



Downlands Trust

(A company limited by guarantee and not having a share capital)

Annual report and accounts

for the year ended 31st July 2019

Charity N^o.:- 1126535

Registered N^o.:- 6661092

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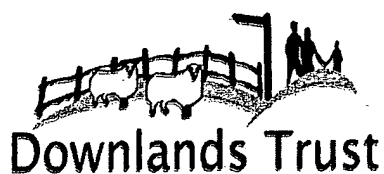
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**Annual report and accounts
for the year ended 31st July 2019**

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Company information

Trustees	R Findlay (Treasurer) P Mascall S Milan I Postlova (Chairman) N Siba P Wakeham
Registered office	46 Wilmot Way Banstead Surrey SM7 2PY
Independent examiner	Michael Tuckey FCA FCMA Chartered Accountant The Dutch House 24 The Downsway Sutton Surrey SM2 5RN



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**Trustees' report
for the year ended 31st July 2019**

The Trustees present their Annual Report together with the accounts of the charity for the year ended 31st July 2019, which also meet the requirements for a directors' report and accounts for Companies Act purposes.

Objectives and Activities

The Downlands Trust was created as a charitable trust in November 2008. It supports countryside conservation and management across north east Surrey and the adjoining urban fringe, including: Addington, Caterham, Chelsham, Woldingham, Warlingham, Salt Box Hill, Kenley, Riddlesdown, Woodmansterne, Chipstead Downs, Banstead Woods and Merstham. This is not an exhaustive list but gives an indication of the range of sites covered.

Many of the sites are of high conservation and scientific significance and encompass a wide variety of environments (including rare and valuable chalk grassland and ancient woodland). Some of the sites are managed in partnerships with groups such as Surrey Wildlife Trust, London Wildlife Trust, The Woodland Trust, City of London Corporation and local countryside conservation groups.

The Trust's objectives as defined in its Memorandum of Association are:

- (1) to promote for the benefit of the public the conservation of the physical and natural environment through management of the countryside;
- (2) to advance the education of the public in the conservation and management of the physical and natural environment.

The Trust achieves its objectives through raising funds (via memberships, donations and grant applications) for investment into the future of the local countryside. It also engages in promoting conservation and encouraging access for all.

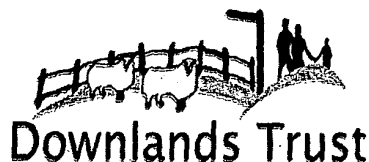
Affiliation

The charity is not affiliated to any other charity.

Structure and Governance

The Downlands Trust is a charitable company limited by guarantee. It is run entirely by volunteer trustees who ensure that the Trust acts in accordance with its published constitution, the rules governing its charitable trust status, and in the best interests of its membership. The administration is governed by the Memorandum of Association and Articles of Association, both dated 15 January 2008.

Based on the founding documents, one-third of trustees is required to retire by rotation at each AGM, with the option to offer to be re-elected. The existing trustees can at any time appoint new trustees, who then need to be re-appointed at the next AGM.



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Overview 2018/19

The past year has been defined by enhanced engagement with the public through intensified marketing activity, combined with the broadening of the reach of the Trust's conservation support. While the Trust retains its particular focus on chalk grassland and ancient woodlands, it has been supporting the maintenance of all types of natural environments, with a view to safeguarding habitats as well as enhancing the enjoyment and education of the public. The year has been highly successful in establishing the Trust as a significant player in the regional environmental arena, while preserving its local character.

Grants Donated by the Trust

Downlands Partnership, responsible for the maintenance of most of the green spaces in the Trust's area of activities, continues to be our key partner and beneficiary; over 90% of grants donated by the Trust went to the Downlands Partnership, and ranged from equipment and materials to fencing, site clearance and livestock for site grazing. Of note were grants for hedging (£1,652), reusable electric fencing for grazing purposes (£1,614), brushcutting equipment for growth clearance (£1,260), contractor site maintenance at Quarry Hangers (£1,040) and funding of the purchase of two rams (£500). There are a number of further grant requests under consideration.

