



*(A company limited by guarantee registered in Scotland (No. SC040247)
and as a Scottish charity (No.SC005792)).*

**Annual Report and Financial Statements
for the year ended 31st March 2013.**

Patron, President, Chairman of Council, Council Members,

Senior Staff and Officials.

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| Patron | HRH The Prince Charles, Duke of Rothesay | |
| Chairman of Council | Allan Bantick | Eligible to remain as Chairman until 2014 ¹ |
| Vice- chair (Conservation) | David Grundy | Retired September 2012 |
| | Dr Jon Barnes | Appointed Vice Chairman September 2012 Eligible to remain as Vice Chairman until 2015 |
| Vice – chair (Members’ Centres and Watch) | Jean Barr | Retired February 2013 |
| | Col Patric Baird | Appointed Vice Chairman February 2013 Eligible to remain as Vice Chairman until 2016 |
| Vice – chair (Finance) | James Ivory DL | Eligible to remain as a Vice-Chairman until 2014 |
| Elected Members of Council | David Ashford | Retired September 2012 |
| | Karen Chambers | Eligible for re-election to Council 2015 |
| | Dr Tim Duffy | Eligible for re-election to Council September 2014 |
| | Tim Hailey | Due to retire from Council 2015 |
| | Robin Harper | Eligible for re-election 2014 |

¹ Assuming continuation in post for 6 years.

Patron, President, Chairman of Council, Council Members,

Senior Staff and Officials (cont).

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| | Professor John Harwood | Eligible for re-election 2014 |
| | Professor David Houston | Due to retire from Council 2014 |
| | Dr John Sheldon MBE | Due to retire from Council 2014 |
| | Professor Chris Spray MBE | Due to retire from Council 2015 |
| | Amanda Forsyth | Co-opted to Council 2013 (until AGM 2013) |
| Convener of Conservation Committee | Dr Jon Barnes | Trustee |
| Company Secretary | Simon Milne MBE | Staff |
| Chief Executive | Simon Milne MBE | Staff |
| Director of Conservation | Jonathan Hughes | Staff |
| Director of Finance and Resources | Paul Ritchie | Staff |
| Director of Marketing and Business Development | Jo Pike | Staff |
| Auditor | Geoghegans Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD | |
| Bankers | The Royal Bank of Scotland plc 36 St Andrew Square Edinburgh EH2 2YB | |

Patron, President, Chairman of Council, Council Members,

Senior Staff and Officials (cont).

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| Investment Advisors | Brooks MacDonald Asset Management 10 Melville Crescent Edinburgh EH3 9GL |
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| Solicitors | Morton Fraser Quartermile Two 2 Lister Square Edinburgh EH3 9GL |
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| Registered Office and Principal Address | Harbourside House 110 Commercial Street Edinburgh EH6 6NF |
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| Company Registration Number | SC040247 |
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| Scottish Charity Number | SC005792 |
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Independent Auditor's Report to the Council and Members of the Scottish Wildlife Trust

We have audited the financial statements of the Scottish Wildlife Trust for the year ended 31 March 2013 which comprise the group and parent charitable company Statements of Financial Activities (incorporating Income and Expenditure Account), the group and parent charitable company Balance Sheets, the group and parent charitable company 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).

This report is made exclusively to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Council, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's Council 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, the charitable company's members as a body and its Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and auditor

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Independent Auditor's Report to the Council and Members of the Scottish Wildlife Trust (cont)

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 group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify any material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013, and of the group's and parent charitable company's incoming resources and application of resources, including the group's and the parent 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the Council and Members of the Scottish Wildlife Trust (cont)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Council's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michael Crerar (Senior Statutory Auditor)

June 2013

For and on behalf of Geoghegans, Statutory Auditor

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

6 St Colme Street

Edinburgh

EH3 6AD

Organisational Structure

The Scottish Wildlife Trust was incorporated on 14 April 1964 as a company limited by guarantee and without a share capital (number SC040247). The company is a recognised Scottish Charity (number SC005792) and is governed by a Memorandum and Articles of Association² as amended by Special Resolutions passed on 13th November 1982, 6th October 2001 and 23rd June 2007.

The Trust is governed by a Council of a maximum of 14 Trustees and a Chairman. New members of Council are elected at the Annual General Meeting. A postal vote of members is conducted if there are more candidates than vacancies. All Trustees are registered at Companies House as Directors of the Scottish Wildlife Trust. Trustees must retire for a minimum of one year following two three-year periods on Council.

Council is supported by a Conservation Committee which meets four times a year and is chaired by a Convener, who may also (but not necessarily) be a Vice-Chairman of Council. The Conservation Committee is responsible for advising Council on SWT-related natural heritage conservation matters including wildlife reserves, the wider countryside, biodiversity and the development of national policy, advocacy and campaigns.

Authority to conduct day-to-day operations and the development and delivery of the Annual Operational Plan is delegated by Council to the Chief Executive.

The Chief Executive is accountable to Council for the efficient management of SWT and for the implementation of Council agreed policies and the Five Year Plan. He is assisted in this task by the Directors of the three operational departments: Conservation, Finance and Resources, and Marketing and Business Development

The support of volunteers is essential to the effective operation of the Trust. Volunteers are engaged in most Trust-related activities, including governance, running Members' Centres, serving on committees, reserve management and maintenance, Wildlife Watch groups, surveying and recording, visitor centres, species protection programmes and administration.

The Vision and Objectives

The 25 Year Vision - *Natural Connections – A vision for rebuilding Scotland's wildlife* - provides a contemporary perspective on nature conservation by advocating the re-building of biodiversity at an ecosystem-scale. The Vision outlines what the Trust wants to see achieved for wildlife over 25 years, what should be done and how SWT intends to contribute to this action. This Vision has placed the Trust in the vanguard of conservation reform in Scotland.

² http://scottishwildlifetrust.org.uk/docs/002_001_general_MemorandumOfAssoc07_1250595044.pdf
http://scottishwildlifetrust.org.uk/docs/002_001_general_ArticlesOfAssoc07_1250595043.pdf

The Vision and Objectives (cont)

At the heart of the delivery of the Vision is an integrated approach by Government, the voluntary and the private sectors and the people of Scotland. It requires a strategic and spatial approach to planning and management of key threats, along with an acceptance that natural processes should be the main driver for determining the development of wildlife communities. The Vision provides the context for the Trust's Five Year Plan.

The Five Year Plan sets out the corporate objectives and operating parameters for the Trust and thereby describes how the Trust will fulfil its charitable purpose as defined by the Memorandum and Articles of Association. The current Five Year Plan was developed through a consultative process, approved by Council in December 2011 and went "live" on 1 April 2012. The Chief Executive is responsible for producing the Annual Operational Plan, the delivery of which is reviewed quarterly by Council.

Partnerships

The Trust is in the partnership of The Wildlife Trusts (TWT), which comprises the UK's 47 wildlife trusts, and is a corporate member of the Royal Society of Wildlife Trusts.

The Trust established a concordat agreement (Framework Agreement) with Scottish Natural Heritage in 1997 in order to deliver the mutual objectives of both organisations and thus to benefit Scotland's natural heritage.

The Trust works in partnership with over 30 environmental charities in Scotland through the co-ordinating body of Scottish Environment LINK. Some of the Trust's parliamentary and political work is delivered through joint working under the LINK banner.

The Trust works with a variety of other project partners including the Royal Zoological Society of Scotland, Forestry Commission Scotland, Scottish Land and Estates, Rivers and Fisheries Trust, John Muir Trust, Princes Trust for the Built Environment, Isle of Eigg Heritage Trust, Assynt Foundation, Central Scotland Forest Trust, Partnership for Action Against Wildlife Crime, Culag Community Woodland Trust, Tanera Mor, Woodland Trust Scotland, Eisdale Brachair Estate, Ardtornish Estate, and Scourie Estate.

Risk Management

The Trust's Risk Register is reviewed by Council on an annual basis. Potential "High Risk" entries are subject to a quarterly review.

Areas of potential "High Risk" identified by Council in 2012/2013 were:

- Poor financial performance which in the worst case leads to insolvency of the Trust
- Reduction/non-delivery of SNH funding through the Framework Agreement
- Significant shortfall in unrestricted funding from membership

Risk Management (cont)

- Significant additional annual contribution to The Wildlife Trust's Final Salary Pension Scheme
- Shortfall in (or failure to maximise) unrestricted funding from legacies

Objective and Activity Delivery

Delivery of the charitable objectives is achieved through the combined efforts of staff, volunteers and partnership projects. As a membership-based organisation, the Trust seeks to maximise the active involvement of its members in core activities, primarily through Members' Centres and volunteer reserve conveners.

As the primary non-governmental organisation for the conservation of Scottish wildlife, the Trust continues to ensure that its objectives remain relevant to the ever-changing challenges of conservation. It has a vital role to play in the conservation of biodiversity for the wellbeing and benefit of the people of Scotland and takes pride in delivering its objectives in an ambitious, cost-effective, confident, inclusive and innovative manner.

Income Generation

The principal sources of income are (not ranked):

- Membership subscriptions;
- Charitable trusts, foundations and grant giving bodies;
- Individual donations and legacies;
- People's Postcode Lottery;
- Investment income;
- Public grants;
- Business and corporate donors;
- Fundraising events.

People's Postcode Lottery

The rewarding partnership with the People's Postcode Lottery continued to develop with notable financial support being received (£152,000 this financial year) and increased awareness of the Trust and its objectives within Scotland being achieved. 45p in every £2 ticket goes to good causes across Great Britain, including Scottish Wildlife Trust. This unrestricted income has enabled the Trust to significantly increase the range and scale of its conservation programmes either through direct funding or to reduce financial risk in major projects.

Achievements and Performance in 2012/13

To Champion:

| Five Year Plan Operational Objective | Achievements in 2012/13 |
|---|--|
| Successfully campaign for the development and delivery of a National Ecological Network and a set of Ecosystem Health Indicators in Scotland | <p><i>The aim is to enhance our natural capital stocks and the ecosystem services which flow from them. This year we have:</i></p> <ul style="list-style-type: none"> <i>a. Informed and influenced more than 14 crucial parliamentary debates</i> <i>b. Achieved the inclusion of key SWT proposals in final draft of Scottish Biodiversity Strategy</i> <i>c. Hosted an international conference on National Ecological Networks that promoted and advanced the debate and implementation of such networks</i> |
| Develop and implement a biodiversity outreach programme to the built environment sector in order to enhance urban biodiversity in selected local authority areas | <p><i>The aim is to promote biodiversity in both existing and new settlements. This year we have:</i></p> <ul style="list-style-type: none"> <i>a. Worked with City of Edinburgh Council on completing a baseline set of urban biodiversity indicators to Convention on Biological Diversity standard criteria</i> <i>b. Led a seminar with Edinburgh University architecture students on and exercise to redesign Leith waterfront development from an ecological perspective</i> <i>c. Presented at 'summer school' for urban designers organised by Prince's Foundation at Dumfries House in Ayrshire</i> |
| Achieve improved conservation of the marine environment through the Living Seas programme and partnership working with Scottish Environment LINK | <p><i>Our vision is that marine wildlife and habitats are recovering from past decline as our use of the seas' resources becomes environmentally sustainable. This year we:</i></p> <ul style="list-style-type: none"> <i>a. Worked to improve the management of fish farming in Scotland by influencing the Aquaculture & Fisheries (Scotland) Bill and championing environmental sustainability through the Ministerial Group on Aquaculture</i> <i>b. Worked in partnership with Scottish Environment LINK to influence implementation of the Marine (Scotland) Act- ensuring that plans for Marine Protected Areas & a National Marine Plan were robust and remained on course</i> <i>c. Galvanised public support for marine conservation initiatives through wide-spread media coverage, web based campaigns and public/membership events</i> |
| Have planning volunteers active in 90% of local authority areas | <p><i>Aim is to protect important places for wildlife from damaging developments through work of local planning volunteers and staff. We have:</i></p> <ul style="list-style-type: none"> <i>a. Active planning volunteers now operating in 28 local authority areas. This year we recruited new planning volunteers in Glasgow and South Lanarkshire</i> <i>b. Positively influenced over 20 significant planning applications</i> <i>c. Delivered staff led planning training and advice to MCs and other groups</i> |

