

British Dragonfly Society



Annual Report and Unaudited Financial Statements for the year ended 31 March 2022

Registered Charity No 1168300 (England and Wales)
SC049416 (Scotland)

British Dragonfly Society

Registered Charity No 1168300

Legal and Administrative Information

Patron

Sir David Attenborough OM CH FRS

President

Mike Dilger

Charity's principal address

Ashcroft, Brington Road, Old Weston, Huntingdon, Cambridgeshire PE28 5LP

Trustees and Committee Members as at 31st March 2021

Mr Brian Walker, Chair

Mr Tim Coleshaw, Vice Chair

Ms Carolyn Cooksey, Hon. Secretary

Dr Pam Taylor, Convenor of Dragonfly Conservation Group

Mr Peter Brown

Mr John Winterbottom (resigned 16th February 2022)

Mrs Candis Collins (resigned 14th March 2022)

Mr Tom Cunningham (resigned 27th November 2021)

Staff

Miss Eleanor Colver, Conservation Officer

Ms Daniele Muir, Scottish Officer (Conservation)

Ms Andrea Hudspeth, Scottish Officer (Projects)

Mrs Sarah Miller, Fundraiser

Miss Fiona McKenna, Conservation Outreach Officer

Bankers

The Bankers of the Society are Lloyds plc and CCLA Investments.

BRITISH DRAGONFLY SOCIETY

CONTENTS

	Page
Trustees' report	1 - 10
Independent examiner's report	11
Statement of financial activities	12 - 13
Balance sheet	14
Notes to the financial statements	15 - 26

BRITISH DRAGONFLY SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note to the financial statements and comply with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

1. About the Society

Aims

The aims of the British Dragonfly Society (BDS), as stated in Article II of our Constitution, are *"to promote and encourage the study, conservation and understanding of Odonata and their natural habitats, especially in the United Kingdom, and to raise public awareness of dragonflies"*.

Membership is open to anyone with an interest in the aims of the Society. The BDS is a non-profit making Society with no political affiliations or stance.

Study and conservation

Within the BDS there are two main inter-linked areas of interest, dragonfly recording and dragonfly conservation. The first of these involves encouraging individual enthusiasts to collect and submit records to the BDS Recording Scheme. These records are reviewed by County Dragonfly Recorders (CDR) to check accuracy and ensure that the data is validated. The purpose of these records is not simply to document what is present, but also to identify topics and aspects which would benefit from research and inform the second main area of interest, that of dragonfly conservation. Records help us to understand the value of a site and information about population size and breeding behaviour allows us to assess the importance of an area for species survival. Dragonflies are good indicators of the health of a habitat; if they are thriving then it is a good indication that the smaller insects on which they prey are also abundant and thus that there is a high level of biodiversity. Any variation in distribution or population size can indicate that changes on a wider environmental scale are occurring and need to be investigated.

Education and training are important tools in conservation and have become an increasingly important aspect of our work. Raising public awareness is vital because people need to appreciate something and recognise its value in order to want to preserve it, so providing information to an ever-widening audience is an important objective for the BDS. We aim to share the knowledge gained with both those working in conservation and with the general public. This is achieved both through direct contact and through public events, other meetings and publicity in the national press and social media.

2. Chair's Overview

The Covid 19 pandemic continued to have an impact on our activities although it was possible to run some field meetings while observing suitable precautions. These included successful launch events for Dragonfly Hotspots at Whisby in Lincolnshire and Exbury Gardens in Hampshire. Our Annual

BRITISH DRAGONFLY SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Members Meeting including our AGM and our Spring Meeting were again held on-line and achieved a high level of attendance. Our previously postponed Scottish conference was also held on-line in April 2021 and was well attended. We have continued to see an increased level of interest in dragonflies and nature more generally from the public and this has undoubtedly been aided by the increased use of social media to communicate information and articles.

Three of our Trustees resigned during the year for personal reasons unconnected with the Society. We are anxious to strengthen the Trustee Board and add to the knowledge and experience available to the Board. We have started seeking applications to join the Board with a view to putting suitable candidates forward for election at the next AGM.

