

THE WALLACEA TRUST

England & Wales · Charity number 1078362

Details

Other names THE OPERATION WALLACEA TRUST

Status Registered

Legal form Charitable company

Company number [03734220](#)

Registered 1999-11-26

Register [View on the Charity Commission register](#)

Contact

Address Operation Wallacea Ltd
Wallace House
Old Bolingbroke
Spilsby
PE23 4EX

Phone 01790763194

Email accounts@opwall.com

Website <http://wallaceatrust.org/>

Activities

Objects: TO PROMOTE FOR THE PUBLIC BENEFIT, RESEARCH INTO THE TERRESTRIAL AND MARINE HABITAT, PRIMARILY BUT NOT LIMITED TO, THE BIOGEOGRAPHICAL AREA OF INDONESIA KNOWN AS THE WALLACEA REGION AND TO PUBLISH THE USEFUL RESULTS OF SUCH RESEARCH; TO EDUCATE THE PUBLIC IN RELATION TO THE CONSERVATION AND PROTECTION OF MARINE AND TERRESTRIAL NATURAL RESOURCES AND TO ENCOURAGE SUPPORT AND CAUSE THE IMPLEMENTATION OF PROGRAMMES PROMOTING THE SAME; SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES SHALL FROM TIME TO TIME DETERMINE.

Activities: The Trust supports activities that could directly contribute towards the conservation of biodiversity in the areas in which Operation Wallacea work. In the last year the Trust have funded a Postdoc to complete an application for the Cusuco National Park and surrounding areas to be funded under the Natural Forest Standard scheme. Over 1000 schools worldwide have been introduced to the WRL data sets

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources
- **What:** Education/training, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** BIOGEOGRAPHICAL AREAS OF INDONESIA KNOWN AS THE WALLACEA REGION
- Honduras
- Indonesia
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£2,727	£48,649	-	-
2023-09-30	£29,591	£19,492	-	-
2022-09-30	£37,991	£20,503	-	-
2021-09-30	£42,167	£32,481	-	-
2020-09-30	£12,644	£18,744	-	-

Trustees

Name	Role	Appointed
Amy Dixon nee Cowdell		2022-11-23
Charlotte Anne Palmer		2021-05-01
Dr Chris Richards		2016-05-16
Dr Niall McCann		2013-08-05
NATHANIEL PAGE		2013-08-01
Professor Richard Field		2012-05-03

THE WALLACEA TRUST

England & Wales - Charity number 1078362

Accounts

Company registration number: 3734220

Charity registration number: 1078362

The Wallacea Trust

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 30 September 2023

Forrester Boyd
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

The Wallacea Trust

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The Wallacea Trust

Reference and Administrative Details

Trustees	R Field N P McCann S R Notley C G J Richards M R Speight J N M Page C A Palmer A Dixon
Secretary	D A Exton
Senior Management / Leadership Team	Dr M R Speight, Chairman Dr C G J Richards, Treasurer Dr D A Exton, Secretary
Charity Registration Number	1078362
Company Registration Number	3734220
Registered Office	Hope House Old Bolingbroke Spilsby Lincolnshire PE23 4EX
Bankers	Lloyds Bank PLC 14 High Street Horncastle Lincolnshire LN9 5BL

The Wallacea Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 September 2023.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- R Field
- N P McCann
- S R Notley
- C G J Richards
- M R Speight
- J N M Page
- S J Mukherjee (resigned 10 April 2023)
- C A Palmer
- A Dixon (appointed 23 November 2022)

Secretary: D A Exton

Senior Management / Leadership Team:

- Dr M R Speight, Chairman
- Dr C G J Richards, Treasurer
- Dr D A Exton, Secretary

Objectives and activities

Objects and aims

The organisation exists for the promotion for the public benefit, research into terrestrial and marine habitat of the biogeographical area known as 'Wallacea region' and other areas of the world and to publish such results. Furthermore, to educate the public in relation to the conservation and protection of the Indonesian marine and terrestrial natural resources and to encourage support an cause the implementation programmes promoting the same.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association, which were adopted on 8th November, 1999, (amended by special resolutions of 20th October, 1999, 8th March, 2009 and 9th June 2023).

Recruitment and appointment of trustees

Potential new trustees are identified by Dr D A Exton. All potential new trustees must have the correct attributes to further the charities objectives.

The Wallacea Trust

Trustees' Report

Achievements and performance

Developing a globally-applicable methodology for measuring biodiversity uplift

There is rapidly growing interest amongst the private sector in investing in nature, and yet no suitable mechanism exists whereby an investor can accurately and comparably measure the impact of their investment. Biodiversity is far more complex than climate, and there is no single comparable unit of measurement to a carbon dioxide molecule and yet, if such a mechanism could be developed, it could unlock hundreds of billions of dollars' worth of annual investment into the protection and restoration of natural ecosystems. In 2021 the Wallacea Trust convened a working group consisting of representatives from academia, government, conservation, banking and corporates. This group developed a novel method for quantifying biodiversity change, based on the consumer price index (CPI), which can be applied to any ecosystem worldwide to give a single, comparable, unit of change. This method was published open access online in 2022 and has since been developed into the world's first tradable biodiversity credit by UK accreditation body Plan Vivo. This has generated massive interest, with representatives having presented the concept at COP27, COP15 and Davos, amongst other high profile events. We intend to use the methodology to encourage private sector investment into nature conservation at a scale never seen before, but in a way that channels the financial benefits into local communities.

Scholarships to support student fieldwork opportunities

The Trust remains committed to providing a series of scholarship opportunities to students wishing to join research and conservation expeditions. With expeditions paused during COVID, the Trust has accumulated scholarship money from Premier Oil which will be paid out in the next financial year. However, this funding from Premier Oil will cease moving forwards, as they have rebranded and focused their efforts elsewhere. The Trust's relationship with the Murray Foundation has continued and they provide a series of £1000 and £500 scholarships per year. Some Murray Foundation money remains from COVID and will be paid out in the next financial year, whilst a new set of scholarships will be funded in 2023.