Achievements and Performance in 2012/13

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| <p>Achieve positive wildlife legislation and policies by influencing the Scottish Government and Parliament through parliamentary briefings, MSP visits and public consultation responses</p> | <p><i>Aim is to positively influence wildlife legislation and policies. We have achieved this year:</i></p> <ul style="list-style-type: none"> <i>a. 5 detailed parliamentary briefings on subjects ranging from neonicotinoids to urban biodiversity</i> <i>b. 12 consultation responses including Scottish Biodiversity Strategy (SBS), Scottish Planning Policy, National Planning Framework 3 and Place-making</i> <i>c. 3 editions of Nature in Brief – to coincide with year of Natural Scotland and to promote value of biodiversity</i> <i>d. 16 policy meetings with Ministers/MSP and parliamentary committees</i> <i>e. 4 policy meetings with MEPs</i> <i>f. Widespread liaison with local authorities on Living Landscape, Living Seas and local conservation issues and initiatives</i> <i>g. Leading a campaign to have neonicotinoids banned. Providing written and oral evidence for Scottish Biodiversity Strategy, High Hedges Bill and Aquaculture Bill</i> |
| <p>Reduce wildlife crime in Scotland through provision of advice to the Partnership Against Wildlife Crime Scotland and by tackling wildlife crime on our reserves</p> | <p><i>Aim is to work with Partnership Against Wildlife (PAW) Crime to reduce such crime and assist with public information. This year we have:</i></p> <ul style="list-style-type: none"> <i>a. Provided expert advice to the Minister for Environment and PAW Executive Committee</i> <i>b. Promoted need to counter and report wildlife crime</i> <i>c. Worked on our reserves to protect vulnerable species and deter crime</i> |
| <p>Implement an indicator and keystone species action plan in support of Living Landscape objectives, achieving a minimum of one species led biodiversity awareness campaign per year</p> | <p><i>The aim is to ensure we focus our work on those species where we can make a real conservation impact, both for the species and the wider ecosystem. This year we have:</i></p> <ul style="list-style-type: none"> <i>a. Completed ‘Species Priority List’ of 24 keystone and indicator species to enable species conservation prioritisation for the current 5 year plan</i> <i>b. Successfully achieved on the ground conservation action for several species on the list including beaver, red squirrel, cranberry and Scottish primrose</i> <i>c. Played an active role in the newly formed Scottish Wildcat Conservation Group and contributed to an action plan for wildcats with partners</i> |
| <p>Produce and disseminate three Policy Futures publications in order to pioneer/influence critical biodiversity issues</p> | <p><i>No progress on this due to limited Policy staff capacity</i></p> |

Achievements and Performance in 2012/13

To Demonstrate:

| Five Year Plan Operational Objective | Achievements in 2012/13 |
|--|--|
| Implement management plans/statements for all our wildlife reserves | <p><i>The effective management of our 120 wildlife reserves requires the production, implementation and monitoring of a management plan for each site. Work has progressed very well across the suite of reserves. Activity has included:</i></p> <ul style="list-style-type: none"> <i>a. 13 management plans have been reviewed and, where necessary, amended</i> <i>b. New, simplified management statements have been developed as part of a full review of the management plan process</i> <i>c. Long Term Forest Plans (20 year) prepared for reserves within the Clyde & Avon Landscape Partner</i> |
| Achieve all Level One maintenance tasks and Level Two tasks on selected sites | <p><i>Tasks on reserves are prioritised and delivered through a mixture of staff and volunteer effort and contractors. 87% of budgeted Level 1 tasks have been completed. Examples of projects include:</i></p> <ul style="list-style-type: none"> <i>a. Handa composting toilet</i> <i>b. Major access upgrades at Knockshinnoch Lagoons, Seaton Cliffs and Luggiebank</i> <i>c. Completion of Pease Dean Woodland Management Project</i> |
| Achieve favourable condition for 98% of Designated Features on our reserves | <p><i>Active management by the Trust has achieved 99.32% of all designated features (SSSI's, SAC's, and SPA's) on its reserves being in favourable/recovering condition</i></p> |
| Lead and deliver partnership objectives for Coigach/Assynt Living Landscape Project | <p><i>The aim is to deliver conservation at a landscape scale to show in a practical way how our vision could be achieved. This year we have:</i></p> <ul style="list-style-type: none"> <i>a. Put in place infrastructure and subsequently opened a tree nursery in the Coigach-Assynt Living Landscape (CALL) programme area</i> <i>b. Completed detailed opportunity map of the CALL area in consultation with local communities and landowning partners</i> <i>c. Collated information and project priorities from local community and partners to inform major funding application to Heritage Lottery Fund</i> |
| Lead and deliver partnership objectives for Cumbernauld Living Landscape Project | <p><i>This urban/peri-urban partnership project will enhance, restore and reconnect green areas of the town for the benefit of wildlife and the community. The project will be officially launched in May 2013.</i></p> <ul style="list-style-type: none"> <i>a. 21 of 34 projects within the Cumbernauld Living Landscape Project Plan were planned or in progress by the end of the year. Including Phase II of the largest retrofit of a Sustainable Urban Drainage System in Scotland, engaging local college students with a live marketing brief and a barn owl conservation project</i> <i>b. A Project Manager was appointed to work with programme leaders, North Lanarkshire Council and Forestry Commission and project partners</i> <i>c. Phase 1 of major access upgrade was completed at Northside Wood reserve</i> |

Achievements and Performance in 2012/13

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| <p>Protect and restore peatlands by working with the IUCN Peatland Programme and implement a lowland peatland demonstration project</p> | <p><i>The aim is to advocate for government investment in peatland restoration and share practical information to encourage best practice. This year we have:</i></p> <ol style="list-style-type: none"> <i>Organised a sell-out conference on peatland restoration at the University of Wales, Bangor, attended by over 200 delegates from UK and abroad</i> <i>Produced 'Demonstrating Success' publication to disseminate best practice case studies around the peatland restoration community</i> <i>Held a successful workshop at the World Conservation Congress to disseminate the findings of the 'Commission of Inquiry' on peatland ecosystems to a global conservation audience</i> <p><i>The aim of the lowland peatland project, Phase 1, is to raise more awareness of the importance of Scotland's lowland raised bogs as one of Britain's rarest habitats and also to highlight the significance of this resource in relation to carbon storage, emissions and climate change impacts. The aim of phase 2 is to support landowners to implement restoration on their lowland raised bogs.</i></p> <p><i>This year:</i></p> <p><u><i>Phase 1</i></u></p> <ol style="list-style-type: none"> <i>A second report was published in November 2012: A Survey of 15 Scottish Lowland Raised Bogs: Findings from a survey of lowland raised bogs with landowners supportive of restoration.</i> <i>A third report was published in December 2012 in co-operation with the James Hutton Institute: Restoration of lowland raised bogs in Scotland: Emissions savings and the implications of a changing climate on lowland raised bog condition.</i> <p><u><i>Phase 2</i></u></p> <ol style="list-style-type: none"> <i>A project concept has been drafted for funding: Lowland Peatland Restoration Challenge. (LPRC). The aim of the project is to use a small team of advisors to support committed landowners, identified in Phase 1, to implement successful peatland restoration on their land.</i> |
| <p>To have completed the Scottish Beaver Trial and developed (and if applicable implemented) post trial strategy</p> | <p><i>This partnership project remains on target for a successful conclusion in May 2014. This year we have;</i></p> <ol style="list-style-type: none"> <i>Met all Scottish Government licence conditions for the trial, including the delivery of all elements of the scientific monitoring programme</i> <i>Delivered 98 educational events to a combined audience of 5194 people</i> <i>Held a highly successful 'Beaver Tourism Experience' event in the local area in February 2013 with 40+ local business representatives in attendance</i> <i>Launched the 'Scottish Beaver Trial Tourism Toolkit' and 'Virtual Tour' on our website in February 2013</i> <i>Engaged with key decision makers at the trial site in Knapdale, and reached millions of people with special features on a wide range of television and radio shows</i> <i>Developed outline post-trial plans for the Knapdale beavers</i> |

Achievements and Performance in 2012/13

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| | <p><i>g. Supported the work of the Scottish Government appointed Tayside Beaver Study Group</i></p> |
| <p>To have led and delivered partnership objectives for Saving Scotland's Red Squirrels Project Phase II</p> | <p><i>The aim is:</i></p> <p><i>I. To sustain the current range and populations of the red squirrel in Scotland in their range north of the Central Lowlands and in key areas of south Scotland.</i></p> <p><i>II. To gather systematic evidence on the efficacy of targeted grey squirrel control, such that robust conclusions can be drawn about its contribution to red squirrel conservation in Scotland.</i></p> <p><i>This year we have:</i></p> <p><i>Incorporated the Red Squirrels in South Scotland project to form one co-ordinated national project;</i></p> <p><i>a. Continued to deliver strategic, co-ordinated grey squirrel control in North East Scotland, the central lowlands and South Scotland</i></p> <p><i>b. Recruited a further 39 landowners to control grey squirrels under SRDP, bringing the total landowners trapping in concert with SSRS under the scheme to 195</i></p> <p><i>c. Established a systematic sampling network to determine the distribution of the Squirrelpox virus (SQPV) and its seroprevalence in grey squirrel populations in South Scotland and the Central Lowlands, including Fife; carried out nearly 1300 SQPV tests</i></p> <p><i>d. Developed a draft contingency plan to address the potential spread of squirrelpox into central Scotland</i></p> <p><i>e. Responded to a spread in SQPV distribution in Berwickshire by securing additional funding and increasing control effort in the area with the aim of stemming the spread</i></p> <p><i>f. Carried out presence/absence surveys of red and grey squirrels across the species interface in the Central Lowlands and Grampian in Spring 2012; produced a report of the survey analysis showing statistically significant increase in red squirrel distribution from Spring 2011 to Spring 2012 and a significant decline in grey squirrel distribution for the same period</i></p> <p><i>g. Expanded our presence absence surveys by 100% to cover key zones in South Scotland; recruited and prepared volunteers in all areas to carry out the Spring 2013 surveys</i></p> <p><i>h. Continued the collation and verification of national public sightings records for publication on the NBN</i></p> |
| <p>To have reduced total annual energy consumption of SWT operations by 20%</p> | <p><i>Overall reduction is 22% against 2010/11 baseline. Principle reductions have come from;</i></p> <p><i>a. Replacement of old inefficient vehicles with modern efficient ones</i></p> <p><i>b. Changes in conservation activities meaning that the vehicle fleet contains fewer minibuses and more small cars</i></p> <p><i>c. Moving HQ to more energy efficient premises</i></p> |
| <p>Complete detailed base-line monitoring surveys on 10 principal reserves and basic site-monitoring on 50 other reserves</p> | <p><i>The production and implementation of the Base-line Monitoring Strategy has been deferred until 2014 due to resource constraints. Routine monitoring tasks have continued and include:</i></p> <p><i>a. On-going monitoring carried out by volunteers on five Trust reserves as part of Flying Flock Conservation Grazing</i></p> |

