

Royal Society of Wildlife Trusts
Annual Report and Accounts 2016-17



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Royal Society of Wildlife Trusts

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for the year ended 31 March 2017

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Royal Society of Wildlife Trusts

TWT UK CHAIR AND CHIEF EXECUTIVE REPORT

for the year ended 31 March 2017

As The Wildlife Trusts absorbed the full implications of the UK's departure from the EU for our mission, we were buoyed by the tremendous courage demonstrated in our Council and Committees and across the movement. One aspect of this has been the strong relations between Wildlife Trusts in the component parts of the UK, a Union under particular pressure from the 2016 result.

We invested a great deal during the year in deepening our relations with other environmental groups. We worked hard to align our messages, to ensure we sustained key protections for wildlife and the environment; and worked towards improving levels of protection on a UK only basis. Wildlife protection and future policies on trade, agriculture and fisheries will have an enormous impact on wildlife. So we worked intensely throughout the year to build a shared lines on how the future should look for these areas of policy. The Wildlife Trusts were a key part of Greener UK – a new coalition orchestrated by the Green Alliance .

As we face challenging times ahead it has been vital to articulate our shared beliefs and values. We worked on these throughout the year as part of updating our Development Strategy.

The second year of 30 Days Wild was really successful. This campaign is designed to encourage everyone to have contact with nature every day in June and it really helped to rally the mood in the wildlife-loving public with 25,000 people and 2,000 schools participating.

As uncertainty grew externally, Wildlife Trust members remained very loyal to their Trusts but the lotteries still remain a critical means of support for our work. We were therefore delighted to build excellent relations with the leaders of Heritage Lottery Fund, Big Lottery Fund and People's Postcode Lottery. These bodies are more than a source of funding for our movement, they give us moral support and at times real inspiration.

This is true as well for our corporate partners, whether Jordans or Bear Nibbles, Siemens or Land Securities. Some of the environmental leadership being demonstrated in the private sector is both clear-sighted and courageous. Particularly satisfying is the growing recognition both here, and in society, of the overlap between mental health, wellbeing and productivity and contact with the natural world.

In common with others, The Wildlife Trusts needed to form relations with a new Government in Summer 2016. We immediately met with the Secretary of State for the Environment, Food and Rural Affairs, Rt Hon Andrea Leadsom MP and her Ministers George Eustice and Therese Coffey as well as Ministers from the new Department for Exiting the EU. Our parliamentary work geared up across all fronts with presentations to Select Committees on Brexit and meetings with the Opposition and others.

Behind the scenes we have been investing more than ever before in building the internal efficiency and effectiveness of our movement. 1,000 people attended conferences, open days, seminars and webinars. We took forward four major Information Communications and Technology projects at pace. Having the best systems for managing membership data, for internal communications and knowledge sharing and to underpin our websites is critically important. We were also delighted that we could start work on alignment of finance systems and accounting procedures.

Our movement is working more effectively together than ever, which is a good thing as the external challenges we face are greater than ever.

René H Olivieri
Chairman



Stephanie Hilborne, OBE
Chief Executive



Royal Society of Wildlife Trusts
CHAIR AND DIRECTOR OF TWT ENGLAND AND POLICY REPORT
for the year ended 31 March 2017

Never has the UK's environmental sector faced a challenge like the UK's departure from the EU. The EU underpins two thirds of all environmental legislation and for forty years has set shared agricultural and fisheries policies. The Wildlife Trusts became a key part of new coalition Greener UK formed in response to the June 2016 Referendum result. There are four main parts of this coalition with The Wildlife Trusts playing major roles in environmental protection, agriculture and fisheries.

Brexit work was a great draw on our efforts this year and we submitted full evidence in writing and in person to the Environmental Audit Committee and to the House of Lords Inquiries on the future of the environment after Brexit.

Our movement's unique role in the sector is the scale of our presence on the ground. This informs our views on future farm support as much as it does our input on planning rules or housing policy. Fundamental to nature's recovery is the need for our decision-making systems to be more joined up. In a country as populous as ours, this will only happen if more decisions and planning work is devolved to cities and regions. At this scale it becomes feasible for people to agree shared visions for future housing and development, future farming and forestry and how to plan for nature's recovery. This way we can map out how we are going to build wildlife back into our towns and countryside. This is about real fields, real rivers, real towns, real businesses and real people and communities. So this year we put a lot of effort into promoting nature's recovery through ecological network mapping.

We influenced thinking on the Government's 25 year plan, won some great improvements to mitigation proposals for High Speed 2 (although sadly not stopping it) and successfully influenced the direction of travel of Government thinking on agricultural policy. Our own TWT review of policy on food and farming initiated in 2015/16 proved vital. Through this we were able to focus our movement's views on the direction of public investment we would promote for soil, water and wildlife restoration.

We undertook a major piece of work to make detailed recommendation for the location and nature of a third round of Marine Conservation Zones and were very disappointed when designation was put on hold by the Government, well before the announcement of the 2017 General Election. We made it clear that businesses also want clarity and certainty in protected area policy by presenting a united statement with the Sea Users and Developers Group, and had a big role in influencing the approach to designating large new European protected sites for Harbour Porpoise. Designation itself is not enough with policing and management being key to effective protection, we sustained our influencing work to ensure effective control of damaging fisheries activities in European Marine Sites and Marine Conservation Zones; and secured significant commitments from challenging a major new offshore windfarm, Hornsea 2, to ensure we became a statutory consultee over the impacts of construction on cetaceans.

Finally, we built our work on nature and health and wellbeing, publishing evidence in partnership with Universities and presenting at the Parliamentary Roundtable on Life Chances.

All this because we believe everyone should have the opportunity to experience the joy of wildlife in their daily lives.



Prof Rod Aspinwall, OBE
Chair of TWT England



Stephen Trotter
Director, TWT England



Royal Society of Wildlife Trusts
TRUSTEES' REPORT
for the year ended 31 March 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Registered name	Royal Society of Wildlife Trusts (RSWT)
Also known as	The Wildlife Trusts (TWT)
Previously known as	Society for the Promotion of Nature Reserves (SPNR) Society for the Promotion of Nature Conservation (SPNC) Royal Society for Nature Conservation (RSNC)
Registered charity number	207238
Trading subsidiary	The Wildlife Trusts Services Limited
Head office address	The Kiln Waterside Mather Road Newark NG24 1WT
Principal bankers	NatWest Bank 225 High Street Lincoln LN2 1AZ
Investment managers	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU
Pension scheme administrators	Capita Employee Benefits Ltd 65 Gresham Street London EC2V 7NQ
Solicitors	Andrew & Co LLP St Swithin's Court 1 Flavian Road Nettleham Road Lincoln LN2 4GR
Auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

Royal Society of Wildlife Trusts
TRUSTEES' REPORT
for the year ended 31 March 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

RSWT is a body corporate, incorporated under the Royal Charter of 2 March 1976, as amended in 1981, 1994, 1998, 2003 and 2007.

Patron	HRH The Prince of Wales
President	Tony Juniper CBE
Presidents Emeritus	Sir David Attenborough OM CH CVO CBE FRS Prof Aubrey Manning OBE FRSE Simon King OBE
Vice Presidents	Prof J Chris Baines Nick Baker Prof David Macdonald CBE Bill Oddie OBE Julian Pettifer OBE Prof Sir Robert Worcester KBE
TWT Council:	
Chair	René H Olivieri
Vice Chair	Tony Whitbread
Hon Secretary	David Sharrod to 23 November 2016 Caroline Stewart from 23 November 2016
Hon Treasurer	Michael Power
Chair of TWT England	Prof Rod Aspinwall OBE
Other Trustees:	Roy Ramsay (Chair of Audit) Caroline Stewart to 23 November 2016 Bill Stow CMG Peter Young Robin Harper Harry Barton Ian Brown Ruth Sutherland Anne Selby from 23 November 2016
Chief Executive	Stephanie Hilborne OBE

Appointment and induction of Trustees

TWT Council comprises the Chair, Honorary Secretary, Honorary Treasurer, one Wildlife Trust-nominated Trustee from each of Scotland, Wales and Ulster, the Chair of The Wildlife Trusts England and four other Trustees nominated by the English Wildlife Trusts. Trustees are elected by the corporate members at the Annual General Meeting. TWT Council appoints a Vice Chair.

The Chair is elected to serve a single five-year term. Honorary Officers are elected for up to two terms of four years, whilst other Trustees are appointed or elected for up to two terms of three years. TWT Council may also have two additional members possessing specialist skills, knowledge or expertise. Currently these positions are filled by Peter Young and Ruth Sutherland.

The Chair introduces new Trustees at their first TWT Council meeting. New Trustees are also given access to a dedicated intranet website which includes the charity's key documents, including its Royal Charter, Governance Handbook, Financial Standing Orders, latest Annual Report and Accounts, Five Year Plan, budget, minutes of recent TWT Council meetings, relevant Charity Commission publications, and the Charity Trustee Network's 'Code of Conduct for Trustees'. New Trustees are also invited to attend induction sessions at the RSWT's office in Newark at the earliest convenient opportunity to receive introductory briefings on key work areas.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Royal Society of Wildlife Trusts

TRUSTEES' REPORT

for the year ended 31 March 2017

Organisational structure

The Royal Charter gives TWT Council the powers to:

- administer the affairs of RSWT under the Bye-laws,
- exercise all the powers of RSWT, subject to the Bye-laws, and
- determine the policy of RSWT.

TWT Council, as RSWT's governing body, is ultimately responsible, and directly accountable, to the charity's corporate members, the 47 independent Wildlife Trusts. TWT Council operates a number of sub-committees and panels. The main committees of The Wildlife Trusts Council are:

- The Wildlife Trusts England
- The Wildlife Trusts Countries Committee
- The Wildlife Trusts Resources and Audit Committee
- The Wildlife Trusts Strategic Development and Research Committee
- The Wildlife Trusts Marketing and Development Committee

And two main boards overseeing partnership programmes and grants:

- Biffa Award Grants Board
- Our Bright Future Steering Group

TWT Council is the primary leadership group for The Wildlife Trusts (TWT), aiming to deliver its stated purpose and mission. It also aims to lead TWT in pursuit of excellent collective governance, ensuring a TWT strategy is in place and that the role of the central charity is clearly identified and effectively delivered.

The role of TWT England is to ensure effective influence of key English audiences and to decide on England policy matters, for which TWT Council has given delegated authority to the committee.

TWT Countries Committee's purpose is to focus on building trust and understanding between the respective parts of the UK and headline political discussions relating to coordinating policy across the four countries.

TWT Strategic Development and Research Committee has responsibility for recommending TWT's development and research priorities to TWT Council and for allocating grants from the Strategic Development Fund that further TWT's agreed strategic objectives.

TWT Resources and Audit Committee has responsibility for the operational effectiveness of TWT as well as for overseeing the central charity's own resources.

TWT Marketing and Development Committee's purpose is to support the development of the movement's strategic approach to marketing, fundraising, mass communications and external reputation.

The Biffa Award Board has delegated powers to make grant offers in respect of our major grant fund, in accordance with the terms agreed with the respective funding bodies. The Biffa Award Board comprises six members, with RSWT and Biffa Group Ltd each appointing three members.

The Our Bright Future Steering Group involves all eight key partners overseeing this major programme of youth and environment work funded by £33m from the Big Lottery Fund.

Trustee nominations and those for main committees are considered by a standing Nominations Advisory Panel before being presented to Council and onwards to the AGM in the case of Trustees.

Much of the organisation's work is undertaken by a team of staff, reporting to a Chief Executive who is accountable exclusively to TWT Council for achieving TWT's strategic objectives and for complying with TWT Council's policies.

Remuneration of key personnel

In accordance with the agreed job evaluation framework and available benchmarking information, the Chief Executive has delegated authority to agree salaries. He/she will normally do so in conjunction with HR executives or, for Director level posts, with the input and normally support of the Chair. The Chief Executive's own salary is set by the Chair and Honorary Officers.

OBJECTIVES AND KEY ACTIVITIES

Supporting the work of The Wildlife Trusts

The Wildlife Trusts comprise 37 local Wildlife Trusts in England, six in Wales and a Trust for each of Ulster, Scotland, Isle of Man and Alderney. RSWT supports the whole federation and also acts for the 37 English Trusts. All 47 Trusts are corporate members of RSWT. A separate charity, Wildlife Trusts Wales acts for the six Welsh Wildlife Trusts to ensure an effective interface with the Welsh Government.

In this way the federation benefits both from local ownership and from a voice at each country level and across the UK into the European Union.

Taken together The Wildlife Trusts are the greatest force for nature's recovery and people's connection to wildlife in the UK, working in the countryside, in cities and at sea.

The Wildlife Trusts' combined income is around £140 million, with 840,000 members, including 150,000 junior members. There are 43,000 volunteers, including 650 Trustees, and more than 2,300 staff.

The Wildlife Trusts' purpose is: to lead the way in achieving a vision of an environment rich in wildlife for everyone valued by all. It does so through a mission to create Living Landscapes and secure Living Seas.

The movement aims to be passionate leaders and natural partners, whose objectives are to:

- demonstrate how nature works,
- inspire people and communities to value and take action for nature, and
- champion nature and our work.

enabled by:

- growing our resources through inspiring people to value our work,
- knowledge sharing, co-operation, flexibility and effectiveness, and
- ensuring excellent governance.

