



*(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 2014.**

Patron, Chairman of Council, Council Members,

Senior Staff and Officials.

Patron	HRH The Prince Charles, Duke of Rothesay	
Chairman of Council	Allan Bantick	Eligible to remain as Chairman until 2014 ¹
Chairman Elect	Robin Harper	Appointed as Chairman Elect in February 2014, taking up post September 2014. Eligible to remain as Chairman until 2017
Vice – chair (Conservation)	Dr Jon Barnes	Eligible to remain as Vice Chairman until 2015
Vice – chair (Members’ Centres and Watch)	Col Patric Baird	Eligible to remain as Vice Chairman until 2016
Vice – chair (Finance)	James Ivory DL	Eligible to remain as a Vice-Chairman until September 2014
Elected Members of Council	Karen Chambers	Eligible for re-election to Council 2015
	Dr Tim Duffy	Due to retire from Council 2016
	Amanda Forsyth	Eligible for re-election to Council 2016
	Alastair Grier	Eligible for re-election to Council 2016

¹ Assuming continuation in post for 6 years.

Patron, President, Chairman of Council, Council Members,

Senior Staff and Officials (cont).

	Tim Hailey	Due to retire from Council 2015
	Professor John Harwood	Eligible for re-election to Council 2014
	Professor David Houston	Due to retire from Council 2014
	David Lindgren	Eligible for re-election to Council 2016
	Dr John Sheldon MBE	Due to retire from Council 2014
	Professor Chris Spray MBE	Due to retire from Council 2015
Convener of Conservation Committee	Dr Jon Barnes	Trustee
Company Secretary	Simon Milne (to Feb 14) Jonathan Hughes (from Feb 14)	Staff
Chief Executive	Simon Milne (to Feb 14) Jonathan Hughes (from Feb 14)	Staff
Director of Conservation	Jonathan Hughes (to Feb 14) Vacant (from Feb 14)	Staff
Director of Finance and Resources	Paul Ritchie	Staff
Director of Marketing and Business Development	Jo Pike	Staff

Patron, Chairman of Council, Council Members,

Senior Staff and Officials (cont).

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
Investment Advisors	Brooks MacDonald Asset Management 10 Melville Crescent Edinburgh EH3 9GL
Solicitors	Morton Fraser Quartermile Two 2 Lister Square Edinburgh EH3 9GL
Registered Office and Principal Address	Harbourside House 110 Commercial Street Edinburgh EH6 6NF
Company Registration Number	SC040247
Scottish Charity Number	SC005792

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 2014 which comprise the group and parent charitable company Statement of Financial Activities (incorporating Income and Expenditure Account), the group and parent charitable company Balance Sheets, the group 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 solely 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 (as amended). 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 charitable company, 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.

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 material inconsistencies with the

audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2014, 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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)
For and on behalf of Geoghegans, Statutory Auditor

20 June 2014

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.
6 St Colme Street
Edinburgh
EH3 6AD

1) 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 the Trust and for the implementation of Council agreed policies and the Five Year Plan. The Chief Executive 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.

2) 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 the Trust 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

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 to biodiversity in Scotland, 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 aims and objectives 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. The 5 Year Plan contains three clear strategic aims and one supporting objective as follows:

To champion; To secure a measurable improvement in the health of Scotland's ecosystems

To demonstrate; To implement and demonstrate best conservation practice on the ground

To inspire; To inspire people to care for and engage with Scotland's wildlife and wild places

Supporting objective; To be efficient and effective in securing and managing the resources we need to deliver conservation objectives

3) 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, Isle of Eigg Heritage Trust, Assynt Foundation, Partnership for Action Against Wildlife Crime, Culag Community Woodland Trust, Tanera Mor, Woodland Trust Scotland, Eisd Brachaird Estate, Ardtornish Estate, and Scourie Estate.

STRATEGIC REPORT

4) Risk Management and Uncertainties

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 2013/2014 were:

- Poor financial performance which in the worst case leads to insolvency of the Trust
- Reduction/non-delivery of Scottish Natural Heritage funding through the Framework Agreement
- Significant shortfall in unrestricted funding from membership
- Significant additional annual contribution to The Wildlife Trust's Final Salary Pension Scheme
- Shortfall in (or failure to maximise) unrestricted funding from legacies

The current views on each of these issues are as follows;

- There is very little risk of insolvency in the foreseeable future
- Discussions with Scottish Natural Heritage indicate a 15% cut (£50k) in framework grant is likely in 2014/15 which is of moderate significance
- Membership income is currently growing on the back of strong new member recruitment and member retention
- Contributions to the final salary pension scheme will rise by 50% (£53k) in 2014/15
- Significant investment in promoting legacies was undertaken in the year with a promising increase in the number of known legacy pledgers. Decisions on further investment will be taken in 2014/15

5) 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 Scotland's 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.

Further detail on achievements in 2013/14 can be found in the section of this report titled "achievements and performance"

6) Financial Review

Income

Total incoming resources for the Trust totalled £4.9 million and were well ahead of budget, principally due to income from legacies being unusually high.

Expenditure

Total resources expended for the Trust was just over £4.7 million.

Investment Policy and Performance

The value of the Trust's investment portfolios increased 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 above average legacy income received in the year.

Balance Sheet

The most notable changes in balance sheet values during the year related to the cashing in of some investments to fund a deficit budget. This combined with higher than expected income has resulted in a significant increase in cash.

Consolidated Result for the Year

Ben Mor Hydro Ltd was established two years ago and is a 50:50 joint venture between the Trust and the Coigach Community development Company. The feasibility study to assess the potential of operating a commercial hydro electricity generation plant on the Trust's Ben Mor Coigach estate is progressing well if a little more slowly than hoped. It is expected to cost £150,000 with 90% of the costs being underwritten by a loan from Community Energy Scotland.

During 2013/14 the Trust's share of Ben Mor Hydro's Ltd losses amounted to £33,715 (2013: £12,013).

Natural Capital Scotland Ltd began to trade in the year. It is a wholly owned subsidiary of the Scottish Wildlife Trust and ran the very successful World Forum on Natural Capital during the year. It made an £18k surplus which is being donated to the parent charity.

Financial Reserves Policy

Council reviewed its policy during the prior year. 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 2014 were £1,565,425. This is above the top of the of the target range and reflects strong legacy income in the year.

7) Plans for Future Periods

The strategic aims and objectives for 2013/14 and on to 2017 are detailed in the Five Year Plan: *Our Nature, Our Future*. Of particular note are:

To Champion

- Supporting the further development and implementation 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-based conservation across Scotland's 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 a second 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

Future Finances

The budget for 2014/15 shows a moderate deficit based on a number of key assumptions including legacy income falling back to long term average and costs generally rising with inflation. The level of deficit would see free reserves falling back towards policy levels but is not sustainable in the medium term.

There are a number of opportunities to develop new sources of income which are and will be pursued. These include the new single use carrier bag tax which comes into force in 2014 and income from the proposed hydro electricity generating scheme currently being assessed by Ben Mor Hydro Ltd

Plans for a second World Forum on Natural Capital in 2015 are under consideration. This would be run by Natural Capital Scotland Limited which would begin incurring expenditure in the 2014/15 year.