In addition, the Trust has increasingly been engaging with other potential beneficiaries, usually in relation to specific projects, and provided donations to the Woldingham Community Interest Company (Woldingham CIC) for the maintenance of important Woldingham habitats, to Woodchip volunteers for pond plants, and to the Friends of Oaks Park for public outreach. The Trust is considering further grants to these or similar entities. The Trust does not provide funding to entities with a significant source of other income, such as companies or farmers.

Overall, building on the gradual increase in activity and outreach since late 2017, the Trust's grants grew sharply in 2018/19, to more than double compared to the previous year.

Funding of the Trust

The Trust has been operating in the context of continued funding cuts at local authorities and their heavy prioritisation towards essential services, resulting in diminished funding for the environment, including the work of the Downlands Partnership. Decisions such as the sale of land by one local council, and internal changes to the structure of funding by other fund providers, are indicative of the pressures and may develop into a trend.

The Trust has been responding to the developments in the funding environment with agility and flexibility; during the year it applied for, and was awarded, a substantial grant from the City of London; and it provided a donation to Woldingham CIC to support its newly acquired responsibilities in maintaining the grassland sold by the council. The Trust continually reviews how it can adapt and provide the necessary support for habitats while respecting any constraints on the use of its charitable resources and observing its responsibility to safeguard members' funds.

The Trust's increased donations to beneficiaries were made possible by a substantial increase in the funding of the Trust, with the highlights being the grant from the City of London, significant donations from Fidelity International, and an exceptionally generous donation from a Trust member who wishes to remain anonymous. The Trust has also been chosen as the charity of the year by the superb Chandos Choir in Coulsdon and hopes to benefit from related fund-raising later in 2019. Finally, the Trust is grateful for its regular core funding through membership fees and donations from members as well as non-members, such as the Tadworth Beavers and Park & Bailey of Caterham-on-the-Hill.



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City of London grant - 'Enjoying Green Spaces'

The Trust is delighted to have secured a grant of almost £15,000 from the City of London Corporation under their 'Enjoying Green Spaces' initiative. The funding is ring-fenced for the cost of volunteer task days and oversight of grazing on the City's Commons over a 12-month period up to March 2020. The work is being delivered by the Downlands Partnership and covers the areas of Rydon's Wood, Coulsdon Common and Riddlesdown, and grazing at Riddlesdown Quarry. £7,349 was drawn under the grant in the financial year 2018/19, with the remainder to be drawn over the following two quarters. We are grateful to the City for their continued strong support of the maintenance of the green spaces on the fringes of London and for their confidence in the Trust. The Trust is in discussions with the Downlands Partnership regarding a possible grant application for the period following March 2020.

Fidelity International grant - "Our Environment"

The Trust is grateful to have been chosen by Fidelity International in Kingswood as their Charity Partner for 2019/20 and 2020/21 in the "Our Environment" category, in competition with larger charities. The Trust has enjoyed support from Fidelity staff through a range of fundraising initiatives such as a softball match, quiz nights, smarties challenge and a bake-off challenge. In a productive three-way co-operation including the Downlands Partnership, Fidelity staff has also participated in volunteering. The corporate engagement, while initially stretching for the Trust's limited resources, has proved to provide fertile ground for new, creative ideas. By the end of July 2019, Fidelity International had donated £3,701 and more is to come. The majority of the donations had been utilised for the Trust's marketing equipment and materials to support its engagement with the public in the long term; co-funding of several Downlands Partnership's grant applications and a Forest School wildlife pond in Kenley are under consideration.

Reserves

As evidenced by the financial statements, the Trust enjoys comfortable reserves to ensure its longer-term financial sustainability. The Trust periodically reviews its financial standing and takes it into consideration in its decisions on grants. For this reason, the Trust tends to avoid multi-year commitments or grants that create long term dependency of the beneficiary, although the Trust has in the past co-funded defined cost, multi-year apprenticeships and can do so again in future.

Engagement with the Public

The Trust has continued its step-up in visibility and engagement with the public, boosted by the support from Fidelity International. It has launched a new-look website; re-vitalised its Facebook after an initially slow start; updated its marketing materials such as leaflets, banners, posters and leaflet boxes; and procured essential indoor and outdoor equipment. This has enabled more regular participation at environmental events, often together with the Downlands Partnership: events at which the Trust was represented included the Carshalton Environmental Fair in August 2018, Farm Day at Old Lodge Farm and Croydon Green Spaces Open Day in June 2019, and Coulsdon Fair/Meadows Day and Chipstead Flower Show in July 2019. The Trust has also started to give presentations to other organisations and plans to continue.

