

Registered Charity Number: 208123

Registered Company Number: 00645176



# SURREY WILDLIFE TRUST

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TRUSTEES' ANNUAL REPORT AND CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
MARCH 2017

**SURREY WILDLIFE TRUST  
TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

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**LEGAL AND ADMINISTRATIVE INFORMATION**

**Trustees**

The trustees serving during the year and since the year end were as follows:

Mary Adler MBE		
Nick Baxter		
Andrew Beattie		(Appointed 10 <sup>th</sup> July 2017)
Adam Curtis		
Heather Hawker MBE DL	Vice Chair	(Retired 12 <sup>th</sup> November 2016)
Gillie Muir	Vice Chair	(Retired 12 <sup>th</sup> November 2016)
Alan Oakley		(Retired 12 <sup>th</sup> November 2016)
Katharine Mills		(Retired 12 <sup>th</sup> November 2016)
Ron Pritchard	Vice Chair	
Susan Rooke	Treasurer	
Shirley Scott		
Mark Slater		
Peter Smith		(Appointed 12 <sup>th</sup> November 2016)
Matthew Stanton		(Appointed 10 <sup>th</sup> July 2017)
Gordon Vincent		
Chris Wilkinson	Chairman	
Meryl Wingfield		

**The Trust Leadership Team**

Nigel Davenport	Chief Executive
James Adler	Head of Countryside Management
Sarah Jane Chimbwandira	Director of Biodiversity, Evidence and Policy
Aimee Clarke	Director of Education and People and Wildlife
Richard Hunt	Director of Communications and Fundraising
Mark Pearson	Director of Business and Commercial Development
Catherine Roberts	Director of Human Resources and Administration
Roger Wild	Director of Finance

<b>Company Secretary</b>	Roger Wild
<b>Registered Office</b>	School Lane, Pirbright, Woking, Surrey, GU24 0JN
<b>Auditor</b>	Menzies LLP, Ashcombe House, 5 The Crescent, Leatherhead, KT22 8DY
<b>Bankers</b>	Bank of Scotland, St Andrew Square, Edinburgh, EH2 2YR
<b>Website</b>	<a href="http://www.surreywildlifetrust.org">www.surreywildlifetrust.org</a>

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

Surrey Wildlife Trust (SWT, the Trust) is a registered charity (No: 208123) and a company limited by guarantee (No: 00645176). SWT is constituted through its Memorandum and Articles of Association, the current version of which was adopted by the Trustees on 18<sup>th</sup> June 2008. The Trust, established in 1959, is the only charity dealing with the conservation of all forms of wildlife in Surrey.

**Trustees and directors**

The Trustees constitute directors of the charitable company for the purposes of the Companies Act 2006 and Trustees of the charity for the purposes of the Charities Act 2011. As set out in the Articles of Association, the Council comprises between three and fifteen trustees. New Trustees are recruited to meet identified skills gaps and their positions are confirmed at Annual General Meetings. New Trustees undergo an induction during which they meet key employees and receive a briefing on the objects of the charity, their legal responsibilities as Trustees, decision making processes, recent financial performance and business plans. Trustees meet at least six times a year to consider SWT's strategic direction and governance. Additionally, two subcommittees specifically address financial and educational matters.

**Objects**

SWT exists to protect and enhance the habitats of Surrey and the wildlife they support. We do this for both the inherent value of wildlife but also to create a county where both people and wildlife thrive alongside each other. SWT is founded upon the following objects:

For the benefit of the public, the advancement of environmental protection, improvement and accessibility of:

- Wildlife and its habitats
- Places of natural beauty
- Places of zoological, botanical, geographical, geological, archaeological or scientific interest
- Features of landscape with geological, physiographical, or amenity value, in particular, but not exclusively in ways that further biodiversity.

For the benefit of the public, the advancement of education in:

- The study of nature
- The principles and practice of biodiversity conservation
- The principles and practice of sustainable development.

For the benefit of the public, the advancement of science and natural heritage:

- To promote research in all branches of nature study
- To publish the useful results thereof.

**Vision**

The Trust's vision is for a Living Landscape in Surrey that is rich in wildlife and valued by all.

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**ORGANISATIONAL STRUCTURE AND OVERVIEW**

For day to day management SWT is organised into seven departments based at the Head Office in Pirbright:

- Countryside Management
- Biodiversity, Evidence and Policy
- Education and People & Wildlife
- Communications and Fundraising
- Business and Commercial Development
- Finance
- Human Resources, Administration.

The seven departmental heads form the senior management team, termed 'The Trust Leadership Team', under the guidance of the Chief Executive, who reports directly to the Trust's Chair of Trustees.

**Trading Subsidiaries**

The Trust has one active trading subsidiary, Norbury Park Wood Products Limited (NPWP, the Sawmill). NPWP provides woodland services and manufactures wood products and operates from the Sawmill in Norbury Park. There is also a dormant subsidiary, SWT Enterprises Limited.

**The Wildlife Trusts**

SWT is an active member of The Royal Society of Wildlife Trusts (RSWT), which operates as an umbrella body for the 47 individual Wildlife Trusts, covering the whole of the UK, the Isle of Man and Alderney. RSWT is itself a registered nature conservation charity (charity number 207238), based in the UK and incorporated by Royal Charter.

Today RSWT is more commonly referred to as 'The Wildlife Trusts' (TWT), and operates as a shared services body for all 47 Wildlife Trusts. All the trusts contribute an annual levy to fund advocacy and representation by TWT at national and international levels.

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**OBJECTIVES**

The Trust's vision for Surrey is that the county will be a real Living Landscape, a cohesive ecological network which thrives and breathes and where people live in harmony with the land and wildlife.

SWT's five-year aim is to further develop Living Landscapes to achieve the creation of nature networks, and the services they provide, across the county through scientific research, land and people. The Trust will do this by promoting the value of nature to its members, partners and the people of Surrey.

SWT's five-year aim is to develop a Living Landscape across Surrey. At the end of this five year period (March 2018), we will have in place:

- A Living Landscapes strategy with specific goals designed to create cohesive ecological networks
- Exemplary land management examples in place to showcase our vision
- More children and adults across Surrey who value nature through our inspirational education and community engagements
- Key partners who value the economic benefits of nature and "champions" with corporate strength to promote this ethos
- A profitable and supportive membership base and secure funding streams.

These objectives will be achieved through the following:

1. Science
2. Influencing others; Managing Land
3. Inspiring others; Engaging People

In support of these objectives, there are a number of key areas of work including:

4. Membership and fundraising activities
5. Ensuring the Trust is financially sustainable for the long-term.

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**STRATEGIC REPORT**

**Activities, Achievements and Performance**

This report marks the fourth year of our current five year Strategic Plan. We are making good progress and we are on target for most of our priorities.

**Science**

Monitoring of key indicator species has continued. Key species include otters, harvest mice (which contributed to a DNA analysis research project with Bournemouth University) and dormouse monitoring on key SWT sites in partnership with the Surrey Dormouse Group.

We completed the State of Surrey's Nature report. Surrey has a very active and effective recorder community and as a result our data is at a greater depth than many other counties. The report showed a worrying decline in certain species as well as more positive news around other species and habitats. This work has been completed under the umbrella of the Surrey Nature Partnership Biodiversity Working Group which SWT Chairs.

We continued with our water vole research through a total of 30 water vole surveys carried out this year by our RiverSearch volunteers. Ten surveys took place on sites with past records of water voles and the remaining 20 were on areas either with suitable water vole habitat or anecdotal records of the species. No surveys returned any positive results for water vole presence on the 30 sites visited. Since the start of the project in 2014 there have been 94 surveys and there are a total of 65 trained volunteers, 28 of whom were trained in 2016.

**Influencing Others; Managing Land**

Living Landscape

The Catchment Partnerships continued to go from strength to strength with increased numbers of volunteers trained in both RiverSearch and also Riverfly monitoring. In addition projects to deliver habitat enhancements in both the Wey and Mole catchments took place. In November 2016 we launched the Surrey Golf pilot project which aims to work with golf courses and other landowners to reduce negative impacts on the water environment from land management.

We continued to respond to planning applications, providing advice on over 900 applications within the year. We also contributed to strategic planning consultations and continued our Biodiversity Roadshow to Local Planning Authorities.

The Trust has been successfully offering high quality, local ecological consultancy services and planning advice for a number of years. The provision of these services allows us to deliver our core mission activities across the county as well as generating income. Trustees took the decision this year to invest in and grow this area of our work.

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Land Management

SWT is responsible for managing over 8,000 ha (5% of the county) spread over 82 sites. Within this, there are a number of owners including Surrey County Council (SCC), Ministry of Defence (MOD), Mole Valley District Council as well as the Trust itself. The scale of these land holdings mean that we can make a real difference for wildlife and people's access to wildlife.

The holdings represent some of the most important land for biodiversity in the county. We are, for instance, the largest manager of lowland heathland within Surrey and manage 20% of the UK resource and 1% of the world's resource.

The Trust manages approximately 1,300 ha of woodland across Surrey. Of this, 77% is owned by Surrey County Council (SCC). Active management of woodlands improves their value for wildlife and increases biodiversity. At the same time it provides a source of income from timber and produce sales to support and sustain ongoing stewardship of woodland sites.

98% of the land we manage that is listed as a Site of Special Scientific Interest (SSSI) is now in favourable or recovering condition. This compares to 68% at the point we took over management of SCC's countryside estate in 2002. During this time for example, we have created or restored around 2,000 ha of heathland, one of the most important habitats in Surrey.

The reduced funding from SCC has led SWT to review its land management structure. As a result, through the winter we put in place a new team structure. We now have a smaller team of specialists that will enable us to continue to deliver effective habitat management whilst enabling SCC to reduce its costs.

