



WHALE AND
DOLPHIN
CONSERVATION



Report and Financial Statements 2021-2022

A world where every whale and dolphin is safe and free

Registered number: 2737421 | English registered charity number: 1014705 | Scottish registered charity number: SC040231

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ABOUT WDC

WDC is the leading global NGO dedicated to whales and dolphins.

Our expert-led teams in the UK, Europe, the Americas, and Australasia work across the whole spectrum of conservation threats, from climate breakdown to accidental entanglements in fishing gear.

We bring together, and work hand-in-hand with companies, philanthropists, scientists, NGOs, governments and grassroots communities to find solutions to the problems faced by whales and dolphins.

We are an authority on the threats to whales and dolphins and our work ranges from campaigning, lobbying and advising governments, to running conservation projects, partnerships, rescue work, science, education and fieldwork.

We increase awareness of new science and understanding of whale and dolphin culture and intelligence. At the same time we build a greater appreciation of the role whales and dolphins play in healing the ocean and tackling climate change.

We are entirely funded through voluntary donations and grants by people and partners who, like us, believe that whales and dolphins are extraordinary.

A MESSAGE FROM THE CHAIR

I'm proud of what WDC achieved in 2021-22, not least because it was against the headwinds of such a turbulent year.

We have streamlined and refocused our work into three priority areas, marrying our efforts to tackle the deliberate and accidental threats to whales and dolphins with our work to increase awareness of their extrinsic and intrinsic 'value'.

We have been tireless champions for whales and dolphins on the world stage – with our teams fighting to uphold the hard-won moratorium on whaling at the International Whaling Commission, winning new support for whales as nature-based solutions to climate breakdown at UN climate and ocean summits in Glasgow, Bonn and Lisbon, and championing the role of animal culture in conservation at the Convention on Migratory Species.

We have taken our message to lawmakers in Washington, Brussels, and Westminster – keeping pressure on them to enforce laws to protect whales and dolphins from ship strikes, noise, and entanglement in fishing gear, and raising awareness of the potential that whales and dolphins have to address the climate and ecological emergencies.

We have shone a spotlight on the need for big businesses to live up to their values, campaigning for TUI to drop its support for the whale and dolphin captivity industry, and for some of the UK's biggest supermarkets to eliminate bycatch from their supply chains.

And we've continued to grow grassroots community support for whale and dolphin protection, from our growing network of Shorewatchers in Scotland, to fishing and coastal communities in Europe, North and South America, Asia and Africa, as well as groups and individuals in whaling nations such as Norway and the Faroe Islands.

WDC has always been a pioneer, and this creativity and ambition has been very much on show this year. We have built new partnerships to unlock the potential of satellite and AI technology to map the ocean for whale and dolphin habitats, populations, and individuals. We have shown how an understanding of whale and dolphin culture is vital for their conservation. And we're demonstrating how technology can be harnessed to reduce the threat of fishing gear to whales and dolphins.

As ever, we could never do what we do without our supporters, patrons and ambassadors, from partners and funders like Deloitte, BRITA, Animal Friends Pet Insurance and Focused on Nature, to individuals like the wonderful Colin Wood who kayaked from Land's End to John O'Groats and the amazing Surrey schoolchildren who did a sponsored swim and 10km nature trek, all to raise money for WDC. None of our work would be possible without the generosity of our supporters and we are humbled and grateful for all the support and belief they give us.

There are challenging economic and geopolitical times ahead, but they are nothing compared to the threats facing whales and dolphins, and all of us, from climate and ecological breakdown. This is why we are redoubling our efforts with an inspiring programme of activities to increase the impact we have on protecting whales and dolphins and match the urgency of the threats they face.

We cannot solve the climate crisis without protecting the ocean, and we cannot protect the ocean without saving whales and dolphins.

A handwritten signature in dark ink, appearing to read 'Lisa Drewe', with a stylized, flowing script.

Dr. Lisa Drewe
Chair, Whale and Dolphin Conservation

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The trustees, who are also directors, who held office during the year, were (unless otherwise stated):

Lisa Drewe (Chair)	Percy Kelland (resigned 06/10/22)
John Gerard Leigh	Arietta Bortot (appointed 10/05/23)
Johnny Reed	Jessica Pollitt (appointed 10/05/23)
Philip Smith	Hannah McCarthy (appointed 10/05/23)
Alex Hunt	

Senior Management Team

Chris Butler-Stroud: Chief Executive
Carla Boreham: Director of Policy and Campaigns (appointed 1/10/22)
Jane Bryan: Director of Finance (resigned 30/06/2022)
Sian Davies-Hamilton: Director of Human Resources
Ed Fox: Director of Marketing and Communications
Helen Mitchell: Director of Fundraising
Cally Moore: Director of Finance (appointed 01/06/2022)
Chris Vick: Director of Strategic Development

Professional advisors

Auditor

BDO LLP
Bridgewater House
Counterslip
Bristol BS1 6BX

Bankers

Barclays Bank plc
99 Hatton Garden
London EC1N 8DN

Investment Managers

Barclays Wealth, Gerrard Investment Management
4th Floor, Tay House
300 Bath Street
Glasgow G2 4LH

Solicitors

Royds Withy King
5-6 Northumberland Buildings
Queen Square
Bath BA1 2JE

Company details

Registered and principal office

Brookfield House
38 St. Paul Street
Chippenham
Wiltshire SN15 1LJ

Charity numbers:

1014705 (England and Wales)
SC040231 (Scotland)

Company number: 02737421

REPORT OF THE TRUSTEES

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiaries for the year ended 30 September 2022, 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 and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association, and 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).