Achievements and Performance in 2013/14

To Champion: to secure a measurable improvement in the health of Scotland's ecosystems

Five Year Plan Operational Objective	Achievements in 2013/14
Successfully campaign for the development and delivery of a National Ecological Network and a set of Ecosystem Health Indicators in Scotland	<p>Aim is to work in partnership with the Scottish Government led Ecosystem Health Indicators (EHIs) working group and advocate for a set of EHIs to be published during 2014. This year we have:</p> <ul style="list-style-type: none"> a. Proactively contributed to the Ecosystem Health Indicators working group of the Scottish Biodiversity Strategy. b. The final draft set of EHIs have been submitted to the Minister for Environment and Climate Change for approval. The decision is pending.
Develop and implement a biodiversity outreach programme to the built environment sector in order to enhance urban biodiversity in selected local authority areas	<p>Aim is to introduce the importance of biodiversity in an urban areas to policy makers and practitioners outside the 'environmental community'</p> <ul style="list-style-type: none"> a. Achieved 3 x presentations to high profile conferences to the built environment sector on urban nature issues b. Built relationships and responded to key consultations in relation to the proposed large Community Growth Areas in Cumbernauld
Achieve improved conservation of the marine environment through the Living Seas programme and partnership working with Scottish Environment LINK	<p>Aim is for marine wildlife and habitats to be recovering from past decline and that the use of the seas' resources becomes environmentally sustainable. This year we:</p> <ul style="list-style-type: none"> a. Conducted a public campaign that raised the profile of marine conservation in Scotland through media and public/membership events, and generated over 1,500 responses via the Trust website in support of the designation of Marine Protected Areas. b. Worked in partnership with other environment organisations through Scottish Environment LINK to influence implementation of the Marine (Scotland) Act, including making robust responses to the Scottish Government's 'Planning Scotland's Seas' consultations, including Marine Protected Areas, National Marine Plan, and Priority Marine Features. c. Developed, adopted and advocated policy positions on marine planning and the decommissioning of offshore infrastructure.
Have planning volunteers active in 90% of local authority areas	<p>Aim is to protect important places for wildlife from damaging developments through work of local planning volunteers and staff. This year we have:</p> <ul style="list-style-type: none"> a. Active planning volunteers operating in 28 local authority areas. b. Recruited a planning volunteer to help collate and respond to applications c. Positively influenced over 45 significant planning applications from head office with many more being responded to at a

Achievements and Performance in 2013/14

	<p>Members' Centre (MC) level</p> <p>d. Delivered staff-led planning training & advice to MCs and a national planning volunteers workshop</p>
<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>Aim is to positively influence wildlife legislation and policies. We have achieved this year:</p> <ul style="list-style-type: none"> a. 17 parliamentary briefings on subjects ranging from Natural Capital to the Common Agricultural Policy and provided oral evidence at the Scottish Parliament's Rural Affairs, Climate Change and Environment Committee on the National planning Framework 3 (NPF3). b. 16 consultation responses including opencast coal, Planning Scotland's Seas, Scottish Planning Policy and NPF 3 c. 11 site policy meetings with Ministers/MSPs d. 9 parliament based meetings with Ministers/MSPs e. Widespread liaison with local authorities on Living Landscape, Living Seas and local conservation issues and initiatives f. Public campaigns to increase funding for wildlife friendly farming and support Marine Protected Areas
<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>Aim is to work with Partnership for Action Against Wildlife Crime (PAW) to reduce such crime and assist with public information. This year we have:</p> <ul style="list-style-type: none"> a. Provided expert advice to the Minister for Environment and PAW Executive Committee b. Promoted need to counter and report wildlife crime c. Worked on our own wildlife reserves to protect vulnerable species and deter crime
<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>Aim is to run a 50th anniversary public facing species campaign focused on the puffin, and to advance wildcat conservation in Scotland through contributing to the Scottish Wildcat Conservation Group. This year we have:</p> <ul style="list-style-type: none"> a. Become an active member of the Scottish Wildcat Action Group and contributed to the development of a future plan for wildcat conservation b. Focused public facing communications on beavers and squirrels (rather than puffins) due in part to long term funding needs and the culmination of the 5 year Scottish Beaver Trial
<p>Produce and disseminate three Policy Futures publications in order to pioneer/influence critical biodiversity issues</p>	<p>Aim is to research Policy Futures publication on Ecological Urbanism with supplementary guidance of Ecosystem Approach to Planning with a view to publication 2015.</p> <ul style="list-style-type: none"> a. This target was postponed until 2014 due to capacity required for the World Forum on Natural Capital

Achievements and Performance in 2013/14

To Demonstrate: to implement and demonstrate best conservation practice on the ground.

Five Year Plan Operational Objective	Achievements in 2012/13
Implement management plans/statements for all our wildlife reserves	<p>Aim is effective management of our 120 wildlife reserves which requires the production, implementation and monitoring of a management plan for each site. Work has progressed very well across the suite of reserves. Achievements included:</p> <ul style="list-style-type: none"> a. 13 management plans reviewed and updated b. The first new management statements written and being implemented following a review of the management plan process
Achieve all Level One maintenance tasks and Level Two tasks on selected sites	<p>Aim is that tasks on reserves are prioritised and delivered through a mixture of staff and volunteer effort and contractors. 95% of budgeted Level 1 and selected Level 2 tasks were completed. Examples of projects included:</p> <ul style="list-style-type: none"> a. Handa Island stone footpath b. Forest Wood woodland restructuring project in Cumbernauld c. New 300m riverside boardwalk at Falls of Clyde d. Juniper Recovery Project initiated in South Ayrshire e. 4 corporate volunteer teams completed meadow management and wetland damming on the West Lothian reserves
Achieve favourable condition for 98% of Designated Features on our reserves	<p>Active management by the Trust has achieved 94.3% of all designated features (SSSI's, SAC's, and SPA's) on its reserves being in favourable/recovering condition</p>
Lead and deliver partnership objectives for Coigach/Assynt Living Landscape Project	<p>Aim is to launch final CALL opportunity map, publish long term baseline indicators for the CALL programme, and establish a set of socio-economic indicators for CALL. This year we have:</p> <ul style="list-style-type: none"> a. Prepared a Woodland Opportunity map. Development Manager has met with Scottish Natural Heritage to discuss implications for designated sites b. Recruited an intern to develop socio-economic indicators. indicators which will be refined in 2014/15
Lead and deliver partnership objectives for Cumbernauld Living Landscape Project	<p>Aim is to see the Cumbernauld Living Landscape partnership strengthening with the profile raised locally, multiple funding applications submitted and projects delivered on the ground.</p> <ul style="list-style-type: none"> a. Official launch of the project attended by local groups, councillors and the Minister for Planning and Local Government which also started our community engagement b. A Community Engagement Officer is now working to improve environmental awareness with groups across the town c. The project portfolio has grown from the original 34 to 47, with 10 now complete and a further 20 ongoing, an interactive map of the projects has been published d. Funding applications for enhancing biodiversity, improving

Achievements and Performance in 2013/14

	<p>access to nature and engaging local communities have been successful</p> <p>e. The project has made good progress influencing the planning stages of the large proposed Community Growth Areas and supplementary guidance for the next step in the planning process has been submitted</p>
<p>Protect and restore peatlands by working with the IUCN Peatland Programme and implement a lowland peatland demonstration project</p>	<p>The aim is to advocate for government investment in peatland restoration and share practical information to encourage best practice. This year we have:</p> <ol style="list-style-type: none"> Organised a successful Peatland conference at the University of York with UK and international speakers, including UK Environment Minister Produced 'Global Demonstrating Success' publication with IUCN Commission on Ecosystem Management showcasing peatland restoration case studies internationally Launched the 'Peatland Code' to support private funding of peatlands, including Ministerial endorsement and presentation to business community through World and Scottish Fora on Natural Capital <p>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.</p> <ol style="list-style-type: none"> A Scottish Natural Heritage grant funded pilot project has been completed to gather more accurate costings and action plans for the restoration of three pilot peatland sites Data and experience from this pilot will be used to assess the feasibility of a larger restoration project on multiple sites, with the option of a further grant application to SNH's Peatland Action Fund in early 2014/15
<p>To have completed the Scottish Beaver Trial and developed (and if applicable implemented) post trial strategy</p>	<p>The aim of this partnership project is to successfully reintroduce a population of beavers into Knapdale forest in Argyll for a trial period of 5 years ending in 2014. The Project:</p> <ol style="list-style-type: none"> Met all Scottish Government licence conditions for the trial, including the delivery of all elements of the scientific monitoring programme Delivered 133 educational events to a combined audience of 15,489 people Represented Argyll at the Visit Scotland Tourism Expo at the SECC, Glasgow Awarded 'Best Conservation Project in the UK' by BBC Countryfile magazine and 'Highly Commended' in the Nature of Scotland Awards

