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WWF-UK

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Report and Financial Statements

30 June 2010

WWF-UK Registered charity number in England 1081247 and in Scotland
SC039593 A company limited by guarantee Registered number 4016725
WWF-UK (World Wide Fund For Nature) Trading Ltd A company limited by share
capital Registered number 892812
Registered Address Panda House, Weyside Park, Godalming, Surrey GU7 1XR

Website wwf.org.uk

Report of the Board of Trustees and Directors

For the year ended 30 June 2010

OUR MISSION

WWF's mission is to stop the degradation of the planet's natural environment, and to build a future in which humans live in harmony with nature by

- conserving the world's biological diversity,
- ensuring that the use of renewable natural resources is sustainable,
- reducing pollution and wasteful consumption

SUMMARY

This report covers the following areas

- a summary of our activities around the world and in the UK,
- a review of activities to achieve objectives,
- our focus for next year,
- financial review,
- management,
- governance

INTRODUCTION

WWF-UK's worldwide conservation work focuses on long-term, large-scale programmes designed not only to counter biodiversity loss and provide solutions to the many challenges facing the natural world, but also to safeguard the livelihoods of some of the planet's poorest and most vulnerable people

We develop practical conservation solutions on the ground and pursue policy initiatives at regional, UK, EU and global levels to promote good governance of the world's natural resources. This work is largely done through the three strands of our five-year strategy, agreed in 2008: safeguarding the natural world, tackling climate change and changing the way we live. Working with governments, businesses, communities, schools and others, this strategic plan will help us deliver a One Planet Future in which people and nature thrive.



Most of our international programme work is done through Global Initiatives (GIs), many of which operate in areas where the most critically endangered wildlife and the least protected habitats are found. However, the origins of many of the world's environmental problems lie in developed countries, including the UK, and in our everyday attitudes and behaviour – for example, our consumption of natural resources.

While we direct the bulk of our conservation expenditure towards our global programmes, we also seek to influence international environmental issues through responsible actions in the UK. In that respect, we are active in England, Northern Ireland, Scotland and Wales, where we focus on how to reduce the UK's ecological footprint – the environmental impact we make on the wider world.

SIR PETER SCOTT

During the year we marked the centenary of the birth of Sir Peter Scott, WWF's Founding Chairman

Not only was he passionate about nature and conservation, but he was also deeply concerned about the planet's ability to withstand human demands on its resources. Another of his driving interests was preserving the Antarctic wilderness from human exploitation. This is perhaps hardly surprising, considering his father was Robert Falcon Scott – Scott of the Antarctic.

As well as being a naturalist and painter of repute, Sir Peter was at various times an Olympic yachtsman, a popular television presenter, a gliding champion and a skipper in the Americas Cup. In recognition of his many achievements, he was knighted in 1973, and was appointed a Companion of Honour and Fellow of the Royal Society in 1987. He died two years later at the age of 79 – and we are proud that his legacy lives on, through WWF's numerous worldwide programmes.

ACTIVITIES – AROUND THE WORLD

WWF-UK's worldwide conservation work focuses on long-term, large-scale programmes designed to address the issues of biodiversity loss and unsustainable consumption. We work in partnership with other members of the WWF Network throughout the world.

To focus its work and resources in the coming years, WWF has developed a global programme framework that identifies priorities to be addressed through Global Initiatives, ecoregion and species action plans, and other programmes. As part of this framework, WWF-UK works with governments – including the UK government's Department for International Development – and international organisations such as the United Nations, the European Commission and the World Trade Organisation to promote development that is both fair and sustainable. We also cooperate closely with TRAFFIC (the wildlife trade monitoring network) to combat illegal and unsustainable trade in endangered species, and we are closely engaged with international treaties such as the Convention on International Trade in Endangered Species (CITES) and the International Whaling Commission.

WWF-UK's Global Initiatives include the following:

Amazon

In October with Sky TV, we launched the Sky Rainforest Rescue programme which will run for three years and aims to raise £4 million (see page 7). The principal recipient of these funds is a new programme of work in Acre State, Brazil, which will focus on reducing deforestation by establishing incentives for local people to keep the forest standing, in partnership with the state government.

In Colombia, the government declared Yaigojé Apaporis National Natural Park (about half the size of Wales) a Protected Area. WWF was a key partner in identifying the area, providing technical advice to the government and communities, and leading consultations with local people.

Agriculture is a significant threat to the Amazon, and we are working to reduce the impacts of soy and beef farming. We are cooperating with the Roundtable for Responsible Soy to stop the conversion of native forests to soy production, and to eliminate the most hazardous pesticides.

Arctic

Russia has announced the creation of a 1.5m-hectare park in the Arctic, which will cover a central area inhabited by the Barents and Kara Sea polar bear populations. We have long been lobbying for the park, which will exclude all industrial activity and is an important habitat for walrus, wild reindeer and bird populations.

We supported the Catlin Arctic Survey ('CAS') in its quest to measure the thickness of summer sea ice across an important area of the Beaufort Sea. Data supports the emerging thinking that the Arctic Ocean will be largely ice-free in summer within a decade. WWF and CAS are discussing future work together.

China Shift

We have strengthened our links with the Chinese and African finance sectors through information exchange and study trips to Europe and Mozambique, attended by 21 senior officials from China. This has further motivated them to strengthen their policies for sustainable investment. Through this work, we have built credibility and trust with them – a process which has enabled us to discuss sensitive issues.

Coastal East Africa

A decision to reform the Indian Ocean Tuna Commission (IOTC) has been achieved through an IOTC performance review. A Seychelles meeting with the industry resulted in a declaration concerning reform of the IOTC and supporting efforts to strengthen and modernise the organisation to ensure that future challenges can be effectively addressed.

We also contributed to the Maldives tuna assessment by the Marine Stewardship Council, ensuring that our concerns about the country's pole and line and handline tuna fishery were taken into account.

Coral Triangle

The Coral Triangle (CT) covers nearly 6m sq km of ocean across all, or parts of, the seas of six countries in the Indo-Pacific – Indonesia, Malaysia, Papua New Guinea, the Philippines, the Solomon Islands and Timor-Leste. This Global Initiative has achieved significant progress in the Triangle: for example, the six heads of government have signed an agreement to reduce poverty through sustainable management of the CT region, USAID has committed to provide US\$32m, and the Asian Development Bank £500m, to support CT priorities, and the Philippines government has agreed to change fishing practices that will reduce bycatch in the region.

Global Climate Initiative

Our work during the year was framed almost entirely around Copenhagen. In the lead-up to the Copenhagen climate summit in December, many of our supporters

and staff joined some 60,000 people at demonstrations in London, Glasgow and Belfast organised by the Stop Climate Chaos coalition. We also organised a 'Vote Earth' petition, with nearly 27,000 signatures, which was delivered to the UK government.

However, the conference itself was a disappointment. See page 8 for more details. We are now putting in place a new strategy to respond to the post-Copenhagen world. At the WWF Annual Conference in May 2010, David Nussbaum was invited to chair the Global Climate Initiative.

Living Himalayas

We will shortly be announcing a ministerial summit to be held in Bhutan in September 2011. Involving Bangladesh, Bhutan, India and Nepal, this will provide the means to achieve an agreement acknowledging the conservation value of the Himalayan landscape with associated commitments. This may include a plan to have a 7m-hectare conservation complex stretching across the entire northern part of the region (areas above 3,000m).

In Nepal, the lowland area of Banke (550 sq km), adjoining Bardia National Park, has been declared a National Park. In the mountain region, 2,035 sq km of Gaurishankar has been designated a Conservation Area. And in India, progress has been made with a review of the Gola Corridor in Uttarakhand. This is a first step towards possible protected status which would enable the free movement of wildlife.

Market Transformation

Through our technical and political engagement, we contributed to finalising five new global commodity standards:

- **Cotton** The production and principles criteria for Better Cotton,
- **Aquaculture** Global standards for the tilapia aquaculture industry were completed,
- **Sugar, Soy and Biofuels** Following successful field-testing, all standards are about to be finalised and approved.

In the UK, M&S is the first company to sign WWF's Seafood Charter. In doing so, it is entering a joint commitment with WWF to protect our oceans and work towards sustainable fisheries management and sustainable farmed fish production. Over the coming years, we will help M&S evaluate the sustainability of its wild and farmed fish projects and give guidance on identifying and developing more sustainable sources. Other retailers have expressed interest in the Charter. Meanwhile, Findus and Birds Eye Igloo have announced that by 2012, all their wild-caught fish will be from MSC-certified fisheries.

Tiger

All 13 tiger range countries in Asia, along with WWF, other NGOs and the World Bank, met in Bali to develop a Global Tiger Recovery Plan – the first coordinated, range-wide and international effort to save the world's remaining wild tigers and

double their numbers by 2022. We are working with each of the range country governments to develop the plan. Some important announcements have already been made by governments in the lead-up to the forthcoming heads of state summit in St Petersburg – for example, Nepal's declaration to expand Bardia National Park in the Terai Arc by 900 sq km.

ACTIVITIES IN THE UK

During the year we held high-level meetings with both the outgoing and incoming UK governments. We were active throughout the general election campaign and, working with CAFOD, Christian Aid, Greenpeace, Oxfam, RSPB and Tearfund, we ensured that climate change was on the political agenda, particularly in 50 targeted marginal constituencies. Some 13,000 emails were sent by supporters to parliamentary candidates and more than 2,500 people submitted climate questions to the televised leaders' debate – resulting in a climate question being asked.

