

Charity registration number 242619

Company registration number 00812535 (England and Wales)

GWENT WILDLIFE TRUST LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

GWENT WILDLIFE TRUST LTD

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------|---|-------------------------------|
| Trustees | Mr R Waller (Vice Chair) | |
| | Mrs S Finn (Secretary) | |
| | Mr J M Stephens | |
| | Mr D Rees | |
| | Mr M Leppard (Chair) | |
| | Mr J Newton (Treasurer) | |
| | Miss L Holland | |
| | Mr R Howell | (Appointed 21 September 2022) |
| | Ms K Coleman | (Appointed 21 September 2022) |
| Secretary | Mrs S Finn | |
| Charlty number | 242619 | |
| Company number | 00812535 | |
| Registered office | Seddon House Dingestow Monmouth Monmouthshire United Kingdom NP25 4DY | |
| Auditor | UHY Hacker Young Bradbury House Mission Court Newport Gwent United Kingdom NP20 2DW | |

GWENT WILDLIFE TRUST LTD

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GWENT WILDLIFE TRUST LTD

**TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The Gwent Wildlife Trust (GWT) Public Benefit Statement (as required by the Charity Commission) is enshrined in paragraph 3 of our Memorandum of Association.

1. For the benefit of the public, to advance, promote and further the conservation maintenance and protection of:
 - (i) terrestrial and marine habitats and their wildlife;
 - (ii) places of natural beauty;
 - (iii) places of zoological, botanical, geographical, archaeological or scientific interest;
 - (iv) features of landscape with geological, physiographical, or amenity value in particular, but not exclusively, in ways that further biological conservation.
2. To advance the education of the public in:
 - (i) the principles and practice of sustainable development;
 - (ii) the principles and practice of biodiversity conservation.
3. To promote research in all branches of nature study and to publish the useful results thereof.

GWT also delivers its public benefit through its membership of the Royal Society of Wildlife Trusts (RSWT) and of Wildlife Trusts Wales (WTW).

GWENT WILDLIFE TRUST LTD

**TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Summary of main activities of the charity in relation to its Goals

Nature in Recovery was delivered through conservation of terrestrial, freshwater and marine habitats primarily on nature reserves, but also working in partnership with other eNGO's, local authorities, government agencies, farmers and landowners to conserve or restore nature friendly habitats on their land.

People working with Nature was made possible through partnerships with the Aneurin Bevan Health Board, local authorities, social care providers, the Brecon Beacons National Park, and rivers trusts. This included referrals to GWT for delivery of Health and Wellbeing activities which increased the subjective wellbeing, nature connectedness and knowledge of participants. Place-based interventions on rivers aimed to improve the water quality and alleviate flooding and droughts on the rivers Ebbw, Rhymney, Sirhowy, Usk and Wye.

Welsh policy works for wildlife through engagement with local authorities, Welsh Government, Natural Resources Wales (NRW) and schools, during which we communicated the value of Nature Based Solutions (NBS) and opportunities to better incorporate these into plans that benefit future generations.

We connect with people to inspire action for wildlife through our extensive communications with supporters, members, donors, volunteers, partners and the general public.

Our finances continually improve driving ever greater impact via regular review and analysis by the Senior Management Team, Board of Trustees, Finance Committee and staff fundraising group.

We achieve best practice to perform efficiently and effectively due to the leadership shown by the Finance and Administration Team, our Welsh Champion, and through the advice of external experts in matters including HR, IT, Health & Safety, Safeguarding, Financial Auditing, VAT, Pensions and Investments.

GWT's policy is to consult and discuss with employees matters likely to affect employee's interests. Information on matters of concern to employees is provided through in person meetings, email updates and shared reports which seek to achieve a common awareness on part of all employees of the financial and economic factors affecting GWT's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitude of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within GWT continues and that the appropriate training is arranged. It is the policy of GWT that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Board of Trustees has paid due regard to the guidance issued by the Charity Commission in deciding what activities GWT should undertake.

GWENT WILDLIFE TRUST LTD

**TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

GWENT WILDLIFE TRUST LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Investment performance achieved against investment objectives set in the financial review section of this report is described in the investment policies and objectives established by the Board of Trustees and includes the extent to which social, environmental or ethical considerations are taken into account.

Gwent Wildlife Trust's funds are spread over 4 financial institutions.

All areas of Gwent Wildlife Trust's work were delivered with satisfactory or good results during the year. Within the year GWT signed off on our Vision, Mission, Strategic Objectives and Targets to 2030, outlined above, and began work towards these through an accompanying detailed Business Plan.

Considering our achievements against each of the Strategic Objectives and 2030 Targets in turn:

Nature is in Recovery: Several potential nature reserves have been identified and negotiations have begun in the hope of acquiring these sites for the benefit of wildlife and people, the result of which would be a doubling of the land owned by GWT. Relationships with the owners of Local Wildlife Site (LoWS) and Sites of Importance for Nature Conservation (SINC)s have continued to develop with survey, advice and management support taking place across Gwent. The area and quality of priority habitats for priority species has continued to be monitored through in-depth survey techniques which have informed our management of these nature reserves, on which the largest capital works program in GWT's history took place this year to improve nature reserve infrastructure and deliver benefits for people and wildlife. 10 vulnerable species, which are also iconic species and indicative of the habitats in which they live, were selected for targeted attention to significantly improve their plight in Gwent by 2030, saving them from extinction. These species are: Dipper, Pine Marten, Shrill Carder Bee, Water Vole, Adder, Nighthjar, Grayling, Pink Ballerina Waxcap, Hedgehog, and Barn Owl.

