



Herts and
Middlesex

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

(A company limited by guarantee)

Company Registration Number 816710

Charity Number 239863

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2019

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HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary President	Sir Simon Bowes-Lyon, KCVO
Honorary Vice President	Robert Wilson
Council of Management (Trustees)	Olivia Bertham Andy Brown Dr Veronica Edmonds-Brown (Vice Chairman) Dr Agneta Burton (retired at AGM September 2018) Keith Cotton Peter Delaloye Clive Hinds (Treasurer) Paul Knutson Sarah Kohl Michael Master (Chairman) Andrew Woods
Chairman, Finance & Resources Committee	Clive Hinds
Chairman, Conservation, Community & Education Committee	Dr Veronica Edmonds-Brown
Chairman, Health & Safety Committee	Sarah Kohl
Chief Executive	Lesley Davies
Senior Management Team	Sally Clark, Finance Manager Dr Tom Day, Head of Living Landscapes Emma Norrington, Head of Fundraising & Communications Becky Vernon-Clinch (Maternity Leave) Simone Deans, Business Support Manager (Maternity Leave cover)
Auditor	Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF
Solicitors	Longmores, 24 Castle Street, Hertford, SG141HP
Bankers	Barclays Bank, 1 Churchill Place, London, E14 5HP
Registered office and principal address	Grebe House, St Michael's Street, St Albans, AL3 4SN
Charity number	239863
Company number	816710

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INTRODUCTION FROM THE CHAIRMAN

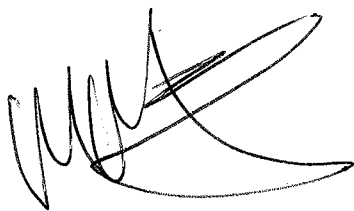
The Trustees, who are also the Directors, of Hertfordshire and Middlesex Wildlife Trust Limited ("the Trust" or "HMWT") are pleased to present their report and financial statements for the year ended 31 March 2019.

On behalf of the Trustees I would like to express my thanks to our Members, volunteers, advocates, financial supporters and our staff team for enabling the Trust to create a better future for wildlife. The Trust simply could not make the difference it does to wildlife without this support.

With over 22,000 Members, the Trust has a powerful local voice enabling us to stand up for wildlife. The many hundreds of volunteers are critical to the Trust. We cannot name all our volunteers in this report as there are so many people involved but our thanks goes to each and every person for their varied and important work. The Trust relies upon securing financial support additional to our membership income and we are very grateful for all the individual donations, grants, legacies and sponsorships we receive.

It has been another positive year with many achievements including the expansion of our Frogmore Meadows Nature Reserve, conservation projects across our area with farmers, businesses and councils, thousands of people enjoying our events programme, and the launch of a major new national campaign 'Wilder Future'.

The pressures from climate change and housing and infrastructure development are growing, and combined with the current uncertainty around the future of agri-environment funding, there remains much to do to ensure a positive future for wildlife. The Trust will continue to seek to take a leading role to inspire everyone to take action for wildlife and wild spaces.



Mike Master
Chairman

STRUCTURE, GOVERNANCE AND MANAGEMENT

Public Benefit

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Charity and company limited by guarantee

The charity is registered with the Charity Commission and is a company limited by guarantee. It is governed by its Memorandum and Articles of Association as amended by Special Resolution on 1 July 1987, 1 July 1996, 15 September 2007, 8 November 2014, 21 November 2015 and 22 September 2018.

Individuals, groups and organisations paying the prevailing subscription, as set by the Trustees, or opting to pay a higher amount, become Members of the Trust. There was a small growth in the year, and as at 31 March 2019, the number of memberships stood at 11,982 (2018: 11,876) representing 22,685 individual Members (2018: 22,312).

The Trust operates in Hertfordshire and the London Boroughs of Barnet, Enfield, Harrow and Hillingdon ("Middlesex"). The Trust is an independent member of The Wildlife Trusts, a partnership of 46 local Wildlife Trusts and the Royal Society of Wildlife Trusts working across the UK protecting wildlife for the future. Collectively, the Wildlife Trusts have over 800,000 Members, manage around 2,200 nature reserves and have a vital role standing up for wildlife together at a national level.

Objects

The objects of the Trust are:

- a) For the benefit of the public, to advance, promote and further the conservation, maintenance and protection of:
 - i) wildlife and its habitats
 - ii) places of natural beauty
 - iii) places of zoological, botanical, geological, archaeological or scientific interest
 - iv) features of landscape with geological, physiographical, or amenity value

- b) To advance the education of the public in:
 - i) the principles and practice of sustainable development
 - ii) the principles and practice of biodiversity conservation

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

Trustees

For the purposes of the Companies Act 2006, Trustees are Directors and the Council of Management is regarded as the Board of Directors of the Company. The Council of Management, which can have between eight and twelve Trustees, meets quarterly. It is supported by three committees which also meet quarterly: Finance & Resources (chaired by Clive Hinds, Treasurer); Conservation, Community & Education (chaired by Ronni Edmonds-Brown); Health & Safety (chaired by Sarah Kohl). Our thanks go to Agneta Burton who retired as a Trustee in 2018, having served on Council since 2009 and played an invaluable role in the Conservation, Community & Education Committee.

As set out in the Articles of Association, Trustees are elected by Members of the Trust attending the Annual General Meeting (AGM). When there are vacancies between elections, Members are invited to nominate Trustees or to put themselves forward prior to the AGM. Selection is by a panel of Trustees, against an agreed specification. The Trust carried out a recruitment process for new Trustees which resulted in two new Trustees being selected who are to be co-opted at the meeting of Council in June 2019, Jackie Hunter and Amy Jankiewicz. Co-opted Trustees are required to be elected by Members at the next AGM.

New Trustees receive induction including meetings with the Senior Management Team and relevant staff and volunteers. They are invited to an RSWT Open Day to be introduced to the wider Wildlife Trusts movement and can attend relevant training. Depending upon their area of expertise, Trustees are allocated to a Committee or to support specific areas of work. Trustees sign a declaration to meet the requirement of the Finance Act 2010 that Trustees are 'fit and proper' persons for the charity. This is also signed by the relevant senior staff (the Chief Executive and Finance Manager).

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

Management

The Chief Executive leads the day to day operations of the charity, supported by the Senior Management Team which consists of the Head of Living Landscapes, Head of Fundraising & Communications, Finance Manager and Business Support Manager. The Trust's wider Management Team plays an important role in the leadership and strategic direction of the Trust, and includes the members of SMT plus the Conservation Manager, Nature Reserves Manager, Herts Environmental Records Centre Manager, Planning & Biodiversity Manager, Marketing & Communications Manager and Fundraising Manager.

The Trust's Reward and Remuneration Policy recognises that its success relies on the talent and contribution of all staff and the importance of valuing and rewarding our employees. Whilst reward and remuneration effectively cover 'benefits' and 'pay', the total reward approach seeks to embrace an organisational culture of employees having a voice in the operation and direction of the Trust. This aims to lead to more engaged staff, improved performance, and to enhance the reputation of the Trust as an employer of choice. The Trust carries out benchmarking from time to time to ensure that salaries are appropriate to the level of responsibility and a reasonable level of salary is on offer. The Trust encourages staff development and supports training through in-house mentoring and coaching, and external courses. At annual performance development reviews staff are asked to reflect on the previous year's training and to consider their coming year's needs.

Charity Code of Governance

The Trust seeks to follow the seven principles set out in the Charity Code of Governance and keeps its policies and practices under review accordingly.

Safeguarding

Andy Brown is the lead Trustee for the Council on matters relating to safeguarding who led a briefing for Trustees in February 2019. During the year the Trust adjusted its policies and procedures to take into account the broadening of the definition by the Charity Commission. There were no safeguarding concerns in the year.

Fundraising standards

The Trust is registered with the Fundraising Regulator and a member of the Institute for Fundraising. We comply fully with the Fundraising Regulator's Code of Fundraising Practice and the six guiding principles identified in the Charity Commission guidance for Trustees on charity fundraising. This is reflected in our Fundraising Policy and our Fundraising Promise outlines the commitment made to donors and the public by the Trust, confirming that our fundraising is legal, open, honest and respectful.

We received one complaint relating to fundraising in FY19, which was investigated and recorded in accordance with our Complaints Procedure and a response given as appropriate.

The Trust uses one external fundraising supplier to help with membership recruitment, Wildlife Fundraising Central Ltd, which was set up by the Trust and seven other Wildlife Trusts as a company limited by guarantee. As with all external providers, they are closely monitored and required to adhere to agreed guidelines including the Fundraising Regulator's Code of Practice and our own high standards. Other fundraising activities include the use of direct mail and emails, general requests for donations and support, and occasional door drops. We ensure measures are in place to monitor compliance and that we protect vulnerable people and other members of the public from unreasonable intrusion and persistent approaches for support. All supporters are requested to state their preferences for how they want to be contacted and are invited to update these at any time. A detailed privacy statement and complaints procedure is highlighted on our website and in our publicity to ensure we are clear and transparent about our use of personal data.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

Risk management

The Trust maintains a Risk Register, an Accidents & Incidents Register, and a Complaints, Comments & Compliments Register. These are reviewed regularly by SMT and reports are taken to relevant committees and Council. There were no serious accidents or complaints in the year.

