



*(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 31 March 2015**

Patron, Chairman of Council, Council members,

senior staff and officials

Patron	HRH The Prince Charles, Duke of Rothesay	
Chairman of Council	Robin Harper	Eligible to remain as Chairman until 2020 ¹
Vice Chairman (Conservation)	Dr Jon Barnes	Eligible to remain as Vice Chairman until 2015
Vice Chairman (Groups and Watch)	Col Patric Baird	Eligible to remain as Vice Chairman until 2016
Vice Chairman (Finance)	Amanda Forsyth	Eligible to remain as a Vice Chairman until September 2017
Elected members of Council	Tony Cameron CB	Eligible for re-election to Council 2017
	Karen Chambers	Eligible for re-election to Council 2015
	Dr Tim Duffy	Due to retire from Council 2016
	Alastair Grier	Eligible for re-election to Council 2016

¹ Assuming continuation in post for 6 years.

Patron, Chairman of Council, Council members,

senior staff and officials (continued)

	Tim Hailey	Due to retire from Council 2015
	Professor John Harwood	Due to retire from Council 2017
	David Lindgren	Eligible for re-election to Council 2016
	Robbie Mann	Eligible for re-election to Council 2017
	Professor Chris Spray MBE	Due to retire from Council 2015
	Kenny Taylor	Eligible for re-election to Council 2017
Convener of Conservation Committee	Dr Jon Barnes	Trustee
Company Secretary	Jonathan Hughes (to Sep 2014) Susan McKenzie (from Sep 2014)	Staff
Chief Executive	Jonathan Hughes	Staff
Director of Conservation	Vacant (to Aug 2014) Simon Jones (from Sep 2014)	Staff Staff
Director of Finance and Resources	Paul Ritchie (to June 2014) Susan McKenzie (from July 2014)	Staff Staff
Director of Marketing and Business Development	Jo Pike	Staff

Patron, Chairman of Council, Council members,

senior staff and officials (continued)

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 2015 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 2015, 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 matter 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 August 2015

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

ANNUAL REPORT

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 13 November 1982, 6 October 2001 and 23 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 Trust-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, local groups, 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

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

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.

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 Five 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 35 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, Partnership for Action Against

Wildlife Crime, Woodland Trust Scotland as well as a wide range of private landowners including Eisd Brachaidh Estate, Ardtornish Estate, and Scourie Estate.

4) Risk management and uncertainties

The Trust's Risk Register is reviewed by Council on an annual basis. The register is reviewed quarterly and matters of significance are reported to Council.

5) Objective and activity delivery

Delivery of the charitable objectives is achieved through the combined efforts of staff, volunteers and partners. As a membership-based organisation, the Trust seeks to maximise the active involvement of its members in core activities, primarily through local groups 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 2014/15 can be found in the section of this report titled "achievements and performance".

6) Financial review

Income

Total incoming resources for the Trust totalled £4.2m (2014: £4.9m). This reduction included a lower-than-budgeted amount of legacy income during the year.

Expenditure

Total resources expended for the Trust was £4.5m (2014: £4.7m).

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 reviewed the following Investment Policy in December 2014, agreeing to invest any moneys of the Trust not immediately required for its purpose in investments with a balanced approach to growth of income and capital over the medium term. The investment portfolio should have a low-medium risk profile. The Scottish Wildlife Trust 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.

Surplus / deficit

The budget for the year was for a deficit on unrestricted activities and this result was borne out.

Balance sheet

Whilst investments have increased, cash balances have dropped, representing the deficit incurred during the year.

Consolidated result for the year

Ben Mor Hydro Limited was established three years ago and is a 50:50 joint venture between the Trust and the Coigach Community Development Company. The hydro scheme registered for pre-accreditation on 31 December 2014, which gives a window of 24 months to build and commission the project.

During 2014/15 the Trust's share of Ben Mor Hydro's Limited losses amounted to £13,272 (2014: £33,715).

Natural Capital Scotland Limited began to trade in the year. It is a wholly owned subsidiary of the Scottish Wildlife Trust. A second World Forum on Natural Capital will be held on 23 – 24 November 2015.

Financial reserves policy

Council reviewed its policy during the prior year. The current policy is;

"The Scottish Wildlife Trust aims to retain sufficient free funds to ensure the effective delivery of the Five 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 realised unrestricted funds not designated nor invested in tangible fixed assets) at 31 March 2015 were £1,081,069. This is within the target range.

7) Plans for future periods

The strategic aims and objectives for 2015/16 and on to 2017 are detailed in the Five Year Plan: *Our Nature, Our Future*. Of particular note are:

To Champion

- Support the further development and implementation of national Ecosystem Health Indicators
- Advocate for effective marine spatial planning and campaign for and influence the development and implementation of a cohesive network of Marine Protected Areas
- Shape biodiversity-friendly national policy and legislation and deliver ecosystem-based conservation across Scotland's land, seas, freshwater and urban areas

To Demonstrate

- Maintain our network of wildlife reserves in favourable condition and showcase effective wildlife-friendly land management practices in the countryside and urban environment
- Lead and deliver partnership objectives for Coigach-Assynt Living Landscape and Cumbernauld Living Landscape projects
- Successfully complete the Scottish Beaver Trial
- Continue successful delivery of the Saving Scotland's Red Squirrels project
- Protect and restore lowland peatlands

To Inspire

- Increase membership and maintain an effective network of Scottish Wildlife Trust groups and Wildlife Watch groups
- Deliver a second World Forum on Natural Capital event
- Increase and enhance the volunteer programme
- Maintain first class visitor centres and wildlife engagement programmes

Supporting Objectives

- Provide a safe and healthy working environment
- Maintain levels of financial reserves required by Council
- Implement a legacy marketing campaign
- Secure sufficient funding for the agreed projects portfolio
- 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 2015/16 shows a small deficit based on a number of key assumptions including legacy income falling back to long-term median and costs generally rising with inflation.

A lot of preparation work is underway to deliver a second World Forum on Natural Capital in 2015. This will be run by Natural Capital Scotland Limited with some expenditure incurred in 2014/15.

Achievements and Performance in 2014/15

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

Five Year Plan operational objective	Achievements in 2014/15
Successfully campaign for the development and delivery of a National Ecological Network and a set of Ecosystem Health Indicators in Scotland	<p>Aim was to translate national Ecosystem Health Indicators (EHIs) into long-term indicators for three Living Landscape programmes. This year we have:</p> <ul style="list-style-type: none"> a. Finalised Ecosystem Health Indicators for the Edinburgh Living Landscape project. EHIs for the Cumbernauld and Coigach-Assynt Living Landscape projects are currently in development. b. Continued to work with the Scottish Government for continued development and roll-out of EHIs at a (sub)catchment scale, and for tangible progress to be made with delivery of a National Ecological Network.
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 was to identify and work with two developers and other built environment professionals at practical and policy levels, to apply ecological urbanism principles and shape government policy.</p> <ul style="list-style-type: none"> a. Achieved two presentations to regional Heads of Planning meetings to promote biodiversity design in development b. Produced supplementary guidance on biodiversity design for North Lanarkshire Council planners in relation to the proposed large Community Growth Areas in Cumbernauld c. Ongoing representation on the board of Architecture and Design Scotland
Achieve improved conservation of the marine environment through the Living Seas programme and partnership working with Scottish Environment LINK	<p>Aim was to lead the agenda on sustainable oil and gas decommissioning, ensure robust implementation of Aquaculture and Fisheries Act and deliver a marine policy and advocacy programme, focusing particularly on marine protected areas (MPAs). This year we:</p> <ul style="list-style-type: none"> a. Contributed to the Scottish Environment LINK marine project and saw evidence of our influence in the designation of 30 Marine Protected Areas (MPAs) and the adoption of Scotland's first ever National Marine Plan b. Organised a successful survey of the seabed in the Wester Ross MPA to increase knowledge of the extent of maerl habitat and aid its protection c. Participated in the Living North Sea Initiative (LiNSI), exploring alternative approaches to decommissioning