To strengthen its engagement with members, the Trust has re-introduced bulletins, of which two were issued in the first half of 2019. In addition, it has on a pilot basis organised walks for members or invited members to walks organised in conjunction with other local community groups, led by experts in various environmental fields. Apart from being enjoyable social occasions, the walks tend to have an educational element. The Trust will continue to review its activities for members.

Finally, the Trust has been forging links with other organisations involved in the local environment, in order to explore possible co-funding opportunities or other forms of co-operation.



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Membership

Following a slight decline in membership during 2014-2017, the trend was reversed in 2017/18 and membership numbers continued to grow this year as a result of the intensified marketing. As at 31st July 2019 the Trust had 135 members (127 at 31st July 2018).

Financial Review of the Year

During the year, the charity received income of £47,937 (2018: £6,294) and incurred expenditure of £18,841 (2018 - £6,774) on charitable activities. At the year-end, £82,821 (2018 - £53,725) was held to be used in future periods.

Risk Review

The Trustees carry out periodic reviews of the major risks to which the charity is exposed. Systems and procedures have been established to mitigate those identified so as to minimise any potential impact on the charity.

Outlook

The Trust plans to maintain its strong support for the Downlands Partnership as its core beneficiary, as well as to broaden its outreach to other potential grant beneficiaries engaged in the conservation of local green spaces. The Trust may also seek to enhance public access and enjoyment of the countryside on its own account, possibly through educational displays and improved facilities.

It will continue with its engagement efforts to establish productive links with other organisations, secure a steady flow of donations and other funding, and preserve its membership base. The Trust will to this end enter its next marketing stage, whereby it would more systematically reach out to a broader range of organisations, including for example corporates with social responsibility activities and educational entities, in order to better understand the overlaps, gaps and opportunities for co-operation. The Trust, together with Banstead U3A, plans to organise a major local public event in May 2020 on 'Surrey Landscapes'.

The Trust reviewed its medium-term strategy in July 2019 and re-confirmed its commitment, at least in the medium term, to the geographical area of its existing activities, and to deepening its engagement with potential grant beneficiaries, the Trust's members, and with other organisations (local, regional or national) active in the area. Although the Trust is not proactively engaged in lobbying, it may from time to time support publicity initiatives consistent with its objectives.

In view of the evolving funding environment, the Trust intends to continue providing as flexible and enabling support to entities involved in conservation as possible.



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Directors and Trustees:

The Trustees who served during the year were as follows:

Irena Postlova	(Chairman)
Roger Findlay	(Treasurer)
Geoff Eales	(resigned 15 th October 2018)
Pamela Mascall	
Sarah Milan	(appointed 23 rd October 2018)
John Powdrell	(resigned 6 th June 2019)
Noreen Siba	
Peter Wakeham	(appointed 15 th April 2019)

The Trust is proud that Roger Findlay's work was recognised by the Long Service Award of the Mayor of Reigate and Banstead at a ceremony on 19th July 2019.

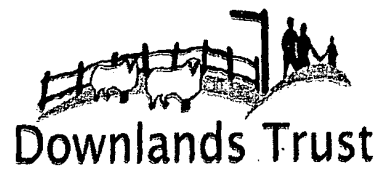
Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.



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The above report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Trustees on 19th September 2019
and signed on their behalf by

Signed:

A handwritten signature in dark ink, appearing to read "Irena Postlova". The signature is written in a cursive style with some loops and flourishes.