Achievements and Performance in 2012/13

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| | <p><i>Programme with the trend of improvement in positive indicator species</i></p> <p><i>b. National seabird monitoring scheme on Handa Island: whilst numbers remain low compared to ten years ago, they have improved since 2008</i></p> <p><i>c. Butterfly monitoring of Atlantic Oak woods in Rahoy Hills reserve, with a decline in open habitat species as regeneration improves and a corresponding rise in woodland species, including purple hairstreak</i></p> |
| Commence integration of wildlife reserves into two new Living Landscape programmes | <p><i>The aim is to ensure our wildlife reserves form part of any new Living Landscape project. This year we have:</i></p> <p><i>a. Continued planning with City of Edinburgh Council to establish a partnership Living Landscape programme and set up a project board to take the initiative forward</i></p> <p><i>b. Secured commitment and funds from Aggregate Industries to carry out baseline surveys and conduct feasibility study into a Living Landscape programme in Morven</i></p> |

To Inspire:

| Five Year Plan Operational Objective | Achievements in 2012/13 |
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| Grow membership to 50,000 | <p><i>a. In spite of the challenging economic climate, membership continued to grow, with the Trust having 32,964 members on 31 March 2013 (a rise of 4.8% since March 2012). A booklet ("The Last Red Squirrel in Scotland?") was mailed successfully to households throughout Scotland to sign up new members; meanwhile, the Trust took face-to-face membership recruitment in-house for the first time in November 2012, with excellent results so far</i></p> <p><i>b. The National Members' Day and AGM was the biggest ever, with 300 people attending to hear a line-up of speakers that included TV naturalist, Simon King, plus Trust Ambassadors Stephen Jardine and Mark Beaumont</i></p> |
| Have a network of at least 23 members' groups | <p><i>a. The Trust continues to support and develop a network of 22 local groups and Members' Centres, run by over 120 volunteers, who champion wildlife at a local level, carrying out vital work throughout Scotland. Members' Centres are involved in local conservation projects, planning and fundraising and organising walks, talks and other events</i></p> <p><i>b. This year the National Members' Centre Day was hosted by Pitlochry Members' Centre, with lively debate, policy discussion, opportunities to network and practical training sessions delivered to an audience of over 50 delegates</i></p> |
| Increase our volunteer programme to include over 800 volunteers | <p><i>To enhance the volunteer programme, the Trust appointed a full-time Volunteering Development Officer (VDO) and set up the Volunteering Development Steering Group (VDSG) from a network of line managers already engaged in volunteer management. Together they have:</i></p> <p><i>a. Drafted the five year Volunteer Recruitment Strategy aligned with the Trust's Five Year Plan</i></p> <p><i>b. Launched a new volunteer initiative where</i></p> |

Achievements and Performance in 2012/13

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| | <p><i>training/accommodation incentives were provided to long-term/full-time volunteers in areas of low volunteer engagement</i></p> <p>c. <i>Successfully operated the residential Handa Volunteer Programme 2012</i></p> <p>d. <i>Set up a volunteers skills audit to assess future training needs</i></p> |
| Achieve high standards of governance in accordance with OSCR & Companies House requirements and guidelines | <i>All requirements of OSCR and Companies House have been met, and best practice guidance applied</i> |
| Plan an active part in the UK Wildlife Trusts' movement | <p><i>The Trust continues to play its part in the UK Wildlife Trust movement including:</i></p> <p>a. <i>Championing and implementing Living Landscape and Living Seas UK objectives</i></p> <p>b. <i>Policy and advocacy work in support of UK level campaigns</i></p> <p>c. <i>Governance of The Wildlife Trusts</i></p> <p>d. <i>Contributing to a range of committees and panels</i></p> <p>e. <i>Sharing knowledge and best practice</i></p> |
| Reach 20,000 per year through informal education and/or wildlife recreation programmes and self-guided walks | <p><i>Inspiring people to enjoy, learn about and take action for wildlife remains a core activity for the Trust. This work has included:</i></p> <p>a. <i>A diverse and exciting programme of public events, guided walks and talks. The Trust engaged with an audience of over 15,000, exceeding the annual target of 14,000, and on target to achieve Operational Objectives of 20,000 by 2014</i></p> <p>b. <i>A full programme of events which are featured in the Events and Activities booklet which is circulated to a readership of over 40,000, and is now also available on the Trust's web-site</i></p> <p>c. <i>Following the redevelopment and reopening of the Falls of Clyde Visitor Centre an innovative and engaging programme of public events was launched. Designed to reach out and appeal to new and existing audiences of families and visitors; the new programme features guided walks, family festivals and a diverse range of workshops</i></p> |
| Have a sustainable network of 30-35 Wildlife Watch groups | <p><i>Scottish Wildlife Watch is the junior membership of the Trust, and through its network of volunteer led Wildlife Watch Groups, provides an opportunity for young people to explore, learn about and care for the natural world around them.</i></p> <p><i>This year eight new groups were established, with a total of 28 groups now actively engaging with young people from as far north as Golspie down to Newcastleton in the Borders.</i></p> |
| Deliver formal education programmes to 12,000 people per year through Visitor Centres and major project education programmes | <i>Delivery of Formal Education Programmes at Visitor Centres, Reserves and through major projects reached an audience of over 9000 learners this year. With further development of new major project education programmes the Trust is on target to achieve Operational Objectives of 12,000 people by 2014</i> |
| Experts for Nature - Developing Ecological Surveying Skills Project | <i>The aim is to provide 18-month field-based practical ecological survey training, provided by staff and volunteer experts with a range of relevant specialities. The trainees also benefit from a unique Professional Development Award, accredited by SQA.</i> |

Achievements and Performance in 2012/13

| | |
|--|--|
| | <p><i>This year 2012-13:</i></p> <ul style="list-style-type: none"> <i>a. The first group of 10 trainees successfully graduated in November 2012. By the end of March 2013 they were all gainfully employed in ecological survey work and two of these were self-employed</i> <i>b. In May 2012, the Heritage Lottery Fund approved additional funding towards another training programme and the remaining funding was generously donated by Trust members</i> <i>c. The second group of 10 trainees were recruited from a pool of 425 applicants and the training programme started in mid-March 2013 and will end mid - September 2014</i> |
| Provide at least 30,000 people annually with a positive wildlife experience through our Visitor Centres | <ul style="list-style-type: none"> <i>a. Visitor number targets were met and the Trust continued to receive excellent feedback on the quality of the visitor experience</i> <i>b. A new business model for Falls of Clyde was introduced – with the Visitor Centre staffed only at busy times - in order to make more of the opportunities provided by the whole site, particularly the reserve</i> |
| Recruit, train and retain a highly motivated and productive staff team | <p><i>To ensure the recruitment and retention of a motivated and productive staff team we have successfully recruited all 40 of 2012-13 vacancies through the Trust's Recruitment and Equal Opportunities Policies. These covered four permanent replacement vacancies and various Projects, Seasonal, Maternity cover and Community Jobs Programme positions.</i></p> <ul style="list-style-type: none"> <i>a. A total of 200 formal days training were taken up across all departments</i> <i>b. A newly designed competency-based Performance Development Review (previously Appraisal) was launched in December 2012 with a review due in May 2013</i> <i>c. Senior Management Team engaged all employees with a series of regional fora</i> <i>d. The first Employee Net Promoter Score exercise was undertaken</i> |
| Reach 50% of the population of Scotland through celebration of our 50th Anniversary celebrations in 2014 | <ul style="list-style-type: none"> <i>a. Plans continued in preparation for the Trust's 50th Anniversary celebrations in 2014, during which we aim to reach 50% of the population primarily through media, social media and wider PR activities</i> |

Support Objectives:

| Five Year Plan Operational Objective | Achievements in 2012/13 |
|--|--|
| Maintain levels of financial reserves required by Council | See Financial Review |
| Operate within the Council approved annual budget | See Financial Review |
| Secure sufficient restricted funding to secure the project programme | <p><i>This year we have raised over £1.2 Million of restricted funding including:</i></p> <ul style="list-style-type: none"> <i>a. Secured £120k towards the development of the Cumbernauld Living Landscape, enabling the appointment of a Development Manager combined with on-the-ground work</i> <i>b. Secured £582k to fund Phase 2 of Saving Scotland red Squirrels</i> |

Achievements and Performance in 2012/13

| | |
|---|--|
| | <p><i>(2012-14) including £117k raised from individual donors</i></p> <p><i>c. Coordinated the development of a multi-million pound, multi-partner, application to the Heritage Lottery Fund in support of the Coigach – Assynt Living Landscape on track for submission in May 2013</i></p> |
| Minimise any negative impacts of our operations on the environment | <i>A number of initiatives are being progressed including solar electricity generation at HQ premises, installation of videoconferencing equipment and the replacement of ageing ICT equipment with more energy efficient equivalents</i> |
| Provide and maintain a safe and healthy working environment for our staff, volunteers, members and visitors | <p><i>The Trust continues to ensure that the highest standards of health and safety are maintained. Initiatives this year include:</i></p> <ul style="list-style-type: none"> <i>a. Guidance and training for volunteers</i> <i>b. Driving safety</i> <i>c. Review and promulgation of alcohol and drugs policy</i> <i>d. Lone worker safety</i> <i>e. Wildlife reserves risk management</i> <i>f. Tick bite prevention</i> <i>g. Stress management</i> |
| Strengthen our brand, enhance our reputation and raise our public profile. To include strong media coverage and a strong online presence | <p><i>The profile of the Trust continues to grow:</i></p> <ul style="list-style-type: none"> <i>a. The Trust's website received over 1.6 million hits over the financial year, with our now world-famous osprey webcam at Loch of the Lowes proving particularly popular. Visitors came from 176 different countries worldwide, including Papua New Guinea, Cuba, Kyrgyzstan and Botswana</i> <i>b. The Trust continued to attract media coverage (broadcast, print and online) across a wide range of subjects from ospreys, beavers and red squirrels to lowland raised bogs, national ecological networks and neonicotinoids</i> <i>c. The Trust's presence on social media continued to grow, particularly on Twitter and Facebook, whose targets were exceeded significantly</i> |
| Maintain and enhance the operational effectiveness of operational infrastructure for information technology, general administrative support and data management | <i>A number of issues are being progressed including the installation of videoconferencing equipment and the replacement of ageing filesystems</i> |
| Achieve the highest standards of supporter care for our members, donors, legacy pledgers and partners | <p><i>The aim is to ensure that our supporters feel valued by, engaged with and informed about, the Scottish Wildlife Trust. This year we have:</i></p> <ul style="list-style-type: none"> <i>a. Delivered a legacy giving message through a targeted direct mail campaign and increased the number of known legacy pledgers to 155</i> <i>b. Hosted 5 events designed around key individual donors and supporters</i> <i>c. Submitted 186 grant funder reports</i> <i>d. Developed and monitored a formal Complaints Register – reporting minimal complaints to the Fund Raising Standards Board</i> |

Financial Review

Income

Total incoming resources for the year fell markedly as expected. The principle causes were lower income from people's postcode lottery and government grants from training / employing young people.

Expenditure

Total resources expended also fell markedly as expected, mainly the result of lower costs associated with training / employing young people.

Investment Policy and Performance

The value of SWT's investment portfolios increased substantially during the year, in line with rises in the wider stock markets.

Council approved the following Investment Policy in March 2006:

"To invest any moneys of SWT not immediately required for its purpose in investments with a bias towards income generation and to target growth of income and capital over the long term. The investment portfolio should have a relatively low risk profile within an asset allocation which is currently 65%–75% UK equities and 25%–35% fixed interest securities. SWT will not invest in securities of organisations whose activities are, on balance, incompatible with its aims and objectives."

The implementation of the policy is monitored with the assistance of our Investment Managers, Brooks MacDonald. There are two formal meetings annually between Council members, staff and Investment managers.

Surplus / Deficit

The budget for the year suggested a significant deficit. The actual result was a modest surplus, the biggest single factor behind this difference being the substantial investment gains seen during the year.

Balance Sheet

The most notable changes in balance sheet values during the year has been the rise in the value of investments and the decline in cash balances, which is what would be expected given an operating deficit being offset by investment gains.