The financial statements in this Annual Report and accounts refer only to the income and expenditure of the central charity in The Wildlife Trusts, RSWT. Each Trust also produces its own annual report and accounts.

RSWT carries out three key external functions at a UK and England level which are to:

1. promote The Wildlife Trusts' vision,
2. manage key relationships,
3. influence government policy and decision making in favour of wildlife.

Within The Wildlife Trusts, RSWT also acts to:

4. ensure The Wildlife Trusts operate effectively as a collective,
5. drive collective governance, strategy and evidence collation,
6. manage central resources, and
7. administer partnership programmes and grants.

How we have worked to achieve the above objectives is shown in the Achievements and Performance section beginning on page 10.

The impact of the movement's work on real places and real communities is astonishing in terms of: the land area managed for wildlife, which nears 100,000 hectares; the many places saved from the wrong form of development; and the hundreds of thousands of people inspired about, and learning about, wildlife.

RSWT's impact is not on the ground in the same way. In the next five years RSWT will work to:

- Communicate the movement's beliefs, values and work effectively through the website, media and social media, and support Trusts with their own communications. This work will seek to grow appreciation of the value of a healthy world to society and the economy, to our health and wellbeing and future business.
- Build relations with key decision makers in Westminster, Whitehall, the private sector, grant givers, others in the sector and beyond, and support Trusts in this regard.
- Develop our influencing work to achieve our charitable aims as they relate to: education and learning, health and wellbeing, housing and development, food, farming and fisheries, soil and water, and natural capital; building the case for progressive policies and legislation that contribute to nature's recovery.
- Continue to build the movement's effectiveness and efficiency by: investment in leadership training; ICT development programmes; and by support for income generation and financial management.
- Review strategies across the full range of our work within the context of our Development Strategy and Five Year Plan and invest in evidence gathering and benchmarking.
- Set and report against each year's key development priorities. Statistics are maintained on quantifiable aspects with other areas judged more subjectively.

ACHIEVEMENTS AND PERFORMANCE

RSWT's contribution to achieving The Wildlife Trusts' vision during 2016/17 is set out below.

1. Promoting The Wildlife Trusts' vision

- The UK's planned departure from the EU has major environmental implications so we made sure we were communicating our ambitions for wildlife protection and nature's recovery throughout the year.
- We also celebrated wildlife. And this year's *30 Days Wild* in June was a real success with more than 25,000 individuals and over 2,000 schools formally committing to taking part. The launch was covered on *BBC Breakfast* and our *30 Days Wild App* was downloaded nearly 3,000 times. There were more than 1.8 million Random Acts of Wildness as a result; with engagement doubling from the year before.
- We were delighted with the high profile we secured during the year for wildlife issues whether through Borsetshire Wildlife Trust in *The Archers* or very frequent visits to real Wildlife Trusts by the BBC's *Countryfile* programme.
- In September, we published our '*Natural Service Stations*' guide to TWT nature reserves near motorways and A-roads with a poster campaign in service stations, funded by the Rees Jeffrey Road Fund.
- TWT and RHS's *Wild About Gardens Week* took place in October – with the BBC's *Autumnwatch* featuring the campaign on their website.
- We were the charity partners for the John Lewis 2016 Christmas advert featuring beautiful garden wildlife. The 60 million views of the advertisement on YouTube and Facebook prompted great media coverage.
- A successful event at the Mall Galleries exhibition of work by the Society of Wildlife Artists was attended by 150 guests from 11 Trusts. Our President Tony Juniper gave an inspiring talk.

2. Managing key relationships

With grant funders

- Players of the National Lottery have long supported our work and made a phenomenal difference to our movement's aims:
 - We were pleased to continue to build relations with Heritage Lottery Fund and to secure a national grant of £1.4m to match fund a €1.6m EU LIFE14 grant for Red Squirrels conservation work in partnership with other bodies.
 - Big Lottery's £33m grant to the Our Bright Future portfolio of youth and environment projects is being managed by RSWT and this year saw the programme launched successfully.
 - We were delighted at the support both HLF and Big Lottery have given to numerous individual Wildlife Trusts.
- Players of People's Postcode Lottery continued to donate to our movement's work, not least the provision of Forest Schools. TWT's first draw in September secured nearly £2.5m for us to spend. This compares to £252k we received the previous year as grant funding. Apart from direct spend through Trusts we set up a Strategic Opportunities Fund which will back 15 projects proposed by 12 Trusts, with a total value of £282k.
- Having played a major role in successfully rescuing the Landfill Tax Credit Scheme last year, we were pleased that in September we secured a further year of funding from Biffa Award for new wildflower meadows - Coronation Meadows – up and down the UK.

With the private sector

- We launched the Jordans Farm Partnership after 18 months' work with the company to develop a Farm Wildlife Standard. The partnership involves Trusts advising Jordans' cereal farmers. Our partnership with Bear Nibbles continued with wildlife activity cards in packs.
- We built a new partnership with Siemens based on the company's dual commitments to the environment and to the mental health and wellbeing of its staff. Six hundred Siemens staff will engage with their local Trust to experience wildlife and build team wellbeing.
- We concluded talks with Network Rail to minimise the impacts on wildlife of rail infrastructure works and gave the keynote address at a meeting of the Linear Infrastructure Network involving 100 professionals from the construction industry.
- We renewed a three-year formal partnership with Aggregate Industries to boost biodiversity delivery at their sites; and continued to run our Biodiversity Benchmark audits.

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TRUSTEES' REPORT

for the year ended 31 March 2017

With Government

- We reached out to the post-Referendum Government including building close relations with the new Defra ministerial team.
- In September we organised a visit to a farm with Bedfordshire, Cambridgeshire & Northamptonshire WT to host the new Defra Secretary of State, Rt Hon Andrea Leadsom MP.
- We also set up a successful visit to Worcestershire WT with Brexit Minister Robin Walker MP in September.
- In October we organised a visit to Surrey WT for MPs from the Environmental Audit Committee to discuss land management post-Brexit.
- Relations were built with key contacts in other parties, including a meeting with Opposition Brexit lead Keir Starmer MP in February.
- Relationships with Defra, No 10 and other civil servants continued to be invested in.

With other charities

- Relations with colleagues across the environmental voluntary sector have been strengthened by the sheer scale of the challenge ahead.
- We continue to be active within the coalitions Green Alliance and Wildlife and Countryside Link.
- We held well-attended events with RSPB and WWF-UK at Party Conferences and became a key part of the new Greener UK partnership formed post-Referendum.
- TWT's CEO invested in regular meetings of CEOs from other major environment charities and with the CEOs of federal social charities such as Age UK, The Samaritans and MIND.
- The *Greener UK* manifesto was published in February at a parliamentary event attended by more than 40 MPs.

3. Influencing government policy and decision making in favour of wildlife

Overview

- We were a central part of Greener UK's work on a sector-wide EU Referendum response strategy to:
 - uphold current EU environmental laws and enforcement,
 - promote a new Environment Act,
 - sustain international leadership on climate change, and
 - call for farming and fishing policies that contribute to the health of the natural world.
- We continued to promote the need to map nature's recovery by:
 - meeting Ministers and Opposition spokespeople and briefing civil servants,
 - establishing clear direction of travel for future agricultural policy, working closely with Trusts and other NGOs and meeting with Minister George Eustice MP and Special Advisors,
 - influencing the Government's 25 year plan, along with colleagues in Link, and
 - securing a secondment from a Wildlife Trust into Defra to help with their 25 year plan.

Producing and promoting:

 - a technical briefing on Ecological Network Mapping for key contacts, including those at No 10,
 - a memorandum of understanding with the Sea Users Development Group promoting the need for an ecologically coherent network of marine protected areas, and
 - a comprehensive report to support designation of the third round of Marine Conservation Zones.

Participating in:

 - Defra's Implementation Group on the management of fisheries in European Marine Sites and Marine Conservation Zones, and
 - Defra-led meetings to discuss fisheries management in marine protected areas in the Western Channel and Eastern approaches.

Giving evidence or presentations to:

 - the Environmental Audit Committee Inquiry *The Future of the Natural Environment after the EU Referendum* and an emphasis on biodiversity post-Common Agricultural Policy (October)
 - the Lords EU Energy and Climate Change sub-Committee Inquiry *Brexit: environment and climate change*.
 - a parliamentary roundtable on nature and life chances, convened by Conservative Environment Network and chaired by Rebecca Pow MP.

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TRUSTEES' REPORT

for the year ended 31 March 2017

We significantly influenced:

- proposals to designate new Special Areas of Conservation for Harbour Porpoise.
- the proposed Hornsea 2 marine wind farm securing major concessions and status for TWT as a statutory consultee on noise impacts mitigation.
- proposals for HighSpeed2 - briefing for Peers ahead of the House of Lords Second Reading of the HS2 Hybrid Bill and submitting a petition against the Bill to the House of Lords Select Committee, ultimately through meetings with HS2 Ltd winning concessions from them on mitigation.

4. Ensuring The Wildlife Trusts operate more effectively as a collective

- More than 1,000 people from the movement joined:
 - Open Days in Newark in April and September - attended by 94 staff and trustees
 - Seminar and webinars ranging from judicial review to legacy marketing and agricultural policy
 - Our conference about wildlife outside the EU "*What Next?*" in September
 - The annual conference of Chairs in Norfolk and of Chief Executives in Tees Valley
 - Our Annual Meeting in Grantham.
- Major work went into shared ICT thinking and implementation:
 - The first Trusts came on to the CRM system which has been sourced and designed together
 - A new intranet, WildNet, was launched with the first 'knowledge network' going live in February
 - The research, design and build phases of a major upgrade to the shared web template went ahead
 - A Finance Systems project started in earnest to work towards accounting principles and practices and better software systems - a short list is being drawn up.

5. Driving Collective Governance, Strategy & Evidence Collation

- Council and its main Committees continue to operate effectively, reviewing direction more frequently than ever in the light of political change. Risks were discussed at most meetings and mitigation for this. These Committees and their Task and Finish Groups covered a great range of work.
- One key piece of work was to draw up a TWT Development Strategy for 2017-2022. A Task and Finish Group met regularly to review the current strategy, revisit the vision and mission and consider issues critical to our future direction and development. One of these being to better express the movement's key beliefs and values. A document was presented at the Annual Meeting after wide consultation across the movement; and work continues on implementation and tie up with more detailed strategies.
- Our emphasis on internal and external evidence and research continued. The University of Essex completed a rigorous evaluation of the impact of volunteering with Trusts on the mental wellbeing of participants, their connection to nature, and their approach to 'pro-environmental behaviours'. The results were clearly positive, and will be published next year.

6. Managing central resources

- Offices in Newark and London continued to be managed to high standards of health and safety and quality to maximise productivity; all costs being pinned down to a minimum in the process.
- ICT provision to staff and financial management continued at a very high standard.
- Support to the movement for strategic human resource issues continued along with highly professional recruitment, induction, management and support to staff working centrally.
- We continued to work on the ongoing challenges of Section 75 issues in relation to The Wildlife Trusts Pension Scheme. Our ongoing efforts succeeded in identifying an alternative, more affordable solution which we have passed to the trustee of The Wildlife Trusts Pension Scheme for consideration.

7. Administering Partnership Programmes and Grants

Grant-making policy

Grants are made subject to the terms and conditions placed upon RSWT by the relevant funding bodies. Biffa Award grants are subject to the approval of a board comprising nominees of Biffa and RSWT. Detailed criteria and procedures for applying for grants from Biffa Award can be found on the website: www.biffa-award.org. Grants from RSWT's own unrestricted funds are made at the discretion of TWT Council.

Biffa Award programme

A major part of RSWT's turnover relates to the administration and distribution of Landfill Communities Funds through the Biffa Award programme. Our work in this area seeks to distribute these funds to achieve the maximum benefit for the environment, local communities and UK biodiversity.

The strategies, activities and achievements for these programmes during 2016/17 are described below. Details of the grants offered during the year can be found in the Appendix.

The Biffa Award programme aims to support organisations in the UK in improving their local community and the environment. The programme funds projects which either:

- provide or improve public amenities for communities or
- contribute to rebuilding biodiversity.

Such projects must be within five miles of a Biffa operation or 10 miles of a Biffa landfill site. The distance criteria is increased to 15 miles of a Biffa operation in the case of environmental projects. The programme's 'Strategy for Giving' targets 35% of grant funds for biodiversity projects.

Key Activities & Achievements

A total of £4.1 million of Biffa Award grants were awarded this year to 60 organisations. Cumulatively, £163 million has now been awarded across the UK.

Highlights of the year included:

- Supporting influencing work as a member of the Landfill Communities Fund working group worked to increase the diversion rate from 4.2% to 5.3%.
- The annual awards ceremony in October 2016.
- Growth of Biffa Award's Twitter followers and in-website traffic.
- The Coronation Meadows celebration in Green Park with HRH the Prince of Wales which secured national media coverage.

Staffing levels were reduced by 1.5 posts, with an overall reduction in the management budget to reflect a lower income base as less waste is being committed to landfill. In addition, the guidance on administrative costs was lowered from 10% to 7.5% for 2016/17.