The Trustees have considered a period of at least 12 months from the date of signing these financial statements. Given the level of reserves, cash and bank balances and the current operating position of the charitable group, they consider that the accounts should be prepared on a going concern basis.

OUR OBJECTIVES & ACTIVITIES

Our vision is for a world where every whale and dolphin is safe and free.

Why whales and dolphins matter

Whales and dolphins are awe-inspiring.

They are intelligent beings, vital for the health of the ocean and planet.

They have suffered from terrible harm – deliberate and accidental – and their homes and populations are under threat. But it's not too late. Together we can still help them recover and flourish and, in doing so, they can help us reconnect with the wild and repair the damage we have caused.

Why WDC?

WDC is the leading global NGO dedicated to whales and dolphins.

We are lean, ambitious, impactful, and internationally respected.

Our expert-led teams in the UK, Europe, the Americas, and Australasia work across the whole spectrum of conservation threats, from climate breakdown to accidental entanglements in fishing gear.

We bring together, and work hand-in-hand with companies, philanthropists, scientists, NGOs, governments and grassroots communities to find solutions to the problems faced by whales and dolphins.

Our approach

We deal with complex, global issues, which is why we take an integrated approach to finding solutions that create positive change. We do this through:

- delivering conservation, research, and rescue, directly and in partnership with others;
- providing a powerful voice for whales and dolphins among governments and businesses;
- delivering campaigns, education, science, and storytelling that inspire public support and action;
- creating and nurturing a diverse, equitable, and inclusive team of ocean champions who give a voice to whales and dolphins.

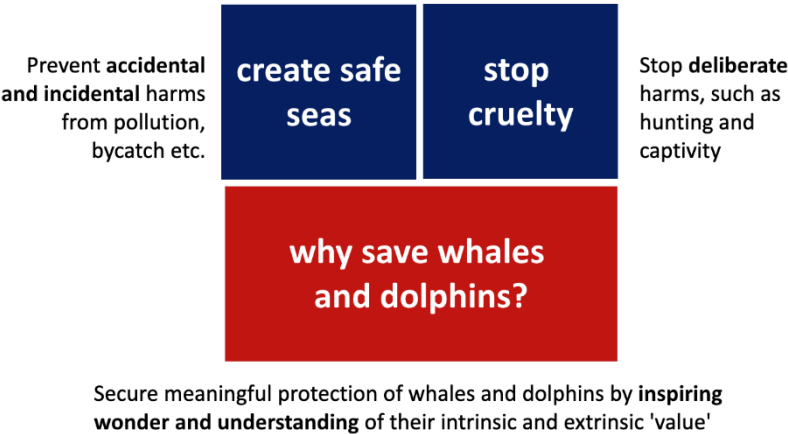
Our aims

To reverse the global decline in whale and dolphin populations by:

- stopping cruelty from deliberate harms such as whaling and captivity;
- creating safe seas, free from the threat of pollution, collisions with vessels and accidental entanglements in fishing gear;
- winning recognition of whales and dolphins as sentient, socially complex beings, and our allies in the fight against climate and nature breakdown.

How we deliver impact

Building on our drive to continuously improve our impact we have, this year, refined how we organise our core activities into three workstreams: Stop Cruelty, Create Safe Seas and Why save whales & dolphins?



ACHIEVEMENTS & FUTURE PLANS

1. WHY SAVE WHALES AND DOLPHINS?

Our aim with this workstream is to inspire wonder and understanding of the intrinsic and extrinsic ‘value’ of whales and dolphins through new research and ideas, citizen science, education, and advocacy.

A. What have whales ever done for us? Our ‘Green Whale’ initiative.

For over a decade, WDC has championed the contribution whales and dolphins make to the health of the ocean and our shared climate. This year, thanks to generous support from the Flotilla Foundation, the Global Returns Project and partners BRITA, Animal Friends Pet Insurance and Deloitte, alongside individuals such as Peter Hall, we launched a major programme of research and advocacy to increase support and investment in whale conservation as natural solutions to climate and biodiversity breakdown.

Delivering advocacy: We put the Green Whale on the world stage, with a series of events, engagements and activities at UN climate and ocean conferences in Glasgow, Bonn and Lisbon, championing the role of whales – and the ocean – as nature-based solutions to the climate and biodiversity crises. We launched a new paper at COP26, with partners Deloitte and Marine Conservation Society (MCS), highlighting the funding gap for ocean conservation, and hosted a Parliamentary reception with MCS and the National Oceanographic Centre to raise awareness of the issues with UK ministers, MPs and peers.

Advancing the science: WDC brought together the world’s leading researchers in the field for three symposia. We funded: a new paper on the importance of whales to the carbon cycle; new research into the role migratory whales play in circulating nutrients through the ‘great whale conveyor belt’; ongoing research around the ‘whale pump’ and; new science around the ecosystem ‘services’ of North Sea porpoises.

Utilising technology: We teamed up with Space Whale and Deloitte on a major new initiative to use satellite data and AI technology to map whale populations, in remote parts of the ocean, from space, and became an advisory partner to Canada-based Whaleseeker, on a project aimed at unlocking funding for whale conservation as part of a nature-based climate solution.

Plans for 2023

Ensure whales and dolphins are an essential part of stakeholders' climate and biodiversity rescue toolkit, by:

- increasing global awareness and engagement through key international events, such as the COP15 biodiversity summit in Montreal and COP28 climate summit in late 2023;
- publishing results of WDC-backed research into the 'Great Whale Conveyor Belt', Alaska 'Whale Pump' and harbour porpoise project, and seeking funding for the next phase of research, including Space Whale;
- publishing a report on the impacts of climate change on whales and dolphins;
- publishing a report on the contribution whales and dolphins make to our lives, climate and economies.

