

Registered company no: 2552942



ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2019

World Land Trust
Year ended 31 December 2019

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World Land Trust

Year ended 31 December 2019

Foreword

Report from our Chair

I can report that 2019 was another record year for WLT as we built on 2018's growth. With more funds raised, we were able to send more funds to our partners to protect and manage threatened habitats than any previous year. In total, we raised £5.6million and spent £5.8million on our charitable activities.

Increasing awareness of environmental issues has led to a rise in individuals committing to regular monthly donations through WLT Friends, which allows WLT to commit to future conservation projects as well as respond swiftly with emergency funding where needed. As interest in natural climate solutions grows, we see this reflected in more donations to our Plant a Tree and Carbon Balanced programmes.

2019 was our 30th Anniversary, and a year of progress and change for WLT, as we welcomed Jonathan Barnard as the new CEO. What better way to celebrate the success of founders, John and Viv Burton, as John stepped down from his role as CEO, than with a year that achieved so much for conservation around the world. 810 acres of Kenya's threatened coastal forest were protected, funds were sent to help secure 74,000 acres for the Blue-throated Hillstar in Ecuador, and an amazing £595,000 was given to Viet Nature, our partner in Vietnam to plant 120,000 trees - the very beginning of an extensive reforestation plan that will restore degraded land throughout the region.

Of course, our plans to build on the success of 2019 have been disrupted by the covid-19 pandemic. However, the threats to the natural world remain and so we need to protect more land, ensure that our important work continues, and that more trees can be planted and carbon offset. We therefore remain committed to continue to raise funds for vital conservation projects around the world. And beyond that we must continue to raise awareness of why conservation of biodiversity is so important for now and the future.

I am new to the position of Chair, and follow Rohini Finch, who did a wonderful job for so many years – much of WLT's success is down to her wise guidance. As a Board of Trustees, we look to our staff, partners and our patrons, and see resilience, ambition and accomplishment. The year ahead will be difficult, but I believe that the strong foundations laid in 2019 will allow WLT to continue to support partners in saving wildlife, wherever that is needed.

Dr Mark Avery, Chair

Report from our CEO

2019 was a significant year for WLT, raising over £5.6million for the first time in its history. But it's not surprising; when I arrived in September I inherited a strong organization from John and Viv Burton and was greeted by a team passionate and determined to make a difference, and continually motivated by the focused natural solution that WLT has to protecting the natural world.

Over the past few months, I have had the pleasure of meeting most of our partners from around the world at our regular partners' symposium, as well as visiting our first-ever project in Belize. Witnessing firsthand the work of WLT's international partners is simultaneously inspiring and affirming. There is no doubt that the partnerships WLT has nurtured over the past 30 years, with supporters and partners alike, is mirrored in the successful conservation efforts that take place. After all, it is not only the major events such as securing land purchase, but also in the day to day management of the reserves, including, of course, the wonderful rangers sponsored by Keepers of the Wild, that we see positive conservation results.

World Land Trust
Year ended 31 December 2019
Foreword (cont'd)

Our main appeals in 2019 were funded swiftly, with positive and passionate reactions from both our corporate and individual supporters, including 2019's appeal to reforest 246 acres in Vietnam, a somewhat new campaign to launch in Big Match Fortnight. We have also seen a number of legacies left to WLT, for which we are always humbled and grateful, including a 1,512 acre purchase to extend La Soledad Reserve, Guatemala for our partner FUNDAECO.

As I write this in the midst of the coronavirus pandemic it is hard to think of what 2020 may or may not bring. However, from a conservationist's perspective, the time to act to halt the climate crisis is still now; and when we emerge from the coronavirus pandemic we need to act on climate with the same degree of urgency as we have in recent months, and also use the opportunity to build a new economic model that values and respects nature. As our part of a positive future, World Land Trust remain optimistically dedicated to the practical, natural solution of safeguarding land and saving species.

Dr Jonathan Barnard, CEO

World Land Trust

Year ended 31 December 2019

Reference and Administration Details

Charity Number: 1001291
Company Number: 2552942
Registered Office: Blyth House, Bridge Street, Halesworth, Suffolk, IP19 8AB

Patrons

Sir David Attenborough OM, CH, FRS
Steve Backshall MBE
David Gower OBE
Chris Packham CBE

Honorary President

Dr Gerard A Bertrand

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purposes of charity law. The Trustees and officers serving during the year and since the year end were:

Trustees

Dr Mark Avery
Nick Brown
Ken Burnett
Nicola Davies (retired, 10 December 2019)
Rohini Finch
Alistair Gammell
Anne Harley
Pauline Harrison
Dr Mark Stanley-Price
Dr Miranda Stevenson (retired, 26 June 2019)
Emma Tozer (appointed, 10 December 2019)

Officers

Myles Archibald	Honorary Treasurer
Elizabeth Stone	Company Secretary

Key Management Personnel

Dr Jonathan Barnard	Chief Executive (appointed, 1 September 2019)
Dr John A Burton	Chief Executive (retired, 31 August 2019)
Daniel Bradbury	Director of Communications and Development
Dr Richard Cuthbert	Director of Conservation
Elizabeth Stone	Chief Operating Officer

Advisors

Auditor	Haysmacintyre LLP	10 Queen Street Place, London, EC4R 1AG
Banker	Barclays Bank Plc	36 Thoroughfare, Halesworth, Suffolk, IP19 8LE
Investment Managers	Ethical Investors	60 St Georges Place, Cheltenham, Glos, GL50 3PN
	Brewin Dolphin	12 Smithfield Street, London, EC1A 9LA
Solicitors	Norton Peskett LLP	52 Thoroughfare, Halesworth, Suffolk, IP19 8AR
	Mills & Reeve LLP	1 St James Court, Whiterfriars, Norwich, NR3 1RU
	Allen & Overy LLP	1 Bishops Square, London, E1 6AD
	(Pro Bono)	

World Land Trust

Year ended 31 December 2019

Report of the Trustees

The Trustees present their annual Trustees' report together with the consolidated financial statements of the charity and its subsidiaries for the year ended 31 December 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (second edition, effective 1 January 2019).

Our purposes and activities

Our principal purposes, as set out in our Articles of Association are;

To promote the conservation, protection and improvement of the natural environment through:

- a) the conservation and re-establishment of threatened natural habitats anywhere in the world;
- b) conservation of endangered wildlife and rare species of fauna and flora anywhere in the world; and
- c) by advancing the education of conservation professionals, and members of the public, in matters relating to conservation of wildlife and natural resources.

The World Land Trust (WLT) was established on a simple vision of saving land saves species. This vision remains true and through the Trust adopting an approach that takes in an entire landscape, rather than an individual species, whole ecosystems have been preserved and protected through the generous support of WLT's many donors.

WLT's charitable purposes fall within the charitable description of the advancement of environment or improvement. The benefit of the WLT's work in the following areas, which are consistent with the WLT's purposes, aims and strategies are:

- conserving the environment;
- preserving endangered species;
- preserving landscape; and
- providing environmental education and awareness.

WLT deploys a range of strategies to fulfil its work by:

- consolidating and developing WLT's approaches to land acquisition;
- developing WLT's Alliance for Conservation (both the Alliance as an entity and its members) by always working through local non-governmental conservation (NGOs) partners with the provision of grants to purchase land and facilitate our conservation work and supporting them in the ultimate ownership and management of the land that has been purchased, and the reserves that have been created;
- diversifying WLT's approach to long term habitat conservation through innovative conservation methods such as carbon finance, watershed services and payment for environmental services;
- provision of technical expertise to support and enhance our partners as requested; and
- monitoring and evaluating the conservation impact of our work with our local NGO partners.

In reviewing the charity's aims, and putting them into action, the Trustees have taken account of the Charity Commission's guidance on public benefit.

Putting these strategies into action we have four major areas of activity, as set out and described within this report, which enables WLT to look to achieve maximum conservation benefits where it undertakes its work.

World Land Trust

Year ended 31 December 2019

Report of the Trustees

Land acquisition

As the natural world continues to be vulnerable to many threats and pressures, land acquisition remains at the core of WLT's main fundraising programmes. WLT will always strive to provide the necessary funds to our overseas conservation partners to fund the protection and sustainable management of habitats and their wildlife. As land prices increase, and opportunities arise in countries where land purchase is not possible, this also includes long-term lease (for conservation), the creation of community reserves, and other sustainable means.

In 2019, WLT helped to save 65,743 acres (26,606 ha) through land purchase and conservation declarations, bringing the total confirmed area saved by WLT over the past 30 years to 846,426 acres – 310,827 purchased and 535,599 in conservation-declared areas. In addition, WLT supported partner Nativa Bolivia to have 4,657,019 acres legally recognised by autonomous indigenous authorities in Bolivia, safeguarding critically threatened Gran Chaco forest habitat. If all protected habitat that WLT has helped leverage over those years, such as through projects supported by other donors or operational partners, is included that total, is 1,419,104 acres.

WLT's major appeal of the year was Scorched Earth to Forest Haven, which secured £595,000 to fund reforestation of land in north-central Vietnam. The funds raised were sent to WLT's partner, Viet Nature, who have already successfully planted 58,000 trees in the 246-acre area, kickstarting their long-term ambition to reforest 3,500 acres in Bac Huong Hoa Nature Reserve.

Other special appeals raised money for a project to protect habitat in Ecuador for the newly discovered and already endangered Blue-throated Hillstar, and 810 acres of Kenya's threatened coastal forest in Dakatcha. Furthermore, Buy an Acre raised funds to purchase 3,954 acres in Reserve of the Northern Jaguar, Northern Mexico; 941 acres at Mulaushi Reserve, Zambia; 242 further acres at El Silencio Reserve, Colombia. Additionally, WLT have supported land purchase to support the creation of the Pitayal Coastal State Reserve, Mexico; protected 1,818 acres of jungle corridor in Belize, and 301 acres in Sierra Gorda Biosphere Reserve.

Plant a Tree donations increased considerably in 2019, with a total of 38,993 trees planted. The number of rangers supported by Keepers of the Wild also increased, now supporting 44, in 13 countries.

