

Somerset Wildlife Trust

Annual report and accounts 2016-17



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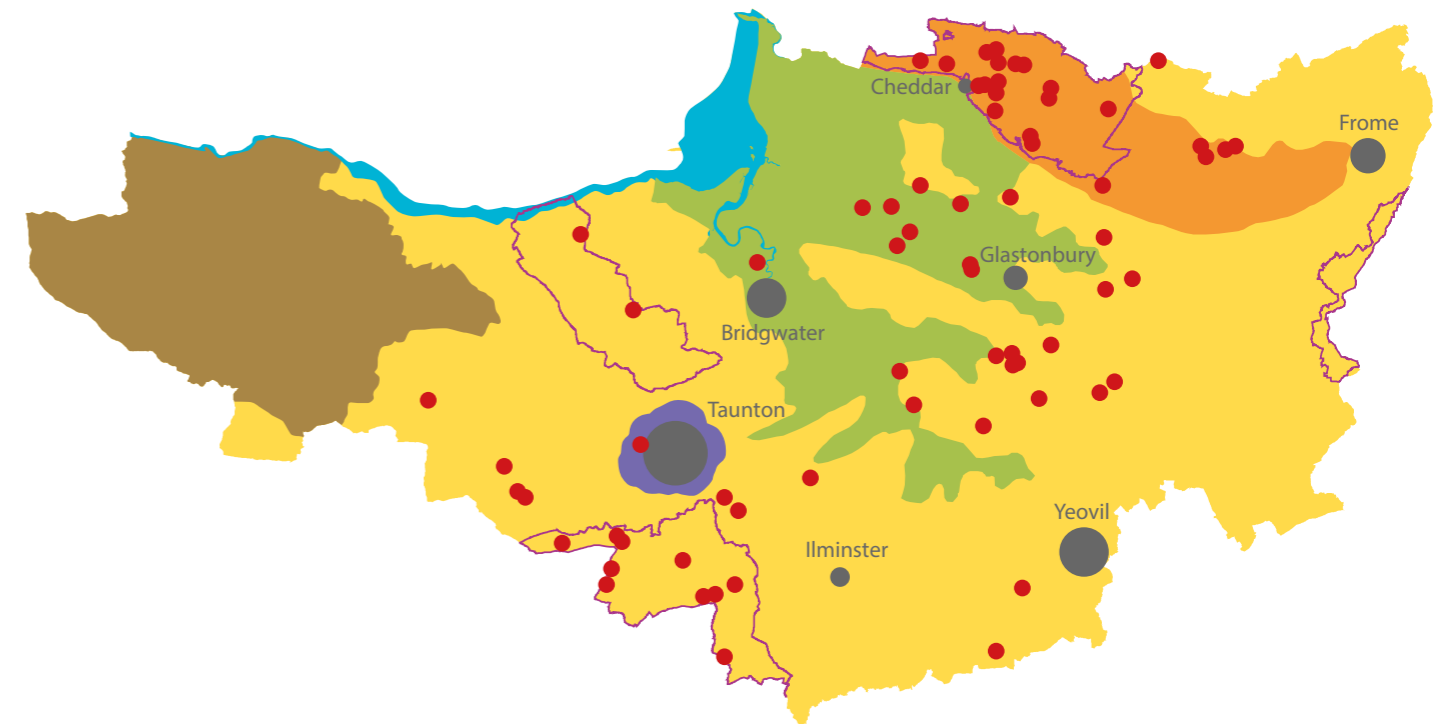
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What we do

Somerset is one of the most habitat-diverse and wildlife-rich counties in Britain. Somerset Wildlife Trust is an independent conservation charity working to ensure this remains the case.

We rely on the support of our members, donors and volunteers, as well as income from grant-making bodies and companies, including profits from our ecological consultancy, to look after Somerset's wildlife and wild places. This includes the nature reserves in our care and creating thriving 'Living Landscapes' across the Mendips, the Levels and Moors, Taunton, and Somerset's coast.

We also work to influence Somerset's policy-making and planning decisions, which affect the county's wildlife and the wider environment. We believe access to wildlife and wild places is important for people of all ages to value wildlife and help protect it, and also to enhance the health and wellbeing of everyone who lives and works in our wonderful county.



Living Landscapes and nature reserves

- Somerset's Living Coast
- Levels and Moors Living Landscape
- Mendip Hills Living Landscape
- Taunton Living Landscape
- Trust nature reserves
- Areas of Outstanding Natural Beauty
- Exmoor National Park

Message from the Chairman and the Chief Executive Officer

2016-17 was a successful year for Somerset Wildlife Trust. We continued to invest in conservation, visitor facilities and interpretation, and in the next generation of conservationists – both through formal training programmes and a range of projects and events. We learnt more about and helped rebuild Somerset’s ecological networks, including the county’s brilliant but often forgotten coast, helping to connect green spaces across the county so wildlife can travel freely. And more people joined us as members and donors, and gave their time and skills as volunteers, showing their support for our work.

But September’s publication of the second national State of Nature Report reminded us too that not all is well – 56% of species across the country are in decline. The Trust alone, and in partnership with other organisations, still has a big job to do but this report also tells us that all is not lost. Here in Somerset there are some real success stories in which Somerset Wildlife Trust has played an important part.

A generation ago Bitterns were absent from the Somerset Levels. Now thanks to over 20 years of hard work by staff and volunteers, old peat workings and arable fields in the Avalon Marshes area of the Somerset Levels have been transformed into ideal nesting and feeding habitat for Bittern. In spring 2016 both our nationally important Westhay Moor nature reserve and nearby Catcott Complex had ‘booming’ males, and two successful nests were confirmed too. Extending and joining up land in this area is part of our plans to help Bittern and many other species.

Another area highlighted by the State of Nature report was Britain’s fast disappearing meadows and grasslands – 97% have been lost since the 1930s. Here in Somerset, the Trust looks after some of the few remaining species-rich, traditional meadows, like our reserves at Chancellors Farm and Edford Meadows. For the past three years, as part of the Heritage Lottery Fund supported, national Save our Magnificent Meadows partnership project, our meadows team, with the help of many local people, have restored neglected meadows and created new wildlife meadows by transforming community spaces, like the churchyard at Priddy, into havens for butterflies and bees. Not only is this good for wildlife, it is good for people and the county’s economy, where industries like cider-making and farming need a thriving population of pollinators.

Much of what the Trust does now involves working closely with partners. We recognise we do not have the resources to tackle everything alone. The Severn Vision Project has for the first time brought together national and local conservation organisations to develop an ambitious vision for nature in the Severn Estuary to help restore it as a healthy functioning ecosystem, make it more resilient to climate change and ensure development is planned to sustain and enhance the estuary’s natural resources.

While predominantly a rural county, development pressures are growing to support the economy, housing and infrastructure. In Taunton our three-year urban wildlife project, Routes to the River Tone, culminated in February with a lantern procession of hundreds of schoolchildren. Overall the project has demonstrated the real appetite of people living in the town to get involved and learn more about local wildlife, like the Otters and Water Voles that are present in the town’s waterways. We will be continuing to work in Taunton, trialling working with health and social care organisations, and also engaging with decision-makers

to ensure the needs of wildlife and people are considered as part of its new Garden Town status and in the major developments planned.

As a charity we are ever more aware of the need to make the biggest impact we can for the county’s wildlife against a challenging and changing financial climate. Uncertainty over future agri-environment funding following the UK’s decision to leave the European Union, together with increasing competition for other grant funding, has led us to review our strategy, financial model and programme management, and conclude that certain changes will need to be introduced to enable us to focus on delivering what we believe will produce the greatest conservation gain.

Selective cost reductions in operations together with new measures to increase existing sources of income and establish new income sources will be needed. The changes also involve an intent to re-shape progressively our landholding and its operation over the coming few years, to enable us to deliver better outcomes for wildlife and people across the county with the reduced funds we expect will be available. There is more to do to prepare us for the funding changes that seem likely, and planning for this is vital if we are to continue to be an impactful and financially sustainable local charity.

We thank our staff and volunteers, including the Trustees we said goodbye to and others we welcomed to Council in the year, for their expertise and shared passion for Somerset’s wildlife. We would also like to thank our members, supporters and donors as without their funding and interest in what we do, we would simply not be able to continue our work. It is their commitment that enables Somerset Wildlife Trust to do the things it does ensuring Somerset is, and shall remain, one of the most habitat-diverse and wildlife-rich counties in Britain.



Patricia Stainton
Chairman



Simon Nash
Chief Executive Officer



Bearded Tit © akwildlifeimages.com

The report set out on pages 6–25 is a strategic report and Directors' report as required by sections 414A and 415 of the Companies Act 2006 and has been prepared in accordance with Part 15 of this Act.

Conservation strategy and achievements

We champion Somerset's stunning and important natural environment, making the case for nature to the public and politicians, protecting wildlife, and leading the recovery of the environment by example, including on our nature reserves.

During the year specialist conservation leads were recruited to develop and manage delivery around our key conservation strategic goals:

- Rebuilding Somerset's ecological networks
- Inspiring people and communities to value and protect Somerset's nature
- Standing up for nature

Rebuilding Somerset's ecological networks

Creating ecological networks that rebuild Somerset's natural environment, through our nature reserves and Living Landscape and Living Coast programmes, is one key component of our conservation strategy, and is co-ordinated by our Landscape Ecologist. Only through landscape-scale conservation and connectivity can we increase resilience to Somerset's current and future pressures.

Most of the Trust's nature reserves are core sites and stepping stones for Somerset's ecological networks and fulfil a crucial function in delivering exemplary land management, including trialling and demonstrating innovative land management techniques. They are also wildlife havens for people to visit and enjoy.

Covering 1,700 hectares and comprising an enormous range of very different habitats – from internationally renowned wetlands, ancient woodland, rich grassland, rolling hills to magnificent meadows – the Trust continued to invest in its nature reserves and revise management plans for each to improve their condition for wildlife gain. One highlight was the recording of six 'drumming' male Snipe at the Trust's Burtle Moor reserve on the Somerset Levels. This is a small but important site where the Trust has been working hard to create ideal breeding conditions over several years by keeping water levels high and establishing a varied grass and rush habitat structure, which includes shallow water-filled depressions.

Elsewhere at the Trust's Green Down reserve in the Polden Hills, 36% of the UK population of its largest and rarest blue butterfly, the Large Blue, was recorded. This reserve is managed through carefully timed livestock grazing to create the

warm, short turf conditions in spring that favour the red ant species that the Large Blue Butterfly larvae later parasitizes, followed by a period of no grazing during the adult flight period, so that livestock does not graze the flowers on which the eggs are laid. A project also got under way to support rare populations of butterflies on our reserves on the Blackdown Hills. Thanks to funding from Viridor Credits and the Blackdown Hills AONB Partnership, the future of declining species like Marsh Fritillary, Narrow Bordered Bee Hawkmoth and Brown Hairstreak is now more secure.