Developing a new carbon accounting method for mangroves

This Trust project has developed a more accurate method of accounting for carbon sequestered in mangroves than the existing carbon accounting methodologies. The reason this is important is that if you can fully account for the levels of carbon in mangrove ecosystems and achieve levels of around 500 tonnes per hectare within 25 years of replanting, then the price of carbon credits can be brought down to a level where the voluntary carbon market can really drive reforestation rates. The price of reforestation carbon credits being used by multi-national companies to achieve Net Zero Carbon targets is primarily determined by the amount of carbon sequestered over the life time of the project being certified. Thus, for reforestation projects in rainforest areas that have an estimated accumulation of 100 tonnes per ha of carbon in above and below ground biomass (the carbon accumulation in rainforest soils is negligible) over a 25 year period then the price of the credits is generally in the region of \$15 whereas renewable energy credits can be bought for under \$5. The net effect of this price differential is that multi nationals faced with offsetting millions of credits a year gravitate to renewable energy credits at the cheaper end of the market and the voluntary carbon market is not really driving reforestation rates.

The new methodology submitted to Plan Vivo, a well-established carbon certification scheme, differs from the existing methodologies in that it introduces the concept of Net Residual Carbon in the sediment into which the mangrove propagules are being planted. When a mangrove forest is cleared, the carbon in the anoxic sediment which might have been as high as 800 tonnes per hectare at the time of the mangrove removal, is gradually oxidised and released to the atmosphere. In areas where the sediment is exposed to large tidal fluctuations and currents, then nearly all of the carbon stocks will be removed whereas in more sheltered areas some of the carbon will remain long after the clearances. The new Wallacea Trust developed methodology proposes that before planting, 2m cores are taken at the planting site to determine remaining carbon stocks. In addition, coring is completed at sites where the mangroves have been removed 25+ years ago to estimate the baseline levels that the carbon stocks would fall to if the area were not replanted. The difference between these two figures is the Net Residual Carbon at the time of planting and this change together with more realistic estimates of annual accumulation rates of organic matter mean that mangrove reforestation credits could be brought into the \$5 range.

The Wallacea Trust

Trustees' Report

Repairing damaged forests in Sulawesi

The loss of income in the rural communities in Sulawesi where the Opwall survey teams have been based for the last 20+ years, has been very severe because of the cancellation of the annual expedition programmes. In order to reduce the impact, the Trust has helped to fund the local communities to establish three tree nurseries each with 10,000 saplings comprising at least 40 species that have been collected from the adjacent rainforests. These nursery trees are destined to be replanted in areas of conservation forest or privately owned land on the edge of the North Buton Nature Reserve, but in the short term have provided much needed employment and income for the communities during the pandemic.

Supporting park rangers in Cusuco National Park

The Trust has partnered with Central American NGO Panthera to provide year-round patrols of the Cusuco National Park, with a particular focus on the illegal hunting of threatened large mammal species (e.g. Baird's Tapir and Jaguar). Panthera already provide training and support to small teams of local rangers in parks across the region, and the Trust is providing matched funds to support their wages and basic equipment. Preliminary data suggests large mammal populations are already benefiting from this added protection, with camera traps detecting not only a breeding pair of Jaguar but also the first Baird's Tapir to be seen in the park for many years. The Trust intends for this support to continue indefinitely.

Financial review

Policy on reserves

The Trust does not currently require the holding of reserves, as we operate with almost no overheads and regular costs (e.g. no paid staff, no premises). However, should this situation change we would look to implement a reserves policy as appropriate.

Funds in deficit

In 2022, unrestricted funds carried forward were in a deficit position of £17,450. The charity has experienced a net deficit on unrestricted funds for the year ended 30th September 2023 of £300 resulting in unrestricted funds carried forward of £17,750 for 2023.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
C G J Richards
Trustee

The Wallacea Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Wallacea Trust 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 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, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on and signed on its behalf by:

.....
C G J Richards
Trustee

**Chartered Accountants' Report to the Trustees on the Preparation of the Unaudited
Statutory Accounts of
The Wallacea Trust
for the Year Ended 30 September 2023**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Wallacea Trust for the year ended 30 September 2023 as set out on pages 8 to 17 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of The Wallacea Trust, as a body, in accordance with the terms of our engagement letter dated 18 January 2023. Our work has been undertaken solely to prepare for your approval the financial statements of The Wallacea Trust and state those matters that we have agreed to state to the board of directors of The Wallacea Trust, as a body, in this report, in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Wallacea Trust and its board of directors as a body for our work or for this report.

It is your duty to ensure that The Wallacea Trust has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and of The Wallacea Trust. You consider that The Wallacea Trust is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Wallacea Trust. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....

Forrester Boyd
Chartered Accountants
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date:.....

The Wallacea Trust

Independent Examiner's Report to the trustees of The Wallacea Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Wallacea Trust as required by section 386 of the 2006 Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Philip George ACA
ICAEW

139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date:.....

The Wallacea Trust

Statement of Financial Activities for the Year Ended 30 September 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	7,591	22,000	29,591
Total income		<u>7,591</u>	<u>22,000</u>	<u>29,591</u>
Expenditure on:				
Charitable activities	4	(6,255)	(4,500)	(10,755)
Governance costs		<u>(8,737)</u>	<u>-</u>	<u>(8,737)</u>
Total expenditure		<u>(14,992)</u>	<u>(4,500)</u>	<u>(19,492)</u>
Net (expenditure)/income		(7,401)	17,500	10,099
Transfers between funds		<u>7,101</u>	<u>(7,101)</u>	<u>-</u>
Net movement in funds		(300)	10,399	10,099
Reconciliation of funds				
Total funds brought forward		<u>(17,450)</u>	<u>31,629</u>	<u>14,179</u>
Total funds carried forward	14	<u>(17,750)</u>	<u>42,028</u>	<u>24,278</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	8,266	29,725	37,991
Total income		<u>8,266</u>	<u>29,725</u>	<u>37,991</u>
Expenditure on:				
Charitable activities	4	(4,638)	(12,883)	(17,521)
Governance costs		<u>(2,982)</u>	<u>-</u>	<u>(2,982)</u>
Total expenditure		<u>(7,620)</u>	<u>(12,883)</u>	<u>(20,503)</u>
Net income		<u>646</u>	<u>16,842</u>	<u>17,488</u>
Net movement in funds		646	16,842	17,488
Reconciliation of funds				
Total funds brought forward		<u>(18,096)</u>	<u>14,787</u>	<u>(3,309)</u>
Total funds carried forward	14	<u>(17,450)</u>	<u>31,629</u>	<u>14,179</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 and 2022 is shown in note 14.

