

COMPANIES HOUSE COPY

Severn Gorge Countryside Trust
REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2016
Company No. 2647374

Muras Baker Jones Limited
Chartered Accountants
Wolverhampton

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SEVERN GORGE COUNTRYSIDE TRUST
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FOR THE YEAR ENDED 31 MARCH 2016

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CHAIR'S FOREWORD

This year, as always has been a busy one for the Trust. Volunteers have taken an increasingly important role in the running of the Trust, carrying out such diverse roles as hedge laying, renewing steps and footpaths, monitoring flora and fauna and looking after the Trust's flock of Soay sheep. The Thursday volunteers alone have contributed 3,740 hours of labour, a huge commitment. On behalf of the Trust I would like to thank them for their work, which has been transformational.

Working to maintain the Trust's landholdings is always a challenge. While a portfolio of properties and investments pays for the Trust day to day costs, there is a need to raise further funds to maintain the landscape to a high quality. We have been fortunate this year to have been awarded a Countryside Stewardship Grant of £115,000 over five years to pay for woodland improvement work, including squirrel management. In addition, the Trust received £10,000 from Tesco's Bags for Life funding pot to renovate the Bower Yard picnic area. We also received a donation of £20,000 from Amey which has paid for the reinstatement of one of the footpaths on Benthall Edge.

The Outdoor Learning Programme continues to prove popular, with 27 courses and guided walks being offered. The programme provides opportunities for people of all ages to experience the local landscape of woodlands, meadows and historical structures within the Trust's landholdings, through a wide variety of environmental, heritage and creative subjects.

I would like to thank the staff at Severn Gorge Countryside Trust for the hard work they do to keep the Trust working smoothly. This sometimes means working unsocial hours, which they do willingly, and with dedication and efficiency. I would also like to thank the other Trustees, who carry out a range of unpaid work and support behind the scenes, which adds further value to the Trust.

Louise Lomax
Chair of Trustees

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016

The Trustees are pleased to present their report and the audited financial statements for the year ended 31 March 2016.

Reference and administrative details

Charity Name: Severn Gorge Countryside Trust
Charity number: 1004508
Company number: 02647374

Registered Office and operational address

Severn Gorge Countryside Trust
Darby Road
Coalbrookdale
Telford
Shropshire
TF8 7EP

Telephone 01952 433880
www.severngorge.org.uk

Auditors

Muras Baker Jones Limited - Regent House, Bath Avenue, Wolverhampton, WV1 4EG

Bankers

The Co-operative Bank - Colmore Row, Birmingham, B3 3BA

Investment Advisers

Standard Life Wealth - 1 George Street, Edinburgh EH2 2LL

Board of Trustees

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Board of Trustees is supported by a company secretary who is responsible for governance administration.

The elected Trustees as at 31 March 2016 are as follows:

Name	Nominated by:
Louise Lomax (Chair)	Telford & Wrekin Council
Nick Downes (Vice Chair)	Barrow Parish Council
John Box	Shropshire Wildlife Trust
Jean Jones	Shropshire Council
Chris Turley	Telford & Wrekin Council
Max Speke	Sutton Maddock Parish Council
Gina Rowe	Community Trustee
David Edwards	Madeley Town Council
Maureen Bragg	The Gorge Parish Council
Carolyn Healy	Community Trustee
Andrew Cooke	Broseley Town Council
Dylan Webster	Telford & Wrekin Council

Staff

Russell Rowley	Trust Manager
Cadi Price	Community Development Officer
Kate Chetwood	Company Secretary and Finance Officer
Nathan Morris	Countryside Officer

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

Structure, Governance and Management

Governing Document

Severn Gorge Countryside Trust is a company limited by guarantee under the Companies Act and governed by its Memorandum and Articles of Association originally dated 20 September 1991 (amended June 2009 and December 2013 to update governance arrangements). The Trust is also a registered charity.

Appointment of Trustees

In accordance with the Memorandum and Articles of Association, Trustees are elected by the membership for terms of four years. At the end of the four year term Trustees may stand for re-election. Nominations for new Trustees are considered each year prior to the Annual General Meeting (AGM). All Member Organisations are circulated with invitations to nominate Trustees, advising them of any retiring Trustees and requesting nominations for the AGM. The Member Organisations are made up of a variety of local organisations that have a keen interest in the Ironbridge Gorge and also two Community Trustee places.

When considering appointing Trustees, the Committee of Management (Board of Directors) has regard to the requirement of any specialist skills needed.

Trustee induction and training

The Trust provides an induction session to brief new Trustees on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the committee structure and decision making processes, the Development Strategy and recent financial performance of the charity. They are also advised on the future plans and objectives of the Trust. During the induction they meet the Trust Manager, Company Secretary and other employees. They are advised of appropriate Trustee training courses and are encouraged to attend.

Management

Severn Gorge Countryside Trust is governed by the Committee of Management (COM) which all Trustees are members of. The COM is responsible for setting policies and ensuring legality and good practice in accordance with the Memorandum and Articles of Association of the Trust and the Charities Act 2011. The Committee of Management meet quarterly and is responsible for the governance of the charitable company, ensuring that it is well managed and that its assets are safeguarded.

At the outset of each year the COM approves an annual plan which contains clear objectives. During the year the COM monitors progress against the annual work plan.

The day to day management of the Trust is undertaken by the Manager and staff who operate under delegated authority.

The COM has 1 sub-committee (Personnel Committee) whose terms of reference are approved by the COM:-

The **Personnel Committee** is elected annually from the COM and meets to advise on staffing issues and employee training, development and support. The Personnel Committee met twice this year. They are also responsible for reviewing Trustee training needs. There was one training event held for all Trustees this year.

Planning for the Future

The significance of the Trust's landholdings dictates the need for a planned, long term approach to give direction and continuity to management.

This is achieved through comprehensive management plans for the Trust's sites and a Development Strategy that governs the work of the Trust.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

The Development Strategy was approved by Trustees in November 2011 and will guide the work of the Trust until the end of 2017. It sets out the Trust's vision, aims and plans for achieving its charitable objectives, identifies the successful methods of working that will be continued, the developments that will be introduced over the five years and the opportunities that will be taken up if time and resources allow. Copies of the full Strategy can be downloaded from the website (www.severngorge.org.uk) or obtained from the Trust Office.

Annual Work Plan/Budget

Annual work plans and budgets are developed to ensure the core work in the management plans and Development Strategy are achieved without overstretching the Trust's resources or compromising its long-term viability.

The annual work plan for 2015/2016 was set from the 2012/2017 Development Strategy. The plan was ambitious but progress was made in all the essential actions and the majority of the desired ones. All legal and management requirements were fulfilled.

Risk Management

In accordance with the Charity Commission's Statement of Recommended Practice (SORP) 2005, Trustees have a risk management strategy in place which comprises:

- An annual review of the risks the Trust may face, which also identifies any new risks that the Trust may be exposed to;
- The establishment of systems and procedures to mitigate against those risks identified in the review; and
- The implementation of procedures to prevent any potential impact on the charity should those risks materialise.

The Trust believes that risk management is an essential part of good business practice, and will continue to ensure that risk management principles become incorporated into all aspects of its work.

It should be noted that any risk management system can only manage risks and not eliminate them.

Public Benefit

In setting our aims and planning our activities, Trustees have given careful consideration to the Charity Commission's guidance on Public Benefit.

Trustees believe that the provision of such benefit is an integral part to each of the Trust's charitable objectives. The Trust land and activities are available to all and we try to make special provision wherever possible for the disabled and disadvantaged.