Irena Postlova
Chairman



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Independent examiner's report to the trustees of Downlands Trust

I report to the charity trustees on my examination of the accounts of Downlands Trust (the charity) for the year ended 31st July 2019.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purpose of the company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

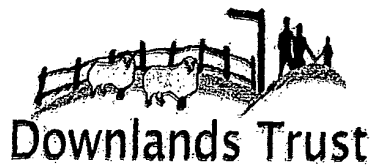
Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:-

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Michael Tuckey FCA FCMA
Chartered Accountant
The Dutch House
24 The Downsway
Sutton
Surrey
SM2 5RN
Date: 19th September 2019



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Balance sheet as at 31st July 2019

	Note	2019 £	2018 £
CURRENT ASSETS			
Cash at bank		87,719	57,526
CREDITORS			
Amounts falling due within one year	5	(4,898)	(3,801)
NET CURRENT ASSETS		<u>82,821</u>	<u>53,725</u>
NET ASSETS		<u>£82,821</u>	<u>£53,725</u>
FUNDS			
Restricted Funds		9,987	3,918
Unrestricted Funds		<u>72,834</u>	<u>49,807</u>
TOTAL CHARITY FUNDS		<u>£82,821</u>	<u>£53,725</u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the Trustees on 19th September 2019
and signed on their behalf by

Irena Postlova

Irena Postlova
Chairman of Trustees



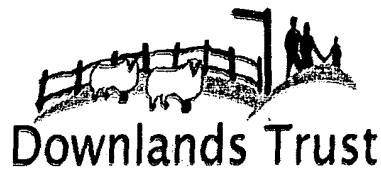
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**Statement of financial activities (including income and expenditure account)
for the year ended 31st July 2019**

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<u>Income</u>					
Donations and Legacies					
Membership subscriptions	1	1,190	-	1,190	1,130
Donations including Gift Aid	2	36,649	8,549	45,198	3,467
Legacies	2	-	-	-	859
		<u>37,839</u>	<u>8,549</u>	<u>46,388</u>	<u>5,456</u>
Income from other trading activities:					
Sales of Logs		1,455	-	1,455	811
Investment income		<u>94</u>	<u>-</u>	<u>94</u>	<u>27</u>
Total Income		<u>39,388</u>	<u>8,549</u>	<u>47,937</u>	<u>6,294</u>
<u>Expenditure</u>					
Grants	3	12,115	2,480	14,595	6,164
Other expenditure on charitable activities	3	<u>4,246</u>	<u>-</u>	<u>4,246</u>	<u>610</u>
Total expenditure on charitable activities	3	<u>16,361</u>	<u>2,480</u>	<u>18,841</u>	<u>6,774</u>
Net income/ (expenditure) and net movement in funds for the year		23,027	6,069	29,096	(480)
<u>Reconciliation of funds</u>					
Total funds brought forward	6	<u>49,807</u>	<u>3,918</u>	<u>53,725</u>	<u>54,205</u>
Total funds carried forward		<u>72,834</u>	<u>9,987</u>	<u>82,821</u>	<u>53,725</u>

All of the company's operations are classed as continuing. The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The movement on reserves is shown above.

The notes on pages 10 to 13 form part of these financial statements.



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**Notes to the accounts
for the year ended 31st July 2019**

1. ACCOUNTING POLICIES

Basis of accounting

The accounts 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 (FRS102) (effective 1st January 2015), with FRS102 and with the requirements of the Charities Act 2011 and the Companies Act 2006.

The Downlands Trust meets the definition of a public benefit entity under FRS102.

Currency and rounding

The accounts are presented in sterling and rounded to the nearest £1.

Income recognition

All donations and legacies are recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Membership income is recognised when received.

Resources expended

- Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered; and is reported as part of the expenditure to which it relates.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Going concern

The trustees consider that there are no material uncertainties about Downlands Trust's ability to continue as a going concern.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.



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**Notes to the accounts
for the year ended 31st July 2019**

2. DONATIONS AND LEGACIES

All legacies received in both the current and previous years relate to unrestricted funds.

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	2019			2018		
	Unrestricted Costs £	Restricted Costs £	Total £	Unrestricted Costs £	Restricted Costs £	Total £
Activities undertaken directly	<u>547</u>	<u>-</u>	<u>547</u>	<u>-</u>	<u>-</u>	<u>-</u>
Grants to Downlands Project	11,708	1,713	13,421	6,164	-	6,164
Grants to Sanderstead/Whyteleafe	-	767	767	-	-	-
Grants to Woldingham CIC	407	-	407	-	-	-
Total Grants Payable	<u>12,115</u>	<u>2,480</u>	<u>14,595</u>	<u>6,164</u>	<u>-</u>	<u>6,164</u>
Support Costs	1,182	-	1,182	56	-	56
Administration	367	-	367	479	-	479
Governance	50	-	50	40	-	40
Accountancy	1,500	-	1,500	-	-	-
Independent Examiner's Remuneration	600	-	600	35	-	35
Total Support Costs	<u>3,699</u>	<u>-</u>	<u>3,699</u>	<u>610</u>	<u>-</u>	<u>610</u>
Total Expenditure on Charitable Activities	<u>16,361</u>	<u>2,480</u>	<u>18,841</u>	<u>6,774</u>	<u>-</u>	<u>6,774</u>