B. Why individual whales and dolphins count: culture and rights

The intrinsic 'value' and rights of whales and dolphins sits at the heart of everything we do, and we have a core programme of work increasing awareness and understanding of cetacean culture. This year we:

Achieved policy change: establishing a programme of work with the Convention on Migratory Species (CMS) to explore how a better understanding of non-human cultures can inform conservation decisions.

Advanced the science: our article: '*A deepening understanding of animal culture suggests lessons for conservation*' was one of the top five most highly cited articles in *Proceedings of the Royal Society B* in 2021.

Plans for 2023

- map a pathway to the legal recognition of rights for whales and dolphins;
- develop a culture mapping project to demonstrate the diversity and richness of animal cultures and present them within the context of intangible cultural heritage and mutualism with human cultures;
- publish papers on the interface between culture and population dynamics;
- create new communications approaches to securing greater public understanding and support.

C. Enabling citizen science

Thanks to generous support from the National Lottery Heritage Fund, we set up new Shorewatch sites in the Northern Isles of Scotland and extended the volunteer citizen science programme with a Winter Watching Challenge to fill seasonal gaps in data.

With funding from NatureScot's Nature Restoration Fund we built and tested a new mobile app, to further increase and record the over 75,000 Shorewatchers that have taken place so far, and papers were published on the value of Shorewatch as a citizen science project.

With support from the Highlands and Islands Foundation and Seachangers we were also able to launch a youth outreach programme which we plan to expand in 2023.

Plans for 2023

- embed the Shorewatch programme fully across the Northern Isles and roll out the new app to all volunteers;
- increase engagement with young people in Scotland to grow the number of people who appreciate and value cetaceans.

D. Education

This year we further developed our education offer to reach new audiences.

Website: We launched a new WDC web space, Kidzone, for children and young people.

Book partnership: We supported our partner BRITA, in commissioning a new children's book - 'The Whale Watchers' - by Dougie Poynter, exploring the role whales play in fighting climate change, and the need to protect them from single-use plastic pollution.

School resource: We piloted a Whale ID curriculum in an underserved community in the US, giving students the chance to act as citizen scientists, identifying and suggesting names for humpback whales off the US east coast.

STEM education: We implemented a STEM based education program for US students to connect students with whales.

Outreach: Thanks to support from the Ironmongers' Company we were able to run an outreach programme to children in disadvantaged areas in Scotland.

Plans for 2023

- expand the resources we offer by enhancing the Kidzone website, producing education resources for primary school children and launching a new children's challenge award;
- support overseas community education projects that promote whale and dolphin conservation;
- implement the second phase of our US classroom Whale ID program, bringing students into the field and establishing the connection between whales, plankton, and the health of our planet.

E. Delivering the science we need to make change happen

Collaborations: This year we established a number of research collaborations with UK partners including: Heriot Watt University, Exeter University, Plymouth University and the Scottish Marine Animal Stranding Scheme.

Strandings: In responding to strandings in the US we doubled our NOAA authorised rescue and response area to more than 200 miles of Massachusetts' coastline.

Plans for 2023

- use our fieldwork on the Isle of Lewis to lobby for an effective management plan to be implemented; thanks to the ongoing commitment and financial support from NatureScot and the RS Macdonald Charitable Trust;
- expand Risso's fieldwork to the Northern Isles. Collecting photo-id, aerial drone footage, passive acoustic and effort-based boat data;
- publish results on two years of on-demand gear trials in the US to help end entanglement of whales;
- provide field work support to Woods Hole Oceanographic Institution's photogrammetry research on North Atlantic right whales;
- analyse 2020-2022 Dynamic Management Areas in the USA to ensure that proposed regulatory measures to reduce vessel strikes adequately reflect known habitat use of right whales.

2. STOP CRUELTY

Our aim with this workstream is to end the deliberate cruelty and harm caused to whales and dolphins from whaling, hunting and captivity.

A. Whaling and Hunting

Icelandic whaling: Following years of campaigning by WDC and partners, there is hope of an end to Icelandic whaling, after Iceland's fisheries minister cast doubt on extending whaling permits after 2024. WDC publicised violations of animal welfare regulations by Icelandic whalers which piled on even more pressure, resulting in stricter on-board monitoring.

Norwegian whaling: WDC teamed up with US NGO Animal Welfare Institute and leading Norwegian animal rights charity NOAH on a campaign to increase awareness of whaling among Norwegians. Following a series of focus groups, we put out full-page adverts in leading Norwegian newspapers challenging misinformation from Norway's whalers.

Dolphin hunts: WDC appointed a Faroese-speaking campaigner dedicated to ending the hunts in the Faroe Islands. We also, with the generous support of the Yogsca's JingleJam fundraiser, published a seminal paper on the issue of Aquatic Wild Meat in *Frontiers in Marine Science*.

IWC: WDC helped to defeat a resolution on lifting the whaling moratorium and successfully lobbied for letters to the Faroes and Greenland authorities, voicing concern from the IWC Secretariat over the hunting of small cetaceans.

Next year we shall increase our presence and activity on the ground in whaling countries, working with domestic communities and NGOs that oppose the deliberate killing of whales and dolphins.

- **Faroe Islands:** We will launch a new Faroese-language education and engagement programme aimed at increasing understanding among local people of the intrinsic and extrinsic value of whales and dolphins.
- **Iceland:** Alongside partners in the country, we will urge the Icelandic government to stop issuing new whaling quotas and bring the hunting to an end from 2024. We will fund monitoring on the ground to document and expose the activities of Iceland's remaining fin whalers.
- **Norway:** We will continue our collaboration with Norwegian animal rights charity NOAH, alongside AWI, to increase public awareness of the issues around whaling, and document the reality of the hunts.
- **Senegal:** We will train additional local staff to lead surveys of strandings, as well as developing a network of responders in key coastal settlements and carrying out education workshops for local communities on the importance of conservation for their livelihoods and nature.

