

Company registration number: 4398959
Charity registration number: 1091562

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LIMITED
(A company limited by guarantee
and not having any share capital)

REPORT OF THE TRUSTEES, STRATEGIC REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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THE WILDLIFE TRUST OF SOUTH AND WEST WALES LIMITED

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CHAIRMAN'S ANNUAL REPORT

We have survived what has probably been the most challenging year that our Trust has ever had to endure. We only survived because of the extraordinary commitment and dedication of our staff. It was extremely distressing that there were inevitable redundancies and regrettable that two thirds of our staff were furloughed for most of the year. In the first few months of Covid-19 it was very difficult to imagine how we might survive. We accurately predicted a huge loss of income, and the inevitable consequences. However, we did not predict the outstanding ability of our staff to respond to the emergency. They achieved the seemingly impossible by raising funds to recover our losses and, almost more amazingly, to provide for our post-Covid recovery. Everyone who supported us with grants is mentioned in the body of this report. All that I need to do is to thank all those who donated, both individuals and organisations, for their generosity and support. We are extremely grateful.

Despite our desperate predicament, we not only survived but thrived. The full details of our wide-ranging activities are given below, but I would like to highlight just two examples. Our Trust has long recognised that many of our special wildlife places are insecure. They are small or isolated fragments which will only survive if we can extend the areas of habitat and create corridors, linking place with place, wildlife with wildlife. Early in the year we were alerted to the impending sale of Pencnwc, a small woodland adjacent to our Pengelli nature reserve. Proposed development at Pencnwc would have seriously threatened our reserve. More importantly, this was not only an excellent opportunity to improve the resilience of Pengelli but also an important first step towards creating a corridor of connected Welsh Atlantic temperate rain forest, extending from Pengelli to Lower Fishguard. Our staff responded immediately and led a very successful campaign to raise funds for the purchase of Pencnwc. We are extremely grateful to everyone who supported our appeal. The future of wildlife depends on making connections. This is not only about linking places with places: of equal importance are the connections between people and nature. One of the best examples of this was 'Skomer Live'. Thanks to our staff and volunteers, with help from Lizzie Daly and Iolo Williams, the series of broadcasts raised essential funds, but, more importantly, it also connected many people with the spectacular wildlife on Skomer. People could not visit the island and so the Trust took Skomer to them.

It is unfair, and probably misleading, to focus on just two examples, given everything that has been achieved this year, so please take time to read the full report. It is a perfect opportunity to reflect on the fact that our staff have more than just kept the ship afloat: they have maintained our high standards and made some very significant progress.

We all, trustees and members, owe our Chief Executive, Sarah Kessell, and her management team, together with all our staff and volunteers, a huge vote of gratitude for everything that they have achieved. They have endured so much on our behalf.

Looking forward, we have shared with you a consultation document, and the next step will be to complete the development of a new strategy which takes account of your contributions. This will be followed by a new operational plan. Our strategy will reflect our mission to do our very best for wildlife in South and West Wales.

Mike Alexander
Chair

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The trustees are pleased to present their annual directors' report, which incorporates the strategic report, together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

OBJECTIVES AND ACTIVITIES

The Wildlife Trust of South and West Wales Limited is required by charity and company laws to act within the objects of its Memorandum of Association, which are as follows:

- 3.1. For the benefit of the public, to advance, promote and further the conservation maintenance and protection of:
 - i. terrestrial and marine habitats and their wildlife;
 - ii. places of natural beauty;
 - iii. places of zoological, botanical, geographical, archaeological or scientific interest;
 - iv. features of landscape with geological, physiographical, or amenity value in particular, but not exclusively, in ways that further biological conservation.

- 3.2. To advance the education of the public in:
 - i. the principles and practice of sustainable development;
 - ii. the principles and practice of biodiversity conservation.

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

Public benefit statement

The Trustees have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing the Trust's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The advancement of environmental protection and improvement is recognised as a charitable purpose and is regarded universally as producing a public good. The Wildlife Trust of South and West Wales exists to promote the care and protection of the environment and therefore provides a clear public benefit. Our philosophy is based on the belief that the natural world deserves conserving for its own sake and, since this is widely perceived to be a worthy aim of public policy, it may fairly be regarded as a benefit to the public at large. However, the public benefits provided by the Wildlife Trust go much further.

Firstly, our nature reserves are used by the public, and many have access on way-marked routes. At many sites information and interpretation is provided to visitors. There are a few cases where there may be a conflict between management requirements and unfettered access, but where this occurs we strive to keep any restrictions to a minimum.

Secondly, our education programmes are aimed at schools, colleges, adult groups and the wider public. Education is also, of course, recognised as a charitable activity in its own right.

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

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

Promoting the enjoyment of the natural world is an important part of what we do: contact with the natural world and the appreciation of wildlife and wild places provides great pleasure to many people and contributes towards wellbeing and health. Our nature reserves and activities are available to all and provision is made wherever possible for people of all abilities and socio-economic groups.

The objective of our trading subsidiary, DWT (Enterprises) Ltd, is to support the work of the Trust through the businesses of sales, island accommodation and large and special events.

STRATEGIC REPORT
ACHIEVEMENTS AND PERFORMANCE

For further information on our conservation and research work, please refer to the reports found on our website: www.welshwildlife.org/reports.

The impact of Covid-19

1) Lockdowns and furloughs

By the end of the March 2020 we were organising for two-thirds of staff to be furloughed as the first lockdown took effect, so we started this financial year with a skeleton staffing team to cover essential work only, working from home as much as possible.

- Priorities were safety checks of buildings, livestock and nature reserves, and continuation of the research and monitoring on our Islands, as well as protecting the breeding seabirds.
- Fully-funded projects such as the Red Squirrels Project and the Living Seas project continued, with modifications, but it was not possible to run our usual work parties or host residential volunteers, so much of our practical management and monitoring work had to stop.
- We began emergency fundraising and this remained the focus of the work of the Chief Executive Officer and Finance Manager for the rest of the year.
- When furlough started we thought it would be for two or three months, but the longer the crisis went on, the harder it became for our staff. Many of the remaining staff were covering a wider range of work than normal and dealing with the regularly-changing Covid rules and restrictions. We also knew that the furloughed staff felt frustrated at their inability to help in any way. However, the extensive furloughing was essential to help save the Trust.
- We resumed trading and activities as far as possible once lockdown started to lift, but the subsequent lockdowns continued to have a severe impact on our income and activities for the rest of the year.

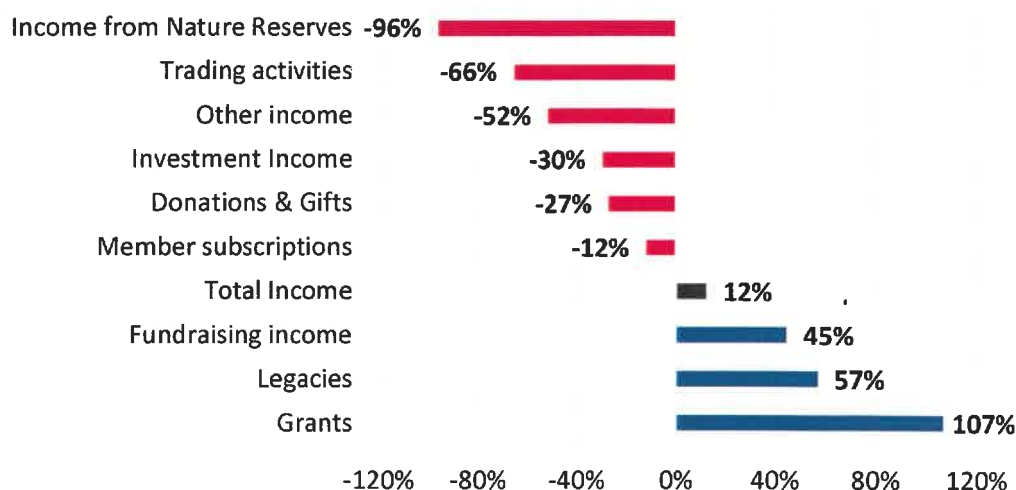
2) Losses of income

Overall, we lost around £700,000 of income during 2020, much of it early in the financial year, when our conservation costs are typically the highest.

- These losses were dominated by our trading activities and income from nature reserves (largely Skomer and Skokholm), and was a desperate situation because, with limited unrestricted financial reserves, we were not able to cover this shortfall internally.
- The wider effects of Covid-19 on our members and supporters also led to falls in subscriptions and donations.

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WTSWW changes in income, FY2021 vs FY2020



3) Fundraising

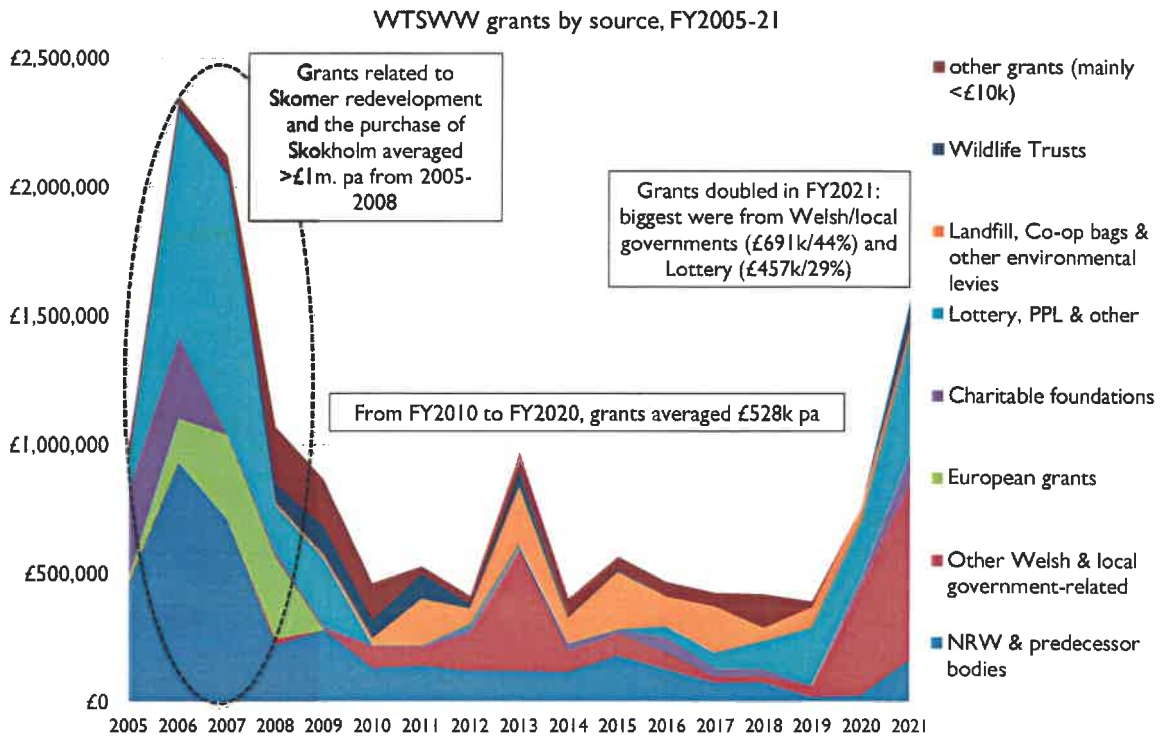
We applied for every emergency grant possible, and staff worked together to launch an appeal and to raise awareness of our situation. Skomer Live! was put together extremely quickly by staff, volunteers and with the help of Lizzie Daly and Iolo Williams, and helped direct generous supporters to the emergency appeals on our website. The media picked up on our story and Skomer Live attracted a wide audience, including singer songwriter David Gray, who dedicated a new song to Skomer. The show and media attention, helped to generate nearly £100,000 in donations towards our core costs, the costs of managing the Islands, and other appeals.

4) Applying for grants

We were not eligible for the main emergency grants through the Welsh Government, but we were relieved and delighted to receive rapid support from:

- The Moondance Foundation and the Waterloo Foundation
- We received substantial support from the National Heritage Lottery Fund and the Wales Council for Voluntary Action.
- The Royal Society of Wildlife Trusts also moved very quickly to support the network of Wildlife Trusts across the UK.
- We also received support from the Local Authorities for three of our visitor centres and, alongside other, smaller, grants, we raised a total of almost £450,000.
- We were also successful with a couple of large grants from Natural Resources Wales and the Welsh Government that covered our conservation team and the costs of managing the nature reserves from September until the end of March.