Within weeks of the new government being formed, we secured meetings with Secretaries of State Caroline Spelman (Defra), Andrew Mitchell (DFID), Chris Huhne (DECC) and Philip Hammond (Transport), as well as with seven junior ministers. We are maintaining good links with the Opposition.

In a significant development, plans to build the Kingsnorth II unabated coal-fired plant were shelved by the power company E.ON. Two years of NGO campaigning (including highly effective advocacy and legal work by WWF) undoubtedly had an impact on this welcome decision.

Following a judicial review in which we played a leading role, the plans for Heathrow expansion have been put on hold.

More than 4,000 cities and towns in 125 countries participated in this year's Earth Hour on 27 March. In the UK, some 130 landmarks were dimmed, including the Houses of Parliament and Big Ben, Buckingham Palace, Edinburgh Castle, Belfast City Hall and Wales Millennium Stadium. It was pleasing to note that more than 752,000 students in 1,765 schools were actively involved in the awareness-raising event, as were countless individuals and 750 businesses, which involved tens of thousands of their staff and customers.

Among the major media events during the year was a campaign, launched jointly with Sky TV, to save a billion trees in the Amazon. Known as Sky Rainforest Rescue, the campaign will raise awareness of tropical deforestation and raise money for the project, which we are managing on the ground. We are working with Sky to maximise joint communications and fundraising to raise £4 million for the project.

REVIEW OF ACTIVITIES TO MEET OBJECTIVES

In last year's Trustees' Report, ten objectives were identified for 2009/10. We report back on them here.

Objective 1. Secure in law a strong UK Marine and Coastal Access Act and improvements to the EU Common Fisheries policy

Following ten years of hard work, the UK Marine and Coastal Access Bill became an Act of Parliament in November 2009. We secured some important changes.

In April, the new Marine Management Organisation began managing and championing the UK seas. Following our lobbying, a chief scientific adviser will be appointed to ensure that decisions are strongly science-based.

Work now starts on implementing the Act. In 2011 the government will publish and adopt its Marine Policy statement. We will be calling for clear goals and timescales.

The government will also designate a network of Marine Conservation Zones by 2012 and we are expecting an announcement to this effect early in 2011.

Work continues on the EU Common Fisheries Policy and we are urging the EU to implement new rules to tackle illegal fishing and set sustainable quotas for all commercial fish stocks in the North and Baltic Seas.

Objective 2. Celebrate and vigorously promote the Year of the Tiger to help deliver the objectives of the Tiger Global Initiative

Much is happening in the run-up to the forthcoming Tiger Summit, and our Tiger Global Initiative is gaining momentum.

The Tiger GI covers 13 countries and WWF-UK is leading in making additional funding available for anti-poaching work.

Our plans, which include comprehensive fundraising and communications strategies, will take us into the next financial year and will be critical in the lead-up to the Tiger Summit.

Our successful Christmas 2009 Tiger Appeal won an Institute of Fundraising Award.

Objective 3. Influence negotiations to secure a strong Copenhagen climate treaty and effective international follow-up, supported by a fantastic Earth Hour

Last year one of our priorities was to influence negotiations at Copenhagen to secure a strong climate treaty to follow on from the Kyoto agreement. Although the conference was by and large deemed a failure, many staff from the UK and across the Network made important contributions towards what may yet become a workable treaty.

The Copenhagen Accord which emerged is a flawed political agreement which is too weak to address climate change appropriately. However, we believe that if governments build on the positive aspects of the Accord and begin new, meaningful negotiations, this could lead to a strong, fair and ambitious international agreement. With that in mind, we are working on a fresh political and campaign strategy. We can be proud of our huge efforts before and throughout the conference.

and of the strong teamwork between colleagues from around the world. Some hard thinking on next steps is now under way.

Earth Hour had ambitious awareness targets, but showed a flat trend across the three years we have run the event. Globally, however, it was a highly visible event and we engaged well with our key audiences in the UK.

Objective 4. Play a leadership role in developing the Network's footprint programme

We made a major contribution to the outcomes of the Delhi workshop that provided a framework for the Network to work on sustainable consumption issues.

This framework was subsequently approved by the Conservation Committee, and is substantially aligned to our priorities. We have played an active role on various work streams, including the Green Economy. Next year we need to ensure this is developed into an action plan to set priorities for the Network.

Objective 5. Set out a One Planet Economy vision and pathways, which integrates the importance of ecosystem services for sustainable development and is used to frame debates externally

During the year we recruited an economist and allocated resources to our One Planet Economy work. Looking at how we can best work with business and industry has helped us identify high-impact areas and focus engagement in the financial sector.

Objective 6. Throughout the General Election period, demonstrate to all the main political parties that climate change can affect the election outcome, and position WWF as a key environmental organisation for the incoming government

Our *Ask the Climate Question* campaign proved successful, and as a result of our work throughout the General Election we are well positioned as a key environmental organisation.

Although we did not reach all our targets, we are forging good relationships with the new government. (See also 'Activities in the UK' above.)

Objective 7. Develop and launch our new branding, including our visual and verbal identity

Our refreshed brand has been agreed by Trustees and WWF International (key to our aim of creating One Brand, One Network, One Voice).

The Brand Guidelines were launched and we have briefed our agencies to reflect our refreshed image through important publications such as the Annual Review, our adoption products (*Wild World* and *My Animals*) and others.

Objective 8. Get the whole organisation behind the need to raise funds

We have again significantly increased the number of people supporting us with a regular gift to over 300,000 through a continued strategy of investing in long term income growth. The success of our fundraising activities during the year was demonstrated by our strong Christmas tiger appeal to supporters and excellent growth in income from companies, amongst other sources.

Overall, we have increased our income by more than 20% this year but there are further opportunities to engage the whole organisation more consistently and successfully in fundraising for our work

To further this aim, we have included clearer fundraising objectives in the operational plans of programmatic staff and worked hard at building understanding and engagement with all forms of fundraising throughout the organisation

Objective 9 *Simplify our processes and build understanding and engagement within the organisation*

Some process improvements have been made, but we need to increase our focus on ensuring that we continue to provide appropriate systems and processes that do not impose unnecessary bureaucracy on the organisation

Objective 10. *Connect our UK work to the Global Programme Framework*

The Global Programme Framework (GPF) informs external audiences about what WWF does, and provides internal guidance on developing priority conservation programmes WWF-UK contributes to the GPF working group that determines GPF alignment across the Network

We are largely well aligned to GPF priorities The only grey area is footprint, where we will contribute to the development of a comprehensive Network plan

OUR FOCUS FOR NEXT YEAR

Our objectives for 2010/11 include

Safeguarding the natural world

1 Tigers

- Work across the Network to support the Tiger Summit in St Petersburg to raise international and national political support for tiger conservation
- Carry out a specific fundraising campaign for tiger conservation work
- Develop a new programme of work in the Western Ghats of south India

2 Forests

- Support the Acre state government in establishing a fund to compensate smallholders for leaving forests intact
- Galvanise Network support for a strong EU illegal logging campaign (FLEGT – Forest Law Enforcement, Governance and Trade), through communications focused on consumers and businesses
- Combine the annual Global Forest & Trade Network (FTN) meeting with a UK FTN 20-year celebration, and a FLEGT trade fair

3 Freshwater

- Work with WWF-China and others to provide the Beijing government with robust guidance on its long-term water policy, and draft the Network's first joined-up Yangtze strategy
- Deliver a compelling business case for corporations to invest in river basin management initiatives and share findings with other companies to help them develop their business case
- Use our Judicial Review of the Water Framework Directive, our new 'Itchen Initiative' and our Save Water Swindon project to drive improvements to national water policy in England

Tackling climate change

4 Lead coordination of capacity building for climate change adaptation across the Network, and ensure that UK programmes are Climate Smart

- Have the three-year Network Adaptation Strategy and Annual Network Workplan approved by the Conservation Committee
- Mainstream climate change adaptation into all new projects and proposals

5 Encourage greater ambition in the UK's plans to make a low-carbon economy a reality

- Help position the UK as a genuine leader in the EU's plans for emissions cuts This to include
 - An effective green investment bank,
 - A tight emissions performance, and
 - An extensive Pay As You Save (PAYS) scheme to encourage take-up of renewable technologies (and better insulation) in the home by spreading the often high cost of installation

Changing the way we live

6 Support the WWF Network to establish a clear framework for a sustainable consumption work stream

- Building on the work done in the Delhi workshop, develop the framework approved by Conservation Committee to establish clear focus and boundaries to our work and action plans for delivery of agreed priorities

Communicating and influencing

7 Celebrate WWF's 50th Anniversary

- Significantly increase WWF's visibility and influence, inspiring decision-makers and the public to take action on our behalf

8 Run a successful Earth Hour

- Secure more awareness and engagement than in 2010, with more people across the UK associating the event with WWF

Funding our work

9 Get the whole organisation behind the need to raise funds

- Continue to grow the number of supporters giving a regular gift
- Continue to grow overall income from fundraising and develop our income from major donors and a new events income stream
- Develop our three year partnership with Sky to raise a total of £4m by the end of 2012 for rainforest conservation
- Engage all employees in the fundraising process to increase our level of support and to build knowledge and understanding of the challenges of funding the organisation

Getting ourselves in shape

10 Refresh our five year strategic plan

- Assess progress to date, resolve certain critical implementation issues, and inform our annual planning process

FINANCIAL REVIEW

WWF achieved a 22.1% increase in income in the year. This has been achieved largely as a result of the successful expansion of our fundraising activities which has seen an increase of 17% in membership and donations from individuals, and an increase of 14% in the number of active regular supporters, and an increase of 34% in sponsorship and donations from corporate partners. There has also been an increase of 26% in income from legacies.

