

WCMC

(a charitable company limited by guarantee)

Registered Company No. 02330031

Registered Charity No. 328044

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER 2013

WCMC

Legal and Administrative Details

Board of Trustees

Mr Robert Napier (Chairman)

Sir Rudolph Agnew

(Resigned 20/3/2013)

Mr Patrick J Haighton

Mr Alasdair Poore

Mr Ian Cray (Treasurer)

Mr Robin Mortimer

Professor William Adams

Appointed 7/3/2013

Senior Management

Dr Timothy Johnson

Chief Operating Officer

Mrs Judith Haste

Director of Finance and Administration

Registered Office

219C Huntingdon Road

Cambridge

CB3 0DL

United Kingdom

Auditors

Baker Tilly UK Audit LLP

Abbotsgate House

Hollow Road

Bury St Edmunds

IP32 7FA

Bankers

Barclays Bank

9-11 St Andrews Street

Cambridge

CB2 3AA

Solicitors

Mills and Reeve

Botanic House

100, Hills Road

Cambridge

CB2 1PH

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Trustees' Report

For the year ended 31st December 2013

The Trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, present the report and financial statements for the year ended 31st December 2013. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Memorandum and Articles of Association, applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its Memorandum and Articles of Association, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The Board may appoint a person who is willing to act as a Trustee, either to fill a vacancy or as an additional Trustee, provided the appointment does not cause the number of Trustees to exceed seven in accordance with the Articles as the maximum number of Trustees.

No person may be appointed as a Trustee until he has attained the age of 18 years; or in circumstances that had he already been a Trustee he would have been disqualified from acting under the provision of Article 43.

The procedure for the recruitment and appointment of trustees is provided in the Charity's Memorandum and Articles of Association.

Induction and training of new trustees

New Trustees are provided with the Charity's Articles and Memorandum of Association, together with the latest Audited Accounts and Minutes of the four previous Board Meetings. Additional information, such as the Strategic Plan, and advice is available from the other Trustees.

Organisation Structure

The day to day management of the Charity's staff, facilities and projects is undertaken by a senior management team. The Charity is provided with strategic advice by the United Nations Environment Programme, (UNEP), with which it closely collaborates and shares offices in the UK. The joint activities of the two institutions are mediated through a Steering Committee. The senior management of the Charity and of UNEP's offices in the UK meet every week to exchange ideas and information, assess the Centre's performance against the Steering Committee's requirements, plan for the future and collaborate to resolve any problems.

The senior management team is supported by a management coordination team, comprised of Heads of Programmes and Heads of Units. This team has day to day responsibility for business development, project execution and management.

Our administration headcount is low and we closely monitor the amount of staff capacity deployed on non-earning functions.

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Trustees' Report

For the year ended 31st December 2013

Related parties

The Charity works in close collaboration with the United Nations Environment Programme, (UNEP), headquartered in Nairobi, Kenya, through its UK office called UNEP-WCMC, which is co-located with the Charity.

Under the terms of the collaboration, the Charity subleases its building to UNEP-WCMC. UNEP-WCMC leases the WCMC occupied areas of the building back to WCMC.

Risk Management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate plans and controls are in place to provide a reasonable assurance that they are effectively managed. The Trustees have identified the major risks to which the charity is exposed, the most significant being the damage to the charity's reputation for the value of the work it performs.

The Trustees ensure that plans and strategies take full account of the risks identified and mitigate them as far as possible.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Charity's objects are to promote, for the public benefit, the conservation, protection, enhancement and support of nature and natural resources world-wide. These are achieved as follows:

Significant activities

The objects are achieved through the collection, building and compiling of data about biodiversity, to provide political and economic decision makers with the best possible information. This includes:

Supporting the development and adoption of policies and practices that will contribute to the conservation and sustainable use of biodiversity.

Creating important biodiversity knowledge by synthesising, analysing and reporting on the state and value of global biodiversity.

Encouraging and facilitating data sharing, interoperability and standards to create accessible web-based information on biodiversity areas of special conservation significance.

Being a trusted global repository and a partner for centralised and distributed 'foundation' databases, particularly those dealing with areas of special conservation significance.

Facilitating and supporting the creation of criteria, standards and certification to validate biodiversity related information and products.

