

Dear Members,

Please find enclosed the audited Annual Report and Financial Statements for Friends of the Lake District for the year ended 31 March 2026, ahead of our upcoming Annual General Meeting.

When reviewing the financial statements, you will note a deficit in our results for the year. I want to assure you that our core financial position remains sound. We continue to have significant reserves and are ensuring that our planned and ongoing operations are fully funded. This deficit is the result of the natural variability in legacy income from year to year, a temporary reduction in membership income mainly as a result of the upgrading of our membership records alongside a deliberate decision by the Board to utilise our historic reserves to enhance our charitable and campaigning activities.

People support us so that we can act for the landscape, rather than to build up investment funds. By spending down some of these reserves, we are putting that money directly towards our work. This approach also brings us into line with Charity Commission guidance regarding the retention of funds.

Please be assured that the Board and the Senior Leadership team are closely monitoring the current year's budget to ensure our spending remains sustainable and focused on our strategic aims. You may also be reassured to know that our investment portfolio has steadily improved since the financial year ended. We have directed additional resource to increase our membership and to access grant funding.

Thank you for your continued support of our charity. I look forward to discussing our progress and these accounts with you at the AGM.

Yours sincerely,

Malcolm Boswell

Chair of Trustees

Friends of the Lake District

Company registration number 04878364 (England and Wales)

Charity registration number 1100759 (England and Wales)

**FRIENDS OF THE LAKE DISTRICT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026**

FRIENDS OF THE LAKE DISTRICT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	David Felton	
	Lucy Hetherington	
	Robin Forrest	
	Malcom Boswell	
	Fiona Sanders	
	Janette Nicholls	
	Neil Greenhalgh	
	Helen Howe	(Appointed 20 September 2025)
	John Whittle	(Appointed 20 September 2025)
	Robert McCracken	(Resigned 30 October 2025)
	Tony Vaux	(Resigned 24 October 2025)
Secretary	Linda McGinley	(Appointed 11 February 2025)
Senior management	Michael Hill	Chief Executive Officer
	Stuart Clayton	Head of Finance and Operations (Resigned 31 March 2026)
	Lorayne Wall	Head of Policy and Planning
	Jeremy Smith	Head of Campaigns and Engagement
Charity number (England and Wales)	1100759	
Company number	04878364	
Registered office	Murley Moss Oxenholme Road Kendal Cumbria LA9 7SS	
Auditor	Lamont Pridmore 136 Highgate Kendal Cumbria LA9 4HW	
Bankers	CAF Bank Limited Kings Hill West Malling Kent ME19 4TA	
	National Westminster Bank 10 Elephant Yard Kendal Cumbria LA9 4LZ	

FRIENDS OF THE LAKE DISTRICT

LEGAL AND ADMINISTRATIVE INFORMATION

	Co-operative Bank Delf House Skelmersdale WN8 6WT
Solicitors	Burnetts Victoria House Wavell Drive Carlisle Cumbria CA1 2ST
Investment advisors	Canaccord Genuity Wealth Management Ltd Talisman House Boardmans Way Blackpool FY4 5FY
	RBC Brewin Dolphin 1 Mason Court Gillan Way 40 Business Park Penrith Cumbria CA11 9GR
	CCLA Investment Management Ltd 1 Angel Lane London EC4R 3AB

FRIENDS OF THE LAKE DISTRICT

CONTENTS

	Page
Chairman's statement	1
Trustees report	3 - 17
Statement of Trustees responsibilities	2
Independent auditor's report	18 - 21
Statement of financial activities	22 - 25
Summary income and expenditure account	26
Balance sheet	27
Statement of cash flows	28
Notes to the financial statements	29 - 47

FRIENDS OF THE LAKE DISTRICT

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

Friends of the Lake District's Annual Report provides us with an opportunity to provide an insight into the numerous activities undertaken throughout the year by our staff and volunteers. I would like to start by recording the thanks of Trustees and myself to our CEO Michael Hill who retired at the end of May. Mike has played a massive role in ensuring that the structure, operations and governance of *Friends* are fit for purpose, today and in the coming years. We are in the process of selecting a replacement for Mike and hope to be able to appoint a new CEO by autumn. The number and quality of applicants for the role is testimony to the standing of Friends of the Lake District, the importance of our work and the need to protect the importance of our UNESCO World Heritage Site.

The year has seen some ups and a down. The loss of the Judicial Review into the decision to grant planning permission for a zip wire and visitor attraction in Elterwater was a huge disappointment. Anyone who has visited the Langdale Valley will be aware of the issues associated with the current level of visitors to that area in terms of parking and the impact on tranquillity. The National Park should be enjoyed for all that it has to offer in terms of the landscape and natural beauty. We have no objection to theme parks and recognise that individuals gain pleasure from using them, but they do not have to be located within the National Park, especially in an already over-visited area. We may not have won, but we have been heartened by the level of support from others, confirming that it was the right thing to do.

On a more positive note, the proposal to build a large-scale holiday resort at Roanhead was rejected on the grounds of the impact on wildlife at the adjacent Sandscale Haws National Nature Reserve. The success was a terrific example of what can be achieved when we work with other like-minded organisations to achieve a justifiable aim.

We have seen significant movement across several issues where we have triggered the debate. These include measures to: introduce a tourist levy to help fund the management of the Lake District, to increase the availability of public transport, to address the impact of second homes and holiday lets and to strengthen measures to control irresponsible tourism. Progress in these areas has been achieved by working with partners and by providing stakeholders with evidence-based arguments drawn from research commissioned by *Friends* into topics such as: Who Pays for the Lakes, Measuring Tranquillity Across the Lake District and Visitor Accommodation. We continue to adopt a balanced approach. The Lake District is open to all to enjoy in a responsible way, but it does need managing and that comes with costs – costs that central government are unwilling to provide.

Although we have seen progress in many areas, we recognise that there is still a lot to do. We are a landscape charity that seeks to protect and enhance every aspect of landscape: the fells, tranquillity, water, dark skies, biodiversity and communities. The work undertaken by our staff and volunteers, ranging from planting hedges to seeking to increase the availability of affordable and sustainable housing make significant contributions to ensuring that the Lake District remains a very special place for the future. By being a member, you are also playing your part. Without your contributions and those arising from gifts and legacies we could not function.

You will note a deficit in our financial results for the year. Our core financial position remains sound, and this deficit is the result of the natural variability in legacy income, alongside a deliberate decision by the Board to utilise our historic reserves. People support us so that we can act for the landscape, rather than to build up investment funds. By spending down these reserves, we are putting that money directly towards our work. This approach also brings us into line with Charity Commission guidance.

Finally, I would like to thank the Trustees who freely give up their time to help ensure that *Friends* is well governed and our excellent team of staff for their knowledge, commitment and enthusiasm.



Malcolm Boswell
Chairman

Date: 31-7-26

FRIENDS OF THE LAKE DISTRICT

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees, who are also the directors of Friends of the Lake District for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2026

The Trustees present their annual report and financial statements of the charity for the year ending 31 March 2026, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The Trustees, who are also directors for the purposes of company law and who are serving at the date of this report, are set out on the Legal and Administrative pages.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Friends of the Lake District continues to have the following Objects:

- *to promote and organise concerted action for the protection and conservation of the Landscape and natural beauty of the Lake District and the County of Cumbria as a whole.*
- *to co-operate with other bodies having similar objectives or interests.*

Our Vision:

Thriving Cumbrian landscapes – for nature, for people, for ever.

Our Mission:

We campaign for landscapes that are tranquil, rich in cultural heritage and environmentally healthy. We inspire and mobilise people to work in partnership with us to protect and enhance these landscapes for generations to come. We lead by example in demonstrating sustainability and conservation on the land that we look after.