Our Bright Future

Leading a consortium of eight partner organisations, TWT oversees a £33.2m portfolio of 31 projects across the UK. All the projects enable young people to build their skills and confidence, their leadership capability, their connection to the environment and make a genuine positive difference to the environment. The Big Lottery Fund support means that each project will be embarking on different work to engage young people with the environment, empowering them as people and as environmental leaders. Work will go into building relations with the 200 organisations involved in the projects, for the benefit of at least 100,000 young people in activities ranging from creating social enterprises to campaigning for nature conservation.

Key Activities & Achievements

- All 31 projects launched in March 2016; by the end of March 2017, projects had already engaged with more than 20,000 young people.
- A passionate and engaged Youth Forum has been formed with representatives from the projects guiding Our Bright Future's direction.

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for the year ended 31 March 2017

- The programme's innovative Share Learn Improve ethos has helped to create a collective programme identity for the 31 projects who work together to share ideas, learnings and best practice.

Red Squirrels

The Partnership Programmes Unit helped to secure £1.4m from Heritage Lottery Fund to match fund a €1.6m EU LIFE14 grant for Red Squirrels United. This is a major conservation programme involving Forest Research, Red Squirrels Trust Wales, Newcastle University and four Wildlife Trusts.

Key Activities & Achievements

- During the first year of the project, good progress has been made to recruit and train project staff, establish and continue good working relationships with community volunteer groups working on red squirrel conservation.
- We held our first annual knowledge fair in Ulster, which provided the first UK-wide networking and best practice sharing opportunities for red squirrel conservationists, and allowed us to link with other UK and EU funded projects.
- TWT also works alongside Saving Scotland's Red Squirrels, led by the Scottish Wildlife Trust.

Key factors relevant to achievement of RSWT's objectives

The continued support of our corporate members, the individual Wildlife Trusts, remains key to the ability of RSWT to continue to achieve its objectives.

The recognition and support of all those we work closely with and their trust in our knowledge and capability are also key.

Recruitment and retention of high quality staff and Trustees; clarity on strategic and risk management; and courage to outface new difficult circumstances all remain key to our success.

Public benefit statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

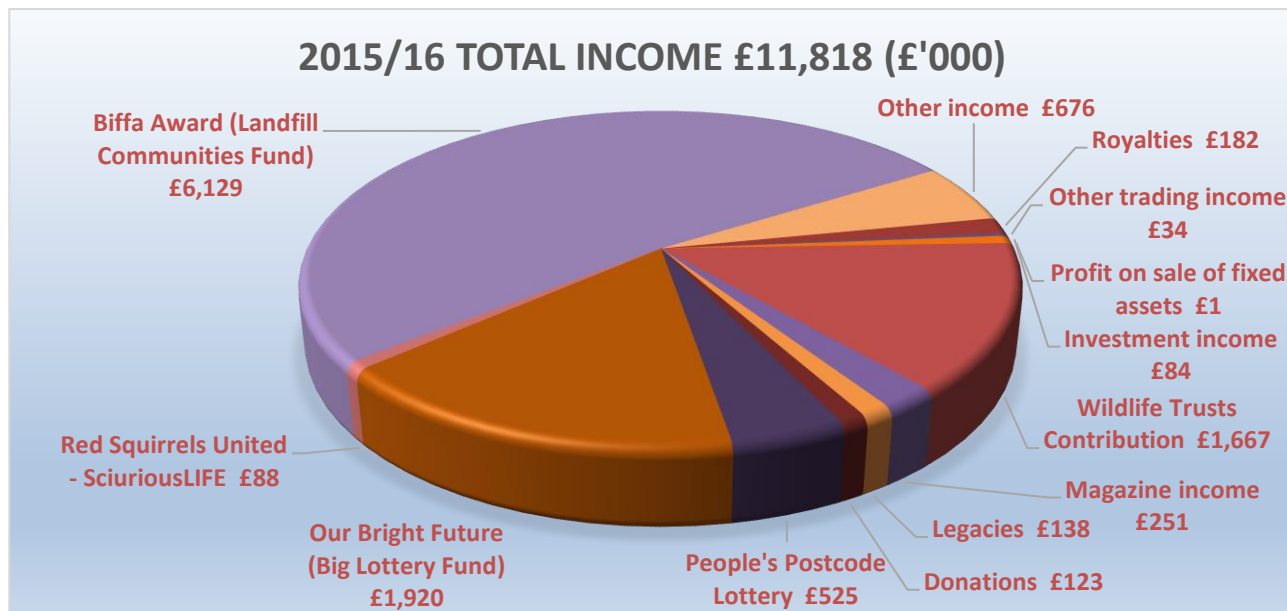
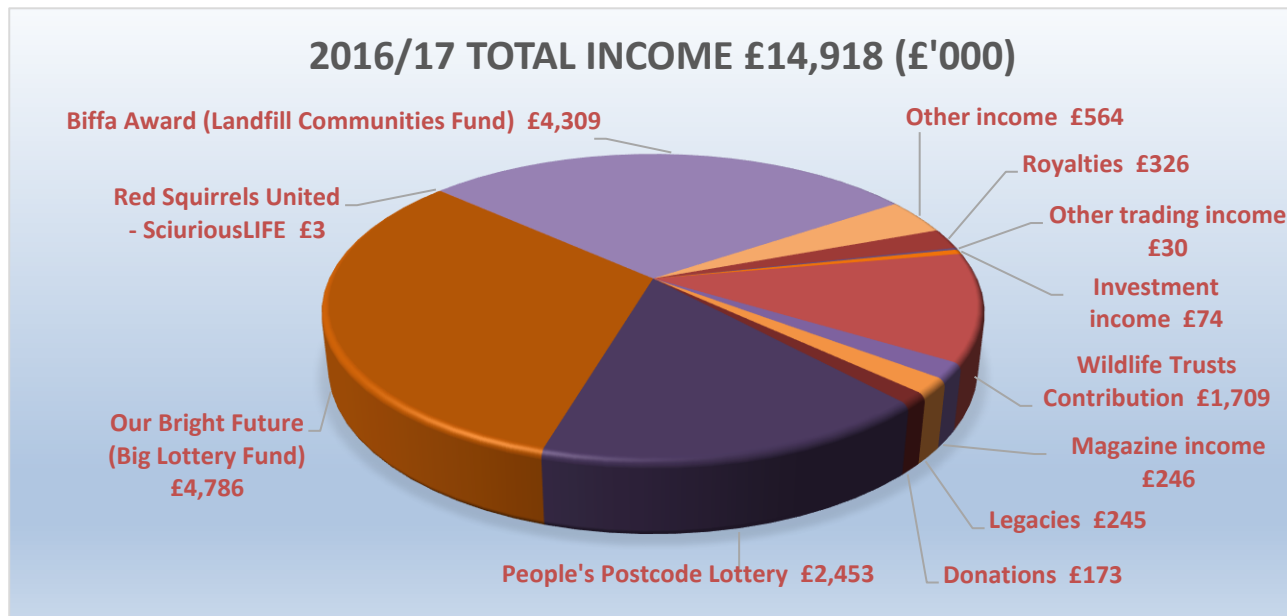
RSWT's public benefit is enshrined in its charitable objects, as set out in the Royal Charter, being: 'to promote the conservation and study of nature, the promotion of research into such conservation and to educate the public in understanding and appreciating nature, in the awareness of its value and in the need for conservation'.

RSWT fulfils its objects and delivers its public benefit through two main strands of activity: Supporting the work of The Wildlife Trusts, and distributing grant funding to a wide range of external organisations through RSWT's Grants Unit programmes.

FINANCIAL REVIEW OF THE YEAR

Statement of Financial Activities

Incoming resources



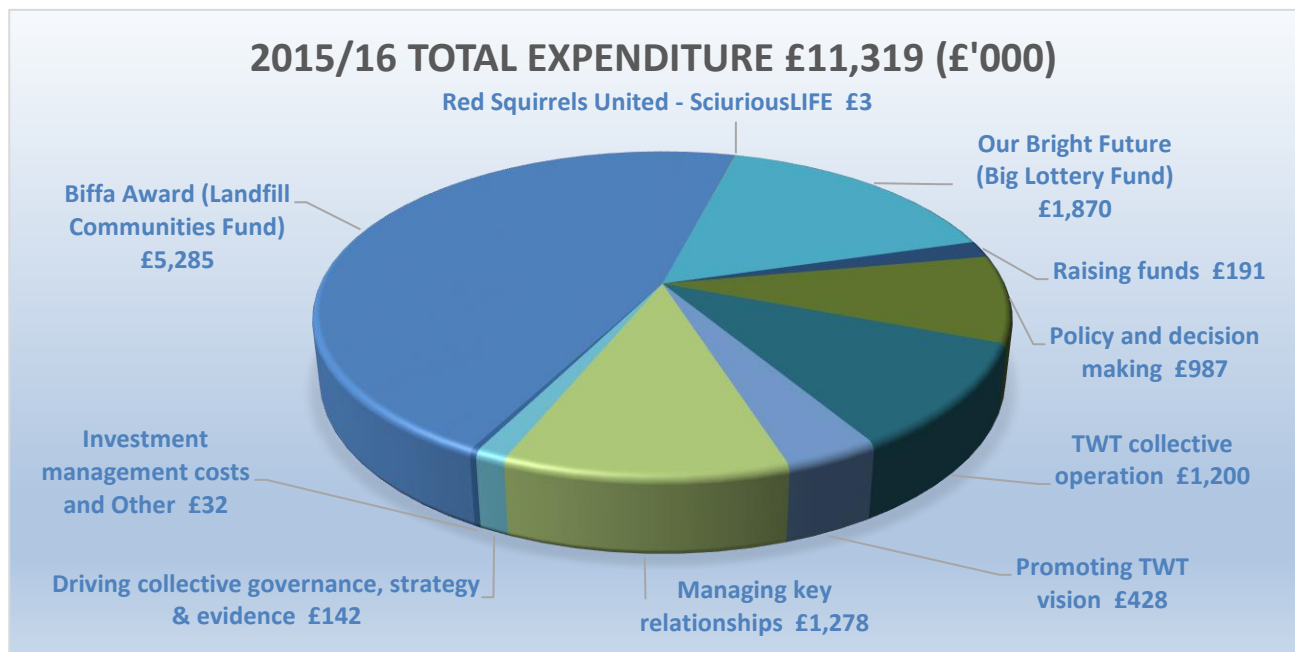
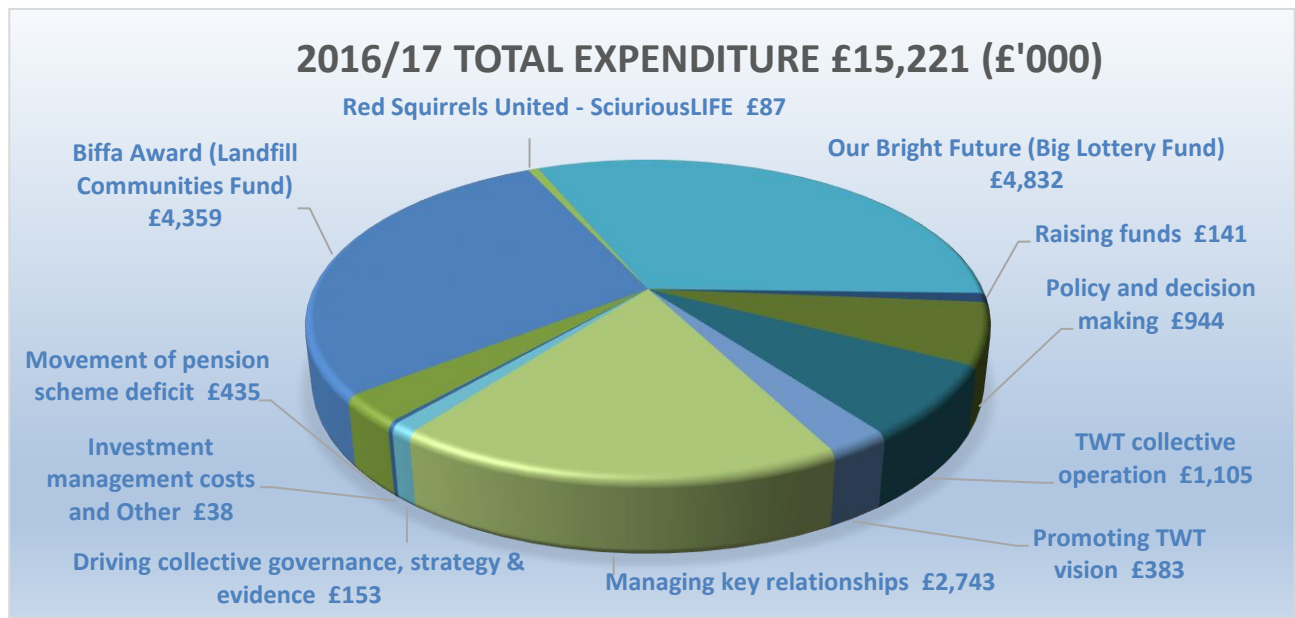
RSWT is very grateful for bequests included in legacy income from the estates of the following individuals:

- Ruth Abrams Lucette Atkins Florence Carter Stanley Cottingham
- Rosa Martell Audrey Oakes Mrs Kovachich Deborah Cookson
- Mavis Dive Enid Haywood Jai Kaur & Unjagar Singh Roy Kennedy
- Ronald Lowe Margaret Brown Janine Farwell

Royal Society of Wildlife Trusts
TRUSTEES' REPORT
for the year ended 31 March 2017

Resources expended

Total expenditure during the year amounted to £15.2 million (2016: £11.3 million) of which expenditure on charitable activities totalled £15.1 million (99% of the total).