Trustees keep under review the major risks to which the charity is exposed and how these are mitigated. New risks and changes to risk levels are reported to FRC and HSWG and the Risk Register is reviewed annually at Council. A full review of the Trust's risks has been carried out and those which after mitigation have a residual high risk are shown in Table 1.

Table 1	
Change of government policy: poorly implemented/poorly informed habitat mapping leads to wrong habitat targets	Meet with Natural England to build relationships and understand their plans; liaise with RSWT over their work on this nationally and work through TWT regional groups.
Failure or loss of IT systems, infrastructure or support: unable to use broadband or phones, failure of IT equipment including back up.	Use of smart phones and home working. Keep IT equipment up to date, and have in house skills in IT systems, back up to cloud introduced in 2018. New IT contract to be procured in 2019.
Data breaches or loss of data: could have catastrophic loss of data or data stolen; impact upon Trust's reputation, fines	GDPR policy and processes in place, along with staff and volunteer training. Preventative measures are used including firewalls and email screening
Severe weather events: may see more flood, drought, high winds leading to costs, unexpected work, loss or deterioration of habitat	Working with EA and AW to promote water conservation. Communications Plans and Events Plans in place if severe weather occurs. Programme of tree surveys and action where required.
Wildlife Fundraising Central failure or underperformance: increased costs, focus on categories with lower retention rates, loss of key recruiters, and loss of venues.	CEO sits on WFC Board and HFC leads the operational relationship, closely monitoring performance. Return on investment calculations completed and financial modelling carried out should fees increase.

Brexit

The Trustees are aware of potential risk from the United Kingdom's exit from the European Union, but do not envisage any significant impact on the Trust. The fundraising environment may become more challenging, but this is something the Trust continually reviews.

TRUST VISION, OBJECTIVES AND STRATEGIC PLANS

Vision and objectives

Across the UK the Wildlife Trusts share a vision for a Living Landscape and Living Seas, an environment rich in wildlife for everyone.

Objective 1: for WILDLIFE

To protect, enhance and connect places for wildlife on nature reserves, in urban areas and across the wider countryside through positive conservation action.

Objective 2: for PEOPLE

To inspire people to value the natural world and enable action for wildlife.

50 Year Vision

Over the Trust's 50 year history there have been extensive changes to the status of wildlife across the UK with major habitat and species losses. The Trust has achieved a huge amount during this period but there is more to do to address the decline. Whilst losses can happen rapidly, the recovery of nature takes longer. Our 50 year vision therefore recognises the need for long term planning to secure a positive future for the wildlife of Herts & Middlesex and sets out long term goals:

- Increased area of wildlife habitat, that is better connected and in good ecological condition
- 30% of the total land area being managed positively for wildlife alongside its other uses
- A reversal in the growing disconnect between people and wildlife
- Recognition of the link between a healthy natural environment and people's health and wellbeing
- Government policy, legislation and funding that recognises the importance of wildlife and helps, not hinders, its conservation.

Strategic Plan 2016-2021 – 'a better future for wildlife'

The Plan gives a clear direction for the Trust and overview on how we will meet our objectives. The Plan was founded on a review of achievements in previous years and the opportunities and challenges ahead.

The Plan sets out how the Trust seeks to delivery its objectives including priority habitats and flagship species. Members and volunteers continue to play a vital role, providing both an essential source of income and of practical support for our conservation and engagement work as well as being the collective voice for nature.

The Plan highlights the ongoing importance of partnership working, external funding and our advocacy role. We continue to stand up for wildlife, including how the impacts are considered in housing and infrastructure developments. Strong and effective legislation and policy, alongside agri-environment funding is critical to wildlife protection and to enabling the Trust and other landowners to carry out work to support wildlife on their land. The potential impact of the business sector on the natural environment underlines the importance of the Trust's work in this area, as well as offering the opportunity to engage with their staff and customer base.

REVIEW OF YEAR ENDED 31 MARCH 2019

Highlights of the year

Over 2,600 days of volunteer time.

Over 5,400 people came to events.

£500,000 worth of media coverage.

Gordon Beningfield anniversary celebrations in June.

Purchase of new land to extend Frogmore Nature Reserve.

10 green sandpipers regularly seen at Lemsford.

Early marsh orchids found at Thorley Wash and Amwell Nature Reserves.

White-tailed eagle, white stork and cattle egret all seen at Amwell Nature Reserve in March.

Regular views of Norfolk Hawker dragonfly for visitors to Amwell Nature Reserve.

Southern migrant hawk dragonfly was recorded at Rye Meads and Kings Meads Nature Reserves.

Spotted crake found at Wilstone Reservoir.

White letter hairstreak butterfly spotted at Aldbury Nowers for the second year running.

Barnacle goose, goldeneye, hobby and crossbill seen at Stockers Lake.

Water rail and Cetti's warbler common at Springwell Reedbed.

Black-necked grebe pintail, goldeneye, red-breasted merganser and peregrine seen at Hilfield.

50 green-winged orchids counted at Hunsdon Meads, our highest number since 2014.

Water Voles at found in the Colne at Broadwater Lake, and doing well at Tewinbury and Thorley Wash.

Bitterns at Amwell all through the winter and one seen on the roost watch at Rye Meads.

Only the second ever maternity colony of barbastelle bat in Herts discovered and radio tracked by the Barbastelle project.

12 Nathusius' pipistrelle caught and ringed at study sites. One female radio tracked to a mating roost, the first roost ever recorded in the area.

Leading nature conservation in Herts and Middlesex

The Living Rivers Project, a priority for the Trust due to the international importance of chalk rivers, achieved a huge amount in the last year including the annual River Lea Catchment Conference. This included co-ordinating eight river partnerships and new projects on the Rib and Ash, supporting riverfly monitoring, preparing management plans for a variety of landowners and working with fisheries such as the Amwell Magna. The second stage of 'Slimy Wrigglers', focusing on eel conservation, resulted in the notching of a weir in the Nazeing ditch which provides eels with new access to over 50 hectares of wetlands.

The Water Vole Project has trained volunteers to support surveys and has scoped out potential reintroduction sites for water voles as well as using rafts to monitor populations of mink and organising two annual conferences on water voles and invasive non-native species, covering the Lea and Colne catchments. The Barbastelle Bat Project, in partnership with the Herts & Middlesex Bat Group has carried out surveys and used remote detectors in several woodlands. Maternity roosts were found by mist netting and radio tracking at Ashridge and we are working closely with the Ashridge Estate to ensure these are taken into account. The Nathusius Bat Project focuses on research into their populations in the Colne Valley working with the Regional Park, Maple Lodge Nature Reserve, Three Rivers District Council, and the Hillingdon Natural History Society.

The Harpenden People and Wildlife Project in partnership with the Town Council saw a variety of activities, from surveys on bats and bumblebees to working with schools in volunteering.

Several new projects have started in the year, including a partnership with Stevenage Borough Council to support green space management. We are a partner in the new 'Colne Valley, a Landscape on the Edge' project which is led by Groundwork South, and for which Heritage Lottery funding has been secured. The Trust's role in this is to enable projects to support water voles and to work with angling clubs to develop conservation management plans for fisheries. The Greater London Wildfowl project is a pioneering project in collaboration with funding partners, the EA, Thames Water and the Lee Valley Regional Park Authority to study the movement of gadwall and shoveler ducks through satellite tags. These species are the key feature of the Lee Valley and South-west London Special Protection Areas but little is known of their movement between sites and the work will inform future conservation.

Increasing the quality and stature of our nature reserves

Thanks to external funding and our teams of volunteers we have created new ponds at Cassiobury Park, completed willow spilling sections to protect the river banks at Lemsford Springs, coppiced and removed holly in woodlands to let in more light, cut and cleared our grasslands, cleared scrub to encourage heather regeneration. Together these have greatly improved the ecological value of our reserves, as well as making them attractive for visitors throughout the year.

We have seen changes in our land tenure over the year. We purchased land to extend the Frogmore Nature Reserve so that we now manage the entire SSSI, one of the most biodiverse meadows in the Chess Valley. We purchased a small area of land to provide access for site management at Kings Meads and we completed the sale of Broad Colney Lakes. The management of Ridlins Mire nature reserve reverted to Stevenage Borough Council as we were out of tenure and we completed a lease on Fir and Pond Woods.

We have trialled new habitat management for our reserves including pigs and goats at Amwell and deer enclosures in woodlands, whilst a new flock of Herdwick sheep has allowed us to graze Patmore Heath and introduce grazing to a new area of Aldbury Nowers. A new more targeted monitoring plan has been introduced including fixed point photography, quadrats and recording key features for invertebrate; this will inform reserve management and enhancements and enable study of changes in ecological status over time.