Our Values:

We are Impactful - *we are committed to ensuring that what we are doing is making a real difference both to the landscapes of Cumbria, and to the lives of the people who live, work and visit here. We take time to reflect on our work, admitting and learning from our mistakes so we can become more effective.*

We are Collaborative - *we know that teamwork and partnership working are essential, and we foster good working relationships within our own charity and with other organisations. We collaborate in order to empower communities to take action.*

We are Expert - *we draw on our expertise to make the case for protecting and enhancing Cumbrian landscapes, and we are generous about how we share it.*

We are Positive - *we work with enthusiasm and passion for what we do and inspire others to do the same. We take pride in what we do and celebrate our successes as a team, recognising the efforts made by staff, trustees, volunteers, members and donors in order to deliver results.*

We are Caring - *we look out for each other and encourage one another to maintain a healthy work life balance. We recognise the positive effects that being out in the landscape provide and encourage everyone to understand and enjoy this wonderful resource. We are inclusive and actively seek opportunities to widen diversity among the people involved in our charity.*

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

2024 – 2027 Strategic Direction:

Friends of the Lake District has 5 Strategic Landscape Themes which provide a framework for our work in the period 2024-2027:

PLANNING & DEVELOPMENT

We support good planning practice that enhances landscape character, and we challenge inappropriate development that degrades landscapes, harms tranquillity and/or undermines transition to net zero.

OBJECTIVES

- We will provide a robust response to inappropriate development proposals.
- We will contribute to and influence the formulation of legislation, policy and plans affecting the Cumbrian landscape, with our own positive vision of the future.
- We will build on our reputation for planning and policy expertise, developing new ways to share our knowledge and lead thinking.
- We will engage, empower and support members, communities and other relevant groups to influence policies, proposals and decisions of public bodies.

BIODIVERSITY & CLIMATE

We work for the protection and enhancement of ecosystems within the Cumbrian landscapes for the benefit of people and nature; we recognise the challenge of climate change in all that we do.

OBJECTIVES

- We will work towards an enhanced landscape and biodiverse, climate-resilient habitats through partnerships, volunteer action and the influencing of landowners.
- Across our land portfolio we will deliver and showcase management practices that increase biodiversity, carbon sequestration and flood resilience.
- We will campaign for policy change, decision-making, enforcement, and subsidy frameworks that support landscape, the move towards net zero, and habitat enhancement/resilience.
- Through in-person and virtual engagement with local people, members, visitors, and public authorities we will increase awareness of the importance of biodiverse landscapes, and dark skies.
- Over the life of the strategy Friends will develop and initiate a plan to meet a credible 'net zero' target for our operations, and we will encourage others to do the same.

WATER

We will work to ensure healthy water in Cumbria which benefits natural beauty, wildlife, cultural heritage and communities, and promote the tranquil appreciation of it.

OBJECTIVES

- Working with partners and volunteers, we will research water quality across several targeted catchments beyond Windermere, and we will campaign for regulatory and infrastructure action to improve it.
- By influencing planning and policy frameworks we will push for measures that decrease water consumption, reduce pollution, promote re-naturalisation, and address the risk of flooding and drought.
- Through engagement and education we will raise awareness of ways we can all affect the health of our bodies of water.
- We will promote quiet recreation on and in Cumbria's water, and appreciation of its value for natural beauty, wildlife and cultural heritage.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

NATURE-FRIENDLY FARMING & COMMUNITY

We support resilient Cumbrian communities and their connections to the landscape, and we champion nature-friendly farming for its biodiversity, cultural and climate benefits.

OBJECTIVES

- We will campaign for a well-implemented system of rural payments that recognises the full range of public benefits potentially generated by farming – including food security, cultural heritage, biodiversity, access, and climate resilience.
- Through management of our own land holdings, partnerships with others and public engagement we will increase awareness of best practices in nature-friendly farming.
- We will champion the continuity of traditional rural skills, including training in dry stone walling and hedge laying.
- We will campaign for measures to address the inaccessibility of affordable housing to people who live and work within Cumbria in ways which avoid harm to the landscape.
- We will promote an understanding of the Cumbrian landscapes, with a particular focus on schools, young people and under-represented communities.
- We will advocate for the multiple benefits of common land, and for their importance to be fully recognised.

VISITS, ACCESS & TRANSPORT

We campaign to reduce the damage done by some forms of tourism, and for people to be able to travel sustainably to and within the Cumbrian landscape, without harming its natural beauty and tranquillity.

OBJECTIVES

- We will research, then campaign for, models of 'visitor levy' that support thriving communities and benefit the landscape.
- Through engagement and communication, we will increase awareness of the impact of motor vehicles on tranquillity, landscape character and visitor experience.
- We will campaign for an extended, integrated and affordable public transport system; for 'active travel' opportunities on joined-up cycle networks; and for improvements to footpaths.
- We will champion access to the landscape by demonstrating best practice on our land, engaging people through physical signage and digital experiences.
- We will fight restrictions where access rights are unjustifiably compromised.

Public benefit

The Trustees have had regard to Charity Commission guidance in preparing this statement of public benefit. The protection and enhancement of the landscape of Cumbria and the Lake District is recognised as a charitable purpose and is regarded as producing a public good. Friends of the Lake District exists to promote and organise concerted action for the protection and conservation of the landscape and natural beauty of the Lake District and the County of Cumbria as a whole and therefore provide a clear public benefit.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

Achievements and performance

PLANNING AND DEVELOPMENT

Friends and other organisations won a major victory in November 2025, when the planning application for a 233-lodge holiday resort on a sensitive coastal location at Roanhead was finally defeated. Friends had been part of a coalition opposing the plans from the outset, and played a key role in the campaign – organising rallies, leafleting, publicising, supporting local groups, and speaking at the Planning Committee meeting.

Another long-awaited decision, this time on proposals for a car park at Ullock Moss, near Portinscale, was also determined in November 2025 and culminated in a refusal. Again, Friends had worked closely with the local community and other concerned organisations to challenge the plans.

Friends appeared at the High Court in Manchester in early May 2025, for the hearing into the judicial review we launched against ZipWorld's plans for an adventure attraction at Elterwater Quarry. In October 2025 we learned we had not been successful in our legal case – but we feel that our action raised important questions about the importance of preserving tranquillity in communities already challenged by tourism pressures.

Filling gaps in research that leave the Lake District more at risk, Friends commissioned both a tranquillity study and a study of 'under the radar' holiday accommodation. The latter underpinned the housing campaign detailed elsewhere in this report, whilst the former provided the first ever baseline assessment of tranquillity levels in the Lake District – vital evidence for a National Park in which tranquillity is one of the protected 'special qualities'.

Building on our close working with communities, Friends launched a well-received Planning Outreach scheme, providing parish councils support to navigate the planning system.

We've been commended by SP Electricity North West for our 'remarkable' impact on the programme of undergrounding overhead wires, helped ensure the removal of 1.4 kms of overhead line between Meathop and Ulpha in November 2025 and successfully lobbied to ensure Ofgem's future storm resilience programme is all undergrounded.

BIODIVERSITY AND CLIMATE

We own and manage 600+ hectares of land for biodiversity and climate, along with other landscape benefits. Among the impacts achieved this year are...

- We completed a project at Rusland Woods in partnership with Plantlife, including boundary works, herbivore, bryophyte and lichen studies, trial with bracken-bashing, 10 tree enclosures erected and planted with native species.
- Completion of Multiple Capitals assessment on Hows Wood showing the wood gives public benefits worth £2.2 million a year.
- Urgent safety works done in two woods following winter storms.
- Roadside hedge at Greenbank Wood re-laid.
- Dam Mire Wood, High Borrowdale and Mike's Wood submitted to future DEFRA Landscape Recovery schemes.