The pension deficit provision has increased by £466,000 in 2016/17 which is mainly due to additional deficit recovery contributions being agreed in the year: the net present value of these additional contributions is £435,000.

Trading activities

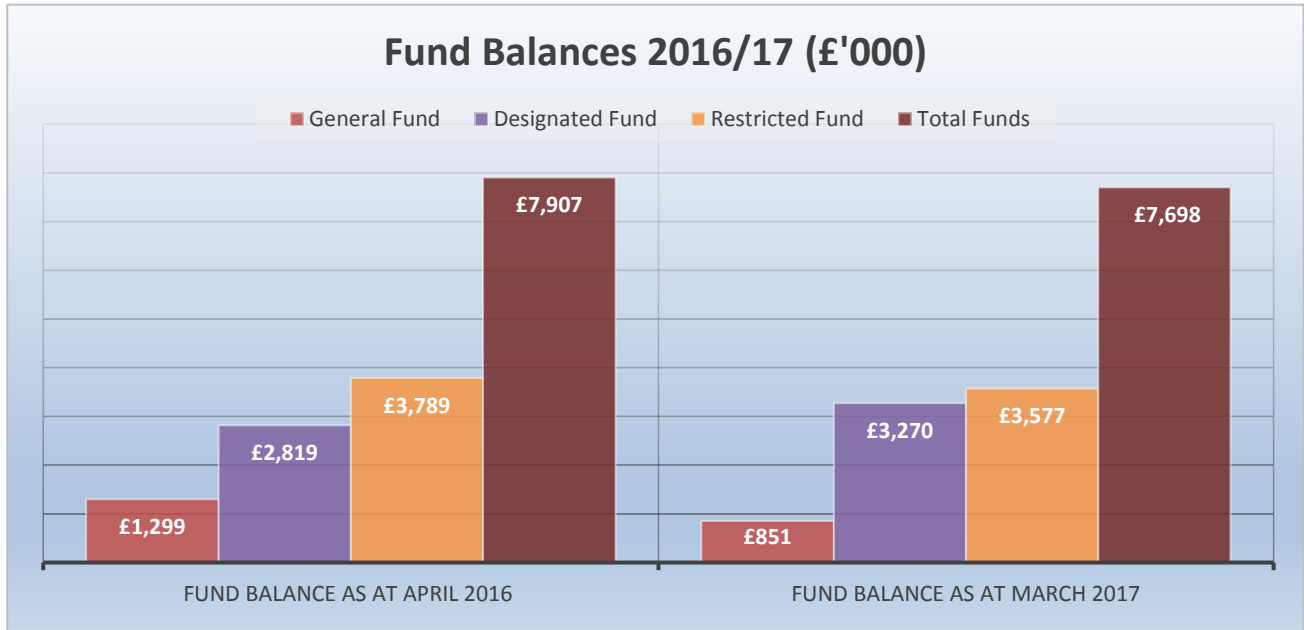
The charity's trading subsidiary, The Wildlife Trusts Services Limited, provides services to Wildlife Trusts. Subsidiary turnover was £392,000 (2015/16: £214,000), primarily relating to income from corporate relationships. After making a net gift aid donation to the charity of £171,000 (2015/16: £23,000), the subsidiary reported a net profit before tax of £0 (2015/16: £25,000).

Royal Society of Wildlife Trusts
TRUSTEES' REPORT
for the year ended 31 March 2017

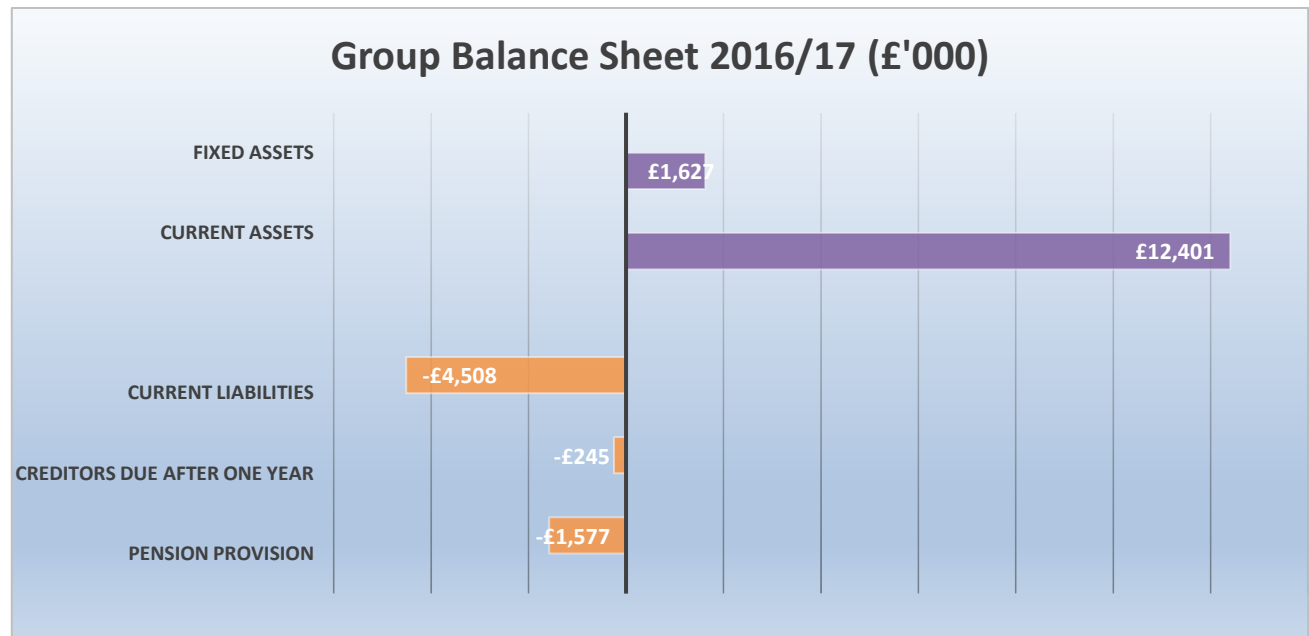
Investment gain/loss

Our Sarasin Alpha Fund investments reported a gain of £125,000 for the year reflecting the gain in investment markets over the year.

Net movement in funds and fund balances



Balance Sheet

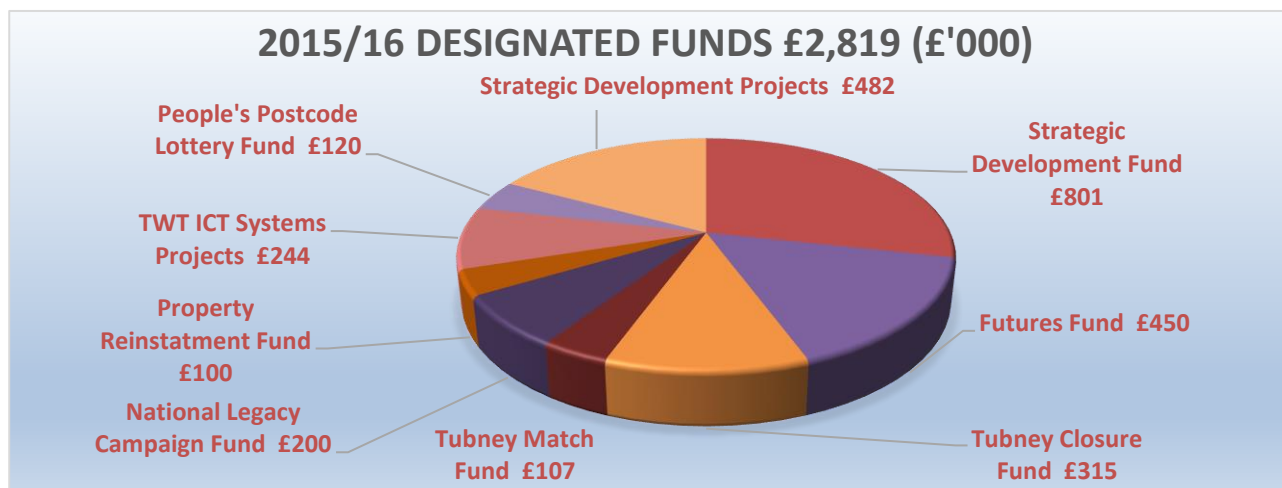
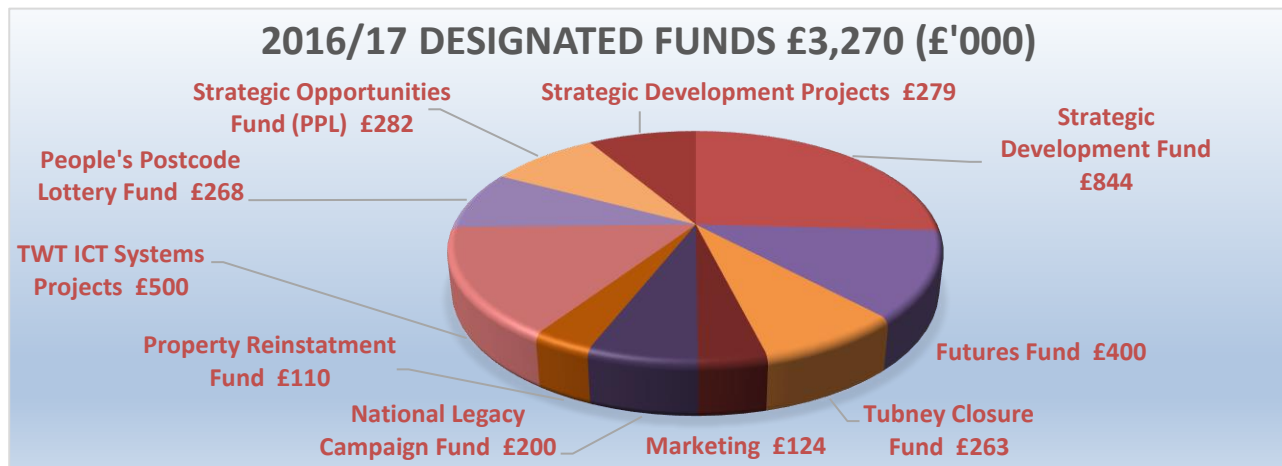


Royal Society of Wildlife Trusts
TRUSTEES' REPORT
for the year ended 31 March 2017

Financial Reserves

Designated funds

Designated funds are those unrestricted reserves that the Trustees have designated for particular purposes.



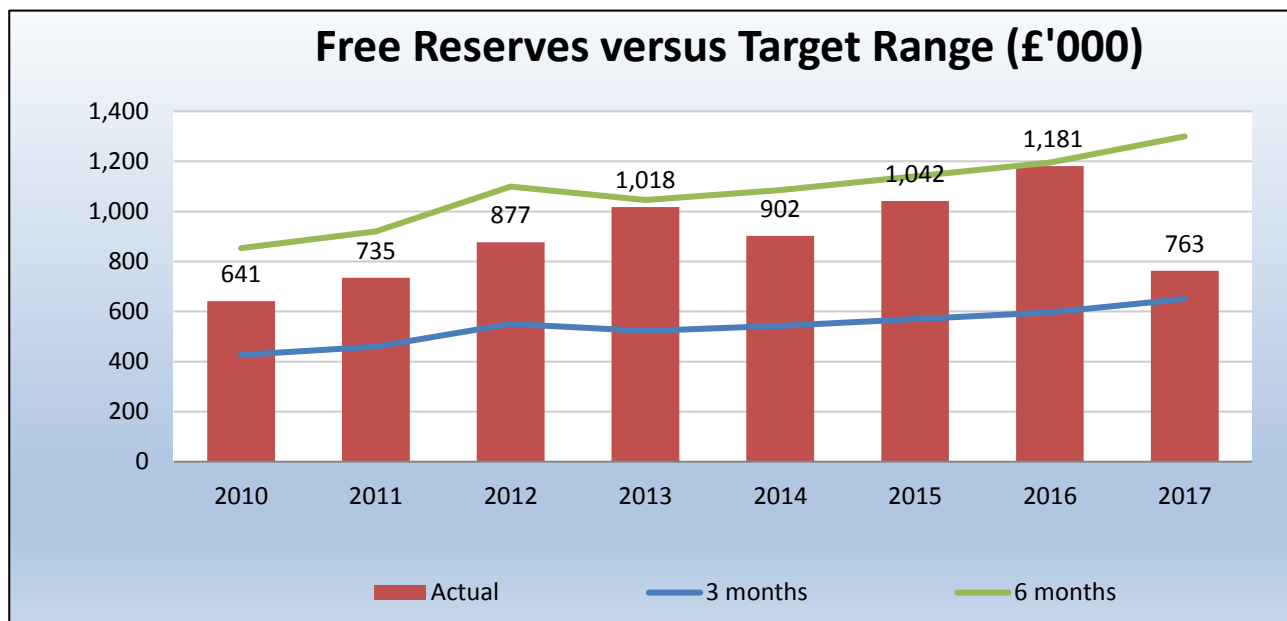
Free reserves

Free reserves provide the working capital requirements of the charity, whilst providing a buffer of liquid funds in case of any short-term decline in income, unexpected increase in costs or risk exposure. They are intended to ensure that contractual obligations to staff, premises and funding partners can be met. RSWT calculates its free reserves by deducting fixed assets from its general unrestricted funds.