Fundraising expenditure increased by 8% from £13.3 million to £14.4 million as a result of the increased investment in growing the number of regular supporters which should also have benefits for a number of years. We account for expenditure on supporter recruitment activity in the year it occurs, while the income is received over several years.

There was an increased spend of 7% in charitable activities excluding the adjustment that was made to the previous year's cost of charitable activities for the treatment of multi-year grant commitments.

From the surplus of nearly £6m for Unrestricted Funds, the Trustees have approved the designation of £1.8m for planned one-off expenditure in the year ended 30 June 2011.

Reserves policy

The WWF-UK reserves policy, approved by the Finance and Business Committee in September 2008, is based on an assessment of risks to future income flows, and additionally identifies any funding requirements for specific initiatives. The resulting figure is then tested against current rates of expenditure to ensure it is adequate. The

policy requires a minimum level of reserves so that WWF-UK can protect its programmatic expenditure in the short term from any sudden drop in income. As stated at note 22 to the accounts, grant commitments at the end of the year amounted to £18,853,053. Although WWF-UK intends to support many of its programmes for a number of years, our reserves provide a very low level of financial cover for our activities and we rely on the continuing generosity of our various donors to ensure that we can meet our programmatic and operational obligations.

Applying the assumptions set out in the policy, we would require free reserves of £15.7 million (approximately 3.1 months of expenditure). As defined in the SORP, we are showing actual free reserves at 30 June 2010 of £15.7 million (see Note 19 to the financial statements) after the recent approval by the Trustees of £1.8m of designated funds for planned one-off expenditure in the year ended 30 June 2011. In addition, £5m has been set aside for the possible funding gap, should it be required, for WWF-UK's proposed new building the 'Living Planet Centre' (see Note 19 to the financial statements for more information).

GOVERNANCE

Structure, governance and management

WWF-UK is a charity registered with the Charity Commission for England and Wales (Registration No 1081247) and the Office of the Scottish Charity Regulator (Registration No SC039593). It is also a company limited by guarantee registered in England and Wales (Registration No 4016725). It was founded in 1961 and was formerly known as the World Wildlife Fund.

WWF-UK is part of the WWF global environment network which is coordinated by WWF International, based in Gland, Switzerland. Within the network we influence and support policy and programme priorities, working with our WWF colleagues worldwide to achieve our mission. Most of our programmatic activity takes place overseas through local WWF operations and other partners to whom we provide grant funding. In the UK, we run other programmes either on our own or in partnership with funders and other complementary organisations and activists. In addition, we undertake some campaigning activity to further our mission. Details of transactions with related parties are included in Note 24 to the Accounts.

The Board of WWF-UK comprises up to 14 unremunerated Trustees, as listed on page 43, who are also the directors of the company limited by guarantee. The Board is responsible for setting policy, agreeing strategy and approving major commitments based on advice from senior management, as well as the appointment of the Chief Executive. Day to day operational matters are delegated by the Board to the Chief Executive who leads a Management Team comprising principal officers.

The Memorandum and Articles of Association of WWF-UK provide that trustees shall be appointed for periods of up to three years at a time. Trustees may subsequently be appointed for further terms of office (subject to the approval of the Board), provided that each trustee shall take a minimum break of twelve months when he has held office for six years.

The Board has established a Nominations and Remuneration Committee which is responsible for recommending new Trustees to the Board. In making its recommendations, this Committee takes into account the mix of skills and competencies required by WWF-UK.

The Committee meets to consider new candidates, by examining a 'skills matrix' showing the current skills and experience of the Board, and proposes candidates who would best complement the current profile. The Committee makes recommendations to the Board of Trustees for decision.

Following approval of the appointment by the Board, the new Trustee is invited to a Trustee induction at the WWF-UK offices, where he/ she will learn about the organisation, learn about the role and responsibilities of a trustee (including receiving an induction pack of relevant information, eg the Charity Commission guidance on "The Essential Trustee", the WWF-UK governing documents, Annual report and accounts etc), and also meet the Chief Executive and the Executive team of Directors.

The Board has four principal committees – a Finance and Business Committee, an Audit Committee, The Living Planet Centre Committee and a Programmes Committee. The Finance and Business Committee is responsible for reviewing WWF-UK's financial performance, and matters relating to management and organisation issues. There are two sub-committees of the Finance and Business Committee. These are the Investment Committee and the Pensions Committee. The Audit Committee is responsible for investigating and reporting on internal control systems and risk management. The Living Planet Centre Committee's purpose is to manage and oversee, until its completion, the project to build a new green exemplar headquarters building for WWF-UK. The Programmes Committee advises the Board of Trustees on strategic issues affecting conservation programmes and related activities.

This Committee is also responsible for confirming changes to payroll policies and the remuneration of the Chief Executive. Membership of all these committees is detailed on page 44 of this report.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable laws and regulations. United Kingdom company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group as at the end of the financial year, and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and

- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and the group, this information is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006, the Charities Act 1993, the Charities Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005. They are also responsible for the systems of internal control, for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Each person who is a director at the date of approval of this report confirms that

(1) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(2) The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Basis of accounts

The Report and Statements for the year ended 30 June 2010 appear in the format required by the Accounting and Reporting by Charities Statement of Recommended Practice (revised 2005). They also comply with the Companies Act 2006.

Post-balance sheet events

There are no significant post balance sheet events to report.

Environmental policy

As a direct consequence of our working activities, it is inevitable that WWF-UK has both positive and negative impacts on the environment. However, as an environmental charity, it is incumbent upon us to reduce any negative impacts to the minimum possible. We are also committed to encouraging our staff, suppliers and supporters to reduce their own negative impacts.

In that respect, we are ISO 14001 certified. ISO 14001 is an internationally recognised and independently audited environmental standard that is awarded only after rigorous appraisal. Our certification recognises a commitment to environmental excellence and involves a process of continual monitoring and targeted improvement.

Public Benefit

WWF-UK is a leading independent environmental charity which addresses global threats to people and nature such as climate change, and the unsustainable consumption of the world's natural resources. We do this by promoting education in nature conservation, the natural environment and the sustainable use of natural resources and ecological processes, by the conservation for the public benefit of fauna and flora, water, soils and other natural resources, and the promotion and support of scientific and educational studies, research and projects and publication of scientific and educational works.

In reviewing our charitable objects and as part of planning our future programme of work, we the Trustees of WWF-UK have taken account of the Charity Commission's guidance on public benefit. We have considered how our planned programme of work will consistently contribute to the charity's aims and objectives. Our main areas of charitable activity are detailed throughout this report.

Equal opportunities policies

WWF-UK is committed to a policy of equality of opportunity in all areas of employment. To encourage diversity in the workplace, formal policies in equal opportunities, disability and harassment have been developed and communicated to staff. General training on these policy areas is provided to staff and training is also provided in areas such as recruitment and personal development reviews.

Consultation with and provision of information to employees

The Trustees and Management Team encourage widespread consultation and exchange of information at all levels of the organisation. To comply with the requirements of the Information and Consultation (I&C) Regulations 2004 there is a formal agreement between employer and employees that has created a staff forum.

Performance management

WWF-UK has in place an appraisal system which is linked to an organisational emphasis on performance management. This system now incorporates a set of Success Factors which describe behavioural standards and the skills and knowledge we all need to effectively deliver WWF-UK's strategy. Ratings have been included to provide a clear indication of performance level, and 360-degree feedback is in use to provide a more rounded view of performance for all staff. The Performance and Development Review (PDR) process, which touches on day to day performance management, as well as managing poor performance was made online in 2010.

Grant-making policy

WWF-UK makes donations or grants, in line with its charitable and strategic objectives, to partners in the WWF Network and other conservation organisations.

Many grants are made to long-running programmes, the outcomes of which are reviewed at regular periods.

Investment policy

WWF-UK's investment policy is to maintain the real value of our investments and to maximise income by way of a diversified portfolio consistent with the Trustees' legal powers. This is underpinned by our socially responsible investment policy, which promotes the principles of sustainable development and improvements to the environment.

The policy was last reviewed in 2002/03, and in 2009 a review commenced to ensure that WWF-UK remains at the cutting edge of socially responsible investing. It is planned that a revised policy will be implemented by the early part of 2011.

The performance of investments is measured against appropriate benchmarks. Despite the ethical mandate and the consequent restrictions on stock selection, the long-term performance has been ahead of the composite benchmark over the last year, three years and five years.

The management of risk

The Trustees are responsible for ensuring that WWF-UK has a sound system of internal control to safeguard its assets and funds, and that they use their best endeavours to ensure that its policies are implemented and its aims and objectives met. For reasons of cost and practicality, the system of internal control is intended to manage rather than eliminate risks, and to give reasonable rather than absolute assurances.