The Wallacea Trust
(Registration number: 3734220)
Balance Sheet as at 30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	10	334	427
Tangible assets	11	<u>275</u>	<u>323</u>
		<u>609</u>	<u>750</u>
Current assets			
Cash at bank and in hand	12	50,175	46,555
Creditors: Amounts falling due within one year	13	<u>(26,506)</u>	<u>(33,126)</u>
Net current assets		<u>23,669</u>	<u>13,429</u>
Net assets		<u>24,278</u>	<u>14,179</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		42,028	31,629
Unrestricted income funds			
Unrestricted funds		<u>(17,750)</u>	<u>(17,450)</u>
Total funds	14	<u>24,278</u>	<u>14,179</u>

For the financial year ending 30 September 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 8 to 17 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
C G J Richards
Trustee

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The company was incorporated in England and Wales.

The address of its registered office is:

Hope House
Old Bolingbroke
Spilsby
Lincolnshire
PE23 4EX

These financial statements cover the individual entity, The Wallacea Trust.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Wallacea Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

Going concern

The financial statements have been prepared on a going concern basis.

The charity is financially supported by a loan from Operation Wallacea Limited, while is due within one year, it is however not expected to be withdrawn at a short notice, only as and when funds permit. For these reasons, the financial statements have been prepared on a going concern basis.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Trademarks

Amortisation method and rate

5% straight line on cost

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	15% reducing balance basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Grants, including capital grants;				
Other grants	-	22,000	22,000	29,725
Regular giving and capital donations	7,591	-	7,591	8,266
	<u>7,591</u>	<u>22,000</u>	<u>29,591</u>	<u>37,991</u>

4 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
	Note			
Cursuco national park expenses	6,255	-	6,255	4,638
Project expenditure	-	4,500	4,500	12,883
Governance costs	8,737	-	8,737	2,982
		<u>4,500</u>	<u>19,492</u>	<u>20,503</u>

In addition to the expenditure analysed above, there are also governance costs of £8,737 (2022 - £2,982) which relate directly to charitable activities. See note 5 for further details.

5 Analysis of governance and support costs

Governance costs

	Unrestricted General £	Total 2023 £	Total 2022 £
Legal fees	5,680	5,680	2,374
Depreciation, amortisation and other similar costs	141	141	150
Other governance costs	243	243	243
Allocated support costs	2,673	2,673	215
	<u>8,737</u>	<u>8,737</u>	<u>2,982</u>

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

6 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	48	57
Amortisation of goodwill	93	93
Independent examination fees	<u>2,180</u>	<u>2,374</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the year no travel expenses were paid to trustees (2022: £nil).

8 Staff costs

During the year the staff costs amounted to £Nil, (2022: £Nil).

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Average number of employees	<u>9</u>	<u>10</u>

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

10 Intangible fixed assets

	Trademarks £	Total £
Cost		
At 1 October 2022	<u>1,863</u>	<u>1,863</u>
At 30 September 2023	<u>1,863</u>	<u>1,863</u>
Amortisation		
At 1 October 2022	1,436	1,436
Charge for the year	<u>93</u>	<u>93</u>
At 30 September 2023	<u>1,529</u>	<u>1,529</u>
Net book value		
At 30 September 2023	<u><u>334</u></u>	<u><u>334</u></u>
At 30 September 2022	<u><u>427</u></u>	<u><u>427</u></u>

11 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At 1 October 2022	<u>3,927</u>	<u>3,927</u>
At 30 September 2023	<u>3,927</u>	<u>3,927</u>
Depreciation		
At 1 October 2022	3,604	3,604
Charge for the year	<u>48</u>	<u>48</u>
At 30 September 2023	<u>3,652</u>	<u>3,652</u>
Net book value		
At 30 September 2023	<u><u>275</u></u>	<u><u>275</u></u>
At 30 September 2022	<u><u>323</u></u>	<u><u>323</u></u>

12 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	<u>50,175</u>	<u>46,555</u>

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other loans	18,526	23,526
Accruals	<u>7,980</u>	<u>9,600</u>
	<u><u>26,506</u></u>	<u><u>33,126</u></u>

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

14 Funds

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 September 2023 £
Unrestricted					
General	(17,450)	7,591	(14,992)	7,101	(17,750)
Total unrestricted	(17,450)	7,591	(14,992)	7,101	(17,750)
Restricted funds from corporate sponsorship	31,629	22,000	(4,500)	(7,101)	42,028
Total funds	14,179	29,591	(19,492)	-	24,278

Grants are received from corporate bodies specifically for the purpose of sponsoring students on expeditions.

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted				
General	(18,096)	8,266	(7,620)	(17,450)
Restricted	14,787	29,725	(12,883)	31,629
Total funds	(3,309)	37,991	(20,503)	14,179

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2023 £
Intangible fixed assets	334	-	334
Tangible fixed assets	275	-	275
Current assets	8,147	42,028	50,175
Current liabilities	(26,506)	-	(26,506)
Total net assets	(17,750)	42,028	24,278
	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2022 £
Intangible fixed assets	427	-	427
Tangible fixed assets	323	-	323
Current assets	14,926	31,629	46,555
Current liabilities	(33,126)	-	(33,126)
Total net assets	(17,450)	31,629	14,179

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2023

16 Related party transactions

There were no related party transactions in the year.

THE WALLACEA TRUST

England & Wales - Charity number 1078362

Accounts

Company registration number: 3734220

Charity registration number: 1078362

The Wallacea Trust

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 30 September 2022

Forrester Boyd
Chartered Accountants
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

The Wallacea Trust

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The Wallacea Trust

Reference and Administrative Details

Trustees	R Field N P McCann S R Notley C G J Richards M R Speight J N M Page P L M Suthers C A Palmer
Secretary	D A Exton
Senior Management / Leadership Team	Dr M R Speight, Chairman Dr C G J Richards, Treasurer Dr D A Exton, Secretary
Charity Registration Number	1078362
Company Registration Number	3734220
Registered Office	Hope House Old Bolingbroke Spilsby Lincolnshire PE23 4EX
Accountants	Forrester Boyd Chartered Accountants Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ
Bankers	Lloyds Bank PLC 14 High Street Horncastle Lincolnshire LN9 5BL

The Wallacea Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2022.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- R Field
- N P McCann
- S R Notley
- C G J Richards
- M R Speight
- J N M Page
- P L M Suthers
- C A Palmer

Secretary: D A Exton

Senior Management / Leadership Team:

- Dr M R Speight, Chairman
- Dr C G J Richards, Treasurer
- Dr D A Exton, Secretary

Objectives and activities

Objects and aims

The organisation exists for the promotion for the public benefit, research into terrestrial and marine habitat of the biogeographical area known as 'Wallacea region' and other areas of the world and to publish such results. Furthermore, to educate the public in relation to the conservation and protection of the Indonesian marine and terrestrial natural resources and to encourage support an cause the implementation programmes promoting the same.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association, which were adopted on 8th November, 1999, (amended by special resolutions of 20th October, 1999 and 8th March, 2009).