Hedges & Edges project (see below)

WATER

Sunbiggin Tarn on our land was included in the Lakes Surveillance Programme with monthly monitoring and surveys relating to water quality and biodiversity.

We've influenced, through consultation responses, policy and legislation on water, such as flood resilience funding and water efficiency. We've lobbied relevant ministers, putting our name to calls for urgent action to tackle water pollution in National Parks and secured changes to proposals to decommission Crummock Water, so that landscape and access will be better protected.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

NATURE-FRIENDLY FARMING AND COMMUNITY

We have now completed the first year of the Hedges & Edges project. We worked with farmers and landowners to create and restore native hedgerows across Cumbria, with benefits for wildlife, carbon sequestration, water retention, livestock health, and landscape. A full report has been submitted to the funders (CPRE) detailing the range of work we've done, including...

- More than 5km of hedges planted and restored (ahead of target)
- 15,630 new trees planted as hedge whips
- 107 volunteers involved in planting
- 42 people trained in hedge-laying
- 25 sites worked on (mostly farms)

We supported four places and delivered a common land session on one of the University of Cumbria's Uplands Environmental Land Management Courses. This was aimed at current and prospective hill farmers, supporting transition to environmentally friendly and collaborative farming methods. We've also lobbied relevant ministers, demanding funding arrangements that better serve Cumbria's farmers and better protect existing hedgerows.

We've influenced, through consultation responses, multiple proposals affecting common land, such as for fencing, forestry roads and broadband poles

And on our land...

- At Little Asby Common we began a feasibility study with the Commoners Association to assess the current habitats and recommendations for future environmental works.
- Species rich hay meadow plug-plants put in at Mazonwath as part of the Cumbria Seed Bank project to be a future stronghold and source of rare seeds.
- At Dam Mire we held a public survey and open day, to consult people about what they would like to see on the new extension land.

In support of our objective to increase the accessibility of affordable housing to people who live and work within Cumbria, we launched a campaign for Fairer Housing, Stronger Communities at the end of March. The campaign is a response to the trend by which, in many parts of the National Park, there are more properties given over to visitor accommodation than there are lived-in dwellings. This distorts the property market – pushing prices up and reducing the number of properties offered for long-term residential rent – and has important social impacts: as the permanent population declines, communities are hollowed out and local services and businesses lost.

The campaign aims to solve the lack of affordable housing by tightening the rules on short-term letting, (further) disincentivising second homes – already subject to 200% council tax – and bringing underused properties back onto the housing market. Not only will this restore community vibrancy in heavily visited areas, but it will also reduce the amount of new build needed and ease the pressure to put new homes in less sustainable locations.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

VISITS, ACCESS, TRANSPORT

Our reactive campaign against Litter and Anti-Social Behaviour was extremely successful. Early in summer 2025 we noticed an uptick in emails from members about this issue, so our Campaigns team launched a survey, the results of which have been extensively featured in the press and on TV and radio. The survey opened doors for us, and we were invited to present the results to a multi-agency task force convened by David Allen (Cumbria Police, Fire, and Crime Commissioner). This resulted in action including the imposition of Public Space Protection Orders.

We continued our work to advocate for innovative funding measures to offset the impacts of tourism, including some sort of visitor levy. Building on our groundbreaking *Who Pays For The Lake District* report we commissioned a YouGov poll. 2008 people were surveyed, a mix of residents and visitors. It suggested that 68% of Cumbrian residents support a visitor levy, 64% of visitors. 44% of respondents favour a visitor vehicle charge, 34% a bed tax. Cleaner lakes, public transport, more rangers, and affordable housing were the top 4 spending priorities for all respondents. We also persuaded the Lake District National Park Partnership to set up a task-and-finish group to look into funding models for sustainable transport, including a visitor levy.

In November, our annual Kirby Lecture took the issue of a visitor levy as the starting point for a wider conversation on models of tourism. Chaired by Dame Fiona Reynolds, a panel comprising Gavin Capstick (LDNPA CEO), Louise Dunn (Mayor of Keswick), and Michael Hill (CEO Friends of the Lake District) laid the basis for a lively debate with more questions from the floor than could be addressed in the time available.

On our land...

- New bridge on extension to Dam Mire Wood enabling access to this new piece of land and removal of internal fence so people can walk the whole land in one go for the first time ever.
- Virtual tours available for all our land.
- Property guides and themed guides developed for key properties and available online.

Alongside our continued support for Fix the Fells as a founding partner and Board member, we sponsored a Ranger to do a year of footpath restoration and erosion control with the group.

We convened a round-table discussion on 'Green Lane' driving (recreational use of unsealed roads). The aim was to gain a shared understanding of the current position regarding this issue, discuss how the activity is being monitored and controlled, and identify any next steps to improve the situation. It was attended by representatives from the District National Park Authority, Lakes Parish Council, the Lake District Green Lanes Alliance, and the Land Access and Recreation Association.

CROSS-CUTTING CAMPAIGNS AND ADVOCACY

All our campaigning is underwritten by close interaction with Cumbria's six MPs. Michelle Scrogg was an active and vocal supporter of our campaign to Save Roanhead. We have regular dialogue with Tim Farron on issues including litter and housing. The CEO and Head of Planning and Policy met with Josh MacAlister and Markus Campbell-Savours in April (??) while the launch of our housing campaign was the trigger for further, closer contact with the latter, as well as with Lizzi Collinge.

In May 2027, Cumbria will vote for a Mayor who will have important powers over policies of concern to Friends of the Lake District and who will also have the right to levy a visitor tax. Already in 2025-26, we engaged with the candidates who had already declared: David Allen (Labour), Libby Bateman (Liberal Democrats) and Mike Starkie (Conservatives).

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

ORGANISATIONAL DEVELOPMENT

We undertook a staff survey for the second year, resulting in significant year-on-year improvements in scores across most areas (and sustained high scores where we were strong last time). Areas identified for further improvement included internal communications and strategic clarity.

Those are among the developmental areas which the newly established Staff Forum is helping us to address. This group is made up of representatives from each team, and it is Chaired by a staff member elected by the group. So far the Forum has helped us make progress on a range of issues including staff benefits, annual reviews, how we live our values, and neurodiversity.

Governance was another area of development for Friends this year. We held several workshops, facilitated by the National Council for Voluntary Organisations (NCVO), aimed at improving how we work across the trustee Board and the Senior Leadership Team.

This year we introduced a new Customer Relations Management database (CRM). Our old system (Subscriber) was unable to give us the insights we required into our member/supporter/contact data. We have now rolled out a much more capable modern CRM called Beacon.

We also said goodbye to our old website, based on a bespoke 'back-end' system which had become difficult to update and costly to maintain. Our new website, launched in March 2026, is based on the Wordpress platform and is much easier to update and more accessible across a range of devices.

At the same time we rolled out a new brand identity for Friends of the Lake District, working with a local design agency. We have updated all our core materials including branded clothing and the signage on the front of our office in Murley Moss. Extensive research led us to a more contemporary, cleaner brand which works well on digital platforms and will help us shift the perception of the charity.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Thank you

Thank you to our members, supporters and partner organisations for all their support during the last fifteen months. From generous donations to the hard work of our volunteers, we are grateful for all the contributions that we've received to help us protect and enhance Cumbrian landscapes.