The Mendip Hills and the Somerset Levels and Moors are two of our Living Landscapes and alongside our ongoing habitat management on our nature reserves, we worked with partners and landowners to help deliver our goals. In Mendip projects continued in and around Cheddar Gorge and in East Mendip, including exciting work on Hazel Dormouse genetics and using radio tracking on Adders to help understand their movements and thus inform land management practices for the benefit of both species.

Funding from the Countryside Stewardship Mendip Hills Facilitation Fund enabled a new and very important project to begin that will,



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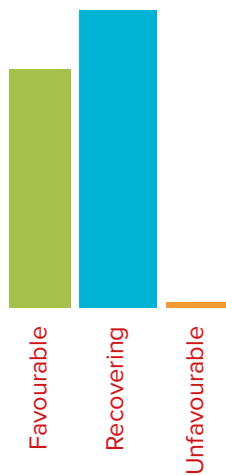
'drumming'
Snipe at
Burtle Moor



36%

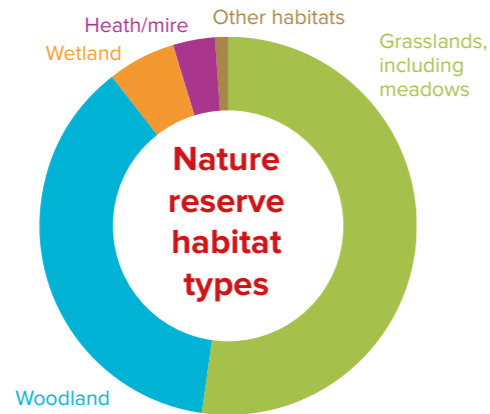
of UK
population of
Large Blue
Butterflies

61%
of nature reserves are Sites of Special Scientific Interest



over the next three years, change the face of the Mendip Hills positively for wildlife. Working on a landscape-scale with partners will enable us to connect and restore key habitats such as species-rich grasslands, lowland heathland, and native woodland and hedgerows, benefiting key species in the Mendips such as Greater and Lesser Horseshoe Bats.

The Trust manages woodland across Somerset, which comprises over a third of the total nature reserve landholding. The arrival of Ash dieback on the Trust's Mendips reserves was a very unwelcome development and we are continuing to monitor trees on our reserves closely and contribute to a national database to help inform how we may be able to tackle Ash dieback in the future.



The Selwood Living Landscape project has now reached the end of its first phase. Over the last three years the Trust has built a solid understanding of the key habitats for wildlife in Selwood and undertaken survey work for species including dormice, bats and butterflies. This work has been funded by a group of

Inspiring people and communities to value and protect Somerset's nature

Reconnecting people with the natural world and promoting the benefits it provides is a key part of our conservation work. We work closely with local communities to promote the wildlife on their doorstep and improve access to wildlife and green spaces. 2016–17 saw the development of our first nature and wellbeing programme led by our new Nature and Wellbeing Manager, bringing together our work with schools, our volunteer-led Watch Groups and wider community engagement projects.

Community engagement projects have formed an important part of the Trust's work over recent years and will continue to do so. By focussing on our Living Landscape

generous, visionary local people reflecting the area's unusual pattern of land ownership. Given the investment of resources needed to take this work to the next stage, at the end of the year Council took the decision to pause work in the Selwood Living Landscape to enable the Trust to focus on other conservation priorities.

Little is known about the wildlife that lives along Somerset's Coast and the Trust believes this lack of knowledge coupled with increasing development pressures could lead to poor decision-making with irreversible consequences for wildlife in the county. Thanks to a successful and continuing fundraising appeal in the year, the Trust's first Coastal Survey Officer was appointed in October 2016 who will undertake a comprehensive intertidal habitat survey over the next three years. The resulting scientific evidence base on Somerset's coastal wildlife is already revealing previously unknown creatures and habitats, knowledge we believe to be critical to inform conservation programmes to protect it for the future.

Skilled scientists and conservationists are vital if we are to have the long-term impact we believe is needed to restore and retain wildlife and habitats, and engage the public in our cause. For the past three years, the Trust has been working together with Devon, Dorset and Wiltshire Wildlife Trusts to each provide up to four trainees a year with formal training to equip them with the skills required to develop a career in conservation. Predominantly funded by the Heritage Lottery Fund, with support too from generous individual donors, we are proud that in 2016–17 the four Somerset trainees all gained employment in the conservation sector, having also provided the Trust with much needed additional resources during their traineeships.

areas in the county, we believe we can have the greatest impact and all this work is funded through major grants, together with funding from generous individuals and companies.

Two major partnership projects on the Somerset Levels were completed during the year, the four-year Heritage Lottery Fund supported Avalon Marshes Landscape Partnership, and Hills to the Levels, a two-year project working with landowners and the local community, and funded by the People's Postcode Lottery.

Over the last four years, the Trust as co-ordinating partner, working together with all the Avalon Marshes Landscape partners – the RSPB, Natural England, South West Heritage Trust, Hawk & Owl Trust, the Environment Agency and Historic England – have together unlocked the potential of this magical area that was largely still to be discovered, explored and enjoyed by local communities (and visitors from further afield).

Access to the nature reserves in the area, including the Trust's Westhay Moor and Catcott Complex, was relatively limited before the project and has now dramatically improved. In total the partnership has delivered 60 projects and engaged in many ways with local people, including: 500 volunteers, contributing more than 16,450 hours; 50 schools and colleges, providing nearly 5,000 educational experiences; 180 events, attracting more than 10,000 participants; and 49 courses, training 370 staff and volunteers. Following the year end, this project was voted the UK's best environment project in the 2017 National Lottery Awards.

Likewise Hills to Levels also proved the appetite amongst residents and local landowners to find out more about natural flood management and how to manage land in a way that marries up the need for food production and recreation, while reducing flood risk and protecting wildlife. During its lifetime the Hills to Levels project had many successes and achievements such as the completion of 17 individual schemes for flood resilience in the Brue Valley.

Save our Magnificent Meadows is another Heritage Lottery Fund supported project and in addition to many events to inspire people to learn more about and enjoy meadows in full bloom, the team ran workshops with landowners, providing practical advice on managing grasslands for wildlife. In total 2,250 attended these and other meadows events in the year.

The people of Taunton have embraced our first urban wildlife project and, over three years, Routes to the River Tone has delivered over 70 public events, encouraging Taunton

residents to explore their green spaces and to discover the nature on their doorstep. The schools programme saw 1,100 children take part in WildPlay activities and over 100 volunteers helped to restore and improve green spaces across the town. New wildlife trails and interpretation boards are helping people explore Taunton's waterways and learn about the wildlife living there. This work was only possible thanks to a major grant from the Heritage Lottery Fund plus support from Viridor Waste Management, Tesco Bags of Help and other supporters.

Thanks to further funding from Viridor Waste Management and a generous individual donor, we can continue working in Taunton for a further year, where the focus is to trial activities working with health and social care organisations to realise the benefits nature can bring to people's health and wellbeing. We will be building relationships and gathering evidence to support a major funding bid that will further develop our urban community engagement work. We will also be championing the need for people and wildlife to be at the forefront of decision-making in the Taunton Garden Town initiative.

Engaging communities along Somerset's coast alongside gathering evidence of the wildlife present remains part of our plans, despite the disappointment in June of not gaining the support of the Heritage Lottery Fund for this work. A coastal conference in October organised by our volunteer Coastal Ambassador attracted around 100 people and a number of events have also been organised to involve people in the survey work we began. Our goal remains to secure funding to continue community engagement over the coming years and a major grant application is in preparation for submission in 2017–18.

Educational visits to Westhay Moor, Black Rock and Ubley Warren nature reserves continued during the year. Six Wildlife Watch Groups held regular events for children across the county and a new group was established in Chard. Many other events were organised by the Trust's Local Area Groups and within our funded projects.

During the year, a new education and community engagement strategy was agreed focussing on the Trust's four key Living Landscapes and linking community engagement with nature to improving health and wellbeing. It also incorporates our work with schools and young people.



50
schools and colleges engaged through Avalon Marshes Landscape Partnership



1,100
Taunton schoolchildren enjoyed WildPlay

2,250
people reached by Save our Magnificent Meadows



Standing up for nature

Our position as Somerset's largest conservation organisation and in-depth knowledge of the county, together with greatly increasing development pressures, require us to stand up for nature more than ever to influence Somerset's policy-making and planning decisions, which affect the county's wildlife and the wider environment.

Somerset is going through a period of considerable development growth requiring the Trust to scrutinise and comment on major infrastructure developments such as the Sowey-KSD major drainage scheme in the Levels and Moors, major planning applications linked to potential quarry extensions in the Mendips, proposals from Highways England to improve major roads – the A303 and A358 – plus consultations on the proposed Bridgwater Barrier. The Trust also commented on plans for major housing developments and in each case responded considering their impact on Somerset's ecological network and hence their likely impact on wildlife.

The Trust is now working to drive policy change led by the new Policy and Campaigns Manager who was appointed in the year. Working as part of the Severn Vision partnership is one focus of this work and another is advocacy work to help shape thinking about the Levels and Moors. The future of Somerset's low lying areas in the face of sea level rises resulting from climate change is currently rarely discussed. The Trust

is developing plans to influence policy makers and the public alike in recognising that there are solutions to flooding and coastal defences that give nature its proper value and recognise the needs of people too.

The Trust remained firmly opposed to the badger cull as it entered its fourth year in West Somerset and reiterated that it would never allow badger culling on its nature reserves. Working alongside many farmers in Somerset we are very conscious of the hardship that bovine TB (bTB) causes in the farming community and the urgent need to find the right mechanisms to control the disease. Together with Wildlife Trusts across the country, we continue to call for a long term vaccination programme for cattle and more stringent biosecurity measures instead of the badger cull, which scientific evidence has shown is not effective. The Trust responded to DEFRA's consultation, supported and promoted e-petitions to stop the cull, and continues to engage with local media and stakeholders about this issue.



Severn Vision published

Engaging our supporters

We could not look after the wild places in our care without the help of our thousands of supporters who visit, become members, donate, volunteer and leave us gifts in their Will. Our work is only possible thanks to their incredible generosity giving their time and expertise as volunteers on our nature reserves, in the office, fundraising, at events and via our volunteer-led Local Area and Wildlife Watch groups around the county, as well as donations. Thank you.

Improving our visitor experience

Our nature reserves comprise an enormous variety of habitats from internationally renowned wetlands, ancient woodland, rich grassland, rolling hills and magnificent meadows, and hence are home to a huge variety of wildlife.

Most can be visited and thanks to a generous grant from Viridor Credits, combined with funding from individual donors and other grant-givers, during the year we completed wide-ranging improvements on our nature reserves to signage, interpretation and resting points, all designed to make our supporters' visits more interesting and enjoyable. For example, at Langford Heathfield, near Wellington, and Great Breach Wood, near Somerton, new nature trails were created including sculptural art and resting points. Further interpretation panels were installed on our Mendip nature reserves and nature trail leaflets were produced for Harridge Wood, thanks to additional funding from the Heritage Lottery Fund via the Save our Magnificent Meadows project and the Mendip Hills AONB Partnership.

