

Leicestershire & Rutland Wildlife Trust

Minutes of the 64th Annual General Meeting held by webinar

on 18th November 2020

Present

Andrew Cotton (Chair), Bob Bearne, Anthony Biddle (Vice-Chair), John Bleby, Tony Clarke (Vice Chair), Linda Jones, Andrew Moffat, Maggie Morland (Hon. Secretary), Ray Morris, Helen Nott, Ian Selmes, Ann Tomlinson (Hon. Treasurer), Peter Williams (all Trustees) and 180 members online.

In Attendance

Tim Graham (CEO), Carole Allen (Birdfair Event and Development Manager), Sarah Bedford (Assistant Reserves Officer), Nicola Brown (Birdfair Exhibitor Organiser), Julie Burnside (Membership Assistant), John Clarkson (Head of Conservation), Joe Davis (Senior Reserve Officer (habitats), Rutland Water), Harriet Hickin (Senior Supporter Development and Marketing Officer), Rachel Ibbotson (Education Officer), Claire Install (Senior Conservation Officer, Wider Countryside), Sarah Marsh (Birdfair Events and Lectures Organiser), Andy Neilson (Reserves Officer), Neil Pilcher (Senior Conservation Officer), Jo Taylor (Membership Officer)

Apologies - No apologies had been received

1. Welcome

Andrew Cotton (Chair) welcomed everyone to the AGM and said it was good to see so many members registered to attend. He explained that the Virtual AGM had been approved by the Trust Council at its June meeting as the only way Council could deliver its Governance obligations in 2020. The arrangements followed guidance set out by the Royal Society of Wildlife Trusts and HMG governance regulations. He introduced Harriet Hickin who was the Zoom 'host' for the meeting and handling management of the voting and Jo Taylor who would highlight upcoming members' activities and events while voting took place.

2. Notice of the Meeting

Andrew Cotton referred members to the Notice on the back page of the Annual Review document issued to all members in mid October 2020.

3. Minutes of the 63rd Annual General Meeting held at Trinity Church, Oadby on Wednesday 20th November 2019

No comments or questions had been received. The Minutes had been available on the LRWT website since mid October 2020. Acceptance was proposed by John Bleby and seconded by Anthony Biddle. The minutes were accepted (81% yes, 0% no and 19% withheld) and signed by the Chair.

4. Report of the Council 2019/2020

The Annual Report was presented by Tim Graham (Chief Executive) He entitled it 'Optimism in a time of crisis'. His report ran as follows:

"It was a year that ended in uncharted territory thanks to COVID 19, but members' support and the work of an amazing group of staff and volunteers are a source of optimism for the future.

There were a number of staff changes during the year, not least we said goodbye to the Director, Simon Bentley, after 20 years at the helm of a thriving and growing Trust. He left a very large pair of boots to fill and we wish him every success in the future. In May 2020 Tim Appleton also left the Trust, and we had an AGM question emailed to us about his departure. [Steve Lister: 'Why did LRWT decide that Tim Appleton MBE was no longer desirable as leader of the Birdfair team?']

While it is not our policy to comment on HR matters, Tim is clearly an important character in nature conservation and was an integral part of the operations of the Trust for well over 40 years. Following independent and strategic reviews of Birdfair, going forward the Trust is looking to make the event more inclusive, to widen audience

demographics and to expand our digital presence. We were keen to retain Tim in an important Birdfair role to help achieve this and where he could use his particular talents to best effect. Unfortunately his views differed from those of the Trust and he decided not to be part of this, leaving the Trust in May by mutual agreement. Nevertheless, global conservation owes a great deal to Tim, as does the Trust.

Our members, volunteers and supporters make us who we are and enable us to continue to create a wilder future for us all. We really did see some great work in 2019-20:

- Local groups delivered 90 events and engaged over 2000 people, raising more than £4,000.
- We were supported by 49 partners and funders.
- We welcomed our 16,000th member.
- We worked with over 700 volunteers who cover all aspects of our work, but in particular delivered 300 conservation tasks and contributed over 28,000 hours.
- We launched our new website in early 2020, showing our commitment to better communications.
- Our Education and Outreach team has done some wonderful work, with over 3500 young people engaged in activities, over 100 teachers trained in using our Wild about Learning Pack. Wild Forest Schools continues to bring nature into the lives of school children across Leicester and GrowWild have continued to transform community and school spaces with 7 new projects.
- The new TEAL hide was opened by Nick Baker to support continuing Osprey Education.
- A new project at Rutland Water, 'Time in Nature' for dementia sufferers, helps to demonstrate how important nature can be for our health and wellbeing.
- Birdfair welcomed over 22,000 people despite the weather and other difficulties, and raised over £168,700 for international conservation.