Consolidated Result for the Year

Ben Mor Hydro Ltd was established during the previous year and is a 50:50 joint venture between the Trust and the Coigach Community development Company. It continues to run a feasibility study to assess the potential of operating a commercial hydro electricity generation plant on the Trust's Ben Mor Coigach estate. The feasibility is expected to cost £150,000 with 90% the costs being underwritten by a loan from Community Energy Scotland

During 2012/13 the Trust's share of Ben Mor Hydro's Ltd losses amounted to £12,013 (2012: £20,295).

Financial Reserves Policy

Council reviewed and changed its policy during the year. The changes reflect the different mix of funding streams the trust now benefits from. The current policy is;

"SWT aims to retain sufficient free funds to ensure the effective delivery of the 5 year plan. To this end it aims to maintain unrestricted funds in the range £750,000–£1,250,000".

It recognises that due to variability of income (particularly legacies) funds may sometimes be outside this range. Where this is the case plans will be made that reflect all of the circumstances at that time.

Free funds (being unrestricted funds not designated nor invested in tangible fixed assets) at 31 March 2013 were £1,133,465. This towards the top of the of the target range and reflects legacy income stock markets both having been reasonably strong over recent years. The budget for 2013/14 shows a modest deficit.

Future Priorities

The strategic aims and objectives for 2013/14 are detailed in the Five Year Plan: “Our Nature, Our Future”. Of particular note are:

To Champion

- Supporting the development of national Ecosystem Health Indicators
- Campaigning for and influencing the development and implementation of a cohesive network of Marine Protected Areas and for effective marine spatial planning
- Shaping biodiversity friendly national policy and legislation and delivering ecosystem bases conservation across Scotland land, seas, freshwater and urban areas

To Demonstrate

- Maintain our network of wildlife reserves in favourable condition and to showcase effective wildlife friendly land management techniques in the countryside and urban environment
- Lead and deliver partnership objectives for Coigach-Assynt Living Landscape and Cumbernauld Living Landscape projects
- Successful completion for the Scottish Beaver Trial
- Successful continuation of Saving Scotland’s Red Squirrels project
- Protection and restoration of peatlands

To Inspire

- Increase membership and maintain an effective network of members’ groups and Wildlife Watch groups
- Deliver the World Forum on Natural Capital
- Increase and enhance the volunteer programme
- Maintain first class visitor centres and wildlife engagement programmes
- Reach 50% of the population through celebrating our 50th anniversary

Supporting Objectives

- Provision of a safe and healthy working environment
- Maintain levels of financial reserves required by Council
- Implement a legacy marketing campaign
- Secure sufficient funding for the project programme
- Strengthen the Trust’s profile and reputation
- Maintain high levels of membership care
- Maintain a highly motivated and productive staff team

Thanks

This Annual Report demonstrates the impressive breadth and depth of work carried out by the Scottish Wildlife Trust. Council offers its congratulations to our members, volunteers, staff, donors, legators, charitable trusts, and corporate and public bodies for their wonderful generosity, dedication and support. Particular thanks go to Scottish Natural Heritage, Biffaward, and People's Postcode Lottery for their impressive and much needed assistance

Allan Bantick

Director and Chairman of Council

List of funders and supporters The Scottish Wildlife Trust thanks all those who pledged or gave support during the financial year 2012-2013.



The support from players of People's Postcode Lottery has continued this financial year, bringing with it increased profile for the Trust in addition to a very generous £152,000. 45p in every £2 ticket goes to good causes across Great Britain, including Scottish Wildlife Trust. We've now received £2,259,472 thanks to players.

The flexible funding from this relationship has enabled us to increase the range and scale of our conservation programmes as well as reduce financial risk in major projects.



Scottish Natural Heritage provide invaluable support for the work of the Scottish Wildlife Trust through an annual framework agreement which this year provided £325,000 of unrestricted funding. Amongst other things, this funding has helped us to attain favourable condition for over 99% of the designated features found on our wildlife reserves.

In 2012/13, Scottish Natural Heritage also provided restricted funding for several projects, most notably £175,000 towards the Saving Scotland's Red Squirrels project.

Corporate Members



Business donations and sponsorship (listed in alphabetical order)

| | |
|---------------------------------|---------------------------------------|
| Bivolino | Scottish Hydro Griffin Community Fund |
| Borders Biscuits | Scottish Power |
| Calachem | Scotwork UK LLP |
| Carillion Natural Habitats Fund | SSE Renewables |
| Chevron Upstream Europe | Syngenta |
| Community Windpower Ltd | Talteg Ltd |
| Kier Minerals Ltd | The House of Bruar |
| Macrae Edinburgh Ltd | William Grant & Sons |
| Robertson | |

Landfill Communities Fund (in alphabetical order)

Aberdeen Greenspace Trust

Angus Environment Trust



Building communities. Transforming lives.

Glasgow City Council

Highland Council

North Ayrshire Council

North Lanarkshire Environmental Key Fund

Perth & Kinross Quality of Life Trust

SITA Tayside Biodiversity Fund

WREN

Charitable Trusts, Foundations and Other Grant-giving Bodies (in alphabetical order)

Albert George & Nancy Caroline Youngman Trust

AM Pilkington Charitable Trust

Argyll & the Islands LEADER 2007-2013 Programme

Awards for All

Central Scotland Green Network

Clark Bradbury Charitable Trust

East Ayrshire Coalfield Environment Initiative

Craignish Trust

Cycle Scotland

Dolly Knowles Charitable Trust

Englefield Charitable Trust

Esmée Fairbairn Foundation

Falkirk Environment Trust

Forestry Commission Scotland

Forth Valley & Lomond LEADER 2007-2013 Programme

Garfield Weston Foundation

Gunter Charitable Trust

Henderson Charitable Trust

Heritage Lottery Fund - Skills for the Future

Highland LEADER 2007-2013 Programme

Hugh Fraser Foundation

Inchcape Foundation

J & J R Wilson Trust

Leach No 14 Trust

Loch Lomond and Trossachs National Park Authority

Lucy Mary Ewing Charitable Trust

Mackintosh Foundation

Margaret Davis Charitable Trust

Martin Connell Charitable Trust

Martin Wills Wildlife Maintenance Trust

Moray LEADER 2007-2013 Programme

People's Postcode Lottery

People's Trust for Endangered Species

Red Squirrel Survival Trust

Rees Jeffreys Road Fund

Robertson Trust

Ronald Miller Foundation

Royal Society of Wildlife Trusts

Scottish Government - Environment and Forestry Directorate

Scottish Natural Heritage

Scottish Rural Development Programme - Rural Priorities

Scottish Rural Development Programme - Woodlands In and Around Town

Southern Upland Partnership

Stirling Environment Trust

St Katharine's Fund

Susan H Guy's Charitable Trust

Rural Tayside LEADER 2007-2013 Programme

Tennant Southpark Charitable Trust

The Astor of Hever Trust

The Carpenter Charitable Trust

The D'Oyly Carte Charitable Trust

The European Nature Trust

The Gannochy Trust

North Ayrshire Council

The James Thin Charitable Trust

The John Ellerman Foundation

The St Katherine's Fund

Tubney Charitable Trust

Vellore Trust

The John Ellerman Foundation

The Robertson Trust

The Ronald Miller Foundation

Youngman Trust

Scottish Wildlife Trust Members Centres

We extend our thanks to the local fundraising efforts of our 21 Members Centres whose activities raised over £30,000 in 2012/13.

Individual Donations and Legacy Gifts

In 2012/13, the Scottish Wildlife Trust received almost £600,000 from gifts in wills. This is an invaluable form of support for our work, and we extend our sincere thanks to the families and friends of all those who have given to the Trust in this way. Legacy income has underpinned SWT's development over the past 49 years, and such gifts remain at the heart of our ability to be responsive, pioneering and to plan for the future.

SWT Foundation Members (*listed alphabetically*) support the work of the Scottish Wildlife Trust through significant donations and/or pledges of gifts in their will – we thank them for their valued patronage.

| | | |
|----------------------------|--------------------------------|-------------------------------|
| Mr J Abbot | Mrs J Egginton | Mrs M Johnstone |
| Dr R Adams | Miss C Emerson | Mr & Mrs A Jones |
| Mrs S Alexander | Miss J Errington & Family | Mrs E & Mr F Kania |
| Mr & Mrs R & A Ansley | Miss M Espin | Miss J Kellett |
| Ms R Atkins & Mr A Holt | Mr J H & Mrs L B Fairweather & | Ms J Kemp |
| The Rev I Atkinson | Family | Mr A Kerr |
| Mr W Balfour | Mrs H Falconer | Mr K Knowles |
| Miss J Ball | Miss L Farrell | Dr J S Lamb MB ChB |
| Mr A Bantick | Dr M Faulds | Mr J Lee & Family |
| Mrs H Bantick | Mrs R J & Mr N Fawthorp & | Mr J Lugton |
| Dr J & Mrs K M Barnes | Family | Mrs B Lunn |
| Mrs S M Barrett | Miss B Forbes-Adam (dec'd) | Dr D Lunt |
| Mr W H & Mrs H Barron | Mr H Fowlie & Family | Mr A Lyburn |
| Miss R Bean | Ms R Garton | Mr C & Mrs S MacDowall |
| Miss C Bell | Miss S Gash | Mr N Mackenzie |
| Ms S Benson | Mr A S & Mrs S Gingell | Dr R & Mrs M MacLean |
| Dr M Beveridge | Mr J Graham | Mr C Macpherson |
| Ms M Boyd | Mrs M Gray | Professor A Manning & Family |
| Mrs D Braithwaite | Mrs M Hall | Miss J Marsh |
| Mrs E F Brown | Mr Eddie Hallam | Dr R Maskell & Family |
| Mr & Mrs A D & J P Bruce | Mr J Hamilton | Mrs K Maxwell-Stuart & Family |
| Mrs J Burnett | Miss H Hannah & Mr P Costigane | Mr H McCallum |
| Miss N Butcher | Miss R Hannah | Mr D H McColgan |
| Mr & Mrs W F & D P Buttery | Mr G & Mrs M Hanson | Mr F McIntosh |
| Ms M Cameron | Mrs D Hebden | Mr G E McIntyre (dec'd) |
| Miss M Carlaw | Mr M J Helmn & Ms W F Harries | Mrs R McKibbin |
| Mr M & Mrs G Carpenter & | Mr J & Mrs F Hewlett | Mrs C A McLauchlan |
| Family | Mr B & Mrs L Howard | Mr Colin McLean (dec'd) |
| Mr R & Mrs M Cinderey | Mrs M Howatson | Dr D McLean |
| Mrs S Cochrane | Miss J Howes | Mr T McLellan |
| Mrs B & Mr P Cowie | Mrs W Hunter | Mr C McLeod |
| Dr D Davies | Mr & Mrs S & J B Hutcheson | Miss A McLure & Miss L Edgar |
| Miss H Deans | Ms M Hutchison & Mr J | Mr J M McMillan, Ms B Marr & |
| Miss C Didcock | Napier | Family |
| Mr & Mrs G & J Doel | Dr C T Ironside | Mrs F McRae |
| Mr J Done | Mr J Ivory | Mr D & Mrs C Mitchell |
| Mr J Duerden | Miss E H Jackson | Dr J Moody |
| The Reverend S M Dyer | Mr D Jamieson | Dr C Morgan |
| Mr P Edwards | Dr G Johnson | Mr D Nall (dec'd) |