Free Reserves Calculation	2017	2016
	£'000	£'000
General Unrestricted Funds	851	1,299
Less: Tangible Fixed Assets	(51)	(81)
Less: Heritage Assets	(37)	(37)
Free Reserves	<u>763</u>	<u>1,181</u>

The Trustees seek to maintain a level of free reserves of between three and six months' establishment and non-project staff costs. This currently equates to a range of £0.6 million to £1.3 million. The current level of free reserves is £0.8 million, falling within the target range and equating to approximately 3.5 months' core costs.

The level of free reserves in recent years, compared with the target range, is shown in the chart below:



Investment policy

RSWT's Royal Charter empowers the Trustees to invest any funds not immediately required by the charity in any security authorised for the investment of Trust funds. The Trustees' investment objective is to maximise the charity's total return from investments, consistent with a moderate level of risk and a socially responsible investment policy.

Pension Commitments

The last full actuarial valuation of the Wildlife Trusts Pension Scheme, as at 1 April 2013, reported a scheme deficit of £5.9 million. The initial results of the triennial valuation as at 1 April 2016 has indicated a similar deficit of £5.9 million.

In accordance with the 2013 schedule of contributions, RSWT's deficit recovery payments increased by 32% to £131,172 per annum, from August 2014, increasing thereafter by 2.8% per annum. The schedule of repayments for the 2016 valuation requires a further increase, to £179,028 per annum from August 2018, increasing by 3% annually. The repayment plan has been extended and it is anticipated that the deficit will be eliminated by August 2026. The total commitment at 31 March 2017 amounted to £1.78 million (2016: £1.28 million). The present value of this commitment, when discounted at the current yield on AA rated 15 year+ corporate bonds of 2.51% (2016: 3.36%), amounted to £1.58 million (2016: £1.11 million). This liability is reflected in the balance sheet, in accordance with the Charities SORP for FRS102.

Related parties

RSWT, together with a number of Wildlife Trusts, jointly participate as employers within The Wildlife Trusts Pension Scheme, which is described in Note 12.

The charity has a wholly-owned trading subsidiary, The Wildlife Trusts Services Limited, which provides services on a commercial basis to The Wildlife Trusts and makes an annual gift aid donation to RSWT.

During 2016/17 one of the Trustees donated £2,400 plus gift aid to support one of the TWT ICT Systems Projects.

PLANS FOR THE FUTURE

Support for The Wildlife Trusts

During the coming year, RSWT will continue to support the work of The Wildlife Trusts by:

- Raising profile through an enhanced website, highly effective media and social media work and an expanded *30 Days Wild* campaign in Summer 2017.
- Supporting Trusts with their membership and legacy work through research and development.
- Working intensely with Trusts and other organisations to influence environmental regulation, and policies on agriculture and fisheries as the UK negotiates its departure from the European Union, working closely with colleagues in the devolved nations.
- Pressing for continued designation of Marine Protected Areas across UK seas and influencing decisions affecting the health of these important sites – working with Government and developers.
- Developing further work on business efficiencies and organisational effectiveness including through further roll out of a common Customer Relationship Management system, embedding the new intranet platform, finalising and populating a new common web platform and progressing with finance systems.

And, with a focus on Westminster and England, by:

- Seeking to secure strong wildlife policy commitments in the build-up to the 2017 General Election and follow up with new MPs.
- Promoting ambition in the Government's 25 Year Plan for the Environment and promoting the need for it to be underpinned by legislation and
- Pressing for the designation of a full set of Marine Conservation Zones as the third tranche of sites is considered.

Administration of Partnership Programmes and Grants

Biffa Award programme

Under legislation, the standard rate of Landfill Tax will increase from £84.40 per tonne to £86.10 from 1 April 2017. For 2017/18 the maximum percentage Landfill Tax that a site operator may claim for contributions to environmental bodies will be increased from 4.2% to 5.3%. 2017 will see the 20th anniversary of the Landfill Communities Fund. The programme's target for the percentage of total funds which should go towards biodiversity projects has been maintained at 35% for 2017/18. Programme income and expenditure is expected to reduce in 2017/18.

Our Bright Future

Over the coming year, the programme evaluation work will continue and real time learnings will be shared with the projects and partner organisations. Our policy and advocacy work will be developed and relationships will be formed and strengthened with local, regional, country and UK stakeholders. Youth engagement will continue through our youth-led campaign which will be finalised and launched later in 2017.

Red Squirrels United

Over the next three years of project delivery, the partnership will be looking to maintain and increase populations of red squirrels in the nine stronghold areas. This will be done through a programme of engagement with volunteers, landowners and local conservation practitioners, as well as wider communications with the general public to raise awareness of red squirrel conservation. We will also be investigating public attitudes towards red squirrel conservation to understand if and how it changes during the course of the project and using ecological monitoring to ensure all our conservation work will enable effective conservation of red squirrel populations.

Royal Society of Wildlife Trusts

TRUSTEES' REPORT

for the year ended 31 March 2017

Principal Risks and Uncertainties

The Trustees have examined the principal areas of RSWT's work and considered the major risks arising in each of these areas. In the opinion of the Trustees, RSWT has established processes and systems which, under normal circumstances, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations. RSWT also compiles and shares The Wildlife Trusts' benchmarks on governance, finances and other issues to support risk management across the wider movement. Mitigation and management is shown in italics below.

All our external work to promote our mission is affected by uncertainties in the political, economic and policy environment across the UK and in England. The single greatest risk this year is that of losing regulatory protection for wildlife and financial support for wildlife-friendly farming and sustainable fishing in the wake of the UK voting to leave the EU. We worked hard to express the risks of Brexit to wildlife and our mission before the Referendum. After the vote we stepped up efforts further to build policy across these areas with other environmental groups. We were active in building relations with new Ministers and in promoting our views to Government and business sectors. We led the sector's work to seek new stronger domestic legislation and were key to building consensus on future farm and fisheries policies with other charities in the sector.

Government cuts have decimated local authority budgets and those of the statutory nature conservation agencies leaving Wildlife Trusts often standing alone in funding wildlife data collection and influencing planning decisions. Brexit led to Government declarations that Britain was "open for business" bringing further risks of planning deregulation and even more pressure on wildlife from new housing and infrastructure particularly in the south of England. In mitigation we are actively engaged in influencing central and local Government planning policy and in relations with house builders and other developers.

Negative publicity and inaccurate portrayal of the charity sector by the media has been associated with a decline in public trust in charities. New laws, guidance and rules are emerging that risk unduly constraining our voice and fundraising activities. Our new Development Strategy will help to mitigate this as we start to express our beliefs more effectively to the public and members; and communicate our work better. We are also engaging actively with representative bodies such as NCVO (National Council for Voluntary Organisations) and the new Fundraising Regulator.

The pension deficit continues to be a burden on the organisation and its corporate members and deficit payments are set to rise further although this is manageable (reflected as a liability on the balance sheet). There remains a small risk of a Section 75 debt being triggered in relation to RSWT, Somerset Wildlife Trust and a few other Trusts. We did a substantial amount of work to resolve the Section 75 position this year and believe that we may have now found a cost effective solution due to our determination to avoid unnecessary costs.

As with any organisation we are exposed to the risk of loss of income, failures in executive or governance performance and loss of key trustees or senior staff. Loss of ICT functionality is another ongoing risk. Our funding from individual Trusts was committed to for four years in November 2015 and we managed to secure Landfill Communities Fund income due to our lobbying. Our executive team is led by an experienced CEO and four highly effective senior Directors with a team of Senior Managers beyond that which together provides a resilient staff base for succession planning. A Sub Nominations Panel was formed this year to plan for Chair succession after November 2017 and a new Nominations Panel oversees trustee and committee succession. We reviewed our business continuity plan during the year.

This Trustees' Report was approved by the TWT Council and signed on its behalf.



René H Olivieri
Chairman
13 July 2017

Royal Society of Wildlife Trusts

AUDITOR'S REPORT

for the year ended 31 March 2017

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE ROYAL SOCIETY OF WILDLIFE TRUSTS

We have audited the financial statements of the Royal Society of Wildlife Trusts for the year ended 31 March 2017 set out on pages 24 to 45 and comprising the accounting policies, consolidated statement of financial activities, balance sheets, consolidated cash flow statement, notes 1 to 29 and Appendix 1 detailing the grants made. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102.

Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 auditors under the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 parent charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the TWT UK Chair and Chief Executive Report, Chair and Director of TWT England Report and Trustees' 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 charity's affairs as at 31 March 2017 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

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

- the information given in the TWT UK Chair and Chief Executive Report, Chair and Director of TWT England Report and Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept sufficient accounting records; or

Royal Society of Wildlife Trusts
AUDITOR'S REPORT
for the year ended 31 March 2017

- the parent charity's financial statements are not in agreement with the accounting records and returns;
or
- we have not received all the information and explanations we require for our audit.



.....
Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Date: 24th August 2017

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Royal Society of Wildlife Trusts

ACCOUNTING POLICIES

for the year ended 31 March 2017

Accounting convention

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Basis of consolidation

RSWT's wholly owned trading subsidiary, The Wildlife Trusts Services Limited, has been consolidated on a line-by-line basis in the SOFA and balance sheet.

Incoming resources

Income is generally recognised on a receivable basis and is reported gross of related expenditure, where there is entitlement and the amount is reasonably certain and when there is adequate probability of receipt. The specific bases used are:

- Donations include grants that provide core funding or are of a general nature.
- Legacies are recognised when there is sufficient evidence to provide the necessary probability that the legacy will be received and the value of the legacy can be measured with sufficient reliability. Income is not recognised for legacies which remain subject to a life interest.
- Fundraising income, comprising corporate sponsorship and royalties, is recorded when receivable.
- Subsidiary trading income is the total amount received for goods and services provided, excluding VAT and trade discounts.
- Contractual income is recorded when receivable.
- Investment income is recorded when receivable.
- Grants and donations are recognised once entitlement and value have been confirmed in writing.
- Grants and donations that are subject to donor imposed conditions that specify the time period in which the expenditure of resources can take

place are accounted for as deferred income and recognised as a liability until the relevant accounting period in which RSWT is allowed by the condition to expend the resource. Grants and donations without such pre-conditions are not deferred, even if the resources are received in advance of the expenditure on the activity funded by the grant or donation.

- Direct beneficiary lottery income from People's Postcode Lottery is recorded net. RSWT has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal and not RSWT. Therefore, only net proceeds due to RSWT are recognised under People Postcode Lottery (PPL) income in the statement of financial activities.

Resources expended

Expenditure is accounted for on an accruals basis and has been allocated to the appropriate heading in the accounts.

- Fundraising costs relate to expenditure incurred in raising voluntary income for RSWT, fundraising trading costs and investment management costs.
- Charitable activities' expenditure relates to expenditure on meeting RSWT's charitable objects. This includes the costs of fundraising on behalf of individual Wildlife Trusts and the costs of publications, the primary purpose of which is environmental education, awareness and advocacy. It also includes all grant-making programmes.
- Support costs, including finance, human resources, telecommunications, information systems, office accommodation, governance and general management, are fully apportioned to other cost categories, based on direct staffing levels.
- Governance costs are costs associated with the governance arrangements of the charity. These costs include internal and external audit, legal advice for Trustees and costs associated with meeting constitutional and statutory requirements, such as the cost of Trustees' meetings and the preparation of statutory accounts. This category also includes costs associated with the strategic, as opposed to day-to-day, management of the charity's activities.

Grants paid and payable are included as a liability when a constructive obligation is entered into by RSWT, being the date a grant offer is communicated to the grant recipient and any conditions relating to the grant are outside the control of RSWT.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Royal Society of Wildlife Trusts

ACCOUNTING POLICIES

for the year ended 31 March 2017

Volunteer help

Honorary Officers and Trustees provide support to RSWT and The Wildlife Trusts. It is not practical or feasible to place a value on the time volunteered in this respect by these persons or other temporary or occasional volunteers.

Pension costs

RSWT, together with a number of other employers, operates The Wildlife Trusts Pension Scheme ('WTPS'). WTPS is a multi-employer Scheme and its actuary has advised RSWT that it is not possible to identify RSWT's share of the Scheme's underlying assets and liabilities on a consistent and reliable basis. Accordingly, the defined benefit element of the Scheme has been accounted for as if it were a defined contribution scheme. The pension charge shown in the accounts is therefore the amount payable by RSWT during the financial year. The movement in the provision for future deficit recovery payments is reflected within other recognised gains and losses.

RSWT also contributes to a group personal pension scheme on behalf of eligible employees. The contributions to this scheme are accounted for on an accruals basis.

Full details of RSWT's pension arrangements are given in Note 12.