People working with Nature: Our Wild Health work which delivers Health and Wellbeing benefits in nature doubled in scale and gained additional interest from the Aneurin Bevan Health Board, National Nature Service, and other Health and Wellbeing providers across the UK. We were asked to present our work to at an online conference. Water focused Nature Based Solutions also garnered additional attention and funding to address issues around water quality; in particular on the Special Area of Conservation (SAC) Usk and Wye rivers, and also in addressing flooding and drought, both of which affected Gwent within the year. The year ended with GWT taking a lead on citizen science collection with both the River Restoration Centre and through an OFWAT funded Innovation project, alongside which relationships and projects continue to be developed with the farming community and the National Farmers Union (NFU).

Welsh policy works for wildlife: Policy is a multifaceted area which GWT approaches by demonstrating more beneficial solutions and supporting local authorities, NRW and Welsh Government to implement positive changes for future generations. GWT have supported the monitoring, management and protection of designated sites over the last year through continued surveying, designation, advice and management of LoWS and SINC)s. By completing monitoring of our designated nature reserves, and through education, training and supporting citizen scientists, we have been able to gather, analyse and share data which serves this cause. Planning policy has been a major focus on the Gwent Levels where we have been involved in developing Welsh Governments pilot for the National Natural Resource Management Areas (NNRMAs), alongside which we have been challenging damaging developments and where possible suggesting more suitable locations for sustainable development. Our relationship with farmers and the NFU continues to grow and we have begun co-developing projects that trial and demonstrate innovative farming techniques that are more sustainable for farmers' incomes as well as for the planet. In relation to education we have continued to work with schools, youth groups, community groups, children and their guardians to encourage and engage them with wildlife and demonstrate the multiple benefits that outdoor education provides, including via further training of teachers in Forest Schools.

We connect with people to inspire action for wildlife: Along with the 45 other Wildlife Trusts GWT launched a new initiative; "Team Wilder", which empowers people through community organising, to identify the challenges they face locally and utilise support from Wildlife Trusts and other partners to address these challenges in ways that both benefit them and wildlife. The first project to take this approach works with communities in Pillgwenlly, Newport, who experience significant deprivation and represents communities that often do not profit from the multiple benefits of nature based solutions. The lessons learnt from this project are then being embedded in all work at GWT. This wider more inclusive approach has also seen more people viewing GWT content, taking actions for wildlife, and becoming members of GWT with membership continuing to increase ahead of our 2030 target.

GWENT WILDLIFE TRUST LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Our finances continually improve driving ever greater impact: Financially we have ceased operations which do not provide sufficient impact or income, and streamlined processes to minimise their costs including the sale of unnecessary assets including machinery, buildings and land that were not delivering significant impact for wildlife and people in Gwent. In addition we have also increased core and project income through delivery of advisory services and targeted fundraising in line with our strategy, meaning that results against our 2030 targets for deficit reduction, balanced core budget, turnover and financial reserves are all ahead of target. The target for financial reserves has already been significantly surpassed.

We achieve best practice to perform efficiently and effectively: Progress towards best practice has been achieved in all areas. Health and Safety policies and audits have led to a significant reduction in the potential exposure to risks and our control measures related to any residual exposure, for example relating to risks such as pesticides and asbestos, are much stronger. Our IT systems have seen investment to upgrade physical infrastructure where needed and transfer all data onto cloud based services where possible, with funding also received to begin a digital transformation project with the four other Welsh Trusts. This will see continued digitisation of processes to reduce data handling time and the risk of human error. Our approaches to finance continue to achieve full best practice compliance in line with the Charity Commissions guidelines, plus we have invested in further training for staff and are exploring the digitisation of purchase orders and other financial processes to reduce time, cost and the risk of error. Human Resources have seen significant strides forward with updated appraisal and one to one processes rolled out, all job descriptions reviewed, all staff roles benchmarked, a staff survey launched, union membership progressed and regular HR updates shared with staff and the Board of Trustees. Our Welsh language champion has continued to update and translate documents created prior to legislation, supported the translation of new policies, documents and communications, and reviewed all email signatures. Affordable lessons for all and the creation of several Welsh language crib sheets is also being explored so that staff can learn both common and sector specific technical phrases and words in Welsh. Finally, on sustainability, GWT has updated vehicles, switched to electric machinery including chainsaws, adapted to more extensive grazing regimes, and developed plans with architects to update the Derek Upton Centre so that it is sustainable, with better insulation, windows and doors, on site power generation, and utilisation of greywater.

Pat Gorvin Legacy

In 2016 Pat Gorvin, who had been a GWT members since the 1960s, sadly passed away. In her will she gifted 60% of her estate to GWT (£2,654,000), which was received in the 2017/18 financial year. Such substantial gifts are uncommon, so a proportion of this legacy was designated to ensure the long term sustainability of GWT to continue delivering public benefit.

