

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2023

WCMC

A Company Limited by Guarantee

Registered number: 02330031

Charity number: 328044

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Contents

Reference and Administrative Details of the Charity, its Trustees and Advisers	2
Trustees' Report	3
Independent Auditors' Report on the Financial Statements	22
Consolidated Statement of Financial Activities	26
WCMC Consolidated Balance Sheet	27
WCMC Charity Balance Sheet	29
Consolidated Statement of Cash Flows	31
Notes to the Financial Statements	32

Reference and administrative details of the charity, its trustees and advisers

For the year ended 31 December 2023

Trustees	Dr Robin Bidwell CBE, Chair Mr Andrew Powell Ms Idunn Eidheim Ms Charlotte Wolff-Bye Mr James Sloane Ms Suraya Mailvaganam (appointed 6 December 2023) Mr Alasdair Poore Mr Rajkumar Sethurajan (appointed 6 December 2023) Professor William Adams Professor Bhaskar Vira Ms Mette Wilkie Ms Saleha Racheal Williams (appointed 6 December 2023) Dr Kathleen McKinnon (retired 18 March 2023)
Company registered number	02330031
Charity registered number	328044
Registered office	219 Huntingdon Road Cambridge CB3 0DL
Key Management Personnel	Mr Jonathan Hughes, Chief Executive Officer Professor Neil Burgess, Chief Scientist Mrs Katie Penfold, Chief Finance Officer Mr Matthew Jones, Chief Impact Officer (appointed September 2023) Ms Nichola Rowlands-Smith, Head of External Affairs (appointed November 2023)
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Barclays Bank 9-11 St Andrews Street Cambridge CB2 3AA
Solicitors	Mills and Reeve Botanic House 100 Hills Road Cambridge CB2 1PH

Trustees' report

For the year ended 31 December 2023

The Trustees, who are also the directors of the Charitable Company for the purposes of the Companies Act 2006, present the WCMC Trustees' Annual Report and financial statements for the year ended 31 December 2023. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) second edition applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

WHO WE ARE

WCMC is a UK charity that promotes the conservation, protection, enhancement and support of nature and natural resources worldwide. We do this by collecting, storing, analysing, interpreting and sharing data and knowledge to further understanding of biodiversity and the conservation of nature. We believe good data and knowledge are the foundations of informed decision-making.

WCMC operates in a collaboration with the United Nations Environment Programme (UNEP) at the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), based in Cambridge, UK. Our work brings together governments, businesses, NGOs and research bodies to put nature at the heart of decision-making and drive positive change. We are uniquely placed to ensure our science, knowledge and insights shape global and national policy.

Trustees' report (continued)

Foreword

In 2023, WCMC, working in collaboration with UNEP as UNEP-WCMC, continued to grow through developing deeper and wider partnerships to deliver over 140 projects. In doing so, we retained a strong focus on generating lasting and long-term impact from our activities.

Working with the private sector, we continued to have a central role in developing and promoting global standards and frameworks for nature measurement and disclosure. We achieved this through working closely with key partners including the Taskforce for Nature-Related Financial Disclosures (TNFD), the Science-based Targets Network (SBTN), the Global Reporting Initiative (GRI). We also helped rationalise and harmonise standards through our European Commission funded 'Aligning accounting approaches for nature' (ALIGN) project. This project enhanced transparency and accountability in how businesses and financial institutions understand and report on their impacts and dependencies on nature.

In 2023, our science team generated insights into the pressures and threats to biodiversity and the relative health of ecosystems at different geographical scales from global to local. One example was our work in collaboration with the Royal Botanic Gardens, Kew, where we identified global 'darkspots' – places on Earth where plant species remain largely undocumented. This work is now informing the targeting of conservation strategies and the prioritisation of future research. Another example was our work on transboundary conservation in Africa. Here we identified and mapped 27 Transboundary Conservation Areas - work which supported the implementation of the Kunming-Montreal Biodiversity Framework in Africa and highlighted the importance of cross-border conservation efforts for both nature and socio-economic development.

We continued to champion the vital importance of peatland ecosystems, particularly in the Congo Basin, emphasizing the essential role of peatlands in global carbon storage and climate stabilization. Technical, advocacy and policy outputs from our CongoPeat project highlighted the need for greater cross-sector collaboration to protect the immense store of carbon in the Congo Basin.

Another highlight in 2023 was our work to bring Indigenous knowledge into the national ecosystem assessment process. By collaborating with the Biodiversity and Ecosystem Services Network (BES-Net) and other partners, we ensured the inclusion of Indigenous and Local Knowledge in policy-making processes in countries like Botswana, Malawi, and Thailand. These efforts meant conservation action was better informed through a fuller understanding of ecosystems and the needs of local communities.

As we reflect on the achievements of 2023, we are motivated by the progress made and the challenges that lie ahead. Our commitment to supporting the implementation and monitoring of the Kunming-Montreal Global Biodiversity Framework remains unwavering. As we head into 2024 and beyond, we will continue to drive urgent action across all sectors and scales, ensuring our work contributes to a sustainable and nature-positive future.

We know that our potential for impact grows as we grow our partnerships, be these with governments, Indigenous and local communities, businesses, researchers or NGOs. Only through genuine partnership can we hope to build a resilient and thriving natural world for generations to come.



Robin Bidwell CBE
Chair of Trustees



Jonathan Hughes
Chief Executive Officer

Trustees' report (continued)

Strategic report

OBJECTIVES & ACTIVITIES

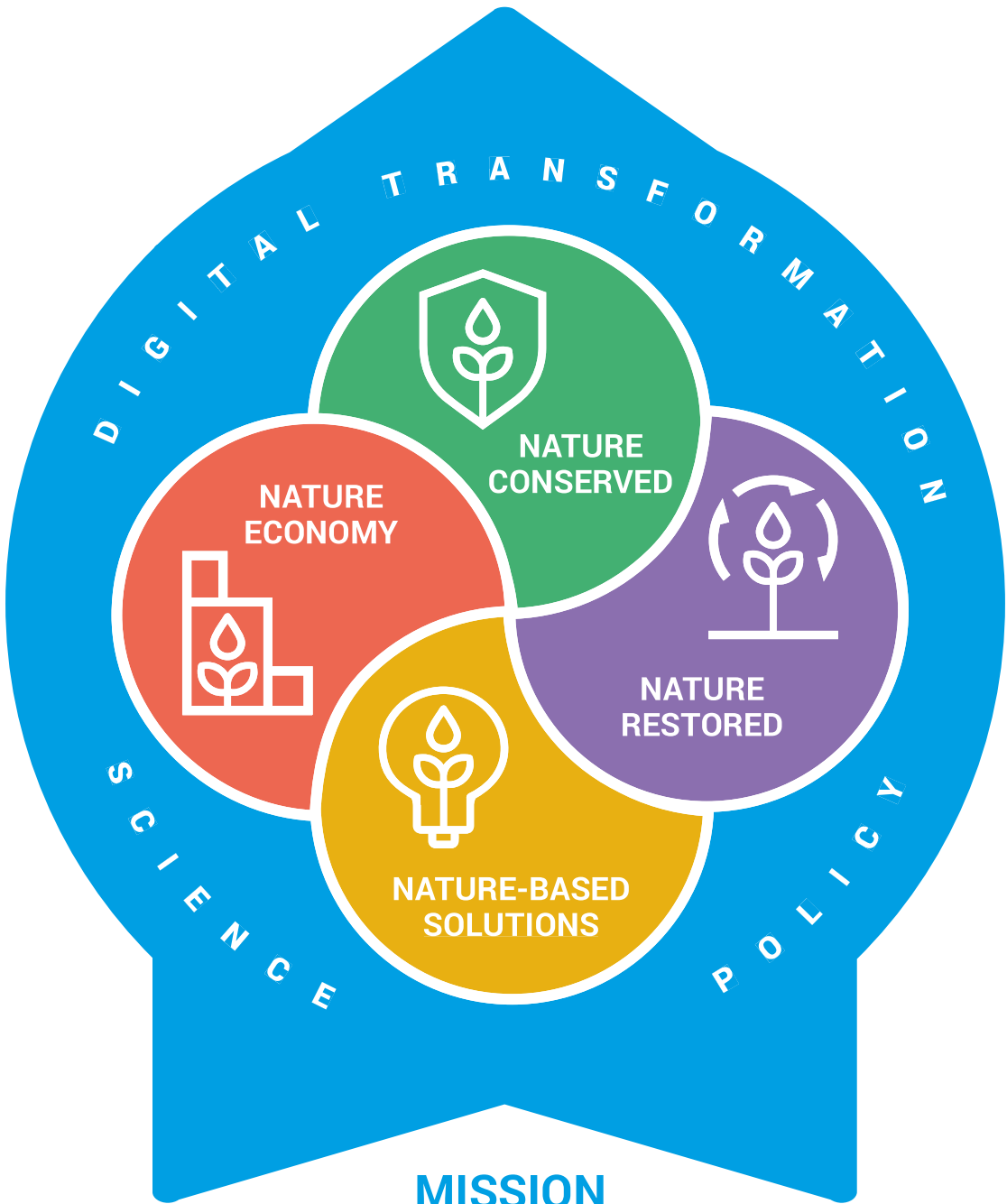
The following report summarises WCMC's key contributions towards global ambitions for conserving and restoring nature in 2023. All of WCMC's work is delivered in collaboration with the UN Environment Programme (UNEP) as UNEP-WCMC.