In order to achieve our aims the Trust must strive to maintain an efficient and effective organisation, that is well governed, well managed and which has the capacity, infrastructure and support necessary to deliver them.

Objectives and activities

WHAT WE DO.....

The Trust is responsible for promoting, protecting and conserving the living landscape of the Ironbridge Gorge for the benefit of local people and visitors. It aims to balance the needs of public access, landscape and nature conservation, safeguarding historic and cultural features, whilst engaging with the public and developing a wider awareness and knowledge of the Trust and its work.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

To achieve these aims the Trust has five main charitable objectives:

• to enhance a living and working landscape that retains its locally distinctive characteristics, habitats and species populations.

• to conserve and interpret, where appropriate all features of cultural and historical significance.

• to provide inspiring experiences of the natural world and encourage people to manage their local environment through volunteering opportunities.

• to provide high quality access for informal recreation for the enjoyment of all and to encourage outdoor activity for the benefit of health and wellbeing.

• to develop and promote a wider awareness and understanding of the Trust's work.

HOW WE DO IT...

HIGHLIGHTS 2015/2016

Landscape and Nature Conservation
AIM: to enhance a living and working landscape that retains its locally distinctive characteristics, habitats and species populations.

Many rare and important species of plants and animals are found on the land managed by the Severn Gorge Countryside Trust and the Trust's land contains many outstanding examples of scarce and uncommon habitats and species.

Each year, the Trust undertakes extensive management programmes to safeguard these special places. For example,

- clearing woody regeneration from the floor of Patten's Rock Quarry, an excellent example of limestone grassland with colonies of Twayblade, Bee, Greater butterfly and Common Spotted orchids.
- clearing scrub trying to colonise the important small patches of heathland found in The Crostan and Dale Coppice.
- managing important areas of wildflower rich hay meadow and pasture. By using our flock of Soay sheep together with contractors and volunteers, the Trust is able to ensure that the techniques and machinery used are ideally suited to these small sites and based on traditional methods.

Ecological Monitoring

The Trust commissions Churton Ecology to carry out annual ecological monitoring of Trust sites. Ecological monitoring provides the Trust with the information required to assess and respond to ecosystem changes. Monitoring can also assist with the identification of new environmental concerns, the prioritisation of issues, and the evaluation of trends over time. Using the information gathered, the Trust is able to plan its future management of sites.

In 2015/2016 ecological monitoring was undertaken at Ropewalk, Church Road Fields, Preenshead, Ladywood, Haywood and Captains Coppice.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

For 2016/2017 our priorities will be to continue to manage the wildflower meadows using our native breed Soay sheep flock and to improve the harvesting process of our hay crops using our own baler and wrapper in partnership with contractors DJ Gwilt. We will also be removing scrub invasion from Shakespeare Meadow and Haywood pastures anthill field after discussions with ecological consultants and trustees. We are also using our newly refined ecological monitoring system for sites that are not SSSIs.

Cultural and Historical Features

Aim: to conserve and interpret, where appropriate all features of cultural and historical significance

The industrial past of the Ironbridge Gorge has left its mark on the area in more ways than just the Iron Bridge itself. Many types of industry thrived here and the Trust looks after sixty historic structures from small retaining walls to brick arches, lime kilns to mine breathers and adit entrances. The Trust has spent over £250,000 in the last ten years conserving the industrial heritage of the Ironbridge Gorge.

Archaeological surveys are commissioned whenever required to ensure no features of cultural and historical significance are damaged by work and also to record anything found or uncovered for future reference.

The Structures Inspection Report is carried out annually by a consultant structural engineer. The structures are monitored from fixed baselines, any condition changes are noted and recommended actions identified. These resultant actions are further analysed from a risk management perspective looking at things like potential impact on highways, intensively used public spaces, neighbours.

Five risk management priority categories are now identified with required actions allocated to a category from level 0 (no action necessary) to level 4 (repair imminently).

In response to the annual report an action plan will be developed to implement, where possible, all level 4 actions or in discussion with engineers alternative risk mitigation strategies.

The 2015/16 consultant's report recommended works to remove the spalled mudstone from above the kiln entrance at Bower Yard Lime Kilns and replace it with limestone. This was carried out by CBS Conservation specialists from Oswestry who carried out the original conservation works. The spalling was due to freeze thaw action on the front of these important historic kilns, as it is north facing and surrounded by woodland on 3 sides.

The report also pointed to the badly spalled bricks on Maws Wall, Salthouses and the failure of parts of the 'crease course' in several places just below the capping bricks along the Ropewalk Wall in Coalbrookdale. Neither is deemed to be a health and safety hazard and it is hoped to begin to carry out conservation works by 2017.

The Trust has also installed several interpretation panels at some of the historic structures to help tell the story of the industrial past.

Deer Management

The Trust is now into its 3rd year of a Deer Management Programme.

Deer can have a damaging effect on woodland habitats. Natural regeneration is the principle means of restocking the Trust's woodland and an increasing deer population will adversely affect the success of natural regeneration. Deer have an important role within our woodland and are the largest land mammal to inhabit the United Kingdom. The management works will seek to reduce deer numbers to a point where the impacts on the woodland and their associated plant communities are acceptable. We will annually assess the impacts and make decisions based on the findings.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

This year we culled 14 bucks and 14 does, total 28. The stalker is still seeing herds of 30-40 deer on the football pitches at Ironbridge power station. It may take up to 5 years to realise the effect of the deer management works, as with all the other sites the Trust takes a long term view in its management. The works this year have continued to disrupt the movement of fallow deer, but the impact they are still having on the woodland is high.

Work to reduce the Muntjac population's impact have struggled, this is in part in due to the nature of the deer species and possible poaching activity taking place in Sutton Wood. Moving forward the Trust is looking to use mineral licks to try to improve the cull figures. Countryside Stewardship capital grants for additional high seats will improve the chances of success.

Forestry

Felling took place in Sutton Wood compartment 18F through the winter. This is the first part of a five year felling programme in Sutton Wood. Extensive works were carried out to make the site accessible for HGV's. This included tree removal, surfacing of a turning area and fence/gate removal.

The timber was sold standing to NW Tree Services. The works progressed well even with the wet ground conditions. After the works were completed the ride was scraped off back to the stone some 50 cm below the mud.

There were some problems in the sale of the extracted timber. It would appear that most large firewood processors do not want a large percentage of sweet chestnut in their loads and as a consequence, the roadside price paid to NW Tree Services was reduced dramatically. Next year's compartments do not have such a large percentage of sweet chestnut.

Countryside Stewardship

The Trust was successful in applying for the Countryside Stewardship grant scheme. It commenced on the 1 January 2016 and is worth £115,000 over five years. A new management plan for the woodlands had to be written to be able to apply for the new grant, which was also funded by Countryside Stewardship.

The scheme pays £100 per hectare for WD 2 woodland improvement option; the Trust has been doing most of the requirements as part of its forestry works. The most notable change is that we will be starting to control squirrels by shooting in the 3 month high risk damage period from May to July each year as dictated in the best practice guideline supplied by the Forestry Commission. Our stalker will carry out the works.

Contractors

The Trust regularly uses over 25 local contractors to carry out a variety of works on its land. From landscape maintenance to tree surgery to repairs to historic brickwork, each self-employed contractor brings their own skills and knowledge to the work. Some of these contractors have worked for the Trust since its creation in 1991 and have built up a wealth of knowledge about the sites the Trust manages.