WLT's Carbon Balanced programme continues to offer the offsetting of carbon emissions for individuals and companies, which provides funding for conservation for some of the world's most endangered species and habitats. Carbon Balanced projects are found in Paraguay, Ecuador, Guatemala and Vietnam.

Reserve management

WLT, as always, believes that conservation does not end with the purchase of land – it is vitally important that management is also in place to secure the protection of the land. WLT aims to ensure that all land secured for our overseas partners also includes funding for a ranger, through Keeper of the Wild, for a minimum of three years after acquisition. During 2019, WLT funded 44 rangers in 13 countries.

Reforestation

In 2019, tree planting took place in Brazil, Ecuador and Borneo across four different projects, where 38,993 trees were planted. In addition, 120,000 trees will be planted by Viet Nature after the successful Scorched Earth to Forest Haven appeal. The total number of WLT funded and planted trees at the end of 2019 (from general reforestation and Plant a Tree programme) is 2,265,757 trees.

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Year ended 31 December 2019

Report of the Trustees

WLT's overseas programme partners

WLT welcomed 4 new partners in 2019:

Fundacion Guanacas	Colombia
Naturalia Comite para la Conserveacion de especies Silvestres	Mexico
Naturaleza y Cultura Sierra Madre	Mexico
Tanzania Forest Conservation Group	Tanzania

Partnerships and communications

WLT News was published quarterly in 2019, and sent to over 5,000 donors who have requested it. Four issues of WLT News are also planned for 2020.

A monthly digital e-bulletin is sent to a mailing list that has increased to over 20,000 subscribers, double the number receiving it in 2018.

WLT is built on a foundation of creating strong partnerships and communities. The philosophy of creating long terms partnerships with WLT's Council, Patrons, ambassadors, donors and corporate supporters as well as its overseas conservation partners is central to activities and has been instrumental in WLT having its most successful year of fundraising.

Photographer David Bebbler held a number of exhibitions throughout 2019, including Protecting the Future - Conservation in Action which was held in August at The Forum, Norwich and included an evening event with both David Bebbler and Simon Barnes talking about their experience of World Land Trust projects around the world.

The documentary *Protecting the Heart of Mexico* premiered in New York during Climate Week 2019. The short film from award-winning filmmakers Kristin Gates and Jeremy Là Zelle explores the Sierra Gorda Biosphere Reserve, and the work that our partner in Mexico, GESG, undertake to protect the extensive reserve. Following the premiere, there were a further two opportunities to watch the film and a discussion panel with the filmmakers, GESG and WLT.

In December, Steve Backshall, WLT Patron, hosted a second One Wild Night at the Royal Geographical Society. The event brought together a number of well-known names in wildlife, sport and adventure, including Monty Hall, Dame Tanni Grey-Thompson and young activist, Bella Lack. The event launched a new appeal to raise funds for an expansion of the Rio Zuñac Reserve in Ecuador.

Our supporters

It would be impossible for WLT to provide continued support to our many overseas partners without our donors.

Throughout 2019, many donors – existing and newcomers – took on a variety of fundraising activities to help support our work.

Corporate supporters now provide around 31% of WLT's income, with new corporate donors of varying in size, level and type of support, added this year.

World Land Trust

Year ended 31 December 2019

Report of the Trustees

Thanks must be shared to the thousands of people who have contributed to WLT this year including, of course, our WLT Friends, whose regular monthly donations provide funds in the Action Fund which allows us to plan for the future *and* respond to emergencies.

We are also hugely grateful to individuals who left a legacy gift to WLT. Legacy income is incredibly important for WLT to support new projects and projects which we unable to fundraise for through appeals. These will be allocated to projects as they are realized in 2020.

Our approach to fundraising

WLT is a registered charity and works within the parameters set by Code of Fundraising Practice and the Charity Commission. We have in the past and will continue in the future to be respectful of our donors and supporters wishes and all our fundraising activities adhere to our privacy policy which can be found on our website (<https://www.worldlandtrust.org/privacy-policy-statement/>). WLT ensures that it gives its supporters an opportunity to update their preferences every time we communicate with them.

As with other organisations we have varied methods of fundraising. We use a combination of digital and traditional methods of fundraising.

The digital newsletter continues to be our main and most consistent means of contact with our supporters. The digital newsletter goes out monthly to supporters who have requested they receive the mailing and have the options to unsubscribe as and when they wish.

Alongside our digital newsletter we continue to produce a printed newsletter (WLT News). As with all digital communications, donors can opt out of receiving this at any point during the year.

Our supporters are key to our success and without them we would not be able to carry out our charitable objectives. Relationships are the foundations that WLT is built on so we ensure that we treat all supporters with the highest level of respect. We ensure that all complaints are dealt with by the appropriate person within the organisation and are escalated when appropriate. In 2019 no complaints were made to WLT. The WLT complaints procedure can be found in the following location the WLT website <https://www.worldlandtrust.org/world-land-trust-complaints-procedure/>

As a fundraising organisation we ensure that:

- We will only contact our supporters by the methods that they have agreed to, in line with the WLT privacy policy.
- If a supporter requests to change their contact information, their wishes will be updated in timing fashion without question.
- WLT does not fundraise through cold calling, door to door, nor approaching people in the street to ask for subscriptions or donations.
- We will never buy or sell anyone's contact information.
- We ensure that no one ever feels pressured to support WLT.
- All WLT activities are open, fair, honest and legal. We aim to be transparent in our activities, with information readily available on the WLT website. If the answers are not available they can be requested via the contact us section on the website <https://www.worldlandtrust.org/contact-us/>

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Report of the Trustees

Financial review

The consolidated financial position of WLT and its subsidiaries are shown in the Statement of Financial Activities on page 20. Total income for the year is £5,696,000 (2018: £4,934,000). This represents a 15% increase against 2018. If legacy income is excluded then total income for the charity has increased by 34%.

Legacy income remained a significant proportion of income in 2019 at £1,034,000 (2018: £1,464,000). At the year end, £1,149,000 of legacy income was included in debtors (2018: £571,000). WLT is hugely fortunate to be in receipt of this legacy income. However, we recognise that it is made up of a small number of bequests that individually have substantial assets and therefore it continues to remain an unpredictable income stream.

During 2019 WLT received £674,000 (2018: £511,000) from our *Friends* (regular givers). The majority of this income provided vital support to fund projects from our Action Fund but also supported other key projects such as Buy an Acre and our appeals. Our *Friends* continue to grow in number and are central to achieving our mission.

Total expenditure for WLT was £6,228,000 (2018: £4,822,000) with 92% being spent on charitable activities (2018: 92%). Within charitable expenditure, 67% was on land acquisition, 17% on reserve management, 10% on reforestation and 6% on partnerships and communications. In 2019 WLT recognised £839,000 (2018: £454,000) as expenditure to partners for Keepers and reforestation projects to start implementation in 2020.

In 2019, 77% of total charitable expenditure relates to overseas partners (2018: 76%). WLT spent just over 7% of expenditure on the cost of raising voluntary income in 2019 (2018: 8%). Overall support costs for the organisation represented just over 7% of total expenditure (2018: 8%).

WLT's wholly owned trading subsidiary, World Land Trust Trading Ltd (WLTT), continued to trade and made a small surplus in 2019. The majority of the work undertaken by WLTT is contractual conservation work (Ecosystems services) with corporates and a small element is commercial trading activities.

Reserves policy

WLT continues to apply a risk-based approach to its general reserves. This is reviewed, at least annually, and monitored by the Administration and Finance Committee quarterly. WLT reviewed the policy target range in December 2019 and considered it appropriate for the WLT to hold within 10 to 16 weeks of operating expenditure as free reserves. This is a broader range than previously at an equivalent of two to three month's operating expenditure. At that point it was mainly in response to uncertainty over the UK's exit from Europe and the impact on foreign exchange currency fluctuations. Since that decision covid-19 has occurred and the increased level of reserves as determined by the policy is appropriate in review of anticipated reductions in income levels in the immediate term for the organisation to allow WLT to continue to operate.

Where reserves are held over and above the policy level, Trustees review and consider appropriate action, if any, for those funds. The majority of WLT funds received are restricted to specific projects or countries. Holding a level of unrestricted reserves enables WLT to respond quickly to additional project funding, manage adverse foreign exchange exposure or ensure the continuity of the organisation if income is adversely affected in the short term.

It is the policy of the Trustees to retain General Fund reserves (cash balances, readily realisable investments, current assets less current liabilities) equivalent to between 10 to 16 week's operating expenditure. At current levels the target reserve will be between £300,000 and £480,000. At the Balance Sheet date WLT's free reserves were £530,000 (2018: £307,000).

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Report of the Trustees

The Trustees are satisfied that the level over and above the reserves target range is currently appropriate due to the uncertainty and impact of the covid-19 pandemic and its longer-term impact on the ability for WLT to raise funds and potential larger fluctuations in exchange rates due to the impact of the pandemic on the global economy.

Designated funds

Total designated funds held at the year-end were £3,065,000 (2018: £3,834,000). Designated funds comprise of the following funds set aside by Trustees for the Trust.

Designated Fund	Balance at 31 December 2019
Action Fund	£359,000
Revolving Fund	£124,000
Legacy Fund	£1,716,000
Projects Fund	£514,000
Strategic Development Fund	£327,000
Partnership Fund	£25,000

The Action Fund held £359,000 (2018: £340,000) and is a fund set aside to assist with the most urgent work of WLT. All of the fund balance at the end of 2019 had been approved and allocated to projects to take place in 2020. The balance at the start of 2019 has been disbursed during the year and regular givers who donate to the Action Fund enable WLT to raise urgent funding and provide long term support to projects that we are unable to raise funds for through other methods e.g. appeals, applications to trusts and foundations. The Fund enables WLT to respond swiftly and also provides urgent funding for projects that arise during the year

The Revolving Fund held £124,000 (2018: £191,000). The Revolving Fund was created to provide advance funding to project partners for land acquisition projects where the organisation had not yet raised sufficient funds but securing the land meant funding was required. During the year \$100,000 was sent to our partner, Fundación Biodiversa Colombia, to secure an urgent land purchase, which was subsequently repaid during the year. An additional £111,000 was advanced for a land acquisition in Guatemala, which was repaid once legacy funding was realised and a further £64,000 was sent to our partner in Armenia to support their core conservation programme.