Surrey Nature Partnership (SyNP)

An overview of the Natural Capital Investment Plan has been produced and we are developing a full natural capital investment plan for the county. This document takes forward SyNP work to develop a focus on conservation of our landscape and all it contains through the value it provides.

**Inspiring Others; Engaging People**

Increasingly our efforts to create a living landscape in Surrey where people and wildlife thrive together mean that we need to increase our focus on influencing people.

Education

One of the key pillars of our current five year strategy is the creation of a new Nower Wood to replace the crumbling buildings that have existed over the last 40 years. This centre was completed by Easter 2017. A major marketing push was undertaken to launch the centre and its activities. The new Nower Wood will enable us to increase the number of children visiting the centre by 50%.

The education team successfully operated out of Bay Pond for the duration of the build. We had solid bookings during the period considering the distance from Nower Wood. However, the numbers were reduced, and we saw a reduction in the numbers of volunteers who were able to travel to Bay Pond which affected our delivery.



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Outreach

Forest schools training has grown significantly with SWT being the leading provider of Forest School Leader training in the county. Since 2014, when we started offering accredited leader training, we have trained almost 200 Forest School Leaders.

Community Engagement

We created the first ever 'Guildford Goes Wild' event that took over the High Street in Guildford with a festival of wildlife. It meant we could enthuse a new audience of urban gardeners and families and helped to promote our message far and wide.

We have recruited and trained over ten specialist Wildlife gardening volunteers to help with the garden inspections and judging for our Wildlife Gardening Award.

**Income Development for the Surrey County Council Estate**

The team's primary focus is to develop plans to make the SCC Countryside Estate financially sustainable by the end of March 2021 along with managing contractual relationships with SCC and Mole Valley District Council.

The activity initially focussed on building a range of income-generating activities that have helped make the early savings for SCC. This included event management, sustainable woodland management, weddings and filming. Alongside this, we worked with SCC to introduce car parking charges at Newlands Corner.

Facilitating events on the SCC Estate has been an area of growth. The SCC Estate now hosts for example the Prudential Ride London and the Guildford half-marathon.

**Membership and Fundraising**

Membership

We continued to diversify our recruitment channels including growing the success of the web based January sale. The need to diversify was underlined by struggling to recruit the volume of membership recruiters we needed to return membership numbers to growth.

Fundraising

We completed the fundraising for Nower Wood raising a staggering £1.2m over the campaign through the generosity of individuals, companies and Trusts.

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**PLANS FOR THE FUTURE**

2017 will be a year of consolidation for the current five year programme and planning of the next. We intend to launch our second five year plan (as part of our 50 year Vision) in the Autumn. This will set out how we will respond to the State of Surrey's Nature report.

**Science**

We will launch the first peer reviewed State of Surrey's Nature. We will be continuing to focus on delivering landscape scale restoration projects to develop an ecologically resilient network across Surrey in accordance with the recommendations of the Lawton report.

In preparation for the Trust's next five year strategy we will be publishing a five year research strategy for Surrey. This will focus our monitoring and recording efforts to develop our understanding of the positive impact a landscape scale approach can deliver for nature in Surrey.

We will continue to develop a natural capital approach to support our objective of delivering a Living Landscape across Surrey.

**Influencing Others; Managing Land**

Living Landscapes

We will develop our citizen science programmes further and will be launching our Hedgerow Heroes project. The aim of this will be to help connect people to their local hedges and to survey and restore these in partnership with land owners.

We will continue to train volunteers to care for their local rivers as part of the RiverSearch programme and will this year be developing an eel monitoring programme. Eels are an indicator species for the health of rivers.

Land Management

The new land management team will focus on delivering the statutory and contractual obligations that SWT has. Our Surveyor team will study the SCC and SWT landholding throughout the summer of 2017 to detail site requirements. This survey will be undertaken every year and will lead to longer term (three year) work programmes over the coming years to allow us to use our limited resources to achieve the best outcomes.

The works identified by the Surveyors will be delivered by a combination of volunteers, led by our Practical Volunteer Leaders and contractors, overseen by the Surveyors.

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Our Liaison Officers will work proactively to engage local communities around where our major works will be happening.

The focus in 2017/18 will be on the complete implementation of the centralised work programme that will detail the work required to enhance our land holding across the county.

A new agreement with the MOD for their estate will be in place by the Autumn. This will facilitate a new Countryside Stewardship agreement (the successor programme to the current Higher Level Stewardship programme) on Ash Ranges and Hankley.

A new Countryside Stewardship scheme is being produced for Wisley and Ockham whilst twelve Countryside Stewardship Woodland applications are in production. These will bring significant areas of neglected woodland back into management and improve biodiversity.

Many organisations are commenting on what a new British Agricultural Policy would look like following Brexit. SWT is monitoring this and will be supporting The Wildlife Trust movement in our response.

### **Inspiring Others; Engaging People**

#### Education

Following the completion of the new Nower Wood, we opened the doors with HRH the Countess of Wessex. The centre was almost immediately booked out for the summer term with continuous bookings coming in for schools, groups, birthday parties, holiday club, adult learning courses and room hire. We are seeing the benefits of the extra classroom capacity as many schools with three form entry are now booking in whole year groups at a time following investment in marketing. We will continue to try to fill the Centre for the Autumn and Winter months which has been harder to do in the past.

Nower Wood will be hosting a summer holiday camp and other children's activity sessions. Bay Pond and Nower Wood will also host family open days and activities to welcome the local communities to these two sites that are usually closed to the public.

#### Outreach

We will explore the expansion of our Forest School training to include another accredited outdoor learning course.

#### Community Engagement

We will host the next Youth Ranger Programme at Nower Wood in the summer where we will be encouraging the next generation of conservationists to learn and discover whilst developing valuable new skills.

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We have been successful again with a second round of funding from Defra to expand the 'Bees Needs' project. This will enable many more allotments to benefit from this project to improve the areas for pollinators and educate the community.

The Wildlife Gardening scheme has grown in strength year on year and we will have a specialist schools' gardening competition this year. We will also roll out the competition to companies to engage them to create suitable wildlife corridors in their grounds.

#### Volunteering

Following feedback from our existing volunteers we will be starting a review of volunteering covering all aspects of the Trust to improve the volunteering experience. We will gather feedback through focus groups and questionnaires so we can offer an even better experience for all our volunteers.

#### **Income Generation for the Surrey County Council Estate**

Newlands Corner vehicle charging will form the cornerstone of new income for the SCC Estate and it is expected to be installed during 2017.

We aim to launch a new firewood business making use of harvested timber that has no other commercial value.

In 2017 SWT will launch a new film location website to attract more interest in filming on sites managed by the Trust.

Other work of the Business Development team will focus on producing business cases for generating income from property management and camping and glamping opportunities.

#### **Membership and Fundraising**

##### Membership

We will be continuing our plan to return membership to growth and diversifying our recruitment channels. We will be working with other south east Trusts to pool resources and enable us to grow our recruitment in areas that otherwise would be cost prohibitive.

##### Fundraising

This year will be a year of consolidation and planning. We will develop a fundraising campaign that will sit alongside the new five year plan.

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**Financial Review**

Public sector funding cuts and slow economic growth continue to put pressure on the Trust's finances. This has affected funding from partners including local authorities and schools as well as membership income. Looking ahead to Brexit the future of the agri-environmental grant schemes that have under-pinned many of the conservation gains achieved by the Trust is uncertain. Historically, almost 50% of the Trust's unrestricted income has come from public funds (government, local authorities and EU). These sources of income will continue to be under threat for the foreseeable future and therefore growing existing and developing new sources of income is vital to ensure the long-term financial sustainability of the Trust.

Having recognised this challenge in 2015 and invested in our fund-raising and commercial capabilities we have started to see positive results. Over the last eighteen months almost £1.0m has been raised from supporters, corporates, trusts and the Heritage Lottery Fund enabling us to build our new education centre at Nower Wood. This year expansion of our ecological and planning services, and trading, farming, woodland and sawmill businesses has successfully increased income from these activities to £1,265,495, an increase of 21%. However, membership recruitment is in transition as we aim to introduce new recruitment methods, such as online, which will enable membership to return to growth. Membership income reduced to £1,106,899 in the year.

Contract income from Surrey County Council (SCC) for the management of its estate reduced from £759,000 to £675,000 in the year under an agreed savings plan. We have agreed with SCC that we will work towards making its estate self-financing by 2021. This will be achieved from a combination of generating new income and reducing costs. To this end the countryside management department was restructured during the year to create a smaller specialist team which will continue to deliver the habitat management and access needs of the SCC estate.

**Principal Sources of Income**

The Trust's activities are funded from a broad-based set of income streams. These include:

- Donations, legacies and membership of £1,821,600 which is used to support charitable activities across the Trust,
- Land Management income of £2,230,683 including agri-environmental stewardship schemes spent on habitat conservation and contract income from partners to manage their land,
- Fees and income earned from education of £171,759 used to support schools and community education and engagement,
- Fees and grants earned from conservation and ecological consultancy of £448,816 which support habitat conservation,
- Trading and investment income of £866,247 from bank deposits, property rents, sawmill, events and filming which is used to fund charitable activities and management of the SCC contract where the income has originated on the SCC Countryside Estate.

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Unrestricted income rose by £178,320 to £4,836,690 as result of the income generation activities described above. The increase in income generation has resulted in the reliance on public funds reducing to 38% of unrestricted income. Restricted income fell by £732,624 to £702,415 largely because of two large grants received in 2015/16 for Nower Wood and Priest's Hill totalling £866,656. Overall income earned across all funds was £5,539,105.