Some of the jobs contractors carry out on an annual basis include:

- Hedge cutting
- Hay cutting and baling
- Ragwort spraying with citronella
- Japanese knotweed control
- Ride mowing
- Strimming of footpaths
- Thistle topping

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

Contractors are also called in to undertake any 'reactive' work that happens. For example when a tree has fallen across a path, a contractor will carry out the necessary work to make the tree safe and clear it from across the path.

Specialist work, such as the descaling and torque testing of the bolts on Jiggers bank rock face is also carried out by contractors. Vertical Access carry out maintenance twice a year by abseiling down the rock face and clearing any loose rock, cutting back small trees and testing the bolts that secure the netting on part of the rock face.

Community Engagement and Outdoor Learning
AIM: to provide inspiring experiences of the natural world and encourage people to manage their local environment through volunteering opportunities

Volunteering Programme

One of the Trust's greatest strengths is our volunteers. The Volunteering programme will be celebrating 10 years in 2016 and continues to be a core part of the Trust's work. This year, our Thursday volunteers have contributed 3,740 hours of volunteering. Increasingly volunteers have become the face of the Trust in local communities and the knowledge and expertise that they have developed on our sites is a huge asset.

The level of support provided by volunteers to the Trust is truly immense; they assist with a wide range of activities, such as practical conservation, access improvements, footpath surveying, wildlife monitoring, leading walks, helping at public events, Lookers for the Soay flock and public awareness. The Trust has over 50 active volunteers that help to deliver its charitable objectives. Our annual volunteer programme of events is designed to stimulate public interest in our habitats and the creatures they support. Volunteers have had the opportunity to contribute to habitat management and access improvement projects, and have provided valuable input to the biological monitoring programme. Some volunteers have practised their learning by managing their local green space such as the Ironbridge Meadows and Pastures group (IMAP).

Our active and enthusiastic volunteer force has enabled us to carry out a huge amount of essential annual tasks and funded projects and the Trust would like to thank them for all their work and their contribution to helping the Trust achieve its access, landscape and nature conservation objectives.

Volunteer Highlights 15/16 (average number of volunteers in brackets)

- To celebrate 10 years of the Volunteering project, the volunteers suggested helping Friends of local green spaces within Telford and Broseley. We allocated 10 days. This Spring, Hay Cop (23), Penns Meadow (18) in Broseley and Telford's Randlay Valley (15), Wrekin Link (23), IMAP (16), where we cleared scrub to improve access and other conservation tasks.
- With further funding from Veolia we bought 8 axes for the hedge-laying and coppicing tasks which have been well used and enjoyed by our volunteers.
- Again, having been successful with Tesco Bags of Help Grant worth £10k, Bower Yard Picnic Site is being given a complete overhaul. The volunteers have cleared scrub, coppiced trees and shall be helping with path improvements, a cleft fence and interpretation.
- The heathlands have been visited twice as normal for scrub clearing in October and March. In Dale Coppice (16) we coppiced birch and oak saplings and bramble to encourage heather and bilberry; the Crostan (19) had 20% heather cut to encourage regrowth and establishment, bramble and willow herb removed; in Lloyd's Coppice (15) we cleared scrub to expose heather and ant hills and built an oak bench.
- Dale Coppice (22), along the Sabbath Walks, was cleared of holly between 'Hannah's Cottage' and gate to Rough Park. This was attended by 5 John Muir volunteers as part of their conservation award.
- Patten's Rock Quarry enjoyed 4 visits (16), 3 scrub clearing and, in June, an orchid count (Early Purple, Butterfly, Bee Orchid and Twayblade) Lloyd's Meadow (5) was monitored for wild flowers. Records are sent to Kate Thorne, the Trust's ecology consultant.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

- In June, the annual day trip, to thank the volunteers (16) for all their continued support and hard work, we enjoyed a day trip to Dudley where we enjoyed a guided walk through Wren's Nest geology park, a Dudley canal boat trip and visit to Leasowes Park (historical relevance to Sabbath Walks).
- In August, Shakespeare and Maws Meadows (16) was hand-scythed and grass removed by Peacocks Landscape.
- Dale Coppice ash woodland (22) was coppiced for stakes for hedge-laying at Oilhouse Coppice.
- Oilhouse Pastures (22) now boasts a growing hedge with a 200m hedge completed along Rough Park Way.
- A small volunteer group (5) help maintain the footpaths during the bi-annual footpath surveys in August and January.

Schools, Children's Clubs and Families

The Trust recognises that encouraging children to explore outdoors and get closer to nature has many benefits, including keeping fit, learning about the world around them and most importantly having fun with their peers.

By providing opportunities where children and adults can share experiences of the natural world together in a safe environment, it is hoped that it will inspire similar activities with their family.

Both Broseley and Coalbrookdale cub groups are working with Cadi Price with outdoor sessions in the Trust's woodlands and on their local Friends' green spaces. Broseley cubs enjoyed a night hike in February and four further sessions are planned in 2016. While Coalbrookdale cubs discovered the excitement of pond dipping at IMAP using the Trust's nets and ID booklets and regular den building in Dale Coppice.

Coalbrookdale and Ironbridge Primary and Nursery schools are developing closer links with the Trust, this, perhaps, after visits by the Community Development Officer to the school to present the John Muir Discovery certificates to pupils. Cadi Price has built a living willow shelter in the Forest School area and shared found natural objects with Nursery children.

To celebrate the summer, 4 well-attended family rambles took place in August to explore different woodlands such as Vane Coppice, Oilhouse Coppice, Dale Coppice and Loamhole Dingle within Coalbrookdale. There are additional seasonal family walks in the Outdoor Learning Programme.

John Muir Award

In November, five families (9 children and 5 adults) received their Explorer Award, completing 8 days which included IMAP habitat surveys, a Sunnyside wild camp weekend, and helping with activities during the summer family walks. The emphasis is to lead these activities and share their experiences while gathering data and providing evidence of learning with a record book and sharing their knowledge.

The final John Muir Award, 'Conserve', has commenced with the same five families and requires 20 days and a planned strategy written by the Community Development Officer and the families and again submitted to the John Muir Award regional advisor. The decision was taken to be Trust volunteers and to be called 'Wilderness Warriors'. During February half-term everyone came to Loamhole Dingle repairing wire on steps and coppicing and stacking fallen branches near the footpath building habitat piles. The children and parents used hand tools of bowsaw, axe and loppers.

Outdoor Learning

The 'Outdoor Learning Programme' launched in 2012, is again offering a variety of quality guided walks and workshops in 2015 providing opportunities for people of all ages to experience the local landscape of woodlands, meadows and heritage structures within the World Heritage Site through a wide variety of environmental, heritage and creative subjects.

The programme consisted of 27 outdoor courses and guided walks. Courses include Winter Tree Identification, Basic Map Reading, Geology of Lydebrook, The Gruffalo's Child, Dyeing with Natural Materials, and Fruity Foraging.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

The programme continues to prove popular with many walks and courses fully booked with about 290 attendees. The local tutors are all experts in their own fields.

Access and Recreation
Aim: to provide high quality access for informal recreation for the enjoyment of all and to encourage outdoor activity for the benefits of health and wellbeing.

Approximately 25 kilometres of footpaths have to be maintained each year. The Trust works to ensure that all Public Rights of Way on its land are in good repair and that their corridors are appropriately managed. All the routes are inspected twice a year to check their condition. Any reported problems and necessary repairs are undertaken as soon as possible.

