

Company registration number: 3032775

Charity registration number: 1045167

THE WILDLIFE TRUSTS WALES LIMITED
(A company limited by guarantee
and not having a share capital)

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Broomfield & Alexander Limited
Chartered Accountants & Statutory Auditors
Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA

THE WILDLIFE TRUSTS WALES LIMITED

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THE WILDLIFE TRUSTS WALES LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

OBJECTIVES AND ACTIVITIES

Wildlife Trusts Wales facilitates the work of the Wildlife Trusts in Wales; it speaks on behalf of the Welsh Trusts on areas of national interest and drives forward a programme of all-Wales work best delivered from a national platform.

It works on behalf of the six Wildlife Trusts in Wales – Brecknock, Gwent, Montgomeryshire, North Wales, Radnorshire and South and West Wales who work together in partnership to achieve our common aims, and it is a charitable Trust set up to assist the activities of the six Welsh Trusts, acting as an interface with public bodies, including the Welsh Government and key stakeholders.

ACHIEVEMENTS AND PERFORMANCE

Trustees Annual Report 2015-16

2015-16 was a very successful year for WTW. The main aim of the organisation is to influence legislation and to develop new partnerships and ways of working that will benefit the work of the Wildlife Trusts in Wales and therefore wildlife conservation efforts in Wales.

The first piece of legislation influenced was the Well-being of Future Generations Act. This sets sustainable development as the central organising principle for Welsh Government (WG) and all public bodies in Wales. WTW worked directly with civil servants and their legal teams charged with writing the Act. This gave us unprecedented access to ensure that the key definitions and principles were maximised for the future protection of our natural environment. The Act sets out five principles of working (long-term, preventative, integration, involvement and collaborative) to enable public bodies to work in partnership to achieve the seven goals the Act sets out. These goals are a more; healthier, resilient, prosperous Wales that has cohesive communities, a vibrant culture and a Wales that is globally responsible and more equal. Each public body must carry out sustainable development and they must include:

- a. setting and publishing objectives ("well-being objectives") that are designed to maximise its contribution to achieving each of the well-being goals, and
- b. taking all reasonable steps (in exercising its functions) to meet those objectives.

In collaboration with RSPB and WWF, WTW were able to secure the inclusion of the Resilient Wales Goal that states that Wales will be - "A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change)." This will mean that all public bodies will need to plan to achieve this goal.

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The second major piece of legislation was the Environment Act and as the name suggests it was essential that WTW influenced the formation of this critical piece of legislation. Again unprecedented access was gained to assist WG in various drafts of the Bill. WTW also gave evidence to the WG Environment and Sustainability Committee on what this Act should cover. The Act sets out how Wales needs to manage its natural resources sustainably. A great deal of effort ensured that some key principles were achieved. The first was the definition of natural resources to include all living organisms and critical elements for their survival such as air, water and soil. The next critical element was to ensure the Convention of Biological Diversity principles were embedded into this Act. These are there to ensure conservation efforts are in collaboration, informed by the best evidence and are sustainable. All of this was achieved. What wasn't achieved were efforts to gain statutory biodiversity targets although carbon targets were set.

Of particular note in the year were the changing relationship with Welsh Government and concerns for the newly formed Natural Resources Wales (NRW). As one of our major partners is NRW, WTW were asked to give evidence to the WG Environment and Sustainability Committee on their performance. Trusts work very closely with local staff mostly on the management of SSSI sites and on community and species projects. This work has continued to be very successful although NRW staff have experienced a lot of upheaval in the formation of the new body. However, there were several concerns that WTW have been working with NRW to address. These are NRW staff reductions leading to a diminishing of expertise; NRW not objecting to some major planning applications; and NRW's perceived new purposes around economic development. It is essential that the main government body for the environment and Wildlife Trusts work closely together and support each other in the difficult task of trying to reverse the loss of biodiversity. To this aim WTW will continue to liaise with NRW to find new ways of working acknowledging both organisations are resourced constrained but willing to seek new opportunities to overcome this. Our work with NRW has also moved on to working with them to look at the products they will be responsible for under the Environment Act, which include

- National Natural Resources Policy (NNRP) – 5 Year plan that will set out how the Minister will achieve the sustainable management of natural resources.
- State of Natural Resources Reporting (SoNRaR) - This will monitor performance on the NNRP and will provide the evidence base on which to assess the status of biodiversity in Wales, which is very welcome.
- Area Statements – these will cover the whole of Wales and will look at the opportunities and threats of delivering the NNRP
- Section 7 lists – This will replace Section 42 which identifies the most endangered species and habitats in Wales. A full review of this list is overdue so this work is also very welcome.