A stunning new bird hide, the North Hide, was completed at Westhay Moor National Nature Reserve on the Somerset Levels. Located out in the reedbed, the two-storey hide has a partially glassed floor to allow viewing of the water and

wildlife below, and a viewing turret to see out over the reedbed. Otter, Bearded Tit and Bittern are all regularly seen at close quarters and the hide has already proved popular with regular and first-time visitors alike. We are enormously grateful to Viridor Credits and a generous major donor who funded this work.

While many people are happy to head off into our reserves with their binoculars or spotting scope, or simply want to enjoy a walk in a beautiful wild place, we know others would welcome a bit of guidance on what to do and where to go. Thanks to two-year funding from a generous individual donor, in 2016 we employed our first Visitor Experience Officer. Over summer 2016 she spoke with over 650 visitors at our Westhay Moor, Catcott and Black Rock nature reserves, and over 100 children joined in our events. Our newly installed visitor counter at Westhay Moor recorded over 25,000 visits and we will be installing visitor counters at other key nature reserves so we can get a better understanding of visitor numbers.

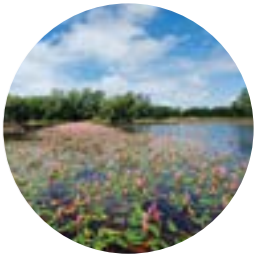
Volunteers are vital

In 2016-17 411 volunteers gave their time to help us. Their support is critical and the range and need for volunteers is planned to grow in future years.

Volunteer roles ranged from practical conservation work to managing essential habitats, to species' surveying and recording, and being volunteer Assistant Wardens of local nature reserves. Volunteers, particularly with special skills, are also being increasingly sought to help in the Trust's office in Taunton

and to help with running activities at events around the county.

Volunteer fundraisers are also needed to raise much needed funds through organising events in their local community or workplace, and the Trust's Local Area Groups continue to run



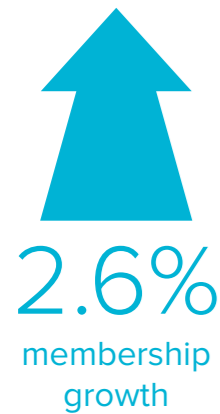
Over
25,000
visits to
Westhay Moor
NNR



New
nature trails and
interpretation



411
volunteers



year-round programmes of talks and walks, as well as plant sales, which help the Trust reach more people in Somerset, while also raising much needed funds. We are enormously grateful for the support of all our volunteers and, in particular, our Area Group committees and Wildlife Watch leaders who organise many events for adults and children respectively across the county. Specialist groups across the county also help the Trust record species and

Our membership is growing

Somerset Wildlife Trust is a membership-based charity and over 21% of our income comes from membership subscriptions and in 2016–17 was £617k.

spread knowledge, and the Trust's volunteer-led Private and Community Nature Reserves Network supports people to manage their own land in a wildlife-friendly way.

New and different ways to volunteer and participate will be an increasing focus in 2017–18 and volunteer roles are now being advertised on the Trust's website.

recruiting more members will remain a priority in 2017–18.

Many of our new members join through meeting one of our recruitment team out and about around the county. Diversifying how we recruit members was an objective set in the year, and through greater investment in digital marketing, members joining on our website grew by 77%. Given our increased digital communications, and to enable us to invest more of our income in conservation, from 2017–18 members will receive our membership magazine twice yearly, rather than three issues annually.

conservation projects generously. During the year we were in receipt of vital funding from the Heritage Lottery Fund for four major projects – Save Our Magnificent Meadows, Routes to the River Tone, the Avalon Marshes Landscape Partnership, and in support of our Wildlife Skills Trainees. An application to the Heritage Lottery Fund to begin a community engagement programme along Somerset's Coast was disappointingly unsuccessful and we are continuing to explore alternative funding sources to enable this important work to take place alongside our coastal survey. Viridor Credits, People's Postcode Lottery and the Peter de Haan Charitable Trust were other significant grant funders in the year and we are very grateful for every grant we received.

Businesses supported our work through our corporate membership scheme, corporate volunteering and sponsorship. Viridor Waste

Promoting our cause

Somerset's wildlife is central to what makes our county such a special place to live and work. We continued to extend the ways we reach out to people and involve them in our cause.

Our focus in the year included both digital channels and local, very traditional media, which is rooted in its community. Our monthly e-news, Twitter and Facebook followers all

Management was a key funder of our work in Taunton for a second year and one highlight was together establishing three new 'Wild Walks' across the town to encourage everyone to get out and explore the amazing wildlife on their doorstep.

Fundraising as a sector continued to be in the media spotlight. We strive to meet the highest standards of professionalism and good practice when contacting our supporters with fundraising communications. We do not sell our supporters' data but do need to share it with suppliers who work on our behalf, for example, when mailing our supporters. Protecting and effectively using our supporter information remains critically important to us and we are registered with the Fundraising Regulator and with the Fundraising Preference Service, which came into effect after the year end, in July 2017.

grew substantially enabling us to share news quickly and cost-effectively with more of our supporters, and local radio and print media also included features on many aspects of our work.



Over 10,000 households are Somerset Wildlife Trust members; that's over 18,000 members across the county who represent 3.4% of Somerset's population. This gives us a powerful voice to stand up for wildlife; we are very grateful for the support our members give us as ambassadors for our work and in speaking up for wildlife, as well as their vital financial support. It was particularly encouraging that in 2016–17 we grew our membership by 457 (2.6%), which meant our membership increased for the first time in six years. Membership income is one of the foundations of our annual funding and

More ways to give

Last year, fundraising accounted for 67% of our overall income: memberships, donations, gifts in Wills and grants are all vital to fund our work, and the combined generosity of the individuals and organisations that supported us raised £1.9m. Without this support we simply would not be able to continue our work.

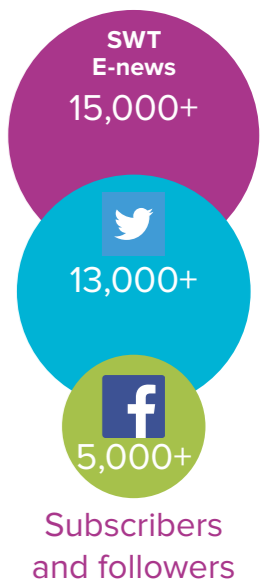
Following investment in fundraising in 2015–16, in 2016–17 we continued to implement our new fundraising strategy including putting in place the team needed to deliver this. The strategy is designed both to grow income, and introduce more ways to give. A new raffle raised over £10k and a fundraising event kindly hosted by Hauser & Wirth Somerset raised over £24k in one night. We also took on a Community Fundraiser to work with individuals and organisations across Somerset to help them fundraise for us.

We received generous gifts in response to appeals and to support our major conservation projects for which we cannot thank our supporters enough. The Somerset Nature Reserves Fund helps fund work on our nature

reserves and was very well supported, raising £25k in 2016–17; it will continue to be an important source of funds to enable us to manage our nature reserves. Our Somerset's Brilliant Coast appeal was launched in June 2016 to enable us do a three-year coastal survey and by the end of the financial year, £30k had been donated; fundraising continues to support this work.

Gifts in Wills continue to be an invaluable and increasingly important source of support. Last year we received 15 legacies with a total value of £226k; large or small, every gift in every Will is very valuable to us.

Individual major donors, charitable trusts and other grant givers supported our priority





Brown Hare © Shutterstock

Financial review

The challenging economic climate continues and the Trust saw an overall deficit on the year of £17k (2015–16: £30k deficit) which includes the recognition of a £93k gain (£31k loss: 2015–16) in the value of the Trust’s portfolio of investments. On a strict earned income basis, which the Trust uses internally to monitor performance, the results for the year showed a deficit of £29k (2015–16: £53k deficit).

The deficit on general unrestricted funds totalled £156k (2015–16: £181k deficit). The deficit is due to £199.5k additional cost recognised in the year as a result of an increase in the defined benefit pension scheme liability following the actuarial valuation carried out as at 1 April 2016 and subsequent revised Recovery Plan, partially offset by a £93k gain in the value of the Trust’s portfolio of investments. The pension scheme liability continues to be a burden which is outside of the Trust’s immediate control but has a significant impact on financial performance. The issue regarding the breach of the Section 75 clause continues to be recognised as a contingent liability (see note 21) and is on-going.

A surplus of £118k was recognised on restricted funds which represents restricted funds received during the year which will be expended in future financial years for a purpose agreed with the funder. This includes £67k proceeds from the sale of land during the year which is restricted for future strategic land purchase.

A new financial model was introduced during the year, which, together with actions to reduce costs and grow fundraising income, are designed to enable the Trust to achieve a balanced budget without the need to draw on financial reserves in future years. The new fundraising strategy is designed to diversify income sources and, in particular, reduce the Trust’s reliance on face to face membership recruitment and grant income, grow overall income, and secure income earlier to reduce risk in planning ahead.

Income

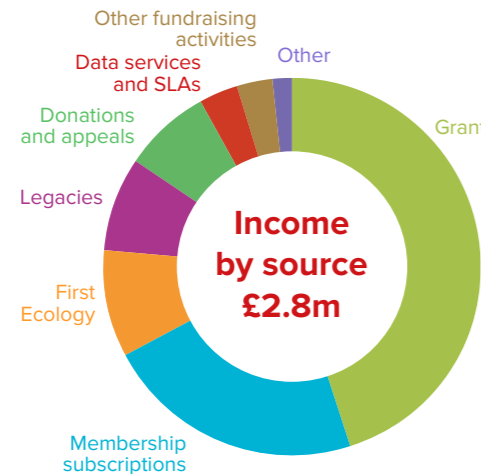
In addition to income from members, which forms the majority of the charity’s annual unrestricted income, a significant proportion of income is derived from grants which enables the Trust to carry out specific work and projects, and are predominantly restricted funds, which may be used only for the purpose agreed with the donor.

Total income for the year, excluding the gain on investments, remained at £2.8m (£2.8m: 2015–16). Grant income represented the largest source of income and 45% of total income. The £1.3m (£1.4m: 2015–16) grant income received was predominantly to support major multi-year conservation projects, and in particular, three Heritage Lottery Fund supported projects. The £2.5m Avalon Marshes Landscape Partnership, led by the Trust, ended in November resulting in a reduction in grant income compared to 2015–16. Both the Routes to the River Tone project and Save Our Magnificent Meadows project in the Mendips are due to end during 2017-18, and the Trust expects grant income to fall significantly in 2017–18 until further major grants are secured.

The management of the Trust’s nature reserves, many of which are Sites of Special Scientific Interest (SSSI) and important habitats, receive significant funding through agri-environment schemes which are now under threat as a result of Britain’s decision to leave the European Union. The Trust received £525k (£473k: 2015–16) during the year which represents 82% of total grant income for nature reserves. The Trust is adjusting its business plan given the uncertainty of future agri-environment and other sources of grant income.