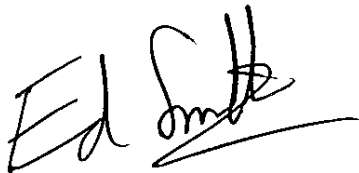
The Trustees exercise their responsibilities through their board meetings and the meetings of their sub-committees described on 44. The system of internal control includes:

- A new five year plan, approved by Trustees in June 2008. This strategic plan covers the aims and objectives of the organisation and is used as a basis for annual planning and quarterly progress reviews, with Trustee updates every six months.
- Annual performance targets and operating plans, with actual performance being monitored at regular intervals.
- A continuing risk management programme. The risk register is reviewed regularly during the year and updates to the register and key risks are reported to the Audit Committee. Three of the principal risks identified are:
 - Risk to income as result of the current economic environment
 - Risk to capacity to deliver projects due to working in difficult environments
 - Risk to reputation arising from the actions of WWF-UK or a related party
- An internal audit programme with findings and progress reviews being reported to the Management Team and the Audit Committee.
- A scheme of delegation from the Trustees to the Chief Executive and thereon to managers in the organisation. The revised scheme delegating authority from the Trustees to the Chief Executive, approved in June 2005 and restated in January 2008, is reviewed annually.

- A governance review, which was performed by the Head of Legal in 2008/09
- Procedures in place to monitor and evaluate the effectiveness of expenditure on conservation programmes and the achievement of outputs and outcomes
- An environmental management system to ensure that we monitor and manage our own impact on the environment. We are strongly committed to this and we demonstrate our transparency by annually publishing our performance against the targets we have set ourselves
- The employment of a brand manager, and a sign-off process, to ensure external products with which we are associated reflect our values and protect our reputation
- Due diligence checks on our corporate partners

On 1st October 2010, Horwath Clark Whitehill changed its name to Crowe Clark Whitehill. Crowe Clark Whitehill has indicated its willingness to be reappointed as statutory auditor.

This report was approved by the Board of Trustees on 14 December 2010 and is signed on their behalf by

A handwritten signature in black ink, appearing to read 'Ed Smith', with a long horizontal flourish extending from the end of the name.

Ed Smith
Chair of the Board of Trustees

Independent Auditor's Report to the Members of WWF-UK

We have audited the group and parent company financial statements of WWF-UK for the year ended 30 June 2010 set out on pages 21 to 42. These financial statements have been prepared in accordance with the accounting policies set out therein. 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 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of WWF-UK for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if in our opinion the information given in the Trustees' Annual Report is not consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Pesh Framjee

Pesh Framjee

Senior Statutory Auditor

for and on behalf of Crowe Clark Whitehill LLP

Chartered Accountants and Statutory Auditor

St Bride's House

10 Salisbury Square

London EC4Y 8EH

Date *10 January 2011*

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Consolidated statement of financial activities

(incorporating income and expenditure account) for the year to 30 June 2010

| | | Unrestricted funds | Restricted funds | Endowment funds | Total 2010 | Total 2009 |
|---|----------|-----------------------|---------------------|--------------------|---------------|---------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Incoming resources | | | | | | |
| Incoming resources from generated funds | | | | | | |
| Voluntary income | | | | | | |
| Membership and donations from individuals | | 18,704 | 6,208 | - | 24,912 | 21,261 |
| Corporate sponsorships and donations | | 1,058 | 8,612 | - | 9,670 | 7,225 |
| Charitable trusts | | 341 | 444 | - | 785 | 764 |
| Legacies | | 9,974 | 273 | - | 10,247 | 8,128 |
| Activities for generating funds | | | | | | |
| Lottery promotions | | 411 | - | - | 411 | 349 |
| Trading activities | 17 | 814 | (1) | - | 813 | 927 |
| Investment income | 2 | 420 | 24 | - | 444 | 796 |
| Incoming resources from charitable activities | | | | | | |
| Aid agencies and government grants | 3 | - | 8,073 | - | 8,073 | 6,050 |
| Income from non-governmental organisations | | 3 | 1,356 | - | 1,359 | 930 |
| Total incoming resources | | 31,725 | 24,989 | - | 56,714 | 46,430 |
| Resources expended | | | | | | |
| Cost of generating funds | | | | | | |
| Costs of generating voluntary income | | | | | | |
| Membership and donations from individuals | | 9,501 | 1,667 | - | 11,168 | 9,831 |
| Corporate sponsorship and donations | | 533 | 198 | - | 731 | 623 |
| Charitable trusts | | 277 | - | - | 277 | 150 |
| Legacies | | 489 | - | - | 489 | 461 |
| Lottery promotions | | 243 | - | - | 243 | 160 |
| Fundraising trading cost of goods sold and other costs | | 1,147 | - | - | 1,147 | 1,767 |
| Investment management fees | | 50 | - | 22 | 72 | 50 |
| Costs of raising aid agency and government grants for charitable activities | | 234 | - | - | 234 | 222 |
| Total cost of generating funds carried forward | 5 | 12,474 | 1,865 | 22 | 14,361 | 13,264 |

Consolidated statement of financial activities for the period to 30 June 2010 continued

| | | Unrestricted Funds | Restricted Funds | Endowment Funds | Total 2010 | Total 2009 |
|---|-------|-----------------------|---------------------|--------------------|---------------|---------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 |
| Total cost of generating funds brought forward | 5 | 12,474 | 1,865 | 22 | 14,361 | 13,264 |
| Charitable activities | | | | | | |
| Grants and project costs | 4,5 | 5,180 | 19,446 | - | 24,626 | 21,653 |
| Other conservation activities | 5 | 4,047 | 1,882 | - | 5,929 | 6,199 |
| Education | 5 | 977 | 47 | - | 1,024 | 1,139 |
| Public awareness | 5 | 4,033 | 25 | - | 4,058 | 4,329 |
| | | 14,237 | 21,400 | - | 35,637 | 33,320 |
| Write-back of multi-year grant commitments | 5 | - | - | - | - | (19,200) |
| Total cost of charitable activities | | 14,237 | 21,400 | - | 35,637 | 14,120 |
| Governance costs | 5,7 | 514 | - | - | 514 | 502 |
| Total resources expended | | 27,225 | 23,265 | 22 | 50,512 | 27,886 |
| Net income/ (expenditure) before transfers | | 4,500 | 1,724 | (22) | 6,202 | 18,544 |
| Gross transfers between funds | | 61 | (61) | - | 0 | - |
| Net income/ (expenditure) before other recognised gains and losses | | 4,561 | 1,663 | (22) | 6,202 | 18,544 |
| Net gain/(loss) on investment assets | | 1,167 | - | 500 | 1,667 | (1,382) |
| Net movement in funds | | 5,728 | 1,663 | 478 | 7,869 | 17,162 |
| Total funds brought forward | 18 | 17,317 | 8,318 | 2,652 | 28,287 | 11,125 |
| Total funds carried forward | 18 | 23,045 | 9,981 | 3,130 | 36,156 | 28,287 |

There are no recognised gains or losses in the current or preceding financial year other than as shown in the statement of financial activities

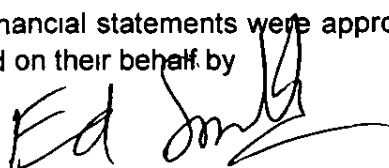
All activities derive from continuing operations

Balance sheet

at 30 June 2010

| | | Group | Group | Charity | Charity |
|---|--------------|----------------|----------------|----------------|----------------|
| | | 2010 | 2009 | 2010 | 2009 |
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible fixed assets | 11 | 566 | 986 | 566 | 986 |
| Investments | 12 | 10,617 | 8,955 | 10,617 | 8,955 |
| Total fixed assets | | 11,183 | 9,941 | 11,183 | 9,941 |
| Current assets | | | | | |
| Short term deposits | 12 | 15,088 | 12,418 | 15,088 | 12,418 |
| Stocks | 13 | 756 | 421 | 424 | 135 |
| Debtors | 14 | 5,524 | 4,723 | 6,301 | 4,962 |
| Cash at bank and in hand | | 7,890 | 5,086 | 6,869 | 4,763 |
| Total current assets | | 29,258 | 22,648 | 28,682 | 22,278 |
| Current liabilities | | | | | |
| Creditors Amounts falling due within one year | 15 | (3,885) | (3,952) | (3,315) | (3,588) |
| Provisions for Liabilities and Charges | 16 | (400) | (350) | (400) | (350) |
| Total Current Liabilities | | (4,285) | (4,302) | (3,715) | (3,938) |
| Net current assets | | 24,973 | 18,346 | 24,967 | 18,340 |
| Total assets less current liabilities | | 36,156 | 28,287 | 36,150 | 28,281 |
| Creditors – amounts falling due after more than one year | | - | - | - | - |
| Net assets | | 36,156 | 28,287 | 36,150 | 28,281 |
| Accumulated funds | | | | | |
| Endowment funds | 18 | 3,130 | 2,652 | 3,130 | 2,652 |
| Restricted funds | 18 | 9,981 | 8,318 | 9,981 | 8,318 |
| Unrestricted funds | 18 | 23,045 | 17,317 | 23,039 | 17,311 |
| Total funds | | 36,156 | 28,287 | 36,150 | 28,281 |

The financial statements were approved by the Trustees on 14 December 2010 and signed on their behalf by