Our State of Dragonflies 2021 Report was published in September 2021 and received a good level of media coverage with a number of staff and volunteers interviewed on TV and radio as well as press coverage. Visits to our website spiked immediately following the publication with over three times the normal level of traffic with a focus on visits to dragonfly identification pages. The conclusions of the Report are summarised later but its publication had a valuable impact on raising awareness of dragonflies and of BDS.

We completed a review of our Strategy for the next five years having sought an input from members and taken their views into account. The draft strategy is published on our website ([Strategy 2022-2026 - British Dragonfly Society \(british-dragonflies.org.uk\)](https://british-dragonflies.org.uk/strategy-2022-2026)) and work is now underway to formulate action plans on the individual strands of the strategy.

A key development in the year was a major habitat restoration and creation project for Northern Damselfly in Scotland. This was possible through the provision of funding from Cairngorms National Park and resulted from the detailed survey of known sites for the species which noted a significant reduction in the condition of many ponds and the disappearance of some through natural progression to scrub. This is the largest restoration project which BDS has managed. Some final work still needs to be completed at the end of the year, but then the habitat will have been improved at 11 ponds and 12 new ponds created close to existing ponds and to provide stepping stones between sites.

3. Funding Successes

We were awarded a further three years funding at £25k/year by John Ellerman Foundation and towards the end of the year we were awarded a grant of £25K from Impact Funding Scotland to develop volunteering opportunities in Scotland, particularly for those with disadvantages who find it more difficult to get involved. We also encouraged donations from Members to fund our work at Dragonfly Hotspots and this attracted a very positive response with an increase in donations being received and a large donation to fund an interpretation board at Llangorse Lake in the Brecon Beacons, which will be launched as a Dragonfly Hotspot in 2022. We have had further enquiries about providing funding for a Dragonfly Hotspot which are being progressed. We continue to receive a grant from NatureScot to support our work in Scotland.

4. Conservation and Outreach in England and Wales

Our conservation focus in England and Wales remains with Southern Damselfly, Norfolk Hawker and White-faced Darter, the three species of dragonfly in this area that are listed as Endangered on the Odonata Red List. Work has started on reviewing the Odonata Red List and this will require careful consideration of the status of Norfolk Hawker as it is now being found at sites away from its previously restricted range in the Norfolk Broads and appears to be establishing new breeding populations, either through spreading from the traditional sites or through immigration from the Continent and most likely a combination of these reasons.

We continued our involvement in projects to reintroduce White-faced Darter to sites where the habitat is suitable. This is a species which has been declining in England, at least partially from loss of habitat. We have also continued to have discussions with the aim of improving the habitat for Southern Damselfly at sites where the population has declined and potential re-introduction sites where habitat has been restored and could now support the species.

Our outreach activities are intended to connect the public with dragonflies and to highlight the importance of their habitats to the overall health of the environment. Our approach to date has been through walks and talks at suitable sites and particularly at Dragonfly Hotspots. We were only able to run a limited programme of such events in the current year because of the pandemic and the focus remained on using social media to promote dragonflies and their habitats, with a particular focus on garden ponds. This included promoting our annual PondWatch weekend with a series of activities on social media as well as our regular Dragonfly Week. Our intention is to continue to highlight the importance of garden and community ponds in the future as we believe that they make an important contribution to personal well-being as well as providing habitat for dragonflies.

Communications remain important and our monthly email Newsletter "Hawker" has continued to develop during the year with the circulation continuing to increase beyond our membership. (It rose from 2441 to 3094 subscribers in the year.) While we hope new subscribers will decide to join the Society, the key aim of the publication is to raise awareness about dragonflies and their habitats more generally. Communication via social media continues to increase with the number of followers on Facebook at 11k, Instagram at 6k and Twitter at 17k by the year end.

As reported last year we ceased publication of a printed report of Dragonfly Recording activities and replaced it with County Reports on our website. This has been welcomed and has allowed County Recorders to put together reports which reflect the nature of their areas. A summary of the highlights was included in Dragonfly News to provide an overview and point to more detailed information.

Particular points of note were:

- PondWatch weekend was again well received via social media and a special streaming of 'Pete the Pond' was arranged during the event. This was the third successive year for the initiative.