The Affinity Water People & Wildlife Project based at Stocker's Lake, Springwell Reedbed and Hilfield Park Reservoir, has seen a variety of public events. We continue to work closely with the Friends of Stockers Lake to deliver a programme of conservation tasks. Over a hundred bat boxes have been installed at Stockers Lake, Springwell Lake, Hilfield Reservoir and Korda Lake.

Increasing wildlife habitat in the wider countryside and urban areas

Work with farmers continues to giving advice on conservation land management. This includes annual visits to the Jordans Farms to whom advice has been given to assess changes to the ecological value and for increasing biodiversity on the farm. On a consultancy basis, we are providing provided ecological advice to Berkhamsted Common Golf Club, the Royal Veterinary College, Tarmac, Affinity Water, Thames Water, the Ayot Estate and the Lee Valley Regional Park. In partnership with Herts County Council we were successful in securing Heritage Lottery Funding for a project at Hudnall Park. We will prepare a conservation management and development plan and support environmental education activities at the centre.

Our partnership with Tarmac continued through the Panshanger Park People & Wildlife Project, encouraging and welcoming visitors to the Park, providing advice on land management, organising a programme of guided walks and events, running the volunteer group and the organisation of the fourth annual conference highlighting the biodiversity of the Park. Over 100 people attended a pop-up 'hobby watch' event in August with all participants enjoying views of the adult and fledglings through high-magnification telescopes. Well attended visits to the park from local interest groups included Welwyn Beekeepers Association, Chiltern U3A Wildlife and Nature Group, St Albans U3A Natural History Group, Digswell Horticultural Society and the Hertford Senior Citizens Luncheon Club. The Festival of Wildlife was run again at the Park in partnership with the Hertfordshire Natural History Society. With no further funding available, regrettably after four successful years Forest School came to an end.

Step change in our knowledge of habitats and species

Herts Environmental Records Centre continues to build the evidence base with over 2.4 million records, increasing by over 5,000 new records in the year. The Herts & Middlesex Bat Group records have been imported into the database which enables searches to be carried out on behalf of the Group, as well as helping to build up the overall picture of species populations in our area.

The data was used to inform Neighbourhood Plans and pre-planning application ecological reports. HERC continues to support the Local Wildlife Sites Partnership and plays an important role in the knowledge about our nature reserves. A new project archiving records from the Natural History Society is being supported by volunteers. HERC has helped inform conservation across the East of England producing a heat map of NERC Act species on behalf of other record centres in the region, as well as a leading role in the national Association of Local Environmental Record Centres.

The Local Wildlife Sites Project continues to play an important role in increasing the knowledge and understanding of important sites, thanks to our team of expert volunteer surveyors and our trainees. Over 50 surveys were carried out including several of the Trust's nature reserves.

Positive outcome for wildlife from planning and infrastructure proposals

The Trust has an important role in commenting on planning and infrastructure proposals, including local plans, minerals plans and neighbourhood plans. The Trust's recommended policies on biodiversity were included in the East Herts District Plan. This gives protection to wildlife and wild spaces and ensures they are properly taken into account within the planning process. We are encouraging other authorities in our area to take the same approach, which has now been used as a national exemplar by the Royal Society of Wildlife Trusts and Natural England. Attendance at the Broxbourne Local Plan hearings was successful with our comments being incorporated in the emerging plan and more very robust ecological policies included. We checked over 23,000 planning applications, reviewed and scrutinised over 1,200 planning applications to assess the impact on ecology and commented on over 200, including 125 objections. In the vast majority of cases our comments and objections result in positive changes.

We continue to make the case for the full and proper consideration of the ecological impact of High Speed Two, which will pass over our Broadwater Lake Nature Reserve. This includes sitting on the HS2 Colne Valley Panel which resulted in our securing funding for the Nathusius Bat Project. We are liaising with the HS2 main contractors and Natural England to seek to achieve the best possible mitigation, including the design of the sound barriers to reduce bat and bird strikes.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

Increasing support for the Trust

The Trust is extremely grateful for the continued and growing support which we receive from all our supporters through their memberships, donations, legacies and grants.

The overall number of members shows an increase, a reverse in trend from previous years which and reflects the significant amount of work in membership recruitment and retention. Members not only provide vital funding which enables the positive work for wildlife but also represent the collective voice of people who care about wildlife. This is critically important in helping the Trust to stand up for wildlife and get our message across to key decision-makers.

We are very grateful for the generous legacies we received from John MF Rogers, Geoffrey Malin, Janet Kelly, Gwendolene Card, Elizabeth Mercer, Felicity Westover, Olive Sharman, Joan Williams and Audrey Calveley, Bosena Taylor and John Cook. The very generous legacy we received from Gerald Salisbury enabled us to purchase the extension to the Frogmore Meadows Nature Reserve, a fitting tribute to Gerald's long term involvement as Warden. We continue to operate a dedicated Legacy Fund through which Trustees determine how unrestricted legacies are allocated, and enabling us to publicly demonstrate the importance of these generous gifts. In the last year this supported the work of improving our nature reserves for wildlife. note

The Trust received kind donations in memory of John Foster, Pat Watt, Roy Lutner, Sally Rose, Patricia Cole, Robin Macdonald, Jeff Barwick, James Savigear, Bill Hobman, Mary Darker, Chris Bartram, David Valentine, Tom Kittle, Colin Lambert, John Moss, Dorothy Smith and Gerald Leuty.

We ran two fundraising appeals on dragonflies and fen meadows which combined achieved a total of over £40,000 excluding gift aid, a hugely important contribution to our work.

We were pleased to receive the ongoing support from our Corporate Members:

Platinum

Bourne Leisure Group
UK Power Networks (Operations) Ltd

Gold

Johnson Matthey
Thames Water Utilities
Islandbridge Properties Limited
Affinity Water
The Grove Hotel, Spa and Golf Resort

Silver

Cemex UK
Tarmac

Bronze

The Institute of the Motor Industry

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST

Our work with Puddingstone Distillery continues which resulted in excellent coverage on the BBC One Show. Our partnership with the Grove Hotel saw new events including a garden tour with afternoon tea, a dawn chorus walk, and gin tasting in partnership with Puddingstone Distillery. The Grove has also hosted the Trust's annual business breakfast which was sponsored by Minerva and Affinity Water. We have received support from our corporate partners through participation in our Working for Wildlife Days, including staff teams from UK Power Networks and Mace Foundation. We received support via national Wildlife Trust agreements with Vine House Farm for bird food sold, and a regional partnership with Wildlife Travel.

External income from grants and individual donations continue to be important to the Trust, enabling improvements on our nature reserves and other conservation and engagement projects. We have seen a 75% success rate in our grant applications during the course of the year. We continue to develop and deliver our Major Projects Grant Plan. We are also grateful for to the generosity of all our funders which includes:

Abbots Langley Parish Council	Miss S M G Ross Trust
Affinity Water	Natural England
Chapman Charitable Trust	Royal Society of Wildlife Trusts
Dacorum Borough Council	Rural Payments Agency (DEFRA)
Environment Agency	Stansted Airport Community Fund
Friends of Tewin	Stevenage Borough Council
Graham and Henrietta Somervell's Wildlife Trust	Tarmac
Harpenden Town Council	Tesco Bags of Help
Heritage Lottery Fund	Thames Water
Hertfordshire County Council	The Banister Charitable Trust
Hertfordshire County Council Locality Budget	The Rothschild Foundation
HS2 Colne Valley Regional Park Panel	The Spear Charitable Trust
HS2 Ltd	The Wild Flower Society
John Spedan Lewis Foundation	Three Rivers District Council
Kate Aylett	Veolia Environmental Services
Lee Valley Regional Park Authority	Welwyn Hatfield Borough Council
London Borough of Hillingdon	

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST

Increasing influence on and support from key decision-makers

We continue to champion wildlife through our advocacy work with local government, MPs and business leaders on specific subjects such as the impact of Brexit and the future of agri environment funding and wildlife legislation. We continue to play a full role within the Wildlife Trust movement in national campaigns. In 2018 we wrote to all our MPs and met with several who expressed an interest in finding out more.

Working with local authorities continues to be a priority for the Trust in terms of having local impact and benefiting local communities. Special thanks go to County Cllrs Boulton, Buckmaster, Crofton, Eames-Petersen, Hayward, Kaye and Walkington for their support through their Locality Grants. We are very pleased to continue working with Harpenden Town Council and to have started the new partnership with Stevenage Borough Council through which we are delivering a wide range of community engagement and conservation activities.

More people aware of the need for wildlife conservation

Over 5,400 people enjoyed our programme of walks, talks and events which included the Festival of Wildlife, Apple Day and badger watching at Tewin Orchard. In order to diversify and grow our engagement events have included smartphone safaris, wildlife cruises along the River Lea and river dipping for adults.

Raise awareness of the Trust and our work

Wildlife Matters and *Go Wild* are the Trust's flagship publications and continue to be well received. Our media work has been highly successful with a value of over £500,000. Highlights have included features on the BBC One Show and Radio 4. Our social media channels continue to grow and through Facebook, Twitter and Instagram now have over 8,000 followers. 30 Days Wild, a national campaign now in its third year, saw over 1,900 people sign up and take part in activities throughout June to learn about and experience wildlife.