Shares in the estate of Pat Gorvin continued to be sold in 2022/23, with GWT receiving a further £174,000.

The designations from Legacy Funds are as follows:

| Designation | Amount Designated |
|------------------------|--------------------------|
| Operational | £58,107 |
| Financial Reserves | £817,519 |
| Revenue Protection | £103,641 |
| Investment | £319,374 |
| Total Remaining | £1,298,641 |

Management of the Pat Gorvin Legacy is the delegated responsibility of the Finance Committee who meet bi-monthly. The Income Generation Designation is invested from time to time to achieve continued charitable functions. The Revenue Protection Designation ensures that GWT retains its effectiveness and capacity until at least financial year 2024-25. The Financial Reserves Designation amount is updated each year in line with GWT's Financial Reserves Policy.

GWENT WILDLIFE TRUST LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The Statement of Financial Activities shows incoming resources for the year of a revenue nature of £1,891,344 (2022: £1,448,926).

The total reserves at the year-end stand at £3,552,395 (Restated 2022: £3,274,537 (See note 19)

Brief details on the scope of funds relating to:

Nature Recovery

Area of Outstanding National Beauty (AONB) (Nature Networks Fund - AONB, Pine Marten Monitoring Project); Enabling Natural Resources and Well-being (ENRaW) (Bugs Matter, Local Wildlife Sites); Monmouthshire County Council (MCC) Resilient Greater Gwent Nature Reserves Neighbours Survey; National Lottery Heritage Fund (NLHF) (Living Levels Landscape, Nature Networks Fund and Nature Networks Fund 2); Natural Resources Wales (NRW) (Section 16 - land management); Torfaen County Borough Council (TCBC) (Resilient Uplands, The British); Vp plc (White Tailed Sea Eagles); Waterloo Foundation (Grassland & Woodland Trainees); Welsh Government (Community Renewal Fund); Wales Council for Voluntary Action (WCVA) (Causing a Buzz); Bridewell Appeal; Garndryss Forge Appeal; Piercefield Wood.

Nature Based Solutions

National Lottery Community Fund (NLCF) (Climate Action Fund/Stand for Nature Wales); NLHF (Team Wilder, Wild Health Project); NRW (Coastal Communities, Resilient Communities); The Swire Charitable Trust (NBS Freshwater).

Reserves policy

The Trust aims to hold an unrestricted financial reserve equal to a minimum of 6 months operating costs at £802,000. The year closed with an unrestricted reserve of £1,563,317 of which £1,363,603 is designated. Many of the operating costs included within the 6 months cost calculation are costs which are covered as part of the designated funds therefore the reserves policy was achieved.

Funds in deficit

At the year-end, there was a deficit in, Team Wilder of £7,790 to be repaid by June 2024; in Resilient Communities of £24,097 to be repaid by June 2024; in Nature Networks Fund of £49,206 to be repaid by September 2023; Nature Networks Fund 2 of £1,110 to be repaid by March 2025; in The British of £21,170 to be repaid by June 2023.

Share Capital

The company is limited by guarantee and therefore has no share capital.

Plans for Future Periods

During the 2023/24 financial year GWT will continue delivery of our Strategic Plan 2030 through the implementation of the 73 actions outlined in the 2023/24 Business Plan, with specific actions including:

- Acquisition of four new nature reserves covering 675 acres
- Completion of detailed baseline surveys across 55% of all GWT nature reserves
- Updating of management plans for 18 nature reserves
- Development of baseline surveys for our 10 vulnerable species
- Working with more than 100 participants through our Wild Health project
- Delivering over 100 water focused Nature Based Solutions on the rivers Ebbw, Sirhowy and Rhymney
- Influencing policy by commenting on Planning Policy 9, Sustainable Farming Scheme and NNRMA
- Training and supporting six Volunteer Wardens to lead nature conservation activities in their communities
- More than 100 community actions delivered for nature outside of our nature reserves
- Hosting more than 50 events that foster a connection to nature
- Development and embedding of standardised project development and project management processes
- Renovations of the Derek Upton Centre are underway
- Digital versions of all print media are available to reduce carbon emissions

GWENT WILDLIFE TRUST LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Gwent Wildlife Trust is governed by its Articles of Association, which were revised at GWT's 2021 AGM. The major change was the amalgamation of the Memorandum and the Articles, thus removing numerous anomalies between the two.

Further information and guidance on the running of the charity is provided by GWT's organisational and staff handbook.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|--------------------------|-------------------------------|
| Mrs A Willott (Chair) | (Resigned 3 May 2022) |
| Mr R Waller (Vice Chair) | |
| Mrs S Finn (Secretary) | |
| Mr J M Stephens | |
| Mr T Clancy | (Resigned 22 May 2023) |
| Mr D Rees | |
| Ms R Spooner | (Resigned 1 November 2022) |
| Mr M Leppard (Chair) | |
| Mr J Newton (Treasurer) | |
| Miss L Holland | |
| Mr R Howell | (Appointed 21 September 2022) |
| Ms K Coleman | (Appointed 21 September 2022) |

Co-opted Trustees are put forward for election at the AGM. If elected they become Appointed Trustees of Gwent Wildlife Trust.