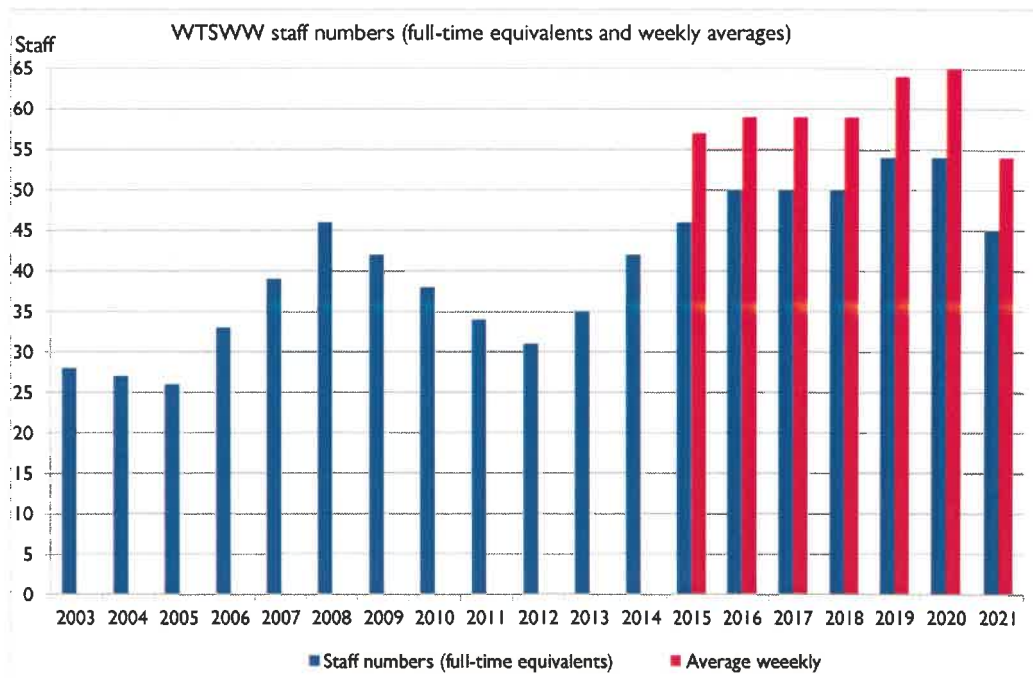
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5) Staff losses

As well as seeking new income to replace that which we lost, we also cut costs as far as possible.

- We have a tightly-knit staff team, so the unavoidable round of redundancies in the Autumn was particularly painful.
- We now have fewer staff than at any time since 2014, despite our responsibilities having grown, over the period, to include Brecknock, and our increasing focus on Marine issues and activities.



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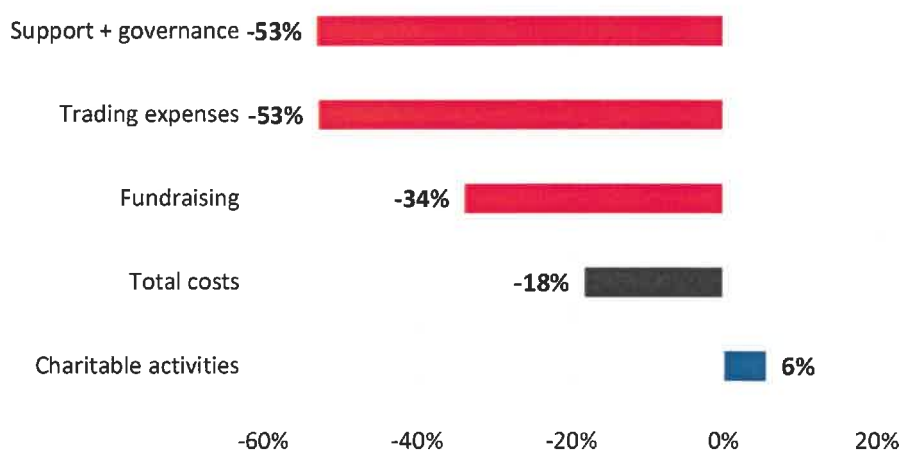
The combination of fund-raising and cost savings meant that we recovered the income lost.

- However, much of this occurred late in the financial year, and had been all but impossible to forecast, let alone budget for, in the initial quarters.
- We are very aware that much of the funding, while very generous, was exceptional in nature, and is unlikely to recur in similar ways in future years.
- We have resolved that the funds raised in FY2021, and carried over into the current year, will be used to help us recover from the impact of Covid and to rebuild and become more resilient in the longer term.

6) A retained focus on conservation

Despite the focus on Covid 19 during this financial year, it did not dominate everything, and we are pleased to be able to report that expenditure directly on conservation was the one area that actually grew during the year, reflecting the wonderful efforts by our staff to deliver on commitments made to our grant-givers.

WTSWW changes in expenditure FY2021 vs FY2020



We highlight the following achievements:

Highlights from the nature reserves

- In December we were alerted to the sale of Pencnwc wood, adjacent to our Pengelli nature reserve. We launched an appeal for funds to buy the woodland, which otherwise looked likely to become intensively managed for pheasants. Over the course of three months we successfully raised £125,000 to cover the purchase price and legal costs and completed the purchase before the end of March and by doing so have expanded our nature reserve by around 20%.
- In October we were given Caermalwas Fach farm in north Carmarthenshire, consisting of a farmhouse and a range of upland hay meadow and pasture, that we had been helping the owners to manage for the past few years. We are looking at potential business models for managing the estate in ways that protect the nature conservation value. For the moment we continue to manage the land as a nature reserve while surveys are carried out on the farmhouse and alterations made so that it can be rented out.
- We continued to deliver the Valleys Regional Park project at Parc Slip despite the challenges of lockdown, with excellent support from Bridgend County Borough Council and Welsh Government. The work included planting an orchard, refurbishing the Fountain Memorial and building a covered eating shelter and kitchen and wildlife garden areas around the main centre. We also applied for Green Flag status for the Parc Slip Reserve and having received an inspection visit are awaiting to hear if we were successful.

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- The Welsh Government-funded 'N2K' project funded capital works on National Nature Reserves. This was delivered over a short time period but funded a huge range of useful work including new management vehicles for Skokholm, management equipment for Pengelli Forest, cattle-handling system for Teifi Marshes and more equipment, fencing, access and tree safety management across a suite of other National Nature Reserves that we manage.
- The Strategic Partnership Grant from Natural Resources Wales covered staff time and management costs across a large proportion of our nature reserves, funding a range of habitat management and improvements from hedgelaying and coppicing to pond and meadow management as well as monitoring and survey activities and access improvements.
- We worked with NRW to secure section 16 agreements on a number of our reserves which are also SSSIs, including Y Gweira and Vicarage meadows and moving forward negotiations on a number of others. We also secured NRW funding to help manage invasive species along our south Gower coast reserves, replace a fence at Cwm Colhuw to enable reintroduction of grazing after a major cliff fall and path repairs at Pwll y Wrach.
- We completed the final year of our badger vaccination project at Castle Woods near Llandeilo supported by Welsh Government funding. This was a significant success and we are exploring continuing the work across the whole site working with the National Trust once Covid-19 restrictions ease.
- Brynna, we once again received £10K from the Community Council for management and engagement activities on the reserve, despite there being little implemented through the year. We purchased several items of new equipment, including electric chainsaws, hedge and brush-cutters and monitoring equipment as a result with a commitment to deliver the backlog of infrastructure improvement works over the coming year.
- We completed the work at Priors Wood on Gower, creating new ponds and the fencing work to enable us to extend the grazing on the site.

Highlights from our wider Living Landscapes work

- We worked with the Police Commissioner for Dyfed Powys Police who was interested in improving their estate for wildlife. This opportunity arose as a result of lockdown encouraging different ways of working, with more police staff working from home or from local police stations, combined with a recognition of the importance of natural areas for the wellbeing of staff. We drew up a management plan to improve various areas for wildlife.
- We worked with ADAS to help design a pilot agri-environment grant scheme for pasture and meadows in Ceredigion.
- We worked with Cardiff Council to ground truth their major tree planting project across the city, advising them on how they could plant new and extend existing woodlands so that they would enhance existing habitats and not lead to inappropriate planting.
- We helped advise Welsh Water on the management of their Lisvane and Llanishen Reservoir site, writing a woodland management plan that set out a broad range of enhancements and community engagement activities.
- We wrote a revised management Plan for Bridgend Council's Bedford Park local nature reserve and looked at how this could be linked up with Parc Slip and the potential Margam Mine site to create a significant linked landscape across this area of south Wales
- We continued to work with local nature partnerships across the patch, sitting on the steering groups of most of them and helping to deliver a range of activities from supporting meadows groups and advising on local community grant awards to developing their Nature Recovery Action plans and supporting site management and species surveys.
- We met with RWE energy and the Vale of Glamorgan Council to discuss the future of the Aberthaw power station. While we did not secure the East Aberthaw Reserve or the education centre for the Trust we did confirm our interest and also raised the possibility of a more significant 're-wilding' project as part of the site restoration/redevelopment, possibly linking with Fonmon Castle and Porthkerry proposals.

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- We worked with Fonmon Castle and NRW to develop a river restoration plan for the estate.
- We worked with NRW on a number of initiatives across the patch from developing an access plan for Cardiff North Woodlands and water vole reintroductions on Gower and around Barry,
- We put a lot of work in with partners on developing a number of successful large scale projects, though delivery was significantly delayed by Covid-19 so they will not start until 2021. These included a number of ENRaW projects, such as Healthy Hillides (which will fund one WTSWW officer), Cardiff city woodlands (several funded contracts), the Glamorgan bridleway project (we ensured the project included a specific biodiversity officer to deliver connectivity and wider wildlife benefits, though this subsequently was recruited by the local authority) and Green Connections in south Powys (supporting two staff members). The Community lottery funded Stand for Nature Wales project also started in October, linking the work of all five Welsh Trusts and Wildlife Trust Wales (funding the work of 2 members of WTSWW staff) promoting engagement and activity for 9-24 year olds and focussing on tackling the climate crisis.
- We worked with WEL and WTW to develop the baseline for the 30:30:30 project, although this has proved very difficult due to the nature of the datasets that we have access to.
- We have input into 3 of the Area Statements being produced by NRW (West, South Central and Mid)

Living Seas

- The Living Seas Wales LIVE end of project broadcast event (hosted by Lizzie Daly) on YouTube and Facebook attracted 3,500 views which is a far larger audience than we could have engaged with at a face-to-face event.
- The Living Seas Wales project delivered with North Wales Wildlife Trust drew to a close this year and the independent evaluation report recognised its success saying that the project ‘vastly overachieved on most of its expected outcomes’ and that ‘the project team should be credited for the way they responded to the Covid pandemic and have demonstrated creativity and innovation across the activities’. We retained the excellent project staff within the Trust, switching either to new projects or positions on other reserves. In all, we recorded 1749 volunteering opportunities and 13,136 volunteer hours. We produced five training guides and delivered 38 live roadshows and 631 other all-age activities and events, to which 20,766 people attended.

Highlights from Skomer and Skokholm Islands

- Donations and emergency grants enabled us to keep minimum staffing levels on both Islands to carry on the research and monitoring work and to protect the breeding seabirds. Priority researchers returned to the Islands for limited periods in the autumn.
- Despite some limitations on boat usage during lockdown and a lack of seasonal staff and volunteers, the Skomer team delivered the vast majority of the seabird-monitoring programme. The resulting seabird report was approved and we eventually received 90% of our JNCC funding, despite the entire contribution being initially withdrawn in April 2020. We also managed to safely accommodate the Sheffield University Guillemot researcher, avoiding a break in this 40-year long-running project.
- Puffin counts were the highest in recent years on both islands – Skokholm’s spring total of 8534 birds was the highest April count since 10,000 were logged on the 22nd in 1953 and a tally 14.6% up on the peak spring count of 2019. Over on Skomer, a maximum count of 34,796 individuals was made on the 24th of March. This was up by 44% from the previous year, but closer to the count done in 2018, and follows the long-term trend of recovery.
- We were successful in securing the NRW contract to deliver Grey Seal monitoring on Skomer for the next 5 years (2020-2025). Year 1 was completed by the island wardens, with 243 pups born on Skomer in 2020, five more than in 2019 and the highest on record.
- Staff and volunteers trialled a new system of segregating/managing the accommodation in line with Covid regulations for 2021.
- Staff set up a new, day-tripper pre-booking system ‘Fareharbour’ that would help avoid or reduce some of the Covid and H&S related risks, such as queuing for day landing tickets.