SWT Foundation Members (cont)

| | | |
|------------------------------|---|---------------------------------|
| Mrs A W Nasmyth | Mr C Rouse | Mr M Tasker |
| Professor J Nugent | Miss D Rowling (dec'd) | Dr & Mrs R G Taylor |
| Dr M E Nugent | Mr R J & Mrs T Russel | Ms C Templeton-Sanchez |
| Miss I Oswald | Mr A E H Salvesen | Mrs G & Mr C Thomson |
| Miss D S Palmer | Dr H Salzen BSc PhD | Miss F Thorburn |
| Mr Ian and Mrs Fay Pascoe | Mr & Mrs H Scott | Mrs B Thorp |
| Miss J Pinkney | Miss L Scoular | Mr N & Mrs H Tinlin |
| Mr R Pollock | Dr J Sheldon | Miss S Treger |
| Mr A Porteous | Mr & Mrs J Sherwood | Miss E Valentine |
| Miss A Prior & Mr G Campbell | Mrs A J & Mr T Smit | Dr Owen Vaughan |
| Dr N Raitt & Family | Mrs E M Smith | Mrs V J Wagner |
| Mrs M Ramsay | Mr D Somervell, Ms D Armstrong & Family | Miss H Walshaw & Miss S Walshaw |
| Mrs J Rawlings | Mr D Spink | Mrs P Ward |
| Ms A Reece | Lt Cdr E F B Spragge RN | Mr D Way & Family |
| Mrs E Reid | Mrs K Spurgin | Miss I Wilkie |
| Mrs J & Mr A Richardson | Miss D Standring | Miss D V Wilson |
| Mr P Ritchie | Mr J R & Mrs E Stanier | Mrs A H Windsor (dec'd) |
| Mrs J Robertson | Mr G G Stewart | Dr T & Mrs J Woodford |
| Mr J Robertson | Mr J G & Professor A M Stewart | Mr I Wylie |
| Dr M Rogers | Mrs M Sutcliffe | Mr D Yeaman |
| Mrs M Ross | Mr R & Dr A Swinfen | |
| Mr P R & Mrs J Ross & Family | Mr & Mrs T Tait | |

We also thank the many other individual donors and supporters, too numerous to mention by name.

Employees 2012-2013

| | | |
|-----------------------------|-------------------|-----------------------|
| John Aitkin | Kelly Ann Dempsey | James Kennedy |
| Andrew Atkin | Lesley Dickinson | Ian Kerr |
| Suzanne Allan | Catherine Douglas | Anthony King |
| Alan Anderson | Stuart Downie | Alexander Kinninmonth |
| Christopher Archbold | Gillian Dowse | James Law |
| Lindsay Bamforth | Jennifer Dunn | Michael Lennon |
| Jean Baxter | Michael Elm | Fraser MacDonald |
| Hugh Bell | Kenneth Fairlie | Joshua Mackay |
| Rosemary Black | Joyce Finlay | Ian Mackenzie |
| David Blair | Kaye Forbes | Mhairi Mackintosh |
| Scott Bland | Mark Foxwell | James Mann |
| Stephen Blow | Danny French | Lyndsay Mark |
| Cherry Bowen | Valerie Gall | Katrina Martin |
| Georgina Bowie | Steven Gardner | Donna Mathieson |
| James Boyce | Romany Garnett | David Maxwell |
| Nancy Brassey | Claudia Gebhardt | Morag McAdam |
| Alison Bruce | Lindsey Gibb | John McCabe |
| Duncan Budge | Brian Gibson | James McColm |
| Michael Butler | Peter Gilbert | Martin McComb |
| William Buttery | Sophie Gilbert | Ryan McConnell |
| Sarah Byers | David Glassford | Paul McDonald |
| Scott Cameron | Eleanor Graham | Kim McEwan |
| Glen Campbell | Peter Grant | Janet McFarlane |
| John Cavanagh | Katy Green | Heather McGowan |
| Anna Cheshier | Viv Halcrow | Ryan McGrattan |
| John Chester | Stephen Hardy | David McMillan |
| Duncan Clark | Scott Heggie | Heather McPhail |
| Nicholas Clooney | Olwen Hemmings | Patrik Menis |
| Sarah Cooper | Caroline Hendry | William Merrilees |
| Arnau Cortes Palacios | Elaine Hill | Simon Milne |
| Eric Coull | Wendy Hill | Adam Murphy |
| David Cowie | Johnathan Hughes | David Mylan |
| Michael Coyle | Darren Hunter | Robert Needham |
| Laura Cunningham (Shepherd) | Paul Innes | Kenneth Neil |
| Laura Cunningham (Catkin) | Isabel Isherwood | John Neill |
| Niall Currie | Robert Jardine | Carl Neumann |
| Christopher Darling | Helen Jones | Russel Nisbet |
| Oliver Davies | Simon Jones | Alison O'Hara |
| Rhian Davies | Sibyl Kadel | Amy O'Hara |
| Edward Degnan | Margaret Keegan | Scott O'Hara |

Employees 2012-2013

Christine Oines
Kevin Oliver
Lewis Pate
Abbie Patterson
Joanne Pike
Jonathan Pinnick
Thomas Plant
Robert Potter
Ainoa Pravia Fernandez
Samuel Purkis
Karen Ramoo
Steven Ramsay
Sven Rasmussen
Emma Rawling
Gail Renwick
Marilyn Ritchie
Mark Ritchie
Paul Ritchie
Cara Roberts
Keith Roberts
Colin Ross
Jessica Ryder
Rory Sandison
Robin Saunders
Jennifer Schwarz
Rowena Seagrave
Craig Shepherd
Portia Simpson
Gillian Smart
Ann Smith
Laura Smith
Caleb Smith Berry
Jordan Stamper
Keith Stephen
Colin Stewart
Robyn Stewart
William Stirrat
John Strain
Laura Sturgeon
Corrine Thompson

James Thompson
Douglas Thomson
Michael Thomson
Gregory Tinker
Jane Tonkin
Ludwig Traut
Deborah Tribak
Caroline Vevers
Charles Waddell
Julian Warman
Gordon Watt
Thomas Wells
Laura Whitfield
Alistair Whyte
Cameron Williams
Paul Williams
Blair Wilkie
Colin Wilkie
Stephen Willis
Bruce Wilson
Craig Wilson
Scott Wilson
Sean Wilson
Nicholas Wright
Angela Yates
Lynn Yuill
Peter Yule

Council's Responsibilities Statement

The Council (who are directors for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the Annual 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 Council 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 operation.

The Council 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council are aware:

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

Approved by the Council on 26 June 2013 and authorised to sign on its behalf:

Allan Bantick
Chairman of Council

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) for the Year Ended 31 March 2013

| | | Unrestricted Funds | Restricted Funds | Endowments | 2013 Total | 2012 Total as restated |
|---|--------------|-----------------------|---------------------|-----------------|------------------|---------------------------|
| | | £ | £ | £ | £ | £ |
| INCOME AND EXPENDITURE | | | | | | |
| Incoming Resources | Notes | | | | | |
| <u>Generated funds</u> | | | | | | |
| Individual Giving - Subscriptions & Donations | | 1,160,779 | 163,336 | | 1,324,115 | 1,413,923 |
| Individual Giving - Legacies | | 554,657 | 42,107 | | 596,764 | 263,847 |
| People's Postcode Lottery | | 152,000 | | | 152,000 | 685,962 |
| Investment income | | 52,076 | | 47,415 | 99,491 | 99,769 |
| <u>Charitable Activities</u> | | | | | | |
| Scottish Natural Heritage | | 325,000 | 208,864 | | 533,864 | 642,437 |
| Landfill Communities Fund | | | 323,263 | | 323,263 | 449,877 |
| CJS/Training for Work / Future Jobs Fund | | | 130,250 | | 130,250 | 678,838 |
| Other Grant Makers / Charitable Trusts | 2 | 10,725 | 693,891 | | 704,616 | 516,763 |
| Business Support | | 24,350 | 21,433 | | 45,783 | 21,184 |
| Commercial Contracts | | 8,865 | | | 8,865 | 68,798 |
| Other - Sales / Admissions / rents / fees | | 27,103 | 262,093 | | 289,196 | 280,569 |
| <u>Other Incoming Resources</u> | | | | | | |
| Asset sales | | | 63,539 | | 63,539 | 44,615 |
| Total Incoming Resources | | 2,315,555 | 1,908,776 | 47,415 | 4,271,746 | 5,166,582 |
| Resources Expended | | | | | | |
| <u>Costs of Generating Funds</u> | | | | | | |
| Fundraising & membership | | 485,259 | 3,572 | 8,439 | 497,270 | 541,745 |
| <u>Charitable Activities</u> | | | | | | |
| Inspire | 6 | 377,063 | 683,336 | 0 | 1,060,399 | 1,053,674 |
| Champion | 6 | 181,657 | 120,401 | 0 | 302,058 | 215,479 |
| Demonstrate | 6 | 1,012,936 | 1,578,046 | 61,562 | 2,652,544 | 3,269,823 |
| <u>Governance</u> | 8 | 123,229 | 0 | 0 | 123,229 | 120,634 |
| Total Resources Expended | | 2,180,144 | 2,385,355 | 70,001 | 4,635,500 | 5,201,355 |
| Net Incoming/(Outgoing) Resources before transfers | | 135,411 | (476,579) | (22,586) | (363,754) | (34,773) |
| Transfers between funds | | (399,577) | 408,967 | (9,390) | 0 | 0 |
| Net Incoming/(Outgoing) Resources for the year | 3 | (264,166) | (67,612) | (31,976) | (363,754) | (34,773) |

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) for the Year Ended 31 March 2013 (cont)

| | | Unrestricted Funds | Restricted Funds | Endowments | 2013 Total | 2012 Total as restated |
|---|----|-----------------------|---------------------|------------------|------------------|---------------------------|
| | | £ | £ | £ | £ | £ |
| Share of Operating Loss of Joint Ventures | | (12,013) | 0 | 0 | (12,013) | (20,295) |
| Realised Gains on Investments | 13 | 5,317 | 0 | 1,949 | 7,266 | (80,349) |
| Statement of Total Recognised Gains and Losses | | | | | | |
| Net Income (Expenditure) | | (270,862) | (67,612) | (30,027) | (368,501) | (135,417) |
| Unrealised gains (losses) on investments | 13 | 234,453 | 0 | 265,203 | 499,656 | 115,768 |
| Net Movement in Funds | | (36,409) | (67,612) | 235,176 | 131,155 | (19,649) |
| Balances brought forward at 1 April 2012 | | 2,430,079 | 2,626,807 | 1,774,615 | 6,831,501 | 6,851,150 |
| Balances carried forward at 31 March 2013 | | <u>2,393,670</u> | <u>2,559,195</u> | <u>2,009,791</u> | <u>6,962,656</u> | <u>6,831,501</u> |

The consolidated Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing operations

The notes that follow form part of these financial statements

Charity Statement of Financial Activities (Incorporating Income and Expenditure Account) for the Year Ended 31 March 2013

| | Notes | Unrestricted Funds | Restricted Funds | Endowments | 2013 Total | 2012 Total |
|---|-------|--------------------|------------------|------------------|------------------|------------------|
| Net Incoming/(Outgoing) Resources for the year | 3 | (264,166) | (67,612) | (31,976) | (363,754) | (34,773) |
| Realised Gains on Investments | 13 | 5,317 | 0 | 1,949 | 7,266 | (80,349) |
| Statement of Total Recognised Gains and Losses | | | | | | |
| Net Income (Expenditure) | | (258,849) | (67,612) | (30,027) | (356,488) | (115,122) |
| Unrealised gains (losses) on investments | 13 | 234,453 | 0 | 265,203 | 499,656 | 115,768 |
| Net Movement in Funds | | (24,396) | (67,612) | 235,176 | 143,168 | 646 |
| Balances brought forward at 1 April 2012 | | 2,450,374 | 2,626,807 | 1,774,615 | 6,851,796 | 6,851,150 |
| Balances carried forward at 31 March 2013 | | <u>2,425,978</u> | <u>2,559,195</u> | <u>2,009,791</u> | <u>6,994,964</u> | <u>6,851,796</u> |

As the joint venture did not generate any income during the period since its incorporation to 31 March 2013 there is no requirement to present its share of the gross incoming resources of the joint venture on the face of the consolidated SOFA. The consolidated and charity SOFA are therefore identical down to Net incoming/ (outgoing) resources for the year.