Standing up for nature is now the most important issue for generations and we need to be actively working for nature's recovery. LRWT has been taking part in The Wildlife Trusts campaigns, such as Wilder Future and Action for Insects, making our voice heard as part of a national movement.

The Covid 19 lockdown was implemented before the end of the financial year, and we quickly started to see its impact. It had immediate impacts on our operations, which are continuing. It had a big impact on income, halted membership recruitment face to face, forced the closure of Rutland Water, led to the cancellation of Birdfair and caused us to apply for COVID emergency support to support furloughed staff and lack of retail income. It also led to a continuing drop in membership as the economics started to impact us all.

However, we can achieve a great deal together. The pandemic itself is an example of how we impact nature on a world scale, of how local and global issues are intertwined. We have seen people connect to, and value nature in new ways recently, and maybe there has been a ground swell in understanding of how important nature is to each of us. An AGM question was emailed to us about rare wildlife in lockdown. [Steve Lister: 'What was the rare wildlife that had opportunistically bred on the Charnwood Lodge reserve, and were they successful?'] The stonechats which successfully bred there are a sign of optimism that nature's recovery can happen. Thank you for your support, and together we can make sure there is more hope and optimism for the future."

John Clarkson (Head of Conservation) had prepared a video of conservation highlights during the year, but due to technical problems was unable to show this. LRWT will send a link to the video, which will be made available for all attendees to view as soon as possible.

Acceptance of the Report of Council was proposed by Ray Morris, seconded by Kate Moore and carried by the meeting (87% yes, 1% no and 12% withheld).

5. The Trust Accounts for the year ending 31st March 2020

Ann Tomlinson (Honorary Treasurer) presented a series of slides explaining the accounts and informed members that a full set of accounts of both Trust and its subsidiary are available from the Trust Office on request. Her full statement follows.

"The financial section of the Annual Review gives summary figures from the consolidated accounts for the year ended 31st March 2020, together with the findings of the auditors, who issued an unqualified audit report.

The Consolidated Statement of Financial Activities shows that Trust finished the year with an overall net income before revaluations of £134,000. Whilst this appears a good result, this total figure masks the difference between restricted and unrestricted income, where the results for income from restricted sources, relating to specific projects and types of work, have redressed the loss on unrestricted activities.

Unrestricted income is of course extremely important for the Trust because, by its very nature, it can be applied to any part of our activities, including making sure that we have adequate capacity within our staff team, and adequate infrastructure, for all the work we plan to do. Unrestricted income remained basically static compared to last year, and whilst we had budgeted for a loss on unrestricted activities, this turned out to be larger than anticipated owing to unforeseen costs in some areas. I'm highlighting this because membership subscriptions are a key source of that unrestricted income, and after some poor years for membership recruitment, the Financial Year 2019/20 was actually very good for recruiting members, but the way in which this recruitment activity is structured means that the benefits will not be seen until future financial years. Meanwhile the financial results of **this** year bear the costs of recruitment, and they represent a good part of that general cost increase.

Overall, however, total income coming in was around £2.7 million as against costs of £2.6 million. The variety of sources of income that support our work, together with the way in which it has been spent, clearly with the huge emphasis on our charitable activities, are shown in the charts included the Annual Review document, and the meeting had already heard about some of the hard work and achievements that this income has paid for over the past year.

Our subsidiary Leicestershire Wildlife Sales reported a small loss of around £3,000 this year, as a result of higher costs in some areas and the ending of the arrangement with Anglian Water which had allowed us to carry on retail activities at the Egleton Birdwatching Centre at RWNR. The shop there still exists but the profit no longer goes to the Trust.

Birdfair 2019 raised £168,719. Whilst this is a significant amount of money by anyone's reckoning, and will have a big impact on the project we were supporting, it's clearly much lower than events in recent years. An AGM question was emailed to us on this issue. [Chris Hughes: 'I note from the Statement of Financial Activities in the Annual Review plus the narrative on page 13 that £168,709 was raised for 'Conserving Cambodia's Big Five'. This amount represents around half of the normal figure raised for projects - £319,760 in 2018 for example- and, other than showing the balance sheet in the accounts, surely demands some sort of explanation, not only to Trust members but also to the many thousands of visitors who were told that funds would be going to conservation. Can I have a breakdown please of the costs and an explanation of how and on what the additional £83k was incurred when compared with the previous year's figures. I know it was wet (I was there for five days as a volunteer) but I and I'm sure many people would like more details please. What exactly were the 'last minute costs ' of hiring trackway' please?']