Our relationship with Welsh Government has changed significantly. One aspect of this is working closely with civil servants on legislation, as described above. The other is their decision to become a direct funder of conservation work in Wales. As part of this they have pooled all internal funding for support into a new fund for core organisations. WTW were successful in being acknowledged as such a core organisation, due to our ability in delivering conservation work and our expertise to assist them in formulating programmes and ideas. As WG are a major partner WTW sits on many WG Forums to advise on numerous aspects of conservation work from legislation to marine work.

The other aspect of partnership working is the projects that WTW oversee (Wales Biodiversity Partnership and Environment Wales) on behalf of WG. In 2015-16 WG reviewed all of their funding streams, which affected funding for Environment Wales (EW). This involved WTW and other partner organisations employing EW Development Officers to advise communities on sustainability projects. Unfortunately this

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funding was cut meaning that this project is no longer running. Wales Biodiversity Partnership (WBP) did receive support and WTW continue to house two project officers for this partnership. Another key partner Wales Environment Link (WEL) also received continuation funding. This is important to WTW as WEL organise and promote several working groups across the eNGO sector and this offers the ability to pool resources and knowledge.

Resources for wildlife conservation work continue to be constrained. Our traditional funders such as Heritage Lottery Fund and BIG Lottery Fund have continued to increase their focus on communities. This has enabled several amazing People and Wildlife projects and is welcomed by Trusts as we seek to inspire and re-connect people to wildlife. However, funding for straight forward wildlife conservation is decreasing. So to survive in the long term new sources of funding that do not compromise our charitable purposes need to be found. The most promising areas are to examine investment to lock in carbon in our peatlands and to gain acknowledgment (and payment) for the preventative health care work Wildlife Trusts deliver. As more people use our nature reserves and become involved in our community projects, it has become clear that being in nature is good for people's health. However, we are providing training, experiences and green spaces for free and so WG and the NHS need to acknowledge and support this work. WTW are investigating how to achieve this and to engage with corporate partners to invest in carbon sequestration through peatland restoration. This work is very complex and involves developing long-term relationship with corporations.

To assist Trusts to receive funding WTW acts as a conduit for all Wales funding. This is how funding from the Peoples Postcode Lottery (PPL) and the Co-operative Group is managed. PPL are a key funder and have again increased their support to Wildlife Trusts in Wales. This funding is unique as it is unrestricted and so Trusts can direct money to difficult to fund areas of their work. This has included work to plan for Beaver re-introduction in Wales through to examining potential damaging developments such the Circuit of Wales and Wylfa Power Station proposals. This funding is extremely appreciated and we hope to continue developing this relationship further.

The other major funder is the Co-operative Group but due to internal difficulties the whole structure of the Co-op changed causing delays and uncertainty in the relationship. Therefore, a great deal of work was undertaken to try to secure the relationship going forward. But the present agreement will finish soon although it has been extended from October 2016 to May 2017. Further funding was secured that has enabled projects with communities throughout Wales. Some of these have been in collaboration with Communities First targeted at disadvantaged communities.

Securing Living Seas is another major area of work for the Wildlife Trusts. WTW are part of WEL Marine Working Group which is a partnership with RSPB, WWF and MCS. This work is examining how the Marine and Coastal Act is being implemented in Wales. The purpose of this and the Marine Strategy Framework Directive is to have a cohesive network of marine sites and to ensure that these sites are in favourable conservation status. Wales already has 36% of its in-shore designated. Although this sounds significant it must be remembered that this is only for specific features (such as Bottlenose dolphin) and not for the whole sites. Therefore, identifying gaps in the network has been a focus this year. Initial findings have shown a lack of provision for Harbour porpoise and sea birds. In partnership with UK colleagues and WWF pressure on WG has seen the proposed designation of four further sites. They have been put forward for consultation with an intention of designating them next year.