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing operations

Consolidated and Charity Balance Sheet as at 31 March 2013

| | | Consolidated | | Charity | |
|--|-------|------------------|------------------|------------------|------------------|
| | | 2013 | 2012 | 2013 | 2012 |
| | | £ | £ | £ | £ |
| | Notes | | | | |
| Fixed Assets | | | | | |
| Wildlife reserves | 10 | 1,048,858 | 1,046,059 | 1,048,858 | 1,046,059 |
| Other property and buildings | 11 | 1,085,815 | 1,142,056 | 1,085,815 | 1,142,056 |
| Other tangible fixed assets | 12 | 212,367 | 326,389 | 212,367 | 326,389 |
| Investments | 13 | 1,915,660 | 1,673,082 | 1,915,660 | 1,673,082 |
| Investments - Cumbernauld endowment | 13 | 1,195,566 | 1,054,228 | 1,195,566 | 1,054,228 |
| Investments - Irvine endowment | 13 | 859,104 | 744,696 | 859,104 | 744,696 |
| Joint Venture | | | | | |
| - Share of Gross Assets | 14 | 11,725 | 22,042 | 0 | 0 |
| - Share of Gross Liabilities | 14 | (44,033) | (42,337) | 0 | 0 |
| | | <u>6,285,062</u> | <u>5,966,215</u> | <u>6,317,370</u> | <u>5,986,510</u> |
| Current Assets | | | | | |
| Stock | | 24,624 | 29,320 | 24,624 | 29,320 |
| Debtors: amounts falling due within one year | 15 | 850,928 | 578,368 | 850,928 | 578,368 |
| Cash balances | | <u>391,236</u> | <u>900,972</u> | <u>391,236</u> | <u>900,972</u> |
| | | <u>1,266,788</u> | <u>1,508,660</u> | <u>1,266,788</u> | <u>1,508,660</u> |
| Current Liabilities | | | | | |
| Creditors: amounts falling due within a year | 16 | (589,194) | (643,374) | (589,194) | (643,374) |
| Net Current Assets | | 677,594 | 865,286 | 677,594 | 865,286 |
| Net Assets | | <u>6,962,656</u> | <u>6,831,501</u> | <u>6,994,964</u> | <u>6,851,796</u> |
| Financed by Funds | | | | | |
| Endowment funds | 17 | 2,009,791 | 1,774,615 | 2,009,791 | 1,774,615 |
| Restricted funds | 18 | <u>2,559,195</u> | <u>2,626,807</u> | <u>2,559,195</u> | <u>2,626,807</u> |
| Unrestricted funds | | | | | |
| Revaluation Reserve | | 438,690 | 199,315 | 438,690 | 199,315 |
| Other Unrestricted Funds | | <u>1,954,980</u> | <u>2,230,764</u> | <u>1,987,288</u> | <u>2,251,059</u> |
| Total Unrestricted | 19 | <u>2,393,670</u> | <u>2,430,079</u> | <u>2,425,978</u> | <u>2,450,374</u> |
| Total Funds | | <u>6,962,656</u> | <u>6,831,501</u> | <u>6,994,964</u> | <u>6,851,796</u> |

The Financial statements were approved and authorised for issue by Council on 26 June 2013 and were signed on its behalf by:

Allan Bantick
 Director and Chairman of Council
 Company Registration No: SC040247

Consolidated and Charity Cash Flow Statement for the year ended 31 March 2013

| | 2013 £ | 2012 £ |
|--|------------------|-----------------|
| Net cash inflow/(outflow) from operating activities | (621,937) | 90,025 |
| Returns on investments and servicing of finance | | |
| Investment income | 99,491 | 99,769 |
| Capital Expenditure and Financial Investment | | |
| Payments to acquire investments (unrestricted) | (215,843) | (693,383) |
| Proceeds from disposal of investments (unrestricted) | 225,535 | 700,429 |
| Payments to acquire investments (endowment) | (169,872) | (522,817) |
| Proceeds from disposal of investments (endowment) | 181,278 | 529,532 |
| Net Movement in cash flows attributable to endowment investments | 11,406 | 6,715 |
| Payments to acquire tangible fixed assets | (71,919) | (348,253) |
| Proceeds from disposal of tangible fixed assets | 63,531 | 47,181 |
| Financing | | |
| Net Movement in cash flows attributable to endowment investments | (11,406) | (6,715) |
| Increase/(Decrease) in cash | <u>(509,736)</u> | <u>(97,517)</u> |

Notes to the Financial Statements for the year ended 31st March 2013

1. Accounting policies

Basis of accounting

The Financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments shown at market value, and are in accordance with applicable accounting standards in the United Kingdom and the Accounting and Reporting by Charities – Statement of Recommended Practice 2005, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trust's activities are funded by a diverse range of restricted, unrestricted and endowment income. In the Statement of Financial Activities (SOFA), the split of expenditure between unrestricted, restricted and endowment is based on how the majority of the underlying activity is funded, with transfers between funds being made to ensure closing fund balances are correct.

Basis of consolidation

The consolidated financial statements include the charitable company's share of its Joint venture, Ben Mor Hydro Limited. In accordance with the requirements of the SORP, the joint venture has been accounted for on a gross equity method.

The charitable company also has an investment in a dormant subsidiary, Natural Capital Scotland Limited, which was incorporated in the year with the intention of that company manages the World Forum on Natural Capital planned for November 2013.

Fixed assets

Fixed assets costing over £2,500 are included in the Balance Sheet at cost. Depreciation is provided on all fixed assets, with the exception of wildlife reserves, in the year in which the fixed assets are purchased. The rates of depreciation are calculated so as to write off the costs of each asset evenly over its expected useful life as follows:

| | |
|-------------------------------------|----------------------|
| Properties – owned | 25 - 50 years |
| Properties – leasehold improvements | Remaining lease term |
| Properties – fixtures and fittings | 4 years |
| Plant and Machinery | 6 years |
| Vehicles | 3 years |

Notes to the Financial Statements for the year ended 31st March 2013

| | |
|------------------------|---------|
| Office Equipment | 4 years |
| Computers and Software | 3 years |

Depreciation is not provided on nature reserves where the Council considers that the residual values of such assets are in excess of their book value and that any consequent charge for depreciation would not be material.

Investments

Quoted investments are stated at market value, unquoted at par value on the basis that Council do not consider them readily realisable. Net investment gains/losses for the year are shown in the Income and Expenditure Account and Statement of Financial Activities.

Investment income is credited to the Income and Expenditure Account and Statement of Financial Activities in the year in which it is receivable.

Stock

Stock is comprised of goods for re-sale and is valued at the lower of cost or net realisable value.

Operating leases

Operating lease rentals are charged on a straight line basis over the lease term.

Taxation

The company is registered as a charity with HMRC and is therefore not liable for taxation to the extent that any surplus or gains arising are wholly applied to its charitable objects. Consequently, all taxation recoverable or estimated to be recoverable has been incorporated in the financial statements.

The company is registered for VAT. Much of the income is either exempt or out-with the scope of VAT. Consequently, it is not possible to recover all the VAT incurred on expenditure.

Incoming Resources

Income is recognised as it becomes receivable.

Notes to the Financial Statements for the year ended 31st March 2013

Membership subscriptions and donations

Subscriptions and donations are credited to the Income and Expenditure Account and Statement of Financial Activities on a cash basis. Specific amounts are allocated to specific accounts and funds following the wishes of their donor.

Legacies

Legacies are recognised as income when there is entitlement, certainty of receipt and measurability of the legacy.

Members Centres

The transactions of the Members Centres have been incorporated into the charity and consolidated statements of financial activities and their bank balances included in the charitable and consolidated balance sheets.

Grants

Grants are credited to the Income and Expenditure Account and Statement of Financial Activities in the year in which they are receivable. Grants received for specific purposes are accounted for as restricted funds. Grants are not recognised as receivable until the conditions for receipt have been met.

Pensions

SWT makes contributions on behalf of its employees to two separate pension schemes. The Wildlife Trusts defined benefit scheme and a stakeholder (money purchase) scheme. Contributions to the money purchase scheme are accounted for on an actual basis. The Fund for the defined benefit scheme is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. However, as the defined benefit scheme is run in such a way that SWT is unable to identify its share of the underlying assets and liabilities, contributions are also accounted for on an actual basis.

Charitable activities

Expenditure on charitable activities includes both direct charitable expenditure and an appropriate proportion of support costs for the meeting SWT's charitable objective to "advance the conservation of Scotland's biodiversity for the benefit of present and future generations" The Trust's current 5 year plan splits its charitable activities into three areas; Champion, Demonstrate and Inspire. Prior year figures have been restated to reflect this change in presentation only. Expenditure is allocated between categories on a

Notes to the Financial Statements for the year ended 31st March 2013

cost centre by cost centre basis and is accounted for on an accruals basis, including irrecoverable VAT where applicable.

Support costs

Support costs include the head office functions of general management, finance, information communications technology, human resources and health and safety. These costs are allocated across the costs of generating funds and the various categories of charitable expenditure on the basis of the direct expenditure incurred. Support costs allocations for the prior year have been amended to reflect the changes to categories of charitable activities as explained above.

Fundraising costs

Fundraising costs include membership administration and recruitment, the fundraising team and the communications team.

Governance costs

Governance costs include the costs of staff time in dealing with the strategic as opposed to day-to-day management of SWT's activities, the cost of the statutory audit, the expenses of Council members and the Annual General Meeting.

2. Grants

The principle grant funders included within "Other Grant makers / charitable trusts" in the Statement of Financial Activities were as follows;

| | 2013 £ | 2012 £ |
|--|-----------|-----------|
| Aberdeenshire Leader | - | 13,128 |
| Aberdeenshire Council | 5,000 | - |
| Albert George & Nancy Youngman Trust | 15,750 | - |
| Argyll Leader | 5,520 | - |
| Awards For All | 9,910 | - |
| East Ayrshire Coalfield Environment Initiative | 17,625 | - |
| Esmée Fairbairn Foundation | 13,354 | - |
| Forestry Commission Scotland | 69,002 | 27,000 |
| Forth Valley Leader | 11,386 | - |
| The Gannochy Trust | 10,000 | - |
| Garfield Weston Foundation | 25,000 | - |
| Heritage Lottery Fund | 154,126 | 204,404 |

Notes to the Financial Statements for the year ended 31st March 2013

| | 2013 | 2012 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Highland Leader | 35,708 | 5,654 |
| John Muir Trust | 5,000 | 5,000 |
| Loch Lomond & Trossachs National Park | 10,000 | - |
| Moray Leader | 14,993 | - |
| Peoples Trust for Endangered Species | - | 10,000 |
| Red Squirrel Survival Trust | 22,000 | 13,621 |
| Red Squirrels in South of Scotland | 8,000 | - |
| Renfrewshire Leader | - | 16,698 |
| The Robertson Trust | 50,000 | - |
| Scottish Government (inc WIAT, SRDP) | 75,689 | 106,258 |
| Spey Bay Leader | - | 16,295 |
| Tayside Leader | 48,461 | 24,964 |
| The D'oyly Carte Charitable Trust | 5,000 | - |
| The Wildlife Trusts | 48,240 | 37,952 |
| Tubney Charitable Trust | - | 22,240 |
| J & JR Wilson Trust | 10,000 | - |
| Other grants <£5k | 34,852 | 13,549 |
| | <u>704,616</u> | <u>516,763</u> |

3. Net incoming/ (outgoing) resources for the year is stated after charging:

| | 2013 | 2012 |
|---|---------|---------|
| | £ | £ |
| Auditors' remuneration - current year | 6,250 | 6,000 |
| Auditors' remuneration - other services | 400 | 650 |
| Depreciation on fixed assets | 239,391 | 216,260 |
| Operating leases | 88,956 | 87,952 |
| Professional indemnity insurance | 890 | 398 |

4. Staff numbers and costs

| | 2013 | 2012 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,094,558 | 2,461,183 |
| Social security costs | 177,313 | 195,704 |
| Pension costs | 219,502 | 197,673 |
| | <u>2,491,373</u> | <u>2,854,560</u> |
| Redundancy costs | 3,700 | 49,231 |
| <u>TOTAL</u> | <u>2,495,073</u> | <u>2,903,791</u> |

Notes to the Financial Statements for the year ended 31st March 2013

One employee had emoluments exceeding £70,000 but not more than £80,000 (2012: one employee exceeding £60,000 but not over £70,000). This employee is not a member of the defined contribution pension scheme (2012: None).

| | 2013 No | 2012 No |
|---------------------------|------------|------------|
| Permanent | 57 | 59 |
| Projects/Seasonal | 27 | 23 |
| Trainees (weekly average) | <u>12</u> | <u>59</u> |

The staff costs in relation to trainees are met by Government agencies and do not therefore constitute a cost to SWT. Staff numbers are calculated on a full time equivalent basis.