Benthall Edge Footpath

The increase in wet weather, coupled with the increase in footfall to this popular walking destination had caused considerable damage to the paths and if this had continued would have started to damage this Site of Special Scientific Interest (SSSI). AJB contractors were successful in their tender to carry out the access improvement works and commenced work in May 2015.

The existing access route was constructed in 2006. Since it was installed the track had settled and as a result dips and hollows had developed. Access improvements were also necessary due to the path becoming very muddy and impassable in places. The new surfacing and boardwalk will also hopefully stop the widening of the path which has taken place over the last few years. Approval to carry out the work was obtained by Natural England to ensure that the work undertaken was sensitive to the fact that the site is a SSSI. A donation of £20,000 received by Amey was used to cover the majority of the costs incurred in the improvement works.

Tesco Bags of Help Grant

The money raised from the 5p bag charge in Tesco stores in England, Wales and Scotland is being used to pay for a large number of local projects to improve green spaces in communities. Good quality green spaces don't just make us healthier and happier; they bring together people of all ages and backgrounds. And when people work together they soon start transforming where they live for the better.

Local people had the opportunity to vote for their favourite community project in local Tesco stores and the Trust was delighted to be awarded a grant of £10,000 to improve the picnic site at Bower Yard. This site had become neglected and was very overgrown. Over the next 12 months, working with our volunteers, contractors and local school children we will transform the site into a light and welcoming area to stop and have your lunch or just take time out to enjoy the sounds of the woodland and the river.

Guided Walks

To enable and encourage local people and visitors to use the network of paths and trails throughout the Gorge the Trust runs a variety of guided walks each the year. In conjunction with the Ironbridge Walking Festival, the Trust and our volunteers led 10 themed walks around the Gorge which gave participants the opportunity to discover many additional woodland paths in subjects to include heritage, arts, and bird conservation. The Outdoor Learning Programme's 10 guided themed walks covered winter and summer tree identification, archaeology, geology, wild flowers, autumn fruits. The OLP and Little Acorns Summer Family activity walks included wilderness adventures, den building, fungi, aquatic bugs and the ever popular Gruffalo hunt!

15 guided walks were organised by the Trust and attended by 204 individuals.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

Strategic Access Action Plan

The Strategic Access Review which was completed in March 2015 is now being used to feed into the Annual Work Plan with specific maintenance and repairs being included for sites in need of work. The Strategic Access Action Plan will be updated each year using information taken from the bi-annual footpath surveys used to identify any repairs or maintenance needed.

Walking trail leaflets

The route for the 'Iron Trail' links existing paths into a circular walk that includes both built and natural features within the World Heritage Site to encourage visitors to explore beyond the built environment. Its objective is to highlight otherwise unseen heritage such as the remnants and evidence of the iron production process that made the Gorge 'the birthplace of industry' within the natural landscape.

The Trust has also produced four further trails; The Lime Trail of Benthall Edge, The Sabbath Walks Trail, The Ironbridge to Blists Hill Victorian Town Trail and Loamhole Dingle; History under your feet. These trails will hopefully encourage more visitors to explore the landscape of the World Heritage Site on foot.

To encourage people to use the rights of way network, South Telford Rights of Way Project, supported by the Trust, undertook guided walks for schools and Carers groups which were attended by schoolchildren, adults and young carers.

The Trust is very grateful to The Gorge Parish Council who donated £920 towards reprinting the Exploring Ironbridge Gorge Leaflet.

Walks Books

To support people to get outdoors and closer to nature we have published several guided walks books. These will help everyone to visit our sites and enjoy their natural beauty and find out more about the forces that have shaped them – natural and man-made. Each book offers a number of self-guided walks that offer opportunities to explore the history of the area as well as the diversity of landscape, geology and wildlife. All the books can be purchased from the Trust Office, and are also available at Ironbridge Gorge Museum sites, the Visitor Information Centre and some local shops. Copies of the routes can also be downloaded from our website; www.severngorge.org.uk.

Raising Awareness

Aim: to develop and promote a wider awareness and understanding of the Trust's work

Trees of Knowledge

The Trees of Knowledge community group was set up in 2007 to provide opportunities for people to learn about, understand, input their own knowledge and become involved in the long term management of the Trust's land.

In January 2016, the Trust Manager gave a talk on 'Water and Dingle management Lydebrook and Loamhole Dingle'

The presentation covered issues including contributing to natural flood management, siltation, land stability, continuous cover forestry and ecology. Questions and discussion will be welcome throughout. Attendees then went for a walk to look at Lydebrook Dingle and down into Loamhole Dingle all the way to the silt trap.

'Lookers' Scheme

The flock of native breed Soay sheep that the Trust uses to manage its wildflower meadows continues to increase, and the volunteer shepherds or 'Lookers' now help to look after a flock of over 60 sheep. The Lookers' programme has now been running for seven years and volunteers are now extremely proficient in a wide range of sheep husbandry techniques including handling, foot trimming, ear tagging and injecting.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

This project relies on the collaboration of our volunteer shepherds who co-ordinate their visits to the sheep via a rota system. Usually in the mornings and afternoons, the Lookers spend some time making sure that the sheep have got all that they need to graze happily.

Work has continued on selling some of the sheep both as breeding stock and meat. The sheep will be sheared this year and the wool sold to spinners. The myth that they shear themselves is that, shearing should reduce the chance of flystrike, reduce the cost of preventative medication and improve the wellbeing of the sheep in warmer weather.

Natural Fibre Company

In June 2015, the flock of Soay sheep was sheared and the fleeces were taken to Launceston, Cornwall to the Natural Fibre Company. This company specialises in buying high-quality fibre from rare and specialist breeds like the Soay and produces yarn from the fleeces which they then sell via Blacker Yarns. Nearly 20kg worth of fleece was taken and it is hoped that the Trust will be able to produce its own yarn from the flock. Trust staff were given a fascinating tour of the factory; from the raw wool, to washing, carding, spinning to the finished product.

Annual Open Evening

The purpose of the Annual Open Evening is to give local residents a chance to meet staff, trustees and volunteers from the Trust and learn more about the work the Trust is undertaking. It also provides an opportunity to raise any issues or concerns that they might have.

This year the Trust held the open evening at Victoria Hall, Broseley. The guest speaker for the evening was Neal

Rushton, Structures and Geotechnics Group Manager, Telford & Wrekin Council. The title of his talk was 'Land Stability in the Ironbridge Gorge'

A short video of the new 'Iron Trail' made by Harper Adams students was also shown.

52 people attended the evening. Attendees had the opportunity to look at displays showing the work of the volunteers

Staff were available to answer any queries or concerns that visitors had and to discuss any future work plans that the Trust was hoping to carry out.

Community Events

The Trust continues to work with other organisations to support local community events which attracted many hundreds of visitors. Supporting such events allows the Trust to engage with people that may not be aware of the work and activities that the Trust carries out, or the opportunities available to them to enjoy and use the land managed by the Trust. Some of the events supported included Apple Day, Ironbridge Walking Festival and the World Heritage Site Festival.

Partnership Working

We've strengthened and developed partnerships with a wide range of organisations and individuals for the benefit of local communities, visitors and wildlife. Successful partnership working allows us to develop new areas of work, including 'Outdoor Learning', environmental arts and alternative land management techniques.