BRITISH DRAGONFLY SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Dragonfly Hotspots were launched at Exbury Gardens in Hampshire at the start of Dragonfly Week and at Whisby Nature Reserve in Lincolnshire at the end of July. Both events were well attended, and TV Presenter Nick Baker was present to perform the opening ceremony at Exbury.
- The Dragonfly Conservation Group reviewed the Priority Site Assessment methodology to make it more streamlined and to reflect the current state of dragonflies in Britain. The Priority Site Assessment allows the BDS to identify the most important sites for dragonflies in the UK and, thus, target them for conservation action.
- Acted as a consultant and stakeholder contributing to the 7th quinquennial review of the Wildlife and Countryside Act 1981 regarding the Odonata legally protected under Schedule 5 of the Act.
- A £2000 grant received from D'Oyly Carte charitable trust funded the re-profiling of a stream at Three Barrows, Purbeck, Dorset to create more suitable breeding habitat for the endangered Southern Damselfly. It also paid for a consultant to survey other potential Southern Damselfly sites in Purbeck and produce a report. This work had been delayed due to the restrictions imposed by the Covid pandemic.
- We continued to provide advice and guidance to those wishing to set up monitoring projects; for example, we provided Odonata monitoring training to volunteers at WT Willington Wetlands to allow them to monitor the effects of beaver reintroduction.
- We continued to provide information and data to other wildlife organisation/partners; for example, we drafted the Odonata section of the WT's State of Nature in Kent 2021 report.

5. Recording and Monitoring

Increasing our knowledge of our dragonflies remains a prime objective and recording is a key contributor to this. The data coming from general recording has allowed us to identify issues which would benefit from more specific study, and we have set up specific projects to address these issues. The restrictions during the recording season in the current year meant that recording for these projects was limited, although some progress was made where appropriate sites were close to volunteers.

Points of note were:

- **National Biodiversity Network Trust's John Sawyer NBN Open Data Award 2021:** This annual award, presented to the BDS in November 2021, recognises organisations that make a significant contribution to open biodiversity data in the UK, and are committed to collecting and sharing wildlife data openly to educate and inform.
- **White-legged Damselfly Investigation:** The project continued in 2021 and further records have been received but these have not yet been fully reviewed. The project will continue in 2022 but will then be reviewed to determine what we have learnt and whether it will continue and whether any more focused work is required. The website provides an update on progress to date. <https://british-dragonflies.org.uk/recording/white-legged-damselfly-investigation/>.

- **Northern Damselfly Survey:** There has been an increased interest in this species following a raised profile on social media and in the media more generally. This has led to an increased level of checking ponds for the species and a small number of new sites have been found. Among these was a site just to the south of Tain, well away from any previously known site and the first to the north of the Great Glen. The habitat at the site is like that at established sites and reasonable numbers were found suggesting that there is an established population. It is unknown whether this is a site which has been previously overlooked or whether it is more recently established. A dedicated page on our website provides information on the project and guidance for volunteers. <https://british-dragonflies.org.uk/recording/northern-damselfly-survey/>
- **New colonists:** We continue to track dragonfly species which are colonising the country, particularly Willow Emerald Damselfly, but the level of interest in recording is also allowing us to monitor the continuing spread of Small Red-eyed Damselfly, an earlier coloniser. There are other migrants which are now in the process of establishing themselves as residents, such as Southern Migrant Hawker and Southern Emerald Damselfly, both of which continued to show an increase in records in 2021. As reported last year an important new site for Dainty Damselfly was also found in the south of Kent in 2020. This is a species which was lost from England after the devastating East Anglian floods in 1953 destroyed the ponds of the isolated population. The species was re-found in Kent in 2010 where it has persisted but only in small numbers until this new find. The new colony at Sandwich Bay has thrived with a peak of 400 individuals at the site in 2021 and at least one new site for the species was found in North Kent in 2021 so this species may also now be becoming firmly established.
- **The State of Dragonflies 2021:** The Report was published on 7 September 2021. The key findings were that 41% of resident and regular migrant species have increased since 1970, while only 11% have declined. This result was regarded as a clear indicator of climate change as range increases have been largely to the north and west of the previous range. Emperor Dragonfly has shown the largest increase in occupancy. However, three species, Emerald Damselfly, Black Darter and Common Hawker, have shown significant declines, although the population of the latter remains stable in Scotland. It is believed that habitat changes are the most likely reason for the declines. However, the reasons why habitats have changed are likely to be complex and include climate change, extreme weather events and changes in land management. Declines are also being seen in Emerald Damselfly and Black Darter populations elsewhere in Europe.