Achievements and Performance in 2013/14

	<ul style="list-style-type: none"> e. Developed detailed post-trial plans for the Knapdale beaver, post May 2014 f. Supported the work of the Scottish Government appointed Tayside Beaver Study Group by hosting the Tayside Beaver Project Officer post
To have led and delivered partnership objectives for Saving Scotland's Red Squirrels Project Phase II	<p>The aim is to sustain the current range of the red squirrel north of the Central Lowlands and in key areas of south Scotland, and to gather evidence on the efficacy of targeted grey squirrel control and its contribution to red squirrel conservation in Scotland.</p> <p>This year we have:</p> <ul style="list-style-type: none"> a. Delivered grey squirrel control in North East Scotland, the Central Lowlands and South Scotland in concert with 185 landowners under the Scottish Rural Development Programme and participants in our trap-loan scheme b. Trapped across a broad front in South Scotland aiming at squirrelpox containment and collaborated with scientists undertaking modelling of squirrelpox spread c. Carried out squirrelpox sampling in 66 10km-squares across Scotland to monitor change in the distribution: 17 newly positive 10km squares d. Carried out presence/absence surveys of red and grey squirrels across all project areas and produced a report e. Collated and verified public sightings records for publication on the NBN f. Carried out analysis for an evaluation report on the effect of Saving Scotland's Red Squirrels Project work on Scotland's squirrel populations, showing there has been a halt in the contraction of red squirrel range in project areas 2005 to 2012 but continuing decline in the absence of control in Ayrshire outside the project area
To have reduced total annual energy consumption of SWT operations by 20%	Usage of fuel in fleet vehicles and gas/electricity at Trust premises was 25% below the agreed baseline of 2010/11
Complete detailed base-line monitoring surveys on 10 principal reserves and basic site-monitoring on 50 other reserves	<p>Aim is to develop and internally publish a 30 year monitoring strategy for reserves biodiversity. This year we have:</p> <ul style="list-style-type: none"> a. Completed the strategy on schedule and to budget. Results were presented to Management Team and Conservation Committee and implementation will commence in 2014/15
Commence integration of wildlife reserves into two new Living Landscape programmes	<p>Aim is to develop a programme plan for Edinburgh City Living Landscape Programme and assess feasibility of developing Glensanda in Morven with a view to developing a potential 4th Living Landscape programme. This year we have:</p> <ul style="list-style-type: none"> a. The programme plan for the Edinburgh Living Landscape was 85% completed, and baseline indicators have been agreed by the partnership b. The Glensanda project has been halted after staff changes within the potential project partner organisation made the proposals unviable

Achievements and Performance in 2013/14

To Inspire: to inspire people to care for and engage with Scotland's wildlife and wild places

Five Year Plan Operational Objective	Achievements in 2012/13
Grow membership to 50,000	<ul style="list-style-type: none"> a. Our face-to-face recruitment team continues to go from strength to strength, with the Trust having 36,529 members on 31 March 2014 (a rise of 10.8% since March 2013). Thanks to a broad mix of local and national shows plus a strong line-up of large supermarkets, the team has recruited over 4,000 members this financial year. Elsewhere, online membership recruitment remains steady, as does returns from door-to-door recruitment b. A smaller scale AGM took place in 2013 at the Park Hotel, Montrose. It was well received, with over 60 people coming to hear a variety of talks and presentations, followed by a trip to nearby Montrose Basin
Have a network of at least 23 members' groups	<ul style="list-style-type: none"> 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, fundraising and organising walks, talks and other events b. The 50th Anniversary National Members' Centre Day was hosted by Pitlochry Members' Centre, with lively debate, policy discussion, opportunities to network and guest speaker presentations delivered to an audience of over 60 delegates
Increase our volunteer programme to include over 800 volunteers	<ul style="list-style-type: none"> a. 1,002 registered volunteer positions have now been filled, with 700 individual volunteers registered b. The Scottish Wildlife Trust held a special celebration for volunteers at the Scottish Parliament in March 2014 to commemorate the contribution that has been made by them over the past 50 years c. As part of its 50th Anniversary celebrations the Trust launched Scottish Wildlife Volunteers, an innovative new volunteering programme. The new volunteering programme has been developed in response to the changing expectations of would-be volunteers and caters for a range of needs. Volunteers can sign up to a new Flexi-Team which offers the opportunity to volunteer more flexibly, even giving as little as one hour at a time, or to provide guidance and support to other volunteers through a mentoring scheme or to sign up for a volunteer internship

Achievements and Performance in 2013/14

Achieve high standards of governance in accordance with OSCR & Companies House requirements and guidelines	All requirements of OSCR and Companies House have been met, and best practice guidance applied
Plan an active part in the UK Wildlife Trusts' movement	<p>The Trust continues to play its part in the UK Wildlife Trust movement including:</p> <ul style="list-style-type: none"> a. Championing and implementing Living Landscape and Living Seas UK objectives b. Policy and advocacy work in support of UK level campaigns c. Governance of The Wildlife Trusts d. Contributing to a range of committees and panels e. Sharing knowledge and best practice f. Providing a member to The Wildlife Trusts' Strategic Development and Research Committee (SDRC)
Reach 20,000 per year through informal education and/or wildlife recreation programmes and self-guided walks	<p>Aim is to inspire people to enjoy, learn about and take action for wildlife which remains a core activity for the Trust. This work included:</p> <ul style="list-style-type: none"> a. A diverse and exciting programme of public events, guided walks and talks, open days and regional recreational activities throughout Scotland b. The Trust engaged with an audience of over 23,000 during 2013/14, exceeding our target of 20,000 c. A full programme of events feature in the Trust's Events and Activities booklet, which is circulated to a readership of over 40,000, and also available on the Trust's website d. A new series of self-guided activity trails are in place at the Falls of Clyde to meet the needs of visitors and encourage them to make full use of the reserve and Visitor Centre
Have a sustainable network of 30-35 Wildlife Watch groups	<ul style="list-style-type: none"> a. 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 b. This year three new groups were established, with a total of 28 groups now actively engaging with young people and over 100 volunteers actively engaged in programme delivery from as far north as Golspie down to Newcastleton in the Borders c. In the TWT National Wildlife Watch Awards, Scottish Wildlife Watch group Newcastleton was runner up as best new Watch Group, and North Berwick took 3rd place in Best Watch Group of the Year
Deliver formal education programmes to 12,000 people per year through Visitor Centres and major project education programmes	<ul style="list-style-type: none"> a. Delivery of Formal Education Programmes at Visitor Centres, Reserves and through major projects reached an audience of over 9,500 learners this year b. With the monitoring and field work stage of the Scottish Beaver Trial coming to a close there has been a peak in interest from schools requesting visits from the Beaver Trial Education Team,

Achievements and Performance in 2013/14

	with over 57 schools visited and 1,938 learners reached this year
Experts for Nature - Developing Ecological Surveying Skills Project	<p>a. The ten Experts for Nature trainees have completed the first year of training of the 1.5 year programme with a successful summer survey training season in 2013, three of the seven Scottish Qualification Authority (SQA) units completed and four SQA units making significant progress</p> <p>b. Volunteer contributions in form of provision of free professional training by partner organisations have exceeded the requirements of Heritage Lottery Fund for the whole programme within the first 9 months. Working in partnership with community groups and other organisations has been a success with skills and knowledge gained by the trainees and survey data provided to partner organisations in return</p>
Provide at least 30,000 people annually with a positive wildlife experience through our Visitor Centres	<p>a. Visitor number targets were significantly exceeded this year (over 25,000 at Loch of the Lowes, plus over 11,000 at Montrose and over 20,000 to the new unstaffed Visitor Centre at Falls of Clyde). The Trust continued to receive excellent feedback on the quality of the visitor experience</p> <p>b. This year, Falls of Clyde has successfully operated as a Visitor Centre staffed only at busy times, allowing a stronger focus on the visitor experience across the whole site</p>
Recruit, train and retain a highly motivated and productive staff team	<p>a. 2013/14 saw a busy year in terms of staff turnover with 37 new starters and 36 leaving the Trust. A Net Promoter Score designed to measure staff morale increased significantly during the year</p>
Reach 50% of the population of Scotland through celebration of our 50th Anniversary celebrations in 2014	<p>a. The Trust's 50th Anniversary celebrations got off to a good start, with a successful media launch (carried out in partnership with People's Postcode Lottery), which generated positive media coverage</p> <p>b. The Trust's work continues to attract strong media interest; a range of activities will be taking place throughout 2014</p>