Our four interdependent impact areas are:

- **Nature Conserved:** resilient, connected ecosystems and their species are conserved, sustaining all life on Earth
- **Nature Restored:** degraded lands, inland waters and the ocean are restored for the benefit of people and nature
- **Nature-based Solutions:** public and private sectors make effective use of nature to address sustainable development challenges
- **Nature Economy:** the world transitions to a nature-positive global economy

VISION 2050

Living in harmony with nature



MISSION

We develop knowledge and capacity
for a nature-positive world

Trustees' report (continued)

In 2023 we continued the development of a comprehensive 'impact framework' to help us understand the impact we are having as an organisation in the external world. The impact framework underpins and guides the implementation of our strategy and enables us to track progress towards our outcomes and organisational goals, including those aligned with the UN Environment Programme (UNEP) 2022-2025 Medium Term Strategy, the 2030 Agenda for Sustainable Development, the UN Decade on Ecosystem Restoration and the implementation of the Kunming-Montreal Global Biodiversity Framework.

ACHIEVEMENTS & PERFORMANCE

Under each impact and innovation area, below is a selection of the over 140 projects in our current portfolio of work we took forward in 2023.

NATURE CONSERVED

We uncovered critical gaps in international wildlife trade protections

In 2023, we shed light on key gaps in safeguarding wildlife threatened by international trade. Through collaborative research with partners from the University of Oxford, International Union for Conservation of Nature (IUCN), and the Zoological Society of London, our team identified deficiencies in global efforts to protect vulnerable species.

Using our expertise and leveraging data from the IUCN Red List, we cross-referenced species threatened by trade with those listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Our analysis unveiled alarming discrepancies, revealing that two-fifths of species likely threatened by international trade lacked essential protections afforded by CITES.

Among the 904 vulnerable species overlooked by international trade safeguards were 370 classified as Critically Endangered or Endangered. This highlighted the urgency of addressing gaps in the regulatory framework to ensure comprehensive protection for all species vulnerable to exploitation.

Our work also provided a robust methodology for identifying species in need of greater trade regulation, empowering decision-makers to make informed choices at future CITES conferences.

We collaborated locally to advance nature conservation in the Cook Islands

Over the past year, in partnership with the Cook Islands National Environment Service (NES), South Pacific Regional Environment Programme (SPREP), and IUCN Oceania, we spearheaded efforts to elevate Other Effectively Conserved and Managed Areas (OECMs) as vital conservation mechanisms on the islands. Through an inaugural workshop and collaborative discussions, we engaged stakeholders from government, local communities, NGOs, and the private sector to identify and assess potential OECM sites across the nation.

Building on the momentum generated during the workshop, we led the development of a discussion document highlighting over 40 sites with OECM potential in the Cook Islands, and guided participants through the concept of OECMs by facilitating discussions to identify conservation priorities.

Our collaboration with the Cook Islands is part of a broader initiative under the Biodiversity and Protected Areas Management (BIOPAMA) Programme to enhance conservation and sustainable resource management in the Pacific region. Through our management of the World Database on OECMs (WD-OECM), we are also helping the Cook Islands demonstrate their contribution to the global conservation goals outlined in the Kunming-Montreal Global Biodiversity Framework.

Trustees' report (continued)

NATURE RESTORED

We highlighted the crucial importance of caring for coastal ecosystems

Coastal ecosystems play a crucial role in sustaining humanity and the planet's health. However, they face numerous threats, including habitat loss, rising temperatures and pollution. Recognising the urgency of protecting these blue ecosystems, we launched an interactive website so people can explore coastal ecosystems including kelp, coral reefs, seagrass meadows, and mangroves.

Additionally, our marine experts collaborated on a special report, analysing changes in mangrove coverage since the mid-1990s and the implications of these changes for biodiversity and carbon storage. By combining the latest data with wildlife assessments, we identified regions crucial for mangrove-associated species and where urgent strategic conservation efforts are needed. The report provided recommendations to strengthen mangrove management and restoration, emphasizing the importance of collaborative and coherent global action.

We assessed and mapped marine restoration efforts in a global review

Our marine experts conducted a global, comprehensive review of large-scale marine and coastal restoration efforts, mapping locations, primary sources of funding, and beneficiaries. The report, entitled 'Endangered Seascapes: Progress, needs, and opportunities for seascape restoration', emphasized the need for integrated approaches to coastal and marine socio-ecological systems. Released alongside an accessible online database, the report provided a detailed analysis of restoration projects spanning 2015 to 2022, aiding marine conservation practitioners and managers in understanding the purpose, location, intended outcomes and implementing partners for projects across the world.

Our report also highlighted potential restoration sites to assist funders in identifying areas of opportunity. The findings revealed a substantial investment of EUR 3.35 billion across 237 projects has already been made, with coral reefs being the most targeted habitat for restoration. Notably, mangroves received the highest proportion of funding, while the Asia-Pacific region attracted the largest amount of funding.

Our findings also showed there has been a steady increase in large-scale coastal and marine restoration projects, with biodiversity conservation being the most common goal. However, challenges such as fragmented data gathering and sharing, underscored the need for improved transparency to effectively meet restoration commitments. The project, commissioned by the Arcadia Fund, aimed to inform funders and conservationists, catalysing more strategic and impactful actions to safeguard our oceans' health.

We worked in collaboration to tackle obstacles to large-scale ecosystem restoration in Europe

We began working with other leading conservation organizations, including Birdlife International and the RSPB on a project to find collaborative solutions for ecosystem restoration across Europe. The initiative, known as the 'Convening for Restoration Project', seeks to tackle the challenges hindering large-scale restoration efforts in Europe by convening key stakeholders from various sectors.

Over the next three years, experts and practitioners will come together to identify and address barriers such as conflicting stakeholder interests, insufficient funding, and low political priority given to restoration. By leveraging dialogue and consultations, the project aims to generate actionable insights and sectoral best practices to inform policy and drive impactful action. With restoration efforts being a critical component of global targets for nature, this project holds immense potential to catalyse transformative change and pave the way for a more sustainable future for both people and the planet.

Trustees' report (continued)

We contributed to the groundbreaking Ocean Census Initiative

In the past year, we were proud to join the Ocean Census initiative, a pioneering effort aimed at discovering and safeguarding marine life. As a partner, we contributed to managing the vast data generated during expeditions and helped develop a cloud-based system for storing and sharing information. Through collaborative expeditions and cutting-edge technologies, such as DNA sequencing and high-resolution photography, we worked to uncover new insights into marine biodiversity.

Our involvement in Ocean Census demonstrates our commitment to advancing ocean conservation and promoting global understanding of marine ecosystems. Together with partners worldwide, we embarked on expeditions to document and describe marine species, including relatively understudied organisms like sponges. These efforts are vital as our ocean faces unprecedented threats, with marine species being impacted and lost at an alarming rate.

Despite the big technical challenge associated with such explorations, Ocean Census has made significant progress, with two expeditions completed this year. Spearheaded by the Nippon Foundation and Nekton Foundation, and supported by a diverse coalition of partners, this collaborative initiative holds immense promise for the future of ocean conservation.

NATURE-BASED SOLUTIONS

We identified barriers to scaling-up carbon finance for large-scale restoration projects

Through our 'Rexus' project, we explored how carbon finance could be used to fill funding gaps for large-scale restoration of European habitats. This involved investigating how nature-based solutions (NbS) might be integrated into the Water-Energy-Food-Ecosystems nexus through better planning and adaptation. We also began building a decision support tool to show how this can be done in practice by blending novel green infrastructure with traditional grey infrastructure. Alongside our partners Flora and Fauna International and RSPB, we reviewed tools used by climate change adaptation planners, designed a roadmap guide for NbS safeguarding, and provided NbS expertise in workshops in a number of pilot areas.

Our insights from this work highlighted that despite market growth, concerns persist regarding carbon credit quality due to methodological uncertainties and lack of standards. Efforts to ensure quality include independent ratings and blockchain integration, while regulatory initiatives are aiming to secure market integrity. Restoration projects face hurdles in navigating carbon markets, with knowledge gaps hindering access for some ecosystems,

We enhanced resilience in Thailand's water sector through ecosystem-based adaptation

We worked with researchers to assess water-related climate change adaptation initiatives in Thailand, focusing on ecosystem-based adaptation (EbA) interventions such as living weirs and floodplain restoration. Our collaboration with government agencies and international partners highlighted the positive impacts of EbA, including increased soil moisture, groundwater recharge, and reduced flooding risk. Our analysis also revealed potential trade-offs, such as habitat fragmentation in floodplain areas.

Our recommendations emphasised the importance of participatory design, ongoing monitoring, and community engagement to maximize benefits and minimize risks. This work showed how EbA is essential in building resilience to climate change in highly vulnerable regions like Thailand, emphasizing the need for effective design and continuous evaluation of adaptation measures.

Trustees' report (continued)

We championed the vital importance of peatlands in the Congo Basin at COP28

Globally, peatlands contain around one third of the world's soil organic carbon. Healthy peatlands are one of the most efficient ecosystems for sequestering and storing carbon. They are therefore critical for achieving global climate goals. Despite their importance, peatlands are increasingly under threat and many have switched from carbon stores to carbon sources due to threats ranging from drainage, land conversion and fires.

Over five-years, our CongoPeat project has advocated the importance of peatlands in the Congo basin for global carbon storage and climate stabilization. These peatlands, which stretch across the Republic of Congo and the Democratic Republic of Congo, store 29Gt of soil organic carbon - the equivalent of three years' worth of global greenhouse gas emissions. Our work included a policy brief for the climate COP which provided options for further peatland protection, highlighting the need for cross-sector collaboration between countries, policymakers, scientists, NGOs and rural and Indigenous communities.