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As part of our marine work WTW have commented on drafts of the new Wales Bill as the new marine powers in the Bill would enable Wales to licence activities and conserve (create and manage Marine Conservation Zones) past the current 12NM limit out to the 200NM limit. This would enable NRW and the WG to coherently manage all of Wales' marine areas. There are however, questions of resourcing (there are current issues with resourcing of current duties to 12NM) as the Bill does not allow for any further fiscal allowance from the UK.

All internal policies and HR documents were reviewed to ensure compliance with Health and Safety regulations and good practice. WTW Council has particularly concentrated on reviewing risk management for the business. This has identified five key areas of risk that are reviewed at every Council meeting (every quarter) to minimise business risk.

The WTW Strategic Plan runs from 2013-2017 and the Plan was partially reviewed as all the outcomes have been reached already. A full review was not thought appropriate as the Wildlife Trusts in Wales are considering future structures and ways of working which would therefore change the priorities for WTW.

Towards the later end of the year the referendum on the question of continued UK membership of the European Union was considered in relation to what an exit from the European Union (EU) would mean for wildlife conservation. The first stages of this were to establish what the Wildlife Trusts views were. Although views were mixed, particularly concerning the effects of CAP payments on wildlife, it was decided that due to the importance of EU environment legislation, the ability to take infraction proceedings and the EU funding of the sector that it would be more favourable for wildlife if the UK remained an EU member. Therefore, research was commissioned with UK partners to inform the debate. However, the UK has subsequently voted to leave the EU therefore dealing with the consequences of this, along with the implementation of new legislation, the internal structure review and the development of further partnerships will make 2016-17 another interesting year for WTW.

Results

The results for the year and the charitable company's financial position at the end of the year are shown in the attached financial statements.

FINANCIAL REVIEW

Financial policy

As an advocacy organisation for the six Welsh Wildlife Trusts, the trustees have taken the decision not to build an unrestricted financial reserve. However, the trustees recognise the need for reserves in order for the charity to wind up in an orderly manner if there was ever the need to. The Trustees consider the reserves required are in the region of £25,000. The charity currently has unrestricted reserves of £21,401 and are working toward obtaining the reserves figure by generating small surpluses each year. The principal source of unrestricted income is from members' charities. Wildlife Trusts Wales' expenditure is recharged to the six member Trusts at agreed percentages, based on the unrestricted income and membership of these Trusts.

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FOR THE YEAR ENDED 31 MARCH 2016**

Financial position

A total of £767,075 (2015: £870,417) was expended during the year. Unrestricted reserves are £21,401 (2015: £75,987). There was also a balance of restricted funds at the year-end of £105,819 (2015: £58,400).

Income for the year was £759,908 (2015 £891,403). Membership income from Trusts has remained static at £82,689.

PLANS FOR FUTURE PERIODS

During the next financial year the key areas of focus will include:

1. Examining the implications of the exit of the UK from the European Union on the conservation of wildlife
2. Working with Welsh Trusts on the review of internal structures in Wales
3. Inputting into implementation of the Environment Act and Well-being of Future Generation Act in particular the formation of local service boards, Area Statements and SoNaRR
4. Influencing the National Marine Plan. Campaigning for a well-managed and ecologically coherent network of marine sites and designation of the 3rd tranche of MCZs and proper management of marine sites in Wales
5. Develop relationships with corporate partners in the development of new markets for nature conservation work
6. Developing the relationship with NRW and addressing Trusts' concerns
7. Promoting the People Postcode Lottery relationship in Wales
8. Researching the evidence and knowledge needs on behalf of the Wildlife Trusts in Wales
9. Finalising the Welsh Wildlife Heroes campaign with the Co-operative Group
10. Reviewing all HR practices, pension provision, staff contracts and completing staff appraisals

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The company was incorporated on 14 March 1995 under the name of The Welsh Wildlife Trusts Limited and was registered with the Charity Commission on 23 March 1995. It changed its name to The Wildlife Trusts Wales Limited (WTW) on 18 June 1998. The company is limited by guarantee and registered in England and Wales. The constitution was rewritten in 2007, agreed at an EGM on 31 May 2007, and approved by the Charity Commission on 2 August 2007.