- South Telford Rights of Way Partnership to improve access and encourage people to use the rights of way network
- Telford Green Spaces Partnership to share ideas and training on managing open spaces
- The World Heritage Site Steering Group
- Woodside Green Spaces Strategy Group
- Shropshire Geological Society
- Lodge Field Group
- Friends of Rough Park
- Ironbridge Meadows and Pastures group

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

- Ironbridge Gorge Museum Trust
- University of Birmingham (Ironbridge Institute)
- Natural England
- Harper Adams University College
- Forestry Commission
- Environment Agency
- English Heritage
- National Trust
- Deer Initiative
- Neighbouring farmers and landowners in developing a deer management programme
- Natural Fibre Company

Community engagement is essential to the success of all of our work; we aim to work with local communities to engage people of all ages through events, volunteering opportunities and education to ensure the sustainability of our 'Outdoor Learning' programme.

The active involvement of local people is also vitally important in the management of the land in the Severn Gorge. Local people have a strong interest in their local environment and the Trust is keen to harness the help of local residents to act as its 'eyes and ears' reporting any problems and suggesting improvements.

The Trust tries to ensure a rapid response to issues. People are informed about any management work by talking to neighbours, putting detailed information up on site, providing articles for local newsletters and giving details of work on the Trust's website.

With the increase in popularity and usage of social media sites the Trust now regularly uses both Facebook and Twitter to give out information on the work that it is doing. Regular updates on the work of the volunteers and the 'Outdoor Learning' courses ensure that followers are able to access up to date information. These outlets are also brilliant for disseminating information on potential problems such as road closures, flooding etc.

FUTURE PLANS

In 2016/2017 the Trust's focus will be to continue to promote, protect and conserve the landscape of the Ironbridge Gorge World Heritage Site

Key Projects include:

- Upgrading Bower Yard Picnic Site (via the Bags of Help grant from Tesco) as the central Ironbridge World Heritage Site picnic area. This will involve clearing trees to open up the site, installation of a circular path to include 2 new accessible picnic tables. We will also be interpreting the fascinating industrial history of the site which was a former brick works and entry to a boat yard, to continue our interpretation plan for the IGHWS landscape.
- Developing a working relationship with the Natural Fibre Company to sell the yarn from our flock of Soay sheep.
- Continuing to develop the Deer Management programme.
- Holding an Open Day to celebrate the 25th Anniversary of the Trust.
- Celebrating 10 years of the Volunteering programme.
- Carrying out conservation Works on the historic Maws wall in Jackfield to include replacing large sections of spalled (frost and water damaged) bricks and producing an interpretation board to explain its relation to one of the earliest Dressler kilns in the UK.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

- Re-pointing the base of the historic stone wall on Legges Way to complete a conservation programme which has taken place over several years.
- Use a technique called hot liming to repoint some failed pointing as part of a long term conservation plan on Benthall Edge Lime kilns, one of the earliest lime kilns within the World Heritage Site.
- Continue a partnership with the Royal Botanic Gardens Kew, to create a deposit of wildflower seeds from the Ironbridge Gorge World Heritage Site with our volunteers to deposit in their Millennium Seed Bank to protect it for future generations.
- Distributing the new Exploring Ironbridge Gorge leaflet, as part of our continuing plans to encourage both visitors and local people to explore the heritage and landscape of the World Heritage Site.
- Planning and delivering phase 2 of our Continuous Cover Forestry project within Sutton Wood, based on timber measurements, ecological and ornithological surveys to increase biodiversity and timber quality.
- Continuing to work to ensure the long term financial sustainability of the Trust.

Financial Review

The majority of the Trust's income is generated from rents received on commercial properties in the Telford area. The Trust in conjunction with Telford & Wrekin Council's Land and Property Services (who manage the properties on the Trust's behalf) have continued to work hard over the last 12 months to modernise the property portfolio to try to ensure that in the long term it is able to provide sufficient income to enable the Trust to deliver its core activities. One of our largest properties, Whitechapel House, is now occupied on a long term let, and the sale of properties in Ironbridge should be completed in the new financial year. The capital from the sale of these properties will be invested in Whitechapel House for a period of up to two years until a suitable long term investment is found.

The Trust continues to apply for grants from a variety of sources, but is careful not to stray from its aims and objectives when looking for potential funding sources.

Income was generated largely from:

- rentals received on commercial properties in the Telford area. (The need for a balancing package to provide sufficient income for the annual upkeep of the sites was recognised when the Trust was established. A package of commercial properties was transferred to Telford and Wrekin Council. They own the freehold of these income generating properties and are responsible for their management. They are covenanted to pay 85% of the income generated to the Trust to cover the cost of maintaining the land in the Gorge).
- investments purchased by the Trust. These consist of Charity Investment funds, and an interest paying Bank Account.
- grants.
- small amounts from book sales/room hire/timber sales.
- Outdoor Learning workshop bookings.

We received £177,497 in income from the rental properties, fishing and grazing rights compared to £201,776 last year. The downturn in income is due to a rent free incentive given to the new occupants of Whitechapel House and the vacant properties in Ironbridge.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

Interest and dividends provided £13,355 compared to £12,366 last year reflecting the slight upturn in interest rates and higher investment returns.

£50 was received from the sale of books published by the Trust to encourage more people to visit our sites. Our free walks leaflets are also available. £180 was received from room hire. The community room is available for hire by local groups.

£3,429 was generated by the 'Outdoor Learning' programme. The courses are set at a very reasonable price to enable as many people as possible to attend. Course costs cover tutor fees and materials.

Grants to help with our work

In support of its activities, the Trust received £36,100 from a wide number of bodies and is very grateful to them all for their help and assistance:

Forestry Commission the Forestry Commission contributed £3,292 to development of a new Woodland Management Plan to enable the Trust to apply for the new Countryside Stewardship scheme.

Defra – Higher Level Stewardship Scheme

This year, the Trust received £3,667 in grant aid from this programme. Now into its sixth year of a ten year programme, the Higher Level Stewardship Scheme supports the work the Trust is undertaking to manage its meadows.

Veolia Telford & Wrekin Envirogrant

£510 was received from Veolia Telford & Wrekin Envirogrant towards the purchase of hedge laying axes for the volunteer programme

Sport England

The Trust has been working in partnership with Dawley Angling Society to improve the state of the fishing pegs and footpath along the River Severn which had been damaged due to the long term effects of flooding. £21,473 has been received to date.

A & N Danielle Charitable Trust

£500 was received from the A & N Danielle Charitable Trust towards an interpretation panel for the area around Maws Wall. Work will start on the repairs to this structure mid-2016 and research on the panel will be undertaken to tell more of the history of the site.

Councillors Pride Fund

£1,000 towards the Trust's 25th Anniversary Celebration Day was received from Telford & Wrekin's Councillor's Pride Fund. This money will be put towards the cost of publicity and demonstrators for the open day in July 2016.

The Gorge Parish Council

A grant of £920 was received from the Gorge Parish Council towards the cost of re-printing the Exploring the Gorge leaflets.

Legacies

The Trust was very grateful to receive a legacy donation of £363 from the estate of Mrs Margaret Evans. This donation will go towards a butterfly survey in Patten's Rock Quarry.

Investment policy, powers and performance

Trustees are responsible for the financial policies under which the Trust is managed. Under the Memorandum and Articles of Association, the Trust has the power to deposit or invest funds.

The Investment Policy of the Trust is:

- for the capital invested to maintain its value whilst building up a dependable, growing stream of income that will keep pace with inflation.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

The Trust also maintains an ethical investment policy and does not invest in markets or investments that would directly conflict with its objectives.