NATURE ECONOMY

We co-led the IPBES technical assessment on business and biodiversity

We co-led the International Panel of Biodiversity and Ecosystem Services (IPBES) Technical Support Unit, collaborating with the Alexander von Humboldt Biological Resources Research Institute to provide essential technical, scientific, and administrative support for a pioneering global assessment approved by the IPBES Plenary.

This involved examining the relationship between business activities and biodiversity and developing clear criteria and indicators to measure the dependencies and impacts of businesses on nature. With a surge in private sector interest in sustainable business practices and growing recognition of the importance of integrating biodiversity targets into corporate frameworks, this work was much needed and well timed. Through this collaboration, we also reaffirmed our commitment to supporting sustainable trade and finance.

We showed investors how financing for sustainable land use works in practice

We produced case studies on sustainable land use finance and provided guidance for impact investors. These case studies focused on the experiences of AGRI3 and the Responsible Commodities Facility (RCF), two impact investors we have worked closely with over several years. AGRI3 Fund is a guarantee fund dedicated to fostering sustainable agriculture and improving rural livelihoods. RCF focuses on incentivizing soy production in Brazil's threatened Cerrado landscape. Both are strategic investment approaches aimed at driving positive environmental and social outcomes while mitigating risks.

We found that their success is partly a result of robust impact frameworks which set safeguards, assess impacts, and measure progress effectively. Through these case studies, we aim to empower impact investors to develop impactful investment strategies that generate tangible environmental and social benefits while upholding principles of sustainability and accountability.

We gave businesses guidance on improving ecosystem health

In collaboration with our partners, we've developed practical guidance, including a 'Measuring Ecosystem Condition' primer, aimed at assisting businesses in improving ecosystem health. By considering biodiversity at both species and ecosystem levels and embracing ecosystem-level thinking, the private sector can drive standardized measurement of biodiversity performance, fostering a more sustainable relationship between the global economy and nature.

Trustees' report (continued)

We helped develop world first science-based nature targets for the private sector

In 2023, the Science Based Targets Network (SBTN) launched methods for target-setting for companies. This was a huge collaborative effort, involving over 80 leading organisations worldwide. This initial release focused reducing conversion and land occupation, promoting landscape-level engagement, and addressing water consumption and pollution. Our team played a central role in developing assessment and prioritization steps for companies and in providing tools and data to aid in target-setting processes. These resources will enable companies to assess their operations and supply chains, identify priority areas for action, and understand the materiality of their activities.

We underpinned the development of multiple disclosure standards and frameworks

We supported the technical development of a number key reporting and disclosure standards and frameworks in 2023 raising the level of ambition and increasing the level of alignment among them.

These included:

- the Taskforce for Nature Related Financial Disclosure (TNFD) V1 framework that was released in September for which there are already over 300 early adopters
- The Global Reporting Initiative (GRI) biodiversity standard that was finalised in December 2023 and is expected to be applied by thousands of companies that report against the GRI standards
- the European Sustainability Reporting Standards (ESRS) standard that was formally adopted as part of the Corporate Sustainability Reporting Directive (CSRD) in July 2023 became mandatory for over 50,000 companies within the EU

All of these frameworks adopted many of the recommendations of our Align project on biodiversity measurement and reference our Align guidance note on measuring ecosystem condition.

We expect these contributions to influence the reporting and disclosure of businesses and financial institutions around the world. Our work will help ensure that the information disclosed is meaningful, reflects the performance of entities to better manage their relationship with nature, improves alignment across the initiatives, and supports effective uptake and implementation. This will enable greater accountability based on the right information and help direct financial flows for more positive environmental outcomes.

SCIENCE

We shone a light on the global 'darkspots' of plant biodiversity

In collaboration with scientists at Royal Botanic Gardens (RBG) Kew, we spearheaded groundbreaking research identifying 32 global 'darkspots' where plant species remain scientifically unnamed, described, and mapped. This research, featured in Kew's State of the World's Plants and Fungi report, highlighted the urgent need to expand scientific knowledge of plants and fungi worldwide to understand ecosystems, predict responses to global change, and prioritize conservation efforts.

As lead authors of the report's chapter 'Illuminating the darkspots of the plant world', we use various datasets to model the number of unnamed species per 'botanical country', revealing significant knowledge gaps in regions such as tropical Asia and South America. Our findings showed the need for targeted botanical expeditions and digitalisation efforts to address these gaps, crucial for informing conservation strategies and protecting valuable biodiversity.

Trustees' report (continued)

We mapped transboundary conservation areas across Africa

We contributed to a mapping project on potential transboundary conservation areas (TBCAs) across Africa. Collaborating with partners like the University of British Columbia and WWF-US, our goal was to provide valuable insights into the conservation landscape of the continent.

We identified a total of 27 existing TBCAs in Africa, encompassing an impressive area of 847,158 km². Additionally, we discovered a significant potential for further TBCAs, with 8,481 potential combinations of individual protected areas (PAs), spanning nearly 2,000,000 km².

Utilizing sophisticated methodologies and leveraging the World Database on Protected Areas managed by UNEP-WCMC, we prioritized potential TBCAs based on various factors such as size, connectivity, and feasibility of establishment. Our analysis revealed that the majority of existing TBCAs are located in southern Africa, with additional clusters in west and eastern Africa.

These insights hold significance not only for African countries but also align with the global aspirations of the Kunming-Montreal Global Biodiversity Framework, providing a roadmap for increased investment in effective TBCAs worldwide. Moreover, transboundary conservation initiatives not only benefit biodiversity but also contribute to socio-economic progress and cultural exchange, promoting harmony among neighbouring nations.

Reflecting on our research, we believe that connecting stakeholders across sectors is paramount to viewing natural ecosystems as interconnected wholes. Furthermore, emphasizing a clear business case is essential to ensure sustained support for TBCAs, safeguarding the future of shared ecosystems for both people and wildlife.

POLICY

Integrating Indigenous Knowledge in National Ecosystem Assessments: Promoting Well-Being and Biodiversity

Through collaboration with the Biodiversity and Ecosystem Services Network (BES-Net) Indigenous and Local Knowledge (ILK) Support Unit, the National Ecosystem Assessment (NEA) Initiative facilitated the incorporation of ILK into national ecosystem assessments (NEAs). In Botswana, community dialogues preceded the NEA launch, fostering collaboration between Indigenous Peoples, local communities, and the government. A resulting policy brief detailed outcomes and community needs.

In Malawi, the NEA team hosted the first national BES-Net Dialogue, engaging science, policy, and local communities to refine assessment objectives. Field visits enriched discussions on community-led conservation.

In Thailand, the NEA team finalized a Scoping Report addressing ILK's role in coastal and marine biodiversity understanding. This approach empowers policymakers with insights from Indigenous and local communities, such as the Chao Lay 'sea people'.

Looking ahead, the NEA Initiative aims to further fuse Indigenous wisdom with science-based practices, fostering holistic approaches to biodiversity preservation and human well-being.

Monitoring implementation of the Kunming – Montreal Global Biodiversity Framework

In December 2022, at the UN Biodiversity Conference, countries adopted an historic package of measures to address global biodiversity loss and support the sustainable use of nature. Subsequently, our work through 2023 focused on supporting implementation of the Kunming-Montreal Global Biodiversity Framework package of decisions.

Trustees' report (continued)

Work included supporting the monitoring of implementation of the Global Biodiversity Framework, at national, regional and global scales. We did this through providing technical support to the Ad Hoc Technical Expert Group on indicators and were mandated to further develop the methodologies by which countries will measure national implementation of the Framework. We provided technical inputs, advice and made accessible, associated information to support countries with national monitoring, including access to the metadata for the indicators (<https://gbf-indicators.org/>), and real time data visualisations of progress in implementation of the Framework via a Target Tracker tool, launched in October 2023. In addition, we provided guidance to help countries assess their national monitoring capacity, and tools to support the selection of relevant indicators and datasets. We also provided in person training and webinars for countries on assessing national monitoring, via the GEF Early Action Support project.

Future work will focus on developing national capacity for monitoring implementation of the Global Biodiversity Framework. We will work with the global community of scientific and technical partners, and civil society to support the development of national monitoring systems. Improved capacity to monitor implementation of national biodiversity actions and targets, will enable countries to keep national activities under review, and ratchet up actions where needed, to deliver the Global Biodiversity Framework.

DIGITAL TRANSFORMATION

We supported development of new National Biodiversity Strategies and Action Plans (NBSAPs)

Led by the Secretariat to the Convention on Biological Diversity, UNDP, UNEP, and Global Environment Facility, with technical backing from UNEP-WCMC, we upgraded the NBSAP platform in 2023. The platform serves as a vital repository and collaborative space for advancing National Biodiversity Strategies and Action Plans (NBSAPs) in accordance with the Kunming-Montreal Global Biodiversity Framework.

Our pivotal role included providing technical assistance to countries, offering guidance materials, and managing a multilingual help desk to address queries directly. Leveraging expertise gained from prior initiatives, we aimed to empower nations to revise, implement, and monitor their NBSAPs effectively.

As the world intensifies its efforts on biodiversity conservation post-COP15, we stand committed to supporting the NBSAP Forum 2.0. This launch marked a significant stride towards collective action in achieving the ambitious goals outlined in the Kunming-Montreal Global Biodiversity Framework.

We introduced a new Data Reporting Tool for countries promoting synergies between Multilateral Environmental Agreements

This initiative aimed to streamline the reporting process for countries, promote synergies between multiple biodiversity-related multilateral environmental agreements (MEAs), and alleviate the burden on national data experts.

In September 2023, we organized a workshop in Beijing, in collaboration with the Nanjing Institute of Environmental Sciences (NIES) of the Ministry of Ecology and Environment (MEE), to introduce DaRT to China's biodiversity-related MEA focal points. It was a groundbreaking event, marking the first time all of China's national MEA focal points had convened in one forum.