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4. STAFF AND TRUSTEES

The charity had no employees during the year or the previous period.

The charity trustees were not paid and did not receive any benefits from the charity during the period. No expenses were reimbursed to trustees and no charity trustee received payment for professional or other services supplied to the charity.

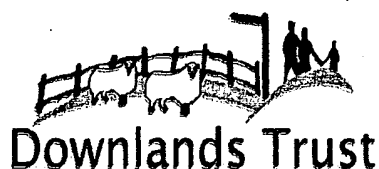
The charity has engaged the services of Siba and Company, Chartered Accountants, to undertake the preparation of the annual accounts. The owner of Siba and Company is the husband of a trustee of the charity. At 31st July 2019 a fee amounting to £1,500 had been accrued in the accounts.

5. CREDITORS	2019 £	2018 £
Sundry creditors	<u>£4,898</u>	<u>£3,801</u>

6. ANALYSIS OF MOVEMENTS IN FUNDS

Current year

	Balance 1.8.2018 £	Income £	Expenditure £	Transfers £	Balance 31.7.2019 £
Unrestricted Funds					
General Fund	49,807	39,388	(15,954)	(1,650)	71,591
Designated Fund Woldingham CIC	-	-	(407)	1,650	1,243
Total Unrestricted Funds	<u>49,807</u>	<u>39,388</u>	<u>(16,361)</u>	<u>-</u>	<u>72,834</u>
Restricted Funds					
Sanderstead to Whyteleafe	3,918	1,200	(767)	-	4,351
City of London	-	7,349	(1,713)	-	5,636
Total Restricted Funds	<u>3,918</u>	<u>8,549</u>	<u>(2,480)</u>	<u>-</u>	<u>9,987</u>
Total Funds	<u>53,725</u>	<u>47,937</u>	<u>(18,841)</u>	<u>-</u>	<u>82,821</u>



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6. ANALYSIS OF MOVEMENTS IN FUNDS (continued)

Previous year

	Balance 1.8.2017 £	Income £	Expenditure £	Transfers £	Balance 31.7.2018 £
Unrestricted Funds					
General Fund	51,487	5,094	(6,774)	-	49,807
Total Unrestricted Funds	<u>51,487</u>	<u>5,094</u>	<u>(6,774)</u>	<u>-</u>	<u>49,807</u>
Restricted Funds					
Sanderstead to Whyteleafe	2,718	1,200	-	-	3,918
Total Restricted Funds	<u>2,718</u>	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>3,918</u>
Total Funds	<u>54,205</u>	<u>6,294</u>	<u>(6,774)</u>	<u>-</u>	<u>53,725</u>

The designated fund is a grant of £1,650 awarded to Woldingham CIC in October 2018 for work and grazing on their site by the Downlands Partnership between February 2019 and July 2020. Payments will be made as the work is completed.

The restricted fund shown as "Sanderstead to Whyteleafe" represents donations received specifically for use in the Sanderstead to Whyteleafe Recreation Area. The warden of that area must obtain the Trustees' approval before spending from this fund.

The restricted fund shown as "City of London" relates to a grant awarded by the City of London Corporation for work done by the Downlands Partnership on specific sites. More detail is given in the Trustees' report.

7. FUTURE COMMITMENTS

At 31st July 2019 the Trust had agreed in principle to make the following grants in 2019/20:

1. A grant of £2,000 to the Downlands Partnership towards purchase of a vehicle.
2. A grant of £1,000 to Kenley Primary School to part fund a wildlife pond in the school grounds.

The Trust is also committed to fund work by the Downlands Partnership specified under the City of London grant (see note 6).

8. COMPANY STATUS

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.