Trustees are elected by the membership at the Annual General Meeting. All prospective Trustees complete application forms; suitable candidates are then shortlisted for interview by a panel of Trustees; and recommendations for co-option are made at the following meeting of the Board. Co-opted Trustees will then be recommended to the membership for election at the following AGM. Potential Trustees can contact Gwent Wildlife Trust direct for a form; but in order to increase the Trustee diversity, advertisements are now being placed when there are vacancies on the Board, and this has resulted in an increase in younger trustees and in a greater percentage of female members.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

GWT's Board of Trustees meet six times a year to make decisions on policy and strategy. The Budget and Business Plan for the year ahead is set at the March Board meeting. An Annual Report and Accounts are presented to the July Board meeting and thereafter to the Annual General Meeting in September. Staff, Trustees and other appropriate individuals meet regularly in advisory Committees.

Day to day management of the charity is delegated by the charity Board of Trustees to the Chief Executive; Adam Taylor. Members of staff undertake work in line with the organisation's strategy, business plan, policies, work plans and budget.

Membership of a wider network

GWT is part of the Wildlife Trusts partnership, which encompasses 46 Wildlife Trusts covering all of the UK, the Isle of Man and Alderney. Within this wider network, GWT works particularly closely with the other four Welsh Wildlife Trusts.

Relationships between the charity and related parties, including subsidiaries

Gwent Wildlife Trust is a corporate member of, and pays contributions to, the Royal Society of Wildlife Trusts (RSWT) of which Wildlife Trusts Wales (WTW) is a part.

Gwent Wildlife Trust is divided into the following departments: Finance & Administration, Fundraising & Communications, Nature Recovery, and Nature Based Solutions.

GWENT WILDLIFE TRUST LTD

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees responsibilities

The Trustees, who are also the directors of Gwent Wildlife Trust Ltd for the purpose 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 the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

UHY Hacker Young will cease to be GWT's auditors at the end of the 2022-23 financial year. GWT are currently tendering for new auditors, with new auditors to be agreed at the Annual General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report, including the strategic report, was approved by the Board of Trustees.

Mrs S Finn (Secretary)

Dated: 9 August 2023

GWENT WILDLIFE TRUST LTD

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF GWENT WILDLIFE TRUST LTD

Opinion

We have audited the financial statements of Gwent Wildlife Trust Ltd (the 'Trust') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 our audit:

- the information given in the Trustees report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees Report have been prepared in accordance with applicable legal requirements.

GWENT WILDLIFE TRUST LTD

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF GWENT WILDLIFE TRUST LTD**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the Trust for the purpose 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 Trust'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

GWENT WILDLIFE TRUST LTD

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF GWENT WILDLIFE TRUST LTD**

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial statements, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. 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.

Mr John Griffiths (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

9 August 2023

Chartered Accountants
Statutory Auditor

Newport
Gwent
United Kingdom

GWENT WILDLIFE TRUST LTD

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2023

| | | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds As restated (Note 19) | Total As restated (Note 19) |
|---|-------|-----------------------|---------------------|------------------|-----------------------|---|-----------------------------------|
| | Notes | 2023 £ | 2023 £ | 2023 £ | 2022 £ | 2022 £ | 2022 £ |
| <u>Income and endowments from:</u> | | | | | | | |
| Donations and legacies | 3 | 603,540 | 67,069 | 670,609 | 444,675 | 21,267 | 465,942 |
| Advancement of charitable objectives | 4 | 203,424 | 969,119 | 1,172,543 | 187,718 | 757,680 | 945,398 |
| Other trading activities | 5 | 26,497 | - | 26,497 | 7,872 | - | 7,872 |
| Investments | 6 | 21,695 | - | 21,695 | 27,737 | - | 27,737 |
| Other income | 7 | - | - | - | 1,977 | - | 1,977 |
| Total income | | 855,156 | 1,036,188 | 1,891,344 | 669,979 | 778,947 | 1,448,926 |
| <u>Expenditure on:</u> | | | | | | | |
| Activities for generating funds | 8 | 135,512 | 126,279 | 261,791 | 68,083 | 55,488 | 123,571 |
| Advancement of charitable objectives | 9 | 747,764 | 591,214 | 1,338,978 | 678,385 | 429,631 | 1,108,016 |
| Other | 15 | 12,717 | - | 12,717 | - | - | - |
| Total expenditure | | 895,993 | 717,493 | 1,613,486 | 746,468 | 485,119 | 1,231,587 |
| Net (outgoing)/incoming resources before transfers | | (40,837) | 318,695 | 277,858 | (76,489) | 293,828 | 217,339 |
| Gross transfers between funds | | 31,689 | (31,689) | - | 107,496 | (107,496) | - |
| Net (expenditure)/income for the year/ Net movement in funds | | (9,148) | 287,006 | 277,858 | 31,007 | 186,332 | 217,339 |
| Fund balances at 1 April 2022 | | 1,572,465 | 1,702,072 | 3,274,537 | 1,541,458 | 1,515,740 | 3,057,198 |
| Fund balances at 31 March 2023 | | 1,563,317 | 1,989,078 | 3,552,395 | 1,572,465 | 1,702,072 | 3,274,537 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