Fund accounting

General funds can be used in accordance with the RSWT's charitable objects at the discretion of the Trustees.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific purposes or projects.

Unrestricted funds are the total of general and designated funds.

Restricted funds are funds set aside for undertaking an activity specified by the donor.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Tangible assets

Tangible fixed assets are capitalised and included at cost. The minimum capitalisation value for an individual fixed asset is £250.

Fixed assets are depreciated so as to write off the cost, less estimated residual value, in equal annual instalments over their useful economic lives, as follows:

Property fixtures and fittings	5-15 years
Computer hardware	3 years
Computer software	3-5 years
Furniture and other office equipment	5 years
Vehicle	6 years

Heritage assets

Heritage assets comprise of one nature reserve owned by RSWT, which was valued by the Trustees on 7 May 1971. This valuation is deemed to be equivalent to cost. No further revaluations will be carried out, as permitted by paragraph 18.13 of the SORP. The heritage asset is assumed to have an indefinite economic life and therefore is not depreciated but is reviewed for impairment annually.

Investments

RSWT's investment in its trading subsidiary is stated at the lower of cost and net asset value and is treated as a fixed asset investment.

Marketable investments are stated at mid-market price at the balance sheet date. The movement shown in the consolidated statement of financial activities comprises both realised and unrealised gains and losses.

The gain or loss on investments is calculated after charging transaction costs but before deducting investment management fees, which are shown separately on the Statement of Financial Activities.

Concessionary Loans

The carrying amount of loans to Trusts is calculated from the original loan value adjusted for any repayments. As programme-related investments, no effective rate of interest is applied.

Current investments

Current investments represent funds held in interest bearing deposit accounts with notice periods of more than one day and less than 12 months.

Deferred income

Income which has been received, or is receivable, but which is subject to conditions which prevent its recognition in the current financial year is recognised as a liability in the balance sheet until the relevant accounting period in which RSWT is allowed by the condition to expend the resource.

Stock

Stock is valued at the lower of cost and net realisable value.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Finance leases

Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Royal Society of Wildlife Trusts
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2017

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Incoming from:					
Donations and legacies	1	2,124	3	2,127	1,928
Charitable activities	2	752	9,156	9,908	9,589
Other trading activities	3	2,809	-	2,809	216
Investments	4	56	18	74	84
Other income	5	-	-	-	1
Total income		5,741	9,177	14,918	11,818
Expenditure on:					
Raising funds	6	149	-	149	198
Charitable activities	7	6,073	8,999	15,072	11,121
Total expenditure	8	6,222	8,999	15,221	11,319
Net gains/(losses) on investments	16	125	-	125	(60)
Net income/(expenditure)		(356)	178	(178)	439
Transfers between funds	23	390	(390)	-	-
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension schemes	12	(31)	-	(31)	12
Net movement in funds		3	(212)	(209)	451
Reconciliation of funds					
Total funds brought forward		4,118	3,789	7,907	7,456
Total funds carried forward		4,121	3,577	7,698	7,907

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations.

Royal Society of Wildlife Trusts
CONSOLIDATED AND SOCIETY BALANCE SHEETS
as at 31 March 2017

	Notes	2017		2016	
		Group £'000	Charity £'000	Group £'000	Charity £'000
Fixed assets					
Tangible assets	15	51	51	81	81
Heritage assets		37	37	37	37
Investments	16	1,098	1,148	981	1,031
Social investments	17	441	441	674	674
Total fixed assets		1,627	1,677	1,773	1,823
Current assets					
Stock		5	5	5	5
Debtors	18	1,655	1,685	1,953	1,903
Investments	19	1,746	1,746	1,380	1,380
Cash at bank and in hand		8,995	8,768	10,444	10,402
Total current assets		12,401	12,204	13,782	13,690
Liabilities					
Creditors: amounts falling due within one year	20	4,508	4,361	6,202	6,160
Net current assets		7,893	7,843	7,580	7,530
Total assets less current liabilities		9,520	9,520	9,353	9,353
Creditors: amounts falling due after more than one year	20	245	245	335	335
Net assets before pension provision		9,275	9,275	9,018	9,018
Pension provision	12	1,577	1,577	1,111	1,111
Total net assets	24	7,698	7,698	7,907	7,907
The funds of the charity:					
General funds		851	851	1,299	1,299
Designated funds	22	3,270	3,270	2,819	2,819
Total unrestricted funds		4,121	4,121	4,118	4,118
Restricted income funds	23	3,577	3,577	3,789	3,789
Total funds		7,698	7,698	7,907	7,907

The accompanying accounting policies, notes and appendix form an integral part of these financial statements.

The financial statements were approved by RSWT Council on 13th July 2017 and signed on its behalf by:



Michael R P Power ACA
Hon. Treasurer

Royal Society of Wildlife Trusts
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2017

Group	Notes	2017 £'000	2016 £'000
Cash flows from operating activities:			
Net cash used in operating activities	25	(1,373)	(1,094)
Cash flows from investing activities:			
Dividends received		35	33
Bank interest received		36	46
Money market fund income received		3	5
New loans issued to Trusts		-	(100)
Loan repayments received		233	580
Proceeds from sale of property, plant and equipment		-	1
Purchase of property, plant and equipment		(17)	(10)
Net cash provided by investing activities		291	555
Change in cash and cash equivalents in the reporting periods		(1,083)	(539)
Cash and cash equivalents at the beginning of the reporting period		11,824	12,363
Cash and cash equivalents at the end of the reporting period	25	10,741	11,824

Royal Society of Wildlife Trusts
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

1. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Legacies	245	-	245	138
Wildlife Trusts' contributions	1,709	-	1,709	1,667
Donations	170	3	173	123
Total income from donations and legacies	2,124	3	2,127	1,928

The estimated value of legacies notified, but not included within the accounts, amounted to £179,000, of which £100,000 relates to life interests. The balance of £79,000 relates to residual legacies, where the value of the legacy cannot yet be accurately ascertained.

2. CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Income from charitable activities:				
Biffa Award (Landfill Communities Fund)	-	4,309	4,309	6,129
Red Squirrels United - SciriousLIFE	-	3	3	88
Our Bright Future (Big Lottery Fund)	-	4,786	4,786	1,920
Grants Unit	-	9,098	9,098	8,137
Magazine Income	246	-	246	251
People's Postcode Lottery (PPL) grants	-	-	-	525
Other income	506	58	564	676
The Wildlife Trusts (England & UK functions)	752	58	810	1,452
Total income from charitable activities	752	9,156	9,908	9,589

The funding objectives of the Grants Unit's funding bodies are set out in the Trustees' Report. The Wildlife Trusts (England & UK functions) income represents funds arising from the charitable activities of RSWT, acting in its capacity as the co-ordinating body of the England and UK functions of The Wildlife Trusts. Contributions made by individual Wildlife Trusts to RSWT are included within voluntary income, as detailed in Note 1.

3. OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Income from other trading activities:				
Royalties	326	-	326	182
Subsidiary trading income	30	-	30	34
People's Postcode Lottery (PPL) income	2,453	-	2,453	-
Total income from other trading activities	2,809	-	2,809	216

During the year RSWT received the proceeds of lotteries held by PPL. RSWT has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal and not RSWT. Therefore, only net proceeds due to RSWT are recognised under People Postcode Lottery (PPL) income in the statement of financial activities. The net proceeds received are analysed as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Ticket Value	8,176	-	8,176	-
Prize Fund	(3,267)	-	(3,267)	-
Management Fee	(2,456)	-	(2,456)	-
Net proceeds received	2,453	-	2,453	-

4. INVESTMENTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Income from investments:				
Dividends - UK	30	-	30	33
Loan Interest - SDF	5	-	5	-
Bank interest - UK	21	15	36	46
Money market fund income - overseas	-	3	3	5
Total income from investments	56	18	74	84

Money market fund income relates to income from the Deutsche Global Liquidity Series' Deutsche Sterling Managed Fund. The company is listed in Ireland.

Royal Society of Wildlife Trusts
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5. OTHER INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Other income				
Profit on sale of fixed assets	-	-	-	1
Total other income	-	-	-	1

6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Costs of raising donations	117	-	117	164
Fundraising trading: costs of goods sold and other costs	24	-	24	27
Investment management costs	8	-	8	7
Total expenditure on raising funds	149	-	149	198

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Expenditure on charitable activities by fund				
Administering major grant programmes	360	8,918	9,278	7,158
Influencing government policy and decision making	900	44	944	987
Ensuring TWT operate more effectively as a collective	1,085	20	1,105	1,200
Promoting The Wildlife Trusts' vision	366	17	383	428
Managing key relationships	2,744	-	2,744	1,278
Driving Collective Governance, Strategy & Evidence	153	-	153	142
Other	30	-	30	25
Movement of pension deficit provision (Note 12)	435	-	435	(97)
Total expenditure on charitable activities	6,073	8,999	15,072	11,121

8. TOTAL EXPENDITURE

	Direct Staff costs £'000	Other direct costs £'000	Grants expended £'000	Support costs £'000	Govern- ance costs £'000	Total 2017 £'000	Total 2016 £'000
Expenditure on raising funds	47	48	-	37	8	141	191
Investment management costs	-	8	-	-	-	8	7
Raising Funds	47	56	-	37	8	149	198
Expenditure on charitable activities:							
Biffa Award (Landfill Communities Fund)	184	148	3,874	141	12	4,359	5,285
Red Squirrels United - ScirriousLIFE	43	28	-	14	2	87	3
Our Bright Future (Big Lottery Fund)	215	199	4,310	94	14	4,832	1,870
Grants Unit	442	375	8,184	249	28	9,278	7,158
Influencing government policy and decision making	550	207	10	152	24	943	987
Ensuring TWT operate more effectively as a collective	260	677	(3)	149	23	1,106	1,200
Promoting The Wildlife Trusts' vision	147	169	-	58	9	383	428
Managing key relationships	274	294	2,073	90	13	2,744	1,278
Driving Collective Governance, Strategy & Evidence	89	28	-	31	5	153	142
Other	(8)	16	22	-	-	30	25
Movement of pension deficit provision (Note 12)	435	-	-	-	-	435	(97)
The Wildlife Trusts (England & UK functions)	1,747	1,391	2,102	480	74	5,794	3,963
Total expenditure	2,236	1,823	10,286	766	110	15,221	11,319

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8. TOTAL EXPENDITURE (Cont.)

The RSWT Grants Unit distributes funds provided through major funding programmes. The detailed objectives for each of these programmes are included within the Trustees' report. Details of the grants offered within each programme are shown in Note 10. Full details are included within the Appendix.

The Society's activities on behalf of The Wildlife Trusts aim to ensure that the interests of the movement are represented at a UK and England level when a strong collective voice is required, and to provide leadership for its development.

An element of staff costs is contained within support and governance costs.

A provision for the liability to contribute to the deficit of the Wildlife Trusts Pension Scheme has been made, as described further in note 12. This provision has been set against the unrestricted funds of the charity as there is no guarantee that the restricted funds employing the past members of the fund will continue for the period needed to cover the commitment. The release of the provision is therefore shown as a credit to unrestricted funds whereas contributions follow the allocation of salaries on an annual basis wherever possible.

Total Expenditure includes:	2017	2016
	£'000	£'000
Operating lease rentals:		
Land & buildings	38	43
Cars & office equipment	5	5
Auditor's remuneration:		
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	12	12
The audit of the Charity's subsidiary, pursuant to legislation	2	2
Accountancy services	1	1
All other services	5	6
Depreciation:		
On owned assets	43	42
On finance lease assets	4	9
Payments to Trustees:		
Trustees expenses	8	8

Nine Trustees were reimbursed for reasonable and necessary expenses incurred in the performance of their duties.

No Trustees were remunerated for their services during the year. One Vice President was remunerated for services during the year.

9. ANALYSIS OF SUPPORT COSTS

	General				Premises and administ- rative	Govern- ance	Total	Total
	management	Finance	HR	IT	support	ance	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure on raising funds	6	9	5	7	10	8	45	40
Expenditure on charitable activities:								
Biffa Award (Landfill Communities Fund)	12	19	11	15	83	12	152	168
Red Squirrels United - SciriousLIFE	3	4	2	3	1	3	16	-
Our Bright Future (Big Lottery Fund)	15	24	14	18	24	14	109	51
Grants Unit	30	47	27	36	108	29	277	219
Influencing government policy and decision making	26	39	23	31	34	24	177	192
Ensuring TWT operate more effectively as a collective	24	36	22	29	38	23	172	90
Promoting The Wildlife Trusts' vision	9	14	9	11	15	9	67	79
Managing key relationships	14	21	13	17	24	13	102	125
Driving Collective Governance, Strategy & Evidence	5	8	4	6	8	5	36	27
The Wildlife Trusts (England & UK functions)	78	118	71	94	119	74	554	513
Total support costs 2017	114	174	103	137	237	111	876	772
Total support costs 2016	106	147	87	112	220	100	772	

Support costs are allocated to activities on the basis of the weighted average number of staff directly engaged in those activities.