6. Our Work in Scotland

Scotland is important for dragonfly conservation because it supports several species not occurring elsewhere in Britain as well as other species where most of their population is in Scotland. Several species which have previously only occurred to the south of the English/Scottish border are beginning to extend their range into Scotland. This is thought to be due to climate change and monitoring this expansion is of interest for this reason. There is also concern that climatic changes may pose a threat to the species with a more northerly distribution in Britain as a warmer climate may not favour their life cycle and may also adversely affect the habitats that they occupy. These

BRITISH DRAGONFLY SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

species could also to be adversely affected by competition from the species which are now spreading north into Scotland.

While we cannot alter the consequences of climate change, we are trying to monitor what is happening to better understand the issues, through developing a clearer understanding of the current distribution of the key species and the condition of their habitat. Improving habitat conditions and preventing existing sites from being degraded by factors that we can influence are actions that we can take, and these will help to maintain the species and provide a clearer picture of the reasons for any changes which do occur. We therefore have a particular focus on Northern Damselfly and Azure Hawker, which occur only in Scotland within the British Isles, and have a restricted distribution even within Scotland. We are also starting to focus on Northern Emerald, another species found only in Scotland within the UK and also White-faced Darter where the majority of the population is in Scotland despite re-introduction projects in England.

As with other areas of our work, the pandemic continued to have some impact on our planned activities, although to a lesser extent than the previous year. The following were the highlights of the year.

- Following the survey of historic Northern Damselfly sites which revealed a worrying deterioration at many of them due to drying out and infilling, we received funding from Cairngorms National Park to improve habitat at existing ponds, by removing encroaching vegetation and excavations to reverse the process of infilling, and to create new ponds for the species. Once a small amount of work outstanding at the end of the year has been completed the project will have restored the habitat at 11 ponds and created 12 new ponds, an improvement on the target of 10 and 10. The new ponds will provide added habitat and protect against the loss of the species from an area because of a single event where there is a single pond and will increase the potential for the species to spread to further ponds by providing “stepping stones.”
- Surveys for Azure Hawker larvae were carried out on the Corrour Estate where it was found that the shallow bog pools favoured by the species had mostly dried out and only three larvae were found in an area where many had been found during a previous survey in 2020. It was a particularly dry summer in Scotland and there are reports of similar issues from other bog sites. This is a worrying development and it is not known to what extent or how long larvae can survive where pools dry out, something that is likely to occur more frequently as climate change continues. Our staff have held discussions with other estates that host or are likely to host the species and there seems to be a growing interest in the species and its needs among landowners. However, it remains a difficult species to survey because of the nature and remoteness of its sites.
- As noted earlier we were successful in gaining funding for a three-year project from Impact Funding Scotland to increase involvement among volunteers and particularly those with disadvantages which make them less likely to become involved. The project has been slow to move forward because of resources being needed for the Northern Damselfly project but a start has been made and it will be a major focus in 2022.
- It has been possible to carry out some events on site during the year with both pond dipping and habitat restoration events. Our staff have also been involved in on-line events including a larvae identification course as part of the Volunteering Project which 60 people attended.

7. Partnerships

We have continued to cooperate with other organisations with similar aims to gain mutual benefits. Habitats which are attractive to dragonflies also support a wide range of other plants and creatures and working with other bodies and landowners to manage and improve sites which support dragonflies, helps conservation more generally and adds to the attractiveness of sites for visitors.

Dragonfly Hotspot Partners: We have continued to progress the designation and launch of Dragonfly Hotspots but this has been disrupted by the pandemic.