Corporate members

The members of the charity are the Welsh Wildlife Trusts, which are also registered charities. These are as follows:

Brecknock Wildlife Trust Limited
Gwent Wildlife Trust Ltd
Montgomeryshire Wildlife Trust Limited
North Wales Wildlife Trust
The Radnorshire Wildlife Trust Limited
The Wildlife Trust of South and West Wales Ltd
(Including connected charities and companies)

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FOR THE YEAR ENDED 31 MARCH 2016**

Organisational structure

The Wildlife Trusts Wales Limited is a co-ordinating charitable company for the six Wildlife Trusts in Wales. Together we operate as a Welsh collective within The Wildlife Trusts, the network of 47 Wildlife Trusts that cover the UK, Isle of Man and Alderney. The six individual Welsh Trusts are also corporate members of the Royal Society of Wildlife Trusts, which provides co-ordination for the whole of this network. The memorandum and articles of association give Council the power to administer the affairs and determine the policy of the charitable company. Council is ultimately responsible for the charitable company's activities and directly accountable to the charitable company's corporate members, being the six Welsh Wildlife Trusts.

Appointment and induction of trustees

Each of the six corporate members appoints a trustee. The Council may also co-opt from time to time additional members possessing specialist skills, knowledge or expertise, as it thinks fit. Following the appointment of a trustee, the Chairman will introduce the new trustee to the first meeting of Council. Copies of the charity constitution, latest annual report and accounts and minutes of recent Council meetings will be provided. The charitable company trustees are also directors under the Companies Act 2006. Trustees meet as a Council quarterly preceded one month before by the Wildlife Trusts Wales Forum comprising the CEOs of the six Trusts and of Wildlife Trusts Wales. Honorary Officers of the charitable company are elected at an annual general meeting.

Council operates a sub-committee with delegated powers, Wildlife Trusts Wales Forum, which is made up of the senior officers of the corporate members. Wildlife Trusts Wales Forum papers are sent to Council in order to bring together the business of the charitable company and support Council in developing the ethos, values, mission and strategic aims of the wider movement. One trustee and one staff member represent Wales with delegate powers at the Royal Society of Wildlife Trusts' Countries Committee. The current Chair of WTW is a Trustee of the RSWT, but in a personal capacity.

Major risks

Under normal circumstances, the risks of the charitable company are mitigated to an acceptable level in day-to-day operations. A financial risk assessment has been made, along with an organisational risk assessment in The Wildlife Trusts Wales Strategic Plan. WTW also has a separate risk register that is reviewed by Council at each meeting. The 3 main risks to the business have been identified as reduction in income from trust levy support, reputational risk and the ability to deliver against outcomes. To date Council are satisfied that all appropriate measures are being made to mitigate these factors

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The Wildlife Trusts Wales Ltd's charitable purpose is enshrined in its objectives listed below. The charitable company delivers its public benefit through its work with the six independent Wildlife Trusts in Wales and a wide range of external organisations.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2016**

Objectives of the charitable company

These are:

- The conservation, maintenance and protection of the environment and wildlife, for the benefit of the public;
- The advancement of education of the public in the principles and practices of sustainable development, and those of biodiversity conservation;
- The promotion of research into biodiversity, conservation and nature study, and the publication of useful results.

Staffing

Wildlife Trusts Wales employs a Chief Executive Officer who line manages five members of staff – a Living Landscapes Manager, an Administrations Officer, a Marine Awareness Officer, a Knowledge and Evidence Manager and a Campaigns Officer who are all based at Wildlife Trusts Wales' Cardiff office. Wildlife Trusts Wales also houses two posts for the Wales Biodiversity Partnership, three posts for Wales Environment Link

Key Management Personnel

The trustees and the Chief Executive Officer are considered to be key management personnel. The trustees receive no remuneration or benefits. The trustees consider the pay awarded to key management personnel is appropriate, however, a benchmarking exercise will be undertaken in the 2016-2017 financial year.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity number: 1045167

Registered company number: 3032775 (England & Wales)