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10. ANALYSIS OF GRANTS EXPENDED

Programme	Activities undertaken directly	Grants to Wildlife Trusts	Grants to other institutions	Administration and support costs	Total 2017	Total 2016
	£'000	£'000	£'000	£'000	£'000	£'000
Biffa Award (Landfill Communities Fund)	8	316	3,558	393	4,275	5,269
Red Squirrels United - ScuriousLIFE	-	-	-	87	87	3
Our Bright Future (Big Lottery Fund)	-	963	3,347	522	4,832	1,870
Strategic Development Fund	191	(11)	-	27	207	370
People's Postcode Lottery	-	1,910	-	52	1,962	444
Red Squirrels United (Heritage Lottery Fund)	-	-	-	-	-	74
Distribution of royalties (Vine House Farm)	-	105	-	-	105	115
Distribution of donations (Center Parcs)	-	20	-	-	20	30
Distribution of donations (Dobbies)	-	-	-	-	-	15
Distribution of donations (Britvic)	-	12	-	-	12	-
Distribution of donations (Waitrose Travel Cups)	-	26	-	-	26	-
Marine Protected Areas Fighting Fund (Tubney)	4	2	1	-	7	16
Other grants	-	38	-	-	38	32
Total grants expended	203	3,381	6,906	1,081	11,571	8,238

RSWT does not issue grants to individuals. A full list of grants expended during the year is included in the Appendix.

11. STAFF COSTS

The movement in the year is after charging:	Note	2017	2016
		£'000	£'000
Wages & salaries		1,769	1,741
Holiday pay accrual		2	(1)
Social Security costs		175	171
Pension costs	12	254	250
RSWT Staff		2,200	2,161
Seconded staff costs		85	68
Temporary staff costs		-	1
Total		2,285	2,230

The average number of employees, calculated on a head count basis, analysed by function was:	2017	2016
	Number	Number
The Wildlife Trusts (England & UK functions)	26	30
Grants Unit	8	11
Fundraising & Trading	2	2
Support & Governance	22	15
Total staff (Headcount)	58	58
Total staff (FTE basis)	54.1	53.5

The number of employees whose emoluments (including taxable benefits in kind but excluding employer pension costs) exceeded £60,000, was as follows:	2017	2016
	Number	Number
£100,000 - £109,999	1	1
£90,000 - £99,999	-	-
£60,000 - £69,999	3	3
Total over £60,000	4	4

Payments made by the Society during the year into the the group personal pension scheme on behalf of the above members of staff amounted to £20,806 (2015: £20,295).

Of the charity's employees, five members of staff classify as key management personnel (2016: five). The total amount of employee benefits received by key management personnel during the year for their services to the charity was £374,744 (2016: £364,979).

Royal Society of Wildlife Trusts
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12. PENSION COSTS

The Society operates two pension arrangements: a Royal London group personal pension, and The Wildlife Trusts Pension Scheme. Auto-enrolment into the group personal pension scheme commenced in July 2014.

The Wildlife Trusts Pension Scheme (WTPS)

The WTPS is a multi-employer scheme with RSWT acting as the lead employer on behalf of 25 other Wildlife Trusts. The Scheme's assets are held separately from those of the Society. The WTPS has two categories of membership: defined benefit and defined contribution.

The defined benefit or 'final salary' category closed to future accrual of benefits in October 2005. Due to ongoing matters regarding historical debts it is not currently possible to consistently identify the assets and liabilities of the WTPS that are attributable to RSWT. As allowed by section 17 of FRS 102 'Retirement and post-employment benefits', RSWT accounts for this scheme as if it were a defined contribution scheme. RSWT continues to make contributions to eliminate the scheme deficit. The level of contributions is agreed with WTPS trustees following triennial actuarial valuations. The latest triennial valuation (also known as the 'scheme funding assessment') was carried out for 1 April 2016. The valuation at 1 April 2016 indicated that the scheme was 65% funded on an ongoing basis, with a funding shortfall of £5.9 million. The main assumptions used in this calculation are shown below:

Discount rate: pre-retirement	4.45%
Discount rate: post-retirement	2.20%
Price inflation: RPI%	3.00%
Price inflation: CPI%	2.20%

The latest recovery plan requires RSWT to make increased contributions towards the deficit of £142,505 per annum from August 2017, increasing to £179,028 in August 2018 and thereafter by 3% per annum for a period of 8 years until August 2026. This equates to 21.0% of the total contribution being paid by The Wildlife Trusts.

The net present value of RSWT's contributions (discounted using a rate of 2.51%, which is based on iboxx's 15 year AA rated corporate bond yield) is £1.6 million. This has been recognised as a liability in RSWT's accounts.

Pension contributions in the year

	2017 £'000	2016 £'000
Wildlife Trusts Pension Scheme	137	134
Group personal pension and stakeholder pension schemes	117	116
Total employer pension contributions	254	250

Pension contribution liabilities

The following pension contributions were payable at the year-end and are included within creditors:

	2017 £'000	2016 £'000
Wildlife Trusts Pension Scheme	12	11
Group personal pension schemes	14	15
Total pension contribution liabilities	26	26

Pension deficit provision

	2017 £'000	2016 £'000
Movement in provision:		
Provision brought forward	1,111	1,220
Cash contributions in the year	(137)	(134)
Unwinding of effective interest	38	37
Revised repayment plan	534	-
Subtotal	435	(97)
Movement in discount rate	31	(12)
Provision carried forward	1,577	1,111

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13. SUBSIDIARY COMPANY

RSWT's wholly owned trading subsidiary, **The Wildlife Trusts Services Limited**, provides a range of services to Wildlife Trusts and RSWT. Its trading performance and balance sheet are summarised as follows:

Profit and loss account

	2017	2016
	£'000	£'000
Turnover	392	214
Cost of sales	(115)	(98)
Gross profit	277	116
Administrative expenses	(107)	(68)
Gift Aid to the charity	(171)	(23)
Profit on ordinary activities before tax	-	25
Taxation	-	-
Loss for the year	-	25

Assets, liabilities and funds

Assets	436	145
Liabilities	(386)	(95)
Total net assets and shareholder's funds	50	50

WTS Ltd made a gift aid payment to RSWT for the year of £171,000.

RSWT charged WTS Ltd £100,000 in the year for staff and administration charges. WTS Ltd also purchased a group life assurance deal for RSWT and seven other Trusts for which RSWT paid WTS Ltd for its share.

The inter-company balance WTS Ltd owed to RSWT at the accounting date was £239,000.

The above inter company transactions netted off on consolidation.

14. RSWT CHARITY RESULTS (EXCLUDING SUBSIDIARY)

	2017	2016
	£'000	£'000
The summarised results of the parent charity are as follows:		
Total incoming resources	14,797	11,690
Total resources expended	(15,099)	(11,191)
Net incoming resources	(302)	499
Holding gains/(losses)	125	(60)
Actuarial (losses)/gains on Defined pension schemes	(32)	13
Net movement in funds	(209)	452
Funds brought forward	7,907	7,455
Funds carried forward	7,698	7,907

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15. TANGIBLE FIXED ASSETS

Group	Fixtures, fittings & equipment (finance lease) £'000	Motor vehicles (owned) £'000	Fixtures, fittings & equipment (owned) £'000	Total £'000
Cost				
1 April 2016	22	-	436	458
Additions	-	-	17	17
Disposals	-	-	(25)	(25)
31 March 2017	22	-	428	450
Depreciation				
1 April 2016	14	-	363	377
Disposals	-	-	(25)	(25)
Charge for the year	4	-	43	47
31 March 2017	18	-	381	399
Net book value				
31 March 2016	8	-	73	81
31 March 2017	4	-	47	51

Charity	Fixtures, fittings & equipment (finance lease) £'000	Motor vehicles (owned) £'000	Fixtures, fittings & equipment (owned) £'000	Total £'000
Cost				
1 April 2016	22	-	352	374
Additions	-	-	17	17
Disposals	-	-	(25)	(25)
31 March 2017	22	-	344	366
Depreciation				
1 April 2016	14	-	279	293
Disposals	-	-	(25)	(25)
Charge for the year	4	-	43	47
31 March 2017	18	-	297	315
Net book value				
31 March 2016	8	-	73	81
31 March 2017	4	-	47	51

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16. INVESTMENTS

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Investments in subsidiaries				
The Wildlife Trusts Services Limited - £1 ordinary shares	-	-	-	-
The Wildlife Trusts Services Limited - 5% preference shares	-	50	-	50
The Wildlife Trusts Services Limited - Investment provision	-	-	-	-
Total subsidiary investment	-	50	-	50
Other investments at market value	1,098	1,098	981	981
Total investments	1,098	1,148	981	1,031

Analysis of movements in other investments

	Unrestricted Funds £'000	Total 2017 £'000	Total 2016 £'000
Group and charity			
Market value at 1 April	981	981	1,048
Less: Investment management fees	(8)	(8)	(7)
Add: Net gain on revaluation	125	125	(60)
Market value at 31 March	1,098	1,098	981

Other investments reflects holdings in Sarasin & Partners' Alpha Common Investment Fund for Endowments, a specialist fund diversified across a wide range of assets.

17. SOCIAL INVESTMENTS

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Amounts falling due within one year				
Loans to Trusts due within one year	110	110	133	133
Loans to Trusts due after more than one year	331	331	541	541
Total	441	441	674	674

The loans to Trusts balance relates to four Trust loans. Repayment schedules vary between loans. In 2016/17 one Trust was charged interest on its loan at Bank of England base rate plus 1%. From the 1st April 2017 another Trust's interest will increase, and it will pay interest at Bank of England base rate plus 1% on its loan balance. The other loans being interest free at this date. If loans are repaid late interest is charged at bank of England base rate plus 7%.

18. DEBTORS

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Amounts falling due within one year				
Trade debtors	470	261	355	257
Amounts due from group undertakings	-	239	-	54
Other debtors	1	1	1	1
Prepayments and income receivable	1,184	1,184	1,597	1,591
Total	1,655	1,685	1,953	1,903

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19. SHORT-TERM INVESTMENTS

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Market value at 1 April	1,380	1,380	1,771	1,771
Net withdrawals	366	366	(391)	(391)
Market value at 31 March	1,746	1,746	1,380	1,380

Short-term investments represent monies held on Deutsche Bank's Dublin based AAA rated money market funds and interest-bearing deposit accounts at UK banks, with notice periods of up to 12 months.

20. CREDITORS

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Amounts falling due within one year				
Trade creditors	316	261	219	202
Finance lease	2	2	9	9
Other taxes and social securities	49	49	47	47
Other creditors	55	24	51	47
Accruals	169	108	177	156
Grants payable	3,908	3,908	5,695	5,695
Deferred income	9	9	4	4
Total	4,508	4,361	6,202	6,160

	2017		2016	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Amounts falling due after more than one year				
Finance lease	-	-	2	2
Grants payable	245	245	333	333
Total	245	245	335	335

The finance lease is secured on the assets in regard to the agreement.

21. ANNUAL OPERATING LEASE COMMITMENTS

	2017		2016	
	Land & buildings £'000	Other £'000	Land & buildings £'000	Other £'000
Total operating lease commitments of the group and charity:				
Within one year	38	10	35	11
Between one and five years	35	6	67	16
Total	73	16	102	27

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22. DESIGNATED FUNDS

Group and charity	Balance	Movement in Funds			Balance
	1 April 2016 £'000	Incoming resources £'000	Expended in year £'000	Transfers in year £'000	31 March 2017 £'000
Strategic Development Fund	801	5	(16)	54	844
Futures Fund	450	-	-	(50)	400
Tubney Closure Fund	315	-	-	(53)	262
Tubney Match Fund	107	-	-	(107)	-
Marketing Fund	-	-	-	124	124
National Legacy Campaign Fund	200	245	(117)	(127)	201
Property Reinstatement Fund	100	-	-	10	110
TWT ICT Systems Projects	244	-	(44)	300	500
People's Postcode Lottery Fund (Postcode Green Trust)	120	2,174	(1,962)	(64)	268
Strategic Opportunities Fund (PPL)	-	279	-	3	282
Strategic Development Projects	482	-	(191)	(12)	279
Total Designated Funds	2,819	2,703	(2,330)	79	3,270

The **Strategic Development Fund** supports strategically important initiatives for The Wildlife Trusts movement. There was £45,000 of legacy income credited to the Fund this year. Plus a net transfer of £13,000 from RSWT **Strategic Development Projects**. The current projects will go on for between one and three years. No grants were made to Wildlife Trusts during the year, although £3,000 was transferred to the Strategic Opportunities Fund, for distribution to Trusts. The fund also provides loan to Wildlife Trusts, reducing the cash available in the fund.

The **Futures Fund** sets aside funds to meet future needs. £50,000 was released from the fund into General Unrestricted funds during the year.

The **Tubney Closure Fund** was created from funds arising on the transfer of Tubney Charitable Trust's remaining assets to RSWT in March 2012. It is anticipated that this fund will continue to be gradually released over the next six years to support the operations of the charity.

The **Tubney Match Fund** set aside RSWT's anticipated contribution towards the former Tubney Charitable Trust's grant towards our Living Landscape work. The balance of funds was transferred to general funds during 2016/17.

The **Marketing Fund** supports the costs of our marketing campaigns. £124,000 was transferred from General funds during the year.

The **National Legacy Campaign Fund** supports the costs of our legacy campaign. £127,000 was transferred to General funds during the year.