The Legacy Fund continued to set aside legacies over which WLT had entitlement, probability of receipt and a reliable value. The fund balance at the yearend was £1,716,000 (2018: £2,206,000).

At the yearend accrued legacy income represented £1,149,000 of the fund balance (2018: £571,000) which meant that the organisation had not physically received the cash to disburse to partners. During the year we transferred £1,373,000 to support 8 projects including land purchase in Guatemala, various purchases in Ecuador, development of long term sustainability in India and Armenia and reforestation in Vietnam. The Trustees will allocate the legacy income to specific projects once the legacies have been realised and on the basis of recommendations from the Executive.

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Report of the Trustees

The Projects Fund funds are designated to support specific projects over a number of years. During the year £130,000 was transferred to support projects supporting Peru and Argentina. At the end of 2019 the fund balance was £514,000 (2018: £644,000) with the remainder of approved disbursements being planned for disbursement over a 4-year period to support longer term sustainability.

The Strategic Development Fund continued to provide support for the growth and development of WLT. In 2019 the fund was used to ensure the recruitment of a new CEO and the transition from founders to new leadership team. Many other infrastructure projects were taken forward in terms of planning and are expected to continue to develop in 2020. This includes upgrading or replacing our current CRM system, key IT infrastructure improvements such as implementation of a dedicated lease line to enable faster broadband and other core projects that will enable the organisation to operate more effectively. At the end of 2019 the fund balance was £327,000 (2018: £428,000).

Restricted funds

Total restricted funds held at the yearend were £765,000 (2018: £675,000). In 2019 £839,000 has been recognised as expenditure which relates to funding for 2020 Keepers of the Wild and reforestation projects within our Plant a Tree programme. This has resulted in their fund balances being in deficit at the end of the year with funding being anticipated to be received in 2019 to clear the deficit and fund future work.

Major funding highlights during 2019 were;

- Funding raised for our Scorched Earth to Forest Haven appeal to restore forests that had been devastated by Agent Orange during the Vietnam War. Phase One sees 120,000 trees being planted across a total of 246 acres (100 hectares) as a first step towards Viet Nature's aim of restoring 3,500 acres (1,416 hectares) in Bac Huong Hoa Nature Reserve
- Our Keepers of the Wild programme funded 49 rangers in thirteen countries a vital resource in protecting the areas of land brought under conservation by WLT.
- Saving Kenya's coastal forest at Dakatcha to save 810 acres (328 hectares) of Dakatcha woodland, part of Kenya's threatened coastal forest. Habitat for endangered small wonders like Clarke's Weaver, Sokoke Scops Owl and the Golden-rumped Elephant Shrew was secured. We hope to save more of this forest in 2020.
- In 2019 funds were raised to purchase a further 1,818 acres (736 hectares) in Belize to add to the corridor purchased in 2019; and
- In record time we raised funds to protect 70,000 acres (28,000 hectares) of habitat for the Blue-throated Hillstar, a critically endangered hummingbird found only in a small series of mountain tops in the western Andes of southern Ecuador.

Endowment fund

WLT continued to operate the Global Conservation Fund endowment set up on behalf of Conservation International to support the San Rafael reserve in Paraguay. The target is to achieve a 5% total return on the fund to enable ongoing security and protection.

WLT owns a reserve at Kites Hill, Gloucestershire. In 2017 this was reclassified as an endowment to reflect the intention that the land should be held in perpetuity.

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Report of the Trustees

Risk management

WLT has a risk management strategy in place which comprises:

- An annual review of the principal risks that WLT and its subsidiary face by the board of Trustees;
- Quarterly review of high level risks at the Administration and Finance committee;
- Establishment of policies, systems and procedures to mitigate those risks identified, where possible;
- Implementation of procedures designed to minimise or manage any potential impact on WLT should the risk materialise.

The risk register is a standing item on the agenda at each Administration & Finance committee meeting. Risks are considered in four key areas: operational, governance and management; financial; external. All identified risks are assessed for both likelihood of occurrence and potential financial and reputational impact, to give a gross risk. Mitigating controls are then considered, giving a net remaining risk.

The risk-management strategy forms part of the planning process, against which the Trustees review progress formally every year. Since the end of 2019 covid-19 has brought a new set of risks for all of our supporters, staff, partners and people associated with the WLT. These risks include;

Risk

covid-19 impact on WLT financial sustainability

Mitigations in place

- Reforecast 2020 plans and scenario planning for further reductions in donation income with mitigating plans as to how we can reduce expenditure.
 - Fortnightly meetings with Chair of Trustees, Honorary Treasurer, CEO and COO to monitor organisational health and key indicators through an organisational RAG report.
 - Review of conservation programmes and forward commitments.
 - Weekly monitoring of donation income and trends by Executive team
 - Ongoing cashflow monitoring and sensitivity analysis
 - Clear and transparent communication with donors to inform them of how their donations are making a continued impact.
- Health and safety of staff and human resources management
- All staff moved to remote working at the start of lockdown and office closed until September 2020.
 - Flexible working arrangements for staff with a focus on outputs rather to allow individuals to manage the competing demands of dependents and home schooling and looking after other dependents.
 - A stop on all travel internationally until further notice and travel within the UK only on an approved basis by the CEO.
 - Facilitation of “virtual” coffee mornings and other social opportunities to ensure wider staff wellbeing and keeping in touch.

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Report of the Trustees

Risk

covid-19 impact on our international NGO partners sustainability

Mitigations in place

- The covid-19 pandemic has not only affected WLT but also our international NGO partners. Our programmes team are working and liaising with all our partners to assess the impact on their organisations. Early on we committed to funding all of our ranger support as a critical activity.
- We are reviewing, on a risk basis, partners at higher risk due to being wholly or mainly reliant on WLT as their sole funder, individual country economic and political risks and inflation risks.
- Liaising with the partners on our joint programmes and the impact on timing of work due to covid-19.

Our committed and highly skilled team continue to manage those risks and maximise the support to our overseas partners where funding is potentially becoming more critical.

Our principal risks are identified as:

Risk

Financial sustainability:

- Ensuring our long term financial stability is critical if we are to deliver our strategic objectives. WLT is wholly funded through public, corporate and trust and foundation support. We aim to maximise the disbursements of funds to our local NGO partners on the ground and operate on a cost efficient overhead base. Our main internal cost is a committed and highly skilled staff team. If our income were to reduce significantly we would not be able to fulfil our operating plans which would reduce the scale of our impact.

Mitigation in place

- Administration and Finance committee of the Board to review detailed plans making recommendations to the Board of Trustees.
- Maintain a risk based reserves policy.
- Operational management of currency and inflation risk to minimise our exposure and maximise the funding available for our partners.
- Fundraising plans to continue to develop and evolve a diverse income base for the organisation.
- Development of key targets and indicators to monitor the health of the organisation.
- In light of the coronavirus pandemic fortnightly meetings are held with the Chair of Trustees, Honorary Treasurer, CEO and COO to monitor key financial indicators.
- Provide clear and transparent communication to our supporters and partners on the funding we need to raise and how it can be disbursed.

Human resources:

- Highly skilled, motivated and committed staff team is crucial for delivering our work successfully. We operate with a small staff team which could lead to key person dependency in certain roles.

- Equal opportunity recruitment process.
- Involvement of staff in developing our strategy with particular focus on values and culture.
- Annual performance appraisal and opportunities for professional development of staff.
- Promotion and implementation of employee wellbeing programme.
- Ongoing development of a suite of benefits to support and reward our staff.
- Ensuring other staff within teams understand and are able to undertake aspects of others roles if they are away, incapacitated or not available to ensure key processes continue.

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Report of the Trustees

Risk

Working with our international NGO partners:

- We work through local, independent NGO partners to deliver our conservation impact in the countries where they operate. Our partnerships are vital for our success and place heavy reliance on the knowledge and expertise of our partners. Many of our partners face similar and more challenging risks than WLT including sustainability, political and economic instability and lack of accountability.

Reputational damage:

There is an inherent risk of the charity's reputation being damaged or adversely affecting its patrons, Trustees, staff, partners and supporters through all of the other risks with the impact that this could damage trust in the organisation and funding and impact our relationships with our partners overseas.

Conflicts of Interest:

- Conflicts with local communities and indigenous groups with tradition claims to land we are looking to secure

Mitigation in place

- Through due diligence undertaken to identify suitable partners led by the CEO and Director of Conservation.
 - All partners are vetted by the Conservation Working Group and approved by the Board of Trustees prior to any formal partnership being established.
 - Regular monitoring and visits undertaken.
 - Every partner has a senior member of the Programmes Team assigned as their key relationship manager.
 - Ongoing partnerships with NGO partners building long term relationships based on mutual trust and respect.
-
- Regular monitoring of risk by Board of Trustees and Administration and Finance committee.
 - Chair of Trustees and CEO have regular meetings to discuss ongoing progress.
 - Through due diligence of partners and ongoing monitoring.
 - Compliance with all external regulatory bodies.
 - Clear operational plans and supporting plans to deliver the outputs.
 - Clear and transparent communication to supporters and NGO partners.
-
- Experienced local NGO partners who work in partnership with these communities.
 - Through due diligence and information collation prior to undertaking programmes of work.
 - Regular collaboration with partners to ensure any issues are identified early and managed.
 - All programmes go through a formal approval process prior to being funded assessing different aspects of risk.