Directors/trustees:	Mr B Stow (Chairman)	
	Ms V Wilson	Resigned 19 November 2015
	Mr R Williams	
	Mr D R Thomas	
	Mr R Waller	
	Mr O Lawrence	Appointed 19 November 2015
	Mr R Pickford	
	Mr C Ledbury	Appointed 1 January 2016

Director (not trustee): Ms R C Sharp

Chief executive officer: Ms R C Sharp

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FOR THE YEAR ENDED 31 MARCH 2016**

Hon. treasurer:	Vacant
Registered office:	Baltic House Mount Stuart Square Cardiff Bay Cardiff CF10 5FH
Auditors:	Broomfield & Alexander Limited Chartered Accountants & Statutory Auditors Waters Lane Chambers 1-3 Waters Lane Newport NP20 1LA
Principal bankers:	Barclays Bank Cardiff Business Centre Roath Park Cardiff CF24 3YR

AUDITORS

Broomfield & Alexander were appointed as the charitable company's statutory auditors during the year and have expressed their willingness to continue in that capacity.

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FOR THE YEAR ENDED 31 MARCH 2016**

RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The trustees (who are also directors of The Wildlife Trusts Wales Ltd for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements the trustees are required to:

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

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

In so far as the trustees are aware:

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

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

Approved by the Board of Trustees on and signed on its behalf by:

.....
B Stow (Chair)

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE WILDLIFE TRUSTS WALES LIMITED
FOR THE YEAR ENDED 31 MARCH 2016**

We have audited the financial statements of The Wildlife Trusts Wales Ltd for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Scope of the audit of the financial statements

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

**REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE WILDLIFE TRUSTS WALES LIMITED
FOR THE YEAR ENDED 31 MARCH 2016**

Opinion on financial statements

In our opinion the financial statements:

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Broomfield & Alexander Limited

Chartered Accountants and Statutory Auditors
Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA

Dated

Broomfield & Alexander Ltd is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE WILDLIFE TRUSTS WALES LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
Income and endowments from:					
Charitable activities	2	96,255	654,954	751,209	879,955
Other trading activities	3	8,699	-	8,699	11,448
Total income and endowments		<u>104,954</u>	<u>654,954</u>	<u>759,908</u>	<u>891,403</u>
Expenditure on:					
Charitable activities	4	94,041	673,034	767,075	870,417
Total expenditure		<u>94,041</u>	<u>673,034</u>	<u>767,075</u>	<u>870,417</u>
Net income/(expenditure)	5	10,913	(18,080)	(7,167)	20,986
Transfers between funds	11	(65,499)	65,499	-	-
Net movement in funds		<u>(54,586)</u>	<u>47,419</u>	<u>(7,167)</u>	<u>20,986</u>
Reconciliation of Funds					
Total funds brought forward	11,12	75,987	58,400	134,387	113,401
Total funds carried forward	11,12	<u>21,401</u>	<u>105,819</u>	<u>127,220</u>	<u>134,387</u>

All of the net incoming/(outgoing) resources are from continuing activities.

The notes on pages 17 - 27 form part of the financial statements

THE WILDLIFE TRUSTS WALES LIMITED
BALANCE SHEET AT 31 MARCH 2016

		2016		2015	
	Note	£	£	£	£
Fixed assets:					
Tangible assets	8		1,100		1,957
Current assets:					
Debtors	9	84,520		131,606	
Cash at bank and in hand		99,511		156,594	
		184,031		288,200	
Liabilities:					
Creditors: Amounts falling due within one year	10	(57,911)		(155,770)	
Net current assets			126,120		132,430
Net assets			127,220		134,387
The funds of the charity:					
Restricted income funds	11		105,819		58,400
Unrestricted income funds	12				
Unrestricted income funds		21,401		10,726	
Designated funds		-		65,261	
			21,401		75,987
Total charity funds			127,220		134,387

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

For the financial year ended 31 March 2016, the company was entitled to exemption from audit under the Companies Act 2006, s. 477 relating to small companies and the members have not required the company to obtain an audit of its accounts for the year in question in accordance with s. 476. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors on and signed on its behalf.