We also wish to express our sincere gratitude to those who left a gift to Friends of the Lake District in their will:

Irene Adams
David Baldock
Clifford Bell
Cedric Briscoe
Derek Brooks
Bernard Casby
Mary Cooper
Elizabeth Eyre
Margaret Gaffney
Diana May Hall
David Huxley
Joyce Jacobs
Mary Kent
Paul Langley
Grahaeme Lauder
Peter Lucas
Brian Mahle
John David Mathews
Gloria Muchowski
Barbara Peel
Walter Pennington
John Pickard
Eileen Richmond
Jean Savage
Pat Schwarzenbach
Roger Stephenson
William Willink

Investment performance

Leaving a lasting legacy is a wonderful way to ensure that future generations can continue to enjoy the tranquillity and beauty of these special places. If you'd like to know more about leaving a legacy, please contact anne-marie@fld.org.uk.

We'd also like to thank and honour donations made in the memory of:

Doreen Allinson
Jeremy Bourne
David Cutforth
James D Foster
John Iddon
Joyce Langtree
Anthony Morris
Judith Helen Moy
John Pickard
Christopher David Roberts
Margaret Wilson

Mrs Smith donated in memory of her son
Mr Whitehead donated in memory of his son

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

And finally, we'd like to thank our benefactors for their continued support:

Christopher Bale
John Berry
James Brockbank and Louise Ronane
John Campbell
Richard Coates
Philip Cropper
Margaret Haigh
John Harris
Peter Hughes KC
John and Margaret Jackson
Brian Leigh-Bramwell
Rosamund Macfarlane
Matt and Taysia Malone
Jim and Sue Martin
Elizabeth Reddaway

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

Financial review

Consolidated financial figures from the 2025/6 Accounts:

Total income £788,340

Voluntary Income – (Legacies, Donations and Subscriptions) £547,654

Charitable Activities £108,836

Trading Activities £26,733

Investments £105,117

Total expenditure £1,535,175

Generating Voluntary Income (Inc. Membership) £223,539

Charitable Activities £1,292,245

Trading Activities £6,097

Investment Management Costs £13,241

Other expenditure £53

Total Funds/Net Assets at 31 March 2026 Total £6,444,068

Intangible fixed Assets £60,461

Tangible Fixed Assets (including properties) £3,172,881

Investments £2,581,347

Net Current Assets £629,379

Funds by restriction

Unrestricted £1,645,048

Designated (including Tangible fixed assets) £4,298,342

Restricted £80,388

Permanent Endowment £420,290

Going concern

In line with the Charities SORP (FRS 102) and the Charities Acts of 2006 and 2011, as a result of our evidence assessment and levels of reserves, as laid out in this Annual Report, the Trustees conclude the charity is a going concern and there are no material uncertainties relating to its going concern status. The financial statements have been prepared on a 'going concern' basis.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Reserves policy

The Charity needs reserves in order that;

- it can provide working capital when funding is paid in arrears;
- it can meet the costs of new campaigns, unforeseen emergencies and/or other unexpected needs for funds, including employing temporary staff to cover long-term sick absence;
- it protects against unpredictable legacy income, in order to provide a stable and quality service to fulfil its objectives;
- it can acquire strategic land holdings, should they become available; and
- It can purchase land which may be at threat of inappropriate development;
- it can meet contractual obligations should the charity have to close.

In 2024/5, the Board maintained reserves for the following purposes:

- a designated fund for working capital;
- a designated fund for contingencies –including provision to address the ongoing financial impact of inflationary pressures;
- The purchase of land under threat of inappropriate development.

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, designated for a particular purpose.

The Trustees consider it appropriate to hold the equivalent of 6 to 9 months of operating expenditure. At the year end, free reserves were £1,012,048 (2025: £650,821), an increase of £361,227 in the year.

Endowment funds: Our Endowment funds are managed separately from the other assets of the charity by Brewin Dolphin. The two **Kirby Endowment Funds** are: 1) **Amenity Fund**, the income from which is restricted for use in our charitable activities and policy work; and 2) **General Fund**, income from which is unrestricted but used to support all aspects of our work including the annual Kirby Lecture. The other endowment fund is the **Margaret Taylor Memorial Fund**. The income from the Margaret Taylor Memorial fund is not restricted and is also used to support our wider work.

Property Assets

The charity owns a portfolio of land and a property, which are maintained by the charity in furtherance of its charitable objects. Details of all our properties can be found on our website: [Our Land / Friends of the Lake District](#)

Investment policy

The Articles of Association of the charitable company permit the Board wide powers of investment. The investment policy for the charity changed in recent times. Fund managers are now asked to at least maintain the capital position and focus on fund performance targets, the income/capital harvest is then used to support the ongoing costs of the charity.

Plans for future periods

Friends of the Lake District has 5 Strategic Landscape Themes which provide a framework for our work in the period 2024-2027, as outlined earlier:

- Planning & Development
- Biodiversity & Climate
- Water
- Nature-friendly Farming & Community
- Visits, Access & Transport

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

Structure, governance and management

The Charity is a membership organisation governed by its Articles of Association dated 16 June 2003, updated and approved at the AGM in May 2014. The Articles of Association were updated further and approved at the AGM on 20th September 2025. The Charity was incorporated as a company limited by guarantee on 27 August 2003.

The previous, unincorporated, charity of the same name was founded in 1934.

The new Charities Act 2022 received Royal Assent in early 2022, and the first tranche of provisions came into effect at end of October 2022. There were no immediate implications for our working practices during 2024-25 and the Trustees remained aware of provisions being introduced in 2024-25 and any implications these might have.

Recruitment and appointment of trustees

The Board, whose members carry the responsibilities of directors with trustee responsibilities, is the main governing body of the Charitable Company. Trustees are elected by the members at the AGM in accordance with the Articles of Association which provides for a minimum of 4 and a maximum of 18 members on the Board.

New Trustees are supported in the induction process by the Chair of the Board and Company Secretary and are usually elected after a period of co-option. This induction process includes sessions with the staff and an introduction to the Charity. Newly inducted Trustees reported high levels of satisfaction with the induction programme.

Trustees agree a Code of Governance which is reviewed and adopted after each AGM. In compliance with the Code of Governance, a self-assessment of effectiveness and efficiency was conducted during the period. The option of remote attendance at Board and subcommittee meetings will be maintained, as required, although face-to-face attendance is encouraged.

Strategy and governance functions of the trustee Board are monitored as part of trustee meetings, with regular agenda items that include: the strategic direction of the organisation; proper arrangements relating to effective governance of the Friends of the Lake District; risk management; the nomination of candidates for appointment as trustees; and that appropriate systems exist for the induction and training of trustees. In addition to this, a Governance Committee was set up in January 2025. Its purpose is to oversee FLD's governance framework on behalf of the trustee board and make recommendations as appropriate.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

Organisational structure

Who we are - from 1st April 2025 to 31st March 2026

President

Position Vacant

Vice President

Position vacant

Emeritus President

Position Vacant

Trustees

Malcolm Boswell	Chair
Lucy Hetherington	Vice Chair
Robin Forrest	Treasurer

David Felton

Fiona Sanders

Janette Nicholls

Neil Greenhalgh

Helen Howe (Appointed 20th September 2025)

John Whittle (Appointed 20th September 2025)

Robert McCracken KC (Resigned 30th October 2025)

Tony Vaux (Resigned 24th October 2025)

Staff (Full and Part time)

Michael Hill (Chief Executive Officer)

Linda McGinley (Company Secretary)

Land

Jan Darrall (Policy Officer - Land)

Planning and Policy

Lorayne Woodend Wall (Head of Planning and Policy)

Amanda McCleery (Policy Officer)

Kate Willshaw (Policy Officer)

Leanne Parr (Planning Officer)

Jack Ellerby (Project Officer) (Resigned 31st January 2026)

Naomi Walker (Nature Recovery Officer) (Appointed 18th August 2025)