Achievements and Performance in 2013/14

Support Objectives

Five Year Plan Operational Objective	Achievements in 2012/13
Maintain levels of financial reserves required by Council	See Financial Review The Trust developed a legacy giving campaign trialled through targeted direct mail, combined with TV, radio, press and online messaging and adverts. We responded to 95 enquiries regarding gifts in Wills and increased the number of known legacy pledgers by 64% to 249.
Operate within the Council approved annual budget	See Financial Review
Secure sufficient restricted funding to secure the project programme	A good year with the highlight being in-principle approval of a multi-million pound grant by the Heritage Lottery Fund. It will fund a significant programme of works in the Coigach Assynt Living Landscape project. Significant challenges remain to secure sufficient funding for the next phase of the Saving Scotland's Red Squirrels project and the Cumbernauld Living Landscape project
Minimise any negative impacts of our operations on the environment	In addition to the reduction in fuel usage mentioned above (under To Demonstrate section), plans are in place to reduce usage of paper and a sustainable procurement policy is under development
Provide and maintain a safe and healthy working environment for our staff, volunteers, members and visitors	The Trust continues to ensure that the highest standards of health and safety are maintained. Initiatives this year include: <ol style="list-style-type: none"> Training in risk assessment, manual handling & fire safety Health surveillance questionnaire Safety campaigns - Lyme Disease, Equipment Maintenance & European Safety Week Policy, Training & Awareness - Exposure to Hazardous Substances Workplace audit programme Wildlife reserves risk management Safe working on water
Strengthen our brand, enhance our reputation and raise our public profile. To include strong media coverage and a strong online presence	Aim is to ensure the profile of the Trust continues to grow: <ol style="list-style-type: none"> The Trust's website received over 1.3 million hits over the financial year, with our world-famous osprey webcam at Loch of the Lowes continuing to prove very popular. Visitors came from over 150 countries The Trust raised its profile on an international stage in November with the organisation of the World Forum on Natural Capital, the first major global conference ever to take place on this rapidly evolving topic. 486 business leaders, environmental experts and government representatives came to Edinburgh over two days to look at how to turn the debate into action. Our partners were the United Nations Environment Programme, World Business Council for Sustainable Development, International Union for Conservation of Nature, TEEB for Business Coalition and The Wildlife Trusts The Trust continued to attract media coverage (broadcast, print

Achievements and Performance in 2013/14

	<p>and online) across a wide range of subjects from ospreys, beavers, red squirrels and natural capital</p> <ul style="list-style-type: none"> d. The Trust's presence on social media continued to grow, particularly on Twitter and Facebook, where targets were both exceeded e. Independent research carried out by YouGov indicated that between May 2011 and March 2014, prompted awareness of the Scottish Wildlife Trust among the Scottish population has risen from 60% to 67%
Maintain and enhance the operational effectiveness of operational infrastructure for information technology, general administrative support and data management	The main fileservers were replaced in the year, there was some investment in replacing / improving webcam infrastructure and the Trust's finance system was upgraded
Achieve the highest standards of supporter care for our members, donors, legacy pledgers and partners	<p>The aim is to ensure that our supporters feel valued by, engaged with and informed about, the Scottish Wildlife Trust. This year we:</p> <ul style="list-style-type: none"> a. Hosted 3 events designed around key individual donors and supporters b. Undertook three fundraising appeals to highlight the funding needs of (i) Flying Flock (ii) CALL Tree Nursery and (iii) Saving Scotland's Red Squirrels project c. Submitted 85 grant funder reports d. Maintained a formal Complaints Register – reporting minimal complaints to the Fundraising Standards Board

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 2013-2014.



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 £500,000. 45p in every £2 ticket goes to good causes across Great Britain, including the Scottish Wildlife Trust. We've now received £2.8 million 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
Dualchas Nàdair na h-Alba
All of nature for all of Scotland
Nàdar air fad airson Alba air fad

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 conservation status on the vast majority of the designated features found on our wildlife reserves.

In 2013/14, 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 (in alphabetical order)

Bivolino	Red Squirrel Bar (Edinburgh)
Cairngorm Brewery	Robertson Group
Calachem	Scottish Hydro Griffin Community Fund
Carillion Natural Habitats Fund	Scottish Power
Community Windpower Ltd	Syngenta
Kier Minerals Ltd	Talteg Ltd
Macrae Edinburgh Ltd	William Grant and Sons Ltd
Montrose Rope & Sail Co Ltd	

Landfill Communities Fund (in alphabetical order)

Aberdeen Greenspace Trust	Land Trust
Angus Environmental Trust	North Ayrshire Council
	North Lanarkshire Environmental Key Fund
Building communities. Transforming lives.	SITA Tayside Biodiversity Fund
Glasgow City Council	Veolia Environmental Trust
Highland Council	Viridor Credits
	WREN

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

A M Pilkington Charitable Trust	Lucy Mary Ewing Charitable Trust
Albert George and Nancy Caroline Youngman Trust	Mackintosh Foundation
Argyll & the Islands LEADER 2007-2013 Programme	Margaret Davis Charitable Trust
Arkelton Trust	Martin Connell Charitable Trust
Awards for All	Martin Wills Wildlife Maintenance Trust
Central Scotland Green Network	Mrs M A Lascelles' Charitable Trust
Clark Bradbury Charitable Trust	Moray LEADER 2007-2013 Programme
Clyde and Avon Valley Landscape Partnership	People's Postcode Lottery
Craignish Trust	People's Trust for Endangered Species
Dolly Knowles Charitable Trust	Red Squirrel Survival Trust
Englefield Charitable Trust	Robertson Trust
Esmée Fairbairn Foundation	Royal Society of Wildlife Trusts
Forestry Commission Scotland	Rural Tayside LEADER 2007-2013 Programme
Forth Valley & Lomond LEADER 2007-2013 Programme	Scottish Natural Heritage
Garfield Weston Foundation	Scottish Rural Development Programme - Rural Priorities
Green Stimulus Peatland Restoration Fund	Scottish Rural Development Programme - Woodlands In & Around Town
	South Lanarkshire LEADER 2007-2013 Programme
LOTTERY FUNDED	Southern Upland Partnership
Highland LEADER 2007-2013 Programme	St Katharine's Fund
Hugh Fraser Foundation	Susan H Guy's Charitable Trust
J & J R Wilson Trust	Tennant Southpark Charitable Trust
John Muir Trust	The Astor of Haver Trust
Leach No 14 Trust	The D'Oyly Carte Charitable Trust
	The European Nature Trust

The Gannochy Trust
The Gunter Charitable Trust
The Inchcape Foundation
The James Thin Charitable Trust
The John Ellerman Foundation

The Ronald Miller Foundation
The Stuart and Margaret Miller Charitable Trust
The Wildlife Trusts Marine Fighting Fund
Tubney Charitable Trust

World Forum on Natural Capital 2014

Headline Sponsor



Lead Sponsors

Alliance Trust
Scottish Government
Visit Scotland

Other Sponsors

CSR Asia
Ecometrica
Forest Carbon
Glidden
Marketing Edinburgh
Scottish Natural Heritage
ScottishPower

Scottish Wildlife Trust Members Centres

We extend our thanks to the local fundraising efforts of our 21 Members Centres whose activities raised £30,000 in 2013/14.