ON BEHALF OF THE BOARD

.....
B Stow (Chair)

The notes on pages 17 - 27 form part of the financial statements

**THE WILDLIFE TRUSTS WALES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Net cash provided by/(used in) operating activities	17	<u>(57,083)</u>	<u>106,923</u>
Change in cash and cash equivalents in the reporting period		(57,083)	106,923
Cash and cash equivalents at the beginning of the reporting period		156,594	49,671
Cash and cash equivalents at the end of the reporting period		<u>99,511</u>	<u>156,594</u>

The notes on pages 17 - 27 form part of the financial statements

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of Preparation

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

The Wildlife Trusts Wales Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Rounding

Figures contained in the financial statements have been rounded to the nearest pound.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

Transition to FRS 102

The opening fund balances at the date of transition were not required to be restated in making the transition to FRS 102. The transition date was 1 April 2014.

Presentation of the accounts on a going concern basis

The charity reported a net outflow of £7,167 for the year. This charity's trustees consider it has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

The charitable company is heavily reliant on the grant aid provided by its core funders as shown in note 4 to these accounts. The trustees anticipate that the core funders will continue to support the charitable company and that the charitable company will make a surplus in the coming financial year.

These accounts have been drawn up on the going concern basis on the assumption that the continued support of its core funders will enable the charitable company to continue as a going concern for the foreseeable future.

**THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the organisation, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Grants received

Revenue grants are credited to the Statement of Financial Activities on a receipts basis unless they are in respect of a specific expense, when they are credited in the period in which the expenditure is incurred.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance

These costs include such items as audit, legal advice for trustees and costs associated with constitutional and statutory requirements.

Tangible fixed assets

Tangible fixed assets are stated at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment - 20% on cost

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donor. These funds are for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Operating leases

Payments made in respect of operating leases are charged to the accounts in the year in which they are paid.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds

Taxation

As a registered charity, The Wildlife Trusts Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Revenue grants				
Charitable Trusts	-	8,000	8,000	7,900
Charitable Trusts	-	-	-	(8,500)
Co-operative Group	-	232,590	232,590	157,538
Environment Wales match funding	-	18,784	18,784	12,425
Natural Resources Wales	-	-	-	420,537
Peoples Postcode Lottery	-	225,000	225,000	150,000
Royal Society of Wildlife Trusts SDF	-	9,132	9,132	-
RSPB	-	31,720	31,720	-
Visit Wales	-	-	-	15,000
Welsh Council for Voluntary Action	-	4,963	4,963	42,366
Welsh Government	13,566	124,765	138,331	-
	<u>13,566</u>	<u>654,954</u>	<u>668,520</u>	<u>797,266</u>
Membership levy	<u>82,689</u>	-	<u>82,689</u>	82,689
	<u>82,689</u>	-	<u>82,689</u>	82,689
Total charitable activities	<u><u>96,255</u></u>	<u><u>654,954</u></u>	<u><u>751,209</u></u>	<u><u>879,955</u></u>

3. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Voluntary income				
Donations	-	-	-	200
Room/space hire	7,728	-	7,728	9,305
Sundry income	971	-	971	1,943
	<u>8,699</u>	-	<u>8,699</u>	<u>11,448</u>

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Promotion £	Grant support £	Advocacy £	Support £	Governance £	Total 2016 £	Total 2015 £
Costs directly allocated to activities							
Staff costs	-	64,219	82,934	-	-	147,153	179,147
Staff development	-	927	927	-	-	1,854	1,667
Administrative costs	-	7,812	41,646	494	-	49,952	15,295
Grant redistribution	-	352,052	-	-	-	352,052	513,938
Mpa Fighting fund	-	87,639	-	-	-	87,639	-
Promotion and advertising	15,831	-	105	-	-	15,936	16,913
Travel and subsistence	-	3,274	2,816	-	-	6,090	10,027
Other costs	-	780	50	-	-	830	950
Support costs allocated to activities							
Staff costs	-	-	-	65,157	-	65,157	85,355
Staff development	-	-	-	749	-	749	384
Administrative costs	-	-	-	4,116	-	4,116	2,141
Audit fees	-	-	-	-	4,795	4,795	4,604
Bank charges & interest	-	-	-	85	-	85	71
Accountancy costs	-	-	-	1,720	-	1,720	2,729
Premises overheads	-	-	-	24,399	-	24,399	27,620
Travel and subsistence	-	-	-	3,691	-	3,691	8,720
Depreciation	-	-	-	857	-	857	856
	15,831	516,703	128,478	101,268	4,795	767,075	870,417