Campaigns and Engagement

Jeremy Smith (Head of Campaigns & Engagement)

Kay Andrews (Engagement Lead) (Resigned 30th September 2025)

Helen Howe (Membership and Volunteer Lead) (Resigned 30th June 2025)

Stacey Plant (Volunteer and Events Co-ordinator)

Christian Lisseman (Communications Lead)

Dawn Groundsell (Communications Officer)

Stephanie Gardiner (Engagement Trainee) (Appointed 12th May 2025)

Aila Taylor (Campaigns Officer) (Appointed 13th October 2025)

Kelly Sproston-Heath (Engagement Lead) (Appointed January 2026)

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

Central Resources and Fundraising

Stuart Clayton (Head of Finance and Operations) (Resigned 31st March 2026)
Jeremy Baines (Finance and Operations Manager) (Appointed 9th February 2026)
Peter Yorke (Finance Lead) (Resigned 13th June 2025)
Alex Hill (Administration Officer)
Helen Coffey (Administration Officer) (Appointed 25th November 2025)
Jasmine O'Flaherty (Data Lead)
Claire Coburn (Fundraising Supporter Relations Manager)
Rachel Dorrington (Fundraising Officer)
Anne-Marie Rooney (Fundraising Officer)
Megan Mattinson (Corporate Partners Executive)

Corporate Governance

Rolling agenda items include consideration of the financial status and sustainability of the organisation and regular reviews of risk management which includes financial systems and audit procedures. Specifically, the Trustee Board:

- maintains oversight of the development of an annual budget in line with the requirements of the proposed Business Plan;
- ensures appropriate financial systems and controls are in place, that there is effective management and monitoring of the Friends of the Lake District's finances, financial control systems and procedures, assets including properties, and all other matters relevant to the financial affairs of Friends of the Lake District in order to achieve the charitable Objects and the legal obligations of the organisation;
- ensures proper arrangements are in place to secure effective audit of the Friends of the Lake District.

During 2018 General Data Protection Regulation (GDPR) was introduced. There have been no requests for personal data erasure. There have been no fundraising, or other complaints. We continue to operate within the guidelines set out by the Fundraising Regulator. We take great care and caution with our fundraising practices to ensure protection of vulnerable people and other members of the public and keep all direct fundraising in-house.

We have not employed any external professional fundraiser or commercial participator. Our Fundraising & Relations Manager has monitored and maintained an overview of all fundraising activities carried out by individuals within the organisation, and by the organisation as a whole, which is overseen by the Chief Executive and the Board of Trustees.

Other matters

Organisational Management

This year we invested time and resources in developing our governance effectiveness, running several workshops facilitated by the National Council for Voluntary Organisations. This has resulted in a better working relationship between the trustee Board and the staff team. Under the stewardship of our new Company Secretary, we have also improved our governance processes, with Board papers now following a standard format, and a new committee dealing with Governance issues.

The Staff Forum has continued to play a pivotal part in developing a better working culture at Friends, advising on staff benefits, living the Values, and important policy areas like Neurodiversity and Menopause & Menstruation. The Senior Leadership Team has also come into its own this year, taking collective leadership decisions on operational and strategic issues, and ensuring a consistent leadership culture across the organisation.

FRIENDS OF THE LAKE DISTRICT

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Relationship with wider network

Cooperation with other organisations

Throughout the year, we have continued to work in co-operation with other bodies with similar aims and objectives to our own. These include the Campaign for National Parks, the Campaign to Protect Rural England [since 1978 the charity has represented CPRE in Cumbria], the National Trust, the Lake District National Park Authority, and ACTION for Communities in Cumbria. We are also members of the Lake District National Park Partnership.

Friends of the Lake District is a partner at the Fix the Fells project Board and other organisations we have more direct involvement with include: Foundation for Common Land, Cumbria Local Nature Partnership and the UK Dark Skies Partnership. As part of our landscape engagement activities we have worked closely with a number of partners including: John Muir Trust, Cumbria Wildlife Trust, RSPB, Eden Rivers Trust, South Cumbria Rivers Trust, John Strutt Conservation Foundation, Trash Free Trails, as well as National Trust, National Park and Fix the Fells. As part of our Hedges & Edges project we have worked with 24 organisations including: University of Cumbria, Ambleside Natural History Society, Ernest Cook Trust, Queen Elizabeth Grammar School, Kendal Community Volunteers, Sedbergh Tree Planting Group, Woodland Trust, Lune Rivers Trust, Yorkshire Dales Millenium Trust, and the Lake District Foundation.

Auditor

In accordance with the company's articles, a resolution proposing that Lamont Pridmore be reappointed as auditor of the company will be put at a General Meeting.

The Trustees report was approved by the Board of Trustees.



Malcom Boswell

Date: 31/7/2026

FRIENDS OF THE LAKE DISTRICT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF FRIENDS OF THE LAKE DISTRICT

Opinion

We have audited the financial statements of Friends of the Lake District (the 'Charity') for the year ended 31 March 2026 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

FRIENDS OF THE LAKE DISTRICT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FRIENDS OF THE LAKE DISTRICT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- 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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit in respect of fraud are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

FRIENDS OF THE LAKE DISTRICT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FRIENDS OF THE LAKE DISTRICT

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are: 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) – (Charities SORP (FRS 102)), FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We examined supporting documents for all material balances, transactions and disclosures.
- We applied analytical procedures to identify any unusual or unexpected relationships.
- We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

FRIENDS OF THE LAKE DISTRICT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FRIENDS OF THE LAKE DISTRICT

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

For and on behalf of Lamont Pridmore, Statutory Auditor

Chartered Accountants

136 Highgate

Kendal

Cumbria

LA9 4HW

Date:

FRIENDS OF THE LAKE DISTRICT

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2026

Current financial year		Unrestricted funds general 2026 £	Unrestricted funds Designated 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £	Total 2025 £
	Notes						
Income from:							
Donations, Legacies, Membership							
Subscriptions & Grants	4	567,713	-	82,186	-	649,899	1,548,796
<u>Charitable activities</u>							-
Properties	3	6,401	-	-	-	6,401	3,042
Events & Other Income	3	190	-	-	-	190	1,605
Sale of Merchandise	3	26,733	-	-	-	26,733	23,193
Investments	5	83,266	-	-	21,851	105,117	105,184
Total income and endowments		684,303	-	82,186	21,851	788,340	1,681,820
Expenditure on:							
<u>Raising funds</u>							
Costs of Generating Voluntary Income	7	223,539	-	-	-	223,539	212,466
Costs of Sale of Merchandise	7	6,097	-	-	-	6,097	6,000
Investment Management Costs	7	9,678	-	-	3,563	13,241	14,407
		239,314	-	-	3,563	242,877	232,873
<u>Charitable activities</u>							
Land	8	127,398	-	-	-	127,398	163,248
Planning & Policy	8	568,195	-	87,463	-	655,658	356,188
Campaigns & Engagement	8	487,189	-	22,000	-	509,189	421,268
Total charitable expenditure		1,182,782	-	109,463	-	1,292,245	940,704
Other expenditure	12	53	-	-	-	53	8,851
Total expenditure		1,422,149	-	109,463	3,563	1,535,175	1,182,428
Net losses on investments	14	(38,645)	-	-	(2,978)	(41,623)	(48,235)
Net income/(expenditure)		(776,491)	-	(27,277)	15,310	(788,458)	451,157