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- Our application to the PCNPA Sustainable Development Fund was successful. The grant of £18K helped to repair and improve the hot water system at the Skokholm lighthouse and install 30 new solar panels at the farm and North Haven on Skomer. We also installed UV water filters at point of use on both Skomer and Skokholm, providing safe drinking water for staff and volunteers. All improvements will result in cost and carbon savings.
- We took delivery of two new vehicles on Skokholm and building materials on Skomer for a new North Pond research hide, paid for by the N2K grant.
- We recruited a brand new team of staff and researchers before the start of the new Skomer season in March. Our Skokholm wardens returned for their 9th consecutive year.

Inspiring and Engaging People

- Staff and Trustees committed to a strategy to improve equality, diversity and inclusion within WTSWW and with the audiences we engage with, and all staff and Trustees attended an introductory EDI workshop with Kelly Jenkins from RSWT. This commitment will be built into our next strategy and work plans for 2021.
- Our Chairman wrote a public consultation document so that our members and supporters could have input to our next strategy.
- We worked with Fonmon Castle to send out wildflower seed kits and wildlife gardening information to schools in our area.
- Sarah Kessell was part of a Citizens Jury Advisory Panel set up by IPRR to look at climate change and social justice in the Valleys.
- Our People's Postcode Lottery funded My Wild Cardiff project overcame the lack of our usual physical events by going on-line to engage with Cardiff residents through lockdown, producing videos and social media content from wildlife watching in local green spaces to simple things to make your gardens more attractive for wildlife. We also put together wildlife adventure packs and distributed them through local food banks.
- The Stand For Nature Wales project started in October, aiming to inspire young people to take practical action to combat the Climate Crisis. With two dedicated officers, one covering the Cardigan Bay area the other working in Cardiff as part of the joint WTSWW/Gwent WT project, the aim is to recruit 9 to 24 year olds to implement local projects using nature based solutions. This has led to us building good relations with a number of new partners, including Aberystwyth and Cardiff Universities, Youth Councils and local community organisations. One of the key focuses of the project is to widen the diversity of the audience we engage with and the team has had specific training from Mya-Rose Craig (Birdgirl) on engaging with young people from wide ethnic and cultural backgrounds. In Cardiff we are working with a number of cultural groups to establish youth forums.
- Both Cardiff and the Vale of Glamorgan Councils worked with us to add value to their Green Infrastructure projects. In Cardiff we worked to install their Green Walls project at Kitchener School and the Dusty Forge Community centre in Grangetown and Ely respectively, running citizen science pollinator projects at both and working with the Grow Cardiff charity on enhancing the wildlife value of each scheme. In Barry we installed wildflower gardens in two schools, mirroring the larger scheme at a major road junction, developed an action plan with the local allotment group and ran an online community engagement event.
- Dow schools project. The success of the Barry Green Infrastructure project led to WTSWW being awarded a community grant by Dow Chemicals to repeat the schools element at three more sites in Barry.
- We continued to work with PlantLife and Bridgend Council on the Green Links project supporting the wider work of the Bridgend Green Network running invasive species training event on line and when restrictions lifted at Parc Slip.
- Unknown Wales conference. We successfully ran the first online Unknown Wales conference with National Museum of Wales and provided two speakers for the event.
- We completed our Connecting People and Nature project working with Merthyr Council and Coed Lleol to engage with new groups of volunteers based around our Taf Fechan reserve.

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- Despite an extremely difficult year for our volunteers, we did manage to provide Risk Assessments to allow many of them to carry out activities safely on sites working in their own family bubbles and later, when restrictions were eased, to come back as work parties during September and October. Despite the restrictions we had many new volunteers come forward that we are looking to involve on our sites over the coming year.

Standing up for Wildlife

Lisa Morgan, our new Head of Islands and Marine led on our work to respond to plans for floating off-shore wind turbines that are planned adjacent to the Skomer Marine SAC. Despite an initial unwillingness by the developers and Welsh Government to engage with WTW and WTSWW, our persistence paid off with lines of communication now in place. The formation of a WTSWW-led working group (which includes numerous university partners, TWT, RSPB, BTO and JNCC) has ensured an informed, coherent and united response to data requests from the developer. There is growing pressure for more off-shore renewable energy generation in the Celtic Sea, with consultation ongoing for both demonstration and commercial scale wind farms, SW of Skokholm. We remain deeply concerned about the cumulative impact on marine mammals and seabirds resulting from turbine deployments in this specific location.

Growing Our Resources

- A number of the grants we received this year are funding work that will help us grow our resources and become more resilient in the future:
 - Transferring our membership database to the TWT bespoke membership database which will make our membership administration more efficient.
 - Training courses to diversify the work our conservation team can carry out as consultants.
 - Swapping to RSWT website platform which provides far better functionality than the current website.
 - Upgrading a lot of our IT equipment to enable easier working from home, and to replace the oldest laptops/ desktops
 - Fundraising equipment such as tap-to-donate machines and covering the first year's costs of a new member of staff focussed on Digital Fundraising and Communications.
- We have established a partnership with the new owner of Fonmon Castle in the Vale of Glamorgan, who is very kindly supporting us by fundraising for the all-Wales beaver project and our Red Squirrel project at 'All Things Wild' zoo in Warwickshire and at Fonmon Castle. We are working together on a wilding-style project on Fonmon Castle land and in the surrounding area along with several other local landowners.

Building Recognition of our role

Live Digital Broadcasting.

During spring and summer of 2020 WTSWW started using LIVE digital broadcasting to communicate and engage with our members, supporters and visitors. Over the course of the year we produced two very successful shows; Living Seas LIVE and of course Skomer LIVE which assisted the Trust in fundraising and raising our profile to a wider audience.

Skomer Live stats:

- Produced over 14 episodes.
- Received over ¼ million views.
- Recorded 6,500 hours of live web camera footage.
- Launched 'Running on the Waves' - our very own fundraising song written and recorded by British singer songwriter David Gray!
- Welcomed nine live guests on the show.

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- Viewers from around the world including USA, Australia, Philippines, Austria, Germany, Canada, Aberdeen, France and Italy.
- Raised £110,000 for our emergency Covid-19 Appeal!
- Seven corporate sponsors.

Press and Media:

Our team worked extremely hard with the media industry to raise our profile and fundraise during this difficult and highly competitive time. Media stats include,

- 1,310 articles produced / featured.
- £7.83 million in AVE – (paid advertising costs/ what it would have cost us for annual media coverage)
- 332 million in OTS – Audience opportunity to see.
- 22% was from press based media
- 53% was from web based media
- 24% was from broadcast media

Managing Ourselves effectively

- Covid-19 changed the way staff and Trustees worked and we rapidly became used to using virtual meeting technology. We also supported many of the Local Groups in moving across to this technology during lockdown. This has allowed us to engage with a more diverse audience than would have been possible if restricted to face-to-face meetings and helped reduce the time, cost and carbon impact of multiple journeys to meetings. For these reasons we will continue to embrace virtual meeting technology in the future, although we will ensure a blend with face-to-face meetings depending on what is more appropriate.
- Lisa Morgan joined the Trust in April as our new Head of Islands and Marine, tying together two teams that had previously been managed separately. Lisa also led our Health and Safety working group, which met regularly throughout the year to review the changing Covid regulations, gave advice to staff and drew up the necessary risk assessments and working procedures.
- We worked in partnership with other organisations throughout Wales to plan the safe reopening of visitor centres and the countryside and to coordinate advice to the Welsh Government.
- As part of a HLF-funded project, we now have a detailed, costed Options Analysis for the Welsh Wildlife Centre. This covers refurbishment, improvements and re-design of the main centre, other buildings, access and other facilities that could improve efficiency, reduce maintenance and energy costs and increase revenue. We are now working to phase the work and break it down into a series of smaller projects for which we are starting to seek funds.
- Working in partnership with other Wildlife Trusts across the movement is an essential element to effectiveness. Over the last year we:
 - Continued to support the Wildlife Trusts' Resources and Audit Committee and Marketing and Communication Committee
 - Our Reserves Manager Paul Thornton has taken a lead role in working with other Wildlife Trusts to share information and best practice on the management of Ash Dieback, which continues to be a major cost for our Trust, given the number of woodlands with diseased Ash in our estate.
 - Took part in discussions and workshops to help draw up a new strategy for the movement and to start to review governance arrangements. The new strategy tied in with our new Wales-wide conservation plan that was completed during 2020. The two documents set the high-level direction for our own, local strategy. Our Chairman Mike Alexander wrote a public consultation document to gather input from our members and the wider public to our next strategy.
 - Gave advice and input to the new arrangements for Wildlife Trust Wales which led to the WTW team becoming part of the Royal Society of Wildlife Trusts and ceasing to be an independent charity.

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- Worked with other CEOs in Wales to develop cross-border projects, many of which came to fruition, including Stand For Nature, a Wales-wide, youth-led NHLF-funded project aimed at empowering and supporting young people in taking action to tackle climate change.
- Worked with Trusts across the UK to calculate our baseline carbon footprint in order to map a route to becoming net carbon neutral by 2030.

The impact of Covid-19

All operating activities were limited for the first quarter of the financial year due to Covid restrictions. The Visitor Centres closed in mid-March 2020 and did not re-open until late July, after the vast majority of our normal season. Local groups and events were postponed, residential volunteer placements at Cardigan Bay and on Skomer Island were cancelled, and volunteering on our reserves was very limited. As a result 60% of staff were initially placed on furlough. Grant funded and a skeleton staff continued to work to cover essential work only, working from home as much as possible. Gradually through the summer and into the autumn the majority of staff returned to their roles, but it was necessary to make some redundancies to reduce staff costs and to meet the changing needs of the charity. The Finance Committee had regular meetings to support the CEO and Finance Manager.

FINANCIAL REVIEW

The results for the year show a group surplus of £799,672 (deficit of £58,981 2019/20). This is a significant result considering the position we faced as a result of the impact of COVID.

- Trading income fell by £474,000, two thirds, due to the closure of our visitor centres and being unable to carry out many of our normal activities.
- In the first half of the year we focused on survival by launching an appeal, applying for emergency grants and using the CJRS (furlough) grant to cover staff costs.
- As restrictions were lifted, we sought grants to enable us to recover, and applied for grants to cover the cost of managing our nature reserves. This enabled us to bring back to work the conservation staff that had been put on furlough in order to catch up on the essential work on our nature reserves and revive our operations.
- Our intensive focus on grants ultimately allowed us to cover most of our operating costs and deliver our charitable objectives, with most of the grants being secured in the second half of the year.

Income

Total income during 2020/21 was £2.7m compared to £2.4m in 2019/20.

- The majority of this is due to the increase in Grant Income from £766k to £1.577m.
- This covered the loss of trading income (£247k which was down from £721k) due to the closure of our visitor centres and being unable to carry out many of our normal activities due to restrictions.
- We were successful in applying for emergency grants that were available and this enabled us to bring staff back from furlough.
- In the autumn we were successful with a couple of large grants from Natural Resources Wales and the Welsh Government which covered the costs of managing the nature reserves from October until the end of March.
- In addition, we were fortunate and grateful for the continued support from many of our long-term donors. This meant we maintained our income from donations and legacies to similar levels of previous years, which all made up for the fall in trading income.

Expenditure

Expenditure has fallen from £2.4m to £2m due to the restrictions on activities in the first half of the year as a result of Lockdown.

- Expenditure on charitable activities makes up 75% of total expenses and these were largely funded by restricted funds.
- Trading expenses fell by over 50% from £677k to £329k due to the lower level of trading activity that was carried out through our trading subsidiary.

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- A significant proportion of costs were funded by restricted funds including the CJRS grants which helped fund our salary cost, particularly between April to August.

Fund balances and reserves

At the year end, unrestricted funds increased to £3m.

- Restricted funds have remained stable at £1.65m.
- Endowment funds remain unchanged at £136k
- Total funds of the Trust increased by almost £800,000 to £4.8m.