Following the Trust’s new approach to fundraising, income from membership, donations, legacies and appeals increased

by 7% to £1.1m (£997k: 2015–16). Membership subscriptions continue to be a vital source of unrestricted funding for the Trust. A total of £628k was received during the year (£621k: 2015–16) from individual and corporate members representing 22% of total income and overall member numbers rose too, reversing a six-year decline.



Appeal income fell despite two very successful appeals to support the Trust's nature reserves and a new coastal survey, which combined raised £55k (£71k: 2015–16). The level of appeal income received in 2015-16 was the result of a very strong land purchase appeal for land adjacent to Westhay Moor.

Gifts in Wills form an increasingly important part of the Trust's income and legacy income totalling £226k was received during the year (£150k: 2015–16) which has been credited to the

Expenditure

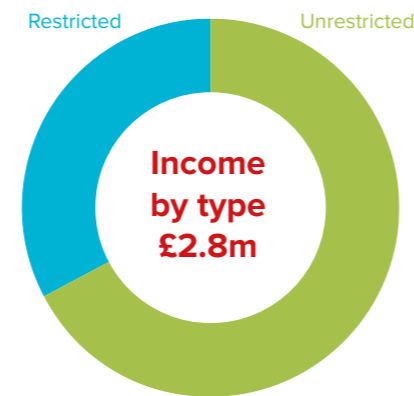
Total expenditure in the year was £2.9m (£2.8m: 2015–16). This includes £2.1m expenditure on nature conservation in Somerset (£2.2m: 2015–16) representing the Trust's charitable activities and 72% of overall expenditure.

In total expenditure on the Trust's nature reserves was £881k, which included £99k of visitor improvements funded primarily by a grant from Viridor Credits, including a new bird hide on Westhay Moor. People and Communities expenditure included three multi-year Heritage Lottery Fund supported community engagement projects in the Mendips, Taunton and the Avalon Marshes, including grants paid to the Avalon Landscape Partnership partner organisations. £387k was spent on other Trust conservation projects, including rebuilding ecological networks across the county through

designated development reserve fund for future projects. The Trust has also been notified of bequests in the region of £13k. These bequests are not recognised as incoming resources in the financial year due to uncertainty over the timing of receipts and the amounts receivable.

Somerset Environmental Records Centre (SERC), which is hosted by the Trust, received £103k (£100k: 2015–16) income, primarily through Service Level Agreements and data searches. SERC is the main centre for holding data on wildlife sightings, types of environments and geological information for Somerset.

The contribution from other trading activities was £347k (£217k: 2015–16), primarily due to an improved performance from the Trust's trading subsidiary, First Ecology, following significant investments in professional staff and their net profit of £62k (2015–16: £29k) has been Gift Aided to the Trust. Income from other fundraising events and activities rose by 22% to £84k (£69k: 2015–16)



mapping, surveying and working with other landowners, and to run SERC, and £71k was used to stand up for nature and undertake policy and campaigning activities.

Planned investment in additional staffing to grow First Ecology resulted in expenditure rising to £246k (£163k: 2015–16).

During 2015–16 a new fundraising strategy was implemented to increase future unrestricted income streams. The investment in additional fundraising staff and increase in membership

recruitment has resulted in a 18% increase in the cost of raising funds to £560k (£475k: 2015–16), as reported in note 6.

Support costs in the year totalled £714k (£501k: 2015–16). The increase in the year is almost entirely due to a £199.5k increase in respect of the defined benefit pension liability as a result of the actuarial valuation carried out as at 1 April 2016 and revised Recovery Plan. This cost is reflected within HR/Staff support (see note 6).

The majority of the Trust's expenditure is represented by staff costs as we rely on the specialist knowledge of our conservation and land management teams, in particular, to fulfil our charitable purposes. In 2016–17 staff costs totalled £1.5m (£1.4m: 2015–16) representing 51% of total expenditure. This figure is expected

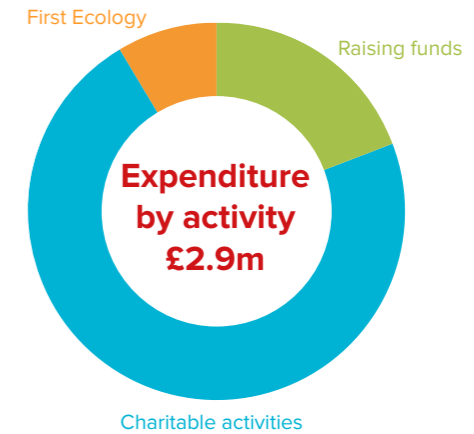
Funds of the Charity

Overall total charity funds remain at £5.2m (£5.2m: 2015-16) with the £156k reduction in general unrestricted funds being partially offset by a £138k increase in restricted and designated funds.

The £118k increase in restricted funds represents income received in the year which will be expended in future financial years. This includes £67k proceeds from the sale of land during the year which is restricted for future strategic land purchase.

Restricted funds are funds which the Trust has a legal obligation to use only for the specific purpose for which they were donated. These

to reduce in 2017–18 due to the completion of major grant funded projects, resulting in related fixed term contracts ending, and re-structuring of the Senior Leadership Team.



funds cannot therefore be used to fund the general operations of the Trust outside those specific purposes.

Total designated funds increased by £20k from £3.01m to £3.03m during the year. This includes £2.1m of tangible and heritage fixed assets and £954k which has been set aside by the Trust for specific purposes in future years. A breakdown of designated funds is included in note 17.

Financial reserves policy

The Trust has a policy of holding reserves of funds to:

- Enable it to take advantage of unanticipated opportunities to further the aims of the Trust, for example by the purchase of land which may become available.
- Provide adequate working capital to carry out projects for which funds have been granted by external bodies, but for which those funds are payable only after expenditure has been incurred.

- Provide a reserve to cover short-term payment of essential costs, such as staff salaries, in the event of an unanticipated shortfall in funds.
- Meet any legal obligation on the Trust to meet any future costs.

Looking ahead

Financial reserves holdings

Total reserves at the end of the year amounted to £5.2m (£5.2m: 2015–16), although a significant proportion of this total is represented by tangible and heritage fixed assets, leaving financial reserves of £1m (£1.1m: 2015–16).

Total reserves	£5,174,633
Less:	
Restricted funds	(£227,079)
Tangible & heritage fixed assets	(£3,916,870)
Financial reserves	£1,030,684

Financial reserves include £954k which has been designated by Council for specific purposes in future years.

Investments

The value of the Trust's investment portfolio at the end of the year was £751k (£663k: 2015–16) and generated income of £16k (£16k: 2015–16). The Trust recognised a £93k gain (£31k loss: 2015–16) arising from revaluations in the year as a result of rising stock markets and new investment managers.

The investment portfolio is managed to provide the Trust with a range of sound marketable investments providing a balance of regular income and opportunity for capital growth. This requires a balanced portfolio consisting of investment grade fixed interest stocks or funds of fixed interest stocks and equities.

An ethical investment policy has been adopted to ensure that the investment portfolio

consists of stocks consistent with the Trust's obligation to further its charitable activities, whilst ensuring that its investments do not conflict with its aims and objectives. The Trust's ethical investment policy seeks to encourage investment in companies with strong sustainability policies and practices that respect and protect wildlife, communities and their wider environment.

Risk management

All key risks are identified and managed through a Register of Risks which is reviewed annually by Council members. A risk-based approach is being embedded in all of the organisation's planning and decision-making so that any major risks are anticipated and planned for in a structured way.

The Trustees have examined the principal areas of the Trust's work and considered the major risks arising in each of these areas. In the opinion of the Trustees, the Trust has established processes and systems which, under normal circumstances, should allow the

risks identified by them to be mitigated to an acceptable level in its day-to-day operations. The Trust also compiles and shares The Wildlife Trusts' benchmarks on governance, finances and other issues to support risk management.

Our future plans reflect the changing funding climate, including a future outside the European Union, coupled with the need to rebuild Somerset's ecological networks by working at a landscape-scale, leading by example and in partnership with others.

These are uncertain times and we need to operate sustainably, with potentially less income annually, which will require us to focus our work and build our support. Following a wide ranging review of strategy by Council, selective cost reductions in operations are planned, together with new measures to increase existing sources of income and establish new income sources.

The Mendips, the Levels and Moors, including the Avalon Marshes, the Coast and Taunton will be the four Living Landscapes we lead in and we will ensure that our nature reserves in the Poldens and the Blackdown Hills play a vital role connecting with landscape programmes led by partner conservation organisations. Over the coming few years, our intention is to re-shape progressively our landholding and its operation to enable us to deliver better outcomes for wildlife and people across the county with the reduced funds we expect will be available. This may result in both the purchase of land to enable us to deliver greater gains for wildlife and the sale or transfer of land too.

There is much uncertainty about the funding that will exist for wildlife-friendly farming once Britain leaves the European Union and any reduction in the agri-environment grants we receive will impact the funds we have available annually to fund our nature reserves. We are already working hard to increase existing sources of income and find new sources of funding; the support of our members, grant funders, through gifts in Wills, and of all our donors, will continue to be vital.

Our landscape-scale conservation programmes will be underpinned by strengthened policy and advocacy work, and community engagement, with a focus on the positive impact of nature on people's health and wellbeing. We will continue to improve our visitor experience, particularly on our nature reserves in the Avalon Marshes, and work with partner organisations and private landowners to increase our county-wide impact. Alongside other Wildlife Trusts and conservation organisations, we will be seeking strong protection for the environment outside the European Union, including a

new Environment Act, and replacement agri-environment schemes, which benefit people and wildlife.

Expert staff and Trustees will continue to be vital to our ability to deliver our strategy and we will continue to invest in their training and development. We will also need more volunteers on our nature reserves and throughout the Trust to achieve our goals and will ensure we provide a positive volunteering experience.

As a science-based charity, our communications are based on sound evidence. New laws, guidance and regulations are emerging that risk constraining our voice and the fundraising activities of all charities. We will continue to communicate regularly with our supporters via the channels they want us to use and will where possible use digital media, which is the most immediate and cost-effective way for us to do so.

The changes outlined will mean we are a more resilient and impactful charity, able to operate on a sustainable footing, and with the support of more people, companies and grant funders engaged in ensuring Somerset remains a special place to live, work and visit, and one of the most habitat-diverse and wildlife-rich counties in Britain.



Emperor Dragonfly © Paul Eaton

Objectives and activities

Charitable purpose

Somerset Wildlife Trust is set up to achieve three charitable objects:

1. For the benefit of the public, to advance, promote and further the conservation, maintenance, protection and enjoyment of wildlife and its habitats, including places of botanical, geographical, zoological, archaeological or scientific interest and places of natural beauty;
2. To advance the education of the public in the principles of biodiversity conservation and of sustainable development;
3. To promote research in all branches of ecology and geology.