Individual Donations and Legacy Gifts

In 2013/14, the Scottish Wildlife Trust received almost £1 million 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 half century, 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 overleaf*) 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	Mr R & Mrs M Cinderey	Mrs A Gravestock
Mr G Adam	Mrs S Cochrane	Mrs M Gray
Dr R Adams	Mrs B & Mr P Cowie	Mrs M Hall
Mr D Alexander	Mrs K Cox	Mr Eddie Hallam
Mrs S Alexander	Dr M Crerar	Mr J Hamilton
Mr & Mrs R & A Ansley	Mr D Currie	Miss H Hannah & Mr P Costigane
Ms R Atkins	Miss H Deans	Miss R Hannah
The Rev I Atkinson	Mr J Dear	Mr G & Mrs M Hanson
Mr W Balfour	Miss C Didcock	Mrs M Hardie
Miss J Ball	Mr & Mrs G & J Doel	Mr R Harvey
Mr A Bantick	Mr J Done	Mrs D Hebden
Mrs H Bantick	Mr J Duerden	Mr M J Helmn & Ms W F Harries
Dr J & Mrs K M Barnes	The Reverend S M Dyer	Mr J & Mrs F Hewlett
Mrs S M Barrett	Mr P Edwards	Mrs R Hexter
Mr W H & Mrs H Barron	Mrs J Egginton	Mr B & Mrs C Hinchliffe
Miss R Bean	Mrs L El-Ghorr	Mrs J & Mr A Hitchcock
Mr P Beaney	Miss C Emerson	Mr B & Mrs L Howard
Miss C Bell	Miss J Errington	Mrs M Howatson
Ms L Bell	Miss M Espin	Miss J Howes
Ms S Benson	Mr J H & Mrs L B Fairweather	Mrs W Hunter
Dr M Beveridge	Mrs H Falconer	Mr & Mrs S & J B Hutcheson
Rev A Black	Miss L Farrell	Ms M Hutchison
Mrs C Blackburn	Dr M Faulds	Dr C T Ironside
Ms M Boyd	Mrs R J & Mr N Fawthrop	Mr J Ivory
Mrs D Braithwaite	Mr P G Fish	Miss E H Jackson
Mrs E F Brown	Miss P E Forbes	Mr D Jamieson
Mr A D Bruce (dec'd)	Mr H Fowlie	Dr G Johnson
Mrs J Burnett	Mrs J Ganderton	Mrs M Johnstone
Miss N Butcher	Ms R Garton	Mr & Mrs A Jones
Mr & Mrs W F & D P Buttery	Miss S Gash	Mrs E & Mr F Kania
Ms M Cameron	Mr A S & Mrs S Gingell	Miss J Keir
Miss M Carlaw	Ms J Gladstone	Miss J Kellett
Mr M & Mrs G Carpenter	Mr J Graham	Ms J Kemp
Mr P Carter	Mrs Ann Grant	Mr A Kerr

Mr K Knowles	Prof J Nugent & Dr M E Nugent	Miss D Standring
Dr J S Lamb MB ChB	Miss I Oswald	Mr J R & Mrs E Stanier
Mr J Lee	Mr J Oswald	Mrs J & Mr P Stephen
Mr L S Lee	Miss D S Palmer	Mr G G Stewart
Mr J Lintin-Smith	Mr Ian & Mrs Fay Pascoe	Mr J G & Professor A M Stewart
Mrs H Littlewood	Miss E Pattinson	Ms J Stewart
Mr J Lugton	Mr D Peacock	Mr K S Stewart FSA Scot
Mrs B Lunn	Miss T Pearson	Mrs M Sutcliffe
Dr D Lunt	Mrs M Peddie	Mr R & Dr A Swinfen
Mr A Lyburn	Miss M Petrie-Hay	Mr T N Tait
Mr J MacDonald	Miss J Pinkney	Mr M Tasker
Mr C & Mrs S MacDowall	Mr R Pollock (dec'd)	Miss E Taylor
Mrs J MacKenzie	Mr A Porteous	Dr & Mrs R G Taylor
Mr N Mackenzie	Miss A Prior & Mr G Campbell	Dr S & Mrs J Taylor
Dr R & Mrs M MacLean	Ms H Quick	Ms C Templeton-Sanchez
Miss H MacMaster	Dr N Raitt	Mrs Frances Thomson
Mr C Macpherson	Mrs M Ramsay	Mrs G & Mr C Thomson
Miss A Malcolm	Mrs J Rawlings	Miss F Thorburn
Professor A Manning	Mrs E Reid	Mrs B Thorp
Miss J Marsh	Mrs J & Mr A Richardson	Mr N & Mrs H Tinlin
N Marsh	Mr P Ritchie	Mr D Todd
Dr R V Maskell	Mrs J Robertson	Miss S Treger
Mrs K Maxwell-Stuart	Mr J Robertson	Mrs E Trigg
Mr H McCallum	Dr M Rogers	Miss E Valentine
Mr D H McColgan	Mr D Ross	Dr Owen Vaughan
Mr J McHugh	Mrs M Ross	Mrs V J Wagner
Mr F McIntosh	Mr P R & Mrs J Ross	Mr R Walsh
Mrs R McKibbin	Mr C Rouse	Misses H & S Walshaw
Mrs C A McLauchlan	Mr R J & Mrs T Russel	Mrs P Ward
Dr D McLean	Mr A E H Salvesen	Miss M Watson
Mr T McLellan	Dr H Salzen BSc PhD	Mr D R Way
Mr C McLeod	Mr C Scott	Mrs A & Mr S White
Miss A McLure & Miss L Edgar	Mr & Mrs H Scott	Mr A White
Mr J M McMillan & Ms B Marr	Miss L Scoular	Miss I Wilkie
Mr K McMillan	Dr J Sheldon	Miss D V Wilson
Mrs J McNaughton	Mr D C Shenton	Dr D Wood
Mrs F McRae	Mr & Mrs I Shepherd	Dr T & Mrs J Woodford
Ms J Miller	Mr & Mrs J Sherwood	Mr G Woolley
Miss C Millins	Mrs D Simmons	Mr I Wylie
Mrs M J Minto	Mrs A J Smit	Mr & Mrs T Yates
Mr D & Mrs C Mitchell	Mrs E M Smith	Mr D Yeaman
Dr J Moody	Mrs I Smith	
Dr C Morgan	Mr & Mrs F Smout	
Mr G Morris	Mr D Somervell	
Mrs T & Mr M Mullett	Mrs M Sowter	
Miss M Myles	Mr D Spink	
Mr C Mylne	Lt Cdr E F B Spragge RN	
Mrs A W Nasmyth	Mrs K Spurgin	

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

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 (including the Strategic 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 20th June 2014 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 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Endowments £	2014 Total £	2013 Total £
INCOME AND EXPENDITURE						
Incoming Resources						
<u>Generated funds</u>						
Individual Giving - Subscriptions & Donations		1,179,571	200,899	-	1,380,470	1,324,115
Individual Giving - Legacies		955,553	8,969	-	964,522	596,764
People's Postcode Lottery		500,000	-	-	500,000	152,000
Investment income		58,151	-	51,174	109,325	99,491
<u>Charitable Activities</u>						
Scottish Natural Heritage		325,000	211,538	-	536,538	533,864
Landfill Communities Fund		-	389,396	-	389,396	323,263
CJS/Training for Work / Future Jobs Fund		-	36,740	-	36,740	130,250
Other Grant Makers / Charitable Trusts	2	8,611	642,131	-	650,742	704,616
Business Support		24,500	26,519	-	51,019	45,783
Commercial Contracts		8,409	-	-	8,409	8,865
Other - Sales / Admissions / rents / fees		50,130	215,526	-	265,656	289,196
Trading Subsidiary - Natural Capital Scotland	26	245,278	-	-	245,278	-
<u>Other Incoming Resources</u>						
Asset sales		-	10,475	-	10,475	63,539
Total Incoming Resources		3,355,203	1,742,193	51,174	5,148,570	4,271,746
Resources Expended						
<u>Costs of Generating Funds</u>						
Fundraising & membership		664,466	12,464	9,537	686,467	497,270
<u>Charitable Activities</u>						
Inspire	6	402,158	676,798	-	1,078,956	1,060,399
Champion	6	152,273	34,007	-	186,280	302,058
Demonstrate	6	905,812	1,662,854	59,758	2,628,424	2,652,544
Trading Subsidiary - Natural Capital Scotland	26	225,974	-	-	225,974	-
<u>Governance</u>						
	8	123,591	-	-	123,591	123,229
Total Resources Expended		2,474,274	2,386,123	69,295	4,929,692	4,635,500
Net Incoming/(Outgoing) Resources before transfers		880,929	(643,930)	(18,121)	218,878	(363,754)
Transfers between funds		(435,948)	485,147	(49,199)	-	-
Net Incoming/(Outgoing) Resources for the year	3	444,981	(158,783)	(67,320)	218,878	(363,754)

Consolidated Statement of Financial Activities (Incorporating Income and Expenditure Account) for the Year Ended 31 March 2014 (cont)

	Notes	Unrestricted Funds	Restricted Funds	Endowments	2014 Total	2013 Total
		£	£	£	£	£
Share of Operating Loss of Joint Ventures		(33,715)	-	-	(33,715)	(12,013)
Realised Gains on Investments	13	9,153	-	6,391	15,544	7,266
Statement of Total Recognised Gains and Losses						
Net Income / (Expenditure)		420,419	(158,783)	(60,929)	200,707	(368,501)
Unrealised gains / (losses) on investments	13	55,932	-	56,329	112,261	499,656
Net Movement in Funds		476,351	(158,783)	(4,600)	312,968	131,155
Balances brought forward at 1 April 2013		2,393,670	2,559,195	2,009,791	6,962,656	6,831,501
Balances carried forward at 31 March 2014		2,870,021	2,400,412	2,005,191	7,275,624	6,962,656