**Expenditure**

Careful financial management meant that expenditure rose only slightly to £5,040,776. Expenditure on trading activities and raising funds increased as a consequence of expanding trading activities. Spend on core land management, conservation and science activities rose to £3,307,152. Among other things this funded habitat improvements on land managed by the Trust such as bringing SSSI's including Chobham NNR, Pirbright and Wisley and Ockham into or closer to favourable condition. Working in partnership with other organisations is an important route by which we aim to achieve our Living Landscape vision; we continued to resource the Catchment Partnerships which are improving habitats on Surrey's main rivers and the Surrey Nature Partnership and its creation of a Natural Capital Investment Strategy for Surrey. Spend on education fell during the year to £542,516 as the team moved to the smaller Bay Pond reserve whilst Nower Wood was being re-built, although 9,683 children and adults still benefited from our wildlife learning activities.

The new Nower Wood education centre was completed in April 2017. Expenditure during the financial year totalled £1,041,380. All except £71,300 of this was raised through fund-raising activity with members, supporters, companies and other grant giving bodies.

**Reserves**

Net income totalled £498,329 of which £473,583 arose on restricted funds, in particular from the fund-raising campaign for Nower Wood; the remaining £24,746 was the surplus on unrestricted charitable activity.

Unrestricted reserves rose by £1,142,696 from £3,047,847 at 31 March 2016 to £4,190,543 at 31 March 2017. Of this the majority, £1,041,380 arose on the capitalisation of the cost of building the Nower Wood education centre. Restricted funds fell from £2,008,437 to £1,364,070 as the Nower Wood new build fund was spent to build the centre. The Trust's combined financial reserves therefore totalled £5,554,613 at 31 March 2017 an increase of £498,329 over the previous year. These funds comprise:

**Restricted Funds:** The Trust has a number of restricted funds where the donor has restricted the purpose for which the funds can be used. At 31 March 2017 the total of such funds was £1,364,070.

**Designated Funds:** The Trustees have set aside unrestricted funds totalling £292,208 to support specific projects to be completed in 2017 and 2018. The funds used to purchase fixed assets are set aside as designated funds as these assets are not liquid funds available to support day-to-day operations. These comprise nature reserves at a cost of £524,505, which are held as part of the charitable objects and premises, vehicles and equipment at net book value of £1,832,488 which are

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required to deliver the mission. In addition an investment property donated to the Trust is held in designated funds at market value of £800,000. At 31 March 2017 designated funds totalled £3,449,201.

**Free reserves:** These are the readily realisable funds comprising unrestricted net current assets less liquid funds designated by the Trustees for specific purposes or projects. Free reserves are held for working capital requirements and the specific risks facing the organisation and are managed in accordance with the Reserves Policy. The total of free reserves at 31 March 2017 was £741,342.

### **Results of Trading Subsidiary**

During the year Norbury Park Wood Products made a profit of £47,650, and achieved positive reserves of £20,000. Gift aid totalling £143,884 will be paid to the Trust.

### **Reserves Policy**

The Trustees have set a reserves policy that requires free reserves to be maintained at a level which ensures that the Trust can continue to meet its commitments to staff, funding and contract partners and statutory bodies should a decline in income, increased cost or cash flow volatility occur.

Based on a detailed risk analysis the Trustees have set a target for a minimum level of free reserves of £820,000. The actual level of free reserves at 31 March 2017 was £741,342 (2016: £733,151). The Trustees expect that income generating activities will enable target free reserves to be achieved by 2019 and are satisfied that the balance at 31 March 2017 is an acceptable level of free reserves.

The Trustees review and set the reserves policy annually by assessing working capital requirements and specific risks facing the organisation. Reserve levels are allocated against individual known risks and an allowance made for unforeseen events which could have an adverse impact on the organisation. In setting the target level of free reserves the likelihood of an event causing several linked risks to crystallise is taken into account.

The risk register is reviewed regularly through the year and the impact of changes or new risks on the reserves policy is evaluated and action taken as required.

### **Principal Risks and Uncertainties**

#### **Risk management**

The Trust has continued to evolve and refine its Risk Management procedures. The management of the risk register includes bi-monthly updates to the Trustees of all identified risks, using indicator statistics and a 'green, amber, red' notation to flag matters of potential concern and actions taken to mitigate the risk.

The six principal risks and uncertainties on the organisation's risk register, taking into account the controls and safeguards already in place, are as follows:

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1. The Trust is responsible for ensuring that staff, volunteers and visitors have safe access to the land it manages. Notwithstanding its Health and Safety procedures the Trust manages a natural environment in which accidents can happen due to unforeseen circumstances, for example adverse weather.
2. Unforeseen issues can arise on land the Trust manages meaning that it is ceases to be compliant with major grant schemes or other statutory responsibilities. This can result in major expense in performing remedial works. The Trust works closely with land agents and other advisors to minimise the risk in this area.
3. A sustained decline in income resulting from economic, contractual, reputational or environmental factors could undermine the financial sustainability of the organisation. The Trust is actively working to reduce its dependence on public funds and broaden its income base.
4. The closure of the Surrey County Council Pension Scheme which could arise from the retirement of the remaining staff members and would crystallise a significant cessation liability. The Trust is in discussion with the pension fund administrators regarding a contingency plan.
5. The decision taken in June 2016 to leave the European Union could have a significant impact on both the financial sustainability and the delivery of the Trust's conservation mission. The risks are that:
  - a. EU led legislation that has benefitted wildlife and reduced the speed of species loss will be weakened following exit from the EU,
  - b. EU funding that has supported wildlife friendly farming and habitat improvement projects across Surrey, including those that have significantly benefitted heathland, woodland and river catchment environments will diminish,
  - c. The UK economy could fall into recession which may have a significant impact on funding from the Trust's strategic partners and on the ability of the Trust to generate income to fund its conservation and education mission.

The Trustees have completed an initial evaluation the potential impact of these risks which will be updated as more information becomes available. Strategies are being developed to ensure the continuation of the mission which focus on maintaining the long-term financial sustainability of the Trust and working with partners to ensure the protection of wildlife and the environment for the people of Surrey.

6. The loss of key employees or a reduction in wellbeing resulting in diminished performance of the people delivering the Trust's Living Landscapes mission.

The risks were satisfactorily managed and any operational issues were successfully managed during the year.

### **Remuneration Policy**

The Trustees review remuneration for senior management annually as part of the budgeting and performance review process. Remuneration is set by considering the financial constraints of the



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charity, benchmarking against other wildlife trusts and other organisations where possible and performance criteria.

**Investment Policy**

The Trust's Memorandum and Articles of Association provide the power to make investments. Accordingly, the Trust will invest surplus funds that are not immediately required, so that their capital value keeps pace with inflation over the longer term. A residential property is also retained as a long-term investment.

**Public Benefit**

The aims and benefits of SWT are contained in the main body of the Trustees Report under Objectives and the Strategic Report. The Trustees have considered the key principles of The Charity Commission's general guidance about public benefit and have concluded that the Trust meets all requirements.

**Fundraising Regulator**

Under the Trust's commitment to the Fundraising Regulator, one complaint was recorded during the year. It was dealt with within the required period and was not referred for further arbitration.

**Auditors**

A resolution approving the re-appointment of Menzies LLP will be proposed at the forthcoming Annual General Meeting.

**Trustees' Responsibilities**

The Trustees (who are also the directors of SWT for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements 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 that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and the application of these resources, including the full 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;
- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

**SURREY WILDLIFE TRUST  
TRUSTEES' ANNUAL REPORT  
FOR THE YEAR ENDED 31 MARCH 2017**

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The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

In so far as the Trustees are aware:

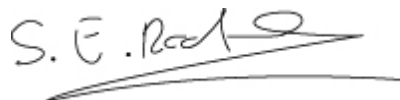
- There is no relevant audit information of which the charitable company's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**The Report of the Board of Trustees (including the Strategic Report) to the Members was approved by the Board of Trustees on 2<sup>nd</sup> October 2017 and signed on their behalf by:**



**Chris Wilkinson**

**Trustee and Chairman**



**Susan Rooke**

**Trustee and Treasurer**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST FOR THE YEAR ENDED 31 MARCH 2017**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST**

We have audited the financial statements of the group and parent charitable company for the year ended 31 March 2017 on pages 20 to 39. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 14 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the Trustees (who are also directors of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2017 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SURREY WILDLIFE TRUST  
FOR THE YEAR ENDED 31 MARCH 2017**

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**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and this report has 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 charitable company and its environment obtained in the course of our audit, we have not identified material misstatements in the Trustees' Report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



3<sup>rd</sup> October 2017

MALCOLM LUCAS FCA

(Senior Statutory Auditor)

For and on behalf of

MENZIES LLP, Chartered Accountants &

Statutory Auditor

Ashcombe House

5 The Crescent

Leatherhead

Surrey

KT22 8DY

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<b>Income from:</b>					
Donations, legacies & membership	2	1,377,084	444,516	<b>1,821,600</b>	1,528,155
Charitable activities:	3				
<i>Conservation</i>		231,418	217,398	<b>448,816</b>	395,517
<i>Land management</i>		2,201,222	29,461	<b>2,230,683</b>	2,799,331
<i>Education</i>		160,719	11,040	<b>171,759</b>	591,496
Other trading activities	4	835,354	-	<b>835,354</b>	745,642
Investments	5	30,893	-	<b>30,893</b>	33,268
<b>Total</b>		<b>4,836,690</b>	<b>702,415</b>	<b>5,539,105</b>	6,093,409
<b>Expenditure on:</b>					
Raising funds	7	1,177,907	13,201	<b>1,191,108</b>	1,164,704
Charitable activities:	8				
<i>Conservation</i>		468,596	138,282	<b>606,878</b>	707,970
<i>Land management</i>		2,626,124	74,150	<b>2,700,274</b>	2,512,479
<i>Education</i>		539,317	3,199	<b>542,516</b>	596,345
<b>Total</b>		<b>4,811,944</b>	<b>228,832</b>	<b>5,040,776</b>	4,981,498
<b>Net gains on investments</b>		-	-	-	85,000
<b>Net income/(expenditure)</b>		<b>24,746</b>	<b>473,583</b>	<b>498,329</b>	1,196,911
Transfers between funds		1,117,950	(1,117,950)	-	-
<b>Net movement in funds</b>		<b>1,142,696</b>	<b>(644,367)</b>	<b>498,329</b>	1,196,911
Funds brought forward at 1 April		3,047,847	2,008,437	5,056,284	3,859,373
<b>Funds carried forward at 31 March</b>		<b>4,190,543</b>	<b>1,364,070</b>	<b>5,554,613</b>	5,056,284

- All of the above results are derived from continuing activities.
- All gains or losses are recognised in the year and are included in the Statement of Financial Activities.
- The notes on pages 23 to 39 form part of these consolidated financial statements.