The Trust delivers its charitable purposes through its strategic objectives as described in this report.

The Trust measures its success by:

- Quantitative assessment of the financial success of the Trust on behalf of its members
- Qualitative feedback from Trustees, members, volunteers and partners
- Annual endorsement of its role and strategy at the Annual General Meeting of members
- Monitoring and reporting on complaints received

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 public benefit guidance published by the Charity Commission. The Trust's public benefit is enshrined in its charitable objectives and activities – providing multiple benefits for the public which are wide-ranging and long-lasting.

Land advice

Through providing advice and assistance to farmers and landowners the Trust helps to support the rural economy, the countryside and landscapes that are enjoyed and valued by the wider public.

Nature reserves

The Trust's nature reserves, located throughout Somerset are used extensively by the public for quiet recreation; many have access on clearly marked paths along with information and interpretation for visitors.

Research

Evidence and advice provided by the Trust to local authorities, landowners and communities helps to ensure that decisions on policies such as land management, development, health and wellbeing take full account of the public benefit of wildlife and a healthy environment.

Education and engagement

The Trust delivers a broad education and engagement programme, inspiring people of all ages every year - from schools, adult groups and the wider public - to enjoy and benefit from contact with the natural world, enhancing their health and wellbeing.

Conservation

The Trust's habitat management and restoration work help to create habitats which provide essential 'ecosystem services' for the public, such as flood risk management, carbon storage, pollination, pollution control and aesthetic beauty. Government and businesses are now recognising the essential role that nature plays in supporting the economy, not least through the provision of these public goods and services.

Structure, governance and management

Structure

Somerset Wildlife Trust is a company limited by guarantee and a registered charity governed by its articles of association.

Somerset Wildlife Trust is a member of the Royal Society of Wildlife Trusts (registered charity number 207238) along with 46 other local Wildlife Trust members throughout the UK which are collectively known as The Wildlife Trusts.

Somerset Wildlife Trust is also a partner in the South West Wildlife Trusts, an independent charity formed by seven of the eight Wildlife Trusts located in the South West of England and the Isles of Scilly to increase the effectiveness of the Wildlife Trusts in the South West.

Somerset Wildlife Trust has one wholly owned subsidiary, **SWT (Sales) Limited**. The charity owns 100% of the company's ordinary share capital. The principal activities of SWT (Sales) Limited are that of overseeing the environmental consultancy, First Ecology.

First Ecology is the Trust's consultancy. It provides ecological consultancy, protected species' surveys, planning support and land management services to a wide range of clients. It is based at the Trust's Callow Rock

offices. First Ecology trades under SWT (Sales) Ltd and is a company limited by shares and registered in England No. 1317396.

Somerset Environmental Records Centre (SERC) was established in 1986 and is hosted by the Somerset Wildlife Trust at the Trust's office in Taunton. The core work of SERC is to gather, manage and supply biological and geological data and hold the county list of sites recognised for their natural value. Data gathered by SERC is used to build up a comprehensive picture of the biodiversity and geodiversity of Somerset, and help to monitor the state of the natural environment. SERC is a member of the Association of Local Environmental Records Centres and has close links to the National Biodiversity Network, and the National Federation of Biological Recorders.

South West Wildlife Fundraising Limited (SWWFL) is a not-for-profit organisation that was set up by seven Wildlife Trusts to help them to secure regular financial support through memberships. SWWFL provides membership recruitment services for Somerset, Avon, Devon, Dorset, Gloucestershire, Wiltshire and Worcestershire Wildlife Trusts, and from 2017-18 also for Hampshire & Isle of Wight Wildlife Trust.

Governance and management

Council

Members elected to serve on Council have a dual role as a Trustee of the Charity and a Director of the company. There can be no fewer than 10 and no more than 15 Trustees. All members of Council are volunteers, give freely of their time and have no beneficial interest in the group or charity. Trustees are elected by the members at the Annual General Meeting and serve for a term of five years. Each Trustee can serve for two consecutive terms of office and then must stand down for a year until they become eligible to stand again.

The Chairman, Vice-Chairman and Treasurer are elected at the first meeting of Council following the AGM and serve one-year terms. No Trustee can hold the position of Chairman, Vice-Chairman or Treasurer for more than five consecutive years.

To ensure that Council is equipped to carry out its responsibilities it carries out skills analysis of existing members before new ones are appointed. In addition, each new Council member receives a full induction into the work and administration of the Charity. Council members receive regular updates on the work of the Trust and any training deemed necessary to enable members to carry out their responsibilities.

At the Trust AGM in November 2016, one new Trustee was elected and three Trustees were re-elected.

Council is assisted by four Committees: **Finance and Resources Committee:** scrutiny of accounts, oversight of investments and financial controls, policy development, advice on business risk and resource management and income generation;

Operations and Governance Committee: advice on conservation policy, research and monitoring, land acquisitions and disposals and governance development; **Health and Safety Committee:** oversight on all health and safety matters in the Trust; and **Risk Management Committee:** advising on the Trust's risk appetite and risk tolerance, reviewing and monitoring current and potential business risks.

Transactions involving Council members and related parties

During 2016-17 a total of £3,277 (2016: £16,866) was received from Trustees in respect of donations and membership subscriptions.

Strategy and policy setting

Council is responsible to further the objectives of the Trust as set out in the articles of association. The focus of Council's work is on setting and reviewing the strategic direction for the Trust, on monitoring its delivery of agreed targets and to ensure that the income and expenditure of the Trust and its property and assets are managed appropriately. Council determines the strategy of the Trust through a five-year strategic plan which was updated in 2014-15 for 2015-16 onwards. The strategy is available in full to download from the Trust's website and is produced as a summary for members as required.

Staffing

Council appoints the Chief Executive Officer and supports the appointment process for members of the Senior Leadership Team. In practice, this translates into giving the Chief Executive Officer and Senior Leadership Team clear strategic objectives for the Trust which have demonstrable outcomes for wildlife in the county, and ensuring that the Trust's financial affairs are managed appropriately.

The Chief Executive Officer reports to the Chairman of Trustees. The Chief Executive Officer is responsible for the day to day running of the Trust and has delegated powers of authority approved by the Council. The Chief Executive Officer delegates decision making powers through the Senior Leadership Team into the organisation.

During the year the Trust employed 50 full-time equivalent staff, three of which worked for SERC and four for First Ecology. The majority of

the Trust's staff are based at its headquarters in Taunton with others based at Ford Farm, the Avalon Marshes Centre and Callow Rock. The staff are organised into functional teams, such as reserves, and also work in cross-functional teams, such as for delivering major projects.

Key people and advisers

Details of the key people and advisers of the Trust can be found on page 47 and this page forms part of the annual report.

Complaints

The Trust treats all complaints seriously. In the year 2016-17 the Trust received a total of six complaints and all were responded to within 48 hours. Complaints are individually reviewed by the Chief Executive Officer and relevant senior staff and monitored by Trustees as part of a system for continuous improvement.



Bee Orchid © Matt Sweeting

Statement of Trustees' responsibilities

The Trustees (who are also directors of Somerset Wildlife Trust for the purposes of company law) are responsible for preparing the Strategic Report, Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102; "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

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

The Trustees are responsible for 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities including a comprehensive system of internal controls.

In so far as the Trustees are aware:

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

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

The Trustees' Report, including the Strategic Report, was approved by the Trustees on 20 September 2017 and signed on their behalf by:

Patricia Stainton
Chairman

Independent Auditors' Report to the Members of Somerset Wildlife Trust

We have audited the group and parent company financial statements of Somerset Wildlife Trust for the year ended 31 March 2017 which comprise the consolidated Statement of Financial Activities, the consolidated and parent company Balance Sheets, Consolidated Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity'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 Charity's members those matters we are required to state to them in an auditors' 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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement, 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.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the group financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report (which incorporates the Strategic Report and Directors' Report required by Company law) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.



Christine Glover MA FCA

Senior Statutory Auditor
For and on behalf of A C Mole & Sons
Chartered Accountants and Statutory Auditor
Stafford House
Blackbrook Park Avenue
Taunton
Somerset TA1 2PX

20 September 2017

Consolidated statement of financial activities

(Including consolidated income and expenditure account)

For the year ended 31 March 2017

	Notes	Unrestricted Funds General £	Designated £	Restricted Funds £	Endowment Funds £	Total Funds 2017 £	Total Funds 2016 £
Income from:							
Donations and legacies	2	696,272	223,783	144,743	-	1,064,798	996,958
Charitable activities:							
People and Communities	3	1,060	-	544,254	-	545,314	715,705
Nature Conservation	3	101,743	-	97,456	-	199,199	258,647
Nature Reserves	3	527,957	-	138,805	-	666,762	610,891
Other trading activities	4	347,493	-	-	-	347,493	216,948
Investments	5	17,742	-	-	-	17,742	19,013
Total		1,692,267	223,783	925,258	-	2,841,308	2,818,162
Expenditure on:							
Raising funds		816,733	-	-	-	816,733	643,531
Charitable activities:							
People and Communities		232,310	7,558	556,737	-	796,605	866,263
Nature Conservation		242,037	12,539	132,231	-	386,807	405,849
Policy and Campaigns		40,279	12,665	17,665	-	70,609	41,777
Nature Reserves		676,462	37,047	167,764	-	881,273	860,397
Total	6	2,007,821	69,809	874,397	-	2,952,027	2,817,817
Net gains/(losses) on investments		93,293	-	-	-	93,293	(30,560)
Net income/(expenditure)		(222,261)	153,974	50,861	-	(17,426)	(30,215)
Transfers between funds	18	66,586	(133,757)	67,171	-	-	-
Net movement in funds		(155,675)	20,217	118,032	-	(17,426)	(30,215)
Reconciliation of Funds							
Fund balances brought forward at 1 April 2016		436,228	3,012,935	109,047	1,633,849	5,192,059	5,222,274
Fund balances carried forward at 31 March 2017		280,553	3,033,152	227,079	1,633,849	5,174,633	5,192,059

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The profit/(loss) for Companies Act purposes comprises the net movement in funds for the year less net unrealised gain/(loss) on investments and was (£98,832) (2016: (£26,787)).

The notes on pages 32 to 45 form part of these financial statements.