Recruitment and appointment of trustees

Potential new trustees are identified by Dr D A Exton. All potential new trustees must have the correct attributes to further the charities objectives.

The Wallacea Trust

Trustees' Report

Achievements and performance

Developing a globally-applicable methodology for measuring biodiversity uplift

There is rapidly growing interest amongst the private sector in investing in nature, and yet no suitable mechanism exists whereby an investor can accurately and comparably measure the impact of their investment. Biodiversity is far more complex than climate, and there is no single comparable unit of measurement to a carbon dioxide molecule and yet, if such a mechanism could be developed, it could unlock hundreds of billions of dollars' worth of annual investment into the protection and restoration of natural ecosystems. In 2021 the Wallacea Trust convened a working group consisting of representatives from academia, government, conservation, banking and corporates. This group developed a novel method for quantifying biodiversity change, based on the consumer price index (CPI), which can be applied to any ecosystem worldwide to give a single, comparable, unit of change. This method was published open access online in 2022 and has since been developed into the world's first tradable biodiversity credit by UK accreditation body Plan Vivo. This has generated massive interest, with representatives having presented the concept at COP27, COP15 and Davos, amongst other high profile events. We intend to use the methodology to encourage private sector investment into nature conservation at a scale never seen before, but in a way that channels the financial benefits into local communities.

Scholarships to support student fieldwork opportunities

The Trust remains committed to providing a series of scholarship opportunities to students wishing to join research and conservation expeditions. With expeditions paused during COVID, the Trust has accumulated scholarship money from Premier Oil which will be paid out in the next financial year. However, this funding from Premier Oil will cease moving forwards, as they have rebranded and focused their efforts elsewhere. The Trust's relationship with the Murray Foundation has continued and they provide a series of £1000 and £500 scholarships per year. Some Murray Foundation money remains from COVID and will be paid out in the next financial year, whilst a new set of scholarships will be funded in 2023.

Developing a new carbon accounting method for mangroves

This Trust project has developed a more accurate method of accounting for carbon sequestered in mangroves than the existing carbon accounting methodologies. The reason this is important is that if you can fully account for the levels of carbon in mangrove ecosystems and achieve levels of around 500 tonnes per hectare within 25 years of replanting, then the price of carbon credits can be brought down to a level where the voluntary carbon market can really drive reforestation rates. The price of reforestation carbon credits being used by multi-national companies to achieve Net Zero Carbon targets is primarily determined by the amount of carbon sequestered over the life time of the project being certified. Thus, for reforestation projects in rainforest areas that have an estimated accumulation of 100 tonnes per ha of carbon in above and below ground biomass (the carbon accumulation in rainforest soils is negligible) over a 25 year period then the price of the credits is generally in the region of \$15 whereas renewable energy credits can be bought for under \$5. The net effect of this price differential is that multi nationals faced with offsetting millions of credits a year gravitate to renewable energy credits at the cheaper end of the market and the voluntary carbon market is not really driving reforestation rates.

The new methodology submitted to Plan Vivo, a well-established carbon certification scheme, differs from the existing methodologies in that it introduces the concept of Net Residual Carbon in the sediment into which the mangrove propagules are being planted. When a mangrove forest is cleared, the carbon in the anoxic sediment which might have been as high as 800 tonnes per hectare at the time of the mangrove removal, is gradually oxidised and released to the atmosphere. In areas where the sediment is exposed to large tidal fluctuations and currents, then nearly all of the carbon stocks will be removed whereas in more sheltered areas some of the carbon will remain long after the clearances. The new Wallacea Trust developed methodology proposes that before planting, 2m cores are taken at the planting site to determine remaining carbon stocks. In addition, coring is completed at sites where the mangroves have been removed 25+ years ago to estimate the baseline levels that the carbon stocks would fall to if the area were not replanted. The difference between these two figures is the Net Residual Carbon at the time of planting and this change together with more realistic estimates of annual accumulation rates of organic matter mean that mangrove reforestation credits could be brought into the \$5 range.

The Wallacea Trust

Trustees' Report

Repairing damaged forests in Sulawesi

The loss of income in the rural communities in Sulawesi where the Opwall survey teams have been based for the last 20+ years, has been very severe because of the cancellation of the annual expedition programmes. In order to reduce the impact, the Trust has helped to fund the local communities to establish three tree nurseries each with 10,000 saplings comprising at least 40 species that have been collected from the adjacent rainforests. These nursery trees are destined to be replanted in areas of conservation forest or privately owned land on the edge of the North Buton Nature Reserve, but in the short term have provided much needed employment and income for the communities during the pandemic.

Supporting park rangers in Cusuco National Park

The Trust has partnered with Central American NGO Panthera to provide year-round patrols of the Cusuco National Park, with a particular focus on the illegal hunting of threatened large mammal species (e.g. Baird's Tapir and Jaguar). Panthera already provide training and support to small teams of local rangers in parks across the region, and the Trust is providing matched funds to support their wages and basic equipment. Preliminary data suggests large mammal populations are already benefiting from this added protection, with camera traps detecting not only a breeding pair of Jaguar but also the first Baird's Tapir to be seen in the park for many years. The Trust intends for this support to continue indefinitely.

Financial review

As at 30th September 2022, the total value of funds carried forward were as follows:

- Unrestricted funds: £2,550
- Restricted funds: £11,629


Policy on reserves

The Trust does not currently require the holding of reserves, as we operate with almost no overheads and regular costs (e.g. no paid staff, no premises). However, should this situation change we would look to implement a reserves policy as appropriate.