5. Council members' remuneration and expenses

No member of Council received any remuneration from SWT. Expenses in relation to travel and subsistence costs relating to attendance at Council meetings were paid to 6 Council Members (2012: 5) and amounted to £9,490 (2012: £8,268).

6. Charitable activities

| | Direct Expenditure £ | Support Costs £ | 2013 £ | 2012 £ |
|-------------|----------------------------|-----------------------|------------------|------------------|
| Inspire | 919,409 | 140,990 | 1,060,399 | 1,053,674 |
| Champion | 261,898 | 40,160 | 302,058 | 215,479 |
| Demonstrate | 2,299,870 | 352,674 | 2,652,544 | 3,269,823 |
| | <u>3,481,177</u> | <u>533,824</u> | <u>4,015,001</u> | <u>4,538,976</u> |

7. Support Costs

The total support costs have been apportioned to the various Trust activities on the basis of direct expenditure as follows;

| Support Costs | Fundraising £ | Inspire £ | Champion £ | Demonstrate £ | Governance £ | 2013 £ | 2012 (as restated) £ |
|------------------------|------------------|----------------|---------------|------------------|-----------------|----------------|----------------------------|
| Finance | 12,528 | 27,376 | 7,798 | 68,479 | 3,181 | 119,362 | 110,668 |
| Head Office | 15,889 | 34,722 | 9,890 | 86,856 | 4,035 | 151,392 | 235,941 |
| Human Resources | 20,080 | 43,879 | 12,499 | 109,761 | 5,099 | 191,318 | 181,204 |
| Management | 8,104 | 17,711 | 5,045 | 44,300 | 2,058 | 77,218 | 76,504 |
| Health & Safety | 1,483 | 3,241 | 923 | 8,107 | 377 | 14,131 | 15,077 |
| Information Technology | 6,434 | 14,061 | 4,005 | 35,171 | 1,634 | 61,305 | 46,109 |
| | <u>64,518</u> | <u>140,990</u> | <u>40,160</u> | <u>352,674</u> | <u>16,384</u> | <u>614,726</u> | <u>665,503</u> |

Notes to the Financial Statements for the year ended 31st March 2013

8. Governance costs

The costs of governance can be broken down as follows:

| | 2013 | 2012 as |
|-------------------|-------------|-----------------|
| | £ | restated |
| | | £ |
| Management | 81,788 | 84,087 |
| Statutory audit | 7,500 | 7,000 |
| Trustees expenses | 9,489 | 8,169 |
| AGM | 8,068 | 5,918 |
| Direct Costs | 106,845 | 105,174 |
| Support Costs | 16,384 | 15,460 |
| Total Costs | 123,229 | 120,634 |

9. Pension arrangements

During the year SWT made pension contributions to the following Schemes:

| | 2013 | 2012 |
|--|-------------|-------------|
| | £ | £ |
| The Wildlife Trusts Pension Scheme | 104,368 | 96,602 |
| Friends Provident - Stakeholder Scheme | 115,134 | 100,215 |
| Personal Pensions Schemes | - | 856 |
| | 219,502 | 197,673 |

The Wildlife Trusts Pension Scheme

SWT participates in the Wildlife Trusts Pension Scheme, a hybrid multi-employer pension scheme, which provides benefits to members on a defined benefit or a defined contribution basis, as decided by each employer.

SWT participates only in the defined benefit section. However, the Scheme is run in such a way that SWT is unable to identify its share of the underlying assets and liabilities of the defined benefit section. Therefore, the pension charge shown in the financial statements is the amount of contributions payable by SWT during the year ended 31 March 2013. However, while the underlying share of assets and liabilities cannot be readily identified, Council has taken the decision to designate funds on an annual basis to meet the potential liability arising under the Scheme. Further details of this designated fund are included in note 19 to the financial statements.

Notes to the Financial Statements for the year ended 31st March 2013

Contributions to the defined benefit section of the Scheme are determined on the basis of triennial actuarial valuations carried out by an independent, qualified actuary. The last full valuation was carried out as at 1 April 2010. At that point scheme assets were £7.4m and represented 65% of liabilities. All employers in the scheme increased their contributions to a level which should see the scheme 100% funded by 2021.

The overall scheme deficit calculated at 1 April 2010 was £3.985m, of which the estimated share of the liabilities attributable to the Scottish Wildlife Trust was estimated to be in the region of just over £907,000. However, it should be noted that this is a notional liability as the Scheme actuary is unable to identify the share of the assets and liabilities of the respective members on a consistent and reliable basis.

Since the full actuarial valuation at 1 April 2010, an interim valuation has been completed at 1 April 2012 which indicated that the overall scheme deficit had risen to £7.752m. Scottish Wildlife Trust's required payment in 2012/13 was £104,369 (2012: £96,602). Under the current recovery plan contributions are expected to rise by 2.8% per annum until 2021.

10. Wildlife reserves

| | 2012 £ | Additions £ | Disposals £ | Depreciation £ | 2013 £ |
|-------------------|------------------|----------------|----------------|-------------------|------------------|
| Wildlife reserves | <u>1,046,059</u> | <u>2,799</u> | <u>-</u> | <u>-</u> | <u>1,048,858</u> |

In addition to the above the charity also leases a number of reserves for preservation and conservation purposes. The costs associated with entering into these leases are expensed as incurred.

Notes to the Financial Statements for the year ended 31st March 2013

11. Other property and buildings (Net Book Values)

| | 2012 £ | Additions £ | Disposals £ | Depreciation £ | 2013 £ |
|--------------------------------|------------------|----------------|----------------|-------------------|------------------|
| Owned | | | | | |
| Montrose Basin Wildlife Centre | 540,620 | - | - | (28,453) | 512,167 |
| Loch of the Lowes | 208,825 | - | - | (10,991) | 197,834 |
| Largiebaan | 36,621 | - | - | (868) | 35,753 |
| Balgavies Loch | 6,846 | - | - | (166) | 6,680 |
| Bawsinch & Duddingston | 6,093 | - | - | (142) | 5,951 |
| Leasehold Improvements | | | | | |
| Bemersyde Moss | 3,434 | - | - | (286) | 3,148 |
| Falls of Clyde | 216,057 | - | - | (17,145) | 198,912 |
| Hare & Dunhog Moss | 906 | - | - | (302) | 604 |
| Loch of Lintrathen | 7,733 | - | - | (491) | 7,242 |
| Handa Island | 32,069 | 5,728 | - | (3,559) | 34,238 |
| Harbourside House, Leith | 59,912 | 4,340 | - | (6,445) | 57,807 |
| Fixtures & Fittings | | | | | |
| Montrose Basin Wildlife Centre | - | - | - | - | - |
| Falls of Clyde | - | - | - | - | - |
| Loch of the Lowes | 22,940 | 8,450 | - | (5,911) | 25,479 |
| | <u>1,142,056</u> | <u>18,518</u> | <u>-</u> | <u>(74,759)</u> | <u>1,085,815</u> |

12. Other tangible fixed assets

| | Plant & Machinery £ | Motor Vehicles £ | Office Equipment £ | Computers £ | Total £ |
|------------------------------|---------------------------|------------------------|--------------------------|----------------|----------------|
| <u>COST</u> | | | | | |
| As at 1 April 2012 | 180,000 | 613,626 | 10,589 | 168,530 | 972,745 |
| Additions | 13,979 | 36,623 | - | - | 50,602 |
| Disposals | - | (119,506) | - | - | (119,506) |
| As at 31 March 2013 | <u>193,979</u> | <u>530,743</u> | <u>10,589</u> | <u>168,530</u> | <u>903,841</u> |
| <u>DEPRECIATION</u> | | | | | |
| As at 1 April 2012 | 152,123 | 381,347 | - | 112,878 | 646,348 |
| Charge for year | 12,172 | 120,119 | 2,118 | 30,223 | 164,632 |
| Disposals | - | (119,506) | - | - | (119,506) |
| As at 31 March 2013 | <u>164,295</u> | <u>381,960</u> | <u>2,118</u> | <u>143,101</u> | <u>691,474</u> |
| <u>NET BOOK VALUE</u> | | | | | |
| As at 31 March 2012 | 27,877 | 232,279 | 10,589 | 55,652 | 326,397 |
| As at 31 March 2013 | <u>29,684</u> | <u>148,783</u> | <u>8,471</u> | <u>25,429</u> | <u>212,367</u> |

Notes to the Financial Statements for the year ended 31st March 2013

13. Investments

The investment powers of SWT are contained in the Memorandum of Association allowing investment of “the monies of SWT not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided”.

Brooks MacDonald Asset Management is responsible for the day-to-day management of the investments and the custody of the related documents of title. All investments are held in the UK.

| Group and Parent | Unrestricted Main Fund | | Cumbernauld | | Irvine | |
|--|------------------------|-----------|-------------|-----------|----------|-----------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| | £ | £ | £ | £ | £ | £ |
| Market Value of securities at 1 April | 1,471,752 | 1,653,451 | 919,160 | 994,713 | 644,842 | 699,963 |
| Purchases | 215,843 | 693,383 | 78,370 | 278,495 | 91,502 | 244,322 |
| Disposals | (50,923) | (873,312) | (46,481) | (377,196) | (27,654) | (313,484) |
| Donated Shares | 12,500 | - | - | - | - | - |
| Gains / Losses | 239,770 | (1,770) | 147,995 | 23,148 | 119,157 | 14,041 |
| Market value of securities at 31 March | 1,888,942 | 1,471,752 | 1,099,044 | 919,160 | 827,847 | 644,842 |
| Cash | 26,718 | 201,330 | 96,522 | 135,068 | 31,257 | 99,854 |
| Market value at 31 March | 1,915,660 | 1,673,082 | 1,195,566 | 1,054,228 | 859,104 | 744,696 |
| Cost at 31 March | 1,476,970 | 1,473,767 | 883,183 | 874,949 | 607,428 | 602,749 |

The market value of investments representing more than 5% of the total portfolios is as follows:

Impax Environment – Specialist manager that invests in the transition to a cleaner global economy £318,602

The unrestricted main fund includes unquoted securities of £12,500 valued at par.

14. Investment in Joint Venture

The charitable company entered into a joint venture last year with the Coigach Community Development Company. The joint venture company, Ben Mor Hydro Limited, was incorporated on 11 July 2011 with the intention of undertaking a feasibility study into constructing a hydro electricity generating plant on SWT's crofted estate north of Ullapool, with the aim of generating income for distribution to its members.