**BALANCE SHEETS  
AS AT 31 MARCH 2017**

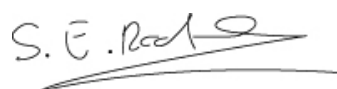
	Note	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
<b>FIXED ASSETS</b>					
Heritage assets	14	<b>638,535</b>	638,535	<b>638,535</b>	638,535
Tangible assets	15	<b>1,827,595</b>	750,029	<b>1,827,595</b>	697,999
Intangible fixed assets	16	<b>4,893</b>	10,762	<b>4,893</b>	10,762
Investments	17	<b>800,000</b>	800,000	<b>800,003</b>	800,003
		<b>3,271,023</b>	2,199,326	<b>3,271,026</b>	2,147,299
<b>CURRENT ASSETS</b>					
Stocks	18	<b>263,917</b>	224,784	<b>181,714</b>	155,726
Debtors	19	<b>1,711,780</b>	1,974,130	<b>1,760,873</b>	2,157,058
Cash at bank and in hand		<b>1,514,623</b>	1,749,404	<b>1,488,549</b>	1,672,105
		<b>3,490,320</b>	3,948,318	<b>3,431,136</b>	3,984,889
Less creditors due within one year	20	<b>1,155,623</b>	1,089,120	<b>1,116,442</b>	1,073,664
<b>NET CURRENT ASSETS</b>		<b>2,334,697</b>	2,859,198	<b>2,314,694</b>	2,911,225
<b>Total assets less current liabilities</b>		<b>5,605,720</b>	5,058,524	<b>5,585,720</b>	5,058,524
Less creditors due in more than one year	21	<b>51,107</b>	2,240	<b>51,107</b>	2,240
<b>NET ASSETS</b>		<b>5,554,613</b>	5,056,284	<b>5,534,613</b>	5,056,284
<b>Represented by:</b>					
Restricted funds	22	<b>1,364,070</b>	2,008,437	<b>1,364,070</b>	2,008,437
Designated funds	23	<b>3,449,201</b>	2,314,696	<b>3,449,201</b>	2,314,696
Free reserves		<b>741,342</b>	733,151	<b>721,342</b>	733,151
<b>TOTAL FUNDS</b>		<b>5,554,613</b>	5,056,284	<b>5,534,613</b>	5,056,284

The notes on pages 23 to 39 form part of these consolidated financial statements.

**These financial statements were approved by the Trustees on 2nd October 2017 and signed on their behalf by:**



**Chris Wilkinson**  
Trustee and Chaiman



**Susan Rooke**  
Trustee and Treasurer

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017	2016
		£	£
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	25	<u>851,620</u>	<u>118,610</u>
<b>Cash flows from investing activities:</b>			
Interest and rent from investments		30,893	33,268
Interest paid		(1,431)	(1,298)
Proceeds on sale of tangible fixed assets		28,832	21,167
Payments to acquire tangible fixed assets	15	(1,130,907)	(143,590)
Payments to acquire intangible fixed assets	16	-	(18,100)
<b>Net cash flows used in investing activities</b>		<u>(1,072,613)</u>	<u>(108,553)</u>
<b>Cash flows from financing activities:</b>			
Capital element of hire purchase payments		(13,788)	(9,358)
<b>Net cash flows used in financing activities</b>		<u>(13,788)</u>	<u>(9,358)</u>
<b>Change in cash and cash equivalents in the year</b>		(234,781)	699
<b>Cash and cash equivalents at the start of the year</b>		<u>1,749,404</u>	<u>1,748,705</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>1,514,623</u>	<u>1,749,404</u>

The notes on pages 23 to 39 form part of these consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**

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**1. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**a) Basis of preparation**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and with applicable United Kingdom accounting standards, the Statement of Recommended Practice Accounting and Reporting by Charities' issued in July 2014 (SORP 2015) and the Companies Act 2006. A separate Statement of Financial Activities for the parent charity is not presented because it has taken advantage of the exemptions offered by Section 408 of Companies Act 2006.

**b) Going Concern**

The Trust reported a net cash outflow of £234,781 which mainly resulted from the construction of the new Outdoor Wildlife Learning Centre at Nower Wood. However, the Trustees are satisfied that current levels of reserves and cash have secured the future of the Trust for the next 12-18 months and on that basis the Trust is a going concern. The Trust's Reserves Policy is set out in the Trustees' Report.

**b) Basis of consolidation**

The SOFA and Balance Sheet consolidate the financial statements of Surrey Wildlife Trust and its wholly owned subsidiaries, Norbury Park Wood Products Limited and SWT Enterprises Limited. The results are consolidated on a line by line basis. The net surplus / (deficit) of the parent charity for the year was £450,679 (2016: £1,003,391).

**c) Income**

Income is included in the SOFA when the charity is legally entitled to the income, reasonably certain of receipt and the amount can be measured with sufficient reliability. The specific bases used are:

**Donations and sponsorships** – are accounted for when the income is received.

**Legacies** – are accounted for on a receivable basis. Legacies are recognised when the Trust's interest can be measured which is normally when notification is received of an impending distribution.

**Grants and contract income** – are accounted for on a receivable basis. Revenue grants and contract income relate to operating activities and capital grants relate to acquisitions and capital projects. Grants and contract income that is subject to donor imposed conditions that specify the period in which the expenditure of resources can take place are accounted for as deferred income and recognised as a liability at the year end. Where receipt of grant and contract income is related to performance of deliverables, it is accounted for as the Trust earns the right to consideration by its performance.

**Membership income** – annual subscriptions are accounted for in full when received.

**Gift aid income** - is accounted for on a receivable basis.

**Rental and other income** – rental income from properties is accounted for on a receivable basis.

**d) Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Raising funds** - includes expenditure incurred in trading and property rental activities.

**Charitable activities** - relates to the work carried out on the core purposes of the Trust, namely land management, conservation and education.

**Support costs** – are costs that cannot be directly attributed to any of these headings and have been allocated to them, primarily on the basis of staffing levels. Governance costs relating to legal and statutory compliance and the strategic management of the Trust are included in support costs.

**Irrecoverable VAT** - is charged against the category of expenditure for which it was incurred.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### e) Fixed assets – Heritage assets

Heritage assets comprise a number of nature reserves which are held to advance the conservation and educational objectives of the Trust. These assets are not depreciated as their residual value is considered to be higher than the carrying value. Details of the Trust's nature reserves are set out in note 14.

### f) Fixed assets – Tangible assets

Tangible fixed assets costing more than £1,000 are capitalised and are stated at cost. Depreciation is provided at rates calculated to write off the cost of the assets over their expected useful life as below:

Freehold property	50 years
Improvements to long leasehold property	10-25 years
Machinery & office equipment	4 years
Vehicles	4-10 years

### g) Fixed assets – Intangible assets

Intangible assets comprise entitlements purchased to enable the Trust to claim Single Farm Payment on new eligible land acquired by the Trust. The entitlements are amortised over the life of the property lease for which they were acquired.

### h) Fixed assets – Investments

Investment properties are included at valuation on an open market, existing use basis. Valuations are carried out by professionally qualified surveyors. Valuations are considered by the Trustees each year at 31 March.

The investments in subsidiary undertakings are held at cost.

### i) Stocks

Stocks are valued at the lower of cost and net realisable value. Costs of finished goods and work in progress include overheads appropriate to the stage of manufacture. Net realisable value is based upon the estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

### j) Fund accounting

**Restricted funds** are funds which are to be used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Designated funds** comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

**Free reserves** are unrestricted funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Investment income and gains are allocated to the appropriate fund.

### k) Pensions

The Trust contributes to two pension schemes for employees further details of which are given in note 13. Pension costs are charged to the financial statements on an accruals basis. The Trust is a participating employer in the Surrey County Council Occupational Pension Scheme which is subject a triennial actuarial valuation. Where the valuation results in a funding deficit and a schedule of contributions from the Trust the full value of those contributions is accrued in the year of the valuation.

### l) Leases

Rentals on operating leases are charged to the SOFA over the lease term. Assets held under finance leases and hire purchase agreements are recorded in the balance sheet as tangible fixed assets and depreciated over their estimated useful lives. Interest is charged to the SOFA in proportion to the balance outstanding. The capital element of future payments is included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****2. ANALYSIS OF INCOME - DONATIONS, LEGACIES AND MEMBERSHIP**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2017			2016		
	£	£	£	£	£	£
<b>Donations, legacies and membership</b>						
Donations	141,076	444,516	<b>585,592</b>	94,808	245,525	340,333
Legacies	129,109	-	<b>129,109</b>	42,223	-	42,223
Memberships	1,106,899	-	<b>1,106,899</b>	1,145,599	-	1,145,599
	<b>1,377,084</b>	<b>444,516</b>	<b>1,821,600</b>	<b>1,282,630</b>	<b>245,525</b>	<b>1,528,155</b>

**Entitlement to legacies:**

The Trust is aware of possible future receipts from legacies arising on deaths prior to 31 March 2017 where exact sums are not quantifiable and these are believed to be in the order of £90,000 (2016: £90,000).