Consolidated and Trust balance sheets

As at 31 March 2017

	Notes	Group		Trust	
		2017 £	2016 £	2017 £	2016 £
Fixed assets					
Tangible assets	11	896,392	940,721	884,923	933,258
Heritage Assets	11	3,020,478	3,060,707	3,020,478	3,060,707
Investments	12	751,393	663,242	751,396	663,245
		4,668,263	4,664,670	4,656,797	4,657,210
Current assets					
Stocks and work in progress	13	7,221	4,052	2,707	-
Debtors	14	666,951	741,306	676,510	767,055
Deposit accounts		419,318	273,340	419,318	273,340
Cash at bank and in hand		139,178	149,919	130,566	132,241
		1,232,668	1,168,617	1,229,101	1,172,636
Liabilities					
Creditors: amounts falling due within one year	15	191,798	284,428	176,920	281,142
Net current assets		1,040,870	884,189	1,052,181	891,494
Total assets less current liabilities		5,709,133	5,548,859	5,708,978	5,548,704
Defined benefit pension scheme liability	10	534,500	356,800	534,500	356,800
Total net assets		5,174,633	5,192,059	5,174,478	5,191,904
The funds of the charity					
Endowment funds		1,633,849	1,633,849	1,633,849	1,633,849
Restricted funds		227,079	109,047	227,079	109,047
Designated funds		3,033,152	3,012,935	3,033,152	3,012,935
Unrestricted funds		280,553	436,228	280,398	436,073
Total charity funds	19	5,174,633	5,192,059	5,174,478	5,191,904

The notes on pages 32 to 45 form part of these financial statements.

The financial statements on pages 28 to 45 were approved by the Trustees on 20 September 2017 and signed on their behalf by:



Patricia Stainton
Chairman



John Scotford CBE
Treasurer

Somerset Wildlife Trust
Registered company number 818162

Consolidated statement of cash flows

For the year ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	22	32,296	(250,102)
Cash flows from investing activities:			
Dividends, interest and rents from investments		17,742	19,013
Proceeds from the sale of property, plant and equipment		121,284	675
Purchase of property, plant and equipment		(41,227)	(99,584)
Proceeds from sale of investments		135,126	605,241
Purchase of investments		(145,452)	(507,063)
Net cash provided by investing activities		87,473	18,282
Change in cash and cash equivalents in the reporting period		119,769	(231,820)
Cash and cash equivalents at the beginning of the reporting period		453,773	685,593
Cash and cash equivalents at the end of the reporting period	23	573,542	453,773

The notes on pages 32 to 45 form part of these financial statements.

Notes forming part of the financial statements

For the year ended 31 March 2017

1. Accounting policies

(a) Charitable company status

The charity is a company limited by guarantee and does not have any share capital. The liability of the guarantors, who are the members, is limited to £1 per guarantor. At 31 March 2017 the charity had 18,057 members. The company is registered in England & Wales. The registered office address is 34 Wellington Road, Taunton, Somerset TA1 5AW. On behalf of the members, the Council controls the company.

(b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared under the historic cost convention with the exception of listed investments which are included at their market value.

The Trust meets the definition of a public benefit entity under FRS 102.

(c) Preparation of the accounts on a going concern basis

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

(d) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary SWT (Sales) Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The deficit in the year for the charity was £98,832 (2016: deficit £26,787). Note 20 gives full details of the results of the subsidiary undertaking for the year to 31 March 2017.

(e) Fund accounting

Unrestricted funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Certain unrestricted funds have been designated by the Trustees for specific purposes.

Designated funds

The designated opportunity reserve fund represents funds that the charity has set aside in order to support a vital piece of conservation work for which no other funds are available.

The designated nature reserve fund represents funds that the charity has applied to the purchase of nature reserves and which are therefore not readily available for spending.

The designated operating freehold fund relates to the purchase of the Trust's headquarters, a freehold property in Taunton.

The designated nature reserve development fund represents proceeds from the sale of land during the year which the charity has set aside specifically for re-investment in nature reserves.

The designated development reserve fund represents funds that the charity has set aside for investments in income generation and future projects.

Restricted funds

Restricted funds are funds that are used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Endowment funds

The nature reserves endowment fund represents amounts received specifically for, and expended on, the purchase of nature reserves.

(f) Income

All income is included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Legacies are credited to the designated development reserve on receipt.

Grants are included in the SOFA in the year they are receivable. Grants received in respect of the purchase of specific nature reserves are credited to the nature reserves endowment fund.

Income from investments and from rental income is included in the SOFA in the year it is receivable.

The total income receivable in respect of membership subscriptions is included as income from subscriptions within note 2. Income from life membership is included in the SOFA in the year in which it is receivable.

Gifts in kind are included in the SOFA at their estimated current value in the year in which they are receivable.

(g) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Where an employee works in more than one department, their costs are allocated on the basis of time worked in each department. Certain overhead costs, such as relevant insurance premiums, are allocated on the basis of staff numbers, while others are allocated on an actual usage basis.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(h) Tangible & heritage fixed assets and depreciation

Heritage assets are assets of historical or scientific importance that are held to advance the preservation, conservation and educational objectives of the charity and through public access contribute to the nation's culture and education at either a national or local level. Freehold nature reserves are included in heritage fixed assets at their acquisition costs and they are not revalued or depreciated. The charity aims to preserve and enhance its nature reserves, which are

not held for their resale potential. The market value of the reserves is of no practical relevance to the charity's activities. No depreciation is provided because the reserves have an indefinite life.

The costs of leasehold nature reserves are amortised over the period of the lease.

Depreciation is provided on all other tangible fixed assets as follows:

Freehold property: 2% on a straight line basis
Computers: on a straight line basis over 3 years
Plant and equipment: 15% on written down value
Motor vehicles: 25% on written down value
Office equipment, furniture and fittings: 15% on written down value

(i) Investments

Listed Investments are stated at market value at the balance sheet date. The SOFA includes all net gains and losses arising on revaluations and disposals throughout the year. The investment in the subsidiary is stated at cost.

(j) Stock

Stock consists of publications for distribution to members and purchased goods for resale. Stock is valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

(k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

(l) Financial instruments

The Trust 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, with the exception of investments as noted above.

(m) Pension costs

Some employees are members of The Wildlife Trusts money purchase pension scheme and some employees are members of a stakeholder pension scheme. The Trust contributes between 3% and 7% of their annual salary. In addition the Trust has agreed a deficit funding arrangement in respect of the deficit in The Wildlife Trusts final salary pension scheme and has recognised a liability for this obligation. The scheme is now closed to new members. The amount recognised is the net present value of the contributions payable under the agreement. The amount is expensed in the SOFA. The unwinding of the discount is recognised as a finance cost.

(n) Operating leases

Rentals paid under operating leases are charged to the SOFA over the period as incurred.

(o) Volunteer support

The Trust receives support from a wide variety of volunteers. It is not practical to place a value on the time volunteered by all these persons, due to the variety of duties performed, the differences in time spent, and the sheer number of volunteers who kindly donated their time.

(p) Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The Trustees are of the opinion that there are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Donations and legacies

	Unrestricted £	Restricted £	Total 2017 £	Total 2016 £
Membership subscriptions ¹	627,784	-	627,784	621,190
Donations	68,488	88,214	156,702	154,292
Legacies	223,783	2,000	225,783	150,430
Appeals	-	54,529	54,529	71,046
	920,055	144,743	1,064,798	996,958

¹ Membership subscriptions includes corporate membership £11,183 (2016: £15,958)

3. Income from Charitable Activities

	Unrestricted £	Restricted £	Total 2017 £	Total 2016 £
People and Communities				
Natural England	-	-	-	9,500
Statutory body grants	-	5,000	5,000	1,000
Heritage Lottery Fund grants	-	516,254	516,254	696,576
Education provision	1,060	-	1,060	3,629
Other grants	-	23,000	23,000	5,000
	1,060	544,254	545,314	715,705
Nature Conservation				
Landfill tax credit scheme	-	4,504	4,504	7,188
Natural England	-	3,243	3,243	-
Statutory body grants	-	-	-	5,500
Other grants	-	89,709	89,709	117,150
Consultancy fees	560	-	560	28,909
Service level agreements	78,607	-	78,607	79,385
Data services	20,134	-	20,134	18,415
Sales income	2,442	-	2,442	2,100
	101,743	97,456	199,199	258,647
Nature Reserves				
Landfill tax credit scheme	-	105,361	105,361	75,216
DEFRA	504,015	21,179	525,194	473,064
Statutory body grants	-	2,127	2,127	425
Forestry Commission	1,390	2,792	4,182	11,215
Heritage Lottery Fund grants	-	1,858	1,858	13,648
Other grants	-	5,488	5,488	15,099
Grazing licences and property lettings	15,465	-	15,465	15,093
Wood and firewood sales	7,087	-	7,087	7,131
	527,957	138,805	666,762	610,891
	630,760	780,515	1,411,275	1,585,243

4. Income from other trading activities

	Trust £	SWT(Sales)Ltd (see note 20) £	Total 2017 £	Total 2016 £
Shop sales	4,194	-	4,194	7,217
Advertising	1,362	-	1,362	1,886
Fundraising events	37,122	-	37,122	15,690
Other fundraising activities	41,205	-	41,205	44,073
First Ecology	-	263,610	263,610	148,082
	83,883	263,610	347,493	216,948

5. Investment income

	Unrestricted £	Restricted £	Total 2017 £	Total 2016 £
Dividends receivable from equity shares	15,840	-	15,840	16,175
Interest receivable from loan	866	-	866	1,155
Interest receivable from bank	37	-	37	9
Interest receivable from deposit accounts	999	-	999	1,674
	17,742	-	17,742	19,013

6. Breakdown of expenditure

	Activities undertaken directly £	Support costs £	Grants to Institutions £	Total 2017 £	Total 2016 £
Expenditure on raising funds					
Cost of raising funds	446,594	113,182	-	559,776	475,208
Merchandising costs	3,162	-	-	3,162	954
Investment management fees	7,331	-	-	7,331	4,629
First Ecology	192,826	53,638	-	246,464	162,740
	649,913	166,820	-	816,733	643,531
Charitable activities					
People and Communities	459,526	248,829	88,250	796,605	866,263
Nature Conservation	267,414	119,393	-	386,807	405,849
Policy and Campaigns	54,699	15,910	-	70,609	41,777
Nature Reserves	717,873	163,400	-	881,273	860,397
	1,499,512	547,532	88,250	2,135,294	2,174,286
	2,149,425	714,352	88,250	2,952,027	2,817,817

The grants to institutions amount represents grants paid to partners involved in the Avalon Marshes Landscape Partnership project.

Support cost breakdown by activity

	Costs of raising funds £	First Ecology £	People & Communities £	Nature Conservation £	Policy and Campaigns £	Nature reserves £	Total 2017 £
Finance	13,903	8,505	34,401	18,932	2,523	24,899	103,163
HR/Staff support	35,007	21,420	86,630	47,678	6,354	62,703	259,792
Office costs	8,871	5,428	21,951	12,083	1,609	15,892	65,834
Property and motor vehicles	8,435	5,162	20,873	11,485	1,532	15,110	62,597
Recoverable VAT	(2,164)	(1,324)	(5,353)	(2,946)	(393)	(3,875)	(16,055)
Marketing	25,856	207	32,735	460	61	6,985	66,304
Information technology	7,726	4,728	19,117	10,520	1,402	13,837	57,330
National and regional support	7,244	4,432	17,927	9,866	1,315	12,976	53,760
Insurance	458	280	1,133	624	83	820	3,398
Governance	7,846	4,800	19,415	10,691	1,424	14,053	58,229
	113,182	53,638	248,829	119,393	15,910	163,400	714,352

Basis of allocation

Finance	Headcount
HR/staff support	Headcount
Office costs	Headcount
Property & motor vehicles	Headcount
Recoverable VAT	Actual resources expended
Marketing	Actual resources expended
Information technology	Headcount
National & regional support	Headcount
Insurance	Headcount
Governance	Headcount

7. Other cost disclosures

	Total 2017 £	Total 2016 £
Depreciation	69,617	73,325
Auditor's remuneration		
Audit fees	11,530	11,748
Other services	-	1,248
(Profit) on disposal of fixed assets	(65,116)	(464)

8. Staff costs

	Total 2017 £	Total 2016 £
Wages and salaries	1,301,367	1,237,393
Social security costs	106,580	104,275
Pension costs	84,078	81,534
	1,492,025	1,423,202

No employee received remuneration of more than £60,000 in either year.