- **Japan:** We will grow our networks of people and organisations in Japan who oppose hunting.
- **Trade:** We will advocate for Defra to publicly oppose the transit of whale meat through UK ports.
- **Small cetacean hunts:** We will publish a global update of the impacts of hunting on small whale, dolphin and porpoise populations.

B. Anti-Captivity

Tour operators: Global travel company Expedia stopped selling holidays that include performances by captive dolphins and whales and more than 15,000 people supported our Dark Side of Captivity campaign by asking travel giant TUI to make this the last generation of whales and dolphins in captivity.

Dolphinaria: Sweden's last dolphinarium, at Kolmarden Zoo, announced it will permanently close. Most EU Member States are now dolphinarium-free, something which WDC has been actively campaigning for through our coalition work with Dolphinarium-Free Europe.

Sanctuary: Following pandemic-related delays, all infrastructure improvements to the world's first beluga whale sanctuary in Iceland were completed.

Plans for 2023

- **Tour operators:** Use the 30th anniversary of the closing of the last dolphinarium in Britain to grow public awareness of the issue, keep pressure on tour operators to end their support for the industry and seek a formal ban on the keeping of whales and dolphins in captivity in the UK.
- **Sanctuary:** we hope to see Little Grey and Little White thriving in their new ocean sanctuary whilst continuing the search for ex-captive belugas to join them.

3. CREATE SAFE SEAS

Our Aim is to establish protected areas where whales and dolphins can live, feed and breed and to reduce the harm from fishing gear, pollution, ship strikes and other man-made threats.

A. End bycatch

This year we made considerable headway on the complex issue of bycatch in fishing gear – one of the biggest threats facing whales and dolphins worldwide:

Engaging fishers: We worked with fishing communities to reduce the impact of fishing gear on whales and dolphins. In Scotland (funded by the Scottish Government's Nature Restoration Fund, and the Yogscaid JingleJam, and managed by NatureScot), we secured agreement of 14 skippers to trial alternative gear. In England and Spain (thanks to funding from ASCOBANS and Natural England), we have been interviewing fishers to understand what would get them to stop using gillnets. In Hong Kong, (backed by the Joanna Toole Foundation and WWF), we worked with fishers from three communities to demonstrate how using the data from GPS and underwater microphones can reduce the threat of bycatch to vulnerable finless porpoises. In the US, we expanded our on-demand fishing trials from 3 to 31 participants with an average of a 91% retrieval success rate and completed more than 2,100 retrievals with participating commercial fishermen, testing on-demand fishing gear in four different management zones.

Baltic Sea: Following years of campaigning by WDC and its partners, a partial ban on static nets in several Baltic Sea marine protected areas was instituted for the first time by the EU to protect the critically endangered Baltic harbour porpoise.

Supporter engagement: Our #NotInOurNets campaign, backed by ex-England goalkeeper Ben Foster, led to over 10,000 letters to ministers calling for stronger laws to protect whales and dolphins from bycatch.

Supermarkets: Thanks to funding from John Ellerman Foundation, and in collaboration with the Sustainable Fisheries Partnerships, we have now completed bycatch audits of the supply chains of Tesco, Co-op, Sainsbury's, Aldi, and Waitrose.

Plans for 2023

- complete trials and evaluate the impact and effectiveness of alternative fishing gear with participating creel fishers in Scottish waters;
- advocate for the US Congress to fund alternative gear to support the Right Whale Coexistence Act;
- request the US Government (NOAA) to prioritise spending on geolocation and gear for the gear library;

- continue our work with Hong Kong fishermen using GPS and underwater microphones to reduce the bycatch of vulnerable finless porpoises and extend the methodology to fishing communities in Sarawak, Malaysia;
- present the project to the IWC as a case study of how to engage fishing communities in bycatch reduction;
- publish a report outlining how alternatives to ‘pingers’ for bycatch prevention can avoid interference with Baltic Sea navy acoustic devices;
- continue our work with US and UK supermarkets to identify ways of eliminating bycatch from their supply chains.

B. Protected areas and safe seas

IMMAS: We extended our ground-breaking work mapping the ocean for Important Marine Mammal Areas (IMMAs) to the Southeast Pacific Ocean and Southwest Atlantic Ocean, adding over 70 confirmed and candidate locations vital for the protection of threatened and endemic species. These include Chilean, Franciscana’s and Commerson’s dolphins, vaquita, and southern right whales. IMMAs represent a vital step towards the establishment of protected areas for whales, dolphins, and other marine mammals.

Noise pollution: The UK Government recommended that 10,000 tonnes of unexploded Second World War ordnance be detonated using a quieter method (less harmful to whales and dolphins), following a WDC-backed campaign, championed by actress Joanna Lumley.

Vessel strikes: We campaigned to implement improved regulations along the US east coast to reduce vessel strikes of critically endangered North Atlantic right whales. We were also appointed to a federal stakeholder group to inform the US Bureau of Energy and Management regarding risk of vessel strikes in wind management areas.