Achievements and Performance in 2014/15

	<p>offshore oil and gas structures, and presented positions to oil, gas and shipping sectors</p> <p>d. Ongoing representation on the Ministerial Group for Sustainable Aquaculture</p>
Have planning volunteers active in 90% of local authority areas to review planning applications and protect local biodiversity sites	<p>Aim was to protect important places for wildlife from damaging developments through the work of local planning volunteers and staff. This year we have:</p> <ul style="list-style-type: none"> a. Supported active planning volunteers operating in 18 local authority areas b. Recruited a head office-based planning volunteer to help collate and respond to applications c. Positively influenced over 35 significant planning applications d. Delivered staff-led planning support to Scottish Wildlife Trust groups and planning volunteers, including site visits and a national planning workshop for 20 volunteers
Achieve positive wildlife legislation and policies by influencing the Scottish Government and Parliament through parliamentary briefings, MSP visits and public consultation responses	<p>Aim was to positively influence wildlife legislation and policies. This year we have achieved:</p> <ul style="list-style-type: none"> a. 18 parliamentary briefings on subjects ranging from the Scottish Biodiversity Strategy to wild pollinators and the draft budget, in addition to oral and written evidence for the Scottish Parliament's Rural Affairs, Climate Change and Environmental Committee on the Scottish Biodiversity Strategy b. 14 consultation responses on: land reform; land use strategy; Scotland's carbon & peatland map; management of fishing in Marine Protected Areas c. 12 policy bi-laterals with Ministers and MSPs including: six site visits; six parliament-based meetings. Also engaged with MSPs at a Trust-run week-long event in the Scottish Parliament, sponsored by Graeme Dey MSP, celebrating the Trust's 50th anniversary. At least 60 MSPs pledged "I love Scotland's Wildlife" d. Widespread liaison with local authorities on Living Landscapes, green infrastructure standard and local planning, conservation issues and initiatives e. Public campaigns to increase funding for wildlife-friendly farming, collaborating with other NGOs on "Don't take the P" campaign on the management of Marine Protected Areas
Reduce wildlife crime in	Aim was to work with Partnership Against Wildlife Crime

Achievements and Performance in 2014/15

Scotland through the provision of advice to the Partnership Against Wildlife Crime Scotland and by assessing and reporting wildlife crime on our reserves	<p>Scotland (PAW) Executive Group to improve action and awareness on wildlife crime. This year we have:</p> <ul style="list-style-type: none"> a. Provided expert advice to the Minister for Environment and the PAW Scotland Executive Committee b. Contributed to the publication of Scottish Environment LINK's 'Natural Injustice' report on wildlife crime enforcement in Scotland
Implement an indicator and keystone species action plan in support of our Living Landscapes objectives, achieving a minimum of one species led biodiversity awareness campaign per year	<p>Aim was to implement and promote the Trust's 'Priority Species List' and associated action plan:</p> <ul style="list-style-type: none"> a. Took the lead in developing the communications strategy for the Scottish Wildcat Conservation Action Plan and were actively involved in the recruitment of a Scottish Wildcat Communications Officer b. Continued to work with funders William Grant and Sons on a Juniper Translocation Project in Ayrshire c. Recruited Cumbernauld local MSP as pine marten 'Species Champion' d. Prepared and delivered a mini-campaign on the conservation of mountain hare populations
Produce and disseminate three Policy Futures publications in order to pioneer/influence critical biodiversity issues	<p>Aim was to research Policy Futures publication on Ecological Urbanism with supplementary guidance on Ecosystem Approach to Planning, with a view to publication in 2015. Limited progress was made with this objective due to the Director of Conservation post being gapped for several months.</p>

Achievements and Performance in 2014/15

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

Five Year Plan operational objective	Achievements in 2014/15
Implement management plans/statements for all our wildlife reserves	Aim was to plan for effective management of our 120 wildlife reserves. This year achievements included: a. 13 management plans or statements reviewed and updated
Achieve all Level One wildlife reserve maintenance tasks and Level Two tasks on selected reserves	Aim was that tasks on reserves are prioritised and delivered by a combination of staff, volunteers and contractors. 86% of budgeted Level One and selected Level Two tasks were completed. Examples of projects included: a. Peatland restoration completed on five reserves b. Forest Wood woodland restructuring project completed in Cumbernauld c. Removal of non-native woodland on Balgavies Loch reserve d. Upgrading of perimeter fence for Montrose Basin grazing project after storm damage
Achieve “favourable condition” for 98% of Designated Features on our reserves	Aim was to achieve effective conservation management on the suite of protected areas the Trust manages. In total, 95.4% of all Designated Features on the Trust’s reserves were assessed as being in favourable or recovering condition, an increase of 1% over the previous year.
Lead and deliver partnership objectives for Coigach-Assynt Living Landscape programme (CALL)	Aim was for continued expansion and business development of CALL tree nursery and to deliver all first year targets under Heritage Lottery Fund Landscape Partnership development grant, including recruitment of quality staff. This year we have: a. Continued to develop a highly detailed draft submission of the HLF Stage Two application ahead of submission in August 2015 b. Completed a Landscape Character Assessment to inform the detailed development of the project c. Postponed production of Ecosystem Health Indicators, pending the recruitment of a new CALL project manager
Lead and deliver the partnership objectives for the Cumbernauld Living Landscape Programme (CLL)	Aim was to take a proactive approach to influencing design of the South Cumbernauld Community Growth Areas, implement a targeted marketing strategy to key audiences and work with partners to deliver and / or commence five new conservation projects in the CLL area. a. Successfully delivered new woodland restructuring and access projects across three Cumbernauld reserves

Achievements and Performance in 2014/15

	<ul style="list-style-type: none"> b. A Community Engagement Officer delivered Natural Connections workshops to over 500 young people c. Submitted Stage Two proposal to Central Scotland Green Network Trust for new 'Green Routes' major project in and around Cumbernauld Town Centre
Protect and restore peatlands by working with the IUCN Peatland Programme and implement a lowland peatland demonstration project	<p>Aim was to continue to host the Chair of the IUCN UK Peatland Programme. The project has:</p> <ul style="list-style-type: none"> a. Organised a sell-out peatland conference in Inverness with Scotland, UK and international speakers b. Produced a comprehensive set of technical briefing notes on all aspects of peatland management and conservation for policy makers and site managers c. Further developed the 'Peatland Code' to support private funding of peatlands relating to carbon storage and sequestration d. Secured new funding and successfully delivered restoration works on five peatland reserves and two privately owned sites as part of Scottish Government Peatland Action Fund
Complete the Scottish Beaver Trial and develop and implement post trial strategy	<p>Aim was to ensure effective transition to post-trial phase including liaison with partners and local stakeholders, final report preparation, maintaining a staffing presence at Knapdale and delivery of end-of-project events. We:</p> <ul style="list-style-type: none"> a. Successfully met all Scottish Government licence conditions for the trial, including the delivery of all elements of the scientific monitoring programme b. Delivered events to a combined audience of 31,100 people, including 5,343 children and 2,092 as part of the formal education programme c. Co-published final report on the project with the Royal Zoological Society of Scotland d. Successfully held a final event ('Celebrating the Scottish Beaver Trial') at the Scottish Parliament in May 2014 e. Supported the work of the Scottish Government-appointed Tayside Beaver Study Group by hosting the Tayside Beaver Project Officer and inputting into the group's final report
Lead and deliver partnership objectives for Saving Scotland's Red Squirrels Project and develop a long-term plan for red squirrel conservation	<p>Aim was to implement the project plan and all agreed targets for 2014/15 Phase Three project for Saving Scotland's Red Squirrels (SSRS).</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 217 landowners under the Scottish Rural Development