**3. ANALYSIS OF INCOME - CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2017			2016		
	£	£	£	£	£	£
<b>Conservation</b>						
Consultancy	231,418	70,895	<b>302,313</b>	188,225	60,012	248,237
Grants	-	143,430	<b>143,430</b>	1,365	143,913	145,278
Other	-	3,073	<b>3,073</b>	-	2,002	2,002
	<b>231,418</b>	<b>217,398</b>	<b>448,816</b>	<b>189,590</b>	<b>205,927</b>	<b>395,517</b>

**Land management**

Grants	1,214,806	-	<b>1,214,806</b>	1,311,421	454,623	1,766,044
Other	986,416	29,461	<b>1,015,877</b>	932,820	100,467	1,033,287
	<b>2,201,222</b>	<b>29,461</b>	<b>2,230,683</b>	<b>2,244,241</b>	<b>555,090</b>	<b>2,799,331</b>

**Education**

Fees	152,321	11,040	<b>163,361</b>	144,245	11,541	155,786
Grants	6,964	-	<b>6,964</b>	18,225	416,956	435,181
Other	1,434	-	<b>1,434</b>	529	-	529
	<b>160,719</b>	<b>11,040</b>	<b>171,759</b>	<b>162,999</b>	<b>428,497</b>	<b>591,496</b>

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2017			2016		
	£	£	£	£	£	£
<b>GRANT INCOME</b>						
Grants have been included in the following income headings:						
Conservation	-	143,430	<b>143,430</b>	1,365	143,913	145,278
Land Management	1,214,806	-	<b>1,214,806</b>	1,311,421	454,623	1,766,044
Education	6,964	-	<b>6,964</b>	18,225	416,956	435,181
	<b>1,221,770</b>	<b>143,430</b>	<b>1,365,200</b>	<b>1,331,011</b>	<b>1,015,492</b>	<b>2,346,503</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****3. ANALYSIS OF INCOME - CHARITABLE ACTIVITIES continued**

	<b>2017</b>	2016
	<b>£</b>	£
Biffaward	5,680	16,033
Combined Counties Properties Limited	-	450,000
Environment Agency	131,965	104,496
Forestry Commission	14,088	2,533
Heritage Lottery Fund	-	416,656
Natural England	642,778	815,357
Reigate & Banstead Borough Council	5,000	2,000
Runnymede Borough Council	-	4,366
Rural Payments Agency	501,690	495,648
SITA	41,569	1,494
Surrey County Council	13,200	21,300
Other grants	9,230	16,620
	<b><u>1,365,200</u></b>	<b><u>2,346,503</u></b>

Grant income has been received from the following government organisations:

Environment Agency: Funding for the river restoration and improvement partnership work on the Wey, Mole and Eden Catchments led by the Trust. Work is ongoing and subject to an agreed management plan.

Forestry Commission: Funding for improvements to woodlands managed by the Trust.

Heritage Lottery Fund: Funding for the development of the Trust's Outdoor Woodland Learning centre in Surrey. Development is underway and will be completed in 2017.

Natural England: Higher Level and Countryside Stewardship Schemes for conservation work on land managed by the Trust. Work is undertaken in accordance with agreed management plans and is ongoing.

Reigate and Banstead Borough Council: Funding for a community project to improve local amenities.

Runnymede Borough Council: Project funding to encourage disadvantaged people to engage with wildlife.

Rural Payments Agency: Single Farm Payment scheme.

Surrey County Council: Contribution to the Surrey Biodiversity Information Centre which is hosted by the Trust.

**4. ANALYSIS OF INCOME - OTHER TRADING ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Unrestricted	Restricted	Total
	<b>£</b>	<b>£</b>	<b>£</b>	£	£	£
Sale of Wood Products	265,974	-	<b>265,974</b>	256,153	-	256,153
Events and other activities	41,195	-	<b>41,195</b>	15,449	-	15,449
Property Income	528,185	-	<b>528,185</b>	474,040	-	474,040
	<b><u>835,354</u></b>	<b><u>-</u></b>	<b><u>835,354</u></b>	<b><u>745,642</u></b>	<b><u>-</u></b>	<b><u>745,642</u></b>

**5. ANALYSIS OF INCOME - INVESTMENT INCOME**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Unrestricted	Restricted	Total
	<b>£</b>	<b>£</b>	<b>£</b>	£	£	£
Rental income from property	25,375	-	<b>25,375</b>	24,000	-	24,000
Bank interest	5,518	-	<b>5,518</b>	9,268	-	9,268
	<b><u>30,893</u></b>	<b><u>-</u></b>	<b><u>30,893</u></b>	<b><u>33,268</u></b>	<b><u>-</u></b>	<b><u>33,268</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****6. RESULTS OF TRADING SUBSIDIARY**

Surrey Wildlife Trust owns 100% of the share capital of Norbury Park Wood Products Limited which during the year provided woodland services and manufactured and sold wood products. Arrangements are in place to donate each year by gift aid any of the company's taxable surplus income to Surrey Wildlife Trust. The Trust has provided a loan to Norbury Park Wood Products Limited (Note 19) and received interest of £4,392 (2016: £8,648) during the year. The results of Norbury Park Wood Products Limited's trading and its net assets / (liabilities) were:

	<b>2017</b>	2016
	<b>£</b>	£
Income	483,997	472,912
Cost of sales	<u>70,624</u>	<u>70,086</u>
Gross profit	413,373	402,826
Expenditure	221,839	209,306
Gift aid to Surrey Wildlife Trust	<u>143,884</u>	<u>-</u>
<b>Net profit</b>	<b><u>47,650</u></b>	<b>193,520</b>
Net profit to Surrey Wildlife Trust	<u>47,650</u>	<u>193,520</u>
Net assets / (liabilities), represented by:		
Share Capital	1	1
Profit and loss account	<u>20,000</u>	<u>(27,650)</u>
	<b><u>20,001</u></b>	<b><u>(27,649)</u></b>

**7. ANALYSIS OF EXPENDITURE - RAISING FUNDS**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Unrestricted	Restricted	Total
	<b>£</b>	<b>£</b>	<b>£</b>	£	£	£
Donations & legacies	131,416	13,201	<b>144,617</b>	159,611	17,513	177,124
Membership	367,927	-	<b>367,927</b>	334,277	-	334,277
Other trading activities	678,564	-	<b>678,564</b>	653,303	-	653,303
	<b><u>1,177,907</u></b>	<b><u>13,201</u></b>	<b><u>1,191,108</u></b>	<u>1,147,191</u>	<u>17,513</u>	<u>1,164,704</u>

	<b>Direct</b>	<b>Support</b>	<b>Total</b>	Direct	Support	Total
	<b>Costs</b>	<b>Costs</b>	<b>Costs</b>	Costs	Costs	Costs
	<b>£</b>	<b>£</b>	<b>£</b>	£	£	£
Donations & legacies	103,239	41,378	<b>144,617</b>	141,391	35,733	177,124
Membership	305,861	62,066	<b>367,927</b>	280,678	53,599	334,277
Other trading activities	606,153	72,411	<b>678,564</b>	590,771	62,532	653,303
	<b><u>1,015,253</u></b>	<b><u>175,855</u></b>	<b><u>1,191,108</u></b>	<u>1,012,840</u>	<u>151,864</u>	<u>1,164,704</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****8. ANALYSIS OF EXPENDITURE - CHARITABLE ACTIVITIES**

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2017			2016		
	£	£	£	£	£	£
Conservation	468,596	138,282	<b>606,878</b>	477,405	230,565	707,970
Land management	2,626,124	74,150	<b>2,700,274</b>	2,479,012	33,467	2,512,479
Education	539,317	3,199	<b>542,516</b>	590,247	6,098	596,345
	<b>3,634,037</b>	<b>215,631</b>	<b>3,849,668</b>	3,546,664	270,130	3,816,794

	Direct	Support	Total	Direct	Support	Total
	2016			2016		
	Costs	Costs	Costs	Costs	Costs	Costs
	£	£	£	£	£	£
Conservation	488,697	118,181	<b>606,878</b>	573,972	133,998	707,970
Land management	2,400,277	299,997	<b>2,700,274</b>	2,164,084	348,395	2,512,479
Education	424,335	118,181	<b>542,516</b>	480,213	116,132	596,345
	<b>3,313,309</b>	<b>536,359</b>	<b>3,849,668</b>	3,218,269	598,525	3,816,794

**9. ALLOCATED SUPPORT COSTS**

	Raising	Charitable	Total	Raising	Charitable	Total
	Funds	Activities	2017	Funds	Activities	2016
	£	£	£	£	£	£
General management	42,137	128,517	<b>170,654</b>	36,460	143,697	180,157
Finance, HR, IT and facilities	71,693	218,664	<b>290,357</b>	62,044	244,528	306,572
Marketing, communications	36,031	109,895	<b>145,926</b>	30,024	118,330	148,354
Governance	25,994	79,283	<b>105,277</b>	23,336	91,970	115,306
	<b>175,855</b>	<b>536,359</b>	<b>712,214</b>	151,864	598,525	750,389

**10. TOTAL RESOURCES EXPENDED**

	2017	2016
	£	£
The result for the year is stated after charging:		
Depreciation on owned tangible and intangible assets	121,670	121,063
Depreciation on assets held under hire purchase	7,270	3,600
Operating leases rentals - vehicles	50,869	42,212
Hire purchase interest	1,431	1,298
Auditors' remuneration - audit services	21,000	20,500
other services	1,100	500

**11. TRUSTEES REMUNERATION**

No remuneration was paid to any Trustee. Travel expenses were repaid to one individual (2016: 1) totalling £398 (2016: £331). The Trust provides liability insurance for the Trustees at cost of £1,232 (2016: £1,060). Aggregate donations from Trustees during the year totalled £2,261 (2016: £5,250).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****12. STAFF COSTS AND NUMBERS**

	<b>2017</b>	2016
	<b>£</b>	£
Salaries and wages	2,612,651	2,595,960
Social security costs	231,656	231,834
Pension contributions	153,363	165,448
	<u><b>2,997,670</b></u>	<u>2,993,242</u>

One employee earned over £60,000 during the year. The Trust paid pension contributions of £5,519 (2016: £4,590) for this employee.