The **Property Reinstatement Fund** sets aside funds to meet the costs of refurbishing or relocating at the end of the charity's Newark office lease. The lease is due to expire in February 2019.

The **ICT Systems Project** sets aside funds for future development of TWT ICT systems, including finance systems and intranet, over the next two years. It includes £300,000 transferred from General funds during the year.

The **Peoples Postcode Lottery Fund** supports the Forest Schools initiative delivered by Trusts. £64,000 was transferred to General funds. The current balance of the fund will be used over the coming year.

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23. RESTRICTED FUNDS

Group and charity	Balance	Movement in Funds			Balance
	1 April 2016 £'000	Incoming resources £'000	Expended in year £'000	Transfers in year £'000	31 March 2017 £'000
Biffa Award	2,133	4,326	(3,999)	(403)	2,057
Red Squirrels United - SciriousLIFE	87	3	(87)	12	15
Our Bright Future (Big Lottery Fund)	50	4,788	(4,832)	1	7
Grants Unit funds	2,270	9,117	(8,918)	(390)	2,079
Building Momentum for <i>A Living Landscape</i> (Tubney)	1,129	-	-	-	1,129
Marine Protected Areas Fighting Fund (Tubney)	244	-	(3)	(3)	238
Rothschild Digital Visualisations (The Rothschild Foundation)	-	-	-	-	-
John Ellerman Fisheries (John Ellerman Foundation)	61	52	(31)	-	82
Marine Projects (Tubney Marine Protected Area Fighting Fund)	31	-	(4)	3	30
Coronation Meadows (Biffa Award)	12	-	(8)	-	4
Strategic Development Fund (Big Lottery Fund)	13	-	(8)	-	5
Our Bright Future (Big Lottery Fund)	1	-	-	(1)	-
Water Projects (Environment Agency/Fresh Water Habitats Trust)	-	5	(6)	1	-
Connecting Older People with Nature (The Linbury Trust)	1	-	-	-	1
Natural Service Stations (Rees Jeferrys Road Fund)	24	-	(17)	-	7
Communiactions Review (Big Assist)	-	-	-	-	-
Finance Systems Project (individual donor)	3	3	(4)	-	2
The Wildlife Trusts (England & UK functions)	1,519	60	(81)	-	1,498
Total Restricted Funds	3,789	9,177	(8,999)	(390)	3,577

Biffa Award funds are contributed by Biffa Group Ltd under the Landfill Communities Fund. In 2016/17 £393,000 was transferred from the fund to General funds to cover the administration costs of the programme. A further £10,000 of the fund contributed to the Designated Property Reinstatement Fund.

Our Bright Future is a grants programme funded by the Big Lottery Fund which has a portfolio of 31 projects across the UK.

Red Squirrels United - SciriousLIFE is a four-year project involving four Wildlife Trusts and three other partners.

Tubney Charitable Trust made a substantial contribution to our work on *A Living Landscape* and *Living Seas*, prior to its closure in March 2012.

Royal Society of Wildlife Trusts
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24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2017 are represented by:

Group	Note	Unrestricted		Restricted £'000	Total Funds £'000
		General £'000	Designated £'000		
Tangible fixed assets	15	51	-	-	51
Heritage assets		37	-	-	37
Investments	16	-	1,098	-	1,098
Social investments	17	4	437	-	441
Fixed assets		92	1,535	-	1,627
Stock		5	-	-	5
Debtors: amounts falling due within one year	18	743	13	899	1,655
Short-term investments	19	1,000	-	746	1,746
Cash and bank		1,317	1,991	5,687	8,995
Current assets		3,065	2,004	7,332	12,401
Grants payable: amounts falling due within one year		164	252	3,492	3,908
Other creditors: amounts falling due within one year		565	2	33	600
Current liabilities	20	729	254	3,525	4,508
Long term liabilities	20	-	15	230	245
Pension deficit	12	1,577	-	-	1,577
Total net assets		851	3,270	3,577	7,698

Royal Society of Wildlife Trusts
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

25. NOTES TO THE CASH FLOW STATEMENT

Group	2017	2016
	£'000	£'000
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	(209)	451
Depreciation	47	51
(Gain) / loss on investments	(125)	60
Investment management fees	8	7
Investment income	(74)	(84)
Loss / (gain) on sale fixed assets	-	(1)
Decrease / (increase) in stock	-	1
Decrease / (increase) in debtors	298	(157)
(Increase) in creditors	(1,318)	(1,422)
Net cash outflow from operating activities	(1,373)	(1,094)
Analysis of cash and cash equivalents		
	2017	2016
	£'000	£'000
Cash at bank and in hand	8,995	10,444
Cash deposits	1,746	1,380
Net cash and cash equivalents	10,741	11,824

26. CONTINGENT ASSETS

Future legacy income notified but not yet included within these financial statements is detailed in Note 1.

27. CONTINGENT LIABILITIES

The Society is a member of a multi-employer pension scheme, as described in Note 12. In July 2014, RSWT became aware of a potential breach of the section 75 clause in the Wildlife Trust Pension Scheme. This relates to there being no active members in the scheme besides life assurance only members. If the section 75 clause has been breached this will crystallise the pension liability to be paid by the RSWT. The liability will be calculated on a buy-out basis and the likely value is between £nil and £3 million. As it is not possible to reliably estimate the value of the liability, no provision has been made for this in the financial statements other than the net present value of the deficit recovery payments which RSWT continues to make on an ongoing basis as detailed in Note 12.

28. RELATED PARTY TRANSACTIONS

The charity, RSWT has one wholly owned subsidiary, The Wildlife Trusts Services Limited. An overview of transaction between the two organisation can be found in Note 13.

During the year one of the Trustees donated £2,400 plus gift aid to support the Finance Systems Project. This is included within Restricted funds (see Note 23).

Royal Society of Wildlife Trusts
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2017

29. COMPARATIVE INFORMATION

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2016 £'000
Incoming from:			
Donations and legacies	1,925	3	1,928
Charitable activities	1,251	8,338	9,589
Other trading activities	216	-	216
Investments	57	27	84
Other	1	-	1
Total income	3,450	8,368	11,818
Expenditure on:			
Raising funds	198	-	198
Charitable activities	4,123	6,998	11,121
Other	-	-	-
Total expenditure	4,321	6,998	11,319
Net (losses) / gains on investments	(60)	-	(60)
Net income/(expenditure)	(931)	1,370	439
Transfers between funds	749	(749)	-
Other recognised gains/(losses):			
Actuarial losses on defined benefit pension schemes	12	-	12
Net movement in funds	(170)	621	451
Reconciliation of funds			
Total funds brought forward	4,288	3,168	7,456
Total funds carried forward	4,118	3,789	7,907

Royal Society of Wildlife Trusts
APPENDIX: GRANT EXPENDITURE
for the year ended 31 March 2017

TWT Grants

	Peoples Postcode Lottery	Strategic Development Fund and Dame Mary Smieton Fund	Other	Grand Total
	£'000	£'000	£'000	£'000
Avon Wildlife Trust	66	-	10	76
Berkshire, Buckinghamshire & Oxfordshire Wildlife Trust	-	-	16	16
Birmingham Wildlife Trust	66	-	2	68
Brecknock Wildlife Trust	-	-	0	0
Cheshire Wildlife Trust	66	-	2	68
Cornwall Wildlife Trust	-	-	1	1
Cumbria Wildlife Trust	-	-	(3)	(3)
Derbyshire Wildlife Trust	-	-	3	3
Devon Wildlife Trust	66	-	4	70
Dorset Wildlife Trust	-	-	7	7
Durham Wildlife Trust	-	-	1	1
Essex Wildlife Trust	-	-	5	5
Gloucestershire Wildlife Trust	-	-	4	4
Gwent Wildlife Trust	-	-	2	2
Hampshire and Isle of Wight Wildlife Trust	-	-	17	17
Herefordshire Wildlife Trust	-	(3)	1	(2)
Hertfordshire Wildlife Trust	-	-	6	6
Kent Wildlife Trust	-	-	6	6
Leicestershire & Rutland Wildlife Trust	66	-	4	70
Lincolnshire Wildlife Trust	-	-	3	3
London Wildlife Trust	66	-	4	70
Norfolk Wildlife Trust	-	-	6	6
North Wales Wildlife Trust	-	-	1	1
Northumberland Wildlife Trust	225	-	2	227
Nottinghamshire Wildlife Trust	66	-	(2)	64
Scottish Wildlife Trust	525	(9)	10	526
Sheffield Wildlife Trust	66	-	1	67
Shropshire Wildlife Trust	-	-	1	1
Somerset Wildlife Trust	-	-	5	5
Staffordshire Wildlife Trust	-	-	3	3
Suffolk Wildlife Trust	-	-	15	15
Surrey Wildlife Trust	-	-	9	9
Sussex Wildlife Trust	-	-	7	7
The Wildlife Trust for Bedfordshire, Cambridgeshire and Northamptonshire	-	-	23	23
The Wildlife Trust for Lancashire, Manchester and North Merseyside	116	-	3	119
The Wildlife Trust of South and West Wales	25	-	1	26
Warwickshire Wildlife Trust	66	-	5	71
Wildlife Trusts Wales	200	-	-	200
Wiltshire Wildlife Trust	-	-	3	3
Worcestershire Wildlife Trust	-	-	3	3
Yorkshire Wildlife Trust	225	-	8	233
Grants to Non-Trusts Under £25,000	-	-	5	5
Total TWT grants	1,910	(12)	204	2,102

Figures in brackets indicate grants previously offered which have been underspent or withdrawn by the Fund

Royal Society of Wildlife Trusts
APPENDIX: GRANT EXPENDITURE
for the year ended 31 March 2017

Biffa Award Grants

	£'000		£'000
30th Reigate Scout Group	25	Luton Culture	(1)
Academy Sports Club	50	Melton Mowbray Town Estate	(50)
Achieving Results In Community	(10)	Michael Davitts GAC	50
All Saints' South Merstham PCC	(2)	Norfolk Wildlife Trust	68
Anston Cricket Club	48	Parkside and District Community Association	49
Avon Wildlife Trust	30	Plantlife International	(17)
Bawgurgh Village Hall Committee	50	Queniborough Village Hall	(2)
Bletchingley Church House Charity	50	Sheffield Wildlife Trust	21
Brantwood Football Club	48	Springvale Bowling Club	(15)
Buglife	389	Squash Nutrition	41
Butterfly Conservation	140	St Lawrence Church	(8)
Collings-Wells VC Memorial Hal	30	St Martin's Church PCC Bradley	49
Community Centre Yorkley	48	St Peter's Church, Framilode	(6)
Cumbria Wildlife Trust	1	Sussex Wildlife Trust	27
Darlaston Town (1874) Football Club	34	The Astley Association Football Club	50
Derbyshire Wildlife Trust	50	The Barn Theatre Trust	48
Devon Wildlife Trust	3	The Froglife Trust	26
East Yorkshire Rivers Trust	(7)	The Garage Trust Ltd	(50)
Farnworth Baptist Church	25	The Park Tennis Club(2012)Ltd	37
		The Wildlife Trust for Bedfordshire, Cambridgeshire and	
Featherstone & Hilton Community Centre	48	Northamptonshire	(1)
Freshwater Biological Association	1,010	The Wire Gymnastics Club	30
Friends of Dunvant Park	(5)	The Woodland Trust	43
Friends of Jesmond Library	49	The Works Skatepark Charity	44
Gloucestershire Wildlife Trust	18	Together In Matson	(50)
Harwell Village Hall	41	Trustees for Methodist Church Purposes	(1)
Hayton Playing Field Project	50	WAVE	(1)
Hungarton Sports Club	35	Whitwell Common Trustees	25
International Bomber Command Centre	700	Wolverton Town Cricket Club	31
Kemston Park Indoors Bowls Club	58	York Citizens' Theatre Trust	(8)
Kent Wildlife Trust	(1)	Yorkshire Wildlife Trust	167
King's Church Little Lever	49	Grants to Non-Trusts under £25,000	162
London Wildlife Trust	62	Total Biffa Award grants	3,874

Our Bright Future Grants

	£'000		£'000
Action for Blind People	177	Middlesbrough Environment City Trust Ltd	135
Avon Wildlife Trust	77	National Trust	147
Belfast Hills Partnership	100	National Youth Agency	243
Blackburne House	112	North Wales Wildlife Trust	129
Centre for Sustainable Energy	52	NUS	143
Cornwall Wildlife Trust	119	Probe Hull Ltd	154
Down to Earth	76	Shropshire Wildlife Trust	176
Falkland Stewardship Trust	96	St Mungo Community Housing Association	72
		The Wildlife Trust for Lancashire, Manchester and North	
Foundation for Social Enterprise t/a UnLtd	121	Merseyside	96
Friends of the Earth Trust	185	Ulster Wildlife Trust	58
Global Feedback Limited	289	UpRising	173
Groundwork London	186	vInspired	88
Ground Work UK	275	Wiltshire Wildlife Trust	163
Hill Holt Wood	98	Yorkshire Dales Millenium Trust	113
Impact Arts	143	Yorkshire Wildlife Trust	130
Learning through Landscapes	185	Total Our Bright Future grants	4,310

Royal Society of Wildlife Trusts

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Children at a Sheffield & Rotherham Wildlife Trust forest school

by Helena Fletcher



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