The charity occupies a unique space in the biodiversity arena, by building and supporting collaboration and increasing the capacity of partners as necessary and appropriate, through the work of its expert and trusted scientific team, that works in close collaboration with the United Nations Environment Programme.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

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Trustees' Report

For the year ended 31st December 2013

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

During 2013, WCMC has worked to refine the way we communicate our aims and achievements. Our central aim is to position biodiversity at the heart of decision-making. In order to achieve this, our staff worked on almost 100 new projects over the year together with partners in the United Nations Environment Programme and many other organisations.

By the end of 2013 our growing team comprised more than a hundred experts in the biodiversity and ecosystem services of marine, freshwater and terrestrial environments, together with social scientists, ecological modellers, economists, lawyers, GIS specialists, policy analysts and programmers.

We have divided our work outputs into ten key areas, which are clustered into five areas where we help to strengthen the biodiversity sector, and five themes in which we specialise. The following text describes these ten key areas and some examples to illustrate the diverse range of work we carry out.

We help strengthen five key areas of our sector

The knowledge base

Good decisions are based on sound knowledge. In environmental decision-making, this means understanding the state of the environment and the drivers of environmental change, as well as tracking global responses to change. Data from individual countries can be collated to form worldwide information resources, which enable global targets to be set and progress towards them to be measured.

For example, the World Database on Protected Areas (WDPA) is the world's most comprehensive database on terrestrial and marine protected areas and just one of the major databases managed by WCMC. Spatial data from governments and collaborating non-governmental organisations are regularly updated and made easily available via the online interface, Protected Planet. Managed in partnership with the International Union for Conservation of Nature's World Commission on Protected Areas.

In 2013 we also launched the Species+ website (www.speciesplus.net), which provides centralised access to a vast database of key information on all species that are protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and other international conventions. Easy access to this information will enable national authorities to manage their countries' trade in wild species better.

Assessments and valuations

Biodiversity has a multitude of values, but society takes many of them for granted. Biodiversity and ecosystem services are treated as free goods even though we depend on them for our most basic needs – pollination, healthy soils and climate regulation, among others.

The expertise we have built at WCMC allows us to assess the state of biodiversity and ecosystem services, and the human activities that affect them. By combining these assessments with estimates of the non-monetary and monetary values of biodiversity and ecosystem services, we can provide essential biological and economic information to help guide policy-making processes.

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Trustees' Report

For the year ended 31st December 2013

For example, in 2013 WCMC and the Cropper Foundation continued to provide the Secretariat of the Sub-Global Assessment (SGA) Network. SGA Network members – both individuals and organisations – are involved in evaluations of the state of ecosystems at regional, sub-regional, national and sub-national levels, and they receive support that includes training in specific evaluation methods. In August 2013, the SGA Network ran a special session at the 6th Annual International Ecosystem Services partnership Conference in Bali, Indonesia, on 'Bridging the Science-Policy Interface'.

Tools and analysis

Trustworthy data provide the essential foundation for sound environmental decisions, but data exist in a wide array of forms, some more accessible than others. National monitoring and reporting of environmental data often yield lengthy reports that cannot be easily analysed or combined with those from other countries.

We create tools that enable environmental data to be collected, reported, analysed, interpreted and – most importantly – used quickly and efficiently in decision-making processes. The online reporting system (ORS), for example, provides a standardized, easy-to-use and inexpensive tool to help signatories to Multilateral Environmental Agreements and their secretariats track progress towards national and international commitments, and to effectively manage critically important issues such as wildlife trade. The system was initially developed by WCMC in conjunction with the Secretariats of the Convention on Migratory Species (CMS) and the African–European Waterbird Agreement.

During 2013, Parties to the CMS started to use the system to submit their national reports, which should be completed before the 11th Meeting of the Conference of Parties to be held in 2014. The system was also updated for the CITES Secretariat and further consultation is underway with the Secretariats of the Bern Convention and the UN Convention to Combat Desertification.

Policies and institutions

Governments, regional bodies, intergovernmental organisations and private businesses all define their interaction with the environment through their policies and institutions. While the conservation of biodiversity is primarily addressed through environmental policies, many impacts on biodiversity are shaped by policies in other sectors such as agriculture, industry and infrastructure. To be effective, biodiversity management must be incorporated into policy at a range of levels and across many sectors.