During the workshop, we engaged with 28 national experts representing various biodiversity-related conventions and MEAs, along with expert representatives from supporting departments involved in national reporting. The participants explored how DaRT could be utilized to streamline the reporting process, enhance data management, and promote synergies between different MEAs.

Trustees' report (continued)

DaRT, funded by Switzerland, Sweden, and the EU, offers a private and secure online platform for Parties to MEAs to organize, share, and maintain information and data. Through DaRT, national focal points can access a wealth of global data and guidance, facilitating the compilation of national reports and the update of National Biodiversity Strategies and Action Plans (NBSAPs) in alignment with the Kunming-Montreal Global Biodiversity Framework (GBF).

To date, DaRT has made significant progress, with over 110 countries having fully functional working spaces and 30 countries participating in dedicated training workshops. We believe that DaRT's uptake will continue to grow, fostering collaboration and synergy among biodiversity-related conventions and supporting the effective implementation of the GBF.

FUTURE PLANS

In the coming year, WCMC will strengthen efforts to address the nature-climate crisis across the more than 20 focal initiatives outlined in our current strategy. In doing so, we will ensure a coherent, organisation-wide approach to our continuing support for the implementation of The Biodiversity Plan (the Kunming-Montreal Global Biodiversity Framework) by both countries and other actors, including the private sector. This will include an upgrade of the NBSAP (National Biodiversity Strategies and Action Plans) platform to provide technical assistance to countries revising, implementing, and monitoring their NBSAPs. We will also develop a new Data Reporting Tool (DaRT), designed to streamline reporting processes for countries, and promote synergies between, international Multilateral Environmental Agreements.

We will intensify our efforts on large-scale ecosystem restoration projects across Europe through the 'Convening for Restoration Project'. This initiative seeks to overcome barriers such as conflicting stakeholder interests, insufficient funding, and low political priority, fostering collaboration to drive nature recovery at scale.

Our participation in the Ocean Census initiative will continue to advance ocean conservation by managing large amounts of data generated during expeditions. We will also develop cloud-based systems to enable better and faster sharing of this information. These efforts will uncover new insights into marine biodiversity, contributing significantly to global understanding and protection of marine ecosystems.

Our work on nature-based solutions will address the integration of carbon finance into large-scale habitat restoration projects. We will also explore innovative ways to blend green infrastructure with traditional grey infrastructure, aiming to fill funding gaps and enhance climate resilience through ecosystem-based adaptation.

Monitoring the implementation of the Biodiversity Plan will also remain a priority, as we support countries in their endeavours to address global biodiversity loss and promote the sustainable use of nature.

As we move forward, WCMC will continue to build on its successes, driven by a vision of a sustainable future where nature thrives and supports all life on Earth. Our strategic initiatives, collaborative projects, and commitment to innovation will be the cornerstone of our efforts to protect and restore the natural world.

Trustees' report (continued)

WCMC OPERATIONS REPORT

Operational review

WCMC continued to grow in 2023, with an average staff of 236 (225 FTE), up from 209 (197 FTE) in 2022. WCMC continued to recruit at a rate matching the growing pipeline of work. In 2023 staff turnover increased slightly from 17.9% in 2022 (UK 2022 average was 22.5%) to 18.7% (UK 2023 average 20%). At the end of 2023, WCMC had over 45 nationalities represented on the staff.

Since Covid-19, WCMC has introduced a number of initiatives to support staff in their roles, such as introducing a flexible working policy and commissioning a survey from Mind to assess staff mental wellbeing. We have created a Wellbeing Hub and trained a team of Mental Health first aiders. A successful all-staff retreat was held in 2023 which allowed for in-person team bonding and collaboration. This was a valuable session and from now on, annual all-staff retreats are planned.

WCMC conducts an annual staff survey to gain staff feedback and to monitor trends. The results of the 2023 survey were extremely positive, with staff reporting feeling supported by colleagues, able to contribute to the work of the organisation and feeling equally treated. Staff highlighted benefits and rewards, project management procedures and improvements to the office environment as being priorities going forward.

The recruitment environment continues to be challenging for WCMC, both in terms of ability to compete with private sector salaries and also with respect to the ability to recruit to technical roles at lower grades following changes to immigration legislation.

Premises

WCMC staff are based at 219 Huntingdon Road, Cambridge, CB3 0DL. There is space for approximately 180 desks, although hybrid working is now embedded, with staff attending the office at least twice a month, with a recommended attendance of at least twice per week. An additional office is located at the Cambridge Conservation Initiative Campus at the David Attenborough Building in central Cambridge.

The Huntingdon Road building was constructed in 1993, and it is expected that significant maintenance will be required in the short to medium term. In 2022, Trustees elected to create a designated Building Maintenance Fund of £200,000 to allow for any urgent issues that may arise to be dealt with. The reserve was not utilised in 2023 but spend is expected in 2024 on a replacement boiler and new meeting room provision which should allow for staff to take calls and collaborate more easily.

Regional entities

On 10 December 2019, WCMC established a wholly owned subsidiary company in China called WCMC Beijing Co. Ltd., a Limited Liability Company, and registered in Chaoyang District, Beijing. "WCMC Beijing" was established with the objective of engaging in projects falling within the objectives of WCMC, and which are consistent with the collaboration between WCMC and the United Nations Environment Programme (UNEP) under the Collaboration Agreement between UNEP and WCMC. Following a review of its Regional Engagement Strategy, the Board made a strategic decision to wind up the Beijing entity, with the process being completed on 28 December 2023.

WCMC Europe asbl. was established by WCMC on 14 November 2019. It was founded by WCMC, the UK registered charity and Ms Hilde Eggermont. WCMC Europe is a not-for-profit association based in Brussels. It has its own, distinct legal identity. It has been set up as a charitable organisation, registered in Belgium, which operates under Belgian law.

Trustees' report (continued)

ASBL in French is an "association sans but lucratif" (translated: "notforprofit organisation"). The registered office is located at MundoB, Rue D'Edimbourg 26, 1050 Brussels, Belgium. The work of WCMC Europe does not itself fall within the scope of the Collaboration Agreement between WCMC and UNEP.

WCMC Europe had two members of staff at the end of 2023 (2022: 2).

WCMC FINANCIAL REVIEW

The accounts present the consolidated position for 2023 and 2022 which includes the subsidiary entities of WCMC Europe asbl. and WCMC Beijing Co. Ltd (now closed).

The Group derives most of its income through project-funded activities, and has little core funding, although it aspires to increase this source of funds. Total income in 2023 was £21,805,250 compared with £21,957,760 in the previous financial year. Income in 2022 was high due to a significant donation of £3.649m received in the year and was recognised upfront in accordance with accounting standards. As this is drawn down on, as well as taking into account the costs of closing down WCMC Beijing, a loss for the year was anticipated.

Project income from charitable activities in 2023 was £21,735,567 compared to £18,203,500 achieved in 2022. The increase in income from 2022 to 2023 was approximately 19%. Despite this increase, income from charitable activities was lower than anticipated, however, this shortfall was offset by underspends elsewhere. The compilation of the 2024 budget was an iterative process, with the finance team holding several meetings with all budget holders and Heads of Impact and Innovation Areas in order to ensure that budgets set going forward are realistic and achievable. The Project Excellence Team has since proposed multiple improvements to project management practices to ensure that all projects deliver on-budget.

Total expenditure on charitable activities in 2023 at £22,054,433 was higher than 2022 (2022: £18,766,507). This resulted in an overall loss for the group of £249,183. Given the substantial donation for Protected Planet, recognised upfront in 2022, but utilised over a five-year period, a loss was expected for the 2023 financial year.

After accounting for notional fair value losses on foreign exchange contracts held as at 31 December 2023 the Group recorded a net decrease in funds of £249,183 (2022: increase of £3,191,253).

The Group's balance sheet position remains strong with Net Current Assets of £6,260,873 (2022: £6,418,122). Total funds held at 31 December 2023 were £7,127,031 of which £1,064,852 was held in designated funds (2022: £7,376,214 & £1,154,818 respectively) representing the value of the Charity's fixed assets held at the reporting date and planned building maintenance. Restricted funds, representing net assets of the subsidiary companies and funds related to restricted projects in the parent, amounted to £3,317,029 (2022: £5,624,692). There were cash holdings at the year end of £10,568,904 (2022: £11,451,561).

WCMC Europe posted a loss of £24k for the year ended 2023. WCMC Beijing posted a final loss of £145k which was due to the costs of keeping the entity open during the closedown period when project work had ceased. £82k in cash was returned to the parent company upon closure of WCMC Beijing.

Trustees' report (continued)

One-off impacts reflected in the 2023 position include the impact of unplanned investment into the Online Reporting System, a project of strategic importance to the organisation. The impact of this work will be ongoing in the new financial year and due to complete in December 2024. Work is also being undertaken to rationalise the amount of digital products we support, ensuring that funding is identified to support this work going forward and building in budgets for support and maintenance for new products.

Also, due to improvements in the way foreign exchange is managed, large fluctuations are not anticipated going forward. Whilst the foreign exchange environment is currently stable, this will be continually monitored, as there will always be some risk around this, particularly as volatility is possible in 2024 as it is a general election year. Foreign exchange risk is managed through a Foreign Exchange Risk Management strategy and the purchase of forward contracts.

Irrecoverable VAT is an area that requires ongoing monitoring given the shift towards more 'non-business' projects in the portfolio affecting the amount of tax that can be reclaimed. This is being actively monitored by the finance team at the project proposal stage.