Scottish Partners: We continued our partnership work with Scottish Wildlife Trust, the RSPB, Forestry and Land Scotland (previously Forestry Commission) and National Trust for Scotland, running training courses for their staff and supporting their recording and surveying activities. Cairngorms National Park provided the funding for the habitat restoration and creation work at Northern Damselfly sites. NatureScot (previously known Scottish Natural Heritage) has continued to contribute to the cost of our conservation work in Scotland, this year providing £4,500. We also managed a joint stand with Froglife at the COP26 conference in Glasgow in November 2021.

Ministry of Justice (MoJ): We have continued to liaise with MoJ staff and provided advice to them, but the pandemic has prevented any other activities.

British Trust for Ornithology: We continue to receive records of dragonflies through the Birdtrack and Garden Birdwatch schemes and BTO Mapping Software has been used to allow participants to self-select their survey areas for the White-legged Damselfly Investigation in England and the Northern Damselfly survey in Scotland.

8. A Look Ahead

Our strategy will continue to be to improve our knowledge of our dragonflies, the changes they are undergoing and their needs in terms of habitat condition as well as promoting dragonflies and their place in conservation through public engagement. We want to attract more people to join British Dragonfly Society and become active members by recording dragonflies and/or volunteering to assist in the partnership activities that we are developing.

Points of note are:

- **Dragonfly Hotspot Launches:** We are planning to have launch events for Dragonfly Hotspots at Llangorse Lake in the Brecon Beacons and WWT Steart Marshes in Somerset in July. We will also be holding events at a number of our existing Dragonfly Hotspots with the details publicised through social media and through our website [Events - British Dragonfly Society \(british-dragonflies.org.uk\)](https://british-dragonflies.org.uk) and discussing the creation of further Dragonfly Hotspots with a number of sites. We are keen to develop Dragonfly Hotspots in urban areas to increase the number of people who can access these sites and learn about dragonflies.
- **Strategy:** We will be working to develop detailed plans for the individual elements of the strategy and will continue to encourage feedback from members as these are developed.
- **Conservation:** Following the completion of the State of Dragonflies 2021 report we are considering what work might be appropriate to further study the species which have been

identified as declining and the reasons for the declines and from this identify projects which might help to halt the declines.

- **Scotland:** While climate change is having a generally positive impact on most species in England and Wales because they prefer warmer conditions, there are a number of species in Scotland that prefer cooler conditions and are at the southerly limit of their range where climate change is likely to have an adverse impact. It is not just temperatures which may be a factor but changing weather patterns may also have an impact with the drought in 2021 causing shallow pools to dry out being an example of this. While we can all contribute to the efforts being made to slow climate change it will continue to have an impact. Discussions have started on what actions we might take to help preserve these special species in Scotland despite the changes that are occurring and these discussions will continue with the aim of identifying pilot projects to improve our knowledge and test ideas.

We learnt late in the year that our Conservation Outreach officer will be leaving soon after the end of the year. We will be recruiting a successor but it will provide an opportunity to review responsibilities and the intention will be to recruit a further part-time employee who will take on part of the current Conservation Outreach role, particularly the communications aspects, and also take on management of membership and volunteer activities. The intention is to purchase a CRM system to upgrade our current simple database membership system and to be able to support volunteers in a more effective way.

9. Legal and Administrative requirements

Structure, Governance and Management

The charity was registered as a Charitable Incorporated Organisation with the Charity Commission in July 2016. As at 1st September 2016 it took over the assets and liabilities of the previous unincorporated charity of the same name.

The Society's governing document is the CIO Constitution agreed by the Charity Commission in July 2016.

Recruitment and appointment of new Trustees

Trustees are elected by the membership at the Society's AGM. One-third of the Trustees retire by rotation on an annual basis. Trustees may serve a maximum of 9 years.

The Society seeks new Trustees from its membership and from other interested parties. The new CIO allows greater numbers than the former unincorporated charity and the Society is seeking to recruit new Trustees with appropriate skills.

Potential Trustees are invited to observe a Trustee Meeting before appointment. Their induction includes an information pack on the Society's status and legal position as well as discussions with the Officers and relevant staff.