As a result of this increase in funds, the Trustees have decided to prudently set aside money in designated reserves to provide resources to meet the charities future needs and deliver its new strategy. The new designated reserves are:

1. Asset Purchase Reserve

This will provide funds to enable us to purchase vehicles to assist staff in carrying out work safely on our reserves. This will enable us to replace older vehicles when required rather than trying to fund these from grants, which is increasingly difficult. In the future we will need to consider electric vehicles but at the moment there are very few options on the market for replacement of the type of vehicles required but we will review this in the future. We are also aware of the need to reduce our carbon footprint and reduce our energy costs. We will look at the potential alternatives to achieve this by the use of solar panels and/or insulation for visitor centres. The Asset Purchase Reserve has been set up with a fund of £125,000.

2. Matched Funding Reserve

When we apply to grant funders to fund a project we frequently have to provide a percentage of the full cost ourselves. Therefore we are designating an amount from general funds to 'top up' any shortfall on restricted funding received. We are setting aside £100,000 for this purpose.

3. Income Support Fund

We are aware that next year is going to be difficult and we have budgeted for a significant deficit. Therefore it is prudent to provide funds to offset a proportion of the forecast deficit for the financial year 2021/22 & 2022/23. We anticipate that this will be a period where we try to revive and develop aspects of our charity and this will provide support for our operations in the interim. We have allocated £100,000 to income support fund.

4. Re-organisation and Development Fund

Recent events have shown a strain on staff resources which is leading to concerns about the welfare and retention of staff. There is a lack of capacity to focus on fundraising, generating more income and our ability to deliver our charitable objectives. We need to develop these areas to underpin our future strategy and also to ensure our business model is more sustainable. By designating £225,000 we can support the cost of additional staff resources to develop our income generating capacity to provide the resources to deliver our charitable objectives.

Trading subsidiaries

It was an extremely difficult year for the Trust's trading subsidiary, DWT Enterprises Ltd, due to COVID restrictions which had an impact to varying degrees throughout the year. The business was effectively closed from the end of March 2020 until the end of July 2020 when we were able open some of our visitor centres. Unfortunately we were not able to welcome any visitors to Skomer and Skokholm Island due to social distancing rules. Trading was limited throughout the financial year, and conditions were difficult. However trading income of £133k was achieved in the locations that were able to open. Our operations were also supported by CJRS and grants of £111,195. Expenses were also down from £500k to £255k due to reduced activity. Therefore the trading subsidiary made a small loss of £11k.

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Investment policy

Funds will continue to be invested in low risk, interest bearing deposit accounts and the Charities Property Investment Fund. Interest on restricted funds is retained within the restricted fund.

Financial Reserves Policy

The financial reserves policy of the Trust is considered in the light of the main risks of the organisation. There is continuing risk to our grant income due to uncertainties in the future. Therefore we have set up a number of designated reserves in order for us to support and develop the charities activities. In addition we have built up our unrestricted reserves in order to provide a buffer to enable us to continue our work over the short term if we suffer a loss of grant income. For a number of years we have been developing our strategy for improving the financial position of the Trust and build a level of unrestricted reserves to maintain 3-6 months running costs.

The Trust currently has reserves of £4.8m of which £3m are unrestricted reserves. We have free reserves of £630,526 (£452,394- 2019/20). Therefore we are meeting our reserve policy and our focus is to continue to develop our unrestricted income to improve and diversify our business for the future.

Risk Management

The Trustees have examined the principal areas of the Trust's operations and considered the major risks arising in each of these areas. In the opinion of the Trustees, the Trust has established processes and systems which under normal circumstances should allow the risks to be identified by them to be mitigated to an acceptable level in its day-to-day operations.

The major risks the Trust currently faces and mitigation are:

- 1) Covid-19- The impacts of the pandemic have continued to be felt by our charity throughout 2020 and into 2021. The risks include staff, volunteers or attendees/customers contracting the virus leading to short-staffing and difficulty covering key tasks. Also risk of loss of income if activities are restricted or if less people visit centres and Islands and attend events.
- 2) Ash dieback – due to the high number of woodland nature reserves in our portfolio, this imported disease continues to pose a significant risk and financial impact and may impact on public access. Nature reserves have been surveyed and trees are being dealt with on a risk-priority basis.
- 3) Major infrastructure projects - There is a risk that the planned Erebus project (the new wind farm south west of Skomer) will result in irreversible environmental damage to the Islands and seabirds. Although it may not be possible for the Trust to stop the development, we will focus on minimising the impact of the array.
- 4) Grants – the longer-term decline of revenue grants, and the cessation of some traditional grant-funding sources, poses continued financial risks to the charity. We are working with other Welsh Trusts to lobby for more sustainable grant income from the Welsh Government and Natural Resources Wales.

PLANS FOR FUTURE PERIODS

Our future plans are laid out in our Corporate Plan 2015-2020, included in Appendix 1. The current Corporate Plan was due to be replaced by the end of 2020 but has been delayed by the pandemic.

Over 2021-22 we will finalise our new strategy with input from Trustees, staff and members. Our new strategy will flow from the work we have done with other Wildlife Trusts in Wales and the UK to formulate all-Wales and UK-wide plans to tackle climate breakdown and to restore the balance of the natural environment that is needed for the intrinsic value of the wildlife and for our own survival.

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As part of our strategy we will:

- Calculate our baseline carbon footprint and produce a strategy and an annual action plan aiming to reach net zero by 2030.
- Carry out an EDI (Equality, Diversity, Inclusion) audit of our policies and working procedures and carry out EDI training for staff and volunteers.
- Investigate new ways of engaging with communities and individuals to garner support for nature's recovery across south and west Wales.
- Seek opportunities to progress nature's recovery in south and west Wales.
- Review and plan improvements across the range of our income sources.

We realise that in our planning for future period we need to be mindful of the continuing impact of COVID 19 and will focus on our recovery from the impacts the pandemic has had on our staff, our income and the delivery of our charitable objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was formed from the merger of The Glamorgan Wildlife Trust Ltd (registered November 1961, Charity No: 200653) and The Wildlife Trust West Wales Ltd (registered May 1962, Charity No: 227996). The Wildlife Trust of South and West Wales (WTSWW) was registered with the Charity Commission for England and Wales on the 8th April 2002; it is a company limited by guarantee (incorporated on 20 March 2002) and governed by Memorandum and Articles of Association which were last amended on 14 September 2015. On 1st April 2018 Brecknock Wildlife Trust (registered Oct 1964, Charity No: 239674), merged with The Wildlife Trust of South and West Wales.

The Memorandum and Articles of Association gives the Board of Trustees responsibility for determining the policies and direction of the charity, and to govern the affairs of the charity. The Board of Trustees are also directors for the purposes of company law.

As WTSWW's governing body, the Board of Trustees is ultimately responsible for the Trust's activities. It is directly accountable to the charity's members.

The Board operates a sub-committee, the Finance Committee, which has delegated powers and acts as the Executive committee overseeing the running of the Trust, and has responsibility for detailed financial decisions and for making recommendations to the Board, whilst the whole Board is responsible for overall financial scrutiny. The Finance Committee reports to the Board after every meeting, which ensures complete transparency and full engagement of all Trustees in all decisions. The Chief Executive and Finance Manager also attend the Finance Committee.

The Board of Trustees also receive reports from other committees: Health & Safety, Local Groups Forum, Islands Conservation Advisory Committee, and the General Data Protection Regulations (GDPR) Working Group. There may also be a number of Task and Finish Groups appointed as and when required by the Board who report directly to the Board.

There are nine members of staff who make up the Senior Management Team (SMT) who also attend the Board meetings at the invitation of the Board. The SMT are responsible for the day to day management of the Trust. The majority of the Trust's work is undertaken by a team of staff, reporting to the Chief Executive who is accountable to the Board of Trustees for achieving WTSWW's aims and objectives and complying with Trust policies.

Arrangements for setting the pay and remuneration for the key management personnel and any benchmarks, parameters or criteria used in setting their pay

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The charity has a Rewards and Remuneration Policy which details the 'total reward' approach under which all aspects of working for the charity are recognised. Prominence is given not only to remuneration and tangible benefits but also to less tangible rewards which are important factors in employee engagement and satisfaction. The policy sets out the factors and approach for determining the salary levels of all staff.

The key management personnel who make up the Senior Management Team are:

Sarah Kessell	- Chief Executive Officer
Margaret Drury	- Finance Manager
Nigel Ajax Lewis	- Head of Biodiversity and Policy – voluntary redundancy Dec 2020
Kerry Rogers	- Conservation Manager
Sarah Woodcock	- Conservation Manager –resigned March 2021
Lisa Morgan	- Head of Islands & Marine –appointed April 2020
Jon Cooper	- Membership Development Manager
Gina Gavigan	- Marketing Manager
Diana Clark	- Executive Officer

The total figure for pay of key management personnel is in the notes to the accounts.

Appointment, induction and training of Trustees

Trustees are nominated and appointed by the membership. All Trustees must be members of the Trust. The Board shall comprise of the Chairman, Vice-Chairman, Treasurer, who are all Trustees, and be made up of a minimum of 6 and a maximum of 12 Trustees. The Board may also co-opt from time to time additional members possessing specialist skills, knowledge or expertise, as it thinks fit.

Details of Trustees terms of office are laid out in the Memorandum & Articles of Association but in summary a Trustee shall not be eligible to serve as a Trustee for more than 3 consecutive terms of 3 years. The Chair shall be elected for not more than 2 consecutive terms of 3 years each. At the Annual General Meeting one third (or the number nearest to one third) of Trustees shall retire from office.

Due to delays resulting from Covid-19, the 18th Annual General Meeting was held online on Zoom on 14th January 2021. The Board of Trustees appointed Mike Alexander as Chair. No new Trustees were appointed to the Board. Stuart Bain continued in the role of Treasurer.

As part of their induction, all Trustees are issued with the charity's key documents: Memorandum and Articles of Association, Responsibilities of Trustees (Charity Commission), Code of Conduct for WTSWW Trustees, Annual Report and Accounts, Corporate Strategy, Trust staff and management structures, Trust policies and other documents and information to enable new Trustees to gain a good understanding of the charity and business.

At the first meeting of the Trustees following the AGM the Chairman reminds all Trustees of their responsibilities as Trustees and Directors. Trustees attend 8-10 meetings per year, with occasional additional meetings and involvement with Sub-Committees, Task and Finish Groups or *ad hoc* Working Groups as appropriate. Trustees also attend Strategic Planning Days. They may also represent the Trust on other occasions. Trustees are offered the opportunity to attend external training courses and Open Day events organised by Royal Society of Wildlife Trusts (RSWT) specifically for Wildlife Trust Trustees and staff. During 2020 and 2021 Board meetings were held online on Zoom.

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Patron, President and Vice Presidents

At the Annual General Meeting the Trust members may, on the recommendation of the Board, also elect a Patron, President and Vice Presidents, and they shall hold office for a term of 5 years and be eligible for re-election. At the AGM on 14th January 2021 no appointments were made. The review of the role of honorary officers is ongoing, but had not progressed due to other pressures dealing with Covid 19. No honorary appointments are being made until the review has been completed.

Related parties

The charity has a wholly-owned active trading subsidiary, DWT (Enterprises) Ltd (Company No: 02702793). It also wholly owns a dormant subsidiary, Autumn Peaks Ltd (Company No: 03262690)

It also operates three charities as inactive companies, Glamorgan Wildlife Trust Ltd (Company No: 00693495), Wildlife Trust West Wales Ltd (Company No: 00728044) and Brecknock Wildlife Trust Ltd (Company No: 00824844).

The Trust has a close relationship with the other four Wildlife Trusts in Wales and The Wildlife Trusts Wales Ltd (WTW), working together to develop their partnership, with staff expertise and representation on national bodies shared throughout the Trusts. The WTW Forum oversees this partnership. The Wildlife Trust of South and West Wales is represented on WTW Forum by the Chief Executive and by the Chairman at WTW Council. WTSWW contributed 30% to the overall WTW levy in the year 2020-21.

The Trust also works closely with the Royal Society of Wildlife Trusts (RSWT) and all The Wildlife Trusts (TWT), to ensure that national Aims and Objectives are met, working towards our joint vision of an environment rich in wildlife for everyone.