Plans for 2023

- secure further funding to field-test a new monitoring protocol for our important marine mammal area (IMMA) programme and make the information available for use in marine spatial planning and conservation around the world;
- lobby the Welsh Government for the inclusion of mobile species like the Risso’s dolphin in the identification process for Marine Conservation Zones in Wales;
- reduce disturbance of marine mammals across the UK and increase public awareness through improved incident recording, legal action, and outreach with partners such as the Police and other NGOs;
- recruit new US east coast whale watch companies to join Whale SENSE, our responsible whale watch training program;

- update WDC's 2013 global review on Marine Renewable Energy whilst actively engaging with stakeholders to ensure that the increasing demand on fossil fuels and renewable energy does not overlook the detrimental consequences of offshore industries on whales and dolphins;
- push for an expansion of the vessel strike speed rule along the US east coast.

C. Species recovery

Southern residents: We were able to celebrate some good news for the threatened Southern Resident orcas with approvals given for the removal of the Klamath dam, and a goal of dam removal completion by 2025. We also ensured the inclusion of the Southern Resident orcas in Washington State salmon recovery plans.

North Atlantic right whales: WDC campaigned for a Right Whale Coexistence Act to provide a decade of funding for efforts to find solutions to help fishers and shippers share the ocean safely with critically endangered North Atlantic right whales. We overcame a US Government attempt to halt a WDC-led lawsuit filed to protect right whales from vessel collisions.

We engaged with public bodies to argue the case for: funding alternative, less harmful, fishing gear; mandatory slow down zones to be established to reduce vessel strikes; measures to reduce the impact of offshore wind developments on cetaceans, and stress-related evaluations to be included in right whale mitigation and monitoring efforts.

Plans for 2023

- continue our existing species recovery work and also petition the State of Oregon to list Southern Resident orcas on the state Endangered Species List.

D. Pollution

WDC was a key player in drafting a resolution on tackling oceanic plastic pollution which was adopted by consensus by the International Whaling Commission.

Plans for 2023

- actively engage in actions to prevent ghost gear. Engaging with the UK governments to ensure they include fishing gear in their Extended Producer Responsibility (EPR) and update Port Reception Facilities regimes to ensure that end-of-life fishing gear and abandoned, lost or otherwise discarded fishing gear can be adequately disposed of in harbours and ports;
- publish a report on chemical pollution and the impact it has on whales and dolphins as a key step towards campaigning for improved safeguards in chemicals legislation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is an incorporated legal entity limited by guarantee, the business of which is governed by its Memorandum and Articles of Association dated 17 November 2008. It is registered as a charity with the Charity Commission in England and Wales and the Office of the Scottish Charity Regulator. As at 30 September 2022 there were six trustees on the board.

Appointment of trustees

Trustees are appointed by the board of trustees by a majority vote on a skills basis. Trustees serve for a three year period and may then be re-elected.

Trustee induction

New trustees receive information on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the strategic plan and recent performance of WDC. They meet key employees and other trustees.

Organisation

The trustees meet four times a year to review the strategy and performance of WDC and to approve operating plans and budgets. To facilitate effective operations, the Chief Executive and senior management have delegated authority, approved by the trustees, for operational matters including finance, employment and policy activities. The trustees approve such strategies and monitor and evaluate their implementation on a regular basis.

Governance code

The trustees are mindful of the principles and recommended practice set out in the Charity Governance Code and believe the charity applies the principles, as evidenced in this annual report, of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

Related parties

The charity has three subsidiaries. The trading subsidiary, WDC (Trading) Ltd., raises income through merchandise, running a café, licensing and lotteries. It gift aids any taxable profits to the charity. WDC Germany GmbH, a charitable company under German regulations, was founded to expand awareness of WDC's work within Germany and German speaking EU countries. Whale and Dolphin Conservation, Inc., a charitable company under United States regulations, is an organisation with similar aims and objectives as WDC. The organisation raises funds, mainly via a whale adoption programme formerly run by the International Wildlife Coalition. The US charity has developed a programme of policy work to enhance international and national efforts of the charity.

The charity also financially supports the connected charity WDC Australasia, which was established in October 2003. As well as funding the set up period of this organisation, which has similar aims and objectives to the UK based charity, WDC also provides management advice as and when required by WDC Australasia. WDC Australasia continues to assist in the delivery of WDC policy work, both within Australia and New Zealand and internationally.

Risk management

The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the charity or for publication is reliable;
- The charity complies with relevant laws and regulations

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A strategic plan and an annual budget approved by the trustees;
- Regular consideration by the trustees of financial results, variance from budgets and non-financial performance indicators;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The trustees have reviewed the formal risk management process introduced by the Chief Executive. This process is linked to the strategic plan and reviewed in line with annual planning processes. Systems have been developed to monitor and control these risks:

- Identifying the types of risk WDC faces;
- Prioritising them in terms of potential impact and likelihood;
- Identifying means of mitigating the risks.

These risks and controls are reviewed by the trustees on a regular basis.

The four main risks identified as part of the risk management process and the actions we are using to address these risks are:

1. *Current economic climate.* We are continually assessing the impact of the cost of living crisis on our supporters and funders in line with risk three below. We are also continuing with hybrid working to assist staff with the cost of commuting.
2. *Government Policy.* We are still in a period of uncertainty with regard to the withdrawal of the UK from the European Union. The major risk is that uncertainty has a negative impact on consumer behaviour. We are also concerned to ensure that the strict level of protection afforded to cetaceans in current EU law is carried over into UK law and is not diluted under pressure from other countries to create favourable trade deals. WDC is working with a coalition of UK NGOs to represent its views to government and the EU. We remain

receptive to supporters' views on these issues and continue to keep them informed of our activities through publications and websites and then communicate our collective views to government and agencies.