WCMC has more than 30 years' experience of working at this science–policy interface. We work with organisations ranging from the secretariats of Multilateral Environmental Agreements, such as the Convention on Biological Diversity, through to governments that are seeking assistance to manage the biodiversity of their own countries. We recognize the importance of getting policy right at all levels, and supporting the institutions and people who develop and deliver that policy.

In 2013, in collaboration with UNEP, we provided significant support to the interim Secretariat of the Intergovernmental Platform on Biodiversity and Ecosystem Services, as it develops its policies and work programme for the coming five years. As part of this contribution we assisted the IPBES Bureau and Multidisciplinary Expert Panel to draft the IPBES Work Programme (2014-2018) which was adopted by the IPBES Plenary in December 2013; we provided support to the IPBES interim secretariat in planning and running three meetings of the Multidisciplinary Expert Panel, two meetings of the Bureau and the Plenary.

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Trustees' Report

For the year ended 31st December 2013

Skills and competencies

Regardless of the knowledge and tools that are available, the management of biodiversity and ecosystem services is delivered by institutions – such as government ministries and private companies – and the people who work in them. To make this management more effective, staff commonly need new skills and competencies, whether in using new data and tools themselves, or in training others, thereby building the knowledge resources of their institutions.

We work with our partners to build on their own capacities through a wide range of training courses, workshops, internships and collaborative projects. We convene many partnerships and initiatives that enable participants to share skills and learn from each other.

In 2013, WCMC staff provided teaching and research supervision for undergraduate and postgraduate courses at European and North American universities. This included eight members of WCMC staff who taught on courses at four universities; and eight members of staff who provided supervision for students in seven universities during the academic year 2012-13. We also partnered with the University of Cambridge to train the next generation of conservationists through an MPhil in Conservation Leadership, supervising student consultancy and placement projects, and providing programme oversight and direction as part of the Steering Committee.

We specialise in five themes

Measuring biodiversity change

Biodiversity has many dimensions including variety, quantity, composition and distribution. Whichever of these we choose to measure, biodiversity is changing in unprecedented ways. To respond to this, we need to know what is changing, where, and at what rate.

WCMC provides information to show the current status of biodiversity and how this is changing, using our own biodiversity assessments and building on work done by others. We support national governments and regional bodies to develop and measure indicators of the state of biodiversity, and enable global reporting on biodiversity change. This kind of information is essential for tracking whether we are on course to meet targets like those adopted as part of the Strategic Plan for Biodiversity 2011–2020, and the Millennium Development Goals.

WCMC has worked with other members of the Biodiversity Indicators Partnership to identify indicators and data sets that can be used to measure progress towards global targets. In 2013, these were developed further for use in the Global Biodiversity Outlook 4, which will be launched at the Convention on Biological Diversity's Twelfth Conference of Parties in 2014. In addition to measuring past-to-present trends, this work also projects trends forward to 2020 and, in some cases, beyond.

Identifying the causes of change

We know that biodiversity is changing, and we can identify trends and directions in this change. In order to respond effectively to negative changes, we need to know what causes them. To answer this question we use sophisticated models to recreate the dynamics and causality of biodiversity change. This enables us to understand where we are now and to extrapolate ahead to the future, in order to predict the likely causes and results of change over time.

The Nereus Program is a nine-year, international research partnership dedicated to developing an interdisciplinary approach to the promotion of sustainable fisheries. As part of this project, researchers at WCMC are using species distribution models to explore the impacts of climate change on marine fish and invertebrates, and seeking to untangle the multitude of ecological, oceanographic, political and socio-economic factors that drive changes in fisheries production. This aims to allow accurate predictions of future yields to be made, forming the basis for effective and sustainable management plans.

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Trustees' Report

For the year ended 31st December 2013

During 2013 the Nereus Program researchers at WCMC developed mathematical models to determine the potential ecological and economic consequences of climate change on fisheries operating within the UK and Ireland. This highlighted a possible loss in fisheries potential within a number of regions, but the emergence of new fishing opportunities within others. The researchers also developed a novel analytical framework which allowed them to evaluate the impact of changes in international maritime policy, the physical environment and technology on global fisheries production.

Mapping hotspots and priorities

It is not possible to preserve all natural capital in every location across the globe. Decision makers must choose where to focus their conservation efforts, what levels of resource utilisation to permit and how to manage and control utilisation in practice.