	2016 £	2015 £
Analysis of grants redistributed		
Brecknock Wildlife Trust Limited	-	46,494
Gwent Wildlife Trust Ltd	-	68,570
Montgomeryshire Wildlife Trust Limited	-	63,615
North Wales Wildlife Trust	-	80,189
The Radnorshire Wildlife Trust Limited	-	47,121
The Wildlife Trust of South and West Wales Ltd	-	91,189
Other biodiversity redistributions	-	22,254
	-	419,432

The Wildlife Trusts Wales Limited received grant funding during the financial year ended 31 March 2015 (note 3) and redistributed it to the Trusts for which it was intended above.

In the year ended 31 March 2016, this funding was distributed directly to trusts from the funder.

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

5. INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2016	2015
	£	£
Operating leases	12,852	10,710
Depreciation	856	856
Auditors remuneration	4,795	4,604
	<u>4,795</u>	<u>4,604</u>

6. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	207,297	217,002
Social security costs	20,518	20,723
Pensions contributions	8,640	4,537
Pension accruals reversed	(6,732)	-
	<u>229,723</u>	<u>242,262</u>

No employee had emoluments of greater than £60,000 per annum.

Key Management Personnel

The key management personnel of the charity are as detailed in the Trustees report. The total employee benefits (including salary, employers national insurance, pension and benefits in kind) of the key management personnel of the charity were £48,242 (2015: £47,724).

7. STAFF NUMBERS

The average monthly number of staff employed during the year was as follows:

	Total 2016 No	Total 2015 No
Office staff	<u>8</u>	<u>7</u>
	<u>8</u>	<u>7</u>

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

8. TANGIBLE FIXED ASSETS

	Computer equipment	Total
	£	£
Cost		
At 1 April 2015	<u>4,282</u>	<u>4,282</u>
At 31 March 2016	<u>4,282</u>	<u>4,282</u>
Depreciation		
At 1 April 2015	<u>2,325</u>	<u>2,325</u>
Charge for the year	<u>857</u>	<u>857</u>
At 31 March 2016	<u>3,182</u>	<u>3,182</u>
Net Book Value		
At 31 March 2016	<u>1,100</u>	<u>1,100</u>
At 31 March 2015	<u>1,957</u>	<u>1,957</u>

All fixed assets are held for charitable purposes.

9. DEBTORS

	Total 2016	Total 2015
	£	£
Debtors	83,148	125,193
Prepayments and other debtors	<u>1,372</u>	<u>6,413</u>
	<u>84,520</u>	<u>131,606</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Total 2016	Total 2015
	£	£
Creditors	1,530	119,814
Accrued expenses	6,300	35,956
Other creditors	<u>50,081</u>	<u>-</u>
	<u>57,911</u>	<u>155,770</u>

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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11. FUNDS

	At 1 April 2015 £	Income £	Expenditure £	Transfers £	At 31 March 2016 £
<u>UNRESTRICTED FUNDS</u>					
General funds	10,726	104,954	(94,041)	(238)	21,401
Designated funds	65,261			(65,261)	-
	<u>75,987</u>	<u>104,954</u>	<u>(94,041)</u>	<u>(65,499)</u>	<u>21,401</u>
<u>RESTRICTED FUNDS</u>					
Wales Biodiversity					
Partnership Fund	512	93,000	(92,953)	-	559
Joint Marine Project	15,488	31,720	(34,013)	5,000	18,195
Living Landscapes	35,322	45,861	(56,328)	-	24,855
Co-op Marine Support	7,078	-	-	(5,000)	2,078
Peoples Postcode Lottery					
Funds	-	200,000	(237,712)	50,883	13,171
Evidence Project	-	32,999	8,434	435	25,000
Environment Wales	-	18,784	(18,587)	(197)	-
Co-op	-	232,590	(225,007)	14,378	21,961
	<u>58,400</u>	<u>654,954</u>	<u>(673,034)</u>	<u>65,499</u>	<u>105,819</u>

Wales Biodiversity Partnership Fund is supported by the Welsh Government, and its function is to ensure effective co-ordination and delivery of Biodiversity Action Plans across Wales.