Ed Smith
Chair of the Board of Trustees

Consolidated cash flow statement

For the period ended 30 June 2010

| | | 2010 | 2009 |
|---|-------|----------------|-----------------|
| | Notes | £'000 | £'000 |
| Net cash inflow/(outflow) from operating activities | 1 1 | 4,974 | (414) |
| Returns on investments and servicing of finance | 1 2 | 444 | 796 |
| Capital expenditure and financial investment | 1 3 | 150 | (817) |
| Net cash inflow/(outflow) before use of liquid resources | | 5,568 | (435) |
| Management of liquid resources and financing | 1 4 | (2,764) | 3,072 |
| Increase in cash | | 2,804 | 2,637 |
| Reconciliation of net cash flow to movement in net funds | | | |
| Increase in cash at bank and in hand in the year | | 2,804 | 2,637 |
| Increase/(decrease) in cash on short-term deposit | | 2,670 | (2,609) |
| Change in net cash arising from cash flows | | 5,474 | 28 |
| Net funds brought forward 30 June 2009 | | 17,504 | 17,476 |
| Net funds carried forward 30 June 2010 | 1 5 | 22,978 | 17,504 |
| 1 1 Reconciliation of incoming/(outgoing) resources to net cash (outflow)/inflow from operating activities | | | |
| Net incoming resources before other recognised gains and losses | | 6,202 | 18,544 |
| Investment income received | 2 | (444) | (796) |
| Depreciation on fixed assets | 11 | 369 | 347 |
| (Increase)/decrease in stocks | | (335) | 44 |
| (Increase) in debtors | | (801) | (933) |
| (Decrease) in creditors | | (67) | (17,970) |
| Increase in provisions | | 50 | 350 |
| Difference in unrealised gain/loss on investment | | | - |
| Net cash inflow from operating activities | | 4,974 | (414) |
| 1 2 Returns on investments and servicing of finance | | | |
| Investment income received | | 283 | 265 |
| Interest received | | 161 | 531 |
| | | 444 | 796 |

Consolidated cash flow statement for the year continued

| | 2010 | 2009 | |
|---|----------------|--------------|---------------|
| | £'000 | £'000 | |
| 1 3 Capital expenditure and financial investment | | | |
| Purchase of tangible fixed assets | (156) | (365) | |
| Acquisition of fixed asset investments | (1,710) | (1,709) | |
| Write-off of fixed assets | 207 | - | |
| Disposal of fixed asset investments | 1,809 | 1,257 | |
| | <u>150</u> | <u>(817)</u> | |
| 1 4 Management of liquid resources and financing | | | |
| Decrease/ (increase) in cash held for investment | (94) | 463 | |
| Decrease/ (increase) in cash on short-term deposit | (2,670) | 2,609 | |
| | <u>(2,764)</u> | <u>3,072</u> | |
| | | | |
| | At 01 | Cash | At 30 |
| | July | flow | June |
| | 2009 | | 2010 |
| | £'000 | £'000 | £'000 |
| 1 5 Analysis of net funds | | | |
| Cash at bank and in hand | 5,086 | 2,804 | 7,890 |
| Cash on short-term deposit | 12,418 | 2,670 | 15,088 |
| | | | |
| Total | <u>17,504</u> | <u>5,474</u> | <u>22,978</u> |

Notes to the Accounts

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention, with the exception of listed investments which are included on a market value basis. The accounts have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice (revised 2005), the Charities Accounts (Scotland) Regulations 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and applicable United Kingdom accounting standards. The particular accounting policies adopted by the Trustees are described below and have been applied consistently throughout the current and preceding years.

Going Concern

WWF has adequate financial resources and the trustees consider is well placed to manage the business risks. As explained in the Trustee's Report, the planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on the basis that the charity is a going concern.

Basis of consolidation

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone, as permitted by the Companies Act 2006 and paragraph 397 of the 2005 SORP, but total income and expenditure is given in Note 18.

Fund accounting

- **Unrestricted funds**

These funds can be used for any of the charity's purposes.

- **Restricted funds**

These funds have been raised by WWF-UK for particular restricted purposes and include funds with specific restrictions imposed by the donors.

WWF-UK acts as a custodian of these funds and consequently they are not available for general use.

- **Endowment funds**

These funds are held permanently by the Trustees on behalf of WWF-UK. These funds provide income that can be used for any of the charity's purposes.

- **Designated funds**

These funds have been designated by the Trustees for planned one-off expenditure.

Incoming resources

Incoming resources are accounted for when the charity has entitlement, there is certainty of receipt and the amount can be reliably measured.

Membership income and other donations from individuals and income from lotteries are credited on a cash received basis.

Legacies: residuary legacy income is taken as the earlier of cash being received or estate accounts being received and agreed. Pecuniary legacy is recognised as income on notification.

Other income, including grant income, is accounted for on an accruals basis when the charity becomes entitled to the resource.

Income from investments is included gross.

Gifts in kind, where material, are included in donations at the value of the gift received.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to a particular heading, they have been allocated to activities on a basis consistent with the use of the resource.

Costs of generating funds are primarily those incurred in seeking voluntary contributions and other income, but also include an element of raising the charity's public profile in the context of the issues with which it deals.

In line with WWF-UK's strategic objectives, grants are made to partners in the WWF Network and to other conservation organisations. These grants are performance-related, with mid-term reviews. Although future years funding is indicated, the commitment is for annual funding only, and Grant expenditure is adjusted to reflect the amount due at year end. The full commitment of the grant is noted on Note 22.

Governance costs relate to the organisational administration in compliance with constitutional and statutory requirements.

Foreign currencies

Transactions in foreign currencies are recorded either at the rate of exchange at the date of the transaction, or at the rate at which corresponding foreign currency income was recorded in our books. Foreign currency balances have been translated at the rates of exchange ruling at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

| | |
|--------------------------|--|
| Motor vehicles | 25.0% (4 years) on a straight line basis |
| Office furniture | 12.5% (8 years) on a straight line basis |
| Equipment | 25.0% (4 years) on a straight line basis |
| Leasehold improvements | 10%-33.3% over the remaining life of the lease maximum |
| Contacts database system | 14.3% (7 years) on a straight line basis |

All tangible fixed assets are capitalised, subject to a cost threshold of £3,000.

Investments

Investments listed on a recognised stock exchange are stated at market value.

The policy is to keep valuations up to date, so that when investments are sold there is no realised gain or loss arising. As a result the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings, as they are together treated as changes in the value of the investment portfolio throughout the year.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Operating leases

Rental costs under operating leases are charged to the statement of financial activities in equal amounts over the periods of the leases.

Pensions

WWF-UK administers a group pension plan as well as a stakeholder pension plan for its employees. Both of these are defined contribution schemes. Payments made by the charity on behalf of individual employees are charged to the Consolidated Statement of Financial Activities as incurred.

2 INVESTMENT INCOME

| | 2010 | 2009 |
|------------------------------|------------|------------|
| | £'000 | £'000 |
| Dividends and fixed interest | 283 | 265 |
| Bank interest | 157 | 527 |
| Rent received | 4 | 4 |
| | 444 | 796 |

3 AID AGENCIES AND GOVERNMENT GRANTS

| | 2010 | 2009 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Major grants from aid agencies and governments include funds from | | |
| Department for International Development (DfID) | | |
| Partnership Programme Agreement | 4,983 | 4,223 |
| Partnership Programme Agreement - Global Deal | - | 550 |
| DFID Non PPA Funding | 216 | 175 |
| Department for Environment, Food and Rural Affairs (Defra) | | |
| Community Management, Kangchenjunga, Nepal | - | 44 |
| Manne Protected Areas, Solomon Islands | - | 28 |
| Department of Environment Northern Ireland | | |
| Towards Reducing our Ecological Footprint Co Armagh, Northern Ireland | - | 106 |
| European Community | | |
| UK Ravine WoodLIFE | (31) | 67 |
| Papua New Guinea, community development & resource conservation in the Transfly | 64 | 103 |
| Water Thirsty Crops, Pakistan | 89 | 128 |
| Great Ruaha River Programme, Tanzania | - | 181 |
| Reducing Poverty in Rufiji/Mafia/Kilwa | 214 | 156 |
| Water Thirsty Crops, India | 6 | 12 |
| Research & Action for Sustainable Consumption Production | 12 | 44 |
| SWITCH Asia - Sustainable & responsible trade promoted to wood processing SME's | 797 | 163 |
| Partnerships involving Stakeholders in the Celtic sea Eco-System (PISCES) | 338 | - |
| One Planet Economy Network - Europe | 859 | - |
| Sepik Livelihoods - Sepik river catchment - Papua New Guinea | 198 | - |
| GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit) | | |
| GTZ Strategic Alliance - Mitigation of Water footprints in Agri-Supply Chains | 124 | - |
| Scottish Executive | | |
| Local Footprints | 39 | 59 |
| Clyde MSC | - | 1 |
| Campaigns Scotland | 6 | - |
| Retrofit Scotland - Housing project | 5 | - |
| Scotland Natural Change | 22 | - |
| Foreign Commonwealth Office | | |
| Antarctic & Southern Ocean Initiative | 57 | - |
| European Climate Foundation | | |
| Emissions Performance Standards | 30 | - |
| Grants overprovided in previous years | | |
| Mexico Forests | - | (44) |
| Other agencies | 45 | 54 |
| Total Aid Agencies and Government Grants | 8,073 | 6,050 |