In 2022, £3.649m was received from the Arcadia Fund to support ongoing Protected Planet work through to 2027 and in accordance with the SORP was recognised as a donation upfront and in full in that financial year. Unspent funds related to this project are segregated within the Restricted Fund. As the project continues, funds will be drawn down from the Restricted Fund in order to cover the costs of this ongoing work.

WCMC RESERVES POLICY

Given the Charitable Company's project commitments and the ongoing economic situation, it has been agreed that the organisation should aim to hold unrestricted reserves to enable the organisation to operate at full capacity for at least six months, even if all income were to cease. This recognises that shifts in funding do occur and that six months would be the minimum time in which to establish emergency funding sources, and to meet contractual commitments.

The alternative liquidity-based method of reserves calculation (including 100% of cash, 75% of trade debtors, 50% of billable accrued income less 25% of monies received in advance and less other net current liabilities except prepayments) is used alongside the "traditional method" based on net current assets.

The liquidity-based method of reserves calculation estimates WCMC reserves held at 31 December 2023 at £9,344k. The total operational cost budget for 2024 is £13,439k, therefore reserves are sufficient to cover more than six months' expenditure. According to the traditional method the Group had £6,261k of general free reserves as at 31 December 2023 (£6,591k as at 31 December 2022). The Trustees consider the liquidity-based method to be a more realistic approach in the scenarios envisaged by the policy.

The Trustees will continue to review and modify the reserves policy as circumstances require.

Trustees' report (continued)

WCMC RISK MANAGEMENT

The Trustees have a duty to identify and review the risks to which the Charitable Company is exposed and to ensure appropriate plans and controls are in place to provide a reasonable assurance that they are effectively managed. An active risk register is maintained, which is reviewed by the Audit & Risk subcommittee and mitigation actions are agreed at full Board meetings. Risks are broken down into those that affect Governance, Strategy, Operations, Financial and External factors. They are reviewed by assessing the impact and likelihood of the risks, and then weighted as follows – (Impact x Likelihood) + Impact.

The Board has identified the following risks as particularly important:

1. Staff retention and recruitment, notably:

- Challenges around attracting new staff, slow recruitment and onboarding – mitigated by benchmarking to ensure salaries and non-monetary staff benefits are competitive for our sector, early and pre-emptive recruitment to fill gaps, sponsorship of staff not eligible to work in the UK.
- Loss of key staff and knock-on negative impacts on project delivery, corporate knowledge loss and maintaining capacity – mitigated by benchmarking to ensure salaries and non-monetary staff benefits are competitive for our sector, investing in career progression and development of key staff, active training programme, succession planning and project handovers.
- Changes to immigration legislation.

2. Staff wellbeing and health and safety, notably:

- Staff struggling with workload and/or difficult working conditions – mitigated by monthly line management 'core goal' meetings to help with focus and time management, flexible/hybrid working arrangements, responding to regular staff surveys and feedback.
- Health and safety of staff, volunteers, and collaborators, including while travelling – mitigated by adherence to policies and procedures, enhanced office sanitary measures, equipment and facilities, travel risk assessments, insurance cover.
- Staff welfare and mental health – mitigated by employee assistance line, Staff Liaison Committee, staff surveys and line management as well as hybrid working and staff wellbeing research and action plan.
- Project and financial commitments failing to be met due to staff illness – mitigated by monitoring staff wellbeing, maintaining full staff complement, allowing time for sick leave, hybrid working and negotiating contract flexibility.
- Health and safety of staff, volunteers and collaborators – mitigated by adequate insurance cover, adequate policies and procedures, maintenance of equipment and facilities.

3. Loss of critical assets, notably:

- Risk of cyber-attack, loss of critical data or Intellectual Property. Trustees are committed to cyber security and data protection and significant work has been undertaken to strengthen controls in this area, including achieving Cyber Essentials accreditation, penetration testing, training and documenting effective policies.

Trustees' report (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

The Board may appoint a person who is willing to act as a Trustee, either to fill a vacancy or as an additional Trustee, provided the appointment does not cause the number of Trustees to exceed 12 in accordance with the Articles as the maximum number of Trustees. No person may be appointed as a Trustee until they have attained the age of 18 years; or in circumstances that had they already been a Trustee they would have been disqualified from acting under the provision of Article 43. The procedure for the recruitment and appointment of trustees is provided in the Charitable Company's Articles of Association.

Induction and training of new trustees

New Trustees are provided with the Charitable Company's Articles of Association, the 2010 Collaboration Agreement with UN Environment Programme and the 2021 exchange of letters between UNEP and WCMC that supplements the Collaboration Agreement, The Essential Trustee, and information from the Charity Commission website. They receive the latest Audited Accounts and Minutes of the four previous Board Meetings. The corporate strategy and detailed operational materials covering financial performance, staff satisfaction and staffing levels of the charity are also all communicated.

Roles and responsibilities of the Board of Trustees at WCMC

When joining the Board, WCMC trustees are informed of their responsibilities. These include the following:

- Set and maintain the vision, mission and values of the organisation.
- Develop direction, strategy and planning.
- Ensure the organisation has the structure and resources for its work.
- Satisfy themselves that there are appropriate policies and procedures to govern organisational activities, including guidance for the board, volunteers and staff and subcontractors on health and safety, harassment, safeguarding, non-discrimination etc.
- Establish systems for reporting and monitoring.
- Manage risk and ensure compliance and accountability with the governing document, external regulators and the law.
- Make certain that the financial affairs of the organisation are conducted properly and are accurately reported.
- Ensure that the relationship we have with UNEP prospers and is of mutual benefit to each organisation.

Trustees' report (continued)

Frequency of Board meetings

The Board of Trustees of WCMC meet at least three times per year. A further 'Board Away Day' is usually held in Spring, to focus on matters of strategic importance for the year ahead. These meetings are also usually attended by senior members of staff of WCMC. A representative from UNEP is an observer to the Board.

A Finance Sub-Committee chaired by the Board Treasurer meets between regular Board Meetings. In 2023, an Audit & Risk Sub-Committee was established and under its Terms of Reference meets twice a year. An annual meeting of the Steering Committee for the collaboration between UNEP and WCMC is held between the Executive Director of UNEP and the WCMC Board Chairman and attended by Chief Executive Officer of WCMC and the leadership of UNEP-WCMC.

Funds held as custodian trustees on behalf of others

As at 31 December 2023, the Charitable Company did not hold any funds as custodian trustees on behalf of others.

Related parties and co-operation with other organisations

The Charitable Company works in close collaboration with the United Nations Environment Programme, (UNEP), headquartered in Nairobi, Kenya, through its office called the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC), which is co-located with the Charitable Company at 219 Huntingdon Road, Cambridge. Under the terms of the collaboration, the Charitable Company sub-leases the office building to UNEP for UNEP-WCMC. UNEP sub-leases the WCMC-occupied areas of the building back to WCMC. None of the trustees receive remuneration or other benefit from their work with the Charitable Company.

Pay policy for Key Management Personnel

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The pay of the Chief Executive Officer and the Chief Finance Officer is set by the Board, and the Board also review any proposed pay awards for senior staff (A and B Grade).

STATEMENT OF TRUSTEES' FINANCIAL RESPONSIBILITIES

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

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period.

In preparing these financial statements, the trustees are aware that they are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Trustees' report (continued)

- 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 ensuring that proper accounting records are kept and that these disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

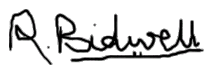
They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware: there is no relevant audit information of which the charitable company's auditor is unaware; and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Auditors

The Trustees resolved to appoint Peters, Elworthy & Moore Chartered Accountants during the year in accordance with section 485 of the Companies Act 2006.

The above Trustees Report (incorporating the Strategic Report) was approved by the Board of Trustees and signed on its behalf by:



Robin Bidwell CBE

Chair of Trustees

Date: 24 July 2024

The notes on pages 32 to 59 form part of these financial statements.

Independent Auditors' Report on the Financial Statements

OPINION

We have audited the financial statements of WCMC (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Foundation Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditors' Report on the Financial Statements (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report on the Financial Statements (continued)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- the responsible individual ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge of charity and company law and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and UK taxation legislation, as well as those laws and regulations relating to the group's operations such as UK employment legislation and health and safety;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non compliance throughout the audit; and
- we reviewed the minutes of Trustees' meetings to identify any references to non compliances with laws and regulations.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested journal entries to identify unusual transactions;
- evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias; and

Independent Auditors' Report on the Financial Statements (continued)

- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures that included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators such as the Charity Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kathryn Hebden

(Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 24 July 2024

Consolidated Statement of Financial Activities (Incorporating income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
Donations	4	40,109	-	40,109	3,713,574
Charitable activities	5	10,592,597	11,142,970	21,735,567	18,203,500
Other trading activities	6	29,574	-	29,574	40,686
TOTAL INCOME		10,662,280	11,142,970	21,805,250	21,957,760
EXPENDITURE ON:					
Charitable activities	7 & 8	9,557,369	12,497,064	22,054,433	18,766,507
TOTAL EXPENDITURE		9,557,369	12,497,064	22,054,433	18,766,507
NET INCOME / (EXPENDITURE)		1,104,911	(1,345,094)	(249,183)	3,191,253
TRANSFERS		953,569	(953,569)	-	-
NET MOVEMENT IN FUNDS		2,058,480	(2,307,663)	(249,183)	3,191,253
RECONCILIATION OF FUNDS:					
Total funds brought forward		1,751,522	5,624,692	7,376,214	4,184,961
Net movement in funds		2,058,480	(2,307,663)	(249,183)	3,191,253
TOTAL FUNDS CARRIED FORWARD	18	3,810,002	3,317,029	7,127,031	7,376,214

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 32 to 59 form part of these financial statements.