Joint Marine Project is provided by the Esmee Fairbairn Foundation and the Tubney Charitable Trust to further marine conservation through measures to encourage the introduction of appropriate legislation for marine protection in Wales. Three staff posts are supported under the umbrella of Wales Environment Link, one based at WWF Cymru, one at RSPB Cymru and one at The Wildlife Trusts Wales.

Living Landscapes This project was initially funded by Tubney Charitable Trust to develop Living Landscapes work in Wales through the employment of a Living Landscapes Advocacy Manager. This post has been in place since February 2012 and will run until March 2015. This year funds were received from Visit Wales to examine the proximity of Wildlife Trusts nature reserves to key tourist venues in Wales. This work will continue into 2015/16 for compilation that year.

Co-op Marine Support WTW hosts a marine post on behalf of WEL. The majority of funding comes from Esmme Fairbairn Foundation. However £15,000 of matching funding was required. This has come from the Co-operative Group and will provide match funding for 3 years.

Peoples Postcode Lottery Wildlife Trusts Wales receives funding from the People's Postcode Lottery (PPL) on behalf of the six Wildlife Trusts in Wales. This funding is distributed to Trusts to undertake their charitable activities. WTW retains some funds to manage the relationship and to promote the projects undertaken by the Trusts in Wales. This is an ongoing relationship.

**THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Evidence Project This is a new project to enable the Trusts in Wales to examine what evidence and knowledge we need to inform future decisions. This will enable us to demonstrate the combined work the Trusts undertake, in particular this fund is to research and produce a value added report for PPL.

Co-op WTW manage a corporate relationship with the Co-operative Group. The income is from the 5p single use carrier bag levy the Co-op charge to customers. WTW receive funds to promote and manage the relationship.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total Funds £
Tangible fixed assets	1,100	-	1,100
Net current assets	<u>20,301</u>	<u>105,819</u>	<u>126,120</u>
	<u>21,401</u>	<u>105,819</u>	<u>127,220</u>

13. OPERATING LEASE COMMITMENT

	Total 2016 £	Total 2015 £
Land & buildings:-		
Expiring within one year	12,852	10,710
Expiring between one and five years	12,852	25,704

14. SHARE CAPITAL

The company does not have a share capital, being limited by guarantee.

15. REMUNERATION OF TRUSTEES AND CONNECTED PERSONS

No trustees received remuneration or reimbursement of expenditure during the current or previous year.

16. RELATED PARTY TRANSACTIONS

There are no further related party transactions relating to The Wildlife Trusts Wales Limited that require disclosure.

THE WILDLIFE TRUSTS WALES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

17. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(7,167)	20,986
<i>Adjustments for:</i>		
Depreciation charges	857	856
(Increase)/decrease in debtors	47,086	244,284
Increase/(decrease) in creditors	<u>(97,859)</u>	<u>(159,203)</u>
Net cash provided by/(used in) operating activities	<u>(57,083)</u>	<u>106,923</u>

Analysis of Cash and Cash Equivalents

Cash in hand	<u>99,511</u>	156,594
Total Cash and Cash Equivalents	<u>99,511</u>	<u>156,594</u>

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	2015
			£
Income and endowments from:			
Charitable activities	82,689	647,266	729,955
Other trading activities	161,448	-	161,448
Total income and endowments	<u>244,137</u>	<u>647,266</u>	<u>891,403</u>
Expenditure on:			
Charitable activities	182,122	688,295	870,417
Total expenditure	<u>182,122</u>	<u>688,295</u>	<u>870,417</u>
Net income/(expenditure)	62,015	(41,029)	20,986
Transfers between funds	(730)	730	-
Net movement in funds	<u>61,285</u>	<u>(40,299)</u>	<u>20,986</u>
Reconciliation of Funds			
Total funds brought forward	14,702	98,699	113,401
Total funds carried forward	<u>75,987</u>	<u>58,400</u>	<u>134,387</u>