Funds in deficit

In 2021, unrestricted funds carried forward were in a deficit position of £18,096. The charity has experienced a net surplus on unrestricted funds for the year ended 30th September 2022 of £20,646.

The annual report was approved by the trustees of the charity on 23 May 2023 and signed on its behalf by:

DocuSigned by:

.....
C G J Richards
Trustee

The Wallacea Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Wallacea Trust 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".


Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 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, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 23 May 2023 and signed on its behalf by:

DocuSigned by:

9C6A799086AB4D6:.....
C G J Richards
Trustee

**Chartered Accountants' Report to the Trustees on the Preparation of the Unaudited
Statutory Accounts of
The Wallacea Trust
for the Year Ended 30 September 2022**


In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Wallacea Trust for the year ended 30 September 2022 as set out on pages 8 to 17 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of directors of The Wallacea Trust, as a body, in accordance with the terms of our engagement letter dated 18 January 2023. Our work has been undertaken solely to prepare for your approval the financial statements of The Wallacea Trust and state those matters that we have agreed to state to the board of directors of The Wallacea Trust, as a body, in this report, in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Wallacea Trust and its board of directors as a body for our work or for this report.

It is your duty to ensure that The Wallacea Trust has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and of The Wallacea Trust. You consider that The Wallacea Trust is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Wallacea Trust. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

DocuSigned by:

43981E46AB5C469.....

Forrester Boyd
Chartered Accountants
Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ
24 May 2023

The Wallacea Trust

Independent Examiner's Report to the trustees of The Wallacea Trust ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Wallacea Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

Philip George

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Philip George ACA
Chartered Accountants
ICAEW

139 Eastgate
Louth
Lincolnshire
LN11 9QQ

24 May 2023

The Wallacea Trust

Statement of Financial Activities for the Year Ended 30 September 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	28,266	9,725	37,991
Total income		<u>28,266</u>	<u>9,725</u>	<u>37,991</u>
Expenditure on:				
Charitable activities	4	(4,638)	(12,883)	(17,521)
Governance costs		(2,982)	-	(2,982)
Total expenditure		<u>(7,620)</u>	<u>(12,883)</u>	<u>(20,503)</u>
Net income/(expenditure)		<u>20,646</u>	<u>(3,158)</u>	<u>17,488</u>
Net movement in funds		20,646	(3,158)	17,488
Reconciliation of funds				
Total funds brought forward		(18,096)	14,787	(3,309)
Total funds carried forward	14	<u>2,550</u>	<u>11,629</u>	<u>14,179</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	544	41,623	42,167
Total income		<u>544</u>	<u>41,623</u>	<u>42,167</u>
Expenditure on:				
Charitable activities	4	(4,249)	(26,836)	(31,085)
Governance costs		(1,396)	-	(1,396)
Total expenditure		<u>(5,645)</u>	<u>(26,836)</u>	<u>(32,481)</u>
Net (expenditure)/income		<u>(5,101)</u>	<u>14,787</u>	<u>9,686</u>
Net movement in funds		(5,101)	14,787	9,686
Reconciliation of funds				
Total funds brought forward		(12,995)	-	(12,995)
Total funds carried forward	14	<u>(18,096)</u>	<u>14,787</u>	<u>(3,309)</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 14.

The Wallacea Trust
(Registration number: 3734220)
Balance Sheet as at 30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	10	427	520
Tangible assets	11	<u>323</u>	<u>380</u>
		<u>750</u>	<u>900</u>
Current assets			
Cash at bank and in hand	12	46,555	28,247
Creditors: Amounts falling due within one year	13	<u>(33,126)</u>	<u>(32,456)</u>
Net current assets/(liabilities)		<u>13,429</u>	<u>(4,209)</u>
Net assets/(liabilities)		<u>14,179</u>	<u>(3,309)</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		11,629	14,787
Unrestricted income funds			
Unrestricted funds		<u>2,550</u>	<u>(18,096)</u>
Total funds	14	<u>14,179</u>	<u>(3,309)</u>


For the financial year ending 30 September 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 8 to 17 were approved by the trustees, and authorised for issue on 23 May 2023 and signed on their behalf by:

DocuSigned by:

9C6A73A086AB4D6.....
 C G J Richards
 Trustee

The notes on pages 10 to 17 form an integral part of these financial statements.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The company was incorporated in England and Wales.

The address of its registered office is:

Hope House
Old Bolingbroke
Spilsby
Lincolnshire
PE23 4EX

These financial statements cover the individual entity, The Wallacea Trust.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The Wallacea Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

Going concern

The financial statements have been prepared on a going concern basis.

The charity is financially supported by a loan from Operation Wallacea Limited, while is due within one year, it is however not expected to be withdrawn at a short notice, only as and when funds permit. For these reasons, the financial statements have been prepared on a going concern basis.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Trademarks

Amortisation method and rate

5% straight line on cost

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	15% reducing balance basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Grants, including capital grants;				
Other grants	-	9,725	9,725	41,623
Regular giving and capital donations	28,266	-	28,266	544
	<u>28,266</u>	<u>9,725</u>	<u>37,991</u>	<u>42,167</u>

4 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Cursuco national park expenses		4,638	-	4,638	4,249
Project expenditure		-	12,883	12,883	26,836
Governance costs	5	2,982	-	2,982	1,396
		<u>7,620</u>	<u>12,883</u>	<u>20,503</u>	<u>32,481</u>

In addition to the expenditure analysed above, there are also governance costs of £2,982 (2021 - £1,396) which relate directly to charitable activities. See note 5 for further details.

5 Analysis of governance and support costs

Governance costs

	Unrestricted General £	Total 2022 £	Total 2021 £
Legal fees	2,374	2,374	990
Depreciation, amortisation and other similar costs	150	150	160
Other governance costs	243	243	197
Allocated support costs	215	215	49
	<u>2,982</u>	<u>2,982</u>	<u>1,396</u>

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

6 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	57	67
Amortisation of goodwill	93	93
Independent examination fees	<u>2,374</u>	<u>990</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the year no travel expenses were paid to trustees (2021: £nil).

8 Staff costs

During the year the staff costs amounted to £Nil, (2021: £Nil).