World Land Trust

Year ended 31 December 2019

Report of the Trustees

Investment policy

WLT reviews its policy for any investment of funds held when it becomes appropriate, and at least annually. WLT seeks to invest its funds so as to maximise the value of its funds whilst incurring minimal risk, in investments that are ethically commensurate with WLT's objectives. WLT has a proportion of funds in unit trust funds, investing in equities and bonds. Remaining funds are held on cash deposit at the best interest rate available on notice periods that have due regard to the timescales and currency requirements of WLT's projects, with a financial institution approved by Trustees. Where funds are managed by an external investment manager a target benchmark is set and performance against the benchmark is reviewed on a regular basis.

Plans for future periods

In 2018 we reported that the Trust continued working on a 5-year strategic plan to 2020. WLT is seeking to secure an additional 1,000,000 acres by the end of 2020.

At the end of 2019 we had secured 881,000 acres since inception and WLT continues to work towards its target of 1,000,000 acres plan by the end of 2020. 2019 saw WLT transition from its Founders to a new CEO, Dr Jonathan Barnard, and in 2020 WLT will develop a new 5-year plan and 10-year vision to ensure that the strong organisation which has been created will continue to thrive and evolve.

In order to support our plans, we continue to drive key areas and principles for forward planning which include;

- we said we would look to continue to grow the numbers of our regular givers. By the end of 2019 regular givers numbered nearly 2,700 and continue to increase.
- we said we would develop new partnerships with overseas NGOs to continue to expand our conservation work in new areas. In 2019 we formally approved 4 new partnerships with more partnerships opportunities being evaluated and developed in 2020; and
- we said we would undertake further research, to gain further insight into why individuals support WLT and what is important to them. In 2019 we have started to formulate actions to support our strategic objectives to increase supporter numbers which will be implemented in future years; and
- we said we would continue to review and enhance our reporting mechanisms to enable efficiency and effective decision making throughout the organisation and provide further training to enable staff to have ownership and enhance their decision making skills particularly where resources are limited. This continues to be a priority and professional development and training are being implemented.

Structure governance and management

Governing document

WLT was launched in May 1989 and is established as a company limited by guarantee and was incorporated in England on 29 October 1990. It was registered as a charity with the Charity Commission on 14 December 1990. The affairs of WLT are governed by its Articles of Association and managed by the board of Trustees who are also the Directors of the Charity. The liability of the Members in the event of the charity being wound up is limited to a sum not exceeding £10.

World Land Trust

Year ended 31 December 2019

Report of the Trustees

Recruitment and appointment of Trustees

The Trustees are nominated for election based on their skills, expertise and knowledge that they can bring to guiding the charity to fulfil its charitable objectives. The Members have the power to appoint new Trustees. The Trustees are required to retire after two terms of three years, following which they will be eligible for re-election after the expiry of a period of at least two years for two further terms of three years.

Trustee induction and training

New Trustees are provided with a copy of WLTs Trustee Handbook, which includes key documentation such as Articles of Association, Charity Commission guidance on duties as a Trustee, financial information, a copy of the strategic plan and any other relevant management and procedural policies.

Trustees attend WLT's offices in Suffolk for an induction day to meet staff and more fully understand the operational workings of WLT. Trustees are supplied with relevant literature, guidance and articles published by the Charity Commission and other advisory bodies as appropriate.

Organisational structure

The board of Trustees meets quarterly and is supported in its duties with an Administration and Finance Committee and Nominations Committee. The Administration and Finance Committee are delegated the responsibility of reviewing WLT's financial performance and matters relating to management and organisational issues and recommending to the Trustees. The Nominations Committee is responsible for undertaking the selection process of new Trustees, Council members and CEO. All decisions or recommendations which arise from the Committees are ratified by the Board. Representatives from the Executive support both Committees as appropriate. A full list of Committee members during the year are detailed below.

Administration & Finance Committee

Myles Archibald (Chair & Honorary Treasurer)
Mark Avery
Ken Burnett (appointed, 10 September 2019)
Kevin Cox
Rohini Finch (retired, 10 September 2019)

Nominations Committee

Myles Archibald (Chair)
Nick Brown
Ken Burnett
Rohini Finch

The board of Trustees is also supported by a Council. The Council members are appointed by the Trustees to support and provide advice to the Trustees and staff on conservation, fundraising and communication matters and any other matters as required by WLT primarily delivered through the conservation and development working groups. The Council comprises the Trustees, Honorary Officers, Committee Members and other appointed individuals. Additional appointed individuals are supporters appointed for their expertise and interest in the activities of WLT. Their formal responsibilities are those of members of WLT and as such are responsible for voting on appointment of Trustees at the Annual General Meeting. A full list of Council Members is detailed on page 43 of these accounts.

A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate operational effectiveness, the Chief Executive has delegated authority approved by the Trustees for operational matters including finance, employment and conservation related activities. The Chief Executive is supported by key management personnel, as identified on page 1, and a wider senior management team and staff.

World Land Trust

Year ended 31 December 2019

Report of the Trustees

Related parties and co-operation with other organisations

WLT has a wholly owned related organisation in Australia. WLT Australia Limited was established on 8 January 2015 and is a company limited by guarantee, registered in New South Wales under the Corporations Act 2001, and recognised as a charity (ABN 79603569697, ACN 603 569 697). WLT Australia has a separate board of Directors, with WLT its sole member and therefore the financial results of WLT Australia are consolidated.

The charity's wholly owned subsidiary, World Land Trust Trading Limited was established to carry out WLT's contractual trading activities. This includes the Trusts Ecosystems Services programme such as carbon offsetting and tree planting. In addition to these important conservation activities the company continues to undertake all the commercial activities of WLT such as sales of retail goods.

WLT has strong project partners, who deliver the conservation work on the ground worldwide. One of the founding principles of WLT was that local in country project partners delivered the conservation work. Over the years this has developed into the Alliance for Conservation network. A full list of project partners is detailed on page 44 of these accounts.

WLT also continues to build and strengthen its relationships with other like-minded conservation organisations. We look to collaborate and increase our conservation impact through these relationships. This may include

- promoting fundraising campaigns;
- identifying suitable projects where joint funding can be provided, working with other organisations to provide funding for projects;
- sharing of knowledge in the international conservation world through working with or membership of organisations such as the International Union for Conservation of Nature (IUCN).

Remuneration policy

WLT believes in rewarding staff fairly for the jobs they do and provide a positive working environment. We believe our salaries, benefits and terms and conditions reflect this within the area we are located and within the overall context of affordability and sustainability for the organisation.

During 2019 WLT had, on average 26 staff including a number who work part time (23 full time equivalent). The pay of senior staff which comprise the key management personnel of the charity, is reviewed annually by the Administration and Finance committee. The Administration and Finance committee are responsible for setting and recommending CEO salary to the board of Trustees. The pay of staff is considered in conjunction with cost of living increases and the ability for the Trust to be able to continue to maintain and pay all salaries even if the organisation's income reduced.

Trustees' responsibilities in relation to the financial statements

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

World Land Trust

Year ended 31 December 2019

Report of the Trustees

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

In preparing the Report of the Trustees the Trustees have taken advantage of the exemption available to small companies and have not prepared a Strategic Report.

Signed on behalf of the Trustees

Dr M Avery
Chairman and Trustee

Approved on 29 June 2020

World Land Trust

Independent Auditor's Report to the members and Trustees of World Land Trust

Opinion

We have audited the financial statements of World Land Trust for the year ended 31 December 2018, which comprise the Consolidated Statement of Financial Activities, the Summary Income and Expenditure Account, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, 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 2018 and of the group's and parent charitable company's net movement in funds, including the 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 Auditor's 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 UK, including the FRC'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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 16, 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.

Auditor's 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 auditor's 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.

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 auditor's report.

World Land Trust

Independent Auditor's Report to the members and Trustees of World Land Trust

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees and the foreword. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 Report of the Trustees (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report incorporated within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company, 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

World Land Trust

Independent Auditor's Report to the members and Trustees of World Land Trust

Use of this 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

22 July 2020

Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

World Land Trust
Consolidated Statement of Financial Activities
For year ended 31 December 2019

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2019 £'000	Total 2018 £'000
Income and endowments						
Donations and legacies	3	2,432	3,009	-	5,441	4,589
Charitable activities	4	168	-	-	168	275
Other trading activities	5	24	-	-	24	23
Investment income	6	44	-	15	59	45
Other		4	-	-	4	2
Total income		2,672	3,009	15	5,696	4,934
Expenditure						
Raising funds	7	167	271	6	444	393
Charitable activities:						
Land acquisition	8	332	3,550	-	3,882	2,729
Reserve management	8	83	966	39	1,088	1,173
Reforestation	8	-	606	-	606	320
Partnerships and communications	8	189	19	-	208	207
Total expenditure		771	5,412	45	6,228	4,822
Net gains/(losses) on investments		98	-	137	235	(149)
Net income/(expenditure)		1,999	(2,403)	107	(297)	(37)
Transfer between funds	23	(2,484)	2,484	-	-	-
Other (losses)/gains	23,24	(95)	9	(21)	(107)	119
Net movement in funds		(580)	90	86	(404)	82
Reconciliation of funds						
Total funds brought forward		4,360	675	855	5,890	5,808
Total funds carried forward	22	3,780	765	941	5,486	5,890

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.
A full comparative Statement of Financial Activities is included at note 30.

The notes on pages 25 - 46 form part of these financial statements.

World Land Trust
Summary Income and Expenditure Account
For year ended 31 December 2019

	2019 £000	2018 £000
Income	5,637	4,889
Gains/(losses) on investments	98	(78)
Interest and investment income	44	12
Gross income	5,779	4,823
Expenditure	6,156	4,744
Interest payable	5	5
Depreciation and impairment charges	22	26
Total expenditure	6,183	4,775
Net (expenditure)/ income	(404)	48

The notes on pages 25 – 46 form part of these financial statements.