4 GRANT AND PROJECT COSTS

Individual conservation projects and grants are grouped as Programmes that reflect our key conservation priorities. Grants are made to institutions in the UK and internationally, to WWF International and to independent programme offices managed either by WWF International, WWF-US, or other partners. This information is normally the basis of reporting to donors, including government agencies. All our grants are performance-related, with mid term reviews.

| | 2010 | 2009 |
|---|---------------|---------------|
| Organisation | £'000 | £'000 |
| Programme | | |
| Independent Organisation | | |
| Namibia Programme | 699 | 752 |
| WWF International | | |
| WWF Network Support | 3,614 | 3,964 |
| WWF Family | | |
| The Climate Partnership - China Programme | 1,727 | 1,891 |
| The Climate Partnership - Brazil Programme | 1,215 | 874 |
| The Climate Partnership - India Programme | 431 | 289 |
| The Climate Partnership - Global Freshwater Programme | 194 | 211 |
| Climate Change - Global Deal and DFID PPA Objectives | 844 | 198 |
| Colombia Programme | 681 | 610 |
| Species Conservation Programme | 1,023 | 931 |
| Eastern Himalayas Programme | 942 | 554 |
| Forests of New Guinea Programme | 429 | 488 |
| East Africa Freshwater Programme | 373 | 345 |
| East Africa Coastal Programme | 921 | 581 |
| Heart of Borneo Programme | 395 | 197 |
| Amazon Network Initiatives | 620 | 454 |
| Arctic Programme | 221 | - |
| Coral Triangle Programme | 226 | - |
| SWITCH Asia Programme - Responsible Wood Processing | 297 | - |
| Mexico Forests Programme | - | 509 |
| International Development and Governance | - | 330 |
| WWF UK | | |
| One Planet Network - European Programme | 390 | - |
| Wildlife Trade | 494 | 169 |
| Forest & Trade and Policy Programme | - | 285 |
| Other projects aggregated | 4,495 | 3,841 |
| Total grant funding on programmes and projects | 20,231 | 17,473 |
| Other project activity undertaken directly (note 5) | 2,932 | 2,747 |
| Total Grants and Projects Expenditure (Note 5) | 23,163 | 20,220 |
| Support Costs (note 5,6) | 1,463 | 1,433 |
| Total amount expended on grants and projects | 24,626 | 21,653 |

5 RESOURCES EXPENDED

| | Activities undertaken directly | Grant funding of activities | Support costs | Total | Total |
|---------------------------------------|--------------------------------------|--------------------------------|---------------|---------------|---------------|
| | £'000 | £'000 | £'000 | 2010 £'000 | 2009 £'000 |
| Species | 39 | 3,338 | 39 | 3,416 | 2,843 |
| Freshwater | 826 | 5,233 | 139 | 6,198 | 5,667 |
| Forests | 372 | 3,405 | 401 | 4,178 | 3,740 |
| Climate Change | 228 | 1,269 | 318 | 1,815 | 1,147 |
| Marine | 380 | 1,679 | 194 | 2,253 | 1,505 |
| Capacity Building | 160 | 4,009 | 363 | 4,532 | 4,923 |
| Global Policy | 301 | 636 | 6 | 943 | 991 |
| UK Social Change | 626 | 662 | 3 | 1,291 | 837 |
| Total Grants and project costs | 2,932 | 20,231 | 1,463 | 24,626 | 21,653 |
| Conservation | 5,036 | - | 893 | 5,929 | 6,199 |
| Education | 830 | - | 194 | 1,024 | 1,139 |
| Public awareness | 3,529 | - | 529 | 4,058 | 4,329 |
| Cost of generating funds | 13,346 | - | 1,015 | 14,361 | 13,264 |
| Governance | 514 | - | - | 514 | 502 |
| Sub Total | 26,187 | 20,231 | 4,094 | 50,512 | 47,086 |
| Multi year grant commitment changes | - | - | 0 | 0 | (19,200) |
| Total | 26,187 | 20,231 | 4,094 | 50,512 | 27,886 |

The presentation of total expenditure for 2009 is after deduction of a £19.2 million grant credit in the 2009 accounts which was due to the impact of a change in accounting treatment of multi-year grant commitments. This is the amount of grant funding for the period after 30 June 2008 that had previously been accounted for as non performance related multi-year grants. In 2009 WWF-UK reverted to accounting for its grants as annual, performance-related grants.

6 SUPPORT COSTS

| | Management & Finance | Human Resources | Information Technology | Premises & Facilities | 2010 | 2009 |
|----------------------------|-------------------------|--------------------|---------------------------|--------------------------|--------------|--------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Grants & Projects | 769 | 104 | 232 | 358 | 1,463 | 1,433 |
| Conservation | 112 | 117 | 262 | 402 | 893 | 969 |
| Education | 14 | 27 | 60 | 93 | 194 | 263 |
| Public Awareness | 39 | 74 | 164 | 252 | 529 | 624 |
| Cost of generating funds | 75 | 142 | 316 | 482 | 1,015 | 1,236 |
| Total support costs | 1,009 | 464 | 1,034 | 1,587 | 4,094 | 4,525 |

Basis for the support cost allocation

All central support costs are allocated on the basis of the full-time equivalent head count in each area

7 GOVERNANCE COSTS

Governance costs include internal and external audit costs, Trustees' expenses and a proportion of the costs of the offices of the Chief Executive and Director of Resources

8 STAFF COSTS

| | 2010 | 2009 |
|-----------------------|---------------|---------------|
| | £'000 | £'000 |
| Wages and salaries | 10,226 | 10,448 |
| Social Security costs | 1,059 | 1,081 |
| Pension costs | 893 | 853 |
| | 12,178 | 12,382 |

In addition, the cost of temporary staff in the year was £194,080 (2008/09 £167,810)

The number of employees whose emoluments exceeded £60,000 in the year was

| | 2010 | 2009 |
|----------------------|-----------|----------|
| | Number | Number |
| £60,001 to £70,000 | 4 | 3 |
| £70,001 to £80,000 | 2 | 2 |
| £80,001 to £90,000 | 2 | 1 |
| £90,001 to £100,000 | 1 | 1 |
| £100,001 to £110,000 | - | - |
| £110,001 to £120,000 | 1 | 1 |
| Total | 10 | 8 |

Pension contributions for the ten highest paid employees amounted to £78,297 (2008/09 £58,983)

The average number of employees calculated on a full-time equivalent basis, analysed by function, was

| | 2010 | 2009 |
|------------------------|------------|------------|
| | Number | Number |
| Charitable activities | 166 | 170 |
| Generating funds | 77 | 82 |
| Support and governance | 45 | 54 |
| | <u>288</u> | <u>306</u> |

9 TRUSTEES' REMUNERATION AND EXPENSES

No Trustee has received any remuneration from WWF-UK during the year (2008/09 nil) Expenses totalling £3,257 (2008/09 £4,220) were reimbursed to four Trustees (2008/09 four Trustees) solely for travel costs incurred in attending meetings as follows

| | 2010 | 2009 |
|---------------------------|--------------|--------------|
| | £ | £ |
| Dr David Bryer | 103 | 410 |
| Professor David MacDonald | 210 | 521 |
| Ed Smith | 2,865 | 3,129 |
| Professor Kathy Willis | 79 | 160 |
| | <u>3,257</u> | <u>4,220</u> |

None of the other trustees had any expenses reimbursed during the year or in the prior year

During the year the charity paid £1,365 (2008/09 £1,680) in respect of Trustees' indemnity insurance on behalf of the Trustees

10 NET INCOMING RESOURCES FROM OPERATIONS

| | 2010 | 2009 |
|--|-------|-------|
| | £'000 | £'000 |
| Net incoming resources from operations for the year are stated after charging | | |
| Auditors' remuneration | | |
| Fees payable to the charity's auditors for the audit of the charities annual accounts | 28 | 27 |
| Fees payable to the charity's auditors for the audit of projects | 10 | - |
| Fees payable to the charity's auditors for the audit of the charity's subsidiaries pursuant to legislation | 24 | 22 |
| Total audit fees | 62 | 49 |
| Depreciation of tangible fixed assets | 369 | 345 |
| Operating lease rentals | | |
| Plant and machinery | 102 | 41 |
| Other | 606 | 648 |
| Total operating lease rental | 708 | 689 |
| Unrealised gain/loss on foreign exchange translation | (216) | 23 |

11 TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

| GROUP AND CHARITY | Freehold | Leasehold improvements | Office furniture and equipment | Contacts database system | Total |
|--------------------------|----------|------------------------|--------------------------------|--------------------------|-------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost or valuation | | | | | |
| At 30 June 2009 | 207 | 864 | 768 | 1,206 | 3,045 |
| Additions in the year | 40 | 66 | 50 | - | 156 |
| Write-off of Assets | (207) | - | - | - | (207) |
| Disposal in the year | - | (92) | (4) | - | (96) |
| At 30 June 2010 | 40 | 838 | 814 | 1,206 | 2,898 |
| Depreciation | | | | | |
| At 30 June 2009 | - | 563 | 596 | 900 | 2,059 |
| Charge for the year | - | 118 | 68 | 183 | 369 |
| Depreciation on disposal | - | (92) | (4) | - | (96) |
| At 30 June 2010 | - | 589 | 660 | 1,083 | 2,332 |
| Net book value | | | | | |
| At 30 June 2010 | 40 | 249 | 154 | 123 | 566 |
| At 30 June 2009 | 207 | 301 | 172 | 306 | 986 |