GWENT WILDLIFE TRUST LTD

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2023

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

GWENT WILDLIFE TRUST LTD

**BALANCE SHEET
AS AT 31 MARCH 2023**

| | | 2023 | | 2022 | |
|---|--------------|------------------|-------------------------|------------------------------|-------------------------|
| | Notes | £ | £ | As restated (Note 19) | £ |
| Fixed assets | | | | | |
| Tangible assets | 17 | | 96,659 | | 62,321 |
| Heritage assets | 18 | | 2,000,184 | | 2,017,727 |
| | | | <u>2,096,843</u> | | <u>2,080,048</u> |
| Current assets | | | | | |
| Debtors | 20 | 210,400 | | 160,214 | |
| Cash at bank and in hand | | 1,264,464 | | 1,047,133 | |
| | | <u>1,474,864</u> | | <u>1,207,347</u> | |
| Creditors: amounts falling due within one year | 21 | (19,312) | | (12,858) | |
| Net current assets | | | <u>1,455,552</u> | | <u>1,194,489</u> |
| Total assets less current liabilities | | | <u><u>3,552,395</u></u> | | <u><u>3,274,537</u></u> |
| Income funds | | | | | |
| Restricted funds | 23 | | 1,989,078 | | 1,702,072 |
| Unrestricted funds | | | | | |
| Designated funds | 24 | 1,363,603 | | 1,362,254 | |
| General unrestricted funds | | 199,714 | | 210,211 | |
| | | <u>1,563,317</u> | | <u>1,572,465</u> | |
| | | | <u><u>3,552,395</u></u> | | <u><u>3,274,537</u></u> |

The financial statements were approved by the Trustees on 9 August 2023

Mrs S Finn (Secretary)
Trustee

Mr J Newton (Treasurer)
Trustee

Company registration number 00812535

GWENT WILDLIFE TRUST LTD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|-----------|------------------|-----------|------------------|
| Cash flows from operating activities | | | | | |
| Cash generated from/(absorbed by) operations | 27 | | 273,549 | | (27,768) |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (79,871) | | (2,247) | |
| Proceeds from disposal of tangible fixed assets | | (4,867) | | 1,977 | |
| Proceeds from disposal of heritage assets | | 6,825 | | - | |
| Investment income received | | 21,695 | | 27,737 | |
| Net cash (used in)/generated from investing activities | | | (56,218) | | 27,467 |
| Net cash used in financing activities | | | - | | - |
| Net increase/(decrease) in cash and cash equivalents | | | 217,331 | | (301) |
| Cash and cash equivalents at beginning of year | | | 1,047,133 | | 1,047,434 |
| Cash and cash equivalents at end of year | | | <u>1,264,464</u> | | <u>1,047,133</u> |

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Gwent Wildlife Trust Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Seddon House, Dingestow, Monmouth, Monmouthshire, NP25 4DY, United Kingdom.

1.1 Accounting convention

The accounts have been prepared in accordance with the Trust's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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

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

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

Grants income is recognised in the Statement of Financial Activities in the period to which it relates. Where a grant is restricted by the funder for use in a future period, its recognition is deferred until the charity becomes entitled to the resource. Grants in respect of specific projects are credited to a restricted fund, against which relevant expenditure is charged.

Membership subscriptions are accounted for on a cash received basis.

GWENT WILDLIFE TRUST LTD

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------|-------------|
| Plant and equipment | 25% on cost |
|---------------------|-------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The capitalisation policy for the charity is any capital item individually over: £1,000.

1.7 Heritage assets

Heritage assets relate to the charity's nature reserves. Nature Reserves that have been purchased by the charity have been capitalised at the purchase cost. Nature Reserves that have been donated to the charity have been capitalised at the best estimate of cost had they been purchased by the charity.

Heritage assets include the land & buildings in relation to the reserves. The buildings are depreciated at either 2 or 10% straight line. No depreciation is charged on the land element of the nature reserve.

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

The costs of maintaining the heritage assets are expensed through the Statement of Financial Activities as incurred, as part of the Trust's charitable activities.

1.8 Financial instruments

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments.

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

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

GWENT WILDLIFE TRUST LTD

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.9 Employee benefits

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

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

2 Critical accounting estimates and judgements

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

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

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 10,355 | 67,069 | 77,424 | 44,014 |
| Legacies receivable | 345,316 | - | 345,316 | 6,944 |
| Government grants | - | - | - | 589 |
| Membership fees | 204,038 | - | 204,038 | 194,755 |
| Donated land | - | - | - | 176,000 |
| Gift aid | 43,831 | - | 43,831 | 43,640 |
| | <u>603,540</u> | <u>67,069</u> | <u>670,609</u> | <u>465,942</u> |
| For the year ended 31 March 2022 | <u>444,675</u> | <u>21,267</u> | | <u>465,942</u> |
| Grants receivable for core activities | | | | |
| Job retention scheme | - | - | - | 589 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>589</u> |

Job retention scheme and business support income is grant income received from Welsh Government as a result of the Coronavirus pandemic.