We specialise in mapping spatial data related to biodiversity and ecosystem services, to visualise 'hotspots' and facilitate discussion about priorities for conservation and management. Our in-depth understanding of the issues allows us to help formulate the standards for defining such areas, as well as identifying them in map layers. In addition, with online tools, we're opening new opportunities for stakeholders to feed into these processes.

During 2013, UNEP-WCMC helped to create a set of maps of Tanzania to answer questions raised by planning for the country's participation in REDD+ (which aims to reduce emissions from deforestation and forest degradation). We collaborated with national and international partners to interpret and communicate data from a new forest inventory of Tanzania to REDD+ decision makers in the Tanzanian Government. We led two in-country working sessions during which experts processed information from the inventory and combined it with other data into a set of maps. These were presented in a report, together with analysis and interpretation for policymakers.

The Tanzanian Government is in the process of deciding how its National REDD+ Strategy and Action Plan, endorsed in March 2013, could be put into practice. This means deciding which actions should be implemented where. The maps can help the diverse stakeholders involved to consider trade-offs between prioritizing different land areas for REDD+ action.

Valuing natural capital

Nature provides innumerable services that underpin food security, human well-being and indeed, the global economy. These services are rarely valued in terms that can be entered into economic debates within national planning processes and, lacking visible value, they are often traded away inappropriately. If biodiversity and ecosystem services are to be incorporated into decision-making processes, they must be described in terms that decision makers can understand and use.

Our work to value ecosystem services includes identifying and mapping the multiple benefits available to countries that participate in international initiatives to reduce carbon dioxide emissions from deforestation and forest degradation (REDD+). We are also building datasets at global and regional scales on other ecosystem services including water, timber, non-timber forest products and ecotourism.

In 2011 we coordinated the UK National Ecosystem Assessment (UK NEA), which is widely regarded as the most comprehensive national assessment of ecosystem service values available. During 2013, we provided the Secretariat for the two-year UK NEA Follow-on phase which was launched in 2012. This involves coordinating a team of Principal Investigators, whose work is organized across four thematic areas. These include developing the economic analysis of the UK NEA to understand how the value of natural capital can be better represented in national wealth accounts; exploring how the cultural value of ecosystems can be better understood; deepening the analysis of future scenarios developed in the UK NEA, to ensure that more ecosystem services are included; and developing tools and resources so that the public, private and voluntary sectors can make use of the information.

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Trustees' Report

For the year ended 31st December 2013

Evaluating options and trade-offs

Biodiversity and ecosystem services are complex and the interactions between them and development processes are more complex still. With many diverse and conflicting demands on land and natural resources, understanding the likely impacts of current policy decisions on biodiversity is both crucial and challenging. Climate change adds to the complexity of this task.

At WCMC we use our skills in modelling ecosystem interactions to explore likely future responses to change. As part of a project funded by the MacArthur Foundation, in 2013 we developed a novel analytical framework to evaluate priorities for conservation, by identifying current and future trade-offs between the demand for commodities and biodiversity. The project modelled current and predicted land use change in the Great Lakes of Africa to reveal which watersheds are important for biodiversity and future commodity provision.

This framework can be implemented at national or regional scale, and includes spatially explicit consideration of pressures that lead to land use change, such as population growth and trends in commodity markets. The results highlight the watersheds where the greatest impacts on biodiversity and ecosystem functions under future land use scenarios can be expected.

FINANCIAL REVIEW

Reserves policy

The reserves policy has been reviewed by the Trustees, and given the Charity's project commitments and the ongoing economic situation, it has been agreed that the charity should aim to hold unrestricted reserves to enable the organisation to operate at full capacity for at least six months, even if all income were to cease. This recognises that shifts in funding do occur and that six months would be the minimum time in which to establish emergency funding sources, and to meet contractual commitments. The Trustees will continue to review and modify the Reserves policy as circumstances require.

Based on the above, it is believed that at 31 December 2013, £2,428k, was needed to be held in reserves and at that point £2,430k general free reserves were held in unrestricted reserves. In this current economic climate, the Trustees believe this to be a satisfactory position.

Principal funding sources

The charity is funded by project income. UNEP was the single largest funder, and other funders included Government organisations, Intergovernmental organisations, the corporate sector charitable foundations and NGOs.