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Average number of employees	<u>10</u>	<u>11</u>

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

10 Intangible fixed assets

	Trademarks £	Total £
Cost		
At 1 October 2021	1,863	1,863
At 30 September 2022	<u>1,863</u>	<u>1,863</u>
Amortisation		
At 1 October 2021	1,343	1,343
Charge for the year	<u>93</u>	<u>93</u>
At 30 September 2022	<u>1,436</u>	<u>1,436</u>
Net book value		
At 30 September 2022	<u>427</u>	<u>427</u>
At 30 September 2021	<u>520</u>	<u>520</u>

11 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At 1 October 2021	3,927	3,927
At 30 September 2022	<u>3,927</u>	<u>3,927</u>
Depreciation		
At 1 October 2021	3,547	3,547
Charge for the year	<u>57</u>	<u>57</u>
At 30 September 2022	<u>3,604</u>	<u>3,604</u>
Net book value		
At 30 September 2022	<u>323</u>	<u>323</u>
At 30 September 2021	<u>380</u>	<u>380</u>

12 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	<u>46,555</u>	<u>28,247</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Other loans	23,526	23,526
Accruals	<u>9,600</u>	<u>8,930</u>
	<u>33,126</u>	<u>32,456</u>

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

14 Funds

	Balance at 1 October 2021 £	Incoming resources £	Resources expended £	Balance at 30 September 2022 £
Unrestricted				
General	(18,096)	28,266	(7,620)	2,550
Total unrestricted	(18,096)	28,266	(7,620)	2,550
Restricted funds from corporate sponsorship	14,787	9,725	(12,883)	11,629
Total funds	(3,309)	37,991	(20,503)	14,179

Grants are received from corporate bodies specifically for the purpose of sponsoring students on expeditions.

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Balance at 30 September 2021 £
Unrestricted				
General	(12,995)	544	(5,645)	(18,096)
Restricted	-	41,623	(26,836)	14,787
Total funds	(12,995)	42,167	(32,481)	(3,309)

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2022 £
Intangible fixed assets	427	-	427
Tangible fixed assets	323	-	323
Current assets	34,926	11,629	46,555
Current liabilities	(33,126)	-	(33,126)
Total net assets	2,550	11,629	14,179
	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2021 £
Intangible fixed assets	520	-	520
Tangible fixed assets	380	-	380
Current assets	13,460	14,787	28,247
Current liabilities	(32,456)	-	(32,456)
Total net assets	(18,096)	14,787	(3,309)

The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2022

16 Related party transactions

There were no related party transactions in the year.

THE WALLACEA TRUST

England & Wales - Charity number 1078362

Accounts

PLEASE SIGN + RETURN TO US
01308 PG/LLT.

OUR COPY.

Company registration number: 3734220

Charity registration number: 1078362

The Wallacea Trust

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 30 September 2021

Forrester Boyd
Chartered Accountants
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

 **Forrester Boyd**
CHARTERED ACCOUNTANTS





The Wallacea Trust

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The Wallacea Trust

Reference and Administrative Details

Trustees	R Field N P McCann S R Notley C G J Richards M R Speight J N M Page P L M Suthers S J Mukherjee C A Palmer
Secretary	D A Exton
Senior Management Team	Dr M R Speight
Principal Office	Hope House Old Bolingbroke Spilsby Lincolnshire PE23 4EX
Registered Office	Hope House Old Bolingbroke Spilsby Lincolnshire PE23 4EX
Company Registration Number	3734220
Charity Registration Number	1078362
Bankers	Lloyds Bank PLC 14 High Street Horncastle Lincolnshire LN9 5BL
Accountants	Forrester Boyd Chartered Accountants Waynflete House 139 Eastgate Louth Lincolnshire LN11 9QQ



The Wallacea Trust

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 30 September 2021.

Trustees

C Bennett (resigned 20 May 2021)

R Field

N P McCann

S R Notley

C G J Richards

M R Speight

J N M Page

P L M Suthers

S J Mukherjee (appointed 7 April 2021)

C A Palmer (appointed 7 April 2021)

K J Willis (appointed 7 April 2021 and resigned 3 May 2022)

Objectives and activities

Objects and aims

The organisation exists for the promotion for the public benefit, research into terrestrial and marine habitat of the biogeographical area known as 'Wallacea region' and other areas of the world and to publish such results. Furthermore, to educate the public in relation to the conservation and protection of the Indonesian marine and terrestrial natural resources and to encourage support an cause the implementation programmes promoting the same.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Structure, governance and management

Nature of governing document

The Charity is governed by its Memorandum and Articles of Association, which were adopted on 8th November, 1999, (amended by special resolutions of 20th October, 1999 and 8th March, 2009).

Recruitment and appointment of trustees

Potential new trustees are identified by Dr D A Exton. All potential new trustees must have the correct attributes to further the charities objectives.

Achievements and performance

Profile and funding

The Covid pandemic prevented some of the projects that the Trust was planning from being implemented in 2020/21. Despite this setback, effort has continued in expanding the portfolio of projects advertised on the Trust website, with specific focus on smaller projects that had previously been omitted.



The Wallacea Trust

Trustees' Report

Scholarships to support student fieldwork opportunities

The Trust remains committed to providing a series of scholarship opportunities to students wishing to join research and conservation expeditions. The relationship with Premier Oil continued in 2020 with ten grants of £1000 each being offered to UK-based university students joining expeditions to Indonesia. Since the expeditions couldn't happen in 2020, Premier agreed for some grants to be used in summer 2021 and the remainder to be carried over to 2022 (and beyond if required). The Murray Foundation also provided an additional five grants of £1000 each to UK-based school groups joining expeditions to any destination and ten grants of £500 each to university students completing expedition-based undergraduate or Masters thesis projects. These grants could not be paid out because of the cancellation of the 2020 research programme and the grants were carried over, some to 2021 and the remainder to 2022 (or beyond if required).