During the year the Trust has continued to review its investments in order to maximise returns whilst managing risk, as far as reasonably possible. In a financial environment with historically low interest rates and moderate levels of financial risk, the Trust's investments have generated an acceptable return. Investments held in Universal Liquidity Funds with Standard Life Wealth were transferred to the Julian Hodge Bank. This investment was held to enable the Trust to withdraw cash quickly if necessary. The current need to withdraw funds has reduced and a higher return was available with the Julian Hodge Bank. £41,984 is currently held in this account. The Trust's investment portfolio value now stands at £319,232, with an additional £107,089 being held in various higher interest bank accounts.

Reserves policy

Reserves are an inherent part of the Trust's risk management process. The need for reserves will vary depending on the Trust's financial position and our assessment of the many risks the Trust faces at a particular time.

The need to build up reserves will be taken into account in the annual planning and budgeting process.

The reserves policy balances the need to build up long-term reserves against the need for short term spending on the Trust's core purposes.

Funds

The Trust's funds are divided between unrestricted funds, restricted funds and designated funds.

The designated funds and their specific purposes are detailed below:

Long Term Income Fund

The purpose of this fund is to provide income for the Trust's core work during the rental income modernising process, provide protection against additional voids that may occur and provide a dependable, growing stream of income that will keep pace with inflation, thus enabling the Trust to fulfil its objectives. £20,000 will be transferred each year (when income levels allow) into this fund. No transfer took place in 15/16 as there was insufficient income received from the rental properties to cover this cost. However the interest and dividends generated by Standard Life Investments has been retained. This equated to £10,362.

Should the rental income drop below the level that is required to fulfil the basic obligations of the Trust then money will be withdrawn from the fund to cover this expenditure. The balance held in the Long Term Income Fund as at the 31 March 2016 is £426,322.

New Accommodation Fund

This fund was created to set aside money to be used to fund the new office accommodation for the Trust. Money that had previously been held in the Long Term Income fund has been released into the New Accommodation Fund. The balance of the fund is £202,400. This fund will be used in conjunction with the restricted grant funding from the NHS and the Alcoa Foundation. This fund will be written down over a 50 year period as part of the new office depreciation calculation.

The Land and Structures Contingency Fund was created to allow appropriate responses to substantial problems arising from geotechnical features, structures such as walls, land instability, drainage and watercourses.

Since 2003 the Trust has commissioned a programme of regular visual inspections of all known built structures on Trust land and a geotechnical inspection of Jiggers Rock face, as part of its risk management processes

£10,000 will be transferred to the fund each year (when income levels allow) and the work undertaken when sufficient funds have accumulated. Some works may be able to be undertaken at an earlier date if external funding becomes available. The balance of the fund as at 31 March 2016 was £22,356.

SEVERN GORGE COUNTRYSIDE TRUST TRUSTEES' REPORT 31 MARCH 2016 – continued

Pension Scheme

In common with other charities with defined benefit pension schemes, our pension scheme shows a deficit which stood at £190,000 at 31 March 2016 (£200,957, last year) and, under UK accounting standards we are required to account for this deficit.

At the last valuation, the contribution rate to be paid into the Shropshire County Pension Fund was assessed in two parts. First a standard contribution rate was determined. This is the contribution, expressed as a percentage of the salaries of staff. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that the accumulated liabilities of the pension for benefits to past and present staff, are not fully covered by the standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the standard contribution rate and the supplementary contribution rate.

Shropshire County Pension Fund has been working hard over the last few years to reduce the pension deficit and has set out a clear framework in which to achieve this over the next 17 years.

Trustees responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires Trustees to prepare financial statements for each financial year. The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Trustees are required to:

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

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

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditor is unaware.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Committee of Management on 28 September 2016
and signed on its behalf by:



Louise Lomax
Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEVERN GORGE COUNTRYSIDE TRUST

We have audited the financial statements of The Severn Gorge Countryside Trust for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied to their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the 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 set out on page 16, the Trustees (who are also directors of The Severn Gorge Countryside Trust for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 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 Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially 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 THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEVERN GORGE COUNTRYSIDE TRUST

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees Report 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

.....
Oliver Ross BSc(Hons) FCA (Senior Statutory Auditor)
For and on behalf of Muras Baker Jones Limited
Chartered Accountants and Statutory Auditor

Regent House
Bath Avenue
Wolverhampton
WV1 4EG

28 September 2016

SEVERN GORGE COUNTRYSIDE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (being INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2016

	Notes	General Fund £	Designated Funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
INCOMING RESOURCES						
INCOMING RESOURCES FROM GENERATED FUNDS						
Rents received	4	177,497	-	-	177,497	201,776
Grants	4	33,681	-	2,420	36,101	38,629
ACTIVITIES TO GENERATE FUNDS						
Investment income		2,211	11,143	-	13,354	12,365
Other income		6,161	-	-	6,161	5,872
Gifts and Donations		4,203	-	363	4,566	21,978
Total Incoming Resources		223,753	11,143	2,783	237,679	280,620
RESOURCES EXPENDED						
COSTS OF GENERATING FUNDS						
Costs of generating voluntary income	5	5,120	-	-	5,120	4,725
CHARITABLE ACTIVITIES						
Woodland/Countryside Management	5	188,567	3,683	1,484	193,734	170,764
Access	5	50,836	854	358	52,048	31,186
Projects	5	40,976	206	387	41,569	45,627
GOVERNANCE COSTS	5	15,626	1,735	-	17,361	14,359
Total Resources Expended		301,125	6,478	2,229	309,832	273,369
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS						
		(77,372)	4,665	554	(72,153)	7,251
Transfers between Funds		30,781	(10,781)	(20,000)	-	-
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		(46,591)	(6,116)	(19,446)	(72,153)	7,251

SEVERN GORGE COUNTRYSIDE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (being INCOME AND EXPENDITURE ACCOUNT) continued

For the year ended 31 March 2016

	Notes	General fund £	Designated funds £	Restricted Funds £	Total Funds 2016 £	Total funds 2015 £
OTHER RECOGNISED GAINS AND LOSSES						
Gains/(losses) on Investments - realised		-	-	-	-	-
Gains/(losses) on Investments - unrealised		-	(15,677)	-	(15,677)	28,431
Pension scheme actuarial (losses)/gains	14	25,450	-	-	25,450	(81,000)
NET MOVEMENT IN FUNDS		(21,141)	(21,793)	(19,446)	(62,380)	(45,318)
BALANCES BROUGHT FORWARD AT 31 MARCH 2015		27,154	662,875	106,803	796,832	842,150
BALANCES CARRIED FORWARD AT 31 MARCH 2016		6,013	641,082	87,357	734,452	796,832

SEVERN GORGE COUNTRYSIDE TRUST

BALANCE SHEET

At 31 March 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	6	416,001		427,457	
Investments	7	319,232		364,222	
			<hr/>		<hr/>
		735,233		791,679	
CURRENT ASSETS					
Debtors	8	33,320		43,278	
Investments	9	137,826		85,000	
Cash at bank and in hand		67,128		121,878	
			<hr/>		<hr/>
		238,274		250,156	
CREDITORS - amounts falling due within one year					
	10	(49,055)		(44,046)	
			<hr/>		<hr/>
NET CURRENT ASSETS		189,219		206,110	
Pension scheme funding deficit	14	(190,000)		(200,957)	
			<hr/>		<hr/>
NET ASSETS		734,452		796,832	
			<hr/> <hr/>		<hr/> <hr/>
FUNDS:					
General fund	13	6,013		27,154	
Designated funds	13	566,293		572,409	
Restricted funds	13	87,357		106,803	
Revaluation funds	13	74,789		90,466	
			<hr/>		<hr/>
MEMBERS' FUNDS		734,452		796,832	
			<hr/> <hr/>		<hr/> <hr/>

These accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Committee of Management on 28 September 2016 and signed on its behalf by:-



Louise Lomax
Chair

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

1. ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

The Financial Statements are prepared under the historical cost convention (modified to include the revaluation of fixed asset investments), and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), the Companies Act 2006 and follow the recommendations in Accounting and Reporting by Charities : Statement of Recommended Practice (FRSSE).

b) INCOMING RESOURCES

Rental income is included when receivable.