Increase sales activities and new income streams

Our paid-for events programme has continued to grow with a variety of events over the year such as training workshops, wildlife events in partnership with The Grove and Puddingstone Distillery, and our ever popular badger hide programme. Additional retail opportunities at events and through our website included the sale of sponsorships, Tewin Orchard produce, wildlife guides and new Trust t-shirts.

More children learn about, experience and value nature

The partnership with Harpenden Town Council has been a tremendous way of encouraging children to learn about wildlife, as have the Affinity Water and Stevenage Borough Council projects. Wild Trax is targeting the 14-16 age group and testing ways with them around how to engage with their age group.

The Grebe House wildlife garden remains popular with visitors and sees many children passing through every year, even more so now following the new extension. Our events programme is designed to attract children, including the Festival of Wildlife, Apple Day and the wide variety of guided walks.

In the summer of 2018 we worked with Tring Natural History Museum, Butterfly Conservation and two local art collectors to celebrate the life of local, renowned artist and conservation champion Gordon Beningfield for a weekend of activities in Great Gaddesden.

Increase number of actively involved volunteers

The Trust continues to be incredibly grateful to the hundreds of volunteers who have dedicated over 2,600 days to provide vital support for our work. This equates to an over £160,000 worth of input by volunteers to our delivery across our programmes. Volunteers support the work on nature reserves and in the countryside, as well as our community speakers, the wildlife gardening team at Grebe House, event helpers and our team of volunteers who help regularly in the offices.

Our Volunteer Wardens and their assistants play an invaluable role in helping to manage and monitor our nature reserves. We would like to thank all our Wardens. A few wardens step down this year after long periods in roles. Our thanks goes to them and to the new volunteers joining starting warden roles. Thank you to Mick Velasco for over 20 years of hard work as warden at Rye Meads Nature reserve, which he has stepped down from this year. We are lucky to continue to work with him at Danemead. Thank you to June Redgrove for her many years of hard work at Gobions, and to Martin Dodds for Fir and Pond, both of whom have stepped down as wardens. John Rowley has taken on the warden role at Fir and Pond wood, and we welcome Sharon Reeves as his assistant. We welcome Caroline Donatantonio to her new warden role at Gobions Wood, as well as Rhiannon Barton and Roger Hudson at Long Deans, replacing Kristin Dillon. We welcome David Backinsell as new warden at Frogmore Meadows. Thank you to Marcella Randall who stepped down as warden of Waterford Heath North and welcome to Gerry Steyaert who has replaced her. Thank you to Martin Wallis, who has stepped down as warden at Amwell.

The Mid Herts Local Group welcomes people to its events programme which includes talks, visits to nature reserves and helping at Apple Day and the Festival of Wildlife and in early 2019 celebrated its 25th anniversary. Special thanks go to Dave Laming and Neale Holmes-Smith who helped found the Group and continue to give so much of their time. Thanks also go to Penny Fanthorpe who stepped down as Programme Secretary and to Claudia Harflett who has taken on the role. Over the years the Group has organised hundreds of walks and talks and through this inspired so many people about wildlife.

Provide employment skills whilst helping the Trust

The Nature Reserves Trainee programme has had another successful year, with the completion of and recruitment of two new traineeships. Last year's trainees spent the spring and summer learning ecological field skills from both the Reserves and Wildlife Sites teams. The Wildlife Sites Trainee programme ran very well again; our sincere thanks go to Kate Aylett who has funded the position again this year.

Improve physical and intellectual access to wildlife and our reserves

We continue to provide information about wildlife on site at our reserves and through our website. Our social media work is a particularly effective way at sharing news about wildlife sightings. We installed 47 metres of boardwalk at Willowmead nature reserve and continued to maintain and improve access across all sites.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST

HEADLINE ACTIONS FOR THE YEAR ENDING 31 MARCH 2020

This sets out the major projects which will be developed with an indication of how the various work streams are funded. Unrestricted (UR) (core) funding is money we can spend on any activity in line with our charitable objectives. Restricted (R) funding is where the provider of the money specifies exactly what it can be used for.

APPENDIX 2: HEADLINE ACTIONS FY20		UR	R
STRATEGIC OBJECTIVE 1			
WILDLIFE: to protect, enhance and connect places for wildlife on nature reserves, in urban areas and across the wider countryside through positive conservation action			
1.1	Outcome: HMWT leads nature conservation in Herts & Middlesex		
	Deliver Barbastelle Project	√	√
	Deliver Living Rivers Project, including water vole and non-native species work		√
	Deliver Colne Valley Project		√
1.2	Outcome: an increased overall quality and stature of our portfolio of nature reserves		
	Develop 5 nature reserves improvement projects	√	√
	Deliver Affinity Water Project		√
	Deliver the Kings Meads project		√
1.3	Outcome: increased areas of wildlife habitat in the wider countryside and urban areas		
	Wildlife land management advice to 50 farmers, golf course managers, schools and local authorities.	√	√
	Deliver the Local Wildlife Sites Programme, through botanical surveys and management advice	√	√
	Deliver the community project in partnership with Harpenden Town Council		√
1.4	Outcome: a step change in our knowledge of habitats and species		
	Host and run the Hertfordshire Environmental Records Centre		√
	Deliver the Nathusius bat project		√
	Develop 'Every Record Counts', a project to encourage biological recording	√	√
	Prepare a State of Nature Report for Hertfordshire and for Middlesex	√	
1.5	Outcome: a positive outcome for wildlife from planning and infrastructure proposals		
	Review and comment upon local plan documents, planning applications and provide advice to Planners	√	
	Influence the design and management of new green infrastructure	√	
	Seek to secure appropriate ecological mitigation for High Speed Two and other major infrastructure	√	

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST

STRATEGIC OBJECTIVE 2:		
PEOPLE: to inspire people to value the natural world and to enable action for wildlife		
2.1	Outcome: greater support for the Trust	
	Develop grant bids to deliver the nature reserves work and major project plan	√
	Delivery legacy plan	√
	Deliver business partnership scheme	√
	Develop and deliver major donor plan	√
	Deliver the Herts Community Foundation Building Effectiveness Programme	√
2.2	Outcome: key decision-makers are influenced and supportive of the Trust and our objectives	
	Advocate wildlife and its conservation to local politicians, MPs, local authorities, business leaders	√
	Play a full role within the Wildlife Trust movement in campaigning for strong protection through law and policy and on issues such as HS2	√
2.3	Outcome: more people are aware of the Trust and of the need for wildlife conservation	
	Grow the annual programme of walks, talks and events to increase participation and income	√ √
	Continue involvement at Panshanger Park	√ √
	Develop a project to engage families with nature, encouraging reserve visits and action for wildlife	√ √
	Deliver 2 major events	√ √
2.4	Outcome: opportunities to raise awareness of the Trust and our work are maximised	
	Increase media coverage and positive PR	√
	Maintain and develop the website and digital media, developing online content and interactivity with supporters and the general public	√
2.5	Outcome: children have the chance to learn about, experience and value nature	
	Deliver River School	√
	Target schools and colleges for participation in 30 Days Wild	√
2.6	Outcome: the number of actively involved volunteers grows	
	Build and support a network of active volunteers across the Trust's work	√
	Continue to support and develop our Local Groups seeking opportunities to reach new areas	√
	Continue to support and develop our team of Reserve Wardens	√
2.7	Outcome: people gain the chance to learn employment skills whilst helping the Trust	
	Continue to run annual trainee programme for reserves	√
	Continue to run annual trainee programme for Wildlife Sites	√ √
2.8	Outcome: physical and intellectual access to wildlife and our reserves improves	
	Improve physical access to our nature reserves	√ √
	Deliver programme of interpretation at our nature reserves	√ √

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Income

Overall income

Our total income this year fell by £391k to £1,951k primarily due to the significant one-off legacy we received in 2018 which was not repeated in 2019.

Our overall income comprises two categories, unrestricted and restricted. *Unrestricted income is money we can spend on any activity in line with our charitable objectives, and restricted income is where the provider of the money specifies exactly what can be done with it.*

Unrestricted income (increase of £48k)

Overall our FY19 unrestricted income was relatively similar to that achieved last year. Unrestricted income comprises mainly membership subscriptions together with items such as donations, legacies, appeals and investment income.

Membership income

Membership is the major income stream to allow the Trust to deliver its charitable objectives. The Trust is committed to developing strong and lasting relationships with its supporters and is continually developing new routes for members to join us.

The majority of new members are recruited by Wildlife Fundraising Central (WFC). Formed in February 2013, WFC is jointly owned by the Trust and a number of other Wildlife Trusts. WFC operates a face-to-face recruitment model. The Trust has regular communication with WFC management to review performance and agree actions to ensure compliance with legal and best practice requirements.