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REFERENCE AND ADMINISTRATIVE DETAILS

Registered name: The Wildlife Trust of South and West Wales Limited

Also known as: Wildlife Trust of South and West Wales
WTSWW

Registered Charity Number: 1091562

Registered Company Number: 4398959

Trading subsidiaries: DWT (Enterprises) Limited

Registered Office: The Nature Centre
Fountain Road
Tondu
Bridgend
CF32 0EH

Vice- Presidents Barry Downes - *end of term 2020*
Richard Loosmore - *end of term 2019*
Denys Smith - *deceased*
John Gale - *end of term 2019*
Graham Rees - *end of term 2018*
Professor Lynda Warren - *end of term 2020*
Rob Anthony - *end of term 2021*
NB the role of Vice-President is under review before further honorary appointments are made

Board of Trustees

Chairman	Mike Alexander ^W	Appointed chair 14-01-21
Treasurer	Stuart Bain ^G	Appointed Treasurer 30-01-21
Vice Chair	Paul Culyer ^W	Appointed Vice Chair 30-01-21
	Rob Pickford	
	Sally Weale	
	Mark Brian ^B	
	Rosey Grandage ^B	
	Shirley Matthews	
	Gillian Berntsen	
	Richard Payne	
	Tom Roberts	

W – Trustee of WTWW

G – Trustee of GWT

B – Trustee of BWT

Chief Executive Sarah Kessell

Company Secretary Diana Clark

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Principal Bankers:

Lloyds TSB
7 Victoria Place
Haverfordwest
Pembrokeshire
SA61 2JZ

Solicitors:

Hains & Lewis
7 St James Street
Narberth
Pembrokeshire
SA67 7BZ

Auditors:

Azets Audit Services (Formerly Baldwins)
Statutory Auditors & Chartered Accountants
Cardiff Gate Business Park, Ty Derw, Lime Tree Court,
Cardiff CF23 8AB

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APPENDIX 1

Strategic Objectives as set out in the Corporate Plan 2015-2020

Living Landscapes:

1. Protect what we have – the building blocks of ecosystems.

Actions

- Ensure that all nature reserves in our care are secure and actively managed, and in favourable conservation status where we are in control of the actions needed.
- Deliver species-targeted conservation in an effective and adaptable manner, responding to new threats and opportunities.
- Expand WTSWW's estate by securing high conservation priority land, adjacent to our nature reserves where possible, in order to expand and link good quality areas of habitat.

2. Work towards nature's recovery.

Actions

- Offer practical management expertise to private landowners and partner organisations where it benefits priority species and habitats and to have sufficient capacity to offer a site visit for any landowners requesting this support.
- Support the development of a robust Wildlife Site system in all parts of WTSWW's area that is well managed, monitored and delivered in partnership with landowners.
- Continue developing and delivering landscape-scale projects for species whose conservation depends on action at this scale (for example those depending on a metapopulation structure e.g. Marsh Fritillary butterflies, Red Squirrels).
- Support reintroductions where they are supported by sound ecological evidence (e.g. beaver), and to provide data where required to inform policy.

Living Seas:

1. Work towards Living Seas

Actions

- Build on and use the information in our Future Fisheries reports to work with the fishing industry, retailers and consumers to improve the sustainability of fishing practice.
- Work with key sectors to reduce the negative impacts of activities on the marine environment, such as kayaking, power boats and ecotourism operators.
- Raise awareness of the issues that affect the marine environment through communication, events and activities and demonstrate the impact people can have in their individual actions and consumer decisions.

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2. Contribute to the development and application of marine environmental knowledge/best practice.

Actions:

- Continue to develop the science programme at CBMWC, advancing knowledge of cetaceans in Cardigan Bay, and research on Skomer and Skokholm Islands and contributing to marine data in Wales.
- To be an active marine research organisation both in our own right and in partnership with others, generating a range of reports and papers that contribute to the wider understanding of marine ecology in the Irish Sea and beyond.

Inspiring and engaging people:

1. Help reverse the trend of young people becoming disconnected from wildlife.

Actions:

- Recruit a Wildlife WATCH Coordinator to support existing WATCH groups and encourage new groups and increased activities, guiding their activities according to WTSWW conservation priorities.
- Increase WTSWW's engagement with schools through an outreach programme.

2. Encourage people of all ages to value wildlife and take action to protect it.

Actions:

- Promote our conservation work more widely in order to increase the reach of our wider message, using a mixture of success stories and highlighting vulnerabilities
- Be the lead organisation in our area for offering a wide-ranging programme, both geographically and topically, of staff-led learning events, and marketing that programme effectively to increase our audience, including wildlife enthusiasts.
- Provide a suite of learning resources that matches our Conservation Plan priorities and the ecology of our local area.
- Support individuals in taking action for nature within their sphere of influence.
- Increase our delivery of public engagement within local communities, leading to increased activity for nature recovery on land and at sea.
- Research and develop a method for monitoring the impact we are having and the ways in which people are changing their behaviour that have been effected by us.
- Continue to engage with the Health and Wellbeing agenda, seeking new opportunities for partnership work and funding that align with our objectives.

3. Develop our visitor centres and nature reserves to showcase the different ways in which we inspire people and connect them to nature.

Actions:

- Provide the most positive, informative and enjoyable access to our nature reserves that we can, to the maximum audience, within the limits of our nature reserves' ability to accommodate visitors without detriment to their features.
- Provide suitable resources and facilities to maximise opportunities for all our visitors to engage in self-led activities.

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- To ensure that visitor centre staff, volunteers and information sign-post people towards opportunities for engaging with our work.

Standing up for Wildlife:

1. Ensure proper account is always taken of our wildlife

Actions:

- Increase our capacity for responding to potentially damaging developments (working with staff, volunteers and members).
- Maximise our influence on the policy of partners and organisations that influence environmental management through targeted effort in consultation responses.
- Work with others on relevant campaigns e.g. marine litter.
- Maximise engagement and influence within the local community strategies in areas where doing so will provide greatest benefit to the delivery of our vision.
- Continue to be an active contributor at both a national and local level to biodiversity policies and partnerships.
- Have a loud and respected voice in advocacy, building on this by mobilising public advocacy with the use of concise and clear information and instructions.

2. Contribute to the development and application of conservation knowledge and best practice

Actions

- Develop our monitoring and survey programmes and train others to help with monitoring.
- Collate and store our biodiversity data in a central, easily accessible and updatable format, which can then be shared with third party organisations and individuals to inform effective policy decisions.
- Support and actively work in partnership with others to deliver original, peer-reviewed and published research that informs best practice in the conservation field.
- Base our own management decisions on the best research available and to seek to fill evidence gaps where they occur.
- To be a major contributor to relevant external publications, reaching wider audiences and increasing WTSWW's ability to effectively share expertise and experiences.

Growing our resources:

1. Strengthen the Trust's fundraising effort giving priority to the generation of unrestricted core funds.

Actions:

- Implement fundraising plans in areas with the biggest return on investment including a legacy campaign and individual donor relationships.
- Build relationships with potential donors by raising the profile of projects that we are seeking funding for, and to identify projects that they would wish to support.
- Increase membership numbers by 5,000 and maintain our current lapse rate.
- Review the need for additional capacity (volunteers or staff) in areas where there is potential to generate additional income.
- Raise general awareness of our charitable status and our need for support through our communications work.

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2. Maximise the profit of our assets, ensuring that there is no conflict with our charitable objectives.

Actions:

- Produce a business plan for the old bunkhouse at WWC including a revision of the options for use, renovation costs, grant possibilities and return on investment.
- Establish and implement marketing and communications plans (with input from conservation team) for all visitor centres and visitor accommodation in order to grow visitor numbers, paying attention to visitor feedback.
- Source investment for our buildings where this would increase efficiency/income or reduce maintenance costs.
- Research new ideas for use of our assets to increase DWT profitability from an April 2015 baseline of c£35k, whilst not conflicting with our charitable aims.

3. Improve opportunities for involvement by volunteers and partners

Actions:

- Recruit a Volunteer Coordinator to help with sign-posting of opportunities, induction, training, support and recognition, leading to an increase in volunteers.
- Publicise opportunities for student placements and circulate advice about conservation careers, emphasising the importance of volunteering experience.
- Identify partners with whom there is no competitive conflict, and work together on activities that add mutual value.
- Continue to develop our relationship with well-established Local Groups and support those that need it, to grow their activities and numbers.

Building recognition of our role:

1. Build our brand recognition at a local and regional level.

Actions:

- Train staff and volunteers to communicate key messages in a way that is consistent with our brand.
- Ensure consistent branding of all materials used for communication & marketing.
- Continue to build relationships and links with media and key partners, encouraging an understanding of who we are and our USP
- Identify opportunities for 'free' but effective marketing and promotion.
- Work with RSWT and WTW on issues that reinforce our brand at a wider level.

2. Continue to increase the profile of our work via communications.

Actions:

- Provide a coherent conservation message in all communications.
- Develop clearer ways of monitoring and reporting the impacts of our work.
- Widely publicise our reports and our achievements, seeking more opportunities to demonstrate the impact of our work to key audiences e.g. local AMs and MPs.
- Enable all staff to deal with enquiries from the public by providing better information.
- Engage with Wales and UK wide groups for maximum effect, so that our contribution is valued and recognised by the wider environmental sector.

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Manage ourselves effectively:

1. Work towards a sustainable and secure financial position (linked to 5.4).

Actions:

- Maintain efforts to build up three months-worth of unrestricted cash reserves and a 'sinking fund' for unforeseen emergency spends.
- Increase the proportion of income spent on direct delivery of our charitable objectives from 70% (currently) to 80% by 2020
- Investigate investments in our buildings that would reduce energy costs.

2. Work effectively with The Wildlife Trusts, collectively and individually.

Actions:

- Explore opportunities for closer working with other Welsh Trusts where this would reduce operating costs, increase our efficiency or allow us to more effectively deliver our charitable objectives.
- Participate fully in TWT initiatives, ensuring the local perspective is considered and build good relationships with TWT staff to ensure our Welsh language needs can be considered.
- Learn from, and work with, other Wildlife Trusts to take and give advice.

3. Invest in our staff and volunteers

Actions:

- Continue to work towards a fully participative management style for all line-managers, according to the principles of level 5 leadership.
- Ensure our staff are fully equipped to do their work, in terms of resources (e.g. IT, telecoms), skills (e.g. through the use of coaching sessions) and time (e.g. helping staff build in thinking/planning time into their diaries).
- We will continue to work towards a fair salary level for all posts, ironing out the discrepancies caused by differences in industry averages for different roles and benchmarking ourselves against other Wildlife Trusts.
- Implement staff and volunteer surveys to gauge satisfaction levels and highlight areas that need addressing.

By delivering against these actions we want to achieve the following main impacts by 2020:

1. 75% of our nature reserves are in favourable conservation status.
2. We can demonstrate that our actions have contributed to the expansion of priority species and habitats that we are working on in our area.
3. Key species reintroductions have taken place.
4. We can demonstrate that our involvement has contributed to the use of the sea becoming more sustainable, and the marine ecosystem is showing signs of recovery.
5. Our research reports and monitoring data are being used and quoted and we are being consulted on major plans and strategies.
6. A greater proportion of people from all ages and backgrounds placing a positive value on nature and committing to some sort of action to help protect it and to support the Wildlife Trust.
7. The feedback from our visitors and members prove that our nature reserves and visitor centres are valued and help people connect to nature.

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8. We can demonstrate that the actions we have taken alone or in partnership have influenced major decisions that affect the environment.
9. We are playing a central role in the growth of conservation knowledge.
10. Unrestricted income has grown by £150k per annum
11. The number and range of actively engaged volunteers has increased.
12. Brand recognition increases (monitored through organised group research at a local and regional level)
13. Proportion of income spent on direct delivery of charitable objectives increased to ≥80%.
14. Annual reviews and staff/volunteer surveys reflect increased satisfaction in working for the Trust and increased ability to deliver work.

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FOR THE YEAR ENDED 31 MARCH 2021

Responsibilities of the Board of Trustees

The trustees (who are also directors of The Wildlife Trust of South and West Wales Limited) for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

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

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

Auditors

Azets Audit Services were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Board of Trustees on 13th September 2021 and signed on its behalf by:



Mrs D Clark (Secretary)

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE WILDLIFE TRUST OF SOUTH AND WEST WALES LIMITED
FOR THE YEAR ENDED 31 MARCH 2021**

Opinion

We have audited the financial statements of The Wildlife Trust of South and West Wales (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31st March 2021 which comprise the consolidated Statement of Financial Activities, the consolidated Statement of Total Recognised Gains and Losses, the consolidated and parent Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31st March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report⁶. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE WILDLIFE TRUST OF SOUTH AND WEST WALES LIMITED
FOR THE YEAR ENDED 31 MARCH 2021**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE WILDLIFE TRUST OF SOUTH AND WEST WALES LIMITED
FOR THE YEAR ENDED 31 MARCH 2021**

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE WILDLIFE TRUST OF SOUTH AND WEST WALES LIMITED
FOR THE YEAR ENDED 31 MARCH 2021**

Use of our report

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



Sarah Case FCA DChA

Senior Statutory Auditor

For and on behalf of

Azets Audit Services

Chartered Accountants and Statutory Auditors

Ty Derw

Lime Tree Court

Cardiff Gate Business Park

Cardiff

CF23 8AB

Date 30-9-2021.....