However, I would have spoken about it in any case, as it's obviously an important issue. The weather in August 2019 was very wet. Birdfair that year was a difficult event, physically, and the site conditions meant additional infrastructure costs had to be incurred on things like heavy-duty trackway so we could move vehicles around the site without them getting stuck, and also we could better protect the ground underneath. Those of you who visited may remember the metal tracking in places such in the Optics area, the Events marquee and near the Collectables stand.

The weather also reduced visitor numbers, and that affected gate income, and had a knock-on effect to retail sales.

Then there was a change which visitors may not have noticed much on the surface, but which fundamentally affected income from both sponsors and exhibitors, and had a big impact on the auction.

In 2019 we had to deal with the implementation of the Packaged Travel and Linked Travel Arrangements Regulations. These new rules, which are aimed at ensuring adequate compensation for consumers when travel firms fail, made it very difficult for many of our usual overseas travel exhibitors and sponsors to attend, either because of the significant additional costs of compliance they would have faced, or because their own country's insurance arrangements were not at that point recognised under the Regulations. We worked very hard with Trading Standards officials to help as many firms as we could, but ultimately many were unable to attend. So income from exhibitors and especially sponsors was down, and as there were fewer holiday donations to the auction, this also did not raise as much as usual.

Moreover there was also a question of legal compliance for Birdfair itself, which necessitated additional professional fees and staff time to ensure the event as a whole was in compliance with the Regulations.

Finally, there is the impact of COVID 19 and resultant restrictions.

It became clear as the COVID-19 situation developed in the early spring of 2020 that it would not be possible to hold a live Birdfair event in August. A number of factors contributed to this, including restrictions on travel, both overseas and in the UK, and restrictions on public gatherings, all of which were in fact introduced on 23rd March, with no clarity at that point as to when they would be lifted. Moreover, Birdfair relies heavily for its success on not only the staff team but also a large number of volunteers, all of whom are valued highly, and it is the Trustees' responsibility to protect them. Taking all things together, and in order to minimise significant financial damage to the Trust and its operations, a decision to cancel the 2020 event was made in early April.

This unavoidably had some financial consequences. Under accounting requirements, we had to include all costs related to the cancellation of the 2020 event within the results of the 2019 Birdfair. The final figure for these additional costs was £53K.

A part of this figure relates to the costs of cancelling contractor arrangements and refunding bookings for the August, together with all the work that went with unwinding the planned 2020 event. But more crucially, as the Birdfair team's work in the first three months of any calendar year is in respect of the event of that year, we normally roll those costs forward to be offset against the income arising from that year's event. This meets a basic principle in accrual accounting – the matching principle – which (and I quote) "directs a company to report an expense on its income statement in the period in which the related revenues are earned".

However the converse also applies. Costs cannot be carried forward where there is no certainty of income against which to offset those costs. There could be no 2020 live event; hence an additional three months of staff and office costs **which fell within the financial year 2019/2020** had to be included the overall costs for the 2019 event.

The financial effects of all that meant that overall income was down by £68K - £40K of that in lost sponsorship income - and costs rose by £83K, with £53K of that increase relating to the cancellation of the 2020 event, and the rest being the additional operational costs I've already talked about. So, in comparison with the previous year, the donation decreased by £151K.

I would like to emphasise here that, like all of our financial statements, the financial reporting in respect of Birdfair has been subject to the usual audit scrutiny, and our approach to dealing with the cancellation issue was agreed with our auditors RSM-UK at every step of the way.

Over £100,000 of the final audited donation figure of £168,719 was paid over to Birdlife International in the spring. The rest of the donation is being paid over on an agreed schedule which will be completed by the end of this calendar year.

I can tell you all, quite frankly, that the combination of difficult circumstances arising from COVID-19, and its likely future impact on the Trust's wider finances, has meant that Birdfair's future has been very much in question over the past months. But we have resolved to try to continue its legacy. To help do this, we have needed to obtain emergency funding, including a loan, to allow the event to plan its recovery and relaunch. This August's Virtual Birdfair, which was an entirely stand-alone, self-financing, event, has shown that there are opportunities for development. However, we will need to review very carefully Birdfair's ongoing costs in the very uncertain COVID environment we are all trying to deal with.

The Consolidated Balance Sheet continues to show Trust in a solid position, particularly in terms of its net assets, with healthy cash balances which help ensure continuity of activities.