3. *Reliance on established income streams:* Income from individual giving has stabilised during the period but remains a significant proportion of our income. Whilst we have grown our income from corporate partners, we shall continue to seek to diversify our individual giving to ensure growth but also reduce risk of reliance on one income stream.
4. *Ability to keep up-to-date with supporter segmentation and the impact of technological advances which are vital in order to communicate with our supporters and other stakeholders.* We recognise that communication via the web and social media is of the utmost importance and are currently updating our website to be able to maximise our ability to use the internet in an efficient and effective way. We have an IT service group that regularly meets to review support and we have hired new staff with specialist e-media experience. We shall continue to be outwardly facing with regard to changes in technology to ensure that WDC is able to maximise our ability to communicate with stakeholders.

Key Management Pay

The pay of key staff is reviewed annually and normally increased in line with any pay increase given throughout the organisation as a whole. WDC salary bands are reviewed against independent benchmarking surveys at least once in a two-year period. The market data considers charity pay in organisations of our size (income and staff), charity area and location. WDC considers its key management personnel to be the Trustees and the members of the UK senior management team. Trustees are unpaid. Senior management team salary, except for that of the Chief Executive, is set by the Chief Executive and approved by the Trustees. The Chief Executive's pay is set by the Trustees.

FUNDRAISING PRACTICES

As the fundraising environment remained turbulent we were incredibly grateful for the generous support we received from our donors and partners, both existing and new, without whom we would be unable to deliver our work around the globe to protect whales and dolphins.

In line with our strategic plan we were very pleased to grow income across several key income streams, but experienced an overall drop of 5% on the previous year financial year, where we benefited from above average legacy income.

Individual Giving

During the financial year 2020/2021 we experienced a positive growth in our database of individual supporters as a result of an increase in whale and dolphin adoptions being bought as gifts during the Covid lockdown. Our database has returned to pre-Covid levels as retention of those new supporters has been challenging. However, despite this drop in retention, it remained over 80%, which is well above the sector average.

In addition to their financial support, our passionate and committed supporters, including our incredible “Adopters”, helped us to deliver our programmes through their enthusiastic support for our campaigns. They enable us to give a voice to whales and dolphins.

Partnerships

We continue to implement our strategy to increase income from companies and partnerships and our team went from strength to strength. We worked with a wide range of highly supportive partners across many sectors, including long term partners such as Brita and Animal Friends. Thanks to our partnership with Deloitte, as a Deloitte World Climate charity, we have been able to evolve both our strategic thinking and our networks, and are grateful for the significant impact their ongoing commitment, expert advice and support is having on WDC's organisational development, as well as specific projects that advance our conservation efforts. Our Climate Giants initiative continued to provide an excellent opportunity for businesses to get involved in protecting whales and dolphins, as part of their commitment to protecting the environment. Once again this year we worked very closely with the video games industry and continued to engage with fantastic partners such as Humble Bundle and Mercury Learning.

We were once again incredibly grateful to be a beneficiary of the Yogscast Jingle Jam annual fundraising event, which raised an exceptional £265,000 for WDC.

Community and Events

Community and Events fundraising was significantly affected by Covid 19 and continued to be challenging during the year with many events not scheduled or being cancelled. However, despite this, we continued to be supported by a range of highly creative and committed supporters who walked, ran, and swam often incredible distances. We are hugely grateful for their efforts on our behalf.

Philanthropy

WDC receives generous support from a number of individual donors and charitable trusts and foundations, usually towards specific programmes. This support is invaluable as it allows us to carry out work that we would not have been able to otherwise undertake. Thanks to philanthropic support throughout this year, we have been able to move ahead with our Green Whale programme and will continue to engage with philanthropic funders as we expand this critical area of work.

Legacies

Lastly, we would like to acknowledge our immense gratitude and thanks to everyone who so generously remembered WDC in their will, we continue to be incredibly touched that people chose to support our work in this way.

Regulation

WDC is signed up to the Fundraising Regulator, which oversees fundraising activity in the UK, and is fully compliant with its regulations. In the past year we received no complaints from any regulatory body.

WDC maintains a complaints log and one complaint was received from an individual about fundraising activity which was satisfactorily resolved.

We fully comply with GDPR regulations, and all new activities are checked against these. In practice WDC has asked supporters for opt-in consent to all our channels since 2015 and has never shared data with other organisations.

WDC has a small fundraising team, and we work closely with a small number of carefully selected specialised fundraising agencies and companies to help us deliver our fundraising activity. We operate to the highest ethical standards in all our fundraising activity and only work with external suppliers who match our standards.

To ensure that our fundraising activity is fully compliant, we are regulated by The Gambling Commission for our bi-annual raffle, our TV ads are cleared through Clearcast, and the Advertising Standards Agency regulates our press advertising. We comply with all relevant regulations for our telephone fundraising activity and the Give as you Earn agencies we use comply with their regulatory authority.

In addition, for telephone fundraising, we undertake training with the agency's staff before campaigns, and regularly listen in to and review calls to ensure that the agency is operating to the highest standards.

In line with the requirements under the social responsibility code provision 4.3.1 of the Licence Conditions and Codes of Practice of the Gambling Act 2005, we report that of the £23,943 received in ticket sales in 2022, 11.56% went on expenses, 16.71% went on prizes and a fantastic 71.74% came back to WDC to fund our vital work.

With all our activity, supporters are given an option to opt out or unsubscribe from future communication and we always act upon and respect these requests. We have a vulnerable

person policy, which includes escalation guidance, and public facing staff are aware and know when to escalate.

Lastly, we have a Supporters Charter which details our commitment to our supporters.

WDC only exists thanks to the support of amazing individuals and organisations, we never take this support for granted, and are committed to acting with the utmost professionalism and respect in all aspects of our work.