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	3	484,445	97,221	-	581,666	605,777
Charitable activities	4	251,538	1,547,499	-	1,799,037	952,481
Other trading activities	5	247,063	-	-	247,063	721,308
Investments	6	52,583	5,362	-	57,945	82,383
Other	7	23,389	-	-	23,389	48,723
Total income and endowments		<u>1,059,018</u>	<u>1,650,082</u>	<u>-</u>	<u>2,709,100</u>	<u>2,410,672</u>
Expenditure on:						
Raising funds	8	118,389	43,097	-	161,486	242,305
Charitable activities	8	219,575	1,288,796	-	1,508,371	1,525,257
Other	8	238,229	91,195	-	329,424	677,240
Total expenditure		<u>576,193</u>	<u>1,423,088</u>	<u>-</u>	<u>1,999,281</u>	<u>2,444,802</u>
Net gains/ (losses) on investments	13	91,967	(2,114)	-	89,853	(24,851)
Net income/(expenditure)		<u>574,792</u>	<u>224,880</u>	<u>-</u>	<u>799,672</u>	<u>(58,981)</u>
Transfers between funds:	18	220,911	(220,911)	-	-	-
Net movement in funds		<u>795,703</u>	<u>3,969</u>	<u>-</u>	<u>799,672</u>	<u>(58,981)</u>
Reconciliation of Funds						
Total funds brought forward	16,20	2,214,748	1,655,480	135,826	4,006,054	4,065,035
Total funds carried forward	16,20	<u>3,010,451</u>	<u>1,659,449</u>	<u>135,826</u>	<u>4,805,726</u>	<u>4,006,054</u>

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 35-60 form part of the financial statements

**THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
Surplus / (deficit) for the financial year	709,819	(34,130)
Unrealised gain on the revaluation of investment assets	89,853	(24,851)
Total gains and losses recognised	<u>799,672</u>	<u>(58,981)</u>

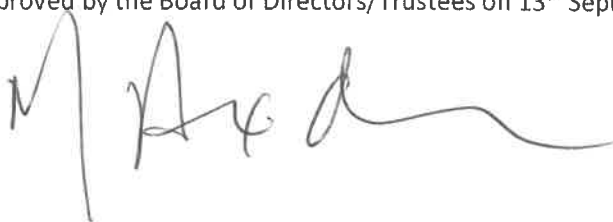
The notes on pages 35-60 form part of the financial statements

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
BALANCE SHEET AS AT 31 MARCH 2021

	Notes	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Fixed assets:					
Tangible fixed assets	11	176,901	174,237	234,328	230,453
Heritage assets	12	2,011,972	2,011,972	1,886,972	1,886,972
Investment: Quoted	13	885,518	885,518	795,665	795,665
Unquoted	13	-	40	-	40
		<u>3,074,391</u>	<u>3,071,767</u>	<u>2,916,965</u>	<u>2,913,130</u>
Current assets:					
Stock		22,910	-	25,543	-
Debtors	14	624,015	631,288	423,316	548,237
Cash at bank and in hand		1,510,456	1,438,490	1,058,101	819,532
		<u>2,157,381</u>	<u>2,069,778</u>	<u>1,506,960</u>	<u>1,367,769</u>
Liabilities:					
Creditors: Amounts falling due within one year	15	<u>(332,240)</u>	<u>(253,448)</u>	<u>(352,047)</u>	<u>(231,653)</u>
Net current assets		<u>1,825,141</u>	<u>1,816,330</u>	<u>1,154,913</u>	<u>1,136,116</u>
Total assets less current liabilities		4,899,532	4,888,097	4,071,878	4,049,246
Creditors: Amounts falling due after more than one year	20	(93,806)	(93,806)	(65,824)	(65,824)
Net assets	19	<u>4,805,726</u>	<u>4,794,291</u>	<u>4,006,054</u>	<u>3,983,422</u>
The funds of the charity:					
Endowment funds	20	135,826	135,826	135,826	135,826
Restricted income funds	16,18,20	1,659,449	1,659,449	1,655,480	1,655,480
Unrestricted income funds					
Designated funds	19	550,000	550,000	-	-
Unrestricted income funds	20	630,526	621,744	452,394	433,638
Fixed assets	20	1,829,925	1,827,272	1,762,354	1,758,478
Total charity funds		<u>4,805,726</u>	<u>4,794,291</u>	<u>4,006,054</u>	<u>3,983,422</u>

These financial statements were approved by the Board of Directors/Trustees on 13th September 2021

Mike Alexander
Chairman



The notes on pages 35-60 form part of the financial statements

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Net cash provided by operating activities	24	<u>472,666</u>	<u>(311,494)</u>
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments	6	49,883	82,383
Proceeds from the sale of property, plant and equipment		1,467	5,725
Purchase of nature reserve	12	(125,000)	
Purchase of property plant and equipment	11	(18,360)	(103,780)
Net cash provided by/ (used in) investing activities		<u>(92,010)</u>	<u>(15,672)</u>
<i>Cash flows from financing activities:</i>			
Repayments of borrowing	24	(20,027)	(19,199)
Cash inflows from new borrowing	24	91,726	-
Net cash used in financing activities		<u>71,699</u>	<u>(19,199)</u>
Change in cash and cash equivalents in the reporting period		452,355	(346,365)
Cash and cash equivalents at the beginning of the reporting period		1,058,101	1,404,466
Cash and cash equivalents at the end of the reporting period	24	<u>1,510,456</u>	<u>1,058,101</u>

The notes on pages 35-60 form part of the financial statements

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Legal form and address

The Wildlife Trust of South and West Wales Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Nature Centre, Fountain Road, Tondu, Bridgend, CF32 0EH.

Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by s408 of the Companies Act 2006.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary DWT (Enterprises) Limited on a line by line basis.

Company status

The charity is a company limited by guarantee. The members of the company are subscribers paying a membership subscription. 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.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Cash flow and budgets are monitored on a regular basis, thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts. Future plans and forecasts for the charity aim to further increase the charity's unrestricted reserves.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity and which have not been designated for other purposes.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

The capitalised value of the nature reserves transferred into the charity from The Glamorgan Wildlife Trust and The Wildlife Trust (West Wales) have been treated as unrestricted funds by the trustees.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

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

Investment income and gains are allocated to the appropriate fund.

Income recognition

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members.

Membership and subscriptions income is credited to the Statement of Financial Activities in the year in which they are due. Income received in advance is deferred to the appropriate financial year.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

Income from local groups, trading and nature reserves is credited to the Statement of Financial Activities in the year in which they are due.

No amounts are included in the financial statements for services and time donated by volunteers.

Interest on funds is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the activity. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the basis of staff numbers within the activity which is supported.

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report.

Other costs comprise the costs in relation to the charity's trading subsidiary.

Governance costs are those incurred in the governance of the charitable company and its assets and are primarily associated with constitutional and statutory requirements.

Support costs are those costs incurred directly in support of expenditure towards the furtherance of the charity's objectives and includes project management carried out at the Trust offices.

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

Taxation

As a registered charity The Wildlife Trust of South and West Wales Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

Taxable profits generated by DWT (Enterprises) are gifted to the charity under a deed of covenant.

Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses or in cases where fixed assets have been donated to the charity, at valuation at time of acquisition.

Fixed assets costing more than £1,000 are capitalised.

Fixed assets include 'new build' properties but renovation and restoration works are not capitalised.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Properties are valued in the accounts as follows:

Freehold buildings	cost of acquisition (including legal and professional fees)
Welsh Wildlife Centre	valued at 1999 commercial value to The Wildlife Trust (West Wales) as at 1st January 1999 (being £10,000 a year over a useful life of 20 years)

Depreciation is provided on all tangible fixed assets at rates calculated to write-off the cost on a straight line basis over their expected useful economic lives as follows:

Freehold nature reserves and buildings	nil
WWC & Visitor Centre: Teifi Marshes	over 20 years
Plant and equipment	over 5 years
Computer equipment	over 3 years
Motor Vehicles	over 4 years
Project plant and equipment	over the life of the Project

Heritage assets

Heritage assets related to the charity's nature reserve, which are recorded at cost with no depreciation being charged due to the assets having an indefinite life.

Nature reserves are valued in the accounts as follows:

Leasehold Nature Reserves	cost of acquisition
Teifi Marshes Nature Reserve	valued at 1999 Market Value by The Wildlife Trust (West Wales)
Other nature reserves	cost of acquisition

The heritage assets have been reviewed at the reporting date with no impairment noted.

Investments

The charity owns 100% of the share capital of the DWT Limited, the shares of which are recognised at cost. A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on the estimated selling price after taking into account all further costs and excess stocks that are slow moving.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Employee Benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (continued)

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

The charitable company and its subsidiary operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due and are allocated between unrestricted and restricted funds.

Operating Leases

The charity classifies the lease of a franking machine as an operating lease. Rental charges are charged on a straight line basis over the term of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Membership subscriptions	<u>282,030</u>	-	<u>282,030</u>	320,825
	<u>282,030</u>	-	<u>282,030</u>	320,825
Donations and gifts				
Individuals	118,987	500	119,487	163,974
Appeals and events	20,366	86,972	107,338	42,909
Local groups	-	9,749	9,749	37,929
	<u>139,353</u>	<u>97,221</u>	<u>236,574</u>	244,812
Legacies				
A Gwynne	-	-	-	500
B M Singh	-	-	-	4,632
J Herbert	-	-	-	15,000
M Howells	-	-	-	20,008
Dr W Howells	1,000	-	1,000	-
G D Smith	32,062	-	32,062	-
F Sylvester	30,000	-	30,000	-
	<u>63,062</u>	-	<u>63,062</u>	40,140
	<u>484,445</u>	<u>97,221</u>	<u>581,666</u>	<u>605,777</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
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4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Conservation and education				
Charitable trusts under £10,000	-	2,297	2,297	10,500
Charitable trusts over £10,000	-	15,971	15,971	20,769
Dow Corning Foundation	-	22,660	22,660	16,600
The National Lottery Heritage Fund	-	352,899	352,899	144,686
Local Government	55,000	167,750	222,750	291,510
Moondance Foundation	35,000	-	35,000	-
The National Lottery Community Fund	-	34,475	34,475	-
Natural Resources Wales	-	168,421	168,421	26,271
Other grants	-	5,500	5,500	-
PPL Foundation	-	69,664	69,664	72,980
Royal Society of Wildlife Trusts	12,000	60,309	72,309	-
The Waterloo Foundation	60,000	-	60,000	-
WCVA – Landfill Disposals Tax Community Grant	-	9,363	9,363	39,999
WCVA – Third Sector Resilience Fund	52,500	59,178	111,678	-
Welsh Government	-	356,879	356,879	133,435
Wildlife Trust Wales	30,000	-	30,000	-
Other				
Coronavirus Job Retention Scheme	-	222,133	222,133	-
Income from nature reserves	7,038	-	7,038	195,731
	<u>251,538</u>	<u>1,547,499</u>	<u>1,799,037</u>	<u>952,481</u>

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fundraising income				
Trading activities (see below)	247,063	-	247,063	721,308
	<u>247,063</u>	<u>-</u>	<u>247,063</u>	<u>721,308</u>

	2021 £	2020 £
The Wildlife Trust of South and West Wales L	114,205	78,644
DWT (Enterprises) Ltd	132,858	642,664
	<u>247,063</u>	<u>721,308</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. INCOME FROM OTHER TRADING ACTIVITIES (continued)

Commercial trading operations and investment in trading subsidiary

The charity owns the whole of the issued ordinary share capital of DWT (Enterprises) Limited, company registration number 02702793 a company registered in Wales. The subsidiary is used for non-primary purpose trading activities – namely the provision of holiday accommodation on nature reserves, catering for visitors and the retailing of bought-in goods to visitors. All activities have been consolidated on a line by line basis in the SOFA.