Other members join the Trust in response to our digital awareness campaigns or by their own initiative, often having attended an event, picked up a leaflet or visited a nature reserve.

Total household memberships increased by 106 from 11,876 in March 2018 to 11,982 as at March 2019. This increase has resulted from a good performance by the WFC team and a successful Trust digital campaign in January 2019, as well as improved retention in membership during year.

The number of individual people these memberships represent has remained static. We continue to see success in recruiting families to support our work, however the majority of our overall membership still lies with individual members.

The Trust continues to monitor the 'journey' of our members from recruitment through their wider engagement with our work and eventually their reasons and timing of cancellation to help improve and maintain our relationship with our supporters

Unrestricted legacy income

Unrestricted legacy funding is hugely important to the Trust to enable us to carry out vital management of our nature reserves, plan ahead for longer-term activities, and provide matched funding to unlock grants. (Match funding is where grant providers require a charity to provide an element of the funding for a project)

We are very thankful for these generous gifts.

However by its nature, legacy income is a variable and unpredictable source of income. Unrestricted legacy income increased from £31k to £77k in FY19. Management take a cautious approach with legacy income in the budgeting process due to its unpredictability, in order to avoid overstretching the Trust.

Unrestricted legacy income is held in a designated fund, as discussed later in the report.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST

Restricted income (overall decrease of £440k)

Restricted income generally comprises grants and contract income given to us by third parties for specific projects, which can be used for both staffing and project delivery costs. Grant giving bodies include local authorities, central government and charitable foundations.

We received one restricted legacy of £52k this year, whilst last year saw an exceptional restricted legacy of £624k.

This year we have received no environmental fines. (This is where companies fined for environmental issues choose to pay the money to a nominated relevant charity). Last year £100k was received which is being used to fund work on the River Lea catchment.

Other grants increased this year due to funding from the Environment Agency. This funded habitat creation work at Amwell, Slimy Wrigglers eel passes project and Hertfordshire Wildfowl tracking work.

Funding from Local Authorities increased. This was largely due to the receipt of monies from the S.106 monies for Rattys Lane totalling £129k. (S.106 money is from property developers that can be used by local authorities to fund projects to improve the local community)

Funding from Tesco Bags of Help scheme remained steady and continued to support projects at Willowmead, Hertford Heath, Hunsdon & Eastwick Mead and Amwell Nature Reserves.

Expenditure

Trustees continue to be keen to ensure that whilst satisfying our strategic objectives remains paramount, proper caution and control with regard to expenditure should be maintained where possible.

Raising funds

Expenditure on raising funds increased by £55k from £578k to £633k. This was due to increased expenditure on membership recruitment and staff costs.

Charitable activities

Expenditure on our charitable activities increased by £55k from £1,188k in 2018 to £1,243k in 2019.

It should be noted that expenditure on restricted projects is often impacted by timing differences where it is not possible to spend the restricted income on the project in the year it is received. As a result restricted income will often be spent in later years.

Provision for Purwell Bridge

As noted in the financial statements in previous years, as a result of infrastructure surveying, the Trust became aware of some major work required to a bridge at Purwell Ninesprings. The remedial work commenced in January 2019 and was completed subject to structural engineer sign off. Assuming no additional issues are identified, the costs will have been within the expected range.

Governance costs

Details of Governance costs can be found in Note 5. The level of Governance expenditure remains consistent with previous years at 4% of total expenditure.

Frogmore Nature Reserves

Last year we received a very significant restricted legacy. Part of this legacy (£311k) has been spent this year on purchasing land in the Chess Valley to extend our Frogmore nature reserve. It does not show as expenditure as this is a purchase of an asset, however the cost of nature reserves in our balance sheet has increased by £311k.

Net movement in funds

Overall there was a surplus of £181k for the year, comprising a net surplus of restricted funds of £90k and an unrestricted surplus of £91k. The unrestricted surplus this year included an exceptional item of £84k, representing the gain on the sale of Broad Colney Lakes. There was also an increase in the book value of our investments with Sarasin and Blackrock of £22k. The underlying unrestricted movement was a loss of £15k.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST

It should be noted that any change in the book value of our investments does not represent cash gained or lost. In any period the value of these investments can go down as well as up. However as explained later we are careful not to invest cash in these investments that we need to access in the short term.

Financial position as at 31 March 2019

Our total funds at 31 March 2019 are £4,422k, comprising General Funds of £701k, Designated Funds £830k (which are unrestricted) and Restricted Funds of £2,891k.

Designated Funds

Designated funds are part of the unrestricted funds which Trustees have earmarked for a particular project or use, without restricting or committing the funds legally. The designation may be cancelled by the Trustees if they later decide that the Trust should not proceed or continue with the use or project for which the funds were designated.

Last year the Trust had two designated funds, the Development Fund and the Unrestricted Legacies Fund.

Development fund renamed Endowment Fund

This year we have decided to rename the Development Fund as the '*Endowment Fund*'. The development fund had similar objectives to the designated legacies fund and also the Trustees wanted to reflect the endowment investment we made a few years ago.

The balance held within the fund will now reflect the investment we have with Sarasin in their endowment fund. This designated fund hence now represents the amount of money that the Trust has invested for the long term with the aim of generating an annual income to fund our ongoing charitable activities. The balance of the endowment fund at the end of the year is £685k

Unrestricted Legacies Fund

The Unrestricted Legacies Fund was introduced in October 2015 and the Finance & Resources Committee (FRC) agreed that unrestricted legacy income would be transferred into this fund each year. The aim of this fund is to ensure that the visibility of legacy income is not lost and to highlight what the legacies we receive are actually used for. Projects to be funded from the Legacy Fund will be considered annually as part of the budgeting process, and as requirements/opportunities arise.

This year's unrestricted legacy income of £77k has been transferred into the fund and £9k charged to the fund for survey work in support of HLS (Higher Level Scheme) claims and Countryside Stewardship applications, as well as fundraising development projects. In addition expenditure of £146k enabled us to carry out work to improve the quality of our nature reserves, fund our nature reserves staff team and trainee positions. The fund closing balance was £145k.

Restricted Funds

The Trust held £2,891k of restricted funds at 31 March 2019. These funds are analysed in Note 18.

The value of funds has increased by £90k from £2,801k at 31 March 2018.

Financial reserves policy

Financial reserves are defined as that part of our unrestricted funds (including designated funds) that are available to spend on any of the Trust's purposes. Accordingly it excludes restricted funds and any tangible fixed assets purchased using unrestricted monies.

As described in previous years as a result of the most recent strategic review the Trustees decided that we need to maintain:

- adequate financial resources to meet our financial needs for the next 12 months ('short-term funds')
- we should set aside additional financial reserves to fund one off projects that may arise during the strategy plan period of 2016 to 2021 ('medium-term funds')

- we should invest our remaining financial reserves to create an endowment which will provide income to ensure that the Trust can fulfil its ongoing wildlife and people projects even if our income reduces in the short term ('long-term funds')

Short-term funds must be maintained at a level to cover next year's budgeted unrestricted (including designated) cash outflows together with any financial or capital investments to be made in that period. They must be maintained in cash or cash equivalents (convertible to cash within 3 months).

At 31 March 2019, total unrestricted cash and equivalents stand at £329k - this level meets the Trust's short-term unrestricted requirements for the year to 31 March 2020.

Medium-term funds set aside to fund one-off projects over the strategic plan 2016 to 2021 may be invested in asset classes with higher risk than cash, but not entirely in equities.

At 31 March 2019, £304k of unrestricted funds are held in medium-term investments (primarily in fixed income assets) and £247k in a new 6 month notice account (notice was given on the 12 month notice account in March 2018).

Long-term funds set aside to create an endowment may be invested in equities. At 31 March 2019 these were £685k.

Our level of financial reserves is reviewed by the Finance & Resources Committee as part of the annual budget approval process to ensure that the Trustees are comfortable with the level of financial reserves being maintained by the Trust.

Additional reviews are required if the Trust's strategy is changed or if any significant unexpected events occur.

Our financial investment policy

Our financial investment policy is focused on the need to provide appropriate short term cash resources for the Trust to carry out its present and future activities effectively, together with the management of an acceptable level of investment risk on funds that we do not need in the short term to generate an income for the Trust, along with capital growth.

Our investment policy is reviewed annually by the FRC. In 2016 we began a phased investment plan agreed with Council, investing £660k of funds not required for our immediate short-term needs with Sarasin & Partners, and a further £160k the following year. Investments are closely reviewed on a regular basis and any substantive changes to the finances will be highlighted to Council. Last year we invested a further £80k but no funds were invested this year.

Investments are made into two funds - these are both Common Investment Funds:

- **Alpha Endowment fund** (long-term funds) – the objective of this fund is to achieve long-term capital growth whilst also generating a level of income. Assets are primarily held in UK and Global equities. 61% of our investments are made into this fund, with £600k (cost) invested at 31 March 2018. The value of these investments at 31 March 2019 was £685k represented a cumulative £85k (14.2%) gain on the amount invested.
- **Alpha Income fund** (medium-term funds) – the objective of this fund is to achieve a consistently attractive level of income coupled with the potential for long term capital appreciation, whilst aiming to preserve the value of the capital over the shorter term. It is fixed interest orientated, with the remainder in a mix of global equities, convertible bonds and cash. We invested a £80k last year taking our total to £300k (cost), representing 27% of our investment at 31 March 2019. The value of the investments at 31 March 2019 (£304k) represented a cumulative £4k (1.2%) gain on the amount invested.