Income from contracting projects is recognised when receivable.

Grants are recognised in full in the Statement of Financial Activities when receivable.

Income from investments and other income, including small sales of timber and refunds, are included when receivable.

c) RESOURCES EXPENDED

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT, which cannot be recovered.

The proportion of employees time spent fundraising is shown as costs of generating voluntary income.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration on each activity is apportioned based on the direct costs incurred for each.

d) DEPRECIATION

Depreciation is provided on the cost of fixed assets to write off the cost less estimated residual value of each asset over its estimated useful life at the following rates:

Freehold property	Depreciated over 50 years
Fixtures & Equipment	33 ¹ / ₃ % straight line
Plant and Machinery	10% straight line
Motor vehicles	20% straight line/33 ¹ / ₃ % straight line

e) INVESTMENTS

Investments held as current assets are stated at the lower of cost and net realisable value.

Investments held as fixed assets are revalued annually and the aggregate surplus or deficit is transferred to Revaluation Reserve.

f) GENERAL FUND

This represents unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the Trust.

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

1. ACCOUNTING POLICIES (Continued)

g) DESIGNATED FUNDS

- i) Long Term Income Fund - this fund arises from the combining of the Income Security Fund and the Long Term Development Reserve and reflects monies held within Fixed and Current Asset Investments. The purpose of the fund is to provide additional income for the Trusts core work when rental income declines as properties reach the end of their expected commercial 'life' circa 2015 to 2025.
- ii) Land and Structures Contingency - this reserve reflects monies held within current asset investments. The reserve has been created to cope with expenditure arising as a result of land instability, drainage and watercourse issues and potential problems with existing structures.
- iii) New Accommodation Fund - the reserve has been created to set aside funds towards the new office accommodation for the Trust.
- iv) Vehicle Fund - the reserve has been created to set aside funds towards the purchase of a new vehicle for the Trust.

h) RESTRICTED FUNDS

These represent grants received for specified projects, the use of each grant being restricted to that project.

i) PENSION COSTS

The company contributes to a Defined Benefits pension scheme for certain employees. Rates are set by the Scheme Actuary and advised to the company by the Scheme Administrator. This scheme is being accounted for under FRS17 with the annually calculated notional surplus or deficit on the funding of the Scheme shown in the Accounts within the general fund, which is deducted from Unrestricted Funds in the balance sheet. The directors believe that the scheme currently meets statutory minimum funding requirements. It is intended that the level of annual contributions to the scheme will be adjusted following the next detailed actuarial valuation. The directors note that the calculated notional deficit or surplus calculated under FRS17 can vary greatly from year to year depending on the assumptions made at the valuation date, but with normally little or no effect on short term cashflows.

2. (DEFICIT)/SURPLUS FOR THE YEAR

The (deficit)/surplus for the year is stated after charging:

	2016	2015
	£	£
Auditors' remuneration (Including VAT)	2,040	1,980
Depreciation of tangible fixed assets	13,414	16,112
	<u>15,454</u>	<u>18,092</u>

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

3. STAFF COSTS

	2016 £	2015 £
Wages and salaries	103,919	101,545
Social security costs	7,848	7,674
Other pension Costs	27,000	21,000
Other costs	11,682	6,575
	<u>150,449</u>	<u>136,794</u>

No employee received emoluments of more than £60,000.

No members of the Committee of Management received any remuneration in the year (2015 - £Nil). Apart from members of the Committee of Management, the company had 5 employees at 31 March 2016 (2015 - 4).

4. INCOMING RESOURCES FROM GENERATED FUNDS

	General fund £	Restricted funds £	Total 2016 £	Total 2015 £
Rents received	177,497	-	177,497	201,776
Grants:				
Forestry Commission	3,292	-	3,292	8,001
Telford and Wrekin Council	-	-	-	-
Natural England - Higher Level Stewardship Scheme	3,667	-	3,667	18,317
Small Woods Association	1,100	-	1,100	1,100
Gorge Parish Council	-	920	920	-
A&N Daniell Trust	-	500	500	-
Veolia	510	-	510	10,700
Sport England	21,474	-	21,474	-
T&W - Cllrs Pride Fund	-	1,000	1,000	-
Other	3,638	-	3,638	511
	<u>211,178</u>	<u>2,420</u>	<u>213,598</u>	<u>240,405</u>

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

5. TOTAL RESOURCES EXPENDED

	Generating voluntary income £	Woodland/ countryside management £	Access £	Projects £	Governance costs £	Total 2016 £	Total 2015 £
Direct costs	-	88,914	21,456	5,189	-	115,559	92,793
Employee costs	5,120	78,296	24,192	34,833	8,008	150,449	136,794
Insurance	-	5,209	1,257	304	-	6,770	7,236
Transport	-	3,182	768	186	-	4,136	3,010
Office and other costs	-	7,811	1,885	455	1,128	11,279	11,381
Trustee support	-	-	-	-	339	339	265
Professional costs	-	-	-	-	7,886	7,886	5,778
Depreciation	-	10,322	2,490	602	-	13,414	16,112
	<u>5,120</u>	<u>193,734</u>	<u>52,048</u>	<u>41,569</u>	<u>17,361</u>	<u>309,832</u>	<u>273,369</u>

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

6. TANGIBLE FIXED ASSETS

	Plant and machinery £	Long leasehold property £	Motor vehicle £	Fixtures & equipment £	Total £
COST:					
At 1 April 2015	9,000	457,646	57,579	28,116	552,341
Additions	-	-	-	1,958	1,958
At 31 March 2016	9,000	457,646	57,579	30,074	554,299
ACCUMULATED DEPRECIATION:					
At 1 April 2015	150	43,760	57,038	23,936	124,884
Charge for the year	900	8,752	541	3,221	13,414
At 31 March 2016	1,050	52,512	57,579	27,157	138,298
NET BOOK VALUE:					
At 31 March 2015	8,850	413,886	541	4,180	427,457
At 31 March 2016	7,950	405,134	-	2,917	416,001

7. FIXED ASSET INVESTMENTS

	2016 £	2015 £
Balance brought forward	364,222	317,400
Additions	214,000	18,393
Disposals	(243,313)	-
Revaluation adjustment	(15,677)	28,429
Balance carried forward	319,232	364,222
Historical cost of investments held at 31 March 2016	322,328	300,416

Investments are acquired to provide fixed funding for certain of the Designated Funds set up by the Trust (see Note 13).