Achievements and Performance in 2014/15

	<p>Programme through participation in our trap-loan scheme</p> <ul style="list-style-type: none"> b. Continued to trap across a broad front in South Scotland aiming at squirrelpox containment and collaborated with scientists undertaking modelling of squirrelpox spread c. Worked with the Scottish Government to better understand the situation of squirrelpox in the Central Belt d. Carried out presence/absence surveys of red and grey squirrels across all project areas e. Collated and verified public sightings records for publication on the NBN f. Worked with project partners to carry out a review of SSRS delivery, with a view to the longer-term sustainability of the project
Reduce total annual energy consumption of Scottish Wildlife Trust operations by 20%	<p>Aim was to have achieved a 4% reduction in energy consumption by the end of the year. This year we have:</p> <ul style="list-style-type: none"> a) Installed solar panels at Head Office premises, which has helped offset electricity usage whilst also generating a small amount of revenue.
Complete detailed baseline monitoring surveys on 10 principal reserves and basic site monitoring on 50 other reserves	<p>Aim was to begin baseline monitoring and site condition monitoring as recommended in Wildlife Monitoring Strategy. This year we have:</p> <ul style="list-style-type: none"> a. Completed 11 monitoring strategy surveys
Commence the integration of wildlife reserves into two new Living Landscape programmes	<p>Aim was to launch Edinburgh Living Landscape (ELL) Programme and deliver agreed Clyde and Avon Valley Landscape Partnership tasks on four reserves. This year we have:</p> <ul style="list-style-type: none"> a. Successfully launched the Edinburgh Living Landscape, with project partners, at the Royal Botanic Garden Edinburgh in November 2014 b. Postponed delivery of Clyde and Avon Valley Landscape Partnership tasks until 2015/16, in agreement with project partners, due to resourcing changes

Achievements and Performance in 2014/15

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

Five Year Plan operational objective	Achievements in 2014/15
Grow membership to 50,000	<ul style="list-style-type: none"> a. Our face-to-face recruitment team continues to perform well, with the Trust reaching 38,057 members on 31 March 2015 – an increase of 5.6% since March 2014 b. 2,524 members recruited, with online membership recruitment remaining steady along with door-to-door recruitment c. A very successful 50th Anniversary National Members' Day/AGM held at Royal College of Physicians, Edinburgh, with over 300 delegates attending
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 21 local groups, run by over 120 volunteers, who champion wildlife at a local level, carrying out vital work throughout Scotland. Local groups are involved in local conservation projects, planning, fundraising and organising walks, talks and other events. b. The 50th Anniversary National Local Groups Day was hosted by the Callander Group, 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. A total of 983 individual volunteers are now registered; this equates to at least 48,585 hours of volunteering b. Two successful programmes of volunteer internships held, delivering a wide range of activities across the organisation, including landscape architecture, reserve maintenance, marketing projects and community engagement c. After a successful launch at the Scottish Parliament at the end of 2013/14, nearly 100 flexi-volunteers have joined our Flexi-Volunteer Team d. European Voluntary Service – recruited nine fully-funded European volunteers working with Reserve Project Officers and visitor centres providing high-calibre, long-term volunteering to support our work
Achieve high standards of governance in accordance	All requirements of OSCR and Companies House met, and best practice guidance applied consistently and effectively

Achievements and Performance in 2014/15

with OSCR & Companies House requirements and guidelines	
Plan an active part in the UK Wildlife Trusts' movement	<p>The Trust continues to play its part in the UK Wildlife Trusts movement including:</p> <ol style="list-style-type: none"> Championing and implementing Living Landscape and Living Seas UK objectives Policy and advocacy work in support of UK level campaigns Governance of The Wildlife Trusts Sharing knowledge and best practice Providing a member to The Wildlife Trusts' Strategic Development and Research Committee (SDRC)
To have reached 20,000 per year through informal education and/or wildlife recreation programmes and self-guided walks	<p>Aim was to inspire people to enjoy, learn about and take action for wildlife by delivering a diverse and exciting programme of public events, guided walks and talks, open days and regional recreational activities throughout Scotland.</p> <ol style="list-style-type: none"> The Trust engaged an informal education audience of over 18,000 during 2014/15, exceeding our target of 16,000 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 is also available on the Trust website Jupiter Urban Wildlife Centre received a comprehensive refresh including new signage and interpretation, revamped demonstration gardens, a new family trail and exciting new installations to inspire interest in wildlife, creating wildlife-friendly habitats and recycling Installation of a new peregrine trail which winds up through the reserve at Falls of Clyde to the peregrine watch site, with education clues along the way
Have a sustainable network of 30-35 Wildlife Watch groups	<p>Aim was to provide opportunities for young people to explore, learn about and care for the natural world around them through Scottish Wildlife Watch.</p> <ol style="list-style-type: none"> Three new groups established, with a total of 29 groups now actively engaging young Scots from as far north as Inverewe (Highlands) down to Newcastleton (Borders). These groups rely upon over 120 volunteers to deliver a varied programme of activities The Newcastleton Scottish Wildlife Watch group was awarded Second Place in the 'Best Watch Group of the Year' category of the Wildlife Trusts' National Wildlife Watch Awards
Deliver formal education	<ol style="list-style-type: none"> Formal education programmes at visitor centres, wildlife

Achievements and Performance in 2014/15

<p>programmes to 12,000 people per year through our visitor centres and major project education programmes</p>	<p>reserves and through major projects reached an audience of over 8,000 learners this year</p> <ul style="list-style-type: none"> b. Cumbernauld Living Landscape developed and delivered a successful programme of formal education workshops to an audience of over 1,600 learners. These workshops championed the key messages of the Cumbernauld Living Landscape and helped schools assess the conservation value of their school grounds with a view to making wildlife-friendly improvements. c. The Experts for Nature project successfully concluded in October 2014, with all ten trainees graduating, and nine of them moving onto new jobs in the conservation field within a matter of weeks of departure d. A final report on the project was sent to the main funder HLF in early December 2014, prior to the Programme Lead moving onto a new position in a Scottish environmental consultancy
<p>To provide 30,000 people per year with a positive wildlife experience through our visitor centres</p>	<ul style="list-style-type: none"> a. 53,590 visitors engaged this year at our three centres b. The Trust continued to receive excellent feedback on the quality of the visitor experience
<p>Recruit, train and retain a highly motivated and productive staff team</p>	<ul style="list-style-type: none"> a. The employee Net Promoter Score, designed to measure staff morale, increased by 13 points to reach a total score of 36. This showed a significant improvement from the previous year. b. 36 employees joined the Trust - made up of two permanent, 10 fixed term, 10 seasonal and 10 Community Jobs Scotland appointments. Four temporary appointments were also made. 49 employees left the Trust, 37 of whom had reached the end of their fixed-term contracts. Two staff were given voluntary redundancy.
<p>Reach 50% of the population of Scotland through our 50th Anniversary celebrations in 2014</p>	<ul style="list-style-type: none"> a. The Trust's work continues to attract strong media interest and it was a successful anniversary year for media coverage. Our best estimate is that 83% of the Scottish population had a good chance of being reached through our media work in 2014/15.