World Land Trust
Group and Charity Balance Sheets
at 31 December 2019

Company Number: 2552942

	Note	Group		Charity	
		2019 £000	2018 £000	2019 £000	2018 £000
Fixed assets					
Intangible assets	14	1	1	1	1
Tangible assets	15	518	532	113	121
Investments	16	1,800	1,576	1,790	1,566
		<u>2,319</u>	<u>2,109</u>	<u>1,904</u>	<u>1,688</u>
Current assets					
Stock	17	22	23	-	-
Debtors	18	1,740	1,008	1,859	1,114
Cash at bank and in hand		2,646	3,588	2,532	3,481
		<u>4,408</u>	<u>4,619</u>	<u>4,391</u>	<u>4,595</u>
Liabilities					
Creditors: amounts falling due within one year	19	(947)	(637)	(847)	(533)
		<u>3,461</u>	<u>3,982</u>	<u>3,544</u>	<u>4,062</u>
Net current assets					
		<u>5,780</u>	<u>6,091</u>	<u>5,448</u>	<u>5,750</u>
Total assets less current liabilities					
Creditors: amounts falling due after one year	20	(294)	(201)	(108)	-
		<u>5,486</u>	<u>5,890</u>	<u>5,340</u>	<u>5,750</u>
Total net assets					
Funds of the charity					
Unrestricted funds		608	419	569	386
Revaluation fund		107	107	-	-
	23	<u>715</u>	<u>526</u>	<u>569</u>	<u>386</u>
Designated funds	23	3,065	3,834	3,065	3,834
Restricted funds	24	765	675	765	675
Endowment funds	25	941	855	941	855
		<u>5,486</u>	<u>5,890</u>	<u>5,340</u>	<u>5,750</u>
Total charity funds	22				

The unconsolidated deficit of the Charity was £410,000 (2018: surplus £84,000).

Approved by the Trustees on 29 June 2020

Dr M Avery
Chairman of Trustees

K Burnett
Trustee

The notes at pages 25 – 46 form part of these accounts.

World Land Trust
Consolidated Statement of Cash Flows
For year ended 31 December 2019

		Group	
	Note	2019 £000	2018 £000
Cash flows in operating activities	27	(887)	120
Cash flows from investing activities:			
Dividends received		41	35
Interest received		17	10
Purchase of tangible fixed assets		(9)	(14)
Proceeds from sale of investments		46	49
Purchase of investments		(30)	(41)
Exchange rate movements on investments		12	(47)
Net cash (used in)/provided by investing activities		(810)	112
Cash flows from financing activities:			
Interest paid		(5)	(5)
Net cash (used in)/provided by financing activities		(5)	(5)
Net change in cash and cash equivalent in the reporting period		(815)	107
Cash at bank and in hand at the beginning of the reporting period		3,601	3,384
Change due to exchange rate movements		(107)	110
Cash at bank and in hand at the end of the reporting period		2,679	3,601
Cash and cash equivalents			
Cash at bank and in hand		2,646	3,588
Cash held by investment manager		33	13
Cash at bank and in hand at the end of the reporting period		2,679	3,601

World Land Trust

For the year ended 31 December 2019

Notes to the accounts

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows;

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition, effective 1 January 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiaries World Land Trust Trading Limited and WLT Australia Limited on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

c) Preparation of the accounts as a going concern

After reviewing the forecasts, liquidity position as well as the potential impact of covid-19 on the charity, the Trustees consider there to be no material uncertainties about the charity's ability to continue as a going concern. The Trustees therefore continue to adopt the going concern basis in preparing the financial statements.

d) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation, and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Gift Aid receivable on donations is recognised as unrestricted income.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, we recognise income at the point that we have entitlement, being probate granted, and we can measure the expected distribution with reasonable accuracy.

On occasion legacies, will be notified however, it is not possible to measure the expected distribution. On these occasions, if significant, the legacy is treated as a contingent asset and disclosed.

World Land Trust

For the year ended 31 December 2019

Notes to the accounts

Income (continued)

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes. It includes dividends and interest. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

e) Donated services and facilities

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

f) Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost 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.

Endowment funds represents those assets which must be held permanently by the charity or where there is a requirement to spend or apply the capital.

The San Rafael Reserve in Paraguay are investments held for the furtherance and benefit of ongoing operational costs at the reserve. Income arising on the endowment fund can be used in accordance with the tripartite agreement with Conservation International Foundation and Guyra Paraguay. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

UK-Kites Hill is reserve held in Gloucestershire gifted as a living legacy. The land is classified as an endowment fund due to the requirement to hold the asset into perpetuity, and it is therefore a permanent endowment.

World Land Trust
For the year ended 31 December 2019
Notes to the accounts

g) Expenditure and Irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds includes of direct staff costs, external costs such as advertising and marketing and other costs associated with attracting voluntary income. Cost of raising funds also includes investment manager fees and costs associated with attracting trading income; and

Expenditure on charitable activities includes those costs incurred by the charity and trading subsidiary in the delivery of its activities and services to beneficiaries. It includes costs sent to overseas partners to undertake our charitable activities in the relevant geographical locations and the staffing costs and meeting and travel expenditure required to liaise, evaluate and monitor those activities. Grants to overseas partners are recognised when there is a constructive obligation and the conditions are not in the control of the charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, H.R., I.T, general office and premises and governance costs which support the charitable activities of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

i) Operating leases

Operating lease rentals are charged to the Statement of Financial Activities over the period of the lease.

j) Intangible fixed assets

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Type	Useful Economic Life	Basis
Trademarks	5 years	In line with strategic plan to 2020

Provision is made for any impairment.

k) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Type	Useful Economic Life
Office furniture, fittings and equipment	15% reducing balance
Computer equipment	25% straight line

World Land Trust
For the year ended 31 December 2019
Notes to the accounts

Tangible Fixed Assets (continued)

On transition to FRS102, the Trustees took the transitional relief available and revalued the freehold property to deemed cost and a policy of ongoing revaluation has not been adopted. The valuation was prepared by O N Chapman, Independent Surveyors, Halesworth. The Trustees are of the opinion that due to the program of repairs and maintenance the property will not be less than the value in the accounts and therefore depreciation is not charged. An annual impairment review is undertaken by the Trustees and no impairments have been identified.

l) Fixed asset investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

m) Stock

Stock includes carbon credits which are a tradable monetary security which is equal to one tonne of a greenhouse gas, such as Carbon Dioxide. The credits are stated at the lower of cost and net realisable value. Provision is made where necessary for slow moving inventory.

n) Debtors

Trade debtors and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is valued at the amount due.

o) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity date of three months or less.

p) Creditors and provisions

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

Grant creditors are recognised in line with the policy set out in note 1(g) above. In 2018 certain grants were notified to recipients before 31 December whereas the Trust's historic practice was to notify recipients post year end. This is a change in practice rather than policy.

q) Pensions

The Trust operates a defined contribution pension scheme which employees are entitled to join and is funded by contributions from the employee and employer. The contributions made for the accounting period are treated as an expense as they become payable and were £31,458 (2017: £27,501).

World Land Trust
For the year ended 31 December 2019
Notes to the accounts

- r) **Redundancy**
Where an obligation to make a redundancy or termination payment exists, the costs incurred by the charity are accounted for on an accruals basis and included within employee benefits.
- s) **Foreign currency**
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.
- Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.
- (t) **Critical accounting judgements and estimates**
In preparing these financial statements, the Trustees have made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements 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.
- The critical accounting judgements and estimates relate to deferred income where amounts are set aside to meet the future expenditure of monitoring and evaluation of the carbon credits. The amounts are based on an estimate of future staffing costs and external costs of undertaking monitoring. These are estimated to be one month's staff time per annum and biannual monitoring visits or additional due diligence remotely.
- (u) World Land Trust is a company limited by guarantee and registered in England and Wales (company number:2552942). Its registered address is Blyth House, Bridge Street, Halesworth, Suffolk, IP19 8AB.

2 Gifts in Kind

The value of volunteers, consultants and corporate entities time and resources is estimated at £3,382 (2018: £3,869). We have included the value where it is quantifiable but recognise that the Trust received a significant level of support, which we are unable to reliably quantify.

This has not been recognised in the Statement of Financial Activities as set out in Section 1 (d) of the accounting policies.

World Land Trust
For the year ended 31 December 2019
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3. Income from donations and legacies	2019	2018
	Total	Total
	Funds	Funds
	£000	£000
Gifts	4,375	3,052
Legacies	1,034	1,464
Grants	32	73
	<u> </u>	<u> </u>
Total	<u>5,441</u>	<u>4,589</u>
	<u> </u>	<u> </u>
4. Income from charitable activities	2019	2018
	Total	Total
	Funds	Funds
	£000	£000
Contractual income	168	275
	<u> </u>	<u> </u>
5. Income from other trading activities	2019	2018
	Total	Total
	Funds	Funds
	£000	£000
Sales of cards	4	4
Sales of artwork	2	3
Other	18	16
	<u> </u>	<u> </u>
Total	<u>24</u>	<u>23</u>
	<u> </u>	<u> </u>
6. Investment income	2019	2018
	Total	Total
	Funds	Funds
	£000	£000
Bank interest and dividends receivable	59	45
	<u> </u>	<u> </u>

World Land Trust
For the year ended 31 December 2019
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7. Analysis of expenditure on raising funds

	2019	2018
	£000	£000
Costs of raising voluntary income:		
Direct staff costs	204	187
Marketing, PR & Events	152	108
Other direct fundraising costs	43	49
Apportionment of support cost and governance costs	31	32
	<u>430</u>	<u>376</u>
Cost of trading operations	5	4
Investment manager fees	9	13
	<u>444</u>	<u>393</u>
Total	<u><u>444</u></u>	<u><u>393</u></u>

8. Analysis of Expenditure on Charitable Activities

	Land Acquisition	Reserve Management	Reforestation	Partnerships & Communications	Total 2019
	£000	£000	£000	£000	£000
Direct staff costs	199	27	8	116	350
Expenditure to project partners	3,258	947	594	15	4,814
Other direct project costs	56	29	-	68	153
Travel and Meeting costs	18	1	-	5	24
Apportionment of support and governance costs	351	84	4	4	443
	<u>3,882</u>	<u>1,088</u>	<u>606</u>	<u>208</u>	<u>5,784</u>
	<u><u>3,882</u></u>	<u><u>1,088</u></u>	<u><u>606</u></u>	<u><u>208</u></u>	<u><u>5,784</u></u>

All grant expenditure is paid to institutions. A list of project partners is included on page 44.