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 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Endowments £	2014 Total £	2013 Total £
INCOME AND EXPENDITURE						
Incoming Resources						
<u>Generated funds</u>						
Individual Giving - Subscriptions & Donations		1,179,571	200,899	-	1,380,470	1,324,115
Individual Giving - Legacies		955,553	8,969	-	964,522	596,764
People's Postcode Lottery		500,000	-	-	500,000	152,000
Investment income		77,455	-	51,174	128,629	99,491
<u>Charitable Activities</u>						
Scottish Natural Heritage		325,000	211,538	-	536,538	533,864
Landfill Communities Fund		-	389,396	-	389,396	323,263
CJS/Training for Work / Future Jobs Fund		-	36,740	-	36,740	130,250
Other Grant Makers / Charitable Trusts	2	8,611	642,131	-	650,742	704,616
Business Support		24,500	26,519	-	51,019	45,783
Commercial Contracts		8,409	-	-	8,409	8,865
Other - Sales / Admissions / rents / fees		50,130	215,526	-	265,656	289,196
<u>Other Incoming Resources</u>						
Asset sales		-	10,475	-	10,475	63,539
Total Incoming Resources		3,129,229	1,742,193	51,174	4,922,596	4,271,746
Resources Expended						
<u>Costs of Generating Funds</u>						
Fundraising & membership		664,466	12,464	9,537	686,467	497,270
<u>Charitable Activities</u>						
Inspire	6	402,158	676,798	-	1,078,956	1,060,399
Champion	6	152,273	34,007	-	186,280	302,058
Demonstrate	6	905,812	1,662,854	59,758	2,628,424	2,652,544
<u>Governance</u>	8	123,591	-	-	123,591	123,229
Total Resources Expended		2,248,300	2,386,123	69,295	4,703,718	4,635,500
Net Incoming/(Outgoing) Resources before transfers		880,929	(643,930)	(18,121)	218,878	(363,754)
Transfers between funds		(435,948)	485,147	(49,199)	-	-
Net Incoming/(Outgoing) Resources for the year	3	444,981	(158,783)	(67,320)	218,878	(363,754)

Charity Statement of Financial Activities (Incorporating Income and Expenditure Account) for the Year Ended 31 March 2014 (cont)

	Notes	Unrestricted Funds £	Restricted Funds £	Endowments £	2014 Total £	2013 Total £
Realised Gains on Investments	13	9,153	-	6,391	15,544	7,266
Statement of Total Recognised Gains and Losses						
Net Income / (Expenditure)		454,134	(158,783)	(60,929)	234,422	(356,488)
Unrealised gains / (losses) on investments	13	55,932	-	56,329	112,261	499,656
Net Movement in Funds		510,066	(158,783)	(4,600)	346,683	143,168
Balances brought forward at 1 April 2013		2,425,978	2,559,195	2,009,791	6,994,964	6,851,796
Balances carried forward at 31 March 2014		2,936,044	2,400,412	2,005,191	7,341,647	6,994,964

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 2014

		Group		Charity	
		2014	2013	2014	2013
		£	£	£	£
	Notes				
Fixed Assets					
Wildlife reserves	10	1,048,858	1,048,858	1,048,858	1,048,858
Other property and buildings	11	1,013,110	1,085,815	1,013,110	1,085,815
Other tangible fixed assets	12	96,020	212,367	96,020	212,367
Investments	13	1,844,157	1,915,660	1,844,157	1,915,660
Investments - Cumbernauld endowment	13	1,167,952	1,195,566	1,167,952	1,195,566
Investments - Irvine endowment	13	839,894	859,104	839,894	859,104
Joint Venture					
- Share of Gross Assets	14	28,347	11,725	-	-
- Share of Gross Liabilities	14	(94,370)	(44,033)	-	-
		<u>5,943,968</u>	<u>6,285,062</u>	<u>6,009,991</u>	<u>6,317,370</u>
Current Assets					
Stock		23,949	24,624	23,949	24,624
Debtors: amounts falling due within one year	15	555,581	850,928	573,652	850,928
Cash balances		<u>1,243,578</u>	<u>391,236</u>	<u>1,222,307</u>	<u>391,236</u>
		<u>1,823,108</u>	<u>1,266,788</u>	<u>1,819,908</u>	<u>1,266,788</u>
Current Liabilities					
Creditors: amounts falling due within a year	16	(491,452)	(589,194)	(488,252)	(589,194)
Net Current Assets		1,331,656	677,594	1,331,656	677,594
Net Assets		<u>7,275,624</u>	<u>6,962,656</u>	<u>7,341,647</u>	<u>6,994,964</u>
Financed by Funds					
Endowment funds	17	2,005,191	2,009,791	2,005,191	2,009,791
Restricted funds	18	<u>2,400,412</u>	<u>2,559,195</u>	<u>2,400,412</u>	<u>2,559,195</u>
Unrestricted funds					
Revaluation Reserve		480,919	438,690	480,919	438,690
Other Unrestricted Funds		<u>2,389,102</u>	<u>1,954,980</u>	<u>2,455,125</u>	<u>1,987,288</u>
Total Unrestricted	19	2,870,021	2,393,670	2,936,044	2,425,978
Total Funds		<u>7,275,624</u>	<u>6,962,656</u>	<u>7,341,647</u>	<u>6,994,964</u>

The Financial statements were approved and authorised for issue by Council on 20 June 2014 and were signed on its behalf by:

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

Consolidated Cash Flow Statement for the year ended 31 March 2014

	2014 £	2013 £
Net cash inflow/(outflow) from operating activities	387,349	(621,937)
Returns on investments and servicing of finance		
Investment income	109,325	99,491
Capital Expenditure and Financial Investment		
Payments to acquire investments (unrestricted)	(146,170)	(215,843)
Proceeds from disposal of investments (unrestricted)	395,126	225,535
Payments to acquire investments (endowment)	(161,298)	(169,872)
Proceeds from disposal of investments (endowment)	270,842	181,278
Net Movement in cash flows attributable to endowment investments	109,544	11,406
Payments to acquire tangible fixed assets	(21,558)	(71,919)
Proceeds from disposal of tangible fixed assets	18,726	63,531
Financing		
Net Movement in cash flows attributable to endowment investments	(109,544)	(11,406)
Increase/(Decrease) in cash	<u>852,342</u>	<u>(509,736)</u>

Notes to the Financial Statements for the year ended 31st March 2014

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 wholly owned trading subsidiary, Natural Capital Scotland Limited, and the 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 trading subsidiary has been incorporated on a line by line basis.

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	20 - 50 years
Properties – leasehold improvements	Remaining lease term
Properties – fixtures and fittings	4 years
Plant and Machinery	6 years
Vehicles	3 years
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.

Notes to the Financial Statements for the year ended 31st March 2014

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.

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. Where these conditions are not met they are disclosed by way of a note.

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.

Notes to the Financial Statements for the year ended 31st March 2014

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. Expenditure is allocated between categories on a 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.