One important change this year on the Balance Sheet has been in the release of a large amount from the defined benefit pension scheme liability. This has arisen basically because of the change in disclosure requirements, even though paradoxically the actual amount the actuary says we still owe the pension scheme remains the same. We have however taken the opportunity to move a large portion of the provision which is no longer required to be disclosed into the Trust Development Fund so that we have additional working capital to fund our activities right now, rather than that capital continue to languish in a Balance Sheet provision for liabilities of several years hence.

However for prudence, we have also retained some of the released provision within a special designated fund to help ensure we will have the wherewithal to pay those pension liabilities as they fall due, year-on-year.

So, as at the end of March 2020, with a balance sheet total of just over £5.2 million and a healthy net asset position, the Trust looks in good shape. However we all know what happened in March. I don't want to dwell on this point because it's not specifically about the year on which my report is based, but I cannot ignore, in talking to you, the impact of COVID on all our activities, from a financial point of view.

I have already noted the impact of COVID on Birdfair alone. As we moved forward into the new financial year it was clear that COVID was going to have a lasting effect on all our activities, starting with the cancellation of public events and the closure of our Rutland Water visitor centre at Lyndon, and the curtailing of reserve work parties and other nature reserve impacts. From a financial point of view, this loss of retail and event income is significant, and even more so is the month-on-month decline we have been seeing in our membership numbers. I think that is perfectly understandable as concerned people think about the future and feel the need to tighten their belts. And whilst this loss has started to slow a little, it is perhaps too early to say if we have seen the end of it yet.

Loss of membership income does however present an issue for us in terms of how we support our activities going forward, and throughout the past months staff have been working hard to develop new ways of engaging with people to help raise funds, and to find new income streams and resources to allow us to continue to progress all the charitable work that needs to be done. I'd like to give a personal shout-out here to the admin team, and especially our finance staff, who've been keeping processing up to date under very trying Lockdown circumstances.

One thing in particular, though is, very clear. I have to say that, whilst Trust has always been a cash-oriented organisation, because the need for high cash balances is part of the nature of our work, the fact that we do have a healthy cash position has been of huge importance in ensuring our financial stability through this difficult period.

Our environment, and its biodiversity, has never been in greater need of the Trust's activities to protect it, and for those of us who love nature, it is absolutely essential that we keep up this effort. So we are extremely grateful to all of you, in such difficult times, for continuing to show your support, both moral but particularly financial, by remaining Trust members and by helping us with your contributions, whether that is in subscriptions or in other donations. And this year, as in others, we are most thankful to past supporters who have left the Trust legacies. Legacy income at any time adds crucial heft to our finances, underpinning many of our future plans. I say every year that we could not do it without you all, but it is absolutely true, and this current year above all others. So again, thank you all very much."

Acceptance of the Accounts was proposed by Linda Jones and seconded by Graham Fisher and carried by the meeting (95% yes, 1% no and 4% withheld).

6. Election of Members to Council to serve for a three-year term

The following members of Council have completed their three-year term of office but have indicated their wish to stand for re-election: Anthony Biddle, Tony Clarke, Andrew Cotton, Linda Jones, Helen Nott, Maggie Morland, Ann Tomlinson. Acceptance of the resolution was proposed by Andrew Moffat, seconded by Bob Bearne and carried by the meeting (93% yes, 1% no and 6% withheld).

7. The appointment of RSM UK Audit LLP as Auditors to the Trust

Acceptance of this resolution was proposed by Cathy Schou, seconded by Helen Nott and carried by the meeting (90% yes, 1% no and 9% withheld.)

8. Questions from Members

Andrew Cotton referred to questions received prior to the meeting and highlighted that these had been addressed in the presentations. He said that the text of the presentations will be included in the AGM minutes which will shortly be available in the members' area of the Trust website. He then thanked all of the staff at the LRWT, all volunteers including the Trustees and finally all our members and supporters. There was then a short video,

recorded by staff, of their personal highlights for the year. Following this, and after thanking everyone for attending, Andrew Cotton declared the formal AGM closed at 8pm.

9. 'Working with Nature' by Jeremy Purseglove

After a short break, Tim Graham introduced Jeremy Purseglove, who is the author of 'Taming the Flood' and 'Working with Nature'. Jeremy gave a very interesting talk about how natural processes can be encouraged and employed to mitigate the damaging effects of flooding, intensive agriculture and loss of biodiversity around the world. He gave examples from his wide experience as a landscape architect, working with many companies and agencies during his career. He spoke about how working with nature at LRWT's Narborough Bog reserve and in other locations will help prevent flooding along the Soar Valley. Jeremy answered a large number of questions at the end of his talk and Tim Graham thanked him on behalf of all attendees.

The webinar ended at 9pm.

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