FINANCIAL REVIEW

For the year ended 30 September 2022, we are reporting a decrease in income of £208,352 to £4,803,933 (2021: increase of £749,185). The main decrease was in legacies which decreased by £613,969. Our Trading income increased by 10% with café and shop increasing by 57% and 45% respectively following a couple of years of partial opening due to COVID, however Trading Partnership income was lower than the previous year.

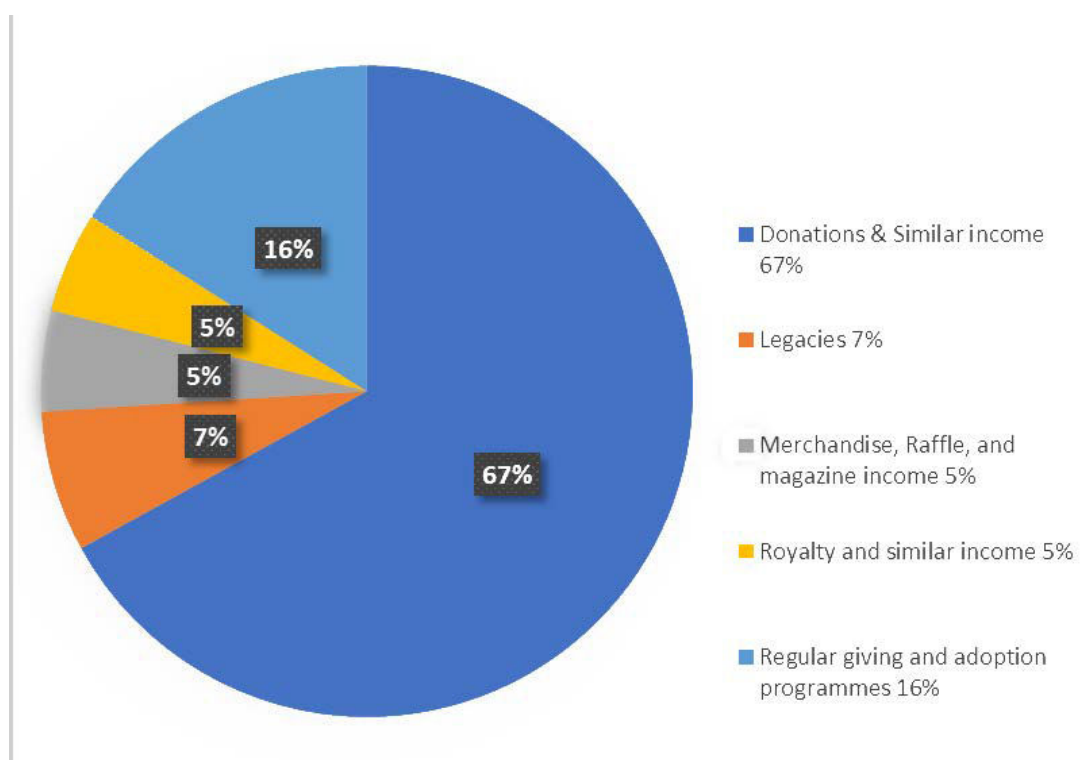
There was an overall small decline from donations and memberships while revenue from partnerships increased by 50%.

While regular giving continues to be our main source of income, funding from partnerships is increasing. Trust income has also increased as expected as we continue our Theory of Change approach and are able to demonstrate more fully our impact to philanthropists and grant makers.

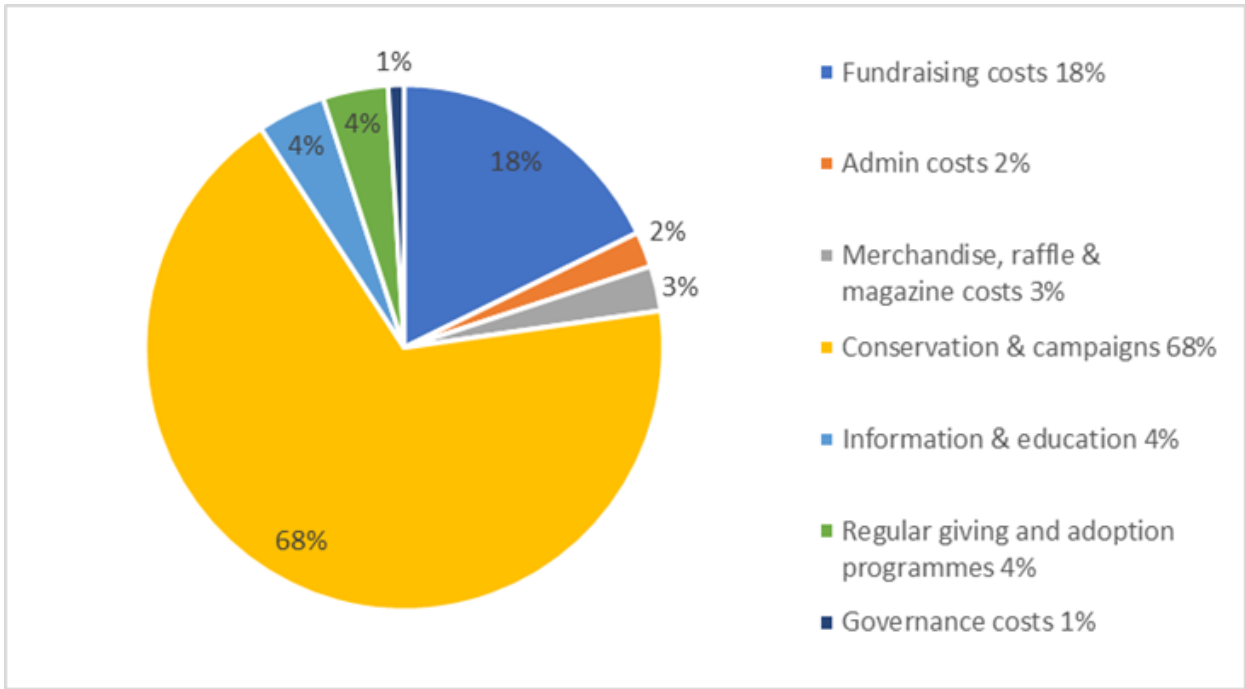
Charitable expenditure in the year amounted to £3,696,261 (2021: £3,464,186). An increase of 6.6%. This was partly related to the increase in Trust and grant restricted funding, which allowed us to support our policy work.