Total remuneration of key management personnel in the period was £198,265 (2016: £210,139).

The key management personnel of the group and the parent charity, comprise the Trustees, Chief Executive Officer, Director of Conservation Policy and Strategy, Director of Fundraising and Marketing and Director of Land Management.

The average number of employees during the year, analysed by function, was:

	2017 Number £	2016 Number £
Charitable activities	51	50
Raising funds	7	7
Governance	1	1

The average number of full-time equivalent employees during the year totalled 50 (2016: 49).

9. Trustee emoluments

	2017 £	2016 £
Reimbursement of Trustees' travel costs	316	985
Donations received from Trustees	3,277	16,866

Trustees did not receive any remuneration or benefits in kind during either year.

Two trustees were reimbursed for travel expenses during the year (2016: three).

10. Pension costs

The Trust participates in the Wildlife Trusts Pension Scheme, a hybrid, multi-employer pension scheme which provides benefits to members on a defined benefit or a defined contribution basis, as decided by each employer. The Trust participates in the defined benefit and the defined contribution sections. The scheme is run in such a way that the Trust is unable to identify its share of the underlying assets and liabilities of the defined benefit section.

Contributions to the defined benefit section of the Scheme are determined on the basis of triennial actuarial valuations carried out by an independent, qualified actuary. In the valuation as at 1 April 2004 the Scheme did not satisfy the Minimum Funding Requirement and therefore a decision was taken to close the Scheme with effect from 30 September 2005. The Trust will continue to contribute to the Scheme to ensure that the accrued benefits of employees will be met.

The latest valuation was carried out as at 1 April 2016 on a Statutory Funding Objective basis. The assumptions that have the most significant effect on the results of the valuation are those relating to the discount rates, the rates of increase in pensions and the life expectancy of pensioners. In making this valuation it was assumed that the discount rates would be 4.45% per annum pre-retirement, and 2.2% post retirement, and that pensions accrued on or after 30 June 1996 increase by the lower of inflation and 5% per annum. Post retirement

mortality assumptions are based on S2PA tables projected by each member's year of birth.

As at the valuation date the value of Scheme's assets was £11.1m and the deficit was £5.9m. A revised Recovery Plan has been received from the pension Scheme Trustees. In accordance with the new Recovery Plan the deficit is payable by monthly instalments which will increase by 2.8% in 2017, 30% in August 2018, followed by a 3% increase per annum in subsequent years to 2026. Based on the 1 April 2016 valuation, the estimated present value of the future contributions required from the Trust to meet its share of the deficit is £534,500 (2016: £356,800) and this has been provided for in the accounts in accordance with FRS 102. The liability has been discounted using a discount rate of 2.51% (2016: 3.36%) as per the yield of the IBoxx Sterling Corporates AA rated bond over 15 years. The increase in the liability of £199,500, as a result of the revised Recovery Plan, is included within support costs. The contributions paid in the year were £45,176 (2016: £43,945). The finance cost during the year was £23,376 (2016: £13,045).

The Trust contributes between 3% and 7% of annual salary to employees' current pension schemes, all of which are now defined contribution in nature. The pension charge for the year in respect of these contributions amounted to £38,902 (2016: £37,589).

11. Tangible & heritage fixed assets

Group

	Nature reserves		Freehold	Leasehold	Plant and	Vehicles	Office	Total
	Freehold	Leasehold	Property	Property	equipment		equipment	
	£	£	£	£	£	£	£	£
Cost								
At 1 April 2016	3,060,707	103,946	736,230	3,600	357,619	160,913	195,863	4,618,878
Additions	14,709	-	-	-	4,128	-	22,390	41,227
Disposals	(54,938)	-	-	-	-	(13,309)	(906)	(69,153)
At 31 March 2017	3,020,478	103,946	736,230	3,600	361,747	147,604	217,347	4,590,952
Depreciation								
At 1 April 2016	-	103,725	29,342	2,163	218,047	106,203	157,970	617,450
Charge for the year	-	27	14,725	180	21,259	13,614	19,812	69,617
Disposals	-	-	-	-	-	(12,079)	(906)	(12,985)
At 31 March 2017	-	103,752	44,067	2,343	239,306	107,738	176,876	674,082
Net book value								
At 31 March 2017	3,020,478	194	692,163	1,257	122,441	39,866	40,471	3,916,870
At 31 March 2016	3,060,707	221	706,888	1,437	139,572	54,710	37,893	4,001,428

Charity

	Nature reserves		Freehold	Leasehold	Plant and	Vehicles	Office	Total
	Freehold	Leasehold	Property	Property	equipment		equipment	
	£	£	£	£	£	£	£	£
Cost								
At 1 April 2016	3,060,707	103,946	736,230	3,600	340,901	160,913	168,315	4,574,612
Additions	14,709	-	-	-	2,599	-	16,868	34,176
Disposals	(54,938)	-	-	-	-	(13,309)	(906)	(69,153)
At 31 March 2017	3,020,478	103,946	736,230	3,600	343,500	147,604	184,277	4,539,635
Depreciation								
At 1 April 2016	-	103,725	29,342	2,163	205,184	106,203	134,030	580,647
Charge for the year	-	27	14,725	180	20,546	13,614	17,480	66,572
Disposals	-	-	-	-	-	(12,079)	(906)	(12,985)
At 31 March 2017	-	103,752	44,067	2,343	225,730	107,738	150,604	634,234
Net book value								
At 31 March 2017	3,020,478	194	692,163	1,257	117,770	39,866	33,673	3,905,401
At 31 March 2016	3,060,707	221	706,888	1,437	135,717	54,710	34,285	3,993,965

Heritage fixed assets

Heritage assets are represented as freehold nature reserves above.

A summary of transactions relating to heritage assets over the last five years is as follows:

	2017	2016	2015	2014	2013
	£	£	£	£	£
Cost of acquisitions	14,709	63,670	-	-	-
Value of donated assets	-	-	-	-	-
Carrying amount of disposals	54,938	-	-	508	-
Proceeds of disposals	120,709	-	-	508	-
Value of impairment	-	-	-	-	-

12. Investments

Group

	Listed Securities £	Cash holdings £	Total 2017 £	Total 2016 £
Cost				
At 1 April 2016	620,854	30,514	651,368	671,519
Additions	145,452	135,413	280,865	1,117,343
Disposals	(133,638)	(150,881)	(284,519)	(1,137,494)
At 31 March 2017	632,668	15,046	647,714	651,368
Revaluations				
Unrealised gains at 1 April 2016	11,874	-	11,874	118,127
Net gains/(losses) arising on revaluations in the year	93,293	-	93,293	(30,560)
Disposals/reverse revaluations	(1,488)	-	(1,488)	(75,693)
Unrealised gains at 31 March 2017	103,679	-	103,679	11,874
Net book value at 31 March 2017	736,347	15,046	751,393	663,242

Charity

	Subsidiary Company £	Listed Securities £	Cash holdings £	Total 2017 £	Total 2016 £
Cost					
At 1 April 2016	3	620,854	30,514	651,371	671,522
Additions	-	145,452	135,413	280,865	1,117,343
Disposals	-	(133,638)	(150,881)	(284,519)	(1,137,494)
At 31 March 2017	3	632,668	15,046	647,717	651,371
Revaluations					
Unrealised gains at 1 April 2016	-	11,874	-	11,874	118,127
Net gains/(losses) arising on revaluations in the year	-	93,293	-	93,293	(30,560)
Disposals/reverse revaluations	-	(1,488)	-	(1,488)	(75,693)
Unrealised gains at 31 March 2017	-	103,679	-	103,679	11,874
Net book value at 31 March 2017	3	736,347	15,046	751,396	663,245

At 31 March 2017 the charity had one wholly owned subsidiary, SWT (Sales) Limited. The charity owns 100% of the company's ordinary share capital. The principal activity of SWT (Sales) Limited is that of environmental consultancy work (see note 20).

13. Stocks

	Group		Trust	
	2017 £	2016 £	2017 £	2016 £
Stocks	2,707	4,036	2,707	-
Work in Progress	4,514	16	-	-
	7,221	4,052	2,707	-

14. Debtors

	Group		Trust	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	102,475	84,032	33,097	55,167
Other debtors	132,959	58,039	132,959	44,457
Prepayments and accrued income	431,517	599,235	430,093	598,897
Amounts owed by subsidiary company	-	-	80,361	68,534
	666,951	741,306	676,510	767,055

Other debtors includes £11,000 (2016: £22,000) due after more than one year.

The amount owed by subsidiary company represents the balance on the current account due from SWT (Sales) Limited.

15. Creditors

	Group		Trust	
	2017 £	2016 £	2017 £	2016 £
Amount falling due within one year				
Trade creditors	134,503	195,853	120,606	195,040
Other creditors and accruals	57,295	88,575	56,314	86,102
	191,798	284,428	176,920	281,142

16. Operating lease commitments

Minimum lease payments on non-cancellable operating leases fall due as follows:

	Group		Trust	
	2017 £	2016 £	2017 £	2016 £
Within one year	11,983	7,775	11,983	7,775
Due one to five years	30,036	10,417	30,036	10,417
	42,019	18,192	42,019	18,192

17. Statement of funds

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	Investment Gains £	At 31 March 2017 £
Unrestricted funds						
Income fund	436,228	1,692,267	(2,007,821)	66,586	93,293	280,553
Total unrestricted funds	436,228	1,692,267	(2,007,821)	66,586	93,293	280,553
Designated funds						
Opportunity reserve	150,000	-	-	-	-	150,000
Nature reserves	1,427,079	-	(27)	(40,229)	-	1,386,823
Operating freehold	706,888	-	-	(14,725)	-	692,163
Nature reserve development	-	-	-	38,830	-	38,830
Development reserve	728,968	223,783	(69,782)	(117,633)	-	765,336
Total designated funds	3,012,935	223,783	(69,809)	(133,757)	-	3,033,152
Restricted funds						
People and Communities	45,742	560,783	(556,737)	-	-	49,788
Nature Conservation	5,980	157,501	(132,231)	15,624	-	46,874
Policy and Campaigns	47,706	18,494	(17,665)	(15,624)	-	32,911
Nature Reserves	9,619	188,480	(167,764)	67,171	-	97,506
Total restricted funds	109,047	925,258	(874,397)	67,171	-	227,079
Endowment funds						
Nature reserves	1,633,849	-	-	-	-	1,633,849
Total endowment funds	1,633,849	-	-	-	-	1,633,849
Total funds	5,192,059	2,841,308	(2,952,027)	-	93,293	5,174,633

Unrestricted funds

The unrestricted funds represent the free funds of the charity, which are not designated for a particular purpose and are maintained in accordance with the policy explained in the Trustees' report.