FRIENDS OF THE LAKE DISTRICT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Current financial year		Unrestricted funds general 2026 £	Unrestricted funds Designated 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £	Total 2025 £
	Notes						
Net income/(expenditure)		(776,491)	-	(27,277)	15,310	(788,458)	451,157
Transfers between funds		(703,032)	723,223	-	(20,191)	-	-
Other recognised gains and losses:							
Revaluation of tangible fixed assets		-	-	-	-	-	1,336,740
Net movement in funds	10	(1,479,523)	723,223	(27,277)	(4,881)	(788,458)	1,787,897
Reconciliation of funds:							
Fund balances at 1 April 2025		3,828,311	2,871,379	107,665	425,171	7,232,526	5,444,629
Fund balances at 31 March 2026		2,348,788	3,594,602	80,388	420,290	6,444,068	7,232,526

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

FRIENDS OF THE LAKE DISTRICT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Prior financial year		Unrestricted funds general 2025 £	Unrestricted funds Designated 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
	Notes					
Income from:						
Donations, Legacies, Membership Subscriptions & Grants	4	1,548,546	-	250	-	1,548,796
<u>Charitable activities</u>						-
Properties	3	3,042	-	-	-	3,042
Events & Other Income	3	1,605	-	-	-	1,605
Sale of Merchandise	3	23,193	-	-	-	23,193
Investments	5	84,308	-	-	20,876	105,184
Total income and endowments		1,660,694	-	250	20,876	1,681,820
Expenditure on:						
<u>Raising funds</u>						
Costs of Generating Voluntary Income	7	212,466	-	-	-	212,466
Costs of Sale of Merchandise	7	6,000	-	-	-	6,000
Investment Management Costs	7	9,301	-	-	5,106	14,407
		227,767	-	-	5,106	232,873
<u>Charitable activities</u>						
Land	8	163,248	-	-	-	163,248
Planning & Policy	8	348,179	-	8,009	-	356,188
Campaigns & Engagement	8	412,766	-	8,502	-	421,268
Total charitable expenditure		924,193	-	16,511	-	940,704
Other expenditure	12	8,851	-	-	-	8,851
Total expenditure		1,160,811	-	16,511	5,106	1,182,428
Net losses on investments	14	(42,193)	-	-	(6,042)	(48,235)
Net income/(expenditure)		457,690	-	(16,261)	9,728	451,157
Transfers between funds		(28,804)	75,906	(27,200)	(19,902)	-
Other recognised gains and losses:						
Revaluation of tangible fixed assets		1,336,740	-	-	-	1,336,740

FRIENDS OF THE LAKE DISTRICT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

Prior financial year		Unrestricted funds general 2025 £	Unrestricted funds Designated 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
	Notes					
Net movement in funds	10	1,765,626	75,906	(43,461)	(10,174)	1,787,897
Reconciliation of funds:						
Fund balances at 1 April 2024		2,062,685	2,795,473	151,126	435,345	5,444,629
Fund balances at 31 March 2025		3,828,311	2,871,379	107,665	425,171	7,232,526

FRIENDS OF THE LAKE DISTRICT

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2026

	All income funds	
	2026	2025
	£	£
Gross income	788,340	1,681,820
Losses on investments	(41,623)	(48,235)
Total income in the reporting period	746,717	1,633,585
Total expenditure from income funds	1,535,175	1,182,428
Net (expenditure)/income for the year	(788,458)	451,157

FRIENDS OF THE LAKE DISTRICT

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026 £	£	2025 £	£
Fixed assets					
Intangible assets	16	60,461		-	
Tangible assets	18	3,172,881		3,177,490	
Investments	17	2,581,347		2,660,714	
		<u>5,814,689</u>		<u>5,838,204</u>	
Current assets					
Stocks	19	278		1,093	
Debtors	20	76,874		411,418	
Cash at bank and in hand		644,641		1,074,641	
		<u>721,793</u>		<u>1,487,152</u>	
Creditors: amounts falling due within one year	21	(92,414)		(92,830)	
Net current assets		<u>629,379</u>		<u>1,394,322</u>	
Total assets less current liabilities		<u>6,444,068</u>		<u>7,232,526</u>	
The funds of the Charity					
Endowment funds	23	420,290		425,171	
Restricted income funds	24	80,388		107,665	
Unrestricted funds - general	25	2,348,788		3,828,311	
Unrestricted funds - Designated	26	3,594,602		2,871,379	
		<u>6,444,068</u>		<u>7,232,526</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2026.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 31/7/2026



Malcom Boswell

FRIENDS OF THE LAKE DISTRICT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £	£	2025 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	32		(504,172)		224,592
Investing activities					
Purchase of intangible assets		(63,707)		-	
Purchase of tangible fixed assets		(4,983)		(125,793)	
Purchase of investments		(44,132)		-	
Proceeds from disposal of investments		81,877		139,688	
Investment income received		105,117		105,184	
Net cash generated from investing activities			74,172		119,079
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(430,000)		343,671
Cash and cash equivalents at beginning of year			1,074,641		730,970
Cash and cash equivalents at end of year			644,641		1,074,641

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

Charity information

Friends of the Lake District is a private company limited by guarantee incorporated in England and Wales. The registered office is Murley Moss, Oxenholme Road, Kendal, Cumbria, LA9 7SS.

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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 unless otherwise stated in the relevant accounting policy note. 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.

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

Restricted funds are subject to specific conditions by donors or grantors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

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.

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.5 Expenditure

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

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

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software and website	20% straight line
----------------------	-------------------

1.7 Tangible fixed assets

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

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

Freehold land and buildings	2% straight line
Plant and equipment	20% reducing balance
Office equipment	25% reducing balance
Motor vehicles	20% reducing balance

Freehold land is not depreciated.

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

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.10 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 at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 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.

1.12 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.

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting policies

(Continued)

1.13 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.

1.14 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 Income from charitable activities

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Properties		
Charitable rental income	6,401	3,042
Events & Other Income		
Other income	190	1,605
Sale of Merchandise		
Sale of Merchandise	26,733	23,193
	<u>33,324</u>	<u>27,840</u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

4 Income from donations, legacies, membership subscriptions & grants

	Unrestricted funds 2026 £	Restricted funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Donations and gifts	90,682	223	90,905	76,640	250	76,890
Legacies	330,279	-	330,279	1,152,773	-	1,152,773
Grants	20,282	81,963	102,245	17,361	-	17,361
Membership fees	126,470	-	126,470	176,772	-	176,772
Donated goods and services	-	-	-	125,000	-	125,000
	<u>567,713</u>	<u>82,186</u>	<u>649,899</u>	<u>1,548,546</u>	<u>250</u>	<u>1,548,796</u>
Grants						
Rural Payments Agency	20,282	-	20,282	17,361	-	17,361
Campaign to Protect HH5	-	67,711	67,711	-	-	-
The Big Give Trust	-	9,252	9,252	-	-	-
Royal Astronomical Society	-	5,000	5,000	-	-	-
	<u>20,282</u>	<u>81,963</u>	<u>102,245</u>	<u>17,361</u>	<u>-</u>	<u>17,361</u>

5 Income from investments

	Unrestricted funds 2026 £	Endowment funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
Other income	<u>83,266</u>	<u>21,851</u>	<u>105,117</u>	<u>84,308</u>	<u>20,876</u>	<u>105,184</u>

6 Other material income

There is no material other income in this financial year. Last year the charity received a donation of land at Clayhurley Bank Wood in the value of £125,000.