PLANS FOR FUTURE PERIODS

The Charity's plans for 2014 will be guided by the strategic priorities set out in the business plan for 2012 - 2014, in order to progress the two strategic objectives set out in its strategy.

These objectives are:

1. Provide the data and information that supports decision-making
2. Strengthen capacity for biodiversity decision-making

The Charity will also further strengthen its focus on impact strategy and assessment over the period. This will help inform an update of the Charity's business plan for the period 2015-2016. This will include a reassessment of the strategic priorities for the Charity, to ensure relevance for the period of the plan.

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Trustees' Report

For the year ended 31st December 2013

We shall also review the five institutional ambitions contained within our Strategy, and establish objectives to develop them further. They are:

1. To be the partner of choice in our sector - trusted, reliable and inspiring confidence
2. To earn recognition as a centre of excellence at the science-policy interface
3. To deploy a world-class and highly motivated scientific and technical team, together with an outstanding support staff
4. To maintain a stable and financially successful organisation
5. To be an effective learning organisation with strong internal communication systems.

Our 2014 budget and plans provide for increased investment in training and development of our team, to progress these ambitions further during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The Charity monitors the risks it is subject to and maintains a risk register to assist in that process. These risks are classified according to their relative strategic or operational impact.

The principal risks are in respect of reputation and funding. The Charity continues to enhance its quality assurance processes to mitigate against reputational risk and has an active project development process to mitigate against funding risk. In particular, the Charity has strengthened further its links with UNEP's Programme of Work and continues to expand its support to business through the Proteus Partnership arrangements.

FUNDS HELD AS CUSTODIAN TRUSTEES ON BEHALF OF OTHERS

As at 31 December 2013, the Charity did not hold any funds as custodian trustees on behalf of others.

WCMC
Trustees' Report
For the year ended 31st December 2013

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of WCMC for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

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

Auditors

The Trustees resolved to appoint Baker Tilly UK Audit LLP during the year in accordance with section 485 of the Companies Act 2006.

This report, comprising the Trustees' Report and Strategic Report, was approved by the Board of Trustees and signed on its behalf by:

Mr Robert Napier
Trustee (Chairman)



Date: 31/3/14

Independent Auditor's Report to the Members of WCMC

We have audited the financial statements of WCMC for the year ended 31 December 2013 on pages 11 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members 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 Trustees' Responsibilities Statement [set out on page 9] the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



CLAIRE SUTHERLAND

for and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

Date: 22 April 2014

WCMC
Statement of Financial Activities
For the year ended 31st December 2013

INCOME AND EXPENDITURE	Note	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Incoming Resources					
Incoming resources from generated funds					
Voluntary income	2	329,750	-	329,750	249,100
Activities from generating funds		119,109	-	119,109	154,462
Investment income	3	20,514	-	20,514	5,842
Incoming resources from charitable activities					
Project income	4	8,361,446	966,668	9,328,114	8,165,816
Total Incoming Resources		<u>8,830,819</u>	<u>966,668</u>	<u>9,797,487</u>	<u>8,575,220</u>
Resources Expended					
Charitable activities					
Governance costs	5	7,996,234	1,134,363	9,130,597	8,149,074
	5	8,950	-	8,950	10,100
Total Resources Expended		<u>8,005,184</u>	<u>1,134,363</u>	<u>9,139,547</u>	<u>8,159,174</u>
Net Income/(Expenditure) before transfers		825,635	(167,695)	657,940	416,046
Transfers between funds	11	(167,695)	167,695	-	-
Net Movement in Funds		<u>657,940</u>	<u>-</u>	<u>657,940</u>	<u>416,046</u>
Balance at 1 st January 2013		<u>2,775,801</u>	<u>-</u>	<u>2,775,801</u>	<u>2,359,755</u>
Balance at 31 st December 2013	11	<u>3,433,741</u>	<u>-</u>	<u>3,433,741</u>	<u>2,775,801</u>

All amounts relate to continuing activities. There are no recognised gains and losses other than those dealt with in the above Statement of Financial Activities.

The notes on pages 14 to 19 form part of these financial statements.