The Trust Leadership Team comprising the Chief Executive and six directors responsible for Countryside Management, Conservation, Education, Communications and Fundraising, Human Resources and Facilities and Finance and Sawmill received aggregate remuneration of £423,789 (2016: £418,347).

During the year, restructuring of the Countryside Management department led to eleven members of staff taking redundancy. The associated redundancy payments totalled £89,573 and were fully expensed during the year. Five of the staff made redundant received ex-gratia severance payments totalling £54,474 as compensation for loss of office.

The average number of staff employed during the year, calculated on a full time equivalent basis, is analysed as follows:

	<b>Number</b>	Number
Fundraising and membership services	12	12
Conservation	14	15
Land management	35	40
Education	14	13
Sawmill	6	6
Support services	9	9
	<u><b>90</b></u>	<u>95</u>

**13. PENSION COSTS**

Surrey Wildlife Trust operates a defined contribution pension scheme whose assets are held separately from those of the organisation in an independently administered fund. At the balance sheet date there were unpaid contributions of £8,673 (2016: £8,821). At the balance sheet date this scheme had 93 members (2016: 92 members).

The group also operates a defined benefit pension scheme whose assets are held in an Occupational Pension Scheme administered by Surrey County Council, in respect of staff that joined Surrey Wildlife Trust as part of a contract to provide countryside services to Surrey County Council. Contributions are determined by a qualified actuary and are affected by the surplus or deficit in the scheme. The actuary has advised the Trust that it is not possible to identify the Trust's share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and therefore the contributions to the scheme have been accounted for as if it were a defined contribution scheme. At the balance sheet date there were unpaid contributions of £8,382 (2016: £4,787). An actuarial valuation of the scheme is performed every three years. The most recent valuation set the company's contribution rate for the three years to 31 March 2020 at 31.0% of the employees pensionable salary. At 31 March 2017 the scheme had 2 members (2016: 7 members).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****14. FIXED ASSETS - HERITAGE ASSETS  
GROUP AND PARENT CHARITY**

<b>Nature Reserves</b>	<b>2017</b>	2016
<b>COST</b>	<b>£</b>	£
At 1 April and 31 March	<u>638,535</u>	<u>638,535</u>
	<b>638,535</b>	<b>638,535</b>

Date	Reserve	Public Access	£	Size (Ha)	Habitat
1965	Bay Pond	Closed	Donated	7	Lake, alder swamp & flower meadow
1970	Bagmoor Common	Open	3,000	14	Open heath & mixed woodland
1972	Nower Wood	Closed	22,000	33	Mixed woodland
1974	Wallis Wood	Open	Donated	14	Oak & hazel woodland
1981	Thundry Meadows	Open	25,000	15	Unimproved wet grassland
1987	Colekitchen Down	Open	6,000	3	Unimproved chalk grassland
1987	Vann Lake	By Permit	56,771	8	Open water
1987	Underdown	Open	Donated	0	Mixed woodland
1988	Thorpe Hay Meadow	Open	35,591	7	Unimproved grassland
1992	Cucknells Wood	Open	Donated	11	Mixed woodland
1992	Vann Lake Wood	Open	3,000	4	Mixed woodland
2000	Fir Tree Copse	Open	22,065	6	Oak, ash & hazel woodland
2000	Whippets Cant	Closed	Donated	1	Oak, ash & hazel woodland
2000	Dawcombe	By Permit	Donated	23	Chalk grassland & scrub
2001	Graeme Hendry Wood	Open	14,295	10	Deciduous woodland
2002	The Forest	Open	69,321	21	Mixed woodland
2002/3	Quarry Hangers	Open	70,582	11	Unimproved chalk grassland & scrub
2002	Candy's Copse	Open	4,648	0	Hazel coppice with standards
2002	Seccombes Wood	Open	Donated	2	Mixed woodland
2002	Dodds Field	Closed	40,000	2	Improved grassland
2003	Papercourt Meadows	Open	Donated	10	Open water & reedbed
2003	Papercourt Lock	Open	97,465	19	Wet grassland
2003	Glovers Pond	Open	27,484	3	Lowland heathland
2003	Land nr Backside Com'n	Open	12,000	3	Grassland
2004	Land at Compton	Open	Donated	3	Grassland, mixed woodland & pond
2004	Newdigate Brickworks	Open	Donated	16	Woodland, grassland, marsh & water
2004	Middlebriars Wood	Open	Donated	1	Mixed woodland
2006	Pucks Oak Barn Garden	Open	2,341	0	Barn & orchard
2006	Speynes Mere	Open	12,545	1	Grassland
2008	Fraser Down	Open	97,037	10	Chalk grassland & scrub
2009	The Birches	Open	17,390	1	Hazel coppice with standards
2009	Manor Farm	Open	Donated	25	Reversion to grassland & wet grassland
2012	Priest Hill	Open	Donated	33	Chalk grassland
<b>Total</b>			<b>638,535</b>	<b>317</b>	

The Trust's nature reserves are held to advance the conservation objectives of the charity and are therefore recognised as heritage assets. Purchased heritage assets are included in the balance sheet at cost. Donated assets are included at nil cost because reliable valuations could not be obtained at the point of acquisition. Public access to sites is generally unrestricted subject to health, safety, operational or conservation restrictions. The only acquisition in the last five years was Priest Hill in Epsom. There have been no disposals or impairments during the last five years.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****15. FIXED ASSETS - TANGIBLE ASSETS**

GROUP	Freehold property £	Improve- ments to leasehold property £	Machinery £	Office equipment £	Vehicles £	Total £
<b>COST</b>						
As at 1 April 2016	318,780	584,177	364,048	93,528	380,974	<b>1,741,507</b>
Additions	1,011,562	48,344	37,513	29,818	73,400	<b>1,200,637</b>
Disposals	-	-	(14,945)	-	-	<b>(14,945)</b>
<b>At 31 March 2017</b>	<b>1,330,342</b>	<b>632,521</b>	<b>386,616</b>	<b>123,346</b>	<b>454,374</b>	<b>2,927,199</b>
<b>DEPRECIATION</b>						
As at 1 April 2016	77,616	293,430	289,927	81,589	248,916	<b>991,478</b>
Charge for the year	5,316	25,260	29,760	6,745	55,990	<b>123,071</b>
Disposals	-	-	(14,945)	-	-	<b>(14,945)</b>
<b>At 31 March 2017</b>	<b>82,932</b>	<b>318,690</b>	<b>304,742</b>	<b>88,334</b>	<b>304,906</b>	<b>1,099,604</b>
<b>NET BOOK VALUE</b>						
<b>At 31 March 2017</b>	<b>1,247,410</b>	<b>313,831</b>	<b>81,874</b>	<b>35,012</b>	<b>149,468</b>	<b>1,827,595</b>
At 31 March 2016	241,164	290,747	74,121	11,939	132,058	750,029
<b>PARENT CHARITY</b>						
PARENT CHARITY	Freehold property £	Improve- ments to leasehold property £	Machinery £	Office equipment £	Vehicles £	Total £
<b>COST</b>						
As at 1 April 2016	318,780	526,692	240,865	91,028	380,974	<b>1,558,339</b>
Additions	1,011,562	46,474	50,760	29,818	73,400	<b>1,212,014</b>
Transfers	-	59,355	109,936	2,500	-	<b>171,791</b>
Disposals	-	-	(14,945)	-	-	<b>(14,945)</b>
<b>At 31 March 2017</b>	<b>1,330,342</b>	<b>632,521</b>	<b>386,616</b>	<b>123,346</b>	<b>454,374</b>	<b>2,927,199</b>
<b>DEPRECIATION</b>						
As at 1 April 2016	77,616	240,120	213,505	80,183	248,916	<b>860,340</b>
Charge for the year	5,316	24,763	19,530	6,120	55,990	<b>111,719</b>
Transfers	-	53,807	86,652	2,031	-	<b>142,490</b>
Disposals	-	-	(14,945)	-	-	<b>(14,945)</b>
<b>At 31 March 2017</b>	<b>82,932</b>	<b>318,690</b>	<b>304,742</b>	<b>88,334</b>	<b>304,906</b>	<b>1,099,604</b>
<b>NET BOOK VALUE</b>						
<b>At 31 March 2017</b>	<b>1,247,410</b>	<b>313,831</b>	<b>81,874</b>	<b>35,012</b>	<b>149,468</b>	<b>1,827,595</b>
At 31 March 2016	241,164	286,572	27,360	10,845	132,058	697,999

Included within the net book value is £87,730 (2016: £21,600) relating to assets held under hire purchase agreements. The depreciation charged on these assets in the year was £7,270 (2016: £3,600).