12 INVESTMENTS

| | FY10 | FY09 |
|---|-----------------|-----------------|
| Investment - Movement | £000 | £000 |
| Market Value at 1 st July 2009 | 8,560 | 9,490 |
| Additions at Cost | 1,710 | 1,709 |
| Disposals at market value | (1,809) | (1,257) |
| Net gain/loss on revaluation | 1,667 | (1,382) |
| Market value at 30 June 2010 | 10,128 | 8,560 |
| Cash balances | 489 | 395 |
| Total Market Value at 30 June 2010 | 10,617 | 8,955 |
| Historic Cost at 30 June 2010 | 8560 | 8558 |
| Portfolio Distribution | | |
| UK Fixed Interest | 1,089 | 1,577 |
| UK equities | 4,298 | 3,457 |
| Overseas equities | 4,517 | 3,238 |
| Overseas Fixed Interest | 224 | 192 |
| Unit Trust/ Property Investments | - | 96 |
| Cash funds | 489 | 395 |
| Total Investment portfolio | 10,617 | 8,955 |
| Restriction Analysis | | |
| Endowment funds | 3,130 | 2,652 |
| Unrestricted Funds | 7,487 | 6,303 |
| Total | 10,617 | 8,955 |

Holdings over 5%

The following funds represented over 5% of the investment portfolio as at 30 June 2010

- Findlay Park Plc Us Smaller Companies (Usd) 6%
- Newton Mfm Asian Inc Instl Fd(Inc) 5%
- Newton Mfm Cont European Gbp(Inc) 10%

Newton Investment Management Ltd, acting as agent on behalf of WWF-UK, has appointed The Bank of New York Mellon Asset Management Company as custodian and safe keeper of the Group's investments

Current asset investment

Current asset investment was represented by short-term deposits

13 STOCKS

Stocks consist of finished goods for resale held by both the charity and the subsidiary company, WWF-UK (World Wide Fund For Nature) Trading Limited

14 DEBTORS

| | Group 2010 | Group 2009 | Charity 2010 | Charity 2009 |
|--|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Amounts due within one year | | | | |
| Trade debtors | 614 | 344 | 408 | 289 |
| Amounts due from WWF-UK (World Wide Fund For Nature) Trading Limited | - | - | 1,015 | 352 |
| Other debtors | 1,493 | 1,496 | 1,492 | 1,496 |
| Prepayments and accrued income | 3,417 | 2,883 | 3,386 | 2,825 |
| Total Debtors | 5,524 | 4,723 | 6,301 | 4,962 |

15 CREDITORS

| | Group 2010 | Group 2009 | Charity 2010 | Charity 2009 |
|-------------------------------------|---------------|---------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 | £'000 |
| Amounts falling due within one year | | | | |
| Trade creditors | 1,460 | 1,539 | 1,433 | 1,506 |
| Grants outstanding | - | 51 | - | 51 |
| PAYE & National Insurance | 335 | 326 | 335 | 326 |
| Other creditors | 163 | 118 | 162 | 85 |
| Accruals | 1,059 | 721 | 1,021 | 660 |
| Deferred income | 868 | 1,197 | 364 | 960 |
| Total Creditors | 3,885 | 3,952 | 3,315 | 3,588 |

| | At 1 July 2009 | Receipt | Charges | At 1 July 2010 |
|----------------------------------|-------------------|------------|----------------|-------------------|
| | £'000 | £'000 | £'000 | £'000 |
| 15(a) Movement – Deferred Income | | | | |
| Corporate Sponsorship | 312 | 581 | (312) | 581 |
| Refurbishment reimbursement | 28 | - | (5) | 23 |
| Projects | 750 | 146 | (750) | 146 |
| Staff secondments | 73 | 86 | (73) | 86 |
| Others | 34 | 31 | (33) | 32 |
| Deferred Income | 1,197 | 844 | (1,173) | 868 |

16 PROVISIONS

Provisions which have increased by £50,000 from the prior year relate to property matters. No amounts were used during the period.

17 SUBSIDIARY COMPANY

The ordinary shares in the subsidiary company, WWF-UK (World Wide Fund For Nature) Trading Limited (previously known as WWF-UK Trading Limited), are owned by WWF-UK

The main activities of the company are the sale of environmentally friendly products and other goods, receiving licensing and sponsorship income and miscellaneous trading activities

The aggregate assets of the subsidiary company were £1,590,422 (2008/09 £720,760) and the aggregate liabilities were £1,584,134 (2008/09 £714,472), resulting in shareholders' funds of £6,288 (2008/09 £6,288)

The taxable profits earned by the company are donated to WWF-UK and in the current year amounted to £124,957 (2008/09 £513,978)

A summary of the subsidiary company's trading results is shown below

| Profit and loss account | 2010 | 2009 |
|---------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Catalogue and retail sales | 813 | 927 |
| Corporate sponsorship and licensing | 1,621 | 1,365 |
| Turnover | 2,434 | 2,292 |
| Cost of Sales | (969) | (998) |
| Gross Profit | 1,465 | 1,294 |
| Distribution costs | (335) | (338) |
| Administrative expenses | (1,006) | (450) |
| Operating Profit | 124 | 506 |
| Interest (Payable) / Receivable | 1 | 8 |
| | 125 | 514 |
| Gift Aid Donation to WWF - UK | (125) | (514) |
| Retained profit before tax | - | - |
| Corporation tax paid | - | - |
| Retained profit for the year | - | - |
| Profit & loss account brought forward | 6 | 6 |
| Retained profit carried forward | 6 | 6 |

18 GROUP STATEMENT OF FUNDS

| | At 01 July 2009 | Incoming Resources | Outgoing Resources | Transfers between Funds | Net gains/ (losses) | At 30 June 2010 |
|---|--------------------|-----------------------|-----------------------|-------------------------------|---------------------------|-----------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Kleinwort Endowment Fund | 1,511 | - | (9) | - | 285 | 1,787 |
| Willingdon Memorial Fund | 1,141 | - | (13) | - | 215 | 1,343 |
| Total Endowment funds | 2,652 | - | (22) | - | 500 | 3,130 |
| Project Restricted Funds | | | | | | |
| HSBC Climate Partnership | 2,633 | 4,958 | (4,843) | - | - | 2,748 |
| HSBC – Climate P/Ship sponsorship | - | 216 | (216) | - | - | - |
| Royal Sun Alliance | - | 905 | (558) | - | - | 347 |
| Barclays – preserving E Africa resources & Livelihoods | 377 | 392 | (269) | - | - | 500 |
| Standard Chartered Bank | 332 | - | (200) | - | - | 132 |
| Marks & Spencer Ethical & Eco Programmes | 223 | 386 | (548) | - | - | 61 |
| Other Project Restricted | 1,350 | 2,189 | (2,136) | (179) | - | 1,224 |
| Broadly Restricted Funds | | | | | | |
| Sky Amazon Project | - | 1,276 | (296) | - | - | 980 |
| Eastern Himalayas – Ande Recce | 176 | 192 | (368) | - | - | - |
| Primates | 208 | 608 | (395) | - | - | 421 |
| Rhinos | 16 | 344 | (311) | - | - | 49 |
| Pandas | 220 | 324 | (544) | - | - | - |
| Elephants | 72 | 272 | (344) | - | - | - |
| Tigers | 5 | 1,246 | (1,140) | - | - | 111 |
| Endangered/Vanishing Species | 9 | 1,101 | (1,070) | - | - | 40 |
| Other Broadly Restricted Funds | 560 | 2,289 | (2,444) | 118 | - | 523 |
| DFID | 893 | 4,983 | (4,364) | (18) | - | 1,494 |
| DFID – Global deal | 550 | - | (542) | 18 | - | 26 |
| EC– One Planet | - | 859 | (464) | - | - | 395 |
| EC – Pisces | - | 338 | (217) | - | - | 121 |
| EC – Asia Switch | (4) | 797 | (305) | - | - | 488 |
| European Commission – Other | 694 | 551 | (928) | - | - | 317 |
| Hosting staff costs | 4 | 763 | (763) | - | - | 4 |
| Total Restricted Funds | 8,318 | 24,989 | (23,265) | (61) | - | 9,981 |
| Unrestricted Funds | 17,317 | 31,725 | (27,225) | 61 | 1,167 | 23,045 |
| Total Funds | 28,287 | 56,714 | (50,512) | - | 1,667 | 36,156 |

Permanent endowments

The Kleinwort Endowment Fund was established in 1970. Under the terms of the trust, the fund is invested in approved equities. Income is available for the general purposes of WWF-UK. The fund is represented mainly by fixed asset investments.

The Willingdon Memorial Fund was received by way of a legacy in 1991 and 1994. Income is available for the general purposes of WWF-UK. The fund is represented mainly by fixed asset investments.

Restricted funds

Restricted funds are grants and donations given for specific purposes. These may be project-specific or more broadly restricted to a theme or country.

- 1 Other Project, GAA and DFID restricted donations are where the donor has specified the project to be funded and neither income nor expenditure exceeds £300k.
- 2 Other Broadly restricted donations are where the donor has specified the restriction, but not the project to be funded and neither income nor expenditure exceeds £300k.
- 3 European Commission Other restricted donations are where the donor has specified the project to be funded and neither income nor expenditure exceeds £300k.