	2021 £	2020 £
<u>Profit and Loss Account</u>		
Turnover	132,858	642,664
Cost of sales	<u>(43,361)</u>	<u>(188,780)</u>
Gross profit	89,497	453,884
Administrative expenses	(212,046)	(310,994)
Other operating income	<u>111,195</u>	<u>-</u>
(Loss)/profit for the financial year	<u>(11,354)</u>	<u>142,890</u>
 <u>Statement of Changes in Equity</u>		
Balance brought forward	22,673	24,028
(Loss)/profit and total comprehensive income for the year	<u>(11,354)</u>	<u>142,890</u>
Distributions to parent charity under gift aid	-	<u>(144,245)</u>
Balance carried forward	<u>11,319</u>	<u>22,673</u>
 <u>Balance Sheet</u>		
Fixed assets	2,653	3,876
Current assets	104,477	269,882
Creditors: amounts falling due within one year	<u>(95,811)</u>	<u>(251,085)</u>
Total assets less current liabilities	<u>11,319</u>	<u>22,673</u>
Called up share capital	40	40
Profit and loss reserves	<u>11,279</u>	<u>22,633</u>
Total equity	<u>11,319</u>	<u>22,673</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. INCOME FROM INVESTMENTS

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Investment income				
Dividends receivable	43,906	5,345	49,251	57,998
Interest receivable	615	17	632	2,623
Rents receivable	8,062	-	8,062	21,762
	<u>52,583</u>	<u>5,362</u>	<u>57,945</u>	<u>82,383</u>

7. INCOME FROM OTHER SOURCES

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Other income				
Profit on sale of fixed assets	90	-	90	-
Insurance claim	1,835	-	1,835	1,640
Sundry income	21,464	-	21,464	47,083
	<u>23,389</u>	<u>-</u>	<u>23,389</u>	<u>48,723</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. EXPENDITURE

	Fundraising		Charitable Activities		Trading		Total 2021	Total 2020
	U/R	R	U/R	R	U/R	R		
	£	£	£	£	£	£	£	£
Costs directly allocated to activities								
Staff costs	77,743	29,225	34,012	664,860	84,785	91,195	981,820	970,314
Staff development	-	-	181	210	173	-	564	2,013
Membership costs	9,814	-	4,182	-	-	-	13,996	41,861
Administrative costs	891	-	438	-	643	-	1,972	3,399
Audit fees	-	-	5,250	-	2,195	-	7,445	1,340
Bank charges and interest	1,304	-	-	-	4,622	-	5,926	15,050
Contractors and materials	-	13,872	10,890	492,422	765	-	517,949	528,882
Depreciation	-	-	15,912	38,924	1,221	-	56,057	49,877
Equipment	-	-	-	-	3,087	-	3,087	5,091
Fundraising costs	256	-	-	25,104	-	-	25,360	41,810
Legal and professional	500	-	4,634	-	1,747	-	6,881	2,319
Other costs	7,604	-	9,458	14,272	1,245	-	32,579	29,802
Premises overheads	-	-	12,467	37,440	20,950	-	70,857	143,577
Promotion and advertising	2,693	-	-	-	136	-	2,829	16,033
Trading costs	-	-	-	-	43,361	-	43,361	190,554
Travel and vehicle running costs	18	-	16,756	15,564	1,083	-	33,421	62,210

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
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8. EXPENDITURE (continued)

	Fundraising		Charitable Activities		Trading		Total 2021	Total 2020
	U/R	R	U/R	R	U/R	R		
	£	£	£	£	£	£	£	£
Support costs allocated to activities								
Staff costs	2,204	-	13,222	-	9,059	-	24,485	129,235
Staff development	24	-	146	-	100	-	270	481
Administrative costs	1,310	-	7,860	-	5,386	-	14,556	20,889
Audit fees	110	-	660	-	452	-	1,222	6,241
Bank charges and interest	203	-	1,218	-	835	-	2,256	4,511
Contractors and materials	85	-	508	-	348	-	941	-
Depreciation	1,652	-	9,910	-	6,791	-	18,353	19,388
Legal and professional	55	-	332	-	228	-	615	-
Other costs	2,361	-	14,163	-	9,704	-	26,228	37,511
Premises overheads	6,441	-	38,644	-	26,479	-	71,564	88,011
Promotion and advertising	72	-	433	-	296	-	801	-
Travel and vehicle running costs	98	-	590	-	404	-	1,092	3,741
Wales partnership support costs	2,951	-	17,709	-	12,134	-	32,794	30,662
Total resources expended	118,389	43,097	219,575	1,288,796	238,229	91,195	1,999,281	2,444,802

Accounting and audit fees

Auditors remuneration	2021	2020
	£	£
	<u>7,595</u>	<u>6,241</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
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9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021	2020
	£	£
Staff costs and trustees remuneration		
Wages and salaries	926,748	1,005,660
Social security costs	56,940	68,156
Pension costs	22,616	25,736
	<u>1,006,304</u>	<u>1,099,552</u>

No employee had emoluments of greater than £60,000 per annum during the current and prior year.

No remuneration has been paid to any of the charity's trustees nor any expenses reimbursed to them during the current and prior year.

Redundancy payments totalled £15,923 during the year (2020: £nil). There were no amounts outstanding at the current or previous year end.

Key management personnel

Total remuneration of key management personnel during the year was £268,753 (2020: £292,214).

Pension

The charity operates a defined contribution stakeholder pension scheme for its employees, administered by the People's Pension, which is outside the control of the charity. At the year-end there were 52 (2020: 52) employees who were members of the scheme. The balance outstanding at the year end totalled £nil (2020: £4,000)

10. STAFF NUMBERS

The average monthly head count was 54 staff (2020: 65) and the numbers of the full-time equivalent employees (including seasonal and part-time staff) during the year was made up as follows:

	2021	2020
	No	No
Fundraising and membership	5	6
Trading	10	14
Charitable activities	26	30
Administration	4	4
	<u>45</u>	<u>54</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. TANGIBLE FIXED ASSETS

Group and charity

	Freehold buildings £	Welsh Wildlife Centre £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2020	4,313	270,482	387,613	25,089	196,060	883,557
Additions in year	-	-	1,685	-	16,675	18,360
Disposals in year	-	-	(48,573)	(10,986)	(55,193)	(114,752)
At 31 March 2021	<u>4,313</u>	<u>270,482</u>	<u>340,725</u>	<u>14,103</u>	<u>157,542</u>	<u>787,165</u>
Depreciation						
At 1 April 2020	1,724	222,302	281,416	23,029	120,758	649,229
Charge for the year	431	3,524	35,277	2,283	32,895	74,410
Released on disposals	-	-	(47,721)	(10,986)	(54,668)	(113,375)
At 31 March 2021	<u>2,155</u>	<u>225,826</u>	<u>268,972</u>	<u>14,326</u>	<u>98,985</u>	<u>610,264</u>
Net book values						
At 31 March 2021	<u>2,158</u>	<u>44,656</u>	<u>71,753</u>	<u>(223)</u>	<u>58,557</u>	<u>176,901</u>
Included in above restricted assets	-	<u>11,068</u>	<u>55,651</u>	<u>778</u>	<u>42,773</u>	<u>110,270</u>
At 31 March 2020	<u>2,589</u>	<u>48,180</u>	<u>106,197</u>	<u>2,060</u>	<u>75,302</u>	<u>234,328</u>

Included in the above figures are fixed assets at a cost of £18,331 (2020: £19,155) and accumulated depreciation charged at £15,678 (2020: £15,279) relating to the charity's trading subsidiary DWT (Enterprises) Limited.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. HERITAGE ASSETS – Group and charity

	Freehold Nature Reserves £	Leasehold Nature Reserves £	Total £
Cost as at 1 April 2020	1,776,412	110,560	1,886,972
Additions	<u>125,000</u>	-	<u>125,000</u>
Cost as at 31 March 2021	<u>1,901,412</u>	<u>110,560</u>	<u>2,011,972</u>
Included in the above restricted assets	<u>148,678</u>	<u>100,000</u>	<u>248,678</u>

Heritage assets represent the cost or valuation of the charity's nature reserves at the date of acquisition, which are held in pursuit of its conservation objectives.

Five year summary

	Freehold Nature Reserves £	Leasehold Nature Reserves £	Total £
Cost as at 1 April 2016	1,776,412	110,560	1,886,972
Additions	<u>125,000</u>	-	<u>125,000</u>
Cost as at 31 March 2021	<u>1,901,412</u>	<u>110,560</u>	<u>2,011,972</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. INVESTMENTS – Group and charity

	UK listed investments £	Shares in subsidiary £	Total £
Market value at 1 April 2020	795,665	40	795,705
Revaluation	<u>89,853</u>	-	<u>89,853</u>
Market value as at 31 March 2021	<u>885,518</u>	<u>40</u>	<u>885,558</u>
Acquisition value at 31 March 2021	<u>736,393</u>	<u>40</u>	<u>736,433</u>

	The Charity Investment Funds £	Total £
Market value 31 March 2021	<u>885,518</u>	<u>885,518</u>
Market value 31 March 2020	<u>795,665</u>	<u>795,665</u>

14. DEBTORS

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade debtors	77,031	77,031	150,296	150,296
Grant debtors	537,385	537,385	260,458	260,458
Other debtors	9,597	-	12,562	6,791
Amount owed by subsidiary undertaking	-	16,870	-	130,692
	<u>624,015</u>	<u>631,288</u>	<u>423,316</u>	<u>548,237</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
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15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	149,411	141,315	190,538	172,725
Taxation and social security costs	20,931	19,163	33,388	18,557
Bank loans	61,015	61,015	17,298	17,298
Accruals and deferred income	100,883	31,955	110,823	23,073
	<u>332,240</u>	<u>253,448</u>	<u>352,047</u>	<u>231,653</u>

Contained in deferred income are deposits in advance in relation to Skomer and Stockholm Islands where the visits will take place during the 2021/22 financial year.

	2021 £	2020 £
Balance brought forward	91,418	103,678
Income received / refunds in the year	(18,670)	152,194
Income released in the year	(6,941)	(164,454)
Balance carried forward	<u>65,807</u>	<u>91,418</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

16. FUNDS OF THE GROUP

	Endowment fund £	Restricted fund £	General fund £	Designated Fund £	Total £
Funds brought forward at 1 April 2020	135,826	1,655,480	2,214,748	-	4,006,054
Increase/(decrease) in funds during the year	-	3,969	245,703	550,000	799,672
Funds carried forward at 31 March 2021	135,826	1,659,449	2,460,451	550,000	4,805,726

Previous year

	Endowment fund £	Restricted fund £	General fund £	Total £
Funds brought forward at 1 April 2020	135,826	1,760,708	2,168,501	4,065,035
Increase/(decrease) in funds during the year	-	(105,228)	46,247	(58,981)
Funds carried forward at 31 March 2020	135,826	1,655,480	221,478	4,006,054

17. TRANSFERS BETWEEN FUNDS

During the year the charity match-funded some restricted funded projects. These are shown as transfers.

Some grants also funded the charity's overheads and these are shown as transfers.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. RESTRICTED FUNDS

	Balance as at 1 April 2020 £	Income £	Expenditure £	Unrealised gain/loss £	Transfer between funds £	Balance as at 31 March 2021 £
Restricted funds: Glamorgan						
Betty Church Fund	40,650	-	-	-	-	40,650
Restricted funds: South & West Wales						
Appeals and donations	253,360	87,472	(48,534)	-	(67,297)	225,001
Castle Woods	8,465	-	-	-	-	8,465
Co-operative Group	9,626	-	(9,626)	-	-	-
Dow Corning	-	16,600	(16,600)	-	-	-
Emergency grants	-	302,978	(189,204)	-	-	113,774
Legacies	667,403	5,345	(14,763)	(2,114)	(57,703)	598,168
Local groups	63,452	9,749	(23,912)	-	-	49,289
Marine Wildlife Centre	6,880	94,267	(69,756)	-	(28,612)	2,779
Species/Nature Reserves	237,497	490,910	(449,208)	-	(16,678)	262,521
Skokholm Appeal	156,821	17	(170)	-	-	156,668
HNLF – Healthy Reds	50,983	63,732	(53,744)	-	(26,597)	34,374
Welsh Government (PNCPA & ERDC)	5,930	356,879	(325,438)	-	(24,024)	13,347
Restricted funds: Brecknock						
Allt Rhongyr Fund	106,178	-	-	-	-	106,178
Bat group	322	-	-	-	-	322
BRARG group	248	-	-	-	-	248
Otter group	5,165	-	-	-	-	5,165
Pwll y Wrach Fund	42,500	-	-	-	-	42,500
Other						
Coronavirus Job Retention Scheme	-	222,133	(222,133)	-	-	-
Total restricted funds	<u>1,655,480</u>	<u>1,650,082</u>	<u>(1,423,088)</u>	<u>(2,114)</u>	<u>(220,911)</u>	<u>1,659,449</u>

Restricted funds: Glamorgan

Betty Church

The Betty Church fund is a restricted fund for the maintenance and acquisition of nature reserves in West Glamorgan.