Notes to the Financial Statements for the year ended 31st March 2014

2. Grants

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

	Charity	
	2014	2013
	£	£
Aberdeenshire Council	-	5,000
Albert George & Caroline Nancy Youngman Trust	5,297	15,750
Argyll & The islands LEADER	3,287	5,520
Awards For All	-	9,910
Clyde and Avon Valley Landscape Partnership	17,923	-
East Ayrshire Coalfield Environment Initiative	-	17,625
Esmee Fairbairn Foundation	-	13,354
Forestry Commission Scotland	62,127	69,002
Forth Valley LEADER	3,627	11,386
The Gannochy Trust	10,000	10,000
Garfield Weston Foundation	-	25,000
Heritage Lottery Fund	230,399	154,126
Highland LEADER	9,742	35,708
John Muir Trust	10,000	5,000
Loch Lomond & Trossachs National Park	-	10,000
Moray LEADER	8,397	14,993
Red Squirrel Survival Trust	11,000	22,000
Red Squirrels in South of Scotland	-	8,000
The Robertson Trust	24,000	50,000
Scottish Government (inc Rural Priorities)	96,914	75,689
South Lanarkshire Leader	53,768	-
Rural Tayside LEADER	22,721	48,461
The D'oyly Carte Charitable Trust	-	5,000
The Wildlife Trusts	37,922	48,240
J & JR Wilson Trust	10,000	10,000
Other grants <£5k	33,618	34,852
	<u>650,742</u>	<u>704,616</u>

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

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Auditors' remuneration - current year	8,088	6,250	6,438	6,250
Auditors' remuneration - other services	1,550	400	-	400
Depreciation on all other fixed assets	202,359	239,391	202,359	239,391
Operating leases	88,961	88,956	88,961	88,956
Professional indemnity insurance	890	890	890	890

Notes to the Financial Statements for the year ended 31st March 2014

4. Staff numbers and costs

	Group	
	2014 £	2013 £
Wages and salaries	2,107,360	2,094,558
Social security costs	166,534	177,313
Pension costs	221,502	219,502
	<u>2,495,396</u>	<u>2,491,373</u>
Redundancy costs	18,326	3,700
<u>TOTAL</u>	<u>2,513,722</u>	<u>2,495,073</u>

The above includes all staff costs. £31,374 was recharged by the charity to Natural Capital Scotland Limited in the year for staff (2013 £nil).

One employee had emoluments exceeding £60,000 but not more than £70,000 (2013: one employee exceeding £70,000 but not over £80,000). This employee was not a member of the defined contribution pension scheme (2012: None).

	2014 No	2013 No
Permanent	61	57
Projects/Seasonal	35	27
Trainees (weekly average)	<u>10</u>	<u>12</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 were paid to 4 Council Members (2012: 6) and amounted to £5,482 (2013: £9,490).

6. Charitable activities

	Direct Expenditure £	Support Costs £	2014 £	2013 £
Inspire	941,274	137,682	1,078,956	1,060,399
Champion	162,509	23,771	186,280	302,058
Demonstrate	2,293,021	335,403	2,628,424	2,652,544
Trading Activity / Natural Capital Scotland	225,974	-	225,974	-
	<u>3,622,778</u>	<u>496,856</u>	<u>4,119,634</u>	<u>4,015,001</u>

Notes to the Financial Statements for the year ended 31st March 2014

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 £	2014 £	2013 £
Finance	15,351	24,926	4,304	60,723	2,855	108,159	110,668
Head Office	22,028	35,770	6,175	87,136	4,097	155,206	235,941
Human Resources	25,822	41,929	7,240	102,146	4,803	181,940	181,204
Management	11,547	18,749	3,237	45,674	2,148	81,355	76,504
Health & Safety	2,201	3,575	617	8,707	409	15,509	15,077
Information Technology	7,841	12,733	2,198	31,017	1,458	55,247	46,109
	<u>84,790</u>	<u>137,682</u>	<u>23,771</u>	<u>335,403</u>	<u>15,770</u>	<u>597,416</u>	<u>665,503</u>

8. Governance costs

The costs of governance can be broken down as follows:

	2014 £	2013 £
Management	91,248	81,788
Statutory audit	7,433	7,500
Trustees expenses	7,529	9,489
AGM	<u>1,611</u>	<u>8,068</u>
Direct Costs	107,821	106,845
Support Costs	15,770	16,384
Total Costs	<u>123,591</u>	<u>123,229</u>

9. Pension arrangements

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

	2014 £	2013 £
The Wildlife Trusts Pension Scheme	107,291	104,368
Friends Provident - Stakeholder Scheme	114,211	115,134
	<u>221,502</u>	<u>219,502</u>

Notes to the Financial Statements for the year ended 31st March 2014

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 2014. 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.

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 2013. At that point the scheme deficit was £5.9 million though the actuary estimated that by March 2014 this had fallen to £5 million. All employers in the scheme increased their contributions to a level which should see the scheme 100% funded by 2024.

The share of the deficit attributable to the Scottish Wildlife Trust was estimated to be in the region of just over £1.2 million. 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.

Scottish Wildlife Trust's required payment in 2013/14 was £107,291. This will rise sharply following completion of the 2013 triennial valuation. Future payments will start at £160,000 per year and rise at 2.8% per annum

10. Wildlife reserves

	2013 £	Additions £	Disposals £	Depreciation £	2014 £
Wildlife reserves	<u>1,048,858</u>	<u>-</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 2014

11. Other property and buildings (Net Book Values)

	2013 £	Additions £	Disposals £	Depreciation £	2014 £
Owned					
Montrose Basin Wildlife Centre	512,167	-	-	(28,453)	483,714
Loch of the Lowes	197,834	-	-	(10,991)	186,843
Largiebaan	35,753	-	-	(868)	34,885
Balgavies Loch	6,680	-	-	(142)	6,538
Bawsinch & Duddingston	5,951	-	-	(166)	5,785
Leasehold Improvements					
Bemersyde Moss	3,148	-	-	(286)	2,862
Falls of Clyde	198,912	-	-	(17,145)	181,767
Hare & Dunhog Moss	604	-	-	(302)	302
Loch of Lintrathen	6,412	-	-	(491)	5,921
Handa Island	35,068	-	-	(2,714)	32,354
Harbourside House, Leith	57,807	-	-	(6,698)	51,109
Fixtures & Fittings					
Montrose Basin Wildlife Centre	-	-	-	-	-
Falls of Clyde	-	-	-	-	-
Loch of the Lowes	25,479	4,117	-	(8,566)	21,030
	<u>1,085,815</u>	<u>4,117</u>	<u>-</u>	<u>(76,822)</u>	<u>1,013,110</u>

12. Other tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Office Equipment £	Computers £	Total £
<u>COST</u>					
As at 1 April 2013	193,979	530,743	10,589	168,530	903,841
Additions	6,147	-	-	11,294	17,441
Disposals	<u>(72,176)</u>	<u>(23,859)</u>	<u>-</u>	<u>(21,530)</u>	<u>(117,565)</u>
As at 31 March 2014	<u>127,950</u>	<u>506,884</u>	<u>10,589</u>	<u>158,294</u>	<u>803,717</u>
<u>DEPRECIATION</u>					
As at 1 April 2013	164,295	381,960	2,118	143,101	691,474
Charge for year	9,689	88,188	2,118	25,542	125,537
Disposals	<u>(70,082)</u>	<u>(17,702)</u>	<u>-</u>	<u>(21,530)</u>	<u>(109,314)</u>
As at 31 March 2014	<u>103,902</u>	<u>452,446</u>	<u>4,236</u>	<u>147,113</u>	<u>707,697</u>
<u>NET BOOK VALUE</u>					
As at 31 March 2013	29,684	148,783	8,471	25,429	212,367
As at 31 March 2014	<u>24,048</u>	<u>54,438</u>	<u>6,353</u>	<u>11,181</u>	<u>96,020</u>

Notes to the Financial Statements for the year ended 31st March 2014

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	
	2014	2013	2014	2013	2014	2013
	£	£	£	£	£	£
Market Value of securities at 1 April	1,888,942	1,471,752	1,099,044	919,160	827,847	644,842
Purchases	146,170	215,843	109,965	78,370	51,333	91,502
Disposals	(466,569)	(50,923)	(160,612)	(46,481)	(86,736)	(27,654)
Donated Shares	112,368	12,500				
Gains / Losses	65,085	239,770	27,878	147,995	34,842	119,157
Market value of securities at 31 March	1,745,996	1,888,942	1,076,275	1,099,044	827,286	827,847
Cash	98,161	26,718	91,677	96,522	12,608	31,257
Market value at 31 March	1,844,157	1,915,660	1,167,952	1,195,566	839,894	859,104
Cost at 31 March	1,363,238	1,476,970	832,415	883,183	586,813	607,428

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 £397,609

The unrestricted main fund includes unquoted securities of £12,500 valued at par. (2013 £12,500)

14. Investment in Joint Venture

The charitable company entered into a joint venture with the Coigach Community Development Company in 2011. 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 2014 was as follows:

Notes to the Financial Statements for the year ended 31st March 2014

Income and Expenditure Account

	period ended 31/3	
	<u>2014</u>	<u>2013</u>
	£	£
Income	-	-
Administration Expenses	(33,715)	(12,013)
Share of loss before tax	(33,715)	(12,013)
Taxation	-	-
<u>Share of loss for the year</u>	<u>(33,715)</u>	<u>(12,013)</u>