Achievements and Performance in 2014/15

Supporting Objectives: to be efficient and effective in securing and managing the resources we need to deliver conservation objectives

Five Year Plan operational objective	Achievements in 2014/15
Maintain levels of financial reserves required by Council	<p>See Financial Review</p> <p>Gifts in Wills provide a vital source of long-term income for the Trust and in this year we continued the promotion of our legacy giving campaign (Jean's Story), negotiating TV, radio, press and online messaging to extend the geographic reach of the campaign. We have seen a 4,000% increase in traffic to our legacy web pages since campaign launch and have increased the number of known legacy pledgers.</p>
Operate within the Council approved annual budget including meeting targets for unrestricted income	<p>See Financial Review</p>
Secure sufficient restricted funding to secure the project programme	<p>A good year with particular highlights including:</p> <ul style="list-style-type: none"> a. A number of grant awards for both peatland restoration and the Cumbernauld Living Landscape; b. Secured funding to expand Living Seas work and employ a Marine Planning Officer and a Communities Officer for three years from 2015 c. Secured funding to extend the contract for the Tree Nursery Manager and recruit a new CALL Project Manager post d. Significant challenges remain in relation to securing sufficient funding for the next phase of Saving Scotland's Red Squirrels and for funding to match an in-principle Heritage Lottery Fund award in the Coigach-Assynt Living Landscape
Minimise any negative impacts of our operations on the environment	<p>Plans are in place to reduce usage of paper and a sustainable procurement policy is under development.</p>
Provide and maintain a safe and healthy working environment for our staff, volunteers, members and visitors	<p>The Trust continues to ensure that the highest standards of health and safety are maintained by undertaking audits and reviewing and updating risk assessments. Particular initiatives this year delivered better understanding of risks through development of policy, awareness campaigns and training:</p> <ul style="list-style-type: none"> a. Training in manual handling, lone working & fire safety b. Safety campaigns - Lyme disease and equipment maintenance c. Policy, training & awareness - exposure to hazardous

Achievements and Performance in 2014/15

	<p>substances</p> <p>d. CoSHH policy review and delivery of training</p>
<p>Strengthen our brand, enhance our reputation and raise our public profile. To include positive media coverage and a strong online presence</p>	<p>Aim was to ensure the profile of the Trust continues to grow:</p> <ul style="list-style-type: none"> a. The Trust's website attracted over 26,000 unique users per month, with our world-famous osprey webcam at Loch of the Lowes continuing to prove very popular. Online traffic came from 96 countries b. The Trust continued to attract media coverage (broadcast, print and online) across a wide range of subjects including ospreys, beavers, red squirrels and lynx as well as wildlife crime c. The Trust's presence on social media continued to grow, particularly on Twitter and Facebook d. The promotion of the legacy giving campaign had a strong impact on general awareness of the Trust (particularly given its use of TV and radio)
<p>Maintain and enhance the operational effectiveness of infrastructure for information technology, general administrative support and data management</p>	<p>During the year work was undertaken to improve network infrastructure, telephone systems, webcam operation and financial reporting. This has resulted in more efficient and effective operations, increasing the quality of outputs and optimising the use of staff time.</p>
<p>Achieve the highest standards of supporter care for our members, donors, legacy pledgers and partners</p>	<p>Aim was to ensure that our supporters continue to feel valued by, engaged with and informed about the Scottish Wildlife Trust. This year we:</p> <ul style="list-style-type: none"> a. Hosted six events designed around key individual donors and supporters b. Undertook two fundraising appeals to highlight the funding needs of (i) Saving Scotland's Red Squirrels project & (ii) our education work c. Prepared and submitted 56 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 and thanks 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 People's Postcode Lottery, Scottish Natural Heritage, Esmeé Fairbairn Foundation and the distributors of the national lotteries for their impressive and much needed assistance.

Robin Harper

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 2014-2015.



The support from players of People's Postcode Lottery continued this financial year, bringing with it increased profile for the Trust in addition to a very generous £575,000. 50p in every £2 ticket goes to good causes across Great Britain, including the Scottish Wildlife Trust. We've now received £3.3 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.

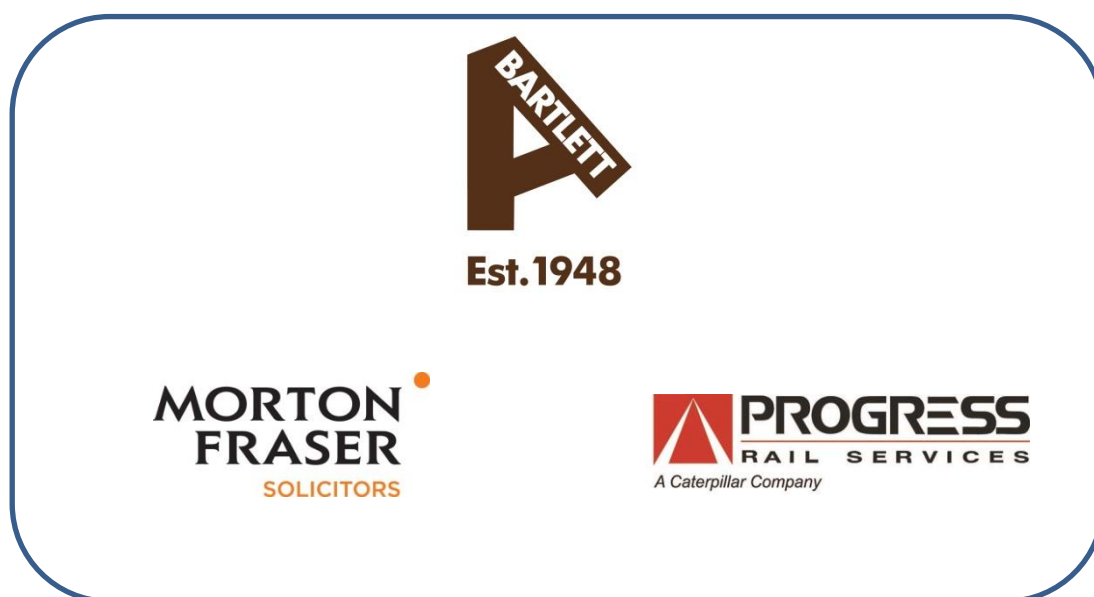


Scottish Natural Heritage provides invaluable support for the work of the Scottish Wildlife Trust through an annual funding agreement which this year provided £275,000 of unrestricted funding. Amongst other things, this funding has helped us connect tens of thousands of people with their natural environment.

Scottish Natural Heritage grants have also provided the Trust with a valuable source of match funding, which has helped us work with other grant providers and thereby broaden the range of work that we can deliver.

In 2014/15, Scottish Natural Heritage also provided restricted funding for several projects, most notably £150,000 towards the Saving Scotland's Red Squirrels project.

Corporate members



Business donations and sponsorship (in alphabetical order)

Bonkers Gift Shop	Scottish Power
BP	Scottish & Southern Energy
Calachem	Talteg Ltd
Chevron Upstream Europe	Valentine Art Reproductions
Community Windpower Ltd	Vine House Farm
People's Postcode Lottery	William Grant and Sons Ltd
Robertson Group	Wilkos
Royal Bank of Scotland	

Landfill Communities Fund (in alphabetical order)

Aberdeen Greenspace Trust	North Lanarkshire Environmental Key Fund
Angus Environmental Trust	SITA Tayside Biodiversity Action Fund
Biffa Award	Solway Heritage
Highland Council	Veolia Environmental Trust
North Ayrshire Council	Viridor Credits

Charitable trusts, foundations and other grant-making bodies (in alphabetical order)

Aberdeen City Council	
Aberdeenshire Council	
A M Pilkington's Charitable Trust	
Alphaone Trust	
Awards for All	Hilton in the Community Foundation
Big Lottery Fund	Historic Assynt
British Council	Inchcape Foundation
Carpenter Charitable Trust	J & J R Wilson Trust
Central Scotland Green Network	John Muir Trust
Development Fund	Loch Lomond & Trossachs National Park Authority
Clark Bradbury Charitable Trust	Martin Wills Wildlife Maintenance Trust
Clyde and Avon Valley Landscape	Mrs MA Lascelles' Charitable Trust
Partnership Scheme	North Ayrshire Council
Coastal Communities Fund	People's Trust for Endangered Species
Crown Estates	Plantlife
D'Oyly Carte Charitable Trust	Red Squirrel Survival Trust
Dolly Knowles Charitable Trust	Ronald Miller Foundation
	Royal Society of Wildlife Trusts
European Union Erasmus+	RSPB
European Union LIFE+	Scottish Environmental Protection Agency
Forestry Commission Scotland	Scottish Government
Forth Valley LEADER 2007-2013 Programme	Scottish Natural Heritage
Gannochy Trust	Scottish Rural Development Programme – Rural Priorities
Garfield Weston Foundation	St Katharine's Fund
Glasgow Clyde Valley Green Network	Transport Scotland
Partnership	Vellore Trust
Gunter Charitable Trust	West Highland Coastal Trust

World Forum on Natural Capital 2015

Royal Society of Wildlife Trusts

Scottish Government

Scottish Wildlife Trust local groups

We extend our thanks to the local fundraising efforts of our 21 local groups whose activities raised over £30,000 in 2014/15.