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

7 Expenditure on raising funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2026	2026	2026	2025	2025	2025
	£	£	£	£	£	£
Costs of Generating Voluntary Income						
Seeking donations, grants and legacies	19,613	-	19,613	18,741	-	18,741
Other fundraising costs	5,704	-	5,704	1,721	-	1,721
Staff costs	108,113	-	108,113	111,466	-	111,466
Support costs	90,109	-	90,109	80,538	-	80,538
	<u>223,539</u>	<u>-</u>	<u>223,539</u>	<u>212,466</u>	<u>-</u>	<u>212,466</u>
Costs of Sale of Merchandise						
Operating charity shops	6,097	-	6,097	6,000	-	6,000
	<u>6,097</u>	<u>-</u>	<u>6,097</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Investment Management Costs	9,678	3,563	13,241	9,301	5,106	14,407
	<u>9,678</u>	<u>3,563</u>	<u>13,241</u>	<u>9,301</u>	<u>5,106</u>	<u>14,407</u>
Total costs	<u>239,314</u>	<u>3,563</u>	<u>242,877</u>	<u>227,767</u>	<u>5,106</u>	<u>232,873</u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

8 Expenditure on charitable activities

	Land		Planning & Campaigns & Policy Engagement		Total		Land		Planning & Campaigns & Policy Engagement		Total	
	2026	2026	2026	2026	2026	2026	2025	2025	2025	2025	2025	2025
	£	£	£	£	£	£	£	£	£	£	£	£
Direct costs												
Staff costs	47,539	260,813	230,009		538,361	66,837	197,625	192,222		456,684		
Depreciation and impairment	4,001	-	-		4,001	891	-	-		891		
L.E. Project Costs	-	-	23,702		23,702	-	-	4,093		4,093		
Dark Skies Project Costs	-	-	-		-	-	-	3,727		3,727		
WDLPS Project Costs	-	5,500	-		5,500	-	3,931	-		3,931		
Repairs and Maintenance	-	9,252	-		9,252	-	-	-		-		
Motor Expenses	2,613	67,711	-		70,324	1,941	-	-		1,941		
Office Costs	-	5,000	-		5,000	-	-	-		-		
Project Costs	-	116,810	-		116,810	-	17,533	-		17,533		
Membership Engagement	-	-	33,144		33,144	-	-	15,578		15,578		
Property Costs	37,785	-	-		37,785	36,480	-	-		36,480		
Grants & Donations	810	-	-		810	368	-	-		368		
	92,748	465,086	286,855		844,689	106,517	219,089	215,620		541,226		
Share of support and governance costs (see note 9)												
Support	28,456	156,507	182,591		367,554	46,022	111,219	166,828		324,069		
Governance	6,194	34,065	39,743		80,002	10,709	25,880	38,820		75,409		
	127,398	655,658	509,189		1,292,245	163,248	356,188	421,268		940,704		
Analysis by fund												
Unrestricted funds - general	127,398	568,195	487,189		1,182,782	163,248	348,179	412,766		924,193		
Restricted funds	-	87,463	22,000		109,463	-	8,009	8,502		16,511		

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2026

- 36 -

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

9 Support costs allocated to activities

		2026 £	2025 £
	<i>Basis of allocation</i>		
Staff costs	<i>staff time</i>	294,103	217,195
Depreciation	<i>staff time</i>	8,836	4,774
Marketing & communication	<i>staff time</i>	3,741	44,010
Other staff costs	<i>staff time</i>	14,724	26,563
IT Costs	<i>staff time</i>	60,273	45,349
Printing stationery & postage	<i>staff time</i>	26,706	15,057
Telephone	<i>staff time</i>	3,045	2,868
Property costs	<i>staff time</i>	18,800	22,078
Motor & travel	<i>staff time</i>	7,727	10,088
Bank charges	<i>staff time</i>	3,322	4,108
Sundry	<i>staff time</i>	16,387	12,517
Governance costs	<i>staff time</i>	99,614	94,150
		<u>557,278</u>	<u>498,757</u>
Analysed between:			
Fundraising		109,722	99,279
Land		34,650	56,731
Planning & Policy		190,572	137,099
Campaigns & Engagement		222,334	205,648
		<u>557,278</u>	<u>498,757</u>

10 Net movement in funds

	2026 £	2025 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	16,869	12,374
Depreciation of owned tangible fixed assets	9,591	5,665
Loss on disposal of tangible fixed assets	-	8,851
Amortisation of intangible assets	3,246	-
	<u>30,706</u>	<u>26,890</u>

11 Trustees

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

Amounts of £550 (2025: £339) were reimbursed to cover part of the travel and subsistence expenses incurred on behalf of the charity by one trustee (2025: one trustee).

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

12 Other expenditure

	Unrestricted funds 2026 £	Unrestricted funds 2025 £
Net loss on disposal of tangible fixed assets	-	8,851
Other expenditure	53	-
	<u>53</u>	<u>8,851</u>

13 Employees

The average monthly number of employees during the year was:

	2026 Number	2025 Number
Generating funds	3	4
Charitable activities	13	11
Governance	1	1
Support	6	5
Total	<u>23</u>	<u>21</u>

Employment costs

	2026 £	2025 £
Wages and salaries	798,386	641,644
Social security costs	86,120	52,774
Other pension costs	56,071	90,927
	<u>940,577</u>	<u>785,345</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2026 Number	2025 Number
£60,001 - £70,000	3	-
£90,001 - £100,000	-	1
£100,000 - £110,000	1	-
	<u></u>	<u></u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

13 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2026 £	2025 £
Aggregate compensation	287,311	199,389

14 Gains and losses on investments

	Unrestricted funds 2026 £	Endowment funds 2026 £	Total 2026 £	Unrestricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
Gains/(losses) arising on:						
Revaluation of investments	(40,675)	(3,492)	(44,167)	(42,193)	(6,042)	(48,235)
Sale of investments	2,030	514	2,544	-	-	-
	<u>(38,645)</u>	<u>(2,978)</u>	<u>(41,623)</u>	<u>(42,193)</u>	<u>(6,042)</u>	<u>(48,235)</u>

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

16 Intangible fixed assets

	Software and website £
Cost	
At 1 April 2025	-
Additions - separately acquired	63,707
At 31 March 2026	<u>63,707</u>
Amortisation and impairment	
At 1 April 2025	-
Amortisation charged for the year	3,246
At 31 March 2026	<u>3,246</u>
Carrying amount	
At 31 March 2026	<u>60,461</u>
At 31 March 2025	<u>-</u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

17 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2025	2,660,714
Additions	44,132
Valuation changes	(44,166)
Disposals	(79,333)
At 31 March 2026	2,581,347
Carrying amount	
At 31 March 2026	2,581,347
At 31 March 2025	2,660,714

18 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Office equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2025	3,153,771	-	46,110	18,134	3,218,015
Additions	-	1,679	3,303	-	4,982
At 31 March 2026	3,153,771	1,679	49,413	18,134	3,222,997
Depreciation and impairment					
At 1 April 2025	-	-	25,957	14,568	40,525
Depreciation charged in the year	3,288	-	5,590	713	9,591
At 31 March 2026	3,288	-	31,547	15,281	50,116
Carrying amount					
At 31 March 2026	3,150,483	1,679	17,866	2,853	3,172,881
At 31 March 2025	3,153,771	-	20,153	3,566	3,177,490

Land and buildings with a carrying amount of £3,150,483 were revalued at 2 May 2024 by William Bashall Associates, Stout Hill, Little Salkeld, Cumbria, CA10 1NN, independent valuers not connected with the Charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 March 2026, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £1,685,040 (2025 - £1,688,535).

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

19 Stocks

	2026 £	2025 £
Finished goods and goods for resale	278	1,093

20 Debtors

	2026 £	2025 £
Amounts falling due within one year:		
Trade debtors	67,417	397,381
Prepayments and accrued income	9,457	14,037
	76,874	411,418

21 Creditors: amounts falling due within one year

	2026 £	2025 £
Other taxation and social security	22,357	16,957
Other creditors	9,558	56,242
Accruals and deferred income	60,499	19,631
	92,414	92,830

22 Retirement benefit schemes

	2026 £	2025 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	56,071	90,927

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.

