% Reducing Balance
Motor Vehicles	-	25% Reducing Balance

**2 OTHER INCOME**

	<b><u>2011</u></b>	<b><u>2010</u></b>
Grants	35,389	51,495
Other Funding and Donations	5,653	2,609
Rural Payments Agency	-	6,643
	<u>41,042</u>	<u>60,747</u>

**3 INTEREST RECEIVED**

Bank Interest – Current Account	158	258
Project Reserve Fund Account	<u>765</u>	<u>137</u>
	<u>923</u>	<u>395</u>

**4 TAXATION**

The Company is a Company Limited by Guarantee and is also a registered Charity and consequently no tax liability arises

**WATCHTREE NATURE RESERVE LIMITED****NOTES TO THE ACCOUNTS**

<b>5</b>	<b><u>DEBTORS</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
	Trade Debtors	-	-
	Other Debtors (VAT Repayment)	<u>6,084</u>	<u>1,586</u>
		<u>6,084</u>	<u>1,586</u>

**6 CREDITORS FALLING DUE WITHIN ONE YEAR**

Trade Creditors	-	-
Accruals	820	750
Other Creditors	-	-
Provision for Corporation Tax	<u>-</u>	<u>-</u>
	<u>820</u>	<u>750</u>

	<b><u>FIXTURES AND FITTINGS</u></b>	<b><u>PLANT AND EQUIPMENT</u></b>	<b><u>COMPUTER EQUIPMENT</u></b>	<b><u>TOTAL</u></b>
<b>7 <u>TANGIBLE ASSETS</u></b>				
Cost As At 31 <sup>st</sup> March, 2010	41,856	9,118	1,787	52,761
Additions	-	3,695	547	4,242
<u>Cost As At 31<sup>st</sup> March, 2011</u>	<u>41,856</u>	<u>12,813</u>	<u>2,334</u>	<u>57,003</u>
Depreciation As At 31 3 2010	22,817	5,905	989	29,711
Provision for Year	4,760	1,727	336	6,823
<u>Depreciation As At 31 3 2011</u>	<u>27,577</u>	<u>7,632</u>	<u>1,325</u>	<u>36,534</u>
<u>Net Book Value As At 31 3 2010</u>	<u>19,039</u>	<u>3,213</u>	<u>798</u>	<u>23,050</u>
<u>Net Book Value As At 31.3 2011</u>	<u>14,279</u>	<u>5,181</u>	<u>1,009</u>	<u>20,469</u>

**8 RECONCILIATION OF MOVEMENT OF RESERVES**

	<b><u>PROFIT AND LOSS ACCOUNT</u></b>	<b><u>PROJECT RESERVE FUND</u></b>
<u>Balance as at 31<sup>st</sup> March, 2010</u>	116,779	70,000
<u>Add Profit after Tax for the Financial Year</u>	<u>15,542</u>	-
<u>Balance as at 31<sup>st</sup> March, 2011</u>	<u>132,321</u>	<u>70,000</u>

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**WATCHTREE NATURE RESERVE LIMITED**

We report on the accounts of the Trust for the year ended 31<sup>st</sup> March, 2011 which are set out on pages 1 to 8 Charity No 1127029

**Respective responsibilities of trustees and examiner**

The charity's trustees consider that an audit is not required for this year (under section 43 (2) of the Charities Act 1993 (the Act) and that an independent examination is needed

It is my responsibility to

- (a) examine the accounts (under section 43 of the Act)
- (b) to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act), and
- (c) to state whether particular matters have come to my attention

**Basis of the independent examiner's report**

my examination was carried out in accordance with the General Directions give by the Charity Commissioners An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts preserve a "true and fair view" and the report is limited to those matters set out in the Statement below

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that in, any material respect, the trustee have not met the requirements to ensure that
  - (i) proper accounting records are kept in accordance with section 41 of the 1993 Act and
  - (ii) to prepare accounts which agree with the accounting records and comply with the accounting requirements of the 1993 Act
- (2) to which, in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**19<sup>TH</sup> MAY, 2011**

I C Lancaster, F C A  
N B Lancaster and Co ,  
Chartered Accountants,  
5 Cecil Street,  
Carlisle CA1 1NL