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****16. FIXED ASSETS - INTANGIBLE ASSETS**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
	Entitlements to Single Farm Payment		Entitlements to Single Farm Payment	
<b>COST</b>				
As at 1 April	18,100	-	18,100	-
Additions	-	18,100	-	18,100
<b>At 31 March</b>	<b>18,100</b>	<b>18,100</b>	<b>18,100</b>	<b>18,100</b>
<b>DEPRECIATION</b>				
As at 1 April	7,338	-	7,338	-
Charge for the year	5,869	7,338	5,869	7,338
<b>At 31 March</b>	<b>13,207</b>	<b>7,338</b>	<b>13,207</b>	<b>7,338</b>
<b>NET BOOK VALUE</b>				
<b>At 31 March</b>	<b>4,893</b>	<b>10,762</b>	<b>4,893</b>	<b>10,762</b>

**17. FIXED ASSETS - INVESTMENTS**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Investment property	800,000	800,000	800,000	800,000
Subsidiary undertakings	-	-	3	3
	<b>800,000</b>	<b>800,000</b>	<b>800,003</b>	<b>800,003</b>

The Investment property at Beare Green is part of legacy received by the Trust in 2001. The cost of the investment property of £500,633 is made up of the value of the property when donated together with the cost of improvements carried out. The property was revalued in April 2015 from £715,000 to £800,000 by an independent chartered surveyor. The increase in market value of £85,000 was included in gains on investments in the year ended 31 March 2016. The Trustees consider this to be the value at 31 March 2017.

Surrey County Council retains a charge to the value of £300,000 over this investment property.

The following subsidiary companies were held at the balance sheet date:

Name	Activity	Country of incorporation	Proportion of Ordinary share capital held	Ordinary shares held
SWT Enterprises Limited (Company registration number 02808025)	Dormant	Great Britain	100%	2
Norbury Park Wood Products Limited (Company registration number 04375855)	Manufacture of wood products	Great Britain	100%	1

The registered office of both subsidiary companies is the same as that of the charity.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****18. STOCK**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Finished goods for resale	<b>12,778</b>	10,010	<b>264</b>	938
Timber products and raw materials	<b>77,039</b>	59,986	<b>7,350</b>	-
Livestock	<b>174,100</b>	154,788	<b>174,100</b>	154,788
	<b>263,917</b>	224,784	<b>181,714</b>	155,726

**19. DEBTORS**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Amounts owed by group undertakings	-	-	<b>83,132</b>	205,396
Trade debtors	<b>178,937</b>	211,985	<b>147,031</b>	189,519
Gift aid recoverable	<b>24,252</b>	56,569	<b>24,252</b>	56,569
Accrued income	<b>1,472,702</b>	1,674,027	<b>1,472,702</b>	1,674,027
Other debtors and prepayments	<b>35,889</b>	31,549	<b>33,756</b>	31,547
	<b>1,711,780</b>	1,974,130	<b>1,760,873</b>	2,157,058

Amounts owed by group undertakings has been reduced by £Nil (2016: £27,649) to provide for the net liabilities of a wholly owned subsidiary.

**20. CREDITORS DUE WITHIN ONE YEAR**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	<b>364,055</b>	354,936	<b>349,955</b>	352,665
Taxation and social security	<b>65,657</b>	62,635	<b>65,656</b>	62,635
Other creditors	<b>66,701</b>	48,487	<b>52,858</b>	45,583
Accruals	<b>411,485</b>	357,050	<b>404,835</b>	348,779
Deferred income	<b>247,725</b>	266,012	<b>243,138</b>	264,002
	<b>1,155,623</b>	1,089,120	<b>1,116,442</b>	1,073,664

Deferred income consists of rent, grants and other income of £127,575 (2016: £140,862) received in advance of the period to which they relate and agri-environmental grants of £120,150 (2016: £125,150) in which the scheme of work to which they relate has been carried out following the year end.

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Deferred income brought forward	266,012	453,261	264,002	440,418
Released during the year	143,541	322,211	141,531	309,368
Deferred during the year	125,255	134,962	120,668	132,952
<b>Deferred income carried forward</b>	<b>247,726</b>	266,012	<b>243,139</b>	264,002

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****21. CREDITORS DUE IN MORE THAN ONE YEAR**

	Group		Charity	
	2017	2016 Restated	2017	2016 Restated
	£	£	£	£
Amounts due under hire purchase agreements	<b>51,107</b>	2,240	<b>51,107</b>	2,240
	<b>51,107</b>	2,240	<b>51,107</b>	2,240

**22. RESTRICTED FUNDS**

GROUP AND PARENT CHARITY	Balance at	Income	Expenditure	Transfers in / (out)	Balance at
	1 April 2016				31 March 2017
	£	£	£	£	£
Nower Wood Outdoor Wildlife Learn'g Ctr.	813,257	266,557	5,455	(1,039,780)	45,489
Surrey Wildlife Atlases	23,554	3,874	-	-	27,428
Westfield Common Community Project	12,862	11,000	(10,442)	-	13,420
Elizabeth McAlmont Reserve	28,676	-	-	-	28,676
Surrey Biodiversity Inform'n & Record Ctr.	149,145	77,070	(75,703)	397	150,909
Folly Bog	6,008	-	-	(6,008)	-
Wey, Mole and Eden Catchment Part'rships	25,472	136,460	(52,037)	(28,080)	81,815
Priest Hill	474,827	7,360	(7,376)	(5,003)	469,808
The Lagoons and the Moors	94,720	22,264	(3,675)	(12,997)	100,312
Newdigate Pond	14,929	13	-	(11,952)	2,990
Wisley Timber Fund	27,946	-	-	(8,000)	19,946
Brockham Reserve	20,697	-	(17,658)	-	3,039
The Birches	17,390	-	-	-	17,390
Runfold Wood	6,557	536	-	2,500	9,593
Chobham Common Heathland Restoration	61,333	10,000	(19,495)	-	51,838
Fraser Down	96,640	-	-	-	96,640
Chobham Valley End SANG	77,104	-	(20,270)	(15,547)	41,287
The Forest	15,125	1,410	(4,463)	(25)	12,047
Treasure Chest	30,290	17,570	(10,456)	-	37,404
Travelsmart	3,185	-	(402)	(300)	2,483
Forest School Association	1,428	386	(553)	-	1,261
Hedgerow Heroes	-	57,085	-	-	57,085
Heathland Restoration Fund	-	90,000	-	-	90,000
Conservation Projects	3,811	230	(10,542)	6,847	346
Land Management Projects	3,481	600	(1,213)	(2)	2,866
	<b>2,008,437</b>	<b>702,415</b>	<b>(228,832)</b>	<b>(1,117,950)</b>	<b>1,364,070</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****22. RESTRICTED FUNDS continued**

GROUP AND PARENT CHARITY	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in / (out) £	Balance at 31 March 2016 £
Nower Wood Outdoor Wildlife Learn'g Ctr.	210,520	656,238	(10,903)	(42,598)	813,257
Surrey Wildlife Atlases	26,404	4,617	(8,721)	1,254	23,554
Westfield Common Community Project	9,614	11,000	(2,289)	(5,463)	12,862
Elizabeth McAlmont Reserve	28,618	58	-	-	28,676
Surrey Biodiversity Inform'n & Record Ctr.	142,333	78,662	(79,772)	7,922	149,145
Folly Bog	2,056	4,072	(120)	-	6,008
Wey, Mole and Eden Catchment Part'rships	30,369	113,191	(113,955)	(4,133)	25,472
Priest Hill	47,885	457,923	(10,071)	(20,910)	474,827
The Lagoons and the Moors	96,886	13,867	(273)	(15,760)	94,720
Newdigate Pond	21,589	550	-	(7,210)	14,929
Wisley Timber Fund	30,966	100	(3,200)	80	27,946
Brockham Reserve	20,678	19	-	-	20,697
The Birches	17,390	-	-	-	17,390
Runfold Wood	6,557	-	-	-	6,557
Chobham Common Heathland Restoration	62,665	12,616	(13,948)	-	61,333
Fraser Down	96,640	-	-	-	96,640
Chobham Valley End SANG	20,663	67,285	(844)	(10,000)	77,104
The Forest	15,000	125	-	-	15,125
Treasure Chest	33,693	2,872	(6,275)	-	30,290
Travelsmart	19,170	85	(4,283)	(11,787)	3,185
Community Projects	17,103	-	-	(17,103)	-
Forest School Association	904	996	(502)	30	1,428
Conservation Projects	13,427	10,500	(28,116)	8,000	3,811
Land Management Projects	12,493	264	(4,371)	(4,905)	3,481
	<b>983,623</b>	<b>1,435,040</b>	<b>(287,643)</b>	<b>(122,583)</b>	<b>2,008,437</b>

**Nower Wood Outdoor Wildlife Learning Centre:** Project funded by donations and the Heritage Lottery Fund to develop a new centre for wildlife education for children, young people and communities.

**Surrey Wildlife Atlases:** Fund for the publication of guides to types and distribution of wildlife in Surrey.

**Westfield Common Community Project:** Project working with the local community to improve Westfield Common.

**Elizabeth McAlmont Reserve:** Fund for the management of the Elizabeth McAlmont reserve at Compton.

**Folly Bog:** Fund for the management of Folly Bog near Pirbright ranges.

**Surrey Biodiversity Information & Record Centre:** A project funded by partners for the recording and provision of biodiversity information in Surrey.

**Wey, Mole and Eden Catchment Partnerships:** Environment Agency funded project led by the Trust for river restoration on the Wey, Mole and Eden catchment areas.