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

7. FIXED ASSET INVESTMENTS (Continued)

	2016		2015	
	Original cost £	Market value £	Original cost £	Market value £
Black Rock				
- Charinco Common Investment fund				
- Distribution Units	20,000	19,082	20,000	19,590
Standard Life				
- Newton Growth & Income For Charities	-	-	150,874	204,196
- Offshore Fixed Interest	88,328	94,565	88,832	98,463
- Mellon Liquidity Funds	-	-	40,710	41,973
- Offshore Income Fund	214,000	205,585	-	-
	<u>322,328</u>	<u>319,232</u>	<u>300,416</u>	<u>364,222</u>

8. DEBTORS

	2016 £	2015 £
Trade debtors	26,982	37,160
Other debtors	6,338	6,118
	<u>33,320</u>	<u>43,278</u>

9. CURRENT ASSET INVESTMENTS

	2016 £	2015 £
Short term deposits	137,826	85,000
	<u>137,826</u>	<u>85,000</u>

10. CREDITORS - amounts falling due within one year

	2016 £	2015 £
Trade Creditors	49,055	44,046
	<u>49,055</u>	<u>44,046</u>

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

11. MEMBERS' GUARANTEE

Severn Gorge Countryside Trust is a company limited by guarantee. Members' liability under the Memorandum of Association is limited to £1 each and the liability continues for one year after the cessation of membership.

12. TAXATION STATUS

The company is a charity under the provisions of the Income and Corporation Taxes Act 1988.

13. STATEMENT OF FUNDS

	At 1 April 2015	Income	Expend- iture	Other recognised gains/ (losses)	Trans- fers	At 31 March 2016
	£	£	£	£	£	£
General Fund	27,154	223,753	(301,125)	25,450	20,781	6,013
Designated Funds						
Vehicle Fund	-	-	-	-	-	-
Long Term Income Fund	342,909	11,143	(1,734)	-	(10,781)	341,537
Land and Structures Contingency	22,500	-	(144)	-	-	22,356
Accommodation Fund	207,000	-	(4,600)	-	-	202,400
Revaluation Reserve	90,466	-	-	(15,677)	-	74,789
	662,875	11,143	(6,478)	(15,677)	(10,781)	641,082
Restricted Funds						
Alcoa Grant	8,212	-	(182)	-	-	8,030
Benthall Edge Primary Care Trust	20,000	-	-	-	(20,000)	-
- New Office project	78,591	-	(1,747)	-	-	76,844
Community Pride	-	1,000	(300)	-	-	700
Gorge Parish Cnl	-	920	-	-	-	920
A&N Daniell Trust	-	500	-	-	-	500
Legacy Fund	-	363	-	-	-	363
	106,803	2,783	(2,229)	-	(20,000)	87,357
Total Funds	796,832	237,679	(309,832)	9,773	-	734,452

The Reserves are all distributable with the exception of the Revaluation Reserve.

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

13. STATEMENT OF FUNDS continued

The assets comprising each Fund at 31 March 2016 are as follows:

	Tangible fixed assets £	Fixed asset investments £	Current asset investments £	Total £
Accommodation Fund	202,400	-	-	202,400
Long Term Income Fund	-	282,381	69,156	351,537
Revaluation Reserve Land and Structures	-	74,789	-	74,789
Contingency	-	-	22,356	22,356
Restricted Funds	87,357	-	-	87,357
	<hr/>	<hr/>	<hr/>	<hr/>
	289,757	357,170	91,512	738,439
	<hr/>	<hr/>	<hr/>	<hr/>

Fund transfers

Long term income fund. The transfer of £781 to general reserve relates to the transfer of dividend income on Charinco investments. A further transfer of £10,000 has been made to the general reserve to cover the reduction in rents received this year.

General fund. The transfer of costs of £20,000 to restricted funds represents amounts spent on the repair of Benthall Edge.

Purpose of Designated Funds

These are detailed in note 1(g) to the financial statements and also in the Trustees Report.

Purpose of Restricted Funds

These represent grants received and related expenditure in respect of specific projects as outlined above.

14. PENSIONS

Defined Benefit Scheme

The company is a member of the Shropshire County pension fund which operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was as at 31 March 2013. The company receives annual reports from the pension scheme which identify its share of the assets and liabilities of the scheme.

The pension charge for the year, against which employer contributions paid over to the scheme amounted to £18,507 (2015 - £18,005), together with the actuarial gains and losses on the scheme for the year is recognised in the statement of Financial Activities in accordance with FRS17.

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

14. PENSIONS continued

The most recent actuarial valuation showed that the market value of the scheme's assets was £1,235m and that the actuarial value of those assets represented 76% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

The company's share of the market values of the main asset classes, at the year end were:

	2016		2015	
	%	£000s	%	£000s
Equities	50.5	274	52.0	273
Government Bonds	11.1	60	11.1	58
Other Bonds	14.6	79	14.4	75
Property	5.5	30	4.1	21
Cash/liquidity	1.7	9	3.1	16
Other	16.6	90	15.3	80

The assets of the Scheme are included in the accounts at open market value as at the year-end, and the liabilities have been calculated using the following actuarial assumptions:

	2016	2015
	%	%
Rate of increase in salaries	3.5	3.5
Pension increases	2.0	2.0
Rate of discount	3.6	3.3
Inflation - RPI	-	-
- CPI	2.0	2.0

The liabilities are determined using the projected unit method as distinct from the aggregate method used in the triennial valuation. Under the projected unit method, the current service costs will increase as the members of the scheme approach retirement. On this basis, the calculated notional funding position, in respect of the Scheme at 31 March 2016, and at previous year-end, was as follows:

	2016	2015
	£000s	£000s
Value of market assets	542	523
Value of accrued liabilities	(732)	(725)
	<hr/>	<hr/>
Deficit	(190)	(202)
	<hr/> <hr/>	<hr/> <hr/>

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

14. PENSIONS continued

The actuary has confirmed that the valuation made above under the requirements of FRS17 does not indicate that there is either an immediate funding requirement or any immediate need to change the agreed contribution rates currently in force. The actuary has excluded from both assets and liabilities items which have neutral effect on the Scheme's financial position i.e. additional voluntary contributions, annuities secured in respect of pensions in payment and insurance contract for death in service benefits.

The charge to the Statement of Financial Activities over the financial year comprised:

	2016 £000s	2015 £000s
Operating charge		
Current service cost	27	21
Past service cost/(gain)	-	-
	<hr/>	<hr/>
	27	21
	<hr/>	<hr/>
Other finance income		
Expected return on pension scheme assets	(18)	(24)
Interest on pension scheme liabilities	24	25
	<hr/>	<hr/>
Net interest/(return)	6	1
	<hr/>	<hr/>
Total charge to expenditure in the SOFA	33	22
	<hr/> <hr/>	<hr/> <hr/>

The actuarial gains and losses shown in the Statement of Financial Activities comprised:

	2016 £000s	2015 £000s
Difference between expected and actual return on assets	19	29
<i>Percentage of scheme assets at year-end</i>	3.5%	5.5%
Experience (losses)/gains arising on the scheme liabilities	46	110
<i>Percentage of present value of scheme liabilities at year-end</i>	6.3%	15.2%
Total	65	139
<i>Percentage of present value of scheme liabilities at year-end</i>	8.9%	19.2%

SEVERN GORGE COUNTRYSIDE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

14. PENSIONS continued

Movement in balance sheet deficit figures during the year:

	2016 £	2015 £
Deficit in scheme at 31 March 2015	(200,957)	(115,962)
Movement in year		
Current service cost	(27,000)	(21,000)
Past service (cost)/gain	-	-
Net interest/return on assets	(6,000)	(1,000)
Contributions	18,507	18,005
Actuarial gain/(loss)	25,450	(81,000)
	<hr/>	<hr/>
Deficit in scheme at 31 March 2016	(190,000)	(200,957)
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Following the full actuarial valuation at 31 March 2013 the expected employer contributions for 2016/2017 are at the rate of 15.5% of pensionable pay plus an additional contribution of £2,400.

15. CAPITAL COMMITMENTS

At 31 March 2016 the company had capital commitments amounting to £nil (2015 - £nil).