Individual donations and legacy gifts

In 2014/15, the Scottish Wildlife Trust received almost £360k 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 the Trust'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

SWT Foundation members 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.

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

Council's responsibilities statement

The Council (whose members are directors for the purposes of company law and trustees for the purposes of charity law) is 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 is 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 is 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 is aware:

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

Approved by the Council on 19 June 2015 and authorised to sign on its behalf:

Robin Harper
Chairman of Council

Consolidated statement of financial activities (incorporating income and expenditure account) for the year ended 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	Endowments £	2015 Total £	2014 Total £
INCOME AND EXPENDITURE						
Incoming resources						
<u>Generated funds</u>						
Individual giving - subscriptions & donations		1,289,432	150,453	-	1,439,885	1,380,470
Individual giving – legacies		352,923	5,350	-	358,273	964,522
People's Postcode Lottery		575,000	-	-	575,000	500,000
Investment income		57,253	148	52,225	109,626	109,325
<u>Charitable activities</u>						
Scottish Natural Heritage		275,000	276,324	-	551,324	536,538
Landfill Communities Fund		-	247,657	-	247,657	389,396
CJS/Training for Work / Future Jobs Fund		-	54,858	-	54,858	36,740
Other grant makers / charitable trusts	2	24,077	522,103	-	546,180	650,742
Business support		35,481	55,370	-	90,851	51,019
Commercial contracts		5,819	3,942	-	9,761	8,409
Other - sales / admissions / rents / fees		201,942	52,547	-	254,489	265,656
Trading subsidiary - Natural Capital Scotland	26	23	-	-	23	245,278
<u>Other incoming resources</u>						
Asset sales		8,343	2,800	-	11,143	10,475
Total incoming resources		2,825,293	1,371,552	52,225	4,249,070	5,148,570
Resources expended						
<u>Costs of generating funds</u>						
Fundraising & membership		675,375	3,693	9,318	688,386	686,467
<u>Charitable activities</u>						
Inspire	6	613,153	270,914	-	884,067	1,078,956
Champion	6	142,721	56,210	-	198,931	186,280
Demonstrate	6	1,112,922	1,455,315	66,451	2,634,688	2,628,424
Trading subsidiary - Natural Capital Scotland	26	33,036	-	-	33,036	225,974
<u>Governance</u>	8	142,820	-	-	142,820	123,591
Total resources expended		2,720,027	1,786,132	75,769	4,581,928	4,929,692
Net (outgoing)/incoming resources before transfers		105,266	(414,580)	(23,544)	(332,858)	218,878
Transfers between funds		(388,786)	361,220	27,566	-	-
Net (outgoing)/Incoming resources for the year	3	(283,520)	(53,360)	4,022	(332,858)	218,878

Consolidated statement of financial activities (incorporating income and expenditure account) for the year ended 31 March 2015 (continued)

	Notes	Unrestricted funds	Restricted funds	Endowments	2015 total	2014 total
		£	£	£	£	£
Share of operating loss of joint ventures	14	(13,272)	-		(13,272)	(33,715)
Realised gains on investments	13	7,897	-	22,527	30,424	15,544
Statement of total recognised gains and losses						
Net (expenditure) / income		(288,895)	(53,360)	26,549	(315,706)	200,707
Unrealised gains on investments	13	73,518	-	124,249	197,767	112,261
Net movement in funds		(215,377)	(53,360)	150,798	(117,939)	312,968
Balances brought forward at 1 April 2014		2,870,021	2,400,412	2,005,191	7,275,624	6,962,656
Balances carried forward at 31 March 2015		2,654,644	2,347,052	2,155,989	7,157,685	7,275,624

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 2015

	Notes	Unrestricted funds £	Restricted funds £	Endowments £	2015 total £	2014 total £
INCOME AND EXPENDITURE						
Incoming resources						
<u>Generated funds</u>						
Individual giving - subscriptions & donations		1,289,432	150,453	-	1,439,885	1,380,470
Individual giving - legacies		352,923	5,350	-	358,273	964,522
People's Postcode Lottery		575,000	-	-	575,000	500,000
Investment income		57,253	148	52,225	109,626	128,629
<u>Charitable activities</u>						
Scottish Natural Heritage		275,000	276,324	-	551,324	536,538
Landfill Communities Fund		-	247,657	-	247,657	389,396
CJS/Training for Work / Future Jobs Fund		-	54,858	-	54,858	36,740
Other grant makers / charitable trusts	2	24,077	522,103	-	546,180	650,742
Business support		35,481	55,370	-	90,851	51,019
Commercial contracts		5,819	3,942	-	9,761	8,409
Other - sales / admissions / rents / fees		201,942	52,547	-	254,489	265,656
<u>Other incoming resources</u>						
Asset sales		8,343	2,800	-	11,143	10,475
Total incoming resources		2,825,270	1,371,552	52,225	4,249,047	4,922,596
Resources expended						
<u>Costs of generating funds</u>						
Fundraising & membership		675,375	3,693	9,318	688,386	686,467
<u>Charitable activities</u>						
Inspire	6	613,153	270,914	-	884,067	1,078,956
Champion	6	142,721	56,210	-	198,931	186,280
Demonstrate	6	1,112,922	1,455,315	66,451	2,634,688	2,628,424
<u>Governance</u>	8	142,820	-	-	142,820	123,591
Total resources expended		2,686,991	1,786,132	75,769	4,548,892	4,703,718
Net (outgoing)/incoming resources before transfers		138,279	(414,580)	(23,544)	(299,845)	218,878
Transfers between funds		(388,786)	361,220	27,566	-	-
Net (outgoing)/incoming resources for the year	3	(250,507)	(53,360)	4,022	(299,845)	218,878

Charity statement of financial activities (incorporating income and expenditure account) for the year ended 31 March 2015 (continued)

	Notes	Unrestricted funds £	Restricted funds £	Endowments £	2015 total £	2014 total £
Realised gains on investments	13	7,897	-	22,527	30,424	15,544
Statement of total recognised gains and losses						
Net (expenditure) / income		(242,610)	(53,360)	26,549	(269,421)	234,422
Unrealised gains on investments	13	73,518	-	124,249	197,767	112,261
Net movement in funds		(169,092)	(53,360)	150,798	(71,654)	346,683
Balances brought forward at 1 April 2014		2,936,044	2,400,412	2,005,191	7,341,647	6,994,964
Balances carried forward at 31 March 2015		2,766,952	2,347,052	2,155,989	7,269,993	7,341,647