BRITISH DRAGONFLY SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Organisational structure

The Society is governed by its Trustees who meet formally four times a year. The Society has 5 staff, a full-time Conservation Officer based at the Natural England offices in Telford, Shropshire, two part-time Scottish Officers based at home near Perth, a part-time Fundraiser based at home in East Sussex and a full-time Conservation Outreach Officer based at home in Lincolnshire. The Officers of the Society, the Chairman and Hon Secretary carry out activities linked to their roles as well as supervising the staff. The Convenor of the Dragonfly Conservation Group also has responsibility for delivering policies and projects of the Society through the Society's volunteer networks.

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls and actions are in place to manage these risks. The Society considers that the main risks to which it is exposed are future income streams which it manages through a multi-year Budget and regular reporting.

Financial position

Gross income for the year was £162,842 (2021 - £74,247). This income, together with legacy income received in previous years has enabled the Trustees to invest in the future of the charity. The Trustees believe this and prior year investments will provide a good return for the Society through increased activity, greater awareness and increased future income.

Expenditure for the year was £146,971 (2021 - £122,049), reflecting the continuing of the investment described above.

Reserves policy

The policy of the charity is to hold sufficient funds to allow for the maintenance of existing activities, to cover any significant shortfall in income and to allow for future investment.

With the Expendable Endowment described above, the Trustees have considerable reserves which will be invested over the next three years. The value of Unrestricted funds and the Expendable Endowment at the year-end was £262,708 (2021 - £250,837). The Trustees plan to reduce this figure to between 12 to 15 months of total expenditure over the next three financial years. The Trustees have increased the target level of reserves that it is prudent to hold from that previously agreed. Legacies have become a significant source of funding in recent times but by their nature they can be quite large amounts but occur erratically and thus relying on them for budget purposes could place the Society at risk. This higher level of reserves would allow Trustees to manage the continuing operation of the Society without the need for emergency measures which would be highly disruptive.

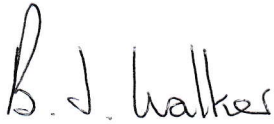
BRITISH DRAGONFLY SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Trustees' report was approved by the Board of Trustees on 2 Nov 22 and signed on their behalf by:



Mr B J Walker - Chairman

BRITISH DRAGONFLY SOCIETY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BRITISH DRAGONFLY SOCIETY

I report to the trustees on my examination of the financial statements of British Dragonfly Society (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 (the 2011 Act). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the charity's financial statements carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity has prepared its accounts on an accruals basis and is also registered in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 44 (1) (a) of the 2005 Act and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Frances Wilde FCCA DChA

Warner Wilde
Chartered Certified Accountants
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Dated:15 November 2022

BRITISH DRAGONFLY SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>						
Donations and legacies	3	133,116	25,503	-	158,619	68,095
Charitable activities	4	4,133	-	-	4,133	5,860
Investments	5	90	-	-	90	292
Total income		137,339	25,503	-	162,842	74,247
<u>Expenditure on:</u>						
Raising funds	6	6,461	-	7,884	14,345	11,114
Charitable activities	7	108,927	23,699	-	132,626	110,935
Total expenditure		115,388	23,699	7,884	146,971	122,049
Net incoming/(outgoing) resources before transfers		21,951	1,804	(7,884)	15,871	(47,802)
Net incoming/(outgoing) resources before transfers		21,951	1,804	(7,884)	15,871	(47,802)
Gross transfers between funds		(2,196)	2,196	-	-	-
Net movement in funds		19,755	4,000	(7,884)	15,871	(47,802)
Fund balances at 1 April 2021		167,952	-	82,885	250,837	298,639
Fund balances at 31 March 2022		187,707	4,000	75,001	266,708	250,837

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

BRITISH DRAGONFLY SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	57,466	10,629	-	68,095
Charitable activities	4	5,860	-	-	5,860
Investments	5	292	-	-	292
Total income		63,618	10,629	-	74,247
<u>Expenditure on:</u>					
Raising funds	6	3,208	-	7,906	11,114
Charitable activities	7	83,557	27,378	-	110,935
Total expenditure		86,765	27,378	7,906	122,049
Net incoming/(outgoing) resources before transfers		(23,147)	(16,749)	(7,906)	(47,802)
Gross transfers between funds		35,000	3,218	(38,218)	-
Net movement in funds		11,853	(13,531)	(46,124)	(47,802)
Fund balances at 1 April 2020		156,099	13,531	129,009	298,639
Fund balances at 31 March 2021		167,952	-	82,885	250,837