The Sarasin Alpha funds follow a socially responsible and ethical investment policy.

Details of movements in our investments can be found in Note 11.

As noted in previous years the Trust is receiving restricted income which for a variety of reasons will not be spent in the immediate future. We therefore decided to expand our financial investment policy to cover restricted funds, with the one difference to the policy used for our unrestricted funds being that when we apply the policy we will hold *short term funds* to cover planned expenditure for the next 24 months rather than just the next year's budget for unrestricted income.

TRUSTEE'S RESPONSIBILITIES AND APPROVAL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of Hertfordshire and Middlesex Wildlife Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The directors are responsible for the maintenance and integrity of the Trustees' Annual Report and Financial Statements published on the Charity's website. Legislation in the UK concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The responsibility for preparing this Annual Report rests with the charity's Trustees. It is taken to the June 2019 meeting of Council for approval.

Disclosure of information to auditors

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

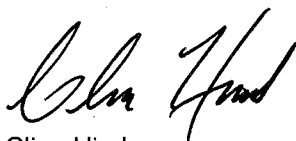
Auditors

Mazars have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act, it is proposed that they be re-appointed auditors for the ensuing year.

Statement for small companies

This Trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by section 414B(b) of the Companies Act 2006.

Approved by the Council of Management on 20 June 2019 and signed on its behalf by:



Clive Hinds
Trustee & Treasurer

Opinion

We have audited the financial statements of Hertfordshire and Middlesex Wildlife Trust (the 'charity') for the year ended 31 March 2019 which comprise of the Statement of Financial Activities, the Balance sheet, the Statement of cash flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 March 2019 and of 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 charity 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.

The impact of uncertainties due to the United Kingdom exiting the European Union on our audit

The Trustees' view on the impact of Brexit is disclosed on page 6.

The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Trust's, customers, suppliers and the wider economy.

We considered the impact of Brexit on the Trust as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Trust's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Trust and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

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 for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Vincent Marke
(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Pinnacle
160 Midsummer Boulevard
Milton Keynes MK9 1FF

Date: 16 JULY 2019

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

	Note	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000	Total 2018 £000
<u>Income from:</u>					
- Donations and legacies:					
Membership subscriptions	2	1,030	-	1,030	1,035
Donations, gifts and grants	4(a)	40	-	40	89
Legacies		77	52	129	655
- Other trading activities:					
Fundraising activities		97	-	97	53
Investment and other income		44	-	44	38
- Income from charitable activities:					
Grants	4(a)	-	215	215	185
-Fees and contracts	4(b)	37	359	396	287
Total income		1,325	626	1,951	2,342
<u>Expenditure on:</u>					
Costs of raising funds	5	629	4	633	578
Expenditure on charitable activities:					
Conservation and nature reserves	5	711	532	1,243	1,188
Total expenditure		1,340	536	1,876	1,766
Net gains/(losses) on investments	11(a)/ 17	22	-	22	(3)
Net income		7	90	97	573
<u>Other recognised gains/(losses):</u>					
Gain on sales of Broad Colney Lakes	5(a)	84	-	84	-
Net movement in funds	6	91	90	181	573
Fund balances brought forward		1,440	2,801	4,241	3,668
Fund balances carried forward		1,531	2,891	4,422	4,241

All of the above results are derived from continuing activities. There are no recognised gains and losses in the year other than those recorded above.

The information presented within the Statement of Financial Activities for the year ended 31 March 2019 is equivalent to that which would have to be disclosed in an income and expenditure account and accordingly a separate income and expenditure account has not been presented, as permitted by Companies Act 2006.

The comparative SoFA for 2018 can be found in note 3.

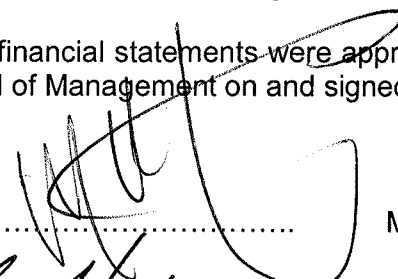
The notes on pages 28 to 40 form part of these financial statements.

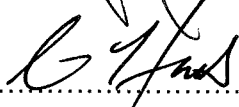
HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
BALANCE SHEET AS AT 31 MARCH 2019

	Note	31 March 2019 £000	31 March 2019 £000	31 March 2018 £000	31 March 2018 £000
Fixed Assets					
Tangible fixed assets	9		171		187
Nature reserves	10		1,654		1,334
Investments	11		1,122		1,104
			<u>2,947</u>		<u>2,625</u>
Current Assets					
Debtors	12	186		128	
Short term investments	13	247		247	
Cash and cash equivalents	13	1,388		1,727	
		<u>1,821</u>		<u>2,102</u>	
Creditors: Amounts falling due within one year	14		<u>(290)</u>		<u>(386)</u>
Net Current Assets			<u>1,531</u>		<u>1,716</u>
Provision	15		(56)		(100)
Net Assets			<u><u>4,422</u></u>		<u><u>4,241</u></u>
Funds					
Unrestricted funds:					
General funds	17		701		894
Designated funds	17		830		546
Restricted funds	18		2,891		2,801
Total Funds			<u><u>4,422</u></u>		<u><u>4,241</u></u>

These financial statements have been prepared with the special provision of part 15 of the Companies Act 2006 relating to small entities.

These financial statements were approved on 20 June 2019 and authorised for issue by the Council of Management on and signed on its behalf by:

.....

M. Master (Chairman)

.....

C. Hinds (Trustee & Treasurer)

The notes on pages 28 to 40 form part of these financial statements.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
CASH FLOW STATEMENT AS AT 31 MARCH 2019

	31 March 2019 £000	31 March 2019 £000	31 March 2018 £000	31 March 2018 £000
<u>Cash flows from operating activities:</u>				
Net cash provided by operating activities	181		573	
Adjustments for:				
Depreciation	16		19	
(Gains)/losses on investments	(22)		3	
Investment manager fees	4		9	
Investment and interest income	(44)		(38)	
Movement in debtors	(58)		42	
Movement in creditors	(96)		54	
Movement in provision	(44)		-	
Cash generated from operating activities		(63)		662
<u>Cash flows from investing activities:</u>				
Investment and interest income	44		38	
Purchase of nature reserves	(320)		-	
Proceeds from the sale of investments	-		(80)	
Purchase of investments	-		(7)	
Net cash used in investing activities		(276)		(49)
Change in cash and cash equivalents in the reporting period		(339)		613
Cash and cash equivalents at the beginning of the reporting period		1,727		1,114
Cash and cash equivalents at the end of the reporting period		<u>1,388</u>		<u>1,727</u>

The notes on pages 28 to 40 form part of these financial statements.

1 Accounting policies**General information**

Hertfordshire and Middlesex Wildlife Trust Limited is a company limited by guarantee, incorporated in England and Wales. The address of its registered office and principal place of business is disclosed in the company information.

Hertfordshire and Middlesex Wildlife Trust Limited is also a charity, registered with the Charity Commission (England and Wales). The principal activity of the charity is to advance, promote and further the conservation, maintenance and protection of wildlife and its habitats.

The financial statements are presented in Sterling and this is the functional currency of the charity.

Basis of Preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (SORP), the Financial Reporting Standard applicable in the United Kingdom and Ireland (FRS102) and the Charities and Companies Acts.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

- a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received. Membership subscriptions are included in the accounts in the period in which they are received.
- b) Revenue grants are credited to incoming resources when they are receivable.
- c) Income from legacies is included within the financial statements when the charity is legally entitled to the income and the amount can be quantified at the year end with reasonable accuracy.
- d) Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable.
- e) Costs of raising funds comprise the costs incurred through promoting membership and seeking donations to the Trust.
- f) Governance, finance and office costs (including relevant staff costs) are allocated to activities within the categories based on the average number of staff involved in those activities.
- g) Depreciation is provided on tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold property (Grebe House)	straight line over 99 years
Reserves infrastructure	4% straight line basis
Motor vehicle	25% straight line basis
Plant	20% straight line basis
Office equipment	20% straight line basis
Computer equipment	20% straight line basis
Office refurbishment	20% straight line basis
Nature reserves	nil
Assets in the course of construction	nil

- h) Tangible fixed assets costing more than £3,000 are capitalised.

Grebe House leasehold property was acquired in 1981 on a 99 year lease. The net book value of the lease at 31 March 2019 was £81,596 (2018: £83,000). In the event that the Trust vacates the premises the lease will automatically revert to the Council of the District of St Albans, and there is no guarantee that compensation will be receivable. In view of this uncertainty the Trustees have decided to carry the leasehold at its net book value.