Charity Statement of Financial Activities (SOFA)

The total income of the charity in 2010 was £54.3 million (2008/09 £44.1 million) and total expenditure was £48.2 million (2008/09 £26.1 million).

19 ANALYSIS OF GROUP ASSETS AND LIABILITIES BETWEEN FUNDS

| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total 2010 | Total 2009 |
|---------------------|-----------------------|---------------------|--------------------|---------------|---------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Tangible assets | 566 | - | - | 566 | 986 |
| Investments | 7,487 | - | 3,130 | 10,617 | 8,955 |
| Fixed assets | 8,053 | - | 3,130 | 11,183 | 9,941 |
| Current assets | 18,026 | 11,232 | - | 29,258 | 22,648 |
| Current liabilities | (3,034) | (1,251) | - | (4,285) | (4,302) |
| Net Assets | 23,045 | 9,981 | 3,130 | 36,156 | 28,287 |

| | Notes | £'000 | £'000 |
|--|-------|---------------|---------------|
| As part of the above funds, free reserves are calculated as being | | | |
| Total unrestricted funds | 18 | 23,045 | 17,317 |
| Less | | | |
| Tangible fixed assets | 11 | (566) | (986) |
| Negative restricted fund | 18 | - | (85) |
| Designated reserves | | (1,800) | - |
| Set aside for possible funding gap for build of planned new Headquarters premises | | (5,000) | - |
| Total Free reserves | | 15,679 | 16,246 |

£5m of reserves has been set aside, should it be required, for WWF-UK's proposed new building the 'Living Planet Centre' £2.7m of these reserves relate to a legacy, the use of which, for the new building, would be particularly in keeping with the spirit of the legacy. The Centre will have education and visitor facilities as well as act as a headquarters. A planning application has been submitted and the building is planned for completion by 2013.

In addition to funds in excess of £5m already raised for the purpose, we aim to raise a further £5m for the Living Planet Centre via a capital appeal in order that the reserves set aside or a portion thereof will in the future be available again for conservation purposes.

20 OPERATING LEASE COMMITMENTS

At the end of the year, WWF-UK was committed to making the following payments during the next year in respect of operating leases:

| | 2010 Land and buildings | 2010 Plant & Machinery | 2009 Land and buildings | 2009 Plant & Machinery |
|--------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Leases which expire | | | | |
| within one year | 24 | 5 | 15 | - |
| within two to five years | 490 | 86 | 480 | 27 |
| after five years | - | - | 26 | - |
| | 514 | 91 | 521 | 27 |

21 LEGACY NOTIFICATIONS

By the end of the financial year, WWF-UK had been advised of a number of legacies which indicated the charity as a beneficiary. These have not been included in the Statement of Financial Activities as the charities final entitlement has not yet been established by the executors. The initial indicated values for individual legacies estimated to be in excess of £200,000 amount to a total of £1,102,248 (2009 £2,436,169)

22 OUTSTANDING GRANT AWARDS

WWF-UK aims to continue to provide funding to a number of programmes and projects subject to the delivery of contractual obligations and the availability of sufficient funds. At the end of the year, the amount of grants outstanding amounted to £18,853,053 and did not extend beyond June 2013

23 CONTINGENT LIABILITIES

In accordance with normal business practice, WWF-UK has provided indemnities to the executors of certain estates. These indemnities provide legal recourse to the recovery of any over-payments up to the total value of receipts by WWF. The value of indemnities provided over the last three financial years, for receipts in excess of £25,000, amounted to £55,105 (2009 £558,519)

24 RELATED PARTY TRANSACTIONS

The Chairman of WWF-UK, Ed Smith, is also a Trustee of WWF International and a member of the WWF International Audit Committee. The Trustees of WWF-UK are required to appoint a Trustee to the Iris Darnton Foundation as per that Foundation's Trust Deed.

A trustee was group company secretary for Royal & Sun Alliance until 2nd April 2010, from which WWF-UK have received a corporate donation.

A trustee is a director of BUPA International, who provide services to WWF-UK.

The Chief Executive, David Nussbaum, and the Deputy Director of Programmes, Oliver Smith, serve as Trustees of the Alliance of Religion and Conservation.

The Director of Communications, Winnie De'Ath is a trustee of Wildscreen Trusts.

A member of staff is vice chairman of the Scottish Environment Link. A further member of staff is a member of the Oxfam Association.

In addition, a member of staff is a Trustee of The Environment Council.

The aggregate amount of the company's trade with these organisations amounted to

| | 2010 £'000 | 2009 £'000 |
|---|---------------|---------------|
| WWF International, including Programme Offices under its direct control | | |
| Funds provided and expenditure in respect of institutional development, communications and public awareness | 4,579 | 7,633 |
| Grants received | - | - |
| Amounts due from the above included in trade debtors | - | - |
| Amounts due to the above included in trade creditors | - | - |
| Alliance of Religion and Conservation (ARC) | 60 | 158 |
| Funds provided | | |
| BUPA International | 75 | - |
| Funds Provided | | |
| ChemTrust | - | 50 |
| Funds provided | | |
| Royal & Sun Alliance | 905 | - |
| Funds received | | |

WWF-UK has taken the exemption given by Financial Reporting Standard 8, Related Party Disclosures, from disclosing transactions with subsidiaries

25 TAXATION

WWF-UK is a registered charity and as such is potentially exempt from taxation of its income and gains to the extent that they fall within the exemptions available to charities under the Taxes Act and are applied to its charitable objectives. WWF-UK (World Wide Fund For Nature) Trading Limited is subject to Corporation Tax but remits by Gift Aid any taxable profit to WWF-UK.

26 GUARANTEE

WWF-UK is a company limited by guarantee and each Trustee has agreed to contribute up to £10 towards the assets of the company in the event of its being wound up.

WWF-UK CORPORATE DIRECTORY

The information shown below is that pertaining between 1 July 2009 and 14 December 2010, the date of signing the accounts

Board of Trustees and Directors

Ed Smith (Chair)

Mark Chambers (appointed 15 December 2009)

Dr David Bryer

Rita Clifton

Colin Day

Professor Ian Diamond

Bernard Donoghue (retired 29 June 2010)

David Gregson

Professor David Macdonald

John Manktelow

Dr Valentin von Massow

Alberto Piedra

David Taylor-Smith MBE

Professor Kathy Willis

Colin Day retired as Honorary Treasurer on 30 June 2010 and Alberto Piedra became Treasurer on 1 July 2010

Company Secretary

Susan Gent

The following, who are not Trustees, hold honorary positions

HRH Princess Alexandra, The Hon Lady Ogilvy KG, GCVO (President)

Sir Martin Laing CBE (Trustee Emeritus)

The Hon Mrs Sara Morrison (Trustee Emeritus)

Sir Arthur Norman KBE, DFC (Trustee Emeritus)

Current Membership of Committees

Finance and Business Committee

Ed Smith (Chair)

Nicholas Brett

Mark Chambers

Colin Day

John Manktelow

Alberto Piedra

David Taylor-Smith MBE

David Gregson

Dr Valentin von Massow

Audit Committee

Mark Chambers (appointed to Committee and as Chair 15 December 2009)

John Manktelow (retired from Committee and as Chair 15 December 2009)

Colin Day

Patrick Oram

Jeff Phillips

Investment Sub-Committee

Colin Day (Chair)

Alberto Piedra (appointed 7 October 2010)

Living Planet Centre Committee

Mark Chambers (Chair)

Rita Clifton

Colin Day

John Manktelow

Programme Committee

Professor Ian Diamond (Chair)

Mike Acreman (appointed 23 March 2010)

Professor Andrew Balmford (resigned 4 December 2009)

Mike Barry (retired 8 December 2010)

Dr Steve Bass (retired 4 December 2009)

Dr Steve Broad (retired 4 December 2009)

Dr David Bryer

Ian Christie (retired 8 December 2010)

Dr Charlotte Grezo

John Hudson (appointed 23 March 2010)

Professor David Macdonald

Georgina Mace (appointed 29 June 2010)

John Manktelow (appointed 15 December 2009)

Dr Helen Marquard (retired 4 December 2009)

Prof Jim Skea (appointed 24 September 2010)

Dr Ros Wade (resigned 4 December 2009)

Professor Kathy Willis

Pensions Sub-Committee

Colin Day (Chair)

Brian Jackson

Mark Hathaway

John Manktelow

Alberto Piedra (appointed 7 October 2010)

Nikki Robinson (Staff representative)

Nominations & Remuneration Committee

Ed Smith (Chair)

Colin Day

Bernard Donaghue (retired 29 June 2010)

Corporate Management Team/Principal Officers

| | |
|-------------------------------|------------------|
| Chief Executive | David Nussbaum |
| Director of Resources | Dermot Heffernan |
| Director of Communications | Winnie De'Ath |
| Director of Campaigns | David Norman |
| Director of Fundraising | Tobin Aldrich |
| Director of Programmes | Dr Glyn Davies |
| Deputy Director of Programmes | Oliver Smith |

Principal Professional Advisers

| | |
|---------------------|---|
| Bankers | The Co-operative Bank, London City Office 80 Cornhill London EC3V 3NJ |
| Auditors | Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH |
| Solicitors | Barlow Robbins The Oriel Sydenham Road Guildford Surrey GU1 3SR |
| Investment Managers | Newton Investment Management Ltd, 160 Queen Victoria Street London EC4V 4LA |