Prior Year:

	Land Acquisition	Reserve Management	Reforestation	Partnerships & Communications	Total 2018
	£000	£000	£000	£000	£000
Direct staff costs	164	35	2	115	316
Expenditure to project partners	2,258	1,027	314	48	3,647
Other direct project costs	17	11	-	38	66
Travel and Meeting costs	12	10	-	2	24
Apportionment of support and governance costs	278	90	4	4	376
	<u>2,729</u>	<u>1,173</u>	<u>320</u>	<u>207</u>	<u>4,429</u>
	<u><u>2,729</u></u>	<u><u>1,173</u></u>	<u><u>320</u></u>	<u><u>207</u></u>	<u><u>4,429</u></u>

World Land Trust
For the year ended 31 December 2019
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9. Analysis of support and governance costs

	Basis of Apportionment	General Support £000	Governance £000	Total 2019 £000
Staff costs	Staff time	211	18	229
Travel and meeting costs	Type of meeting	21	9	30
Finance	Staff time and governance	53	23	76
I.T.	Staff time	39	-	39
HR	Staff time	55	-	55
Premises and general office management	Staff time and governance	45	-	45
Total		<u>424</u>	<u>50</u>	<u>474</u>

Prior Year:

	Basis of Apportionment	General Support £000	Governance £000	Total 2018 £000
Staff costs	Staff time	205	12	217
Travel and meeting costs	Type of meeting	11	9	20
Finance	Staff time and governance	45	22	67
I.T.	Staff time	35	-	35
HR	Staff time	16	-	16
Premises and general office management	Staff time and governance	53	-	53
Total		<u>365</u>	<u>43</u>	<u>408</u>

World Land Trust
for the year ended 31 December 2019
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10. Movement in total funds for the year	2019	2018
	£000	£000
This is stated after charging:		
Auditor's remuneration – Charity	15	16
- over accrued prior year fee	-	(5)
- Subsidiary	2	2
- WLT Australia	1	1
Bank loan interest payable	5	5
Depreciation	22	26
Foreign exchange gains/(losses)	(97)	119
(Gain)/loss on investments	235	(149)
Loss/(gain) on disposal of assets	10	-
	<u> </u>	<u> </u>
11. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel	2019	2018
	£000	£000
Salaries and wages	696	634
Social security costs	56	54
Pension costs	31	31
	<u> </u>	<u> </u>
	<u>783</u>	<u>719</u>
	<u> </u>	<u> </u>
Staff received emoluments in the following band:		
£90,000 - £100,000	1	-
£80,000 - £90,000	-	1
£60,000 - £70,000	1	-
	<u> </u>	<u> </u>

Salaries and wages include termination payments of £60,000 (2018: £nil). There were no amounts outstanding at the year end.

The charity Trustees were not paid or received any other benefits from employment with the Trust or its subsidiaries in the year (2018: £nil). No charity Trustee received, or was entitled to receive, any remuneration (2018: £nil). During the year the Trust reimbursed one Council member in respect of travel and subsistence £76 (2018: £163).

The employee benefits of the key management personnel for the group were £297,000 (2018: £234,000). The number of employees in the key management personnel group were 4 (2018: 4).

World Land Trust
for the year ended 31 December 2019
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11. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (continued)

The monthly average head count was 26 staff (2018: 26 staff) and the monthly average numbers of full-time equivalent employees (including part time staff) during the year were as follows:

	2019	2018
	Number	Number
Raising funds	7	7
Charitable activities	8	8
Support	5	5
Ecosystems services	3	3
	<hr/>	<hr/>
Total staff numbers	23	23
	<hr/> <hr/>	<hr/> <hr/>

12. Related party transactions

The Trust has considered the disclosure requirements of SORP 2015 and believes that the following related party transactions, all of which were made on an arm's length basis, require disclosure.

Donations from Trustees (including connected persons and parties), in aggregate, totaled £41,046 during 2019 (2018: £85,872).

13. Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

World Land Trust
for the year ended 31 December 2019
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14. Intangible Fixed assets

Intangible assets consist of trademarks. In 2015 World Land Trust purchased the WLT Carbon Balanced trademarks back from a company with whom the trading company had had a contractual arrangement with. Intangible assets at 31 December 2019 were held at £1,000 (2018: £1,000)

15. Tangible Fixed Assets	Freehold Property £000	Conservation Land £000	Fixtures & Fittings £000	IT Equipment £000	Total £000
a) Group					
Cost or valuation					
At 1 January 2019	400	75	26	167	591
Additions	-	-	1	8	9
Disposals	-	-	-	(1)	(1)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	400	75	27	174	676
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 January 2019	-	-	11	125	136
Charge for the year	-	-	3	19	22
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	-	-	14	144	158
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 December 2019	400	75	13	30	518
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2018	400	75	15	42	532
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

World Land Trust
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15. Tangible Fixed Assets	Conservation Land £000	Fixtures & Fittings £000	IT Equipment £000	Total £000
b) Charity				
Cost or valuation				
At 1 January 2019	75	18	98	191
Additions	-	1	8	9
Disposals	-	-	(1)	(1)
	<u>75</u>	<u>19</u>	<u>105</u>	<u>199</u>
At 31 December 2019	75	19	105	199
Depreciation				
At 1 January 2019	-	8	63	71
Charge for the year	-	2	14	16
Disposals	-	-	(1)	(1)
	<u>-</u>	<u>10</u>	<u>76</u>	<u>86</u>
At 31 December 2019	-	10	76	86
Net book value				
At 31 December 2019	<u>75</u>	<u>9</u>	<u>29</u>	<u>113</u>
At 31 December 2018	<u>75</u>	<u>11</u>	<u>35</u>	<u>121</u>
16. Investments	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Valuation at 1 January	1,563	1,664	1,553	1,654
Additions at cost	30	41	30	41
Disposals	(46)	(49)	(46)	(49)
Net gain/(loss) on revaluation	232	(140)	232	(140)
Exchange gain/(loss)	(12)	47	(12)	47
	<u>1,767</u>	<u>1,563</u>	<u>1,757</u>	<u>1,553</u>
Valuation At 31 December	1,767	1,563	1,757	1,553
Cash held by investment manager	33	13	33	13
	<u>1,800</u>	<u>1,576</u>	<u>1,790</u>	<u>1,566</u>
Total valuation at 31 December	<u>1,800</u>	<u>1,576</u>	<u>1,790</u>	<u>1,566</u>
Comprising of:				
Unlisted securities	10	10	-	-
Listed UK and Overseas shares	1,441	1,263	1,441	1,263
UK investment funds	349	303	349	303
	<u>1,800</u>	<u>1,576</u>	<u>1,790</u>	<u>1,566</u>
Total	<u>1,800</u>	<u>1,576</u>	<u>1,790</u>	<u>1,566</u>
Restriction analysis:				
Unrestricted	916	798	906	788
Endowment	884	778	884	778
	<u>1,800</u>	<u>1,576</u>	<u>1,790</u>	<u>1,566</u>
Total	<u>1,800</u>	<u>1,576</u>	<u>1,790</u>	<u>1,566</u>

World Land Trust
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16. Investments (continued)

Subsidiary undertakings	2019	2018
	£	£
Shares in subsidiary undertakings	2	2
	<u>2</u>	<u>2</u>

Details of subsidiary undertakings at the balance sheet date are as follows:

Name	Nature of Business	& owned	Results	Net Assets	
			£'000	£'000	
World land Trust Trading Ltd	Conservation contracting	100	Turnover	207	132
			Expenditure	203	
			Net profit	4	
			Gift aid payable	10	
WLT Australia Ltd	Conservation charity	100	Income	13	-
			Expenditure	14	
			Surplus/(deficit)	(1)	

The charity holds 1 share of £1 in its wholly owned trading subsidiary company World Land Trust Trading Limited (Company number: 05913370) which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results are summarised above.

The charity hold 1 share of AUD\$1 in its wholly owned subsidiary WLT Australia Limited which is incorporated in Australia. These are the only shares allotted and called up. The activities and results are summarised above.

17. Stock

	Group		Charity	
	2019	2018	2019	2018
	£000	£000	£000	£000
Retail good for resale	2	3	-	-
Carbon offsets	20	20	-	-
	<u>22</u>	<u>23</u>	<u>-</u>	<u>-</u>
	<u>22</u>	<u>23</u>	<u>-</u>	<u>-</u>

Stock of £4,000 was recognised as an expense during 2019 (2018: £6,000)

18. Debtors

	Group		Charity	
	2019	2018	2019	2018
	£000	£000	£000	£000
Trade debtors	216	124	158	30
Other debtors	134	63	134	63
Loan to overseas partner	91	94	91	94
Amount due from subsidiary	-	-	221	276
Prepayments and accrued income	1,299	727	1,255	651
	<u>1,740</u>	<u>1,008</u>	<u>1,859</u>	<u>1,114</u>
	<u>1,740</u>	<u>1,008</u>	<u>1,859</u>	<u>1,114</u>

The charity has accrued legacy income of £1,149,000 (2018: £571,000). This is included within prepayments and accrued income.

World Land Trust
for the year ended 31 December 2019
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18. Debtors (continued)

During 2012 \$150,000 was loaned to FUNDAECO, the Trust's partner in Guatemala, to provide funding for the Laguna Grande land acquisition via the Trust's revolving fund. The loan was to be repaid over four years but at the start of 2016 the outstanding debt was negotiated to roll over into a new loan awarded and paid in 2017. During 2019 further discussions were held with FUNDAECO about the loan which are expected to be finalized in 2020. There is no interest charged on the loan. At 31 December 2019 £40,000 (2018: £40,000), under the loan agreement is due for repayment in greater than 1 year.