WCMC Consolidated Balance Sheet

Registered number: 02330031
Charity number: 328044

As at 31 December 2023

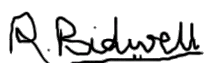
	Note	2023 £	2022 as restated £
FIXED ASSETS			
Intangible assets	12	-	500
Tangible assets	13	866,158	957,592
		866,158	958,092
CURRENT ASSETS			
Debtors	15	5,753,341	4,940,075
Cash at bank and in hand	21	10,568,904	11,451,561
		16,322,245	16,391,636
Creditors: amounts falling due within one year	16	(10,061,372)	(9,973,514)
NET CURRENT ASSETS		6,260,873	6,418,122
TOTAL NET ASSETS		7,127,031	7,376,214
CHARITY FUNDS			
Restricted funds	18	3,317,029	5,624,692
General unrestricted funds	18	2,745,150	596,704
Designated funds	18		
Fixed Assets		864,852	954,818
Building Maintenance		200,000	200,000
Total unrestricted funds	18	3,810,002	1,751,522
TOTAL FUNDS		7,127,031	7,376,214

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

WCMC Consolidated Balance Sheet (continued)

Registered number: 02330031
Charity number: 328044

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Robin Bidwell CBE

(Chair of Trustees)

Date: 24 July 2024

The notes on pages 32 to 59 form part of these financial statements.

WCMC Charity Balance Sheet

Registered number: 02330031
Charity number: 328044

As at 31 December 2023

	Note	2023 £	2022 as restated £
FIXED ASSETS			
Intangible assets	12	-	500
Tangible assets	13	864,852	954,318
Social investments	14	-	1
		864,852	954,819
CURRENT ASSETS			
Debtors	15	6,171,239	4,648,468
Cash at bank and in hand		10,100,608	11,116,191
		16,271,847	15,764,659
Creditors: amounts falling due within one year	16	(10,036,253)	(9,621,599)
NET CURRENT ASSETS		6,235,594	6,143,060
TOTAL NET ASSETS		7,100,446	7,097,879
CHARITY FUNDS			
Restricted funds	18	3,290,444	4,703,428
General unrestricted funds	18	2,745,150	1,239,633
Designated funds			
Fixed Assets		864,852	954,818
Building Maintenance		200,000	200,000
Total unrestricted funds	18	3,810,002	2,394,451
TOTAL FUNDS		7,100,446	7,097,879

The Charity's net movement in funds for the year was £2,567 (2022: £3,139,933).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

WCMC Charity Balance Sheet (continued)

Registered number: 02330031
Charity number: 328044

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Robin Bidwell CBE

(Chair of Trustees)

Date: 24 July 2024

The notes on pages 32 to 59 form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash from operating activities	20	(805,595)	5,086,190
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		-	-
Purchase of intangible assets		-	-
Purchase of tangible fixed assets		(77,062)	(110,241)
NET CASH USED IN INVESTING ACTIVITIES		(77,062)	(110,241)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(882,657)	4,975,949
Cash and cash equivalents at the beginning of the year		11,451,561	6,475,612
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		10,568,904	11,451,561

The notes on pages 32 to 59 form part of these financial statements

Notes to the Financial Statements

1. GENERAL INFORMATION

WCMC is a company limited by guarantee, incorporated in England and Wales and a registered charity. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The Charity's functional and presentational currency is GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

WCMC 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The Statement of Financial Activities for the year for the charity showed a surplus of £2,567.

2.2 GOING CONCERN

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

In particular the trustees have considered the Group's forecasts and projections and have taken account of pressures on fundraising income, foreign exchange risk, especially the USD and also the impact of rising inflation on its ability to operate as a going concern. After making enquiries the trustees have concluded that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Notes to the Financial Statements (continued)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.4 INCOME

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

Donations income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably. Entitlement is considered to have arisen immediately upon receipt of the donation.

Data licence income is recognised once the Group has entitlement to the income. Entitlement is considered to have arisen at the point of sale.

Income from charitable activities is earned from contributions made by clients, including UNEP, for work on specific projects. Income is recognised when the Group has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be reliably measured and is not deferred.

Rents receivable under leases for properties are recognised on a straight line basis over the term of the lease.

All income is recognised exclusive of VAT.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 FOREIGN CURRENCIES

Amounts included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Charity's functional currency and presentational currency is GBP.

Within the charity, monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Notes to the Financial Statements (continued)

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

The results and financial position for all Group entities that have a functional currency other than sterling are translated as follows:

- income and expenses are translated at average exchange rates;
- assets and liabilities are translated at the closing exchange rate at the Consolidated Balance Sheet date; and
- any resulting exchange differences are recognised as other comprehensive income.

2.8 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.

2.9 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life.

The estimated useful lives are as follows:

Software	3 years
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2.10 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight line method.

The estimated useful lives are as follows:

Long term leasehold property	50 years
Fixtures, fittings and equipment	5 years
Computer equipment	3 years

Notes to the Financial Statements (continued)

2.11 SOCIAL INVESTMENTS

Programme related investments are held on the balance sheet at cost less impairment. The investments are held to fund the organisations in order to directly further the charitable aims of the charity. At the end of each year, the Trustees assess the carrying value of the investments for evidence of impairment.

2.12 DEBTORS

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

2.13 CASH AT BANK AND IN HAND

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

2.14 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.15 FINANCIAL INSTRUMENTS

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, except for foreign exchange forward contracts as set out below. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Derivatives

Foreign exchange forward contracts are used to manage exchange risk associated with project income received in foreign currencies, primarily Euro and US Dollar, where associated expenditure is in Sterling. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date.

Changes in the fair value of derivatives are recognised in the Statement of Financial Activities. The Group does not currently apply hedge accounting for foreign exchange derivatives.

2.16 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

Notes to the Financial Statements (continued)

2.17 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Revenue Recognition - Projects

Given the project nature of the Group's revenue, there are estimates involved regarding the recognition and stage of completion of contracts which differs from the timing of invoicing. This includes an assessment of the performance against budget, identification of potential losses on contracts and the timing of contract completion. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4. INCOME FROM DONATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	40,109	-	40,109	3,713,574
TOTAL 2023	40,109	-	40,109	3,713,574
TOTAL 2022	63,939	3,649,635	3,713,574	-

Notes to the Financial Statements (continued)

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Project income	10,592,597	11,142,970	21,735,567	18,203,500
TOTAL 2023	10,592,597	11,142,970	21,735,567	-
TOTAL 2022	6,680,955	11,522,545	18,203,500	-

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non-charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rent	29,574	29,574	29,105
Data Licenses	-	-	11,581
TOTAL 2023	29,574	29,574	40,686
TOTAL 2022	40,686	40,686	-

Notes to the Financial Statements (continued)

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Support of conservation and biodiversity initiatives	9,557,369	12,497,064	22,054,433	18,776,507
TOTAL 2023	9,557,369	12,497,064	22,054,433	-
TOTAL 2022	6,394,711	12,371,796	18,766,507	-

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Support of conservation and biodiversity initiatives	17,398,929	4,655,504	22,054,433	18,766,507
TOTAL 2023	17,398,929	4,655,504	22,054,433	-
TOTAL 2022	14,377,474	4,389,033	18,766,507	-

Notes to the Financial Statements (continued)

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of direct costs

	Support of conservation and biodiversity initiatives 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	8,960,947	8,960,947	7,095,610
Collaborators & consultants	8,614,429	8,614,429	6,392,511
Travel and subsistence	519,021	519,021	503,592
Conferences and meetings	11,596	11,596	4,998
Foreign currency (gain)/loss	(707,064)	(707,064)	380,763
TOTAL 2023	17,398,929	17,398,929	14,377,474
TOTAL 2022	14,377,474	14,377,474	-

Notes to the Financial Statements (continued)

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Support of conservation and biodiversity initiatives 2023 £	Total funds 2023 £	Total funds 2022 £
Staff Costs	1,626,862	1,626,862	1,703,273
Staff Training & Welfare	504,765	504,765	389,544
Promotion	81,327	81,327	32,813
Printing, postage and stationery	61,440	61,440	192,015
Subscriptions	369,476	369,476	409,138
Premises costs	233,907	233,907	238,000
Insurance costs	144,033	144,033	143,982
Office equipment	693,836	693,836	555,527
Bank charges	18,552	18,552	24,512
Depreciation and amortisation	168,384	168,384	179,213
Other	618,985	618,985	354,550
Governance costs (note 9)	133,937	133,937	166,466
TOTAL 2023	4,655,504	4,655,504	4,389,033
TOTAL 2022	4,389,033	4,389,033	-

9. ANALYSIS OF GOVERNANCE COSTS

	2023 £	2022 £
Legal and professional	80,114	84,441
Trustee expenses	1,588	919
Audit fees	52,235	81,106
TOTAL	133,937	166,466

Notes to the Financial Statements (continued)

10. AUDITORS' REMUNERATION

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	31,006	32,975
Fees payable to the Charity's auditor in respect of all non audit services not included above	3,000	5,900
Fees in respect of 2021 audit overrun	-	38,800
Fees in respect of project audits	4,897	3,431
TOTAL 2023	38,903	81,106

Audit fees in the amounts of £14,418 (2022: £1,449) were paid to the Beijing subsidiary's auditor, and £1,914 (2022: £682) in respect of the Europe subsidiary's auditor. The rise in fees in respect of the Beijing audit relates to additional work required to audit and wind up the entity in 2023.