WCMC
Balance Sheet as at 31st December 2013

	Note	2013 £	2012 £
Fixed Assets			
Tangible fixed assets	7	1,127,100	1,167,943
Current Assets			
Debtors	8	1,963,574	2,303,172
Cash at bank and in hand		<u>4,726,894</u>	<u>4,061,051</u>
		6,690,468	6,364,223
Creditors: Amounts falling due within one year	9	<u>(4,383,827)</u>	<u>(4,756,365)</u>
Net Current Assets		<u>2,306,641</u>	<u>1,607,858</u>
Net Assets		<u><u>3,433,741</u></u>	<u><u>2,775,801</u></u>
Represented by:			
Restricted funds	11	-	-
Designated funds	11	1,003,517	1,037,493
General funds	11	<u>2,430,224</u>	<u>1,738,308</u>
		<u><u>3,433,741</u></u>	<u><u>2,775,801</u></u>

The notes on pages 14 to 19 form part of these financial statements.

The financial statements were approved by the Board and authorised for issue on 26/3/2014
and signed on its behalf by:

Mr Robert Napier
Trustee (Chairman)



Company number: 02330031

WCMC
Cash Flow Statement
For the year ended 31st December 2013

	Note	2013 £	2012 £
Net cash inflow from operating activities	a	706,170	1,332,968
Returns on investment and servicing of finance			
Interest received		20,514	5,842
Capital expenditure and financial investment			
Payments made to acquire tangible assets		(60,841)	(9,062)
Increase in cash	b	<u>665,843</u>	<u>1,329,748</u>

Notes to the Cash Flow Statement

a) Reconciliation of Net Income before Other Gains and Losses to Net Cash Inflow from Operating Activities

	2013 £	2012 £
Net income before other gains and losses	657,940	416,046
Depreciation charge	101,684	166,732
Interest received	(20,514)	(5,842)
(Increase)/Decrease in debtors	339,598	(204,716)
Increase/(Decrease) in creditors	(372,538)	960,748
Net cash inflow from continuing operating activities	<u>706,170</u>	<u>1,332,968</u>

b) Reconciliation of Net Cash Flow to movement in Net Funds

	2013 £	2012 £
Increase in cash in the period	<u>665,843</u>	<u>1,329,748</u>
Movement in net funds in the year	665,843	1,329,748
Net funds at 1 January 2013	4,061,051	2,731,303
Net funds at 31 December 2013	<u>4,726,894</u>	<u>4,061,051</u>

c) Analysis of changes in Net Funds

	2013 £	2012 £
Cash at bank and in hand:		
At 1st January 2013	4,061,051	2,731,303
Cash flows	665,843	1,329,748
At 31st December 2013	<u>4,726,894</u>	<u>4,061,051</u>

WCMC

Notes to the Financial Statements

For the year ended 31st December 2013

1 Accounting Policies

The financial statements of the charity have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), applicable accounting standards and the Companies Act 2006.

The following principal accounting policies have been consistently applied in preparing these financial statements which remain unchanged from the previous year.

Going Concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind are valued at their estimated open market value.

Restricted project income represents contributions made by clients, including UNEP, for work on specific projects.

Projects in progress are valued at the lower of cost and net realisable value. Projects in progress comprise costs incurred on externally funded work undertaken where the charity is legally entitled to the funding of the costs from a 3rd party under contract and include the appropriate proportion of overheads, less progress payments to date, less any foreseeable losses that will be incurred by the charity itself.

Resources Expended

All expenditure is accounted for on an accruals basis and is directly classified under the expenditure category to which it relates. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of those resources.

Governance costs include those costs incurred in the governance of the charity and are primarily associated with constitutional compliance and statutory requirements.

Tangible Fixed Assets

Fixed assets, which are stated at cost, are depreciated at rates sufficient to reduce the net book amount of those assets to their estimated residual value at the end of their expected useful lives. Assets with a value of £1,000 or greater are capitalised. The following rates are currently used:

Freehold buildings	over 50 years
Computer equipment and software	over 3 years
Furniture, fittings and equipment	over 5 years

Fund Accounting

Funds held by the charity are either:

General funds - these are unrestricted funds which can be used for the charitable objects at the discretion of the Trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds - these are funds set aside that represent the building shown in fixed assets.

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

WCMC
Notes to the Financial Statements (continued)
For the year ended 31st December 2013

1 Accounting Policies (continued)

Foreign Currency Transactions

Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates of exchange ruling at the balance sheet date. Transactions in other currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

Gifts in Kind

Gifts in kind are valued according to the cost of providing the benefit, as advised by the contributing party.