Designated funds

The opportunity reserve fund represents funds that the charity has set aside in order to support a vital piece of conservation work for which no other funds are available.

The nature reserve fund represents funds other than endowment funds that the charity has used to purchase nature reserves.

The operating freehold fund represents the value of the Trust's freehold property and main headquarters in Taunton.

The designated nature reserve development fund represents proceeds from the sale of land during the year which the charity has set aside specifically for re-investment in nature reserves.

The designated development reserve fund represents funds that the charity has set aside for investment in income generation, capital investment and future projects.

Restricted funds

The restricted income funds of the charity include restricted funds comprising the unexpended balances of donations, grants and other income, which are to be applied for specific purposes within the charity's objectives.

18. Transfers between funds

	Total 2017 £
Designated funds	
Nature reserves	(40,229)
Operating freehold reserve	(14,725)
Nature reserve development	38,830
Development reserve	(117,633)
Restricted funds	
Nature reserves	67,171
Unrestricted funds	66,586
	-

The designated operating freehold reserve transfer represents the net movement in the book value of the Trust's freehold property and main headquarters in Taunton.

The designated nature reserves, nature reserve development and restricted nature reserves transfer represents the net proceeds in respect of the sale of land during the year.

The designated development reserve transfer represents designated funds expended during the year on Council approved projects and includes investment in Fundraising, IT infrastructure and general running costs.

19. Analysis of group net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible & heritage fixed assets	204,035	2,078,986	-	1,633,849	3,916,870
Investments	562,563	188,830	-	-	751,393
Current assets	240,253	765,336	227,079	-	1,232,668
Current liabilities	(191,798)	-	-	-	(191,798)
Defined benefit pension scheme liability	(534,500)	-	-	-	(534,500)
	280,553	3,033,152	227,079	1,633,849	5,174,633

20. Subsidiary company

	2017	2016
	£	£
Turnover		
Shop sales	-	7,217
Consultancy	264,038	169,264
	264,038	176,481
Cost of sales		
Shop goods	-	343
Consultancy	159,955	116,021
	159,955	116,364
Gross profit	104,083	60,117
Administrative expenses	41,609	30,776
Net profit	62,474	29,341
Taxation	-	-
Net profit after taxation	62,474	29,341
Paid under gift aid to Trust	62,474	29,341
	-	-
Profit brought forward	152	152
Retained profit carried forward	152	152

Data services income includes a charge of £428 (2016: £21,182) for services to the Trust.

The aggregate of the assets, liabilities and funds was:

Assets	96,304	71,976
Liabilities	(96,149)	(71,821)
Funds	155	155

21. Contingent liabilities

During 2014–15 the Trust received notification that the Section 75 clause in the Wildlife Trusts Pension Scheme had been breached due to there no longer being any active members in the defined contribution section of the scheme. During 2016 it was confirmed that four other Wildlife Trusts have also breached the Section 75 clause. The value of Somerset's debt has not yet been established. At present the Trust continues to pay contributions in accordance with the previously agreed Recovery Plan as detailed in note 10.

22. Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

	2017	2016
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(17,426)	(30,215)
Adjustments for:		
Depreciation charges	69,617	73,325
(Gains)/losses on investments	(93,293)	30,560
Dividends, interest and rents from investments	(17,742)	(19,013)
(Profit) on disposal of fixed assets	(65,116)	(464)
Defined benefit pension scheme liability less payments	177,700	(30,900)
Decrease/(increase) in debtors	74,355	(263,272)
(Increase) in stocks and work in progress	(3,169)	(1,210)
(Decrease) in creditors	(92,630)	(8,913)
Net cash provided by (used in) operating activities	32,296	(250,102)

23. Analysis of cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	139,178	149,919
Deposit accounts (less than 3 months)	434,364	303,854
	573,542	453,773

24. Statement of financial activities for the year ended 31 March 2016

	Notes	Unrestricted Funds General £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2016 £
Income from:						
Donations and legacies	2	678,527	150,430	112,727	55,274	996,958
Charitable activities:						
People and Communities	3	3,629	-	712,076	-	715,705
Nature Conservation	3	128,809	-	129,838	-	258,647
Policy and Campaigns	3	-	-	-	-	-
Nature Reserves	3	492,146	-	118,745	-	610,891
Other trading activities	4	216,948	-	-	-	216,948
Investments	5	19,013	-	-	-	19,013
Total		1,539,072	150,430	1,073,386	55,274	2,818,162
Expenditure on:						
Raising funds		643,531	-	-	-	643,531
Charitable activities:						
People and Communities		94,721	5,684	765,858	-	866,263
Nature Conservation		237,909	15,080	152,860	-	405,849
Policy and Campaigns		40,777	-	1,000	-	41,777
Nature Reserves		672,742	39,994	147,661	-	860,397
Total	6	1,689,680	60,758	1,067,379	-	2,817,817
Net (losses) on investments		(30,560)	-	-	-	(30,560)
Net income/(expenditure)		(181,168)	89,672	6,007	55,274	(30,215)
Transfers between funds		393,716	(402,112)	-	8,396	-
Net movement in funds		212,548	(312,440)	6,007	63,670	(30,215)
Reconciliation of Funds						
Fund balances brought forward at 1 April 2015		223,680	3,325,375	103,040	1,570,179	5,222,274
Fund balances carried forward at 31 March 2016		436,228	3,012,935	109,047	1,633,849	5,192,059

Gifts and donations

We would like to thank all our members and donors for their generous support which helps us to protect the county's wildlife and wild places, including the nature reserves in our care.

Legacies

Somerset Wildlife Trust is grateful for gifts in Wills received during the year from the estates of the following individuals.

Claire Allen
Victoria Bell
Heather Elizabeth Brooks
Edward Guy Anthony Cornwell
Beatrice Gilliam
Jill Yvonne Jackson
John Herbert Millener
Stephanie Moorland
Frederick Brian Pearce
Jean Mary Rogers
Leslie Sharpe-Barraclough
George Trevor Taylor
Lesley John Wallis
Bernadette Maria Waters
Norma Winifred Waters

Corporate members and supporters

We thank the following companies which have supported us this year.

Acanthus Press Ltd
A C Mole & Sons
Berry's Coaches (Taunton) Ltd
Bridgwater and Taunton College
Brimsmore Gardens (The Gardens Group)
EDF Energy
Francis Clark Chartered Accountants
Greenslade Taylor Hunt
Hauser & Wirth
Higos Insurance Services
Hi-Line Contractors SW Ltd
Jardine Lloyd Thompson Group plc
John Wainwright & Co. Ltd
Lundy Company Ltd
NNB Generation Co. Ltd
Notaro Care Homes Ltd
PC Comms Ltd
Penny Lane Foods Ltd
Porter Dodson
Quilter Cheviot Ltd
Southern Co-op
Summerfield Developments (SW) Ltd
Swarovski Optik
Sykes Cottages
Vine House Farm
Viridor Waste Management
Western Power Distribution
Wildlife Travel Ltd

Grant-making bodies, landfill operators and environmental trusts

We would like to thank the following and, in particular, Heritage Lottery Fund for their generous support of our work in 2016-17.

Aggregate Industries
Banister Charitable Trust
Battens Charitable Trust
Biffa Award
Blackdown Hills AONB Partnership
Clark Foundation
DEFRA
Exmoor National Park Authority
Forestry Commission
Foxglove Trust
Hawk & Owl Trust
Heritage Lottery Fund
John Spedan Lewis Foundation
Joseph Strong Frazer Trust
Mendip Hills AONB Partnership
Natural England
Oliver Moorland Charitable Trust
People's Postcode Lottery
Peter De Haan Charitable Trust
Plantlife
Royal Bath and West Society
Royal Society of Wildlife Trusts
Somerset County Council
Stephen Clark Charitable Trust
Taunton Deane Borough Council
Tesco Bags of Help
The Blair Foundation
The Conservation Foundation
Viridor Credits Ltd
Wetlands International



Key people and advisers

Patron

Simon King OBE

President

Stephen Moss

Vice-Presidents

Lord Ewen Cameron of Dillington
Dudley Cheesman
Ralph Clark
Michael Eavis CBE
Roger Martin
Rebecca Pow MP
Chris Sperring MBE

Directors and Trustees

The directors of the charitable company ("the Trust") are its Trustees for the purpose of charity law. The Trustees on the date of approval of this report, all of whom were members for the whole of the financial year in question unless stated otherwise, were as follows:

Chairman

Patricia Stainton

Vice-Chairman

Sarah Nason

Treasurer

John Scotford CBE

Elected Trustees

Bob Corns (resigned 11 August 2017)
Richard Denton-Cox
Philip Holms (appointed 10 August 2016)
Helen Lawy
Norman Lees (resigned 19 November 2016)
Sarah Nason
Tim Saunders (resigned 22 February 2017)
Nicky Saunter
John Scotford CBE
Patricia Stainton
Martin Stanley
Melville Trimble

Co-opted Trustees

Robin Beacham (appointed 22 February 2017)
Matthew Bell (appointed 22 February 2017)
Simon Hicks (appointed 22 February 2017)
Stephen Newman (appointed 27 March 2017)
Terence Rowell (appointed 27 March 2017)

Senior Leadership Team

Katie Arber, Director of Fundraising and Marketing
Michele Bowe, Director of Conservation Policy and Strategy
Andrew Davis, Director of Resources (to 18 May 2016)
Simon Nash, Chief Executive Officer
Tim Youngs, Director of Land Management (to 18 August 2017)

Advisers

Senior Statutory Auditor

Christine Glover MA FCA, A C Mole & Sons, Stafford House, Blackbrook Park Avenue, Taunton, Somerset TA1 2PX

Bankers

Lloyds Bank, 31 Fore Street, Taunton, Somerset TA1 1HN

Solicitors

Porter Dodson, The Quad, Blackbrook Park Avenue, Taunton, Somerset TA1 2PX

Investment managers

Rathbone Greenbank Investments, 10 Queen Square, Bristol BS1 4NT

Land agents

Greenslade Taylor Hunt, 1 High Street, Chard, Somerset TA20 1QF

Somerset Wildlife Trust is a registered charity
Charity number 238372
Company number 818162

Registered office
34 Wellington Road, Taunton, Somerset TA1 5AW



Somerset Wildlife Trust

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Somerset TA1 5AW

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www.somersetwildlife.org

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