11. STAFF COSTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	8,740,799	7,281,972	8,565,602	7,088,276
Social security costs	933,220	792,304	907,917	758,375
Pension costs	913,790	724,607	913,790	724,607
TOTAL	10,587,809	8,798,883	10,387,309	8,571,258

During the year the Charity incurred termination-related costs of £15,103 in 2023 (2022: £26,945) of which £10,000 (2022 - £9,408) was non-contractual, arising from changes within support team roles. These costs were covered by unrestricted funds held within financial reserves.

Notes to the Financial Statements (continued)

11. STAFF COSTS (continued)

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Management and administration	27	21	26	19
Research and operational staff	209	188	208	186
TOTAL	236	209	234	205

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	9	5
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	-
In the band £110,001 - £120,000	-	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
TOTAL	15	10

The key management personnel of the Charity comprise the Chief Executive Officer, the Chief Impact Officer, the Chief Finance Officer, the Head of External Affairs, and the Chief Scientist, whose employee benefits total £645,197 (2022 - £522,563).

During the year, no trustees received any remuneration or other benefits (2022 - £Nil). 4 trustees (2022 - 2 trustees) received reimbursed travel expenses totalling £1,588 during the year (2022 - £860).

Notes to the Financial Statements (continued)

12. INTANGIBLE ASSETS

GROUP AND CHARITY		Software £
COST		
At 1 January 2023		158,090
Additions		-
At 31 December 2023		158,090
AMORTISATION		
At 1 January 2023		157,590
Charge for the year		500
At 31 December 2023		158,090
NET BOOK VALUE		
At 31 December 2023		-
At 31 December 2022		500

Notes to the Financial Statements (continued)

13. TANGIBLE FIXED ASSETS

GROUP

	Long term leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2023	1,698,932	287,874	560,236	2,547,042
Additions	-	6,895	70,167	77,062
Disposals	-	-	(861)	(861)
At 31 December 2023	1,698,932	294,769	629,542	2,623,243
DEPRECIATION				
At 1 January 2023	1,001,222	169,225	419,003	1,589,450
Charge for the year	33,979	45,181	88,475	167,635
At 31 December 2023	1,035,201	214,406	507,478	1,757,085
NET BOOK VALUE				
At 31 December 2023	663,731	80,363	122,064	866,158
At 31 December 2022	697,710	118,649	141,232	957,592

Notes to the Financial Statements (continued)

13. TANGIBLE FIXED ASSETS (continued)

CHARITY	Long term leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2023	1,698,932	285,911	556,261	2,541,104
Additions	-	6,895	70,167	77,062
At 31 December 2023	1,698,932	292,806	626,428	2,618,166
DEPRECIATION				
At 1 January 2023	1,001,222	169,074	416,489	1,586,785
Charge for the year	33,979	45,181	87,369	166,529
At 31 December 2023	1,035,201	214,255	503,858	1,753,314
NET BOOK VALUE				
At 31 December 2023	663,731	78,551	122,570	864,852
At 31 December 2022	697,710	116,837	139,771	954,318

All assets are held for charitable purposes.

Notes to the Financial Statements (continued)

14. SOCIAL INVESTMENTS

CHARITY	Programme related investments £
COST	
At 1 January 2023	642,928
Disposal at 31 December 2023	(642,928)
TOTAL	-
IMPAIRMENT PROVISION	
Provision as at 1 January 2023	(642,927)
Disposal at 31 December 2023	642,927
TOTAL	-
NET BOOK VALUE	
At 31 December 2023	-
At 31 December 2022	1

Social investments comprise subsidiary companies incorporated outside the UK to carry out WCMC’s charitable activities overseas.

In 2022, the Trustees made the decisions to cease operations in Beijing and liquidate the entity, therefore the social investment was fully provided for in 2022.

The entity ceased on 31 July 2023, having been fully wound down, therefore the investment has been disposed of in 2023.

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Notes to the Financial Statements (continued)

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 as restated £	Charity 2023 £	Charity 2022 as restated £
Trade debtors	4,491,169	2,751,144	4,491,169	2,459,537
Accrued income	1,041,893	1,684,814	1,041,893	1,684,814
Amounts due from group undertakings	-	-	422,382	-
Other debtors	12,540	206,696	8,055	206,696
Prepayments	174,780	297,421	174,781	297,421
Financial Assets at Fair Value through Profit & Loss	32,959	-	32,959	-
TOTAL	5,753,341	4,940,075	6,171,239	4,648,468

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 as restated £	Charity 2023 £	Charity 2022 as restated £
Trade creditors	34,783	343,846	32,476	228,082
Amounts due to group undertakings	-	-	-	33,480
Other taxation and social security	498,618	22,901	498,618	-
Other creditors	111,489	79,938	96,843	79,938
Accruals and deferred income	9,341,717	9,377,198	9,333,553	9,130,468
Financial liabilities at fair value through profit and loss	74,763	149,631	74,763	149,631
TOTAL	10,061,370	9,973,514	10,036,253	9,621,599

Notes to the Financial Statements (continued)

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	Group 2023 £	Group 2022 as restated £	Charity 2023 £	Charity 2022 as restated £
Deferred income at 1 January 2022	8,126,178	5,777,417	8,126,178	5,777,417
Resources deferred during the year	7,672,409	8,126,178	7,666,594	8,126,178
Amounts released from previous periods	(8,126,178)	(5,777,417)	(8,126,178)	(5,777,417)
TOTAL	7,672,409	8,126,178	7,666,594	8,126,178

Deferred income comprises project work invoiced in advance of the performance criteria being met.

Notes to the Financial Statements (continued)

17. FINANCIAL INSTRUMENTS

	Group 2023 £	Group 2022 as restated £	Charity 2023 £	Charity 2022 as restated £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	10,601,863	11,451,561	10,133,567	11,116,191
FINANCIAL LIABILITIES				
Derivative financial instruments measured at fair value through income and expenditure held as part of a trading portfolio	(74,763)	(149,631)	(74,763)	(149,631)

Financial assets measured at fair value through income and expenditure comprise cash held at bank and financial assets arising from foreign exchange derivatives.

Derivative financial instruments measured at fair value through income and expenditure comprise financial liabilities arising from foreign exchange derivatives.

Notes to the Financial Statements (continued)

18. STATEMENT OF FUNDS

GROUP STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS					
Unrestricted general funds	596,704	10,662,280	(9,557,369)	1,043,535	2,745,150
Designated funds					
Fixed Assets	954,818	-	-	(89,966)	864,852
Building Maintenance	200,000	-	-	-	200,000
	1,751,522	10,662,280	(9,557,369)	953,569	3,810,002
RESTRICTED FUNDS					
WCMC Beijing	870,194	36,123	(181,313)	(725,004)	-
WCMC Europe	51,070	961,834	(986,318)	-	26,586
Restricted projects	4,703,428	10,145,013	(11,329,433)	(228,565)	3,290,443
	5,624,692	11,142,970	(12,497,064)	(953,569)	3,317,029
TOTAL FUNDS	7,376,214	21,805,250	(22,054,433)	-	7,127,031

Transfers between reserves are comprised of the following:

Transfer of funds allocated to the Beijing subsidiary from Restricted Funds following its closure in 2023:	725,004
Transfers in respect of balances from completed Restricted projects	<u>228,565</u>
Net Transfers	953,569

The transfer out of WCMC Beijing reflects the impairment written back on disposal which relates to unpaid share capital, and the net assets transferred back to WCMC UK on cessation.

Notes to the Financial Statements (continued)

18. STATEMENT OF FUNDS (continued)

GROUP STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2022 £
UNRESTRICTED FUNDS					
Unrestricted general funds	337,992	6,785,580	(6,394,711)	(132,157)	596,704
Designated funds					
Fixed Assets	1,022,661	-	-	(67,843)	954,818
Building Maintenance	-	-	-	200,000	200,000
	1,360,653	6,785,580	(6,394,711)	-	1,751,522
	-				
RESTRICTED FUNDS					
WCMC Beijing	841,664	308,982	(280,452)	-	870,194
WCMC Europe	28,280	833,852	(811,062)	-	51,070
Restricted projects	1,954,364	14,029,346	(11,280,282)	-	4,703,428
	2,824,308	15,172,180	(12,371,796)	-	5,624,692
TOTAL FUNDS	4,184,961	21,957,760	(18,766,507)	-	7,376,214

Notes to the Financial Statements (continued)

18. STATEMENT OF FUNDS (continued)

PARENT STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains & Losses £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS						
Unrestricted general funds	1,239,633	10,744,354	(10,267,426)	318,531	710,058	2,745,150
Designated funds						
Fixed Assets	954,818	-	-	(89,966)	-	864,852
Building Maintenance	200,000	-	-	-	-	200,000
	2,394,451	10,744,354	(10,267,426)	228,565	710,058	3,810,002
RESTRICTED FUNDS						
Restricted projects	4,703,428	10,739,433	(11,923,852)	(228,565)	-	3,290,444
	4,703,428	10,739,433	(11,923,852)	(228,565)	-	3,290,444
TOTAL FUNDS	7,097,879	21,483,787	(22,191,278)	-	710,058	7,100,446

Notes to the Financial Statements (continued)

18. STATEMENT OF FUNDS (continued)

PARENT STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains & Losses £	Balance at 31 December 2022 £
UNRESTRICTED FUNDS						
Unrestricted general funds	980,922	6,785,579	(6,013,947)	(132,158)	(380,763)	1,239,633
Designated funds						
Fixed Assets	1,022,660	-	-	(67,842)	-	954,818
Building Maintenance	-	-	-	200,000	-	200,000
	2,003,582	6,785,579	(6,013,947)	-	(380,763)	2,394,451
RESTRICTED FUNDS						
Restricted projects	1,954,364	14,890,171	(12,141,107)	-	-	4,703,428
	1,954,364	14,890,171	(12,141,107)	-	-	4,703,428
TOTAL FUNDS	3,957,946	21,675,750	(18,155,054)	-	(380,763)	7,097,879

Notes to the Financial Statements (continued)

18. STATEMENT OF FUNDS (continued)

Designated Funds

Fixed Assets

This fund represents the net book value of the fixed assets of the Charitable Company. The transfer represents the movements of fixed assets during the year.