19. Creditors: amounts falling due within one year	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Loans	8	8	-	-
Trade creditors	50	33	41	28
Tax and social security costs	28	18	15	12
Accruals and deferred income	130	120	60	35
Other creditors	-	4	-	4
Grant commitments	731	454	731	454
	<u>947</u>	<u>637</u>	<u>847</u>	<u>533</u>

20. Creditors: amounts falling due after one year	Group		Charity	
	2019 £000	2018 £000	2019 £000	2018 £000
Loans	147	156	-	-
Accruals and deferred income	39	45	-	-
Grant commitments	108	-	108	-
	<u>294</u>	<u>201</u>	<u>108</u>	<u>-</u>

The bank loan is secured on the Blyth House property owned by World Land Trust Trading Limited. The loan financing is in the form of a secured loan with a variable interest rate provided by Barclays Bank Plc. The above loan includes £102,000 (2018: £122,000), repayable by installments, due after five years.

21. Deferred Income

Deferred income comprises contractual amounts received in advance for carbon balanced projects which will be released over future years to match against the related project expenditure.

	Group £000	Charity £000
Balance at 1 January 2019	105	129
Amount released during the year	9	24
Amount deferred in the year	-	-
Balance at 31 December 2019	<u>96</u>	<u>105</u>

Within deferred income £40,000 (2018: £45,000) is falling due after more than one year.

World Land Trust
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22. Analysis of total funds

At the 31 December 2019 total funds comprise:		2019 £000	2019 £000	2018 £000	2018 £000
	Note				
Unrestricted funds	23	715		526	
Designated funds	23	3,065		3,834	
			—		—
Restricted funds	24		3,780		4,360
			765		675
Endowment funds	25		941		855
			—		—
Total Funds			5,486		5,890
			=====		=====

Unrestricted funds represent the funds for the general use of the Trust as set out in our Financial Review on pages 6 to 8. As set out in note 23 the unrestricted funds include a revaluation reserve of £107,000 (2018: £107,000) which is not readily accessible to the Charity.

Designated funds are amounts set aside by the Trustees for specific purposes. These funds are not available for the general use of the Trust.

Restricted funds represent funds given to the Trust for specific projects or specific countries. Disbursement of funds are in accordance with relevant conditions imposed and are not available for the general use of the Trust.

The endowment funds represent funds or assets given to the Trust under terms requiring the funds be held in perpetuity.

Further detail of the funds held by the Trust are explained in notes 23-25.

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for the year ended 31 December 2019
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23. Analysis of unrestricted and designated funds

	Balance 1 January 2019 £000	Income £000	Expenditure £000	Transfers £000	Net gains/ (losses) £000	Balance 31 December 2019 £000
Unrestricted funds:						
General fund	419	662	(424)	(98)	49	608
Revaluation reserve	107	-	-	-	-	107
	<u>526</u>	<u>662</u>	<u>(424)</u>	<u>(98)</u>	<u>49</u>	<u>715</u>
Designated funds:						
Action fund	340	1,077	(340)	(718)	-	359
Revolving fund	191	-	-	(64)	(3)	124
Legacy fund	2,206	933	(7)	(1,373)	(43)	1,716
Partnership fund	25	-	-	-	-	25
Projects fund	644	-	-	(130)	-	514
Strategic development fund	428	-	-	(101)	-	327
	<u>3,834</u>	<u>2,010</u>	<u>(347)</u>	<u>(2,386)</u>	<u>(46)</u>	<u>3,065</u>
Total	<u>4,360</u>	<u>2,672</u>	<u>(771)</u>	<u>(2,484)</u>	<u>3</u>	<u>3,780</u>

Prior Year:	Balance 1 January 2018 £000	Income £000	Expenditure £000	Transfers £000	Net gains/ (losses) £000	Balance 31 December 2018 £000
Unrestricted funds:						
General fund	466	1,940	(499)	(1,538)	50	419
Revaluation reserve	107	-	-	-	-	107
	<u>573</u>	<u>1,940</u>	<u>(499)</u>	<u>(1,538)</u>	<u>50</u>	<u>526</u>
Designated funds:						
Action fund	461	722	(226)	(617)	-	340
Revolving fund	164	6	-	21	-	191
Legacy fund	795	-	(12)	1,463	(40)	2,206
Partnership fund	-	51	(34)	8	-	25
Projects fund	935	-	-	(291)	-	644
Strategic development fund	447	-	-	(19)	-	428
	<u>2,802</u>	<u>779</u>	<u>(272)</u>	<u>565</u>	<u>(40)</u>	<u>3,834</u>
Total	<u>3,375</u>	<u>2,719</u>	<u>(771)</u>	<u>(973)</u>	<u>10</u>	<u>4,360</u>

World Land Trust

for the year ended 31 December 2019

Notes to the accounts

23. Analysis of unrestricted and designated funds (continued)

Unrestricted funds description:

General Funds represent the working capital and operating fixed assets of the group and is analysed in note 26. The revaluation reserve represents the movement on revaluing the property to deemed cost under the transitional arrangements allowed by FRS 102.

Designated funds description:

The Action fund is a designated fund to provide funding for conservation work where it is most urgently needed or where we are unable to raise funds through appeals or other sources, allowing the Trust to react to the changing circumstances faced by our partners. We actively spend funds within twelve months. Regular givers donations are earmarked to this fund allowing replenishment on an ongoing basis to support ongoing conservation work.

The Revolving Fund is a designated fund to provide funding for urgent conservation projects for which the Trust has yet to raise funds through an appeal or from other sources. The Trust provides funding to the partners to undertake conservation work in lieu of future funds coming in. Due to the varying nature of the projects or programmes supported the timeframe for disbursement of the fund and subsequent repayment thereby allowing new project and programme support varies on an individual project and programme basis.

The Legacy Fund represents unrestricted legacy income receivable, which will be disbursed to support conservation projects and programmes of the Trust. This fund includes legacies that are accrued and are included in debtors on the balance sheet. The Trust actively disburses funds when appropriate projects or programmes are identified. We anticipate that funds will be expended within a two year period but recognise that some legacies take an appreciable amount of time from initial recognition to completion of the legacy.

The Partnership fund is for meeting the travel and subsistence costs of visits from overseas partners and Symposium costs. The fund will be fully expended in 2020 for the symposium in Guatemala.

The Projects fund represents unrestricted funds approved by the Trustees to support specific conservation programmes. The Trust has been fortunate to begin receiving unrestricted income, particularly legacy, and this has enabled the organisation to be able to fund key projects which might otherwise not have been supported. The remaining funds will be disbursed over three years.

The Strategic Development fund is a designated fund to provide funding for the investment and growth of the Trust. The fund is set aside for key infrastructure and development work for the Trust including the development and implementation of a revised CRM system, IT support for remote working and other infrastructure development work.

Transfers between Funds:

During the year allocations were made from unrestricted fund and designated funds to restricted projects. Allocations were made from the Action fund to a variety of restricted projects as approved by the Trustees.

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24. Analysis of restricted funds

	Balance				Net gains/	Balance
	1 January	Income	Expenditure	Transfers	(losses)	31 December
	2019	£000	£000	£000	£000	2019
	£000					£000
Specific projects:						
Big Match Appeal	470	467	(100)	(470)	-	367
Buy an Acre	112	667	(197)	(165)	-	417
Carbon	95	91	(58)	-	-	128
Keepers of the Wild	(202)	126	(272)	96	5	(247)
Plant a Tree	(265)	229	(120)	92	4	(60)
Other	-	-	(7)	7	-	-
	-----	-----	-----	-----	-----	-----
	210	1,580	(754)	(440)	9	605
	-----	-----	-----	-----	-----	-----
By Country:						
Argentina	4	-	(37)	33	-	-
Armenia	(15)	117	(256)	154	-	-
Belize	(335)	5	(190)	526	-	6
Bolivia	-	9	(241)	232	-	-
Borneo	91	6	(80)	-	-	17
Brazil	-	2	(191)	189	-	-
Colombia	-	82	(614)	532	-	-
Ecuador	30	351	(739)	358	-	-
Guatemala	68	43	(392)	338	-	57
Honduras	-	55	(98)	77	-	34
India	307	267	(554)	124	-	144
Iran	1	1	(2)	-	-	-
Kenya	-	13	(26)	14	-	1
Mexico	-	54	(183)	66	-	(63)
Paraguay	-	-	(6)	6	-	-
Patagonia	(5)	-	(2)	7	-	-
Peru	26	1	(180)	153	-	-
Philippines	1	-	-	-	-	1
Tanzania	-	-	-	-	-	-
Venezuela	-	-	(8)	8	-	-
Vietnam	287	407	(772)	41	-	(37)
Zambia	-	8	(73)	65	-	-
UK	5	8	(14)	1	-	-
	-----	-----	-----	-----	-----	-----
	465	1,429	(4,658)	2,924	-	160
	-----	-----	-----	-----	-----	-----
Total	675	3,009	(5,412)	2,484	9	765
	=====	=====	=====	=====	=====	=====

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Prior Year:

	Balance 1 January 2018 £000	Income £000	Expenditure £000	Transfers £000	Net gains/ (losses) £000	Balance 31 December 2018 £000
Specific projects:						
Arcadia	59	-	(56)	(3)	-	-
Big Match Appeal	63	495	(102)	14	-	470
Buy an Acre	113	172	(33)	(140)	-	112
Carbon	73	28	(8)	2	-	95
Keepers of the Wild	-	125	(434)	107	-	(202)
Plant a Tree	3	73	(341)	-	-	(265)
Other	-	-	(6)	6	-	-
	<u>311</u>	<u>893</u>	<u>(980)</u>	<u>(14)</u>	<u>-</u>	<u>210</u>
By Country:						
Argentina	(19)	16	(58)	65	-	4
Armenia	5	3	(43)	20	-	(15)
Belize	(1)	10	(389)	45	-	(335)
Bolivia	14	68	(92)	10	-	-
Borneo	147	48	(137)	33	-	91
Brazil	-	2	(82)	80	-	-
Colombia	111	60	(262)	91	-	-
Ecuador	41	292	(390)	87	-	30
Guatemala	-	164	(253)	157	-	68
Honduras	-	-	(155)	155	-	-
India	669	61	(297)	(126)	-	307
Iran	4	1	(4)	-	-	1
Kenya	-	-	(43)	43	-	-
Mexico	10	63	(228)	155	-	-
Paraguay	4	-	(1)	(3)	-	-
Patagonia	-	15	(15)	(5)	-	(5)
Peru	-	10	(69)	85	-	26
Philippines	2	-	(1)	-	-	1
Tanzania	203	-	(188)	-	(15)	-
Venezuela	2	-	(2)	-	-	-
Vietnam	28	472	(213)	-	-	287
Zambia	4	-	(89)	85	-	-
UK	4	4	(13)	10	-	5
	<u>1,228</u>	<u>1,289</u>	<u>(3,024)</u>	<u>987</u>	<u>(15)</u>	<u>465</u>
Total	<u><u>1,539</u></u>	<u><u>2,182</u></u>	<u><u>(4,004)</u></u>	<u><u>973</u></u>	<u><u>(15)</u></u>	<u><u>675</u></u>