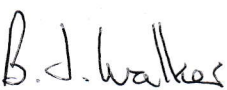
BRITISH DRAGONFLY SOCIETY

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Stocks	12	4,523		3,630	
Debtors	13	37,675		27,497	
Investments	14	212,000		212,000	
Cash at bank and in hand		19,771		12,332	
		<u>273,969</u>		<u>255,459</u>	
Creditors: amounts falling due within one year	15	<u>(7,261)</u>		<u>(4,622)</u>	
Net current assets			<u>266,708</u>		<u>250,837</u>
Capital funds					
<u>Endowment funds - general</u>					
General endowment funds		75,001		82,885	
		<u>75,001</u>		<u>82,885</u>	
Permanent endowment		-		-	
Expendable endowment		<u>75,001</u>		<u>82,885</u>	
	18		75,001		82,885
Income funds					
Restricted funds	19		4,000		-
Unrestricted funds			<u>187,707</u>		<u>167,952</u>
			<u>266,708</u>		<u>250,837</u>

The financial statements were approved by the Trustees on 12 November 2022



Mr B Walker
Trustee



Ms C A Cooksey
Trustee

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

British Dragonfly Society is a Charitable Incorporated Organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

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

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

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

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 Employee benefits

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

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

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	17,115	4,000	21,115	21,057	-	21,057
Legacies receivable	51,000	-	51,000	-	-	-
Grants Receivable	25,000	21,503	46,503	-	10,629	10,629
Membership fees	40,001	-	40,001	36,409	-	36,409
	<u>133,116</u>	<u>25,503</u>	<u>158,619</u>	<u>57,466</u>	<u>10,629</u>	<u>68,095</u>
Grants receivable for core activities						
NatureScot	-	1,912	1,912	-	8,129	8,129
John Ellerman Foundation	25,000	-	25,000	-	-	-
Forest and Land Scotland	-	-	-	-	1,000	1,000
Cairngorms National Park	-	19,504	19,504	-	1,000	1,000
RSPB	-	-	-	-	500	500
Other	-	87	87	-	-	-
	<u>25,000</u>	<u>21,503</u>	<u>46,503</u>	<u>-</u>	<u>10,629</u>	<u>10,629</u>

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies (Continued)

4 Charitable activities

	2022 £	2021 £
Sales within charitable activities	4,133	5,860

5 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	90	292

6 Raising funds

	Unrestricted funds 2022 £	Endowment funds general 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds general 2021 £	Total 2021 £
<u>Fundraising and publicity</u>						
Membership schemes and social lotteries	3,081	-	3,081	2,936	-	2,936
Other fundraising costs	-	-	-	-	51	51
Staff costs	-	7,884	7,884	-	7,855	7,855
Fundraising and publicity	3,081	7,884	10,965	2,936	7,906	10,842
<u>Trading costs</u>						
Operating a charity shop	3,380	-	3,380	272	-	272
	6,461	7,884	14,345	3,208	7,906	11,114

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	76,632	70,226
Direct Project costs	23,699	5,952
Recording costs	8,457	8,993
Storage costs	1,053	1,053
Publications	10,810	19,275
Exhibitions and Fairs	1,603	-
Staff expenses	3,918	-
Volunteer expenses	644	-
Central office costs	-	1,186
	<u>126,816</u>	<u>106,685</u>
Grant funding of activities (see note 8)	257	250
Share of support costs (see note 9)	3,234	1,794
Share of governance costs (see note 9)	2,319	2,206
	<u>132,626</u>	<u>110,935</u>
Analysis by fund		
Unrestricted funds	108,927	83,557
Restricted funds	23,699	27,378
	<u>132,626</u>	<u>110,935</u>