Building Maintenance

Trustees agreed to create a designated fund in 2022 to allow the charity to respond to expected critical work required to maintain the building. No funds were expended in 2023, however the majority of the fund is earmarked for improvements taking place in 2024.

Restricted Funds

Restricted funds related to the charity's subsidiaries which operate overseas and have narrower objectives than the charity.

Restricted projects

Restricted projects represent non service grants that do not meet the definition of unrestricted service contracts. Restricted projects are as follows:

30by30 Evidence Review & Scoping	Connectivity workshops	IACTS Trade Study 2020-2022	Post 2020 support to CBD
Accountability Workshop	CO-OP for CBD	IBAT Data Investment	Protected Planet (Arcadia)
Acton Agenda Phase III	Cross Cluster Synergies	Impact Indicators for Banks	Reef Futures
Align	Darwin CBFM Economics (Tanzania)	Indicator Metadata Sheets	Restore + (2019 onwards)
ASEAN Phase 1	Defining and Measuring Destructive Fish	IUCN Urban Nature Index	REXUS
B&B IPBES TSU	Deforestation Training	IWT and Zoonotic Diseases	Road-Testing the SBTN
BENCHMARKS	Defra Effectiveness Indicators	Land Use Finance Programme	SBTN Biodiversity Hub
Bezos_Andes_Congo	Defra NTSP	MAREA Advisory Board Meeting	SBTN Tools and Integration
Bio-Agora	Deliver IBAT	Monitoring Support to COP 15	Science Based Targets
BIOCLIMA	Design a Bright Future	Montreux Group (Phase 2)	SPACES - Spatial planning
BIONEXT	Dynamic World (IO)	Moore Foundation UNBL	SPACES Phase 2 - Moore
BISI - Equinor Support	EAG Participation	NASA NSPIRES	State of Finance for Nature
BTC - NB	EAG Participation 3rd meeting	Natural Capital Gap Reports	Stora Enso - Review
CABES	EbA Effectiveness Project (Amend. 1757)	Naturemap	Sustainable Food Systems Assessment
Capacity for National Assessment (IKI)	EbA Facility Caribbean	NbS Synthesis Report	Sustainable Infrastructure Green Economy
Caribbean Biodiversity Fund	ECF Mitigation from Biodiversity targets	NC4-AFD Policy Briefs	Targets and Indicators SCL
CCI Agriculture impacts on biodiversity	ELP innovation grant for Med landscape	NERC CongoPeat	TESSA Steering Committee
CCI Bird Trade Analysis	ELP Restoration Convening	Nereus Program 3rd Phase Funding	Transformative pathways project
CCI Multiple threats	ELP Restoration Funding	NetworkNature+	UN Decade Monitoring Framework
CCI post2020 Coordination	ENCORE Analysis EIB	NEW (WCMC) Aligning Biodiversity Metrics	UNEP Mangroves & People 2020
CCI restoration and NBS	ENCORE Analysis Storebrand	OBAMA-NEXT	UNEP Regional Seas SDG 14 Gap Report 202
CITES Data Analysis Training	ENCORE SECO Phase II	Ocean SBT	Urban Alliance Support and Maintenance
CITES Review of Long-Standing Suspension	ESA Biodiversity+Precursors	Odyssea 2018-2020	WCC Proposals
CITES RST, Vultures and Plants	EU Wildlife Trade 2022-2024	One Health Intelligence Scoping	World Heritage Comparative Analysis
CITES Support 2020-2022	FutureWebs	Open Access Block Grant	WWF Poverty, Biodiversity & Carbon
CLEVER	GCRF Trade Hub	ORS Bern Convention	
Climate Mitigation in the ELP	GFEP2	ORS Maintenance and Support for Ramsar	
CMS State of Migratory Species, Appendix	Global infrastructure Mapping	PLANET4B	
Coalition Supplement - Decision Tree	GRASP Database User Manual		
	Guyana TEK		

Notes to the Financial Statements (continued)

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	864,852	1,306	866,158
Current assets	8,469,844	7,852,401	16,322,245
Creditors due within one year	(5,524,694)	(4,536,678)	(10,061,372)
TOTAL	3,810,002	3,317,029	7,127,031

GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2022 as restated £	Restricted funds 2022 as restated £	Total funds 2022 as restated £
Tangible fixed assets	954,318	3,274	957,592
Intangible fixed assets	500	-	500
Current assets	6,624,407	9,767,229	16,391,636
Creditors due within one year	(5,827,703)	(4,145,811)	(9,973,514)
TOTAL	1,751,522	5,624,692	7,376,214

Notes to the Financial Statements (continued)

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

PARENT ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	864,852	-	864,852
Current assets	8,469,844	7,802,003	16,271,847
Creditors due after one year	(5,524,694)	(4,511,559)	(10,036,253)
TOTAL	3,810,002	3,290,444	7,100,446

PARENT ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2022 as restated £	Restricted funds 2022 as restated £	Total funds 2022 as restated £
Tangible fixed assets	954,318	-	954,318
Intangible fixed assets	500	-	500
Investments	1	-	1
Current assets	6,624,407	9,140,252	15,764,659
Creditors due within one year	(5,184,775)	(4,436,824)	(9,621,599)
TOTAL	2,394,451	4,703,428	7,097,879

Notes to the Financial Statements (continued)

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 as restated £
Net income for the period (as per Statement of Financial Activities)	(249,183)	3,191,253
ADJUSTMENTS FOR:		
Depreciation charges	167,635	174,366
Amortisation charges	500	4,847
Disposal of tangible fixed assets	861	-
Increase in debtors	(780,307)	(408,188)
Increase in creditors	162,726	2,056,032
Fair value (gains) on forward exchange contracts	(107,827)	67,880
NET CASH PROVIDED BY OPERATING ACTIVITIES	(805,595)	5,086,190

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	10,568,904	11,451,561
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,568,904	11,451,561

Notes to the Financial Statements (continued)

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	11,451,561	(882,657)	10,568,904
TOTAL	11,451,561	(882,657)	10,568,904

23. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £913,790 (2022 - £724,607). Contributions of £95,681 (2022 - £79,938) were outstanding at the balance sheet date.

24. OPERATING LEASE COMMITMENTS

At 31 December 2023 the Group and the Charity had commitments to make future minimum lease payments under non cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	29,537	29,537	29,537	29,537
Later than 1 year and not later than 5 years	13,377	42,914	13,377	42,914
	42,914	72,451	42,914	72,451

Notes to the Financial Statements (continued)

25. RELATED PARTY TRANSACTIONS

In the year 2023, purchases of £12,070 (2022: £Nil) were made from Fitzwilliam College, where a WCMC Trustee also holds a Trusteeship. As at the balance sheet date £Nil was owed (2022: £Nil).

The same Trustee is also a Council Member of the University of Cambridge where purchases of £32,145 were made (2022: £26,133). £5,393 was outstanding at the balance sheet date (2022: £Nil) and £1,969 (2022: £Nil) of work in progress.

One Trustee is a member of the Board of Trustees of RSPB. In 2023, purchases of £13,378 were made (2022: £8,138).

The WCMC CEO is a member of the Science-Based Targets Network (SBTN) Council. Included in Work In Progress for 2023 was £Nil (2022: £4,098) of deferred income in respect of projects on which WCMC collaborates with SBTN. Revenue generated from these projects amounted to £46,091 (2022: £137,726) and deferred income totalled £Nil (2022: £4,098).

The WCMC Chief Finance Officer is a Director of the Cambridge Conservation Initiative (CCI).

WCMC collaborated with CCI on a number of projects. Included in work in progress is £Nil in accrued income (2022: 7,262) and £1,591 in deferred income (2022: £60,086 deferred income) in respect of these projects. Revenue generated from these projects amounted to £Nil (2022: £9,148).

The WCMC Chief Scientist is a Programme Committee Member of WWF UK. £32,300 was received from WWF UK in 2023 (2022: £Nil) and work in progress at the year end amounted to £51,322 (2022: £Nil).

A member of the Board of WCMC Europe is also an employee of Wildlife Conservation Society (WCS) from which purchases of £159,602 were made (2022: £149,143).

Transactions with subsidiaries

The Beijing subsidiary was wound up in 2023 and as a result the remaining cash balance of £82,075 was returned to the parent company once all liabilities had been settled. Before closure, WCMC Beijing provided consultancy services to the value £31,427 (2022: £325,166).

At 31 December, WCMC UK earned £456,354 from WCMC Europe in respect of consultancy services (2022: £332,941), £422,382 of which remained outstanding at the balance sheet date (2022: £47,810).

During the year, WCMC Europe provided services to WCMC UK totalling £106,599 (2022: £202,719) of which £Nil was outstanding at the balance sheet date (2022: £10,950).

WCMC did not provide additional working capital to WCMC Europe during the year (2022: £145,356).

26. PRIOR YEAR ADJUSTMENTS

Accrued and Deferred Income

It was identified that in the prior year, due to the way certain multi-customer projects were managed, accrued and deferred income balances were overstated by £3,320,479. The Consolidated and Charity Balance Sheet and supporting notes have been restated to reflect this, although the net impact of the change on the net assets and income is £Nil.

WCMC