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

4 Advancement of charitable objectives

| | 2023 | 2022 |
|---|-------------------------|-----------------------|
| | £ | £ |
| Sales of services by beneficiaries | 117,017 | 68,947 |
| Grants | 1,055,526 | 876,451 |
| | <u>1,172,543</u> | <u>945,398</u> |
| | <u><u>1,172,543</u></u> | <u><u>945,398</u></u> |
| Analysis by fund | | |
| Unrestricted funds | 203,424 | 187,718 |
| Restricted funds | 969,119 | 757,680 |
| | <u>1,172,543</u> | <u>945,398</u> |
| | <u><u>1,172,543</u></u> | <u><u>945,398</u></u> |
| Grants | | |
| RSPB Wales | 10,358 | 47,096 |
| Aneurin Bevan Uni | - | 25,001 |
| NRW | 6,730 | 100,390 |
| Blaenau Gwent CBC | 197,536 | 119,757 |
| National Lottery Heritage Fund | 197,853 | 68,868 |
| Idris & Margaret Jones Charitable Trust | - | 90,000 |
| People's Postcode Lottery | 58,050 | 69,830 |
| National Lottery Community Fund | 65,144 | 43,852 |
| Welsh Government | 124,029 | 150,914 |
| Wye Valley AONB | 100,804 | 50,065 |
| North Wales Wildlife Trust | 117,682 | 103,966 |
| Swire CT | 55,102 | - |
| WCVA | 44,795 | - |
| Millennium Stadium | 7,500 | - |
| Other | 69,943 | 6,712 |
| | <u>1,055,526</u> | <u>876,451</u> |
| | <u><u>1,055,526</u></u> | <u><u>876,451</u></u> |

5 Other trading activities

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|-------------|--|--|
| Fundraising | <u>26,497</u> | <u>7,872</u> |
| | <u><u>26,497</u></u> | <u><u>7,872</u></u> |

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

6 Investments

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|---------------------|------------------------------------|------------------------------------|
| Rents received | 13,521 | 10,370 |
| Holiday lettings | - | 12,926 |
| Interest receivable | 8,174 | 4,441 |
| | <u>21,695</u> | <u>27,737</u> |

7 Other income

| | Total 2023 £ | Unrestricted funds 2022 £ |
|---|--------------------|------------------------------------|
| Net gain on disposal of tangible fixed assets | - | 1,977 |
| | <u>-</u> | <u>1,977</u> |

8 Activities for generating funds

| | Unrestricted funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| <u>Fundraising and publicity</u> | | | | |
| Rent, rates and water | 1,167 | - | 1,167 | 4,043 |
| Contractor costs | 98,459 | 126,279 | 224,738 | 106,852 |
| Office and establishment costs | 102 | - | 102 | 102 |
| Recruitment and fundraising | 1,051 | - | 1,051 | 1,119 |
| Staff costs | 34,733 | - | 34,733 | 11,455 |
| | <u>135,512</u> | <u>126,279</u> | <u>261,791</u> | <u>123,571</u> |
| Fundraising and publicity | 135,512 | 126,279 | 261,791 | 123,571 |
| | <u>135,512</u> | <u>126,279</u> | <u>261,791</u> | <u>123,571</u> |
| For the year ended 31 March 2022 | | | | |
| Fundraising and publicity | 68,083 | 55,488 | | 123,571 |
| | <u>68,083</u> | <u>55,488</u> | | <u>123,571</u> |

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9 Advancement of charitable objectives

| | Direct Costs 2023 £ | Direct Costs 2022 £ |
|---|---------------------------|---------------------------|
| Staff costs | 801,634 | 688,767 |
| Depreciation and impairment | 48,401 | 54,119 |
| Materials & equipment | 71,680 | 17,981 |
| Legal & professional | 5,352 | 5,453 |
| Office & establishment costs | 114,355 | 83,721 |
| Irrecoverable VAT | 45,288 | 14,891 |
| Travel & subsistence | 10,607 | 4,592 |
| Publications | 27,488 | 13,319 |
| Promotional expenses | 8,012 | 5,662 |
| Financial management | 50,797 | 51,055 |
| Staff & volunteer development costs | 23,821 | 21,159 |
| | <u>1,207,435</u> | <u>960,719</u> |
| Grant funding of activities (see note 10) | 10,159 | 39,614 |
| Share of support costs (see note 11) | 3,744 | 3,744 |
| Share of governance costs (see note 11) | 117,640 | 103,939 |
| | <u>1,338,978</u> | <u>1,108,016</u> |
| Analysis by fund | | |
| Unrestricted funds | 747,764 | 678,385 |
| Restricted funds | 591,214 | 429,631 |
| | <u>1,338,978</u> | <u>1,108,016</u> |

10 Grants payable

| | Direct Costs 2023 £ | Direct Costs 2022 £ |
|---|---------------------------|---------------------------|
| Grants to institutions: | | |
| Montgomeryshire Wildlife Trust | - | 5,188 |
| Royal Society of Wildlife Trusts for Wildlife Trust Wales | - | 17,824 |
| North Wales Wildlife Trust | - | 9,719 |
| National Lottery Heritage Fund | - | 6,883 |
| Durrell Wildlife Conservation Trust | 10,159 | - |
| | <u>10,159</u> | <u>39,614</u> |

Grants distributed to Durrell Wildlife Conservation Trust for scoping the reintroduction of White Tailed Sea Eagles in South East Wales, as part of partnership work funded by LEADER.