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 2015

		Group		Charity	
		2015 £	2014 £	2015 £	2014 £
	Notes				
Fixed assets					
Wildlife reserves	10	1,048,858	1,048,858	1,048,858	1,048,858
Other property and buildings	11	949,931	1,013,110	949,931	1,013,110
Other tangible fixed assets	12	49,736	96,020	49,736	96,020
Investments	13	1,916,309	1,844,157	1,916,309	1,844,157
Investments - Cumbernauld endowment	13	1,248,703	1,167,952	1,248,703	1,167,952
Investments - Irvine endowment	13	897,488	839,894	897,488	839,894
Joint venture					
- Share of gross assets	14	4,684	28,347	-	-
- Share of gross liabilities	14	(83,979)	(94,370)	-	-
		<u>6,031,730</u>	<u>5,943,968</u>	<u>6,111,025</u>	<u>6,009,991</u>
Current assets					
Stock		27,757	23,949	27,757	23,949
Debtors: amounts falling due within one year	15	562,126	555,581	551,215	573,652
Cash balances		<u>1,085,277</u>	<u>1,243,578</u>	<u>1,025,696</u>	<u>1,222,307</u>
		<u>1,675,160</u>	<u>1,823,108</u>	<u>1,604,668</u>	<u>1,819,908</u>
Current liabilities					
Creditors: amounts falling due within a year	16	(549,205)	(491,452)	(445,700)	(488,252)
Net current assets		1,125,955	1,331,656	1,158,968	1,331,656
Net assets		<u>7,157,685</u>	<u>7,275,624</u>	<u>7,269,993</u>	<u>7,341,647</u>
Financed by funds					
Endowment funds	17	2,155,989	2,005,191	2,155,989	2,005,191
Restricted funds	18	<u>2,347,052</u>	<u>2,400,412</u>	<u>2,347,052</u>	<u>2,400,412</u>
Unrestricted funds					
Revaluation reserve		347,104	480,919	347,104	480,919
Other unrestricted funds		<u>2,307,540</u>	<u>2,389,102</u>	<u>2,419,848</u>	<u>2,455,125</u>
Total unrestricted	19	2,654,644	2,870,021	2,766,952	2,936,044
Total funds		<u>7,157,685</u>	<u>7,275,624</u>	<u>7,269,993</u>	<u>7,341,647</u>

The financial statements were approved and authorised for issue by Council on 19 June 2015 and were signed on its behalf by:

Robin Harper
Director and Chairman of Council

Company Registration No: SC040247

Consolidated cash flow statement for the year ended 31 March 2015

		2015 £	2014 £
	Notes		
Net cash (outflow)/inflow from operating activities	20	(264,558)	387,349
Returns on investments and servicing of finance			
Investment income		109,649	109,325
Capital expenditure and financial investment			
Payments to acquire investments (unrestricted)		(404,476)	(146,170)
Proceeds from disposal of investments (unrestricted)		415,216	395,126
Payments to acquire investments (endowment)		(270,439)	(161,298)
Proceeds from disposal of investments (endowment)		278,870	270,842
Net Movement in cash flows attributable to endowment investments		8,431	109,544
Payments to acquire tangible fixed assets		(33,706)	(21,558)
Proceeds from disposal of tangible fixed assets		11,143	18,726
Financing			
Net Movement in cash flows attributable to endowment investments		(8,431)	(109,544)
(Decrease)/increase in cash	21	<u>(158,301)</u>	<u>852,342</u>

Notes to the financial statements for the year ended 31 March 2015

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 31 March 2015

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.

Local groups

The transactions of the local groups 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 31 March 2015

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

The Scottish Wildlife Trusts 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 the Scottish Wildlife Trust 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 the Trust'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.

Fundraising costs

Fundraising costs include membership administration and recruitment, the fundraising team and the marketing & 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 the Trust'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 31 March 2015

2. Grants

The principle grant funders included within “Other grant makers / charitable trusts” in the statement of financial activities were as follows;

	2015	Charity 2014
	£	£
Albert George & Caroline Nancy Youngman Trust	-	5,297
Argyll & the Islands LEADER 2007-2013 Programme	-	3,287
Big Lottery Fund	11,679	-
British Council / European Union Erasmus+	24,555	-
Clyde and Avon Valley Landscape Partnership	-	17,923
Communities and Families Fund	7,050	-
Forestry Commission Scotland	59,585	62,127
Forth Valley LEADER 2007-2013 Programme	10,185	3,627
The Gannochy Trust	10,000	10,000
Garfield Weston Foundation	30,000	-
Heritage Lottery Fund	155,259	230,399
Highland LEADER 2007-2013 Programme	-	9,742
J & JR Wilson Trust	5,000	10,000
John Muir Trust	15,000	10,000
Loch Lomond & Trossachs National Park Authority	10,000	-
Moray LEADER 2007-2013 Programme	-	8,397
People’s Trust for Endangered Species	30,000	-
Plantlife	20,844	-
Red Squirrel Survival Trust	5,000	11,000
Royal Society of Wildlife Trusts	53,240	37,922
Rural Tayside LEADER 2007-2013 Programme	-	22,721
Scottish Environmental Protection Agency	14,000	-
Scottish Government (Inc. Rural Priorities)	28,199	96,914
South Lanarkshire LEADER 2007-2013 Programme	-	53,768
The D'Oyly Carte Charitable Trust	5,000	-
The Robertson Trust	9,000	24,000
West Highland Coastal Trust	10,000	-
Other grants <£5k	32,584	33,618
	<u>546,180</u>	<u>650,742</u>

Notes to the financial statements for the year ended 31 March 2015

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

	Group		Charity	
	2015	2014	2015	2014
	£	£	£	£
Auditors' remuneration - current year	8,375	9,150	6,975	6,750
Auditors' remuneration - other services	2,075	2,950	-	900
Depreciation on all other fixed assets	143,169	202,359	143,169	202,359
Operating leases	86,835	88,961	86,835	88,961
Professional indemnity insurance	890	890	890	890

4. Staff numbers and costs

	Group	
	2015	2014
	£	£
Wages and salaries	2,094,446	2,107,360
Social security costs	175,577	166,534
Pension costs	256,332	221,502
	<u>2,526,355</u>	<u>2,495,396</u>
Redundancy costs	9,828	18,326
<u>TOTAL</u>	<u>2,536,183</u>	<u>2,513,722</u>

The above includes all staff costs. The recharge for staff by the charity to Natural Capital Scotland Limited was £25,639 (2014: £31,374).

One employee had emoluments exceeding £70,000 but not more than £80,000 (2014: one employee exceeding £60,000 but not over £70,000). This employee was a member of the defined contribution pension scheme (2014: None).

	2015	2014
	No	No
Permanent	59	61
Projects/Seasonal	27	35
Trainees (weekly average)	<u>5</u>	<u>10</u>

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

Notes to the financial statements for the year ended 31 March 2015

5. Council members' remuneration and expenses

No member of Council received any remuneration from the Scottish Wildlife Trust. Expenses in relation to travel and subsistence costs were paid to 1 Council member (2014: 3), amounting to £435 (2014: £808).

6. Charitable activities

	Direct expenditure £	Support costs £	2015 £	2014 £
Inspire	757,965	126,102	884,067	1,078,956
Champion	170,557	28,374	198,931	186,280
Demonstrate	2,258,885	375,803	2,634,688	2,628,424
Trading activity / Natural Capital Scotland	33,036	-	33,036	225,974
	<u>3,220,443</u>	<u>530,279</u>	<u>3,750,722</u>	<u>4,119,634</u>

7. Support costs

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

Support Costs	Fundraising £	Inspire £	Champion £	Demonstrate £	Governance £	2015 £	2014 £
Finance	19,205	25,140	5,657	74,922	4,061	128,985	108,159
Head office	21,078	27,593	6,208	82,228	4,457	141,564	155,206
Human resources	30,315	39,682	8,929	118,262	6,411	203,599	181,940
Management	12,879	16,859	3,794	50,240	2,723	86,495	81,355
Health & safety	2,296	3,005	676	8,958	486	15,421	15,509
Information technology	10,559	13,823	3,110	41,193	2,233	70,918	55,247
	<u>96,332</u>	<u>126,102</u>	<u>28,374</u>	<u>375,803</u>	<u>20,371</u>	<u>646,982</u>	<u>597,416</u>

8. Governance costs

The costs of governance can be broken down as follows:

	2015 £	2014 £
Management	90,387	91,248
Statutory audit	6,975	7,433
Trustees expenses	13,763	7,529
AGM	11,324	1,611
Direct costs	<u>122,449</u>	<u>107,821</u>
Support costs	<u>20,371</u>	<u>15,770</u>
Total costs	<u>142,820</u>	<u>123,591</u>

Notes to the financial statements for the year ended 31 March 2015

9. Pension arrangements

During the year the Scottish Wildlife Trust made pension contributions to the following Schemes:

	2015 £	2014 £
The Wildlife Trusts Pension Scheme	143,267	107,291
Friends Provident - stakeholder scheme	113,065	114,211
	<u>256,332</u>	<u>221,502</u>

The Wildlife Trusts Pension Scheme

The Scottish Wildlife Trust 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.