Operating Leases

Rentals paid under operating leases are charged evenly to the Statement of Financial Activities over the period in which the related asset is utilised.

Taxation

The charity is exempt from corporation tax on its charitable activities. The charity was registered for VAT during the year and VAT is charged on income in accordance with HMRC rules and regulations. Income is shown net of VAT in the Statement of Financial Activities.

Pension

The charity operates a defined contribution pension scheme. The amount charged to the Statement of Financial Activities in respect of pension costs is the charity's contributions payable in the year. The assets of the scheme are held separately from the charity. The pension cost in the year was £306,936 (2012: £284,055).

2 Voluntary income	Unrestricted 2013 £	Restricted 2013 £	Total 2013 £	Total 2012 £
Donations	-	-	-	-
Gifts in kind	329,750	-	329,750	249,100
	<u>329,750</u>	<u>-</u>	<u>329,750</u>	<u>249,100</u>
	<u>329,750</u>	<u>-</u>	<u>329,750</u>	<u>249,100</u>

3 Investment income	Unrestricted 2013 £	Restricted 2013 £	Total 2013 £	Total 2012 £
Bank interest	20,514	-	20,514	5,842
	<u>20,514</u>	<u>-</u>	<u>20,514</u>	<u>5,842</u>

In previous years rental income on the building has been classified as investment income, to more accurately reflect the nature of rental income, which is generated from a functional fixed asset, it has been reclassified as activities for generating funds in 2013. To assist comparability, £115,110 of rental income reported as investment income in the accounts for the year ended 31 December 2012 has also been reclassified within activities for generating funds in the corresponding figures.

WCMC
Notes to the Financial Statements (continued)
For the year ended 31st December 2013

4 Project income	Unrestricted 2013	Restricted 2013	Total 2013	Total 2012
	£	£	£	£
Net monies in advance brought forward	2,662,178	874,683	3,536,861	3,218,522
Project income invoiced for in period	6,356,600	1,512,516	7,869,116	8,164,647
Net monies in advance carried forward	(986,048)	(1,420,531)	(2,406,579)	(3,536,861)
UNEP institutional support - gift in kind	<u>328,716</u>	<u>-</u>	<u>328,716</u>	<u>319,508</u>
	<u><u>8,361,446</u></u>	<u><u>966,668</u></u>	<u><u>9,328,114</u></u>	<u><u>8,165,816</u></u>

5 Resources Expended	Unrestricted Funds 2013	Restricted Funds 2013	Total 2013	Total 2012
	£	£	£	£
Charitable Activities				
Staff costs	3,194,257	462,138	3,656,395	3,121,998
Direct project expenses	3,547,367	589,712	4,137,079	3,762,864
Gifts in Kind	658,466	-	658,466	568,608
Premises costs	89,130	12,154	101,284	83,385
Insurance costs	38,323	5,226	43,549	44,062
Legal and professional	28,483	5,105	33,588	25,749
Other expenses	350,726	47,826	398,552	375,676
Depreciation	<u>89,482</u>	<u>12,202</u>	<u>101,684</u>	<u>166,732</u>
	<u>7,996,234</u>	<u>1,134,363</u>	<u>9,130,597</u>	<u>8,149,074</u>
Governance Costs				
Audit fees	<u>8,950</u>	<u>-</u>	<u>8,950</u>	<u>10,100</u>
Total Charitable Expenditure	<u><u>8,005,184</u></u>	<u><u>1,134,363</u></u>	<u><u>9,139,547</u></u>	<u><u>8,159,174</u></u>

6 Staff Costs	2013	2012
	£	£
Wages and salaries	3,309,176	2,943,134
Social security costs	352,993	312,759
Pension contributions	<u>306,936</u>	<u>284,055</u>
	3,969,105	3,539,948
Group life insurance	33,556	32,416
Staff relocation, training and recruitment	70,868	58,730
Directly charged to projects	<u>(417,134)</u>	<u>(509,096)</u>
	<u><u>3,656,395</u></u>	<u><u>3,121,998</u></u>

WCMC
Notes to the Financial Statements (continued)
For the year ended 31st December 2013

6 Staff Costs (continued)

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

	2013 Number	2012 Number
Management and administration	13	13
Research and operational staff	94	79
	<u>107</u>	<u>92</u>

2 employees received emoluments between £60,000 and £70,000, 1 employee between £80,000 and £90,000, 1 employee between £90,000 and £100,000 and 1 employee between £100,000 and £110,000. (2012: 2 employees received emoluments between £70,000 and £80,000, 1 employee between £80,000 and £90,000 and 1 employee between £90,000 and £100,000). The total pension costs for these 5 employees (2012: 4) was £49,428 (2012 £31,158).