GWENT WILDLIFE TRUST LTD

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

10 Grants payable

(Continued)

11 Support costs

| | Support costs | Governance costs | 2023 | 2022 | Basis of allocation |
|----------------------------|----------------------|-------------------------|----------------|----------------|----------------------------|
| | £ | £ | £ | £ | |
| Operating lease charges | 3,744 | - | 3,744 | 3,744 | Support |
| Audit fees | - | 9,130 | 9,130 | 8,750 | Governance |
| Consultancy and legal fees | - | 106,020 | 106,020 | 94,056 | Governance |
| Meeting costs | - | 2,173 | 2,173 | 1,133 | Governance |
| Trustee expenses | - | 317 | 317 | - | Governance |
| | <u>3,744</u> | <u>117,640</u> | <u>121,384</u> | <u>107,683</u> | |
| Analysed between | | | | | |
| Charitable activities | <u>3,744</u> | <u>117,640</u> | <u>121,384</u> | <u>107,683</u> | |

Governance costs includes payments to the auditors of £9,130 (2022- £8,750) for audit fees.

12 Trustees

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

During the year, Gwent Wildlife Trust paid £198 for expenses to trustees (2022: £nil).

During the year, 4 (2022: 2) Trustees paid £445 (2022: £115) in donations to Gwent Wildlife Trust.

13 Employees

The average monthly number of employees during the year was:

| | 2023 | 2022 |
|-------------------------|----------------|----------------|
| | Number | Number |
| | <u>29</u> | <u>27</u> |
| Employment costs | 2023 | 2022 |
| | £ | £ |
| Wages and salaries | <u>836,367</u> | <u>700,222</u> |

Included within the wages and salaries costs are amounts totalling £nil (2022: £nil) for termination payments.

There were no employees whose annual remuneration was more than £60,000.

GWENT WILDLIFE TRUST LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****14 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Aggregate compensation for 5 individuals (2022: 5) | 182,013 | 184,590 |
| | <u>182,013</u> | <u>184,590</u> |

15 Other

| | 2023 £ | 2022 £ |
|---|---------------|-----------|
| Net loss on disposal of tangible fixed assets | 12,717 | - |
| | <u>12,717</u> | <u>-</u> |

16 Taxation

The charity is exempt for tax.

17 Tangible fixed assets

| | Plant and equipment £ |
|------------------------------------|--------------------------|
| Cost | |
| At 1 April 2022 | 339,396 |
| Additions | 79,871 |
| Disposals | (29,434) |
| | <u>389,833</u> |
| At 31 March 2023 | <u>389,833</u> |
| Depreciation and impairment | |
| At 1 April 2022 | 277,075 |
| Depreciation charged in the year | 37,683 |
| Eliminated in respect of disposals | (21,584) |
| | <u>293,174</u> |
| At 31 March 2023 | <u>293,174</u> |
| Carrying amount | |
| At 31 March 2023 | <u>96,659</u> |
| At 31 March 2022 | <u>62,321</u> |

GWENT WILDLIFE TRUST LTD

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

18 Heritage assets

| | Nature reserves £ As restated (Note 19) |
|-------------------------|---|
| At 1 April 2022 | 2,017,727 |
| Depreciation | (10,718) |
| Disposals | (6,825) |
| At 31 March 2023 | 2,000,184 |

Five year summary of transactions - restated

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--------------------|------------------|------------------|------------------|------------------|------------------|
| At 1 April | 2,017,727 | 1,852,604 | 1,863,481 | 1,746,009 | 1,384,863 |
| Purchases | - | - | - | 128,349 | 369,552 |
| Donated assets | - | 176,000 | - | - | 2,471 |
| Depreciation | (10,718) | (10,877) | (10,877) | (10,877) | (10,877) |
| Disposals | (6,825) | - | - | - | - |
| At 31 March | 2,000,184 | 2,017,727 | 1,852,604 | 1,863,481 | 1,746,009 |

Heritage assets consist of land & buildings designated as nature reserves by Gwent Wildlife Trust and acquired either by purchase or gift.

Purchases in the five years above are valued at purchase price in accordance with the Trust's accounting policy. This includes any legal costs in relation to the land purchase.

Any heritage assets donated in the period have been reflected in the balance sheet in reference to the market value date of the donation.

19 Prior year restatement

During the year management undertook a complete review of the organisation's land register cross-referenced against title deeds/HM Land Registry, as a result an adjustment of £133,750 was made for land previously missed off the register and £64,206 for land erroneously included. The net increase has been included in restricted reserves brought forward.