- i) The Trust holds nature reserves in furtherance of the charitable objects of the Trust. These assets cannot be readily sold and so in the normal operations of the Trust are not available for other use. The Trustees consider that owing to the incomparable nature of these reserves, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Trust and users of the accounts. The figures in the accounts represent the cost or valuation of the asset on acquisition where available, or where this is not available are included at the historic book cost.

With the exception of expenditure on major reserves infrastructure works, expenditure on constructions within the nature reserve are written off as expenditure during the year. It is the Council of Management's view that it should not be capitalised due to their vulnerability to vandalism.

- j) Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- k) Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- m) Cash and cash equivalents are cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
- n) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.
- o) Unrestricted funds represent subscriptions, donations and other income received for charitable purposes.
- p) Designated funds comprise of unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of designated funds is set out in the notes to the financial statements.
- q) The Trust makes payments to the defined contribution personal pension plans of employees who have joined the plan. The charge for the year represents the total payments made.
- r) Life members' subscriptions are written off over 20 years.
- s) Rentals payable under operating leases are charged to the Statement of Financial Activities in the period in which they fall due.
- t) Investments are stated at market value. Unrealised gains/losses on the annual revaluation are transferred to reserves. Income from investments is recognised when it becomes receivable.
- u) Incoming resources are shown net of VAT.
- v) Irrecoverable VAT is identified as a cost and allocated to the appropriate costs.

w) Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The key estimates and assumptions made in these accounts are:

- Depreciation is calculated on a straight line basis, based on management's best estimate of the useful economic lives of assets on policies can be seen above;
- Nature reserves are shown at the cost or valuation of the asset on acquisition where available, or where this is not available are included at the historic book cost;
- In 2017, the Trust established a provision for works required to a bridge at Purwell Ninesprings. The work commenced in January and was completed subject to structural engineer sign off by the year end. Assuming no additional issues are identified, the costs will have been within the expected range. Hence a provision of £56k has been retained, pending sign off.

2. Household memberships	2019	2018
	No.	No.
Total Memberships at the start of the year	11,876	12,001
Net change	106	(125)
Total Memberships at the end of the year	11,982	11,876

3. Comparative Statement of Financial Activities	Unrestricted	Restricted	Total
	Funds	Funds	2018
	£000	£000	£000
<u>Income from</u>			
- Donations and legacies:			
Membership subscriptions	1,035	-	1,035
Donations, gifts and grants	89	-	89
Legacies	31	624	655
- Other trading activities:			
Fundraising activities	53	-	53
Investment and other income	38	-	38
- Income from charitable activities:			
Grants	-	185	185
Fees and contracts	31	256	287
Total income	1,277	1,065	2,342
<u>Expenditure on</u>			
Costs of raising funds	564	14	578
Expenditure on charitable activities:			
Conservation and nature reserves	798	390	1,188
Total expenditure	1,362	404	1,766
Net income/(expenditure) and net movement in funds before gains and losses on investments	(85)	661	576
Net gains/(losses) on investments	(3)	-	(3)
Net movement in funds	(88)	661	573
Fund balances brought forward	1,528	2,140	3,668
Fund balances carried forward	1,440	2,801	4,241

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

4.(a) Donations, gifts and grants	Unrestricted 2019 £000	Restricted 2019 £000	Total 2019 £000	Total 2018 £000
Environment Agency	-	114	114	31
Environmental Compliance Fine	-	-	-	100
Hertfordshire County Council	5	1	6	16
HS2 – Colne Valley Bats	-	39	39	-
Individual Donations	-	-	-	13
Rural Payments Agency (Defra) *	23	-	23	34
Tesco LCGS	-	13	13	22
Veolia Environmental Trust	-	15	15	1
Other	12	33	45	57
Total	40	215	255	274

Shown in the SoFA as follows:

Donations, gifts and grants	40	-	40	89
Grants	-	215	215	185
Total	40	215	255	274

Grants/donations exceeding £10,000 per funder in either the year ended 31 March 2019 or 31 March 2018 have been disclosed separately in the above schedule, with anything below this included within other.

£100k was received in May 2017 as a donation relating to an environmental fine. This is restricted for use on environmental enhancement works at stipulated sites.

* Higher Level Stewardship & Basic Payment Scheme.

4. (b) Fees and contracts	Unrestricted 2019 £000	Restricted 2019 £000	Total 2019 £000	Total 2018 £000
Rent for Angling Licences	11	-	11	12
Consultancy	-	11	11	10
Cadent – Amwell Sluice	-	-	-	19
Hertfordshire County Council - HERC	-	43	43	44
Hertfordshire County Council – S.106	-	129	129	-
Affinity Water – Biodiversity Management	-	52	52	-
Forest School Educational activities	-	7	7	30
Harpenden TC - People & Wildlife Officer	-	20	20	72
Tarmac - Panshanger P & WO	-	34	34	26
Stevenage Borough Council P & WO	-	7	7	-
HERC Data search invoices	-	44	44	48
HERC Annual Licences	-	9	9	9
Corporate Fees	11	-	11	-
Other	15	3	18	17
Total	37	359	396	287

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

5. Analysis of total expenditure

	Note	Expenditure on Raising funds 2019 £000	Expenditure on Charitable activities 2019 £000	Governance 2019 £000	Total 2019 £000	Total 2018 £000
Direct costs:						
Staff & volunteer costs		313	613	6	932	879
Nature reserves and project expenditure		-	301	-	301	233
Publications, newsletters & publicity		32	57	-	89	88
Annual contribution to RSWT*		-	48	-	48	48
Depreciation	6/9	2	12	1	15	19
Membership recruitment & servicing		177	-	-	177	154
Audit and accountancy fees	6			11	11	8
Council expenses		-	-	2	2	2
Sub total		524	1,029	20	1,573	1,431
*Royal Society of Wildlife Trusts						
Support costs:						
Staff & volunteer costs	7	52	102	37	191	185
Finance		2	1		3	12
Office		21	49	16	86	99
Information technology		5	9	2	16	26
Legal and professional fees		2	3	2	7	13
Sub total		82	164	57	303	335
Total		606	1,193	77	1,876	1,766
Allocation of Governance costs		27	50	(77)	-	-
Total per SoFA		633	1,243	-	1,876	1,766

Governance costs are allocated to activities within the categories based on the average number of staff involved in those activities.

5a. During the year, Broad Colney Lakes Nature Reserve was sold. This occurred outside the ordinary course of business and in accordance with the SORP has been included as a separate item below net income/expenditure.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

6. Net movement in funds

	2019 £000	2018 £000
Net movement in funds in stated after charging:		
Auditors' remuneration		
- statutory audit	6	6
- other services	1	1
Operating lease rentals		
- plant and machinery	16	16
Depreciation – owned assets	20	17
	<u>20</u>	<u>17</u>
and crediting:		
Interest receivable	3	-
Investment income	41	38
	<u>44</u>	<u>38</u>

7. Staff costs and numbers

	2019 £000	2018 £000
Salaries	937	877
Social security costs	86	83
Employer's pension	68	69
Total	1,091	1,029

The average number of full time equivalent employees during the year was:

	2019 No.	2018 No.
--	-------------	-------------

Conservation and Nature Reserves	11	11
Support and Administration	7	6
Fundraising and Publicity	10	9
Projects	8	8
Total	36	34

Termination payments are recognised when a commitment to pay them arises. During the year, 3 members of staff received a severance package (2018: none).

The Trust considers its key management personnel comprise the Chief Executive Officer and senior management team (Head of Living Landscapes, Head of Fundraising & Communications, Finance Manager and Business Support Manager). The total employment benefits including employer pension contributions of the key management personnel were £256,611 for five posts (2018: £251,022 for five posts). The Business Support Manager has on maternity leave during the whole of the financial year.

One employee was remunerated between £60,000 and £70,000 (2018: one).