Developing a new carbon accounting method for mangroves

This Trust project has developed a more accurate method of accounting for carbon sequestered in mangroves than the existing carbon accounting methodologies. The reason this is important is that if you can fully account for the levels of carbon in mangrove ecosystems and achieve levels of around 500 tonnes per hectare within 25 years of replanting, then the price of carbon credits can be brought down to a level where the voluntary carbon market can really drive reforestation rates. The price of reforestation carbon credits being used by multi-national companies to achieve Net Zero Carbon targets is primarily determined by the amount of carbon sequestered over the life time of the project being certified. Thus, for reforestation projects in rainforest areas that have an estimated accumulation of 100 tonnes per ha of carbon in above and below ground biomass (the carbon accumulation in rainforest soils is negligible) over a 25 year period then the price of the credits is generally in the region of \$15 whereas renewable energy credits can be bought for under \$5. The net effect of this price differential is that multi nationals faced with offsetting millions of credits a year gravitate to renewable energy credits at the cheaper end of the market and the voluntary carbon market is not really driving reforestation rates.

The new methodology submitted to Plan Vivo, a well-established carbon certification scheme, differs from the existing methodologies in that it introduces the concept of Net Residual Carbon in the sediment into which the mangrove propagules are being planted. When a mangrove forest is cleared, the carbon in the anoxic sediment which might have been as high as 800 tonnes per hectare at the time of the mangrove removal, is gradually oxidised and released to the atmosphere. In areas where the sediment is exposed to large tidal fluctuations and currents, then nearly all of the carbon stocks will be removed whereas in more sheltered areas some of the carbon will remain long after the clearances. The new Wallacea Trust developed methodology proposes that before planting, 2m cores are taken at the planting site to determine remaining carbon stocks. In addition, coring is completed at sites where the mangroves have been removed 25+ years ago to estimate the baseline levels that the carbon stocks would fall to if the area were not replanted. The difference between these two figures is the Net Residual Carbon at the time of planting and this change together with more realistic estimates of annual accumulation rates of organic matter mean that mangrove reforestation credits could be brought into the \$5 range.

Repairing damaged forests in Sulawesi

The loss of income in the rural communities in Sulawesi where the Opwall survey teams have been based for the last 20+ years, has been very severe because of the cancellation of the annual expedition programmes. In order to reduce the impact, the Trust has helped to fund the local communities to establish three tree nurseries each with 10,000 saplings comprising at least 40 species that have been collected from the adjacent rainforests. These nursery trees are destined to be replanted in areas of conservation forest or privately owned land on the edge of the North Buton Nature Reserve, but in the short term have provided much needed employment and income for the communities during the pandemic.

Supporting park rangers in Cusuco National Park

The Trust has partnered with Central American NGO Panthera to provide year-round patrols of the Cusuco National Park, with a particular focus on the illegal hunting of threatened large mammal species (e.g. Baird's Tapir and Jaguar). Panthera already provide training and support to small teams of local rangers in parks across the region, and the Trust is providing matched funds to support their wages and basic equipment. Preliminary data suggests large mammal populations are already benefiting from this added protection, with camera traps detecting not only a breeding pair of Jaguar but also the first Baird's Tapir to be seen in the park for many years. The Trust intends for this support to continue indefinitely.



The Wallacea Trust

Trustees' Report

Financial review

Policy on reserves

The Trust does not currently require the holding of reserves, as we operate with almost no overheads and regular costs (e.g. no paid staff, no premises). However, should this situation change we would look to implement a reserves policy as appropriate.

Funds in deficit

The Trustees recognise that there is a deficit of funds amounting to £3,309. The Trustees are continuing to take steps to improve the funds held and hope to be in a surplus by year ending 30th September, 2022.

The annual report was approved by the trustees of the charity on 27 June 2022 and signed on its behalf by:

C G J Richards
Trustee



The Wallacea Trust

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 27 June 2022 and signed on its behalf by:

C G J Richards
Trustee



**Chartered Accountants' Report to the Trustees on the Preparation of the Unaudited
Statutory Accounts of
The Wallacea Trust
for the Year Ended 30 September 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Wallacea Trust for the year ended 30 September 2021 as set out on pages 8 to 17 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of The Wallacea Trust, as a body, in accordance with the terms of our engagement letter dated 17 June 2019. Our work has been undertaken solely to prepare for your approval the accounts of The Wallacea Trust and state those matters that we have agreed to state to the Board of Directors of The Wallacea Trust, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Wallacea Trust and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Wallacea Trust has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and results of The Wallacea Trust. You consider that The Wallacea Trust is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Wallacea Trust. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Forrester Boyd

Forrester Boyd
Chartered Accountants
Waynfilet House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ
27 June 2022



The Wallacea Trust

Independent Examiner's Report to the trustees of The Wallacea Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2021 which are set out on pages 8 to 17.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Wallacea Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Wallacea Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Wallacea Trust as required by section 386 of the 2006 Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


.....

Chartered Accountants

139 Eastgate
Louth
Lincolnshire
LN11 9QQ

27 June 2022



The Wallacea Trust

Statement of Financial Activities for the Year Ended 30 September 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	544	41,623	42,167
Total income		<u>544</u>	<u>41,623</u>	<u>42,167</u>
Expenditure on:				
Charitable activities	4	(4,249)	(26,836)	(31,085)
Governance costs		<u>(1,396)</u>	<u>-</u>	<u>(1,396)</u>
Total expenditure		<u>(5,645)</u>	<u>(26,836)</u>	<u>(32,481)</u>
Net (expenditure)/income		<u>(5,101)</u>	<u>14,787</u>	<u>9,686</u>
Net movement in funds		(5,101)	14,787	9,686
Reconciliation of funds				
Total funds brought forward		<u>(12,995)</u>	<u>-</u>	<u>(12,995)</u>
Total funds carried forward	15	<u>(18,096)</u>	<u>14,787</u>	<u>(3,309)</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	2,644	10,000	12,644
Total income		<u>2,644</u>	<u>10,000</u>	<u>12,644</u>
Expenditure on:				
Charitable activities	4	(5,190)	(10,000)	(15,190)
Governance costs		<u>(3,554)</u>	<u>-</u>	<u>(3,554)</u>
Total expenditure		<u>(8,744)</u>	<u>(10,000)</u>	<u>(18,744)</u>
Net expenditure		<u>(6,100)</u>	<u>-</u>	<u>(6,100)</u>
Net movement in funds		(6,100)	-	(6,100)
Reconciliation of funds				
Total funds brought forward		<u>(6,895)</u>	<u>-</u>	<u>(6,895)</u>
Total funds carried forward	15	<u>(12,995)</u>	<u>-</u>	<u>(12,995)</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 15.