20 Debtors

| | 2023 £ | 2022 £ |
|---|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 76,373 | 101,792 |
| Other debtors | 52,489 | 29,975 |
| Prepayments and accrued income | 81,538 | 28,447 |
| | 210,400 | 160,214 |

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

21 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Other taxation and social security | 4,147 | - |
| Trade creditors | 320 | - |
| Other creditors | 3,099 | 1,912 |
| Accruals and deferred income | 11,746 | 10,946 |
| | <u>19,312</u> | <u>12,858</u> |

22 Retirement benefit schemes

The Charity operates a Group Personal Pension Scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £43,645 (2022: £38,852).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

Included within Nature Based Solutions are projects run using National Lottery Community Funds as follows:

Wild Health Project

GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

23 Restricted funds

(Continued)

Other Projects

Includes funds associated with Millennium Stadium, Monmouthshire County Council (MCC), RSPB Wales

Nature Based Solutions

Includes funds associated with National Lottery Heritage Fund (NLHF), National Lottery Community Fund (NLCF), Natural Resources Wales' (NRW), North Wales Wildlife Trust, People's Postcode Lottery (PPL), Swire Charitable Trust. At the year end there was a deficit in Next Door Nature £7,790 due to be in surplus by June 2024, in Resilient Communities of £24,097 due to be in surplus by June 2024.

Nature Recovery

Includes funds associated with Wye Valley Area of Outstanding Natural Beauty (AONB), Blaenau Gwent County Borough Council, Enabling Natural Resources and Well-being (ENRAW), MCC, NLHF, NRW, PPL, Torfaen County Borough Council (TCBC), Waterloo Foundation, Welsh Government, Wales Council for Voluntary Action (WCV/A). At the year end there was a deficit in The British of £3,484 due to be in surplus by September 2023, in Nature Networks Fund of £49,207 due to be in surplus by September 2023, in Nature Networks Fund 2 of £1,110 due to be in surplus by March 2025.

Fixed Assets

Fixed assets 2022/23 – through funding from Nature Networks Fund the infrastructure of GWT reserves has been enhanced, including assets such as fencing, culverts, boardwalks and yard improvements. This funding has also paid for machinery and livestock, to deliver GWT charitable objectives.

Change in funds

A new overarching strategy was agreed by the 46 Wildlife Trusts to address the nature and climate crises. This overarching strategy was subsequently discussed and adapted to the needs of wildlife and people in Gwent, beginning to be delivered from the 1st April 2021. To best deliver the strategy it was agreed by Gwent Wildlife Trust staff and Trustees that actions targeting Nature's Recovery specifically, and mainstreaming Nature Based Solutions more broadly, needed to be taken, and as such the organisational structure was adapted from being geographic; across the three regions of Gwent Levels, Usk to Wye and Eastern Valleys, to being thematic; Nature Recovery and Nature Based Solutions. This change has ensured that there is less duplication of effort and greater alignment in delivery and communications, both of which were designed to maximise the impact of the charity.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

Of the designated funds, £1,298,041 is legacy monies allocated to projects by the trustees to further the objectives of the charity. Other designations are Consultation and the Derek Upton Centre. Funders include: Dwr Cymru Welsh Water, MCC, TCBC, NRW, The Woodland Trust, A & N Jones.

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GWENT WILDLIFE TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

25 Analysis of net assets between funds

| | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
|------------------------------|------------------|------------------|------------------|------------------|--------------------------|--------------------------|
| | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 |
| | | | | | As restated (Note 19) | As restated (Note 19) |
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 | | | | | | |
| March 2023 are | | | | | | |
| represented by: | | | | | | |
| Tangible assets | 3,914 | 92,745 | 96,659 | 16,955 | 45,366 | 62,321 |
| Heritage assets | 480,523 | 1,519,661 | 2,000,184 | 480,523 | 1,537,204 | 2,017,727 |
| Current assets/(liabilities) | 1,078,880 | 376,672 | 1,455,552 | 1,074,987 | 119,502 | 1,194,489 |
| | <u>1,563,317</u> | <u>1,989,078</u> | <u>3,552,395</u> | <u>1,572,465</u> | <u>1,702,072</u> | <u>3,274,537</u> |

26 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the charity for photocopiers. Leases are negotiated for an average term of 5 years and rentals are fixed for an average of 5 years.

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

| | 2023 | 2022 |
|----------------------------|--------------|--------------|
| | £ | £ |
| Within one year | 1,872 | 3,744 |
| Between two and five years | - | 1,872 |
| | <u>1,872</u> | <u>5,616</u> |

27 Cash generated from operations

| | 2023 | 2022 |
|---|----------------|-----------------|
| | £ | £ |
| Surplus for the year | 277,858 | 217,339 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (21,695) | (27,737) |
| Loss/(gain) on disposal of tangible fixed assets | 12,717 | (1,977) |
| Gifted heritage assets | - | (176,000) |
| Depreciation and impairment of tangible fixed assets | 48,401 | 54,119 |
| Movements in working capital: | | |
| (Increase) in debtors | (50,186) | (72,166) |
| Increase/(decrease) in creditors | 6,454 | (21,346) |
| Cash generated from/(absorbed by) operations | <u>273,549</u> | <u>(27,768)</u> |

GWENT WILDLIFE TRUST LTD

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

28 Analysis of changes in net funds

The Trust had no debt during the year.

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