8. Taxation

All income is applied for charitable purposes and therefore the charity is exempt from corporation tax.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

9. Tangible fixed assets

	Land, Buildings & Reserves Infrastructure £000	Office Equipment £000	Motor Vehicles £000	Plant and Equipment £000	Total £000
Cost					
At 1 April 2018	234	40	47	29	350
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2019	<u>234</u>	<u>40</u>	<u>47</u>	<u>29</u>	<u>350</u>
Depreciation					
At 1 April 2018	70	26	39	28	162
Charge for the year	5	5	5	1	16
Eliminated on disposals	-	-	-	-	-
At 31 March 2019	<u>75</u>	<u>31</u>	<u>44</u>	<u>29</u>	<u>178</u>
Net Book Value					
At 31 March 2019	<u>159</u>	<u>9</u>	<u>3</u>	<u>-</u>	<u>171</u>
At 31 March 2018	<u>164</u>	<u>14</u>	<u>8</u>	<u>1</u>	<u>187</u>

10. Nature reserves

	2019 £000	2018 £000
Cost of nature reserves at 31 March	<u>1,654</u>	<u>1,334</u>

The Trust's nature reserves are held to advance the conservation objectives of the charity. Such assets are central to the achievements of the Trust. (Refer to accounting policy w.) Trustees believe that the cost of £1,654k is not materially overstated. During the year, £311k was invested in the purchase of 16 acres of wet meadows and chalk grassland in the Chess Valley and part of the SSSI. This has been made possible by a legacy in 2018.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

	2019	2018
	£000	£000
11. Fixed asset investments		
Listed investments (a)	1,107	1,089
Loan to Wildlife Fundraising (Central) Ltd (b)	15	15
Total	1,122	1,104

a) Listed investments	2019	2018
	£000	£000
Market value at 1st April	1,089	1,021
Additions	-	80
Unrealised (losses)/gains	22	(3)
Investment manager fees	(4)	(9)
Market value at 31 March	1,107	1,089

Analysis by type of fund

Sarasin – Alpha CIF for Endowments	685	664
Sarasin – Alpha CIF for Income & reserves	304	302
Black Rock – Charinco Common Investment Fund	56	58
Black Rock – Charishare Restricted Common Investment Fund	62	65
Market value at 31 March	1,107	1,089

Historical cost at 31 March	978	978
------------------------------------	------------	------------

The funds are held in the UK by BlackRock and Sarasin investment managers.

b) Loan to associated company

On 20 March 2013 the Trust advanced a loan of £15,000 as the first tranche of funding of Wildlife Fundraising (Central) Limited as required by the Loan Agreement dated 28 January 2013. This is a company established by a number of the Wildlife Trusts (including the Trust) in the south-east to recruit new members.

A second tranche of £10,000 was due by 1st February 2014, however it is no longer expected to be called upon. This loan is secured under a mortgage security deed over the assets of the said company. The loan is repayable no later than 28 January 2020.

12. Debtors

Due within one year:	2019	2018
	£000	£000
Trade debtors	51	58
Income tax recoverable	52	50
Prepayments and accrued income	83	20
As at 31 March	186	128

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

13. Short term investments and cash and cash equivalents	2019	2018
	£000	£000
<u>Short term investments:</u>		
Fixed notice accounts (notice exceeding 3 months) *	247	247
<u>Cash and cash equivalents:</u>		
Current accounts	1,388	1,727

* Notice was given on the fixed term (12 month notice) account held with Close Brothers, in March 2018. This was reinvested in a 6 month notice account.

14. Creditors: Amounts falling due within one year	2019	2018
	£000	£000
Life Members' Subscriptions	13	12
Trade creditors	20	47
Other creditors, accruals and deferred income	225	283
Taxation and social security	32	44
As at 31 March	290	386

15. Provisions	2019	2018
	£000	£000
As at 1 April	100	100
Charge to SOFA	(44)	-
As at 31 March	56	100

In 2017, the Trust established a provision for works required to a bridge at Purwell Ninesprings. The work commenced in January 2019. The Trust is still awaiting structural engineer sign off prior to financial conclusion. Assuming no additional issues are identified, the costs will be within the original provision.

16. Analysis of net assets between funds

Fund balances at 31 March 2019 as represented by:	Restricted Funds	Unrestricted Funds		Total Funds
	£000	Designated £000	General £000	£000
Fixed assets	94	-	77	171
Nature reserves	1,654	-	-	1,654
Investments	216	685	222	1,122
Cash and cash equivalents	1,058	291	39	1,388
Short term investments	-	-	247	247
Other net current assets/(liabilities)	(131)	-	27	(103)
Provision	-	-	(56)	(56)
Total Net Assets	2,891	976	555	4,422

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

17. Total funds	At 1st April 2018 £000	Income £000	Expenses £000	Investment gains/ (losses) £000	Transfers £000	Gains/ (losses) on sale of fixed assets £000	At 31 March 2019 £000
<u>Unrestricted Funds:</u>							
General Fund	894	1,248	(1,305)	22	(242)	84	701
Endowment Fund	323	-	(26)	-	388	-	685
Legacies Fund	223	77	(9)	-	(146)	-	145
	<u>1,440</u>	<u>1,325</u>	<u>(1,340)</u>	<u>22</u>	<u>-</u>	<u>84</u>	<u>1,531</u>
Restricted Funds (note 18)	2,801	626	(536)	-	-	-	2,891
Total Funds	<u>4,241</u>	<u>1,951</u>	<u>(1,876)</u>	<u>22</u>	<u>-</u>	<u>84</u>	<u>4,422</u>

The designated Endowment Fund has been established this year and represents long term funds set aside by the Trustees to support the delivery of objectives by the Trust.

The designated Legacy Fund was set up in October 2015. The aim of this fund is to ensure that the visibility of legacy income is not lost and to highlight what the legacies we receive are actually used for. Projects to be funded from the Legacy Fund will be considered annually as part of the budgeting process, and as requirements/opportunities arise.

In the last 12 months, the legacy fund has enabled us to carry out work to improve the quality of our nature reserves such as grazing and woodland management and essential maintenance works such as fencing repairs. It has also played an important role in funding our nature reserves staff team and has meant that we have continued to be able to offer two reserve trainee positions.

18. Restricted funds

Restricted funds represent amounts received for ongoing wildlife conservation projects and Hertfordshire Environmental Records Centre contributions, together with amounts received in the past for capital projects.

These are grants, donations and fees received for specific purposes, unspent amounts of which are carried forward to be spent in subsequent financial years. Funds were received in the year for specific wildlife conservation projects on the Trust's reserves as well as county-wide initiatives in Hertfordshire and Middlesex.

HERTFORDSHIRE AND MIDDLESEX WILDLIFE TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS

	At 1 April 2018 £000	Income £000	Expenses £000	Transfers £000	At 31 March 2019 000
<i>Wildlife Conservation Project Funds</i>					
Amwell Restoration/Sluice Works	19	-	(19)	-	-
Amwell Habitat Creation	-	49	(49)	-	-
Cassiobury Park Work Parties	-	15	(15)	-	-
Colne Valley Bats	-	39	(43)	-	(4)
Consultancy work	-	11	(11)	-	-
Friends of Tring Reservoir	11	-	-	-	11
Gobions Wood maintenance	10	-	(3)	-	7
Harpenden Commons & Greens Officer	-	20	(20)	-	-
Hertfordshire Environmental Records Centre (HERC)	121	107	(92)	-	136
Herts County Council S.106	-	129	-	-	129
Hertfordshire Wildfowl – Duck tracking	-	20	(15)	-	5
Hilfield/Stockers/Springwell management	12	49	(47)	-	14
Individual Donations	77	-	-	-	77
Living Rivers	5	25	(5)	-	25
Living Rivers - Environmental Compliance	344	-	(69)	-	275
Lower Ash restoration	19	-	-	-	19
Panshanger Park Forest School	-	7	(7)	-	-
Panshanger Park Education Fund	23	-	(19)	-	4
Panshanger Park People & Wildlife Officer	-	34	(34)	-	-
Slimy Wrigglers II	-	20	(10)	-	10
Tesco Local Community projects	-	20	(11)	-	9
Tewinbury & Mimram River Restoration	64	-	(16)	-	48
Other	32	29	(41)	-	20
	737	574	(526)	-	785
<i>Restricted Legacies</i>	624	52	(315)	-	361
<i>Capital Funds</i>					
Nature Reserves Fund	1,280	-	311	-	1,591
Nature Reserves Infrastructure	81	-	(4)	-	77
Public Appeal Fund	79	-	(2)	-	77
Total	2,801	626	(536)	-	2,891

Projects with income exceeding £10,000 and/or those with balances exceeding £10,000 at 31 March 2019 have been disclosed separately in the above schedule. Projects below these figures have been included within other.

The Nature Reserves Fund represents Nature Reserves which have been acquired by the Trust or gifted or bequeathed to the Trust. Nature Reserves Infrastructure represents capitalised costs on the construction of Thorley Bridge. The Public Appeal Fund represents funds used for the acquisition of Grebe House.

19. Pension commitments

The charity provides a defined contribution money purchase pension scheme, the assets of which are held separately from those of the company in an independently administered fund. Contributions totalling £68k (2018: £69k) were paid during the year.

20. Future financial commitments

At 31 March 2019 the Trust had annual commitments under non-cancellable operating leases as set out below:

	2019		2018	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Operating leases which expire:				
Within one year	-	8	-	6
Between one and five years	-	13	-	8
	<u>-</u>	<u>22</u>	<u>-</u>	<u>14</u>

21. Local groups

The Trust now has one branch (Mid Herts) (2018: Harrow and Mid Herts). In 2019 Mid Herts Group submitted their returns, and that has been included in the financial statements.

22. Transactions with members of the Council of Management

During the year expenses totalling £1,580 were paid to three members of the Council of Management for travelling (2018: £1,338 paid to two members). No remuneration has been paid in the year (2018: £nil).

Unconditional donations received from Trustees during the year amounted to £215 (3 Trustees) and in 2018 £452 (5 Trustees).

There were no other transactions between Council members and the Trust during the year.

23. Control

The controlling party is deemed to be the Board of Trustees.