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24. Analysis of restricted funds (continued)

Description of Funds:

The above funds, listed by country, represent funds received specifically for carrying out conservation work within those areas. Specific projects are detailed below;

- Big Match appeal fund represents funds from the Trust's annual fortnight campaign and subsequent appeal. The beneficiaries of this fund change annually with the appeal. In 2019 the beneficiary was raising funds for purchase of land acquisition in Vietnam.
- Buy an Acre is for land acquisition in countries where we can secure land for approximately £100 per acre.
- Carbon receives donations from individuals to support our carbon sequestration projects.
- Fund balances for Keepers of the Wild and Plant a Tree were in deficit at the end of 2019. This was due to recognition of 2020 funding approved by the Trustees in December 2019. Donations to support the disbursements will be received in 2020. This is a change in practice rather than accounting policy by the Trust.
- The Vietnam fund has a deficit balance at the end of 2019. This arose due to funding made to support the Big Match appeal in 2019 to the partner. Big Match appeal funding was transferred after the year end when the appeal was completed.
- The Mexico fund had a deficit balance at the end of 2019. Funding for this programme will be received in 2020 via the Buy an Acre programme and therefore the deficit will be cleared in 2020.

25. Analysis of endowment funds

	Balance 1 January 2019 £000	Income £000	Expenditure £000	Transfers £000	Net gains/ (losses) £000	Balance 31 December 2019 £000
San Rafael Fund	780	15	(45)	-	116	866
UK – Kites Hill	75	-	-	-	-	75
	<u>855</u>	<u>15</u>	<u>(45)</u>	<u>-</u>	<u>116</u>	<u>941</u>

Prior Year:

	Balance 1 January 2018 £000	Income £000	Expenditure £000	Transfers £000	Net gains/ (losses) £000	Balance 31 December 2018 £000
San Rafael Fund	819	33	(47)	-	(25)	780
UK – Kites Hill	75	-	-	-	-	75
	<u>894</u>	<u>33</u>	<u>(47)</u>	<u>-</u>	<u>(25)</u>	<u>855</u>

Description of Funds:

1. The San Rafael Fund, an expendable endowment, was set up with \$1 million from Conservation International in 2013 and is represented by Fixed Asset Investments. The fund is available for the operational running costs of the San Rafael reserve in Paraguay.
2. UK – Kites Hills represents a permanent endowment of land owned by the Trust in Gloucestershire which was gifted as a legacy.

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26. Analysis of Group Net Assets between Funds

	General	Designated	Restricted	Endowment	2019
	£000	£000	£000	£000	Total
					£000
Tangible fixed assets	443	-	-	75	518
Intangible fixed assets	1	-	-	-	1
Investments	359	557	-	884	1,800
Cash at bank and in hand	(6)	1,125	1,542	(15)	2,646
Other net assets/(liabilities)	104	1,383	(669)	(3)	815
Creditors: falling due after one year	(186)	-	(108)	-	(294)
	<u>715</u>	<u>3,065</u>	<u>765</u>	<u>941</u>	<u>5,486</u>
	<u><u>715</u></u>	<u><u>3,065</u></u>	<u><u>765</u></u>	<u><u>941</u></u>	<u><u>5,486</u></u>
Prior Year:					2018
	General	Designated	Restricted	Endowment	Total
	£000	£000	£000	£000	£000
Tangible fixed assets	457	-	-	75	532
Intangible fixed assets	1	-	-	-	1
Investments	313	485	-	778	1,576
Cash at bank and in hand	(166)	2,645	1,104	5	3,588
Other net assets/(liabilities)	102	704	(429)	(3)	394
Creditors: falling due after one year	(201)	-	-	-	(201)
	<u>526</u>	<u>3,834</u>	<u>675</u>	<u>855</u>	<u>5,890</u>
	<u><u>526</u></u>	<u><u>3,834</u></u>	<u><u>675</u></u>	<u><u>855</u></u>	<u><u>5,890</u></u>

27. Reconciliation of net income/(expenditure) to cash flow from operating activities

	2019	Group
	£000	2018
		£000
Net (expenditure) for the year	(297)	(37)
Adjustments for:		
Amortisation charges	-	-
Depreciation charges	22	26
(Gains)/losses on investments	(235)	149
Dividends received	(36)	(35)
Interest receivable	(18)	(10)
Interest payable	5	5
Decrease in stock	1	3
(Increase) in debtors	(732)	(353)
Increase in creditors	403	372
	<u>(887)</u>	<u>120</u>
Net cash (used in)/provided by operating Activities	(887)	120
	<u><u>(887)</u></u>	<u><u>120</u></u>

World Land Trust
for the year ended 31 December 2019
Notes to the accounts

28. Legal status of the trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

29. Operating leases (Group and Charity)

Equipment	
2019	2018
£000	£000

Total commitments in relation to operating leases expiring are as follows:

Within one year	2	2
Within two to five years	1	3
	<u> </u>	<u> </u>

30. Post balance sheet events

Since the year-end, the serious outbreak of covid-19 at pandemic level has created global economic shock, demonstrating the inherent volatility of investment assets and to voluntary income, which are expected to have an impact on the results for the year ending 31 December 2020, however the extent of this impact is currently unknown. Covid-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the balance sheet as at 31 December 2019.

The Trustees continue to monitor the changing landscape and its impact on the charity.

World Land Trust
for the year ended 31 December 2019

31 Comparative Statement of Financial Activities
(31 December 2018)

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2018 £'000
Income				
Donations and legacies	2,407	2,182	-	4,589
Charitable activities	275	-	-	275
Other trading activities	23	-	-	23
Investment income	12	-	33	45
Other	2	-	-	2
Total income	2,719	2,182	33	4,934
Expenditure				
Raising funds	142	240	11	393
Charitable activities:				
Land acquisition	243	2,486	-	2,729
Reserve management	221	916	36	1,173
Reforestation	2	318	-	320
Partnerships and communications	163	44	-	207
Total expenditure	771	4,004	47	4,822
Net gains/(losses) on investments	(78)	-	(71)	(149)
Net income/(expenditure)	1,870	(1,822)	(85)	(37)
Transfer between funds	(973)	973	-	-
Other gains/(losses)	88	(15)	46	119
Net movement in funds	985	(864)	(39)	82
Reconciliation of funds				
Total funds brought forward	3,375	1,539	894	5,808
Total funds carried forward	4,360	675	855	5,890

World Land Trust

for the year ended 31 December 2019

List of Council members

The Trust is fortunate to have a Council which provides advice and guidance to the board of Trustees. Council members are appointed by the Trustees, and advise Trustees and the Executive on Conservation, fundraising, marketing and communications and other matters useful to the Trust.

The Council comprises Trustees, Honorary Officers, Committee Members and other appointed individuals. Council members along with Trustees and Honorary Officers, are Members of the Charity.

During 2019 the Council comprised the following individuals, excluding Trustees and Officers:

Albertino Abela
Myles Archibald
Dr Simon Barnes
Dr Iain Barr
Mark Carwardine
Kevin Cox
Dr Lee Durrell
Stanley Johnson (retired, 26 July 2019)
Dr Simon Lyster
Nigel Massen
Bill Oddie
Richard Porter
George Sawtell
Miranda Stevenson (appointed, 26 June 2019)
Dr Nigel Simpson
David Wallis

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List of Project partners

Africa

Kansanka Trust (Zambia)
Nature Kenya
Tanzania Forest Conservationist Group
Wildlife and Environmental Society of Zambia (WECSZ)

Asia

Applied Environmental Research Foundation (India)
Foundation for the Preservation of Wildlife & Cultural Assets (Armenia)
HUTAN (Malaysian Borneo)
Iranian Cheetah Society
LEAP Spiral (Malaysian Borneo)
Philippine Reef and Rainforest Conservation Foundation
Viet Nature Conservation Centre (Vietnam)
Wildlife Trust of India

Central and South America

Asociación Armonía (Bolivia)
Asociación Civil Provita (Venezuela)
Corozal Sustainable Future Initiative (Belize)
Ecological Association of San Marcos Ocotepeque (AESMO) (Honduras)
Fundación Biodiversidad-Argentina (Argentina)
Fundación Biodiversa Colombia (Colombia)
Fundación EcoMinga (Ecuador)
Fundación Jocotoco (Ecuador)
Fundación Melimoyu (Chile)
Fundación Natura Bolivia
Fundación Naturaleza para el Futuro (FuNaFu) (Argentina)
Fundación para el Ecodesarrollo y la Conservación (FUNDAECO) (Guatemala)
Fundación Patagonia Natural (Argentina)
Fundación Pro-Bosque (Ecuador)
Grupo Ecológico Sierra Gorda (GESG) (Mexico)
Guyra Paraguay
Naturaleza y Cultura Ecuador
Naturaleza y Cultura Peru
Programme for Belize (Belize)
Reserva Ecológica de Guapi Assu (REGUA) (Brazil)

UK

The Conservation Volunteers