The total of the charitable company's 50% share of the joint venture, Ben Mor Hydro Limited, per the unaudited statutory financial statements as at 31 March 2013 was as follows:

Notes to the Financial Statements for the year ended 31st March 2013

| <u>Income and Expenditure Account</u> | period ended 31/3 | |
|--|------------------------|------------------------|
| | <u>2013</u> | <u>2012</u> |
| | £ | £ |
| Income | 0 | 0 |
| Administration Expenses | (12,013) | (20,295) |
| Share of loss before tax | (12,013) | (20,295) |
| Taxation | 0 | 0 |
| <u>Share of loss for the year</u> | <u>(12,013)</u> | <u>(20,295)</u> |

| <u>Balance Sheet</u> | As at 31/3 | |
|--|------------------------|------------------------|
| | <u>2013</u> | <u>2012</u> |
| | | |
| Share of assets: | | |
| Current Assets | 11,725 | 22,042 |
| Share of liabilities: | | |
| Due within 1 year | (44,033) | (42,337) |
| <u>Net Assets / (Liabilities)</u> | <u>(32,308)</u> | <u>(20,295)</u> |

15. Debtors

| Group and parent | 2013 | 2012 |
|--|----------------|----------------|
| Amounts falling due within one year | £ | £ |
| Sundry debtors | 23,830 | 31,140 |
| Prepayments and accrued income | 397,261 | 162,332 |
| Income tax recoverable | 42,282 | 31,568 |
| VAT | 7,520 | 16,603 |
| Grants receivable | 380,035 | 336,725 |
| | <u>850,928</u> | <u>578,368</u> |

Sundry debtors at 31 March 2013 included £8,000 due from Ben Mor Hydro Limited, the charitable company's joint venture undertaking, under a loan facility dated 5 April 2012. This loan is unsecured, repayable on demand and bears interest, which is payable in arrears, at an annual rate of 1% above LIBOR.

Notes to the Financial Statements for the year ended 31st March 2013

16. Creditors

| Group and parent | 2013 | 2012 |
|--------------------------------------|----------------|----------------|
| Amounts falling due within one year: | £ | £ |
| Obligations under finance leases | - | - |
| Other taxation and social security | 48,626 | 51,509 |
| Other creditors | 514,389 | 561,011 |
| Prepaid Income | 26,179 | 30,854 |
| | <u>589,194</u> | <u>643,374</u> |

17. Endowment funds

The Cumbernauld Fund was set up in 1995 with £832,000 received from the Cumbernauld Development Corporation. The Irvine Fund was set up in 1996 with £530,000 received from the Irvine Development Corporation. Both funds were established to enable SWT to manage the town's green spaces in perpetuity for the benefits of the residents and wildlife. Any unspent balance and gains/losses arising are credited back to the endowment fund

| Group and parent | Balance as at 31 March 2012 £ | Investment Income £ | Other Income £ | Expenditure £ | Investment Gains £ | Balance as at 31 March 2013 £ |
|----------------------------|--|---------------------------|----------------------|------------------|--------------------------|--|
| Cumbernauld endowment fund | 1,038,269 | 27,622 | - | (44,340) | 147,995 | 1,169,546 |
| Irvine endowment fund | 736,346 | 19,793 | - | (35,051) | 119,157 | 840,245 |
| Total | <u>1,774,615</u> | <u>47,415</u> | <u>-</u> | <u>(79,391)</u> | <u>267,152</u> | <u>2,009,791</u> |

18. Restricted Funds

| Group and Parent | Balance at 1 April 2012 £ | Income Received £ | Expenditure | Transfer £ | Balance at 31 March 2013 £ |
|-----------------------------------|---------------------------------|-------------------------|--------------------|----------------|----------------------------------|
| Restricted funds > £50k | | | | | |
| Property | 1,029,046 | - | (59,015) | - | 970,031 |
| Wildlife Reserves | 1,027,785 | - | - | - | 1,027,785 |
| Saving Scotland's Red Squirrels | 67,533 | 532,475 | (464,294) | - | 135,714 |
| Other Funds | 502,443 | 1,376,301 | (1,862,026) | 408,947 | 425,665 |
| | <u>2,626,807</u> | <u>1,908,776</u> | <u>(2,385,335)</u> | <u>408,947</u> | <u>2,559,195</u> |

Notes to the Financial Statements for the year ended 31st March 2013

19. Unrestricted Funds

| | 2013 £ | 2012 £ |
|---|------------------|------------------|
| Consolidated General Funds brought forward | 2,430,079 | 2,547,964 |
| Net (outgoing)/incoming resources | 135,411 | 1,102,170 |
| Investment gains (losses) | 239,770 | (1,770) |
| Share of Operating Loss of Joint Ventures | (12,013) | (20,295) |
| General Funds before transfers | 2,793,247 | 3,628,069 |
| Transfers between funds | (399,577) | (1,197,990) |
| Consolidated General Funds carried forward | 2,393,670 | 2,430,079 |
| Less: Share of Operating Loss of Joint Ventures | 32,308 | 20,295 |
| Charity General Funds carried forward | 2,425,978 | 2,450,374 |

| Movements on Designated Funds | Balance at 01/04/2012 | New designation | Changes to designations | Spend in year | Balance at 31/03/2013 |
|--|--------------------------|--------------------|----------------------------|------------------|--------------------------|
| <u>SWT Foundation</u> | | | | | |
| Saving Scotland's Red Squirrels | 330,000 | | | | 330,000 |
| Beaver Reintroduction Trial | 77,631 | | | (16,685) | 60,946 |
| Wildlife Reserve Signage | 49,271 | | | (919) | 48,352 |
| Cumbernauld Living Landscape Project | 77,338 | | | (3,841) | 73,497 |
| Coigach Assynt Living Landscape Project | 98,864 | | | (15,486) | 83,378 |
| Wildlife Reserve Maintenance / Improvements | 0 | | 543,848 | (543,848) | 0 |
| Edinburgh Living Landscape Project | | 10,000 | | | 10,000 |
| Total SWT Foundation | 633,104 | 10,000 | 543,848 | (580,779) | 606,173 |
| Trialling New Methods of members Recruitment | 54,029 | | (49,191) | (4,838) | 0 |
| Business Development Activity | 50,000 | | | (671) | 49,329 |
| Landscape Architecture | 30,000 | | | | 30,000 |
| Land Agent | 20,000 | | | | 20,000 |
| SWT Energy Efficiency | 35,000 | | | | 35,000 |
| Pension Deficit | 300,000 | | 50,000 | | 350,000 |
| TOTAL DESIGNATED FUNDS | 1,122,133 | 10,000 | 544,657 | (586,288) | 1,090,502 |

Notes to the Financial Statements for the year ended 31st March 2013

Scottish Wildlife Trust Foundation

Council has a policy of designating all unrestricted legacy income through the SWT foundation. Spend in a number of areas was held back this year given the financial challenges that were apparent part way through the year.

- 1) Saving Scotland's Red squirrels – the project continues to progress well and remains in surplus, hence no call on the designated fund this year
- 2) Beaver Reintroduction Trial – the project continues to progress to plan. It is expected that the remaining fund balance will be utilized over the remaining 18 months of the project
- 3) Wildlife Reserve Signage – many of the signs installed a few years ago are now looking very shabby. This, along with updated logo / brand guidelines led Council to set aside £60,000 to fund a programme of improvements. Work is ongoing.
- 4) Cumbernauld Living Landscape – a project officer is now in post. A much larger fund is desirable given the aspirations for a flagship project over an extended time period.
- 5) Coigach - Assynt Living Landscape – a project officer has been appointed and plans are developing well. A much larger fund is desirable given the aspirations for a flagship project over an extended time period.
- 6) Wildlife Reserve Maintenance / Improvements – income from legacies is set aside each year for the purpose of maintaining and enhancing the Trust's wildlife reserves.
- 7) Edinburgh Living Landscape – A new project currently under development

Other designated funds;

- 1) Trialing New Methods of Membership Recruitment – this fund has been eliminated and all related spend will be met from annual operating budgets in future
- 2) Business Development Activity – Council has approved a marketing and business development strategy which aims to generate new streams of income for the Trust. This fund will help underwrite the costs of the World Forum on Natural Capital planned for November 2013
- 3) Landscape Architecture – this project was delayed and will be reconsidered in 2013/14
- 4) Land Agent – this project was delayed and will be reconsidered in 2013/14
- 5) SWT energy efficiency – this project was delayed and will be reconsidered in 2013/14
- 6) Pension Deficit – Council has stated an intention of designating an average of £50,000 per annum until the total designation matches the estimated liability in the final salary pension scheme

Notes to the Financial Statements for the year ended 31st March 2013

20. Net cash (outflow)/inflow from operating activities

| | 2013 £ | 2012 £ |
|--|------------------|---------------|
| Net (outgoing)/incoming resources | 131,155 | (19,649) |
| Investment income | (99,491) | (99,769) |
| Donated Shares | (12,500) | 0 |
| Realised Gains on Investments | (7,266) | 80,349 |
| Unrealised Gains on Investments | (499,656) | (115,768) |
| Share of Operating Loss on Joint venture | 12,013 | 20,295 |
| Depreciation | 239,391 | 216,260 |
| (Gain) on sale of fixed assets | (63,539) | (44,615) |
| (Increase) in stocks | 4,696 | (2,072) |
| Decrease/(increase) in debtors | (272,560) | 298,480 |
| (Decrease)/increase in creditors - excluding leases | (54,180) | (243,486) |
| Net cash inflow/(outflow) from operating activities | (621,937) | 90,025 |

21. Analysis of changes in cash during the year

| | 2013 £ | 2012 £ |
|--------------------------------------|------------------|-----------------|
| Balance at the beginning of the year | 900,972 | 998,489 |
| Balance at the end of the year | 391,236 | 900,972 |
| Net cash inflow/(outflow) | (509,736) | (97,517) |

22. Analysis of fund balances between net assets

| | General Unrestricted Fund £ | Restricted Funds £ | Endowment Funds £ | Total Funds £ |
|--------------------|--------------------------------------|--------------------------|-------------------------|---------------------|
| Fixed Assets | 169,703 | 2,177,337 | - | 2,347,040 |
| Investments | 1,915,660 | - | 2,054,670 | 3,970,330 |
| Net Current Assets | 308,307 | 381,858 | (44,879) | 645,286 |
| | <u>2,393,670</u> | <u>2,559,195</u> | <u>2,009,791</u> | <u>6,962,656</u> |

Notes to the Financial Statements for the year ended 31st March 2013

23. Financial Commitments

The annual commitment under non-cancellable operating leases and their expiry dates were as follows:

| | 2013 | 2012 |
|----------------------------|---------------------------|---------------------------|
| | Land and buildings | Land and buildings |
| | £ | £ |
| Within one year | 13,312 | 15,488 |
| Within two to five years | 16,910 | 13,730 |
| After more than five years | 58,734 | 58,734 |
| | <u>88,956</u> | <u>87,952</u> |

24. Contingent Liabilities

The Trust is a member of a multi-employer pension scheme as disclosed in note 9. As such the Scottish Wildlife Trust has a contingent liability for the share of the Scheme deficit borne by the other 17 scheme employers in the event of one or more of those employers becoming insolvent. The Council consider that the likelihood of such an event occurring and having a material impact on the charitable company's liabilities to be remote.

25. Notified legacies unrecognised at the balance sheet date

At the balance sheet date the Trust had been notified of 17 legacies that were not fully recognised in the Trust's financial statements as they were not sufficiently reliably measurable to meet the conditions for recognition. Four of these were residual legacies that are subject to life interests held by third parties. The likely income from these is in the region of £200,000. Of the remainder, 13 were residual and 1 pecuniary, the likely income being in the region of £500,000.