Balance Sheet

	As at 31/3	
	<u>2014</u>	<u>2013</u>
Share of assets:		
Current Assets	28,347	11,725
Share of liabilities:		
Due within 1 year	(94,370)	(44,033)
<u>Net Assets / (Liabilities)</u>	<u>(66,023)</u>	<u>(32,308)</u>

15. Debtors

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Amounts falling due within one year				
Sundry debtors	53,372	23,830	53,372	23,830
Prepayments and accrued income	153,486	397,261	171,647	397,261
Income tax recoverable	61,501	42,282	61,501	42,282
VAT	2,533	7,520	2,443	7,520
Grants receivable	284,689	380,035	284,689	380,035
	<u>555,581</u>	<u>850,928</u>	<u>573,652</u>	<u>850,928</u>

16. Creditors

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Amounts falling due within one year:				
Other taxation and social security	46,712	48,626	46,712	48,626
Other creditors	402,854	514,389	399,654	514,389
Prepaid Income	41,886	26,179	41,886	26,179
	<u>491,452</u>	<u>589,194</u>	<u>488,252</u>	<u>589,194</u>

Notes to the Financial Statements for the year ended 31st March 2014

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 towns 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 1 April 2013 £	Investment Income £	Other Income £	Expenditure £	Investment Gains £	Balance as at 31 March 2014 £
Cumbernauld endowment fund	1,169,546	28,952	-	(67,492)	27,878	1,158,884
Irvine endowment fund	840,245	22,222	-	(51,002)	34,842	846,307
Total	2,009,791	51,174	-	(118,494)	62,720	2,005,191

18. Restricted Funds

Group and Parent Restricted funds > £50k	Balance at 1 April 2013 £	Income Received £	Expenditure	Transfer £	Balance at 31 March 2014 £
1 Property	970,031		(59,058)		910,973
2 Wildlife Reserves	1,027,785		(50)		1,027,735
4 Saving Scotland's Red Squirrels	135,714	369,701	(439,843)		65,572
5 Other Funds	425,665	1,086,644	(1,305,126)	188,949	396,132
	2,559,195	1,456,345	(1,804,077)	188,949	2,400,412

Notes to the Financial Statements for the year ended 31st March 2014

19. Unrestricted Funds

	2014 £	2013 £
Consolidated General Funds brought forward	2,393,670	2,430,079
Net (outgoing)/incoming resources	858,127	135,411
Investment gains (losses)	65,085	239,770
Share of Operating Loss of Joint Ventures	(33,715)	(12,013)
General Funds before transfers	3,283,167	2,793,247
Transfers between funds	(413,146)	(399,577)
Consolidated General Funds carried forward	2,870,021	2,393,670
Share of Operating Loss of Joint Ventures	66,023	32,308
Charity General Funds carried forward	2,936,044	2,425,978

Movements on Designated Funds	Balance at 01/04/2013	New designation	Changes to designations	Spend in year	Balance at 31/03/2014
<u>SWT Foundation</u>					
Saving Scotland's Red Squirrels	330,000				330,000
Beaver Reintroduction Trial	60,946			(9,408)	51,538
Wildlife Reserve Signage	48,352		(37,158)	(11,194)	-
Cumbernauld Living Landscape Project	73,497		50,000	(23,986)	99,511
Coigach Assynt Living Landscape Project	83,378		50,000	(19,906)	113,472
Wildlife Reserve Maintenance / Improvements	-	893,905		(793,905)	100,000
Edinburgh Living Landscape Project	10,000				10,000
Total SWT Foundation	606,173	893,905	62,842	(858,399)	704,521
Business Development Activity	49,329			(17,563)	31,766
Landscape Architecture	30,000				30,000
Land Agent	20,000			(3,506)	16,494
SWT Energy Efficiency	35,000			(5,564)	29,436
Pension Deficit	350,000		75,000		425,000
TOTAL DESIGNATED FUNDS	1,090,502	893,905	137,842	(885,032)	1,237,217

Notes to the Financial Statements for the year ended 31st March 2014

Scottish Wildlife Trust Foundation

Council has a policy of designating all unrestricted legacy income through the SWT foundation. The following funds are in existence;

- 1) Saving Scotland's Red Squirrels – the project continues to progress well and remained in surplus, hence no call on the designated fund this year. There is currently little funding in place for the project beyond 31/3/14 meaning it is likely that the designated fund will be called upon in the 2014/15 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 period of the project.
- 3) Wildlife Reserve Signage – the project was scaled back from the original plan and is now complete.
- 4) Cumbernauld Living Landscape – the project continues to progress with some delivery of practical improvements on SWT wildlife reserves. A much larger fund is desirable given the aspirations for a flagship project over an extended time period.
- 5) Coigach - Assynt Living Landscape – Plans are developing well and significant funding has now been secured from the Heritage Lottery Fund. 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 – plans for this project continue to be developed in partnership with others

Other designated funds;

- 1) 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 is being used to support the development of the Scottish Forum on Natural Capital
- 2) Landscape Architecture – this project was delayed and will be reconsidered in 2014/15
- 3) Land Agent – work is now underway on this project
- 4) SWT energy efficiency – work on this project is underway
- 5) 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 2014

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

	2014 £	2013 £
Net (outgoing)/incoming resources	312,968	131,155
Investment income	(109,325)	(99,491)
Donated Shares	(112,368)	(12,500)
Realised Gains on Investments	(15,544)	(7,266)
Unrealised Gains on Investments	(112,261)	(499,656)
Share of Operating Loss on Joint venture	33,715	12,013
Depreciation	202,359	239,391
(Gain) on sale of fixed assets	(10,475)	(63,539)
Write off of fixed assets	-	-
(Increase) in stocks	675	4,696
Decrease/(increase) in debtors	295,347	(272,560)
(Decrease)/increase in creditors - excluding leases	(97,742)	(54,180)
Net cash inflow/(outflow) from operating activities	387,349	(621,937)

21. Analysis of changes in cash during the year

	2014 £	2013 £
Balance at the beginning of the year	391,236	900,972
Balance at the end of the year	1,243,578	391,236
Net cash inflow/(outflow)	852,342	(509,736)

22. Analysis of fund balances between net assets

	General Unrestricted Fund £	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed Assets	133,402	1,958,563	-	2,091,965
Investments	1,778,134	-	2,007,846	3,785,980
Net Current Assets / (Liabilities)	958,485	441,849	(2,655)	1,397,679
Long-term Liabilities	-	-	-	-
	<u>2,870,021</u>	<u>2,400,412</u>	<u>2,005,191</u>	<u>7,275,624</u>

Notes to the Financial Statements for the year ended 31st March 2014

23. Financial Commitments

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

	2014	2013
	Land and buildings	Land and buildings
	£	£
Within one year	29,492	13,312
Within two to five years	5,000	16,910
After more than five years	54,469	58,734
	<u>88,961</u>	<u>88,956</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 24 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, 17 were residual and 3 pecuniary, the likely income being in the region of £120,000.

Notes to the Financial Statements for the year ended 31st March 2014

26. Natural Capital Scotland Limited

Natural Capital Scotland Ltd is a wholly owned trading subsidiary of the Scottish Wildlife Trust. It was used as a vehicle to run the World Forum on Natural Capital conference for reasons of risk management.

Profit and Loss Account for year ended 31 March:

	<u>2014</u>
	<u>£</u>
Turnover	245,168
Cost of Sales	<u>(220,292)</u>
Gross Profit	24,876
Admin Expenses	(5,682)
Gift Aid Payment to Parent Charity	<u>(18,161)</u>
Operating Profit	1,033
Other interest receivable and similar income	110
Interest payable and similar charges	<u>(1,143)</u>
Loss on ordinary activities before taxation	-
Tax on loss on ordinary activities	-
Loss for the year	<u><u>-</u></u>

Balance Sheet as at 31 March:

	<u>2014</u>
Current Assets	
Debtors	91
Cash at bank and in hand	<u>21,271</u>
	21,362
Creditors: amounts falling due within one year	<u>(21,361)</u>
Total assets less current liabilities	<u><u>1</u></u>
Capital and reserves	
Called up share capital	1
Shareholders Funds	<u><u>1</u></u>