The Wallacea Trust

(Registration number: 3734220)
Balance Sheet as at 30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	10	520	613
Tangible assets	11	<u>380</u>	<u>447</u>
		<u>900</u>	<u>1,060</u>
Current assets			
Debtors	12	-	10,000
Cash at bank and in hand	13	<u>28,247</u>	<u>10,401</u>
		28,247	20,401
Creditors: Amounts falling due within one year	14	<u>(32,456)</u>	<u>(34,456)</u>
Net current liabilities		<u>(4,209)</u>	<u>(14,055)</u>
Net liabilities		<u>(3,309)</u>	<u>(12,995)</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		14,787	-
Unrestricted income funds			
Unrestricted funds		<u>(18,096)</u>	<u>(12,995)</u>
Total funds	15	<u>(3,309)</u>	<u>(12,995)</u>


For the financial year ending 30 September 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 8 to 17 were approved by the trustees, and authorised for issue on 27 June 2022 and signed on their behalf by:


C G J Richards
Trustee

The notes on pages 10 to 17 form an integral part of these financial statements.



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The company was incorporated in England and Wales.

The address of its registered office is:

Hope House
Old Bolingbroke
Spilsby
Lincolnshire
PE23 4EX

These financial statements cover the individual entity, The Wallacea Trust.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Wallacea Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound

Going concern

The financial statements have been prepared on a going concern basis.

The charity is financially supported by a loan from Operation Wallacea Limited, while is due within one year, it is however not expected to be withdrawn at a short notice, only as and when funds permit. For these reasons, the financial statements have been prepared on a going concern basis.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class
Trademarks

Amortisation method and rate
5% straight line on cost



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	15% reducing balance basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Grants, including capital grants; Government grants	-	41,623	41,623
Regular giving and capital donations	544	-	544
Total for 2021	544	41,623	42,167
Total for 2020	2,644	10,000	12,644

4 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Sponsorship		-	-	-	10,000
Cursuco national park expenses		4,249	-	4,249	3,756
Project expenditure		-	26,836	26,836	-
Labundo		-	-	-	1,434
Governance costs	5	1,396	-	1,396	3,554
		5,645	26,836	32,481	18,744

In addition to the expenditure analysed above, there are also governance costs of £1,396 (2020 - £3,554) which relate directly to charitable activities. See note 5 for further details.

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Legal fees	990	990
Depreciation, amortisation and other similar costs	160	160
Other governance costs	197	197
Allocated support costs	49	49
Total for 2021	1,396	1,396
Total for 2020	3,554	3,554



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Other non-audit services	-	975
Depreciation of fixed assets	67	79
Amortisation of goodwill	93	93
Independent examination fees	990	-

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

During the year no travel expenses were paid to trustees (2020: £113 was paid to one trustee).

8 Staff costs

During the year the staff costs amounted to £Nil, (2020: £Nil).

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Average number of employees	11	9

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

10 Intangible fixed assets

	Trademarks £	Total £
Cost		
At 1 October 2020	<u>1,863</u>	<u>1,863</u>
At 30 September 2021	<u>1,863</u>	<u>1,863</u>
Amortisation		
At 1 October 2020	1,250	1,250
Charge for the year	<u>93</u>	<u>93</u>
At 30 September 2021	<u>1,343</u>	<u>1,343</u>
Net book value		
At 30 September 2021	<u>520</u>	<u>520</u>
At 30 September 2020	<u>613</u>	<u>613</u>

11 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At 1 October 2020	<u>3,927</u>	<u>3,927</u>
At 30 September 2021	<u>3,927</u>	<u>3,927</u>
Depreciation		
At 1 October 2020	3,480	3,480
Charge for the year	<u>67</u>	<u>67</u>
At 30 September 2021	<u>3,547</u>	<u>3,547</u>
Net book value		
At 30 September 2021	<u>380</u>	<u>380</u>
At 30 September 2020	<u>447</u>	<u>447</u>

12 Debtors

	2021 £	2020 £
Other debtors	<u>-</u>	<u>10,000</u>

13 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>28,247</u>	<u>10,401</u>



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other loans	23,526	23,526
Accruals	<u>8,930</u>	<u>10,930</u>
	<u><u>32,456</u></u>	<u><u>34,456</u></u>

15 Funds

	Balance at 1 October 2020 £	Incoming resources £	Resources expended £	Balance at 30 September 2021 £
Unrestricted				
General	<u>(12,995)</u>	<u>544</u>	<u>(5,645)</u>	<u>(18,096)</u>
Total unrestricted	<u>(12,995)</u>	<u>544</u>	<u>(5,645)</u>	<u>(18,096)</u>
Restricted funds from corporate sponsorship	<u>-</u>	<u>41,623</u>	<u>(26,836)</u>	<u>14,787</u>
Total funds	<u><u>(12,995)</u></u>	<u><u>42,167</u></u>	<u><u>(32,481)</u></u>	<u><u>(3,309)</u></u>

Grants are received from corporate bodies specifically for the purpose of sponsoring students on expeditions.

	Balance at 1 October 2019 £	Incoming resources £	Resources expended £	Balance at 30 September 2020 £
Unrestricted				
General	(6,895)	2,644	(8,744)	(12,995)
Restricted	<u>-</u>	<u>10,000</u>	<u>(10,000)</u>	<u>-</u>
Total funds	<u><u>(6,895)</u></u>	<u><u>12,644</u></u>	<u><u>(18,744)</u></u>	<u><u>(12,995)</u></u>



The Wallacea Trust

Notes to the Financial Statements for the Year Ended 30 September 2021

16 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2021 £
Intangible fixed assets	520	-	520
Tangible fixed assets	380	-	380
Current assets	13,460	14,787	28,247
Current liabilities	<u>(32,456)</u>	<u>-</u>	<u>(32,456)</u>
Total net assets	<u><u>(18,096)</u></u>	<u><u>14,787</u></u>	<u><u>(3,309)</u></u>
		Unrestricted funds General £	Total funds at 30 September 2020 £
Intangible fixed assets		613	613
Tangible fixed assets		447	447
Current assets		20,401	20,401
Current liabilities		<u>(34,456)</u>	<u>(34,456)</u>
Total net assets		<u><u>(12,995)</u></u>	<u><u>(12,995)</u></u>

17 Related party transactions

There were no related party transactions in the year.