The Scottish Wildlife Trust participates only in the defined benefit section. However, the scheme is run in such a way that the Trust 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 the Scottish Wildlife Trust during the year ended 31 March 2015. 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 1 April 2014 this had fallen to £4 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 2014/15 was £143,267 (2014: £107,291). Contributions have risen sharply following completion of the 2013 triennial valuation when a recovery plan was agreed. The current annual payment totals £160,764 and will rise at 2.8% per annum until July 2024 when the final instalment is due.

Notes to the financial statements for the year ended 31 March 2015

10. Wildlife reserves

	2014 £	Additions £	Disposals £	Depreciation £	2015 £
Wildlife reserves	1,048,858	-	-	-	1,048,858

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.

11. Other property and buildings (net book values)

	2014 £	Additions £	Disposals £	Depreciation £	2015 £
Owned					
Montrose Basin Wildlife Centre	483,714	-	-	(28,453)	455,261
Loch of the Lowes	186,843	-	-	(10,991)	175,852
Largiebaan	34,885	-	-	(868)	34,017
Balgavies Loch	6,538	-	-	(166)	6,372
Bawsinch & Duddingston	5,785	-	-	(142)	5,643
Leasehold Improvements					
Bemersyde Moss	2,862	-	-	(286)	2,576
Falls of Clyde	181,767	-	-	(17,145)	164,622
Hare & Dunhog Moss	302	-	-	(302)	-
Loch of Lintrathen	5,921	-	-	(491)	5,430
Handa Island	32,354	-	-	(2,971)	29,383
Harbourside House, Leith	51,109	16,452	-	(8,942)	58,619
Fixtures & Fittings					
Montrose Basin Wildlife Centre	-	-	-	-	-
Falls of Clyde	-	-	-	-	-
Loch of the Lowes	21,030	-	-	(8,874)	12,156
	1,013,110	16,452	-	(79,631)	949,931

Notes to the financial statements for the year ended 31 March 2015

12. Other tangible fixed assets

	Plant & machinery	Motor vehicles	Office equipment	Computers	Total
<u>COST</u>	£	£	£	£	£
As at 1 April 2014	127,950	506,884	10,589	158,294	803,717
Additions	-	-	-	17,254	17,254
Disposals	-	(37,186)	-	-	(37,186)
As at 31 March 2015	127,950	469,698	10,589	175,548	783,785
<u>DEPRECIATION</u>					
As at 1 April 2014	103,902	452,446	4,236	147,113	707,697
Charge for year	5,684	49,462	2,118	6,274	63,538
Disposals	-	(37,186)	-	-	(37,186)
As at 31 March 2015	109,586	464,722	6,354	153,387	734,049
<u>NET BOOK VALUE</u>					
As at 31 March 2014	24,048	54,438	6,353	11,181	96,020
As at 31 March 2015	18,364	4,976	4,235	22,161	49,736

13. Investments

The investment powers of the Trust are contained in the Memorandum of Association allowing investment of “the monies of the Scottish Wildlife Trust 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. There are no investments whose market value represents more than 5% of the total portfolio. The unrestricted main fund includes unquoted securities of £12,500 valued at par (2014: £12,500).

Group and Parent	Unrestricted Main fund		Cumbernauld		Irvine	
	2015	2014	2015	2014	2015	2014
	£	£	£	£	£	£
Market Value of securities at 1 April	1,745,996	1,888,942	1,076,275	1,099,044	827,286	827,847
Purchases	404,476	146,170	175,300	109,965	95,139	51,333
Disposals	(570,095)	(466,569)	(251,447)	(160,612)	(179,215)	(86,736)
Donated shares	1,477	112,368	-	-	-	-
Gains	81,415	65,085	85,485	27,878	61,291	34,842
Market value of securities at 31 March	1,663,269	1,745,996	1,085,613	1,076,275	804,501	827,286
Cash	253,040	98,161	163,090	91,677	92,987	12,608
Market value at 31 March	1,916,309	1,844,157	1,248,703	1,167,952	897,488	839,894
Cost at 31 March	1,569,205	1,363,238	938,088	832,415	661,094	586,813

Notes to the financial statements for the year ended 31 March 2015

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 the Trust'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 2015 was as follows:

<u>Income and expenditure account</u>	<u>Year ended 31/3</u>	
	<u>2015</u>	<u>2014</u>
	<u>£</u>	<u>£</u>
Income	-	-
Administration expenses	(13,272)	(33,715)
Share of loss before tax	(13,272)	(33,715)
Taxation	-	-
<u>Share of loss for the year</u>	<u>(13,272)</u>	<u>(33,715)</u>

<u>Balance sheet</u>	<u>As at 31/3</u>	
	<u>2015</u>	<u>2014</u>
Share of assets:		
Current assets	4,684	28,347
Share of liabilities:		
Due within 1 year	(83,979)	(94,370)
<u>Net (liabilities)</u>	<u>(79,295)</u>	<u>(66,023)</u>

15. Debtors

	<u>Group</u>		<u>Charity</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Amounts falling due within one year				
Sundry debtors	31,423	53,372	37,537	53,372
Prepayments and accrued income	233,224	153,486	224,424	171,647
Income tax recoverable	117,465	61,501	117,465	61,501
VAT	8,225	2,533	-	2,443
Grants receivable	171,789	284,689	171,789	284,689
	<u>562,126</u>	<u>555,581</u>	<u>551,215</u>	<u>573,652</u>

Notes to the financial statements for the year ended 31 March 2015

16. Creditors

	Group		Charity	
	2015	2014	2015	2014
Amounts falling due within one year:	£	£	£	£
Other taxation and social security	-	46,712	-	46,712
Other creditors	514,517	402,854	411,012	399,654
Prepaid Income	34,688	41,886	34,688	41,886
	<u>549,205</u>	<u>491,452</u>	<u>445,700</u>	<u>488,252</u>

17. Endowment funds

The Cumbernauld fund was set up in 1995 with £832,000 received from the Cumbernauld Development Corporation. The Irvine fund was set up in 1996 with £530,000 received from the Irvine Development Corporation. Both funds were established to enable the Scottish Wildlife Trust 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 2014 £	Investment income £	Expenditure £	Investment gains £	Transfers £	Balance as at 31 March 2015 £
Cumbernauld endowment fund	1,158,884	29,069	(49,410)	85,485	20,939	1,244,967
Irvine endowment fund	846,307	23,156	(26,359)	61,291	6,627	911,022
Total	<u>2,005,191</u>	<u>52,225</u>	<u>(75,769)</u>	<u>146,776</u>	<u>27,566</u>	<u>2,155,989</u>

18. Restricted funds

Group and parent Restricted funds > £50k	Balance at 1 April 2014 £	Income Received £	Expenditure £	Unrestricted contribution £	Balance at 31 March 2015 £
Property	910,973	-	(59,058)	-	851,915
Wildlife reserves	1,027,735	-	-	-	1,027,735
Saving Scotland's Red Squirrels	65,572	448,692	(428,038)	-	86,226
Other funds	396,132	904,774	(1,044,797)	125,067	381,176
	<u>2,400,412</u>	<u>1,353,466</u>	<u>(1,531,893)</u>	<u>125,067</u>	<u>2,347,052</u>

Both the Property and Wildlife reserves funds reflect the carrying value of assets acquired through restricted funding. The Saving Scotland's Red Squirrels (SSRS) restricted fund is disclosed separately due to the project value. A large number of other projects, for which restricted income was received during 2014-15, are included within the heading of Other funds.