The cost of raising funds has increased by 10.8% from £910,037 to £1,008,699. We expect to update our CRM in the medium term which will constitute a substantial investment but we expect this will lead to more efficient and effective supporter engagement.

Where our income came from:



Where the money is spent:



Performance of Subsidiaries

The US subsidiary is showing a net loss of £44,785 (2021: £24,523) in the year. The small net loss was budgeted. The US subsidiary has joined the Marine Mammal Stranding network in Massachusetts. Additional expenditure was incurred in setting up the team but we expect additional funding avenues to open due to this high profile and important work.

The German subsidiary had a small loss of £4,792 (2021: £180,777). Income was higher in 2021, largely due to the receipt of two legacies. The loss is smaller than anticipated in the budget.

The Trading company is recovering following a couple of years being impacted by COVID. The Trading company includes the running of the raffle and also receives income from marketing using our logo, so we were pleased that net income in 2022 was £67,082 (2021: £98,008) although a reduction from 2021 as that year benefited from an insurance pay out of £46,546. As ever, the Trustees regularly review the activities of the Trading company and consider that it is useful to the charity as it allows important activities to be undertaken which benefit the charitable objectives but may not be able to be undertaken by a charity. This is especially true as we expand our corporate activities, some of which can most effectively be done via this company.

Reserves Policy

WDC has a policy of holding sufficient financial reserves to fund current and future activities. Reserves are held to cover for cash flow fluctuations, to provide for unforeseen costs, to provide for a buffer against a fall in income and to enable it to take advantage of unforeseen opportunities. WDC's objective is to maintain an appropriate level of reserves to keep pace with the development of the organisation, with regular reviews being performed of both the reserves policy itself and the level of reserves held.

A review of the current situation has indicated that the level of reserves should be £1,050,000.

The calculation used to determine reserves has taken into account that individual giving has declined slightly but it is a gradual decline and not likely to drop more than 7.5% over the year. Other income is more uncertain and although not impacted so much by the current rise in cost of living it is more uncertain in terms of time and value. Legacies are difficult to predict and are therefore reduced to 25% of forecast. This gives a likely income of £2,121,430.

Some expenditure is fixed in the short term but other expenditure could be reduced over the year if income is not received. On this basis costs would be £3,093,800 giving rise to a shortfall of £928,000. Increasing free reserves to £1,050,000 would provide for 3 months of running costs in the event that no income was received.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the group and charity and the income and expenditure of the group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the charity's constitution. They are also responsible for safeguarding the assets of the group and charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

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

Auditor

By mutual agreement, BDO will be stepping down as auditor of the charity after completion of the current audit. The charity is currently arranging a tender process to select a new auditor.

By order of the trustees

A handwritten signature in black ink, appearing to be 'Dr. Lisa Drewe', written in a cursive style.

Dr. Lisa Drewe

Chairman

Date: 13 June 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF WHALE AND DOLPHIN CONSERVATION

Opinion on the financial statements

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 30 September 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Whale and Dolphin Conservation ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 30 September 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet and Parent Charitable Company balance sheet, the consolidated cash flow statement 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on

the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

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 misstatement in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

Responsibilities of Trustees

As explained more fully in the Statement of trustees' responsibilities, 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 determines 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's and Charitable Company's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be UK GAAP, Charities SORP, Companies Act and FRS 102.

The Group and Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Data Protection Act 1988 and GDPR, Health and Safety Work Act, Employment Rights Act and Gambling and Anti Money Laundering.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- We reviewed whether any serious incident reports have been submitted to the Charity Commission and OSCR;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's and Charitable Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be donations and legacy revenue recognition, events income and management override of control.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation and also applied an element of unpredictability through testing of supplier detail changes;
- We have reviewed a sample of gift aid claims and ensured these have been made in accordance with the regulations;
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the legacy accrual and allocation of support costs;
- We have considered the completeness of related party transactions; and
- We have evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business that may indicate risks of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams and remained alert to

any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

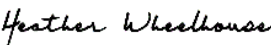
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with 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 and trustees 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, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Heather Wheelhouse (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Bristol, UK

Date: 14 June 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Whale and Dolphin Conservation
(Limited by guarantee)**

**Consolidated statement of financial activities
Year ended 30 September 2022
(incorporating the income and expenditure account)**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies:					
Donations and similar income	5	2,718,759	496,530	3,215,289	2,957,309
Legacies	6	334,546	-	334,546	948,242
Charitable activities:					
Membership and adoption programmes		761,668	-	761,668	784,519
Other trading activities:					
Merchandise, cafe, raffle and magazine income	7	255,056	-	255,056	190,993
Royalty and other similar income		230,946	-	230,946	126,440
Interest	8	6,428	-	6,428	4,782
Total income		4,307,403	496,530	4,803,933	5,012,285
Expenditure on:					
Raising funds					
Fundraising costs		851,503	-	851,503	738,