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

23 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 April 2025 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2026 £
Permanent endowments						
Kirby General Fund	291,850	14,999	(2,446)	(13,860)	(2,044)	288,499
Kirby Amenity Fund	37,531	1,929	(315)	(1,782)	(263)	37,100
Margaret Taylor Memorial Fund	95,790	4,923	(802)	(4,549)	(671)	94,691
	<u>425,171</u>	<u>21,851</u>	<u>(3,563)</u>	<u>(20,191)</u>	<u>(2,978)</u>	<u>420,290</u>
Previous year:						
	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Permanent endowments						
Kirby General Fund	298,834	14,330	(3,505)	(13,661)	(4,148)	291,850
Kirby Amenity Fund	38,429	1,843	(451)	(1,757)	(533)	37,531
Margaret Taylor Memorial Fund	98,082	4,703	(1,150)	(4,484)	(1,361)	95,790
	<u>435,345</u>	<u>20,876</u>	<u>(5,106)</u>	<u>(19,902)</u>	<u>(6,042)</u>	<u>425,171</u>

The permanent endowment fund represents the two Kirkby funds and the Margaret Taylor Memorial Fund. The capital of the Kirkby & Taylor Funds is invested. The income arising from the Kirkby Amenity Fund may only be used for special conservation activities and is included in restricted funds. The income from the Kirkby General Fund and Margaret Taylor Memorial Fund is for the general purposes of the charity.

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

24 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2025 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2026 £
Fell Care Days	34,580	223	(22,000)	-	12,803
Wellbeing Work (Sanctuary Project)	3,909	-	-	-	3,909
Virtual Gifts	13,312	-	-	-	13,312
Donation Paths	12,042	-	-	-	12,042
Climate Change Project	12,239	-	-	-	12,239
WDLPS	16,478	-	(5,500)	-	10,978
Championing Upland Hill Farming	15,105	-	-	-	15,105
The Big Give Trust	-	9,252	(9,252)	-	-
Campaign To Protect HH5	-	67,711	(67,711)	-	-
Royal Astronomical Society	-	5,000	(5,000)	-	-
	<u>107,665</u>	<u>82,186</u>	<u>(109,463)</u>	<u>-</u>	<u>80,388</u>
Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Fell Care Days	35,368	250	(1,038)	-	34,580
Wellbeing Work (Sanctuary Project)	7,508	-	(3,599)	-	3,909
Troutbeck Churchyard For Upkeep	1,871	-	(1,871)	-	-
Our Green Space	1,668	-	(1,668)	-	-
Virtual Gifts	13,312	-	-	-	13,312
Donation Paths	12,042	-	-	-	12,042
Climate Change Project	12,239	-	-	-	12,239
Conquer the Lakes	539	-	(539)	-	-
WDLPS	51,474	-	(7,796)	(27,200)	16,478
Championing Upland Hill Farming	15,105	-	-	-	15,105
	<u>151,126</u>	<u>250</u>	<u>(16,511)</u>	<u>(27,200)</u>	<u>107,665</u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 April 2025 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2026 £
Revaluation reserve	1,336,740	-	-	-	-	1,336,740
General funds	2,491,571	684,303	(1,422,149)	(703,032)	(38,645)	1,012,048
	<u>3,828,311</u>	<u>684,303</u>	<u>(1,422,149)</u>	<u>(703,032)</u>	<u>(38,645)</u>	<u>2,348,788</u>
Previous year:	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
General funds	2,062,685	1,660,694	(1,160,811)	(28,804)	(42,193)	2,491,571
Revaluation reserve	-	-	-	-	1,336,740	1,336,740
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,336,740</u>	<u>1,336,740</u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

26 Unrestricted funds - Designated

These are funds designated by the trustees for specific purposes

	At 1 April 2025 £	Transfers £	At 31 March 2026 £
Intangible Fixed Assets	-	60,461	60,461
Tangible Fixed Assets	1,840,750	(4,609)	1,836,141
Working Capital	731,629	18,371	750,000
Sustainability and Growth	-	482,000	482,000
Organisational Development	104,000	62,000	166,000
Future Land Purchases	175,000	75,000	250,000
Campaigns Contingency	20,000	30,000	50,000
	<u>2,871,379</u>	<u>723,223</u>	<u>3,594,602</u>

Previous year:

	At 1 April 2024 £	Transfers £	At 31 March 2025 £
Tangible Fixed Assets	1,604,473	236,277	1,840,750
Working Capital	600,000	131,629	731,629
Sustainability and Growth	316,000	(316,000)	-
Digital Transformation	100,000	(100,000)	-
Organisational Development	100,000	4,000	104,000
Future Land Purchases	75,000	100,000	175,000
Campaigns Contingency	-	20,000	20,000
	<u>2,795,473</u>	<u>75,906</u>	<u>2,871,379</u>

27 Analysis of net assets between funds

	Unrestricted funds general 2026 £	Unrestricted funds Designated 2026 £	Restricted funds 2026 £	Endowment funds 2026 £	Total 2026 £
At 31 March 2026:					
Intangible fixed assets	-	60,461	-	-	60,461
Tangible assets	1,336,740	1,836,141	-	-	3,172,881
Investments	463,057	1,698,000	-	420,290	2,581,347
Current assets/(liabilities)	548,991	-	80,388	-	629,379
	<u>2,348,788</u>	<u>3,594,602</u>	<u>80,388</u>	<u>420,290</u>	<u>6,444,068</u>

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2026

27 Analysis of net assets between funds

(Continued)

	Unrestricted funds general 2025 £	Unrestricted funds Designated 2025 £	Restricted funds 2025 £	Endowment funds 2025 £	Total 2025 £
At 31 March 2025:					
Tangible assets	1,344,546	1,832,944	-	-	3,177,490
Investments	2,235,543	-	-	425,171	2,660,714
Current assets/(liabilities)	248,222	1,038,435	107,665	-	1,394,322
	<u>3,828,311</u>	<u>2,871,379</u>	<u>107,665</u>	<u>425,171</u>	<u>7,232,526</u>

28 Operating lease commitments

Lessee

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

	2026 £	2025 £
Within one year	2,920	5,098
Between two and five years	6,577	8,363
In over five years	-	1,134
	<u>9,497</u>	<u>14,595</u>

29 Contingent Assets - Legacy Income

At the reporting date, the Charity had been notified of residuary legacies where the value of the estates was uncertain as the executors had not yet compiled the estate accounts and probate had not been granted. Therefore no amount has been accrued in respect of these legacies which are estimated to be £130,040 (2025: £217,655).

30 Related party transactions

There were no disclosable related party transactions during the year (2025 - none).

31 Analysis of changes in net funds

The Charity had no material debt during the year.

FRIENDS OF THE LAKE DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2026

32	Cash (absorbed by)/generated from operations	2026 £	2025 £
	(Deficit)/surplus for the year	(788,458)	451,157
	Adjustments for:		
	Investment income recognised in statement of financial activities	(105,117)	(105,184)
	Donated land	-	(125,000)
	(Gain)/loss on disposal of tangible fixed assets	-	8,851
	Gain on disposal of investments	(2,544)	-
	Fair value gains and losses on investments	44,167	48,235
	Amortisation and impairment of intangible assets	3,246	-
	Depreciation and impairment of tangible fixed assets	9,591	5,665
	Movements in working capital:		
	Decrease in stocks	815	1,418
	Decrease/(increase) in debtors	334,544	(57,220)
	(Decrease) in creditors	(416)	(3,330)
	Cash (absorbed by)/generated from operations	(504,172)	224,592