Notes to the financial statements for the year ended 31 March 2015

19. Funds

Funds summary

	Balance at 01/04/2014 £	Income £	Spend £	Transfers £	Share of loss on joint ventures £	Investment gains £	Balance at 31/03/2015 £
Unrestricted funds	2,870,021	2,825,293	(2,720,027)	(388,786)	(13,272)	81,415	2,654,644
Restricted funds	2,400,412	1,371,552	(1,786,132)	361,220	-	-	2,347,052
Endowment funds	2,005,191	52,225	(75,769)	27,566	-	146,776	2,155,989
	7,275,624	4,249,070	(4,581,928)	-	(13,272)	228,191	7,157,685

Unrestricted funds

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Revaluation reserve	347,104	480,919	347,104	480,919
Designated reserves	1,217,595	1,237,217	1,217,595	1,237,217
Fixed assets net book value	121,183	133,402	121,183	133,402
Share of operating loss of joint ventures	(112,308)	(66,023)	-	-
Other	1,081,070	1,084,506	1,081,070	1,084,506
Total unrestricted funds	2,654,644	2,870,021	2,766,952	2,936,044

Movements on designated funds

	Balance at 01/04/2014	New designation	Changes to designations	Spend in year	Balance at 31/03/2015
Scottish Wildlife Trust Foundation					
Saving Scotland's Red Squirrels	330,000	-	-	-	330,000
Beaver reintroduction trial	51,538	-	-	(4,879)	46,659
Cumbernauld Living Landscape Project	99,511	-	-	(28,191)	71,320
Coigach-Assynt Living Landscape Project	113,472	-	-	(36,552)	76,920
Wildlife reserve maintenance / improvements	100,000	358,273	-	(358,273)	100,000
Edinburgh Living Landscape Project	10,000	-	-	-	10,000
Total Scottish Wildlife Trust Foundation	704,521	358,273	0	(427,895)	634,899
Business development activity	31,766	-	-	-	31,766
Landscape architecture	30,000	-	-	-	30,000
Land agent	16,494	-	-	-	16,494
Scottish Wildlife Trust energy efficiency	29,436	-	-	-	29,436
Pension deficit	425,000	50,000	-	-	475,000
Total designated funds	1,237,217	408,273	0	(427,895)	1,217,595

Notes to the financial statements for the year ended 31 March 2015

Scottish Wildlife Trust Foundation

Council has a policy of designating all unrestricted legacy income through the Scottish Wildlife Trust 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 31/3/16 meaning there is a possibility that the designated fund will be called upon in the 2016/17 year.
- 2) Beaver reintroduction trial – the project has concluded with a small deficit being incurred during the 2014/15 year. It is expected that the remaining fund balance will be utilised when a decision is made over how to progress beaver reintroduction.
- 3) Cumbernauld Living Landscape – a number of projects support delivery of this initiative and whilst significant funding has been secured, there continues to be heavy calls on this fund both in real terms and to underwrite uncertain funding. A much larger fund is desirable given the aspirations for a flagship project over an extended time period.
- 4) Coigach-Assynt Living Landscape – plans continue to be developed for the Landscape Partnership Scheme in relation to the funding secured from the Heritage Lottery Fund. A much larger fund is desirable given the aspirations for a flagship project over an extended time period.
- 5) Wildlife reserve maintenance / improvements – income from legacies is set aside each year for the purpose of maintaining and enhancing the Trust's wildlife reserves.
- 6) Edinburgh Living Landscape – the Edinburgh Living Landscape was launched in November 2014 and plans 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 extend the influence of the Trust and generate new streams of income. This fund is being used to support the development of the Scottish Forum on Natural Capital.
- 2) Landscape architecture – this project is planned for 2015/16.
- 3) Land agent – plans for this project will be considered in 2015/16.
- 4) Scottish Wildlife Trust energy efficiency – this continues to be a valuable project and will be considered in 2015/16.
- 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 31 March 2015

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

	2015 £	2014 £
Net (outgoing)/incoming resources	(117,939)	312,968
Investment income	(109,626)	(109,325)
Investment income – trading subsidiary	(23)	
Donated shares	(1,477)	(112,368)
Realised gains on investments	(30,424)	(15,544)
Unrealised gains on investments	(197,767)	(112,261)
Share of operating loss on joint venture	13,272	33,715
Depreciation	143,169	202,359
Gain on sale of fixed assets	(11,143)	(10,475)
(Increase)/decrease in stocks	(3,808)	675
(Increase)/decrease in debtors	(6,545)	295,347
Increase/(decrease) in creditors	57,753	(97,742)
Net cash (outflow)/inflow from operating activities	(264,558)	387,349

21. Analysis of changes in cash during the year

	2015 £	2014 £
Balance at the beginning of the year	1,243,578	391,236
Balance at the end of the year	1,085,277	1,243,578
Net cash (outflow)/inflow	(158,301)	852,342

22. Analysis of fund balances between net assets

	General unrestricted fund £	Restricted funds £	Endowment funds £	Total funds £
Fixed assets	121,183	1,927,342	-	2,048,525
Investments	1,837,014	-	2,146,191	3,983,205
Net current assets	696,447	419,710	9,798	1,125,955
Long-term liabilities	-	-	-	-
	<u>2,654,644</u>	<u>2,347,052</u>	<u>2,155,989</u>	<u>7,157,685</u>

Notes to the financial statements for the year ended 31 March 2015

23. Financial commitments

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

	2015	2014
	Land and buildings £	Land and buildings £
Within one year	28,778	29,492
Within two to five years	5,360	5,000
After more than five years	52,697	54,469
	<u>86,835</u>	<u>88,961</u>

24. Contingent liabilities

The Trust is a member of a multi-employer pension scheme, as disclosed in Note 9. In June 2015, the Trust became aware of a potential breach of the section 75 clause in the Wildlife Trust Pension Scheme which would relate to there being no active members in the scheme. If the section 75 clause has been breached this will crystallise the pension liability to be paid by the Scottish Wildlife Trust. Any liability would be calculated on a buy-out basis and an informed expectation is that the likely value would be between £nil and £3 million. As it is not clear that an obligation existed at 31 March 2015, and, as it is not possible reliably to estimate the value of the liability, no provision has been made for this in the financial statements. The Trust continues to make payments into the scheme to fund it on an ongoing basis as detailed in Note 9.

The Trust continues to have an ongoing 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 considers that the likelihood of such an event occurring and having a material impact on the charitable company's liabilities is remote

25. Notified legacies unrecognised at the balance sheet date

At the balance sheet date the Trust had been notified of 12 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, seven were residual and one pecuniary, the likely income being in the region of £10,510.

Notes to the financial statements for the year ended 31 March 2015

26. Natural Capital Scotland Limited

Natural Capital Scotland Limited is a wholly owned trading subsidiary of the Scottish Wildlife Trust. It is 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>2015</u> <u>£</u>	<u>2014</u> <u>£</u>
Turnover	-	245,168
Cost of sales	-	(220,292)
Gross profit	-	24,876
Admin expenses	(32,960)	(5,682)
Gift aid payment to parent charity	-	(18,161)
Operating profit	(32,960)	1,033
Other interest receivable and similar income	23	110
Interest payable and similar charges	-	(1,143)
Loss on ordinary activities before taxation	(32,937)	-
Tax on loss on ordinary activities	(76)	-
Loss for the year	<u>(33,013)</u>	<u>-</u>

Balance sheet as at 31 March;

	<u>2015</u>	<u>2014</u>
Current assets		
Debtors	17,025	91
Cash at bank and in hand	59,581	21,271
	76,606	21,362
Creditors: amounts falling due within one year	(109,618)	(21,361)
Total assets less current liabilities	<u>(33,012)</u>	<u>1</u>
Capital and reserves		
Called up share capital	1	1
Profit and loss account	(33,013)	-
Shareholders' funds	<u>(33,012)</u>	<u>1</u>