8 Grants payable

	2022 £	2021 £
Grants to individuals	257	250
	<u>257</u>	<u>250</u>

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Insurance	1,432	-	1,432	1,113	-	1,113
Recruitment	-	-	-	59	-	59
Payroll and Accounting	504	-	504	810	-	810
Subscriptions	432	-	432	108	-	108
Website	866	-	866	(296)	-	(296)
Independent Examiner fees	-	1,068	1,068	-	990	990
Bank charges	-	1,251	1,251	-	1,216	1,216
	<u>3,234</u>	<u>2,319</u>	<u>5,553</u>	<u>1,794</u>	<u>2,206</u>	<u>4,000</u>
Analysed between Charitable activities	<u>3,234</u>	<u>2,319</u>	<u>5,553</u>	<u>1,794</u>	<u>2,206</u>	<u>4,000</u>

Governance costs includes Independent Examiners fees of £1068 (2021- £990)

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>4</u>	<u>3</u>
Employment costs	2022 £	2021 £
Wages and salaries	80,839	75,012
Social security costs	1,261	583
Other pension costs	2,416	2,486
	<u>84,516</u>	<u>78,081</u>

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

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Stocks

	2022 £	2021 £
Finished goods and goods for resale	4,523	3,630

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	13,294	-
Other debtors	24,381	27,497
	37,675	27,497

14 Current asset investments

	2022 £	2021 £
Unlisted investments	212,000	212,000

15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Deferred income	16	4,991	-
Trade creditors		-	604
Other creditors		-	444
Accruals and deferred income		2,270	3,574
		7,261	4,622

16 Deferred income

	2022 £	2021 £
Other deferred income	4,991	-

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	4,991	-

Movements in the year:

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Deferred income (Continued)

Deferred income at 1 April 2021	-	-
Resources deferred in the year	4,991	-
	<u> </u>	<u> </u>
Deferred income at 31 March 2022	4,991	-
	<u> </u>	<u> </u>

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £2,416 (2021 - £2,486).

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Endowment funds

	Movement in funds					Movement in funds					
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£	£	£
Expendable endowments											
Expendable Endowment	129,009	-	(7,906)	(38,218)	-	82,885	-	(7,884)	-	-	75,001
	<u>129,009</u>	<u>-</u>	<u>(7,906)</u>	<u>(38,218)</u>	<u>-</u>	<u>82,885</u>	<u>-</u>	<u>(7,884)</u>	<u>-</u>	<u>-</u>	<u>75,001</u>

Expendable Endowment - This fund is legacies received in 2016 and 2017 which the charity cannot be reasonably expect to spend in one financial year. The Trustees have decided to classify this as an expendable endowment and to treat it as investment in staff posts in 2017/18 and subsequent years to grow the work of the Society.

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Restricted funds

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

	Movement in funds				Movement in funds				
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£
Esmee Fairbairn Foundation	10,165	-	(10,165)	-	-	-	-	-	-
Dragonfly Hotspots	3,366	-	(3,366)	-	-	4,000	-	-	4,000
NatureScot	-	8,129	(11,347)	3,218	-	1,912	(4,108)	2,196	-
Northern Damselfly Survey	-	2,500	(2,500)	-	-	19,504	(19,504)	-	-
Impact Funding	-	-	-	-	-	87	(87)	-	-
	<u>13,531</u>	<u>10,629</u>	<u>(27,378)</u>	<u>3,218</u>	<u>-</u>	<u>25,503</u>	<u>(23,699)</u>	<u>2,196</u>	<u>4,000</u>

Scottish Office - This fund aggregates all grants for work by our Scottish Officer and the related costs. The main income is a grant from Scottish Natural Heritage.

Esmee Fairbairn Foundation - This Fund represents a grant to fund Conservation Outreach, initially through a staff member over 3 years.

Dragonfly Hotspots - This represents funding for signage at newly designated Hotspots in England.

NatureScot (previously Scottish National Heritage) and Northern Damselfly Survey - Funding for surveys relating to the Northern Damselfly and the Azure Hawker and improving their habitats.

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Analysis of net assets between funds

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Expendable Endowment 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Expendable Endowment 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Current assets/(liabilities)	187,707	4,000	75,001	266,708	167,952	-	82,885	250,837
	<u>187,707</u>	<u>4,000</u>	<u>75,001</u>	<u>266,708</u>	<u>167,952</u>	<u>-</u>	<u>82,885</u>	<u>250,837</u>

BRITISH DRAGONFLY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).