**Priest Hill:** Fund for the management of the Priest Hill nature reserve at Epsom.

**The Lagoons and the Moors:** Funds for the management of the Lagoons and Moors reserves at Merstham.

**Newdigate Pond:** Fund for the management of the pond and grassland at the former brickworks.

**Wisley Timber Fund:** Fund for heathland restoration at Wisley and Ockham Commons.

**Brockham Reserve:** Fund for the management of the Brockham Lime Kilns and associated nature reserve.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****22. RESTRICTED FUNDS continued**

**The Birches:** Heritage Asset land comprising hazel coppice and standards.

**Runfold Wood:** Fund for restoring woodland near Compton.

**Chobham Common Heathland Restoration:** Fund for the restoration of heathland on the Chobham Common National Nature Reserve.

**Fraser Down:** Heritage asset comprising chalk grassland.

**Chobham Valley End SANG:** Fund for the management of the SANG at Valley End, Chobham.

**The Forest:** Fund for the management of mixed woodland near East Horsley.

**Treasure Chest:** Donations based fund to support restoration projects.

**Travelsmart:** Project to restore Furzefield Wood in Reigate and Banstead for family and community use.

**Community Projects:** Funds to support community projects in Surrey.

**Forest School Association:** Funds held by the Trust on behalf of the Forest Schools Association.

**Hedgerow Heroes:** Volunteer led project to survey, protect and restore hedgerows across Surrey.

**Heathland Restoration Fund:** Fund for conservation works on Surrey's heathlands.

**Conservation Projects:** Funds for various conservation projects and Surrey Nature Partnership.

**Land Management Projects:** Funds for various land management projects on reserves.

Transfers in comprise contributions from the Trust's unrestricted funds to facilitate restricted fund projects.

Transfers out comprise the use of unrestricted resources typically staff time required to complete restricted fund projects. For the Nower Wood OWLS project the transfer out largely represents the part-capitalisation of the new building.

**23. DESIGNATED FUNDS**

GROUP AND PARENT CHARITY	Balance at				Balance at
	1 April 2016	Income	Expenditure	Transfers	31 March 2017
	£	£	£	£	£
Heritage assets fund	524,505	-	-	-	<b>524,505</b>
Nower Wood Outdoor Wildlife Learning Ctr.	71,300	-	-	(71,300)	-
Conservation grazing development fund	108,100	-	-	(48,100)	<b>60,000</b>
Capital expenditure fund	50,000	-	-	22,600	<b>72,600</b>
Head-Office repair fund	-	-	-	50,000	<b>50,000</b>
Legacy fund	-	29,108	-	-	<b>29,108</b>
Investment fund	-	-	-	80,500	<b>80,500</b>
Tangible & intangible fixed assets fund	760,791	159,257	(128,940)	1,041,380	<b>1,832,488</b>
Investment property revaluation fund	800,000	-	-	-	<b>800,000</b>
	<b>2,314,696</b>	<b>188,365</b>	<b>(128,940)</b>	<b>1,075,080</b>	<b>3,449,201</b>

GROUP AND PARENT CHARITY	Balance at				Balance at
	1 April 2015	Income	Expenditure	Transfers	31 March 2016
	£	£	£	£	£
Heritage assets fund	524,505	-	-	-	524,505
Nower Wood Outdoor Wildlife Learning Ctr.	-	-	-	71,300	71,300
Conservation grazing development fund	-	-	-	108,100	108,100
Capital expenditure fund	-	-	-	50,000	50,000
Tangible & intangible fixed assets fund	1,289,153	7,120	-	(535,482)	760,791
Investment property revaluation reserve	-	85,000	-	715,000	800,000
	<b>1,813,658</b>	<b>92,120</b>	<b>-</b>	<b>408,918</b>	<b>2,314,696</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****23. DESIGNATED FUNDS continued**

**Heritage assets fund:** This represents the asset value of nature reserves held by the Trust.

**Nower Wood Outdoor Learning Centre:** The Trust's contribution from its own funds to the Nower Wood Fund.

**Conservation grazing development fund:** Fund for the development of the Trust's conservation grazing work.

**Capital expenditure fund:** Fund to purchase new capital assets in 2017-18 to support charitable activities.

**Head-Office repair fund:** Fund for repairs to the fabric of the head-office in Pirbright required in 2017-18

**Legacy Fund:** Legacy funds which will be used to support charitable activities in 2017-18.

**Investment Fund:** Fund to support new income generating activities which will contribute to the long-term financial sustainability of the Trust.

**Tangible & Intangible Fixed Assets Fund:** This represents the premises, vehicles and equipment required to deliver the mission.

**Investment property revaluation reserve:** Represents the value of the Deans investment property.

**24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2017 £</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2016 £</b>
Heritage assets	524,505	114,030	<b>638,535</b>	524,505	114,030	638,535
Tangible & intangible fixed assets	1,832,488	-	<b>1,832,488</b>	760,791	-	760,791
Investments	800,000	-	<b>800,000</b>	800,000	-	800,000
Net current assets	1,084,657	1,250,040	<b>2,334,697</b>	964,791	1,894,407	2,859,198
Creditors due after more than one year	(51,107)	-	<b>(51,107)</b>	(2,240)	-	(2,240)
	<b>4,190,543</b>	<b>1,364,070</b>	<b>5,554,613</b>	<b>3,047,847</b>	<b>2,008,437</b>	<b>5,056,284</b>

**25. NOTES TO THE GROUP CASHFLOW STATEMENT****Reconciliation of net incoming resources to net cash inflow from operating activities:**

	<b>2017 £</b>	<b>2016 £</b>
<b>Net income for the year</b>	<b>498,329</b>	1,196,912
<b>Adjustments for:</b>		
Interest and rent on investments	<b>(30,893)</b>	(33,268)
Interest payable	<b>1,431</b>	1,298
(Gains) on investments	-	(85,000)
Depreciation	<b>128,940</b>	124,663
(Profit) on disposal of tangible fixed assets	<b>(28,832)</b>	(18,281)
(Increase) / decrease in stocks	<b>(39,133)</b>	7,491
Decrease / (Increase) in debtors	<b>262,350</b>	(808,130)
Increase / (decrease) in creditors	<b>59,428</b>	(267,075)
<b>Net cash provided by operating activities</b>	<b>851,620</b>	<b>118,610</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****26. COMPARATIVE INFORMATION****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £
<b>Income From:</b>				
<i>Donations, legacies &amp; membership</i>	2	1,282,630	245,525	<b>1,528,155</b>
Charitable activities:	3			
<i>Conservation</i>		189,590	205,927	<b>395,517</b>
<i>Land management</i>		2,244,241	555,090	<b>2,799,331</b>
<i>Education</i>		162,999	428,497	<b>591,496</b>
<i>Other trading activities</i>	4	745,642	-	<b>745,642</b>
<i>Investments</i>	5	33,268	-	<b>33,268</b>
<b>Total</b>		<b>4,658,370</b>	<b>1,435,039</b>	<b>6,093,409</b>
<b>Expenditure on:</b>				
<i>Raising funds</i>	7	1,147,191	17,513	1,164,704
Charitable activities:	8			
<i>Conservation</i>		477,405	230,565	707,970
<i>Land management</i>		2,479,012	33,467	2,512,479
<i>Education</i>		590,247	6,098	596,345
<b>Total</b>		<b>4,693,855</b>	<b>287,643</b>	<b>4,981,498</b>
<b>Net gains on investments</b>		85,000	-	85,000
<b>Net income/(expenditure)</b>		<b>49,515</b>	<b>1,147,396</b>	<b>1,196,911</b>
Transfers between funds		122,582	(122,582)	-
<b>Net movement in funds</b>		<b>172,097</b>	<b>1,024,814</b>	<b>1,196,911</b>
Funds brought forward at 1 April		2,875,750	983,623	3,859,373
<b>Funds carried forward at 31 March</b>		<b>3,047,847</b>	<b>2,008,437</b>	<b>5,056,284</b>

**27. FINANCIAL COMMITMENTS - GROUP****OPERATING LEASES**

The amounts payable in respect of operating leases over their remaining lives are shown below, analysed according to the due date of the payments.

	2017 £	2016 £
<b>Motor vehicles, plant and machinery</b>		
Within 1 year	<b>33,415</b>	21,786
In 2 to 5 years	<b>77,943</b>	21,876
	<b>111,358</b>	43,662

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017****27. FINANCIAL COMMITMENTS - GROUP continued**

	<b>2017</b>	2016
	<b>£</b>	£
<b>Land and buildings</b>		
Within 1 Year	<b>51,583</b>	70,440
In 2 to 5 years	<b>29,173</b>	70,750
In more than 5 years	<b>3,625</b>	10,875
	<b><u>84,381</u></b>	<u>152,065</u>

**28. CAPITAL COMMITMENTS**

The Trust has received funding from donors including the Heritage Lottery Fund for the development of its new Outdoor Woodland Learning Centre at Nower Wood. The remaining capital cost of building the new centre will be £150,000 (2016: £1,000,917). The building was completed in April 2017.

**29. RELATED PARTY TRANSACTIONS**

The company and the group have taken advantage of the exemption within Financial Reporting Standard 102 not to disclose intra-group transactions between subsidiary undertakings where 100% of the voting rights are controlled within the group.

P. A. Curtis, a Trustee of the charity purchased goods worth £8,841 (2016: £7,680) from Norbury Park Wood Products Limited for the Royal Parks, of which he is an officer. R. Wild an officer of the charity purchased goods worth £945. The goods were purchased at the market rate and settled in cash.

**30. TAXATION**

The Trust is a registered charity and thus is exempt from corporation tax on surpluses generated from its charitable activities. The activities of the Trust's subsidiary, Norbury Park Wood Products Limited are chargeable to corporation tax.