No remuneration or benefits were paid to any of the Trustees. Trustees received reimbursed expenses of £1,785 (2012: nil).

7 Tangible Fixed Assets

	Freehold buildings £	Computer equipment & software £	Fixtures, fittings & equipment £	Total £
Cost				
1 st January 2013	1,698,932	248,785	256,098	2,203,815
Additions	-	31,246	29,595	60,841
	<u>1,698,932</u>	<u>280,031</u>	<u>285,693</u>	<u>2,264,656</u>
Depreciation				
1 st January 2013	661,439	230,913	143,520	1,035,872
Charge for year	33,976	10,387	57,321	101,684
	<u>695,415</u>	<u>241,300</u>	<u>200,841</u>	<u>1,137,556</u>
Net Book Value				
31 st December 2013	<u>1,003,517</u>	<u>38,731</u>	<u>84,852</u>	<u>1,127,100</u>
31 st December 2012	<u>1,037,493</u>	<u>17,872</u>	<u>112,578</u>	<u>1,167,943</u>

All assets are held for charitable purposes.

£168,542 of the net book value of the freehold building is rented out to third parties, with the owner-occupied portion rented back. During the year £5,706 of depreciation was charged on this property.

WCMC
Notes to the Financial Statements (continued)
For the year ended 31st December 2013

8 Debtors and Prepayments		2013	2012
		£	£
Trade debtors		868,805	1,632,003
Projects in progress		762,543	504,420
Recoverable VAT		92,714	-
Other debtors		133,898	93,093
Prepayments		105,614	73,656
		<u>1,963,574</u>	<u>2,303,172</u>

9 Creditors: Amounts falling due within one year		2013	2012
		£	£
Trade creditors		680,833	224,925
Taxation and social security		124,950	85,859
Monies in advance on projects		3,169,122	4,041,281
VAT payable		-	65,909
Other creditors		61,718	54,013
Accruals		347,204	284,378
		<u>4,383,827</u>	<u>4,756,365</u>

10 Analysis of Group Net Assets between Funds

	Unrestricted Funds 2013 £	Restricted Funds 2013 £	Total Funds 2013 £
Tangible fixed assets	1,127,100	-	1,127,100
Net current assets	2,306,641	-	2,306,641
	<u>3,433,741</u>	<u>-</u>	<u>3,433,741</u>

11 Statement of Funds

	1 st January 2013 £	Incoming Resources £	Outgoing Resources £	Fund Transfers £	31 st December 2013 £
Restricted Funds:					
Project Income	-	966,668	(1,134,363)	167,695	-
Unrestricted Funds:					
Unrestricted general funds	1,738,308	8,830,819	(8,005,184)	(133,719)	2,430,224
Designated funds-Building fund	1,037,493			(33,976)	1,003,517
Total Funds	<u>2,775,801</u>	<u>9,797,487</u>	<u>(9,139,547)</u>	<u>-</u>	<u>3,433,741</u>

WCMC
Notes to the Financial Statements (continued)
For the year ended 31st December 2013

11 Statement of Funds (continued)

Restricted Funds

These funds are for the commissioning of various projects completed to achieve the charity's objectives.

Designated Funds

These funds represent the net book value of the building. The transfer made during the year represents the depreciation charge for the year.

Fund Transfers

Funds have been transferred from unrestricted general funds to cover cost shortfalls on some restricted income project activities, and to transfer to designated funds the amount attributable to the building, which is not readily convertible to liquid funds.

12 Related Party Transactions

There were no related party transactions during the year ended 31st December 2013.

13 Liability of Members

At 31st December 2013 WCMC had 6 members (2012: 6 members). The liability of each member is £1.

14 Operating Lease Commitment

At 31st December, WCMC was committed to making the following payments during the next year under non-cancellable operating leases as follows;

	2013	2012
	£	£
Expiring after more than 5 years	<u>1,000</u>	<u>1,000</u>