Restricted funds: South & West Wales

Appeals and donations

For specific projects run by the charity.

Castle Woods

For the improvement and maintenance of Castle Woods.

**THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. RESTRICTED FUNDS (continued)

Restricted funds : South & West Wales

Co-operative Group

Income from the plastic bag levy scheme to fund agreed projects.

Dow Corning

Support from Dow Corning to enable employment of an Education Officer, working part-time at the Dow Corning Cadoxton Ponds Nature Centre.

Emergency Grants

Funds received to support the charity during the pandemic.

Legacies

Funds received for specific projects or activities.

Local Groups

Local Groups funds are raised by various local groups for specific projects or activities.

Marine Wildlife Centre

For the promotion of marine conservation.

Species/Nature Reserves

This represents various grants to support our work on Nature reserves and species.

Skokholm Appeal

This fund represents grants and donations received for the purchase and future management of Skokholm Island and Lighthouse.

HNLF – Healthy Reds

To support the red squirrel project.

Welsh Government

Funds received in relation to the Glastir grant scheme and N2K grant.

Restricted funds: Brecknock

Allt Rhongyr Fund

Monies received have been used to purchase land and will be held until disposal.

Bat group, BRARG group and Otter group

These are funds held for species groups.

Pwll y Wrach Fund

Monies received have been used to purchase land and will be held until disposal.

Other

Coronavirus Job Retention Scheme

Funds received from HMRC to support wages and salary costs during the Covid-19 pandemic.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

18. RESTRICTED FUNDS (continued)

Previous year

	Balance as at 1 April 2019 £	Income £	Expenditure £	Unrealised gain/loss £	Transfer between funds £	Balance as at 31 March 2020 £
Restricted funds: Glamorgan						
Betty Church Fund	40,650	-	-	-	-	40,650
Restricted funds: South & West Wales						
Appeals and donations	256,512	106,921	(110,073)	-	-	253,360
Castle Woods	8,465	-	-	-	-	8,465
Co-operative Group	10,869	-	(1,243)	-	-	9,626
Dow Corning	-	16,600	(16,600)	-	-	-
Legacies	694,399	29,985	(53,642)	(3,339)	-	667,403
Local groups	65,506	37,929	(39,983)	-	-	63,452
Marine Wildlife Centre	18,200	62,504	(73,824)	-	-	6,880
Species/Nature Reserves	315,119	421,230	(498,852)	-	-	237,497
Skokholm Appeal	163,634	294	(7,107)	-	-	156,821
Waterloo Foundation	7,757	122,982	(58,416)	-	(21,340)	50,983
Welsh Government (PNCPA & ERDC)	20,301	133,435	(147,806)	-	-	5,930
Restricted funds: Brecknock						
Allt Rhongyr Fund	106,178	-	-	-	-	106,178
Bat group	322	-	-	-	-	322
BRARG group	248	-	-	-	-	248
Otter group	5,165	-	-	-	-	5,165
Pwll y Wrach Fund	42,500	-	-	-	-	42,500
Wild Communities project	4,883	-	(4,883)	-	-	-
Total restricted funds	<u>1,760,708</u>	<u>931,880</u>	<u>(1,012,429)</u>	<u>(3,339)</u>	<u>(21,340)</u>	<u>1,655,480</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
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FOR THE YEAR ENDED 31 MARCH 2021

19. DESIGNATED FUNDS

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
Asset purchase reserve	-	-	-	125,000	125,000
Matched funding reserve	-	-	-	100,000	100,000
Income support fund	-	-	-	100,000	100,000
Reorganisation and development fund	-	-	-	225,000	225,000
	-	-	-	550,000	550,000

Asset purchase reserve

The asset purchase reserve fund is to enable the charity to purchase vehicles to assist staff in carrying out work safely on the nature reserves

Matched funding reserve

The matched funding reserve are funds designated from general funds to provide match funding for any shortfall on restricted funding received.

Income support fund

Income support fund is to offset a proportion of the forecast deficit for the financial year 2021/22 and 2022/23. The charity anticipates that this will be a period where they will try to revive and develop aspects of the charity and the fund will provide support for their operations in the interim.

Reorganisation and development fund

The reorganisation and development fund is to support the cost of additional staff resources to develop the charity's income generating capacity to provide the resources to deliver the charity's charitable objectives.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2021 Total £
Fund balances at 31 March 2021 are represented by:					
Tangible fixed assets	66,631		110,270	-	176,901
Heritage assets	1,763,294		248,678	-	2,011,972
Investments	624,087		125,605	135,826	885,518
Current assets	432,485	550,000	1,174,896	-	2,157,381
Current liabilities	(332,240)		-	-	(332,240)
Long term liabilities	(93,806)		-	-	(93,806)
	<u>2,460,451</u>	<u>550,000</u>	<u>1,659,449</u>	<u>135,826</u>	<u>4,805,726</u>

Previous year

	General funds £	Restricted funds £	Endowment funds £	2020 Total £
Fund balances at 31 March 2020 are represented by:				
Tangible fixed assets	124,060	110,268	-	234,328
Heritage assets	1,638,294	248,678	-	1,886,972
Investments	530,549	129,290	135,826	795,665
Current assets	339,716	1,167,244	-	1,506,960
Current liabilities	(352,047)	-	-	(352,047)
Long term liabilities	(65,824)	-	-	(65,824)
	<u>2,214,748</u>	<u>1,655,480</u>	<u>135,826</u>	<u>4,006,054</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
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21. LONG TERM LIABILITIES

Mortgages

At the date of the Balance Sheet, the trust had taken up the following bank loans:-

A loan from Lloyds Bank plc of £322,700 was secured against properties at Teifi Marshes Nature Reserve in April 2004. The loan was for a period of 240 months at an interest rate of 1.5% over Base Rate.

A loan from Royal Society of Wildlife Trusts of £54,500 issued during 2021 which must be paid in full by 31st October 2023. Interest will be charged at 7% above base rate if repayments are not made by this date. The charity made a payment of £40,800 post year end.

Two loans from WCVA, one loan was issued in June 2020 for £17,500 with a five year term. Repayments on the loan start 12 months after the receipt of the loan. Interest is charged at 2%. The second loan was issued in January 2021 for £19,726 with a ten year term. Repayments on the loan start 24 months after the receipt of the loan. Interest is charged at 3%.

	Bank loan £	Other Loans £	Total £
Less than one year	17,298	43,717	61,015
Between 1 and 2 years	17,298	17,200	34,498
Between 2 and 5 years	28,499	30,809	59,308
	<u>63,095</u>	<u>91,726</u>	<u>154,821</u>

22. OPERATING LEASE COMMITMENTS

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Due in less than one year	-	1,340
	<u>-</u>	<u>1,340</u>

**THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
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FOR THE YEAR ENDED 31 MARCH 2021**

23. RELATED PARTIES

Mr Rob Pickford	Director and trustee – Wildlife Trust Wales
Directors	Originating Trusts – See Trustees Report Structure

The charity owns the whole of the issued ordinary share capital of DWT (Enterprises) Limited, a company registered in Wales, company number 02702793. The subsidiary is used for non-primary purpose trading activities – namely the provision of holiday accommodation on nature reserves, catering for visitors and the retailing of bought-in goods to visitors. All activities have been consolidated on a line-by-line basis into the Statement of Financial Activities.

During the year DWT Enterprises Limited covenanted £nil to the charity (2020: £144,245). At the year end the charity owed £nil (2020: £nil) to DWT (Enterprises) Ltd. At the year end DWT (Enterprises) Ltd owed the charity £16,870 (2020: £130,692). During the year the charity invoiced DWT Enterprises £17,505 (2020: £34,500) in relation to various recharges. During the year DWT Enterprises invoiced the charity £nil (2020: £nil).

It also wholly owns a dormant subsidiary, Autumn Peaks Ltd and also operates two charities as inactive companies, Glamorgan Wildlife Trust Ltd and Wildlife Trust West Wales Ltd.

The Trust has a close working relationship with the other five wildlife trusts in Wales and The Wildlife Trust Wales Ltd (WTW), working together to develop their partnership, with staff expertise and representation on national bodies shared throughout the Trust. The WTW forum oversees this partnership, with the Vice Trust Chairman and Chief Executive representing The Wildlife of South and West Wales on Forum.

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

24. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period	799,672	(58,981)
<i>Adjustments for:</i>		
Depreciation charges	74,410	69,265
(Gains)/losses on investments	(89,853)	24,851
Dividends, interest and rents from investments	(49,883)	(82,383)
Loss/(profit) on the sale of fixed assets	(90)	(5,725)
(Increase)/decrease in stocks	2,633	17,316
(Increase)/decrease in debtors	(200,699)	(323,018)
Increase/(decrease) in creditors	(63,524)	47,181
Net cash provided by operating activities	472,666	(311,494)

Analysis of Cash and Cash Equivalents

Notice deposits (less than 3 months)	1,460,456	1,008,101
Overdraft facility repayable on demand	50,000	50,000
Total Cash and Cash Equivalents	1,510,456	1,058,101

Analysis of net debt

	At 1 April 2020	Cash Flows	New Borrowing	As at 31 March 2021
	£	£	£	
Cash	1,432,544	77,916	-	1,510,460
Bank loans falling due within one year	(17,298)	-	(43,717)	(61,015)
Bank loans falling due after more than one year	(65,824)	20,027	(48,009)	(93,806)
	<u>1,349,422</u>	<u>97,943</u>	<u>(91,726)</u>	<u>1,355,639</u>

Previous year

	At 1 April 2019	Cash Flows	At 31 March 2020
	£	£	£
Cash	1,432,544	(374,443)	1,058,101
Overdraft facility repayable on demand	(28,078)	28,078	-
Bank loans falling due within one year	(17,298)	-	(17,298)
Bank loans falling due after more than one year	(85,023)	19,199	(65,824)
	<u>1,302,145</u>	<u>(327,166)</u>	<u>974,979</u>

THE WILDLIFE TRUST OF SOUTH AND WEST WALES LTD
NOTES TO THE FINANCIAL STATEMENTS
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25. RESULTS OF THE PARENT COMPANY

As permitted by section 408 of the Companies Act 2006, the income and expenditure account of the parent company is not presented as part of these financial statements. The parent company's surplus for the financial period was £811,026 (2020: deficit of £57,614).

26. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2020 £
Income and endowments from:				
Donations and legacies	450,938	154,839	-	605,777
Charitable activities	195,731	756,750	-	952,481
Other trading activities	721,308	-	-	721,308
Investments	76,992	5,391	-	82,383
Other	33,823	14,900	-	48,723
Total income and endowments	<u>1,478,792</u>	<u>931,880</u>	<u>-</u>	<u>2,410,672</u>
Expenditure on:				
Raising funds	176,279	66,026	-	242,305
Charitable activities	578,854	946,403	-	1,525,257
Other	677,240	-	-	677,240
Total expenditure	<u>1,432,373</u>	<u>1,012,429</u>	<u>-</u>	<u>2,444,802</u>
Net gains/ (losses on investments)	(21,512)	(3,339)	-	(24,851)
Net income/(expenditure)	24,907	(83,888)	-	(58,981)
Transfers between funds:	21,340	(21,340)	-	-
Net movement in funds	<u>46,247</u>	<u>(105,228)</u>	<u>-</u>	<u>(58,981)</u>
Reconciliation of Funds				
Total funds brought forward	<u>2,168,501</u>	<u>1,760,708</u>	<u>135,826</u>	<u>4,065,035</u>
Total funds carried forward	<u>2,214,748</u>	<u>1,655,480</u>	<u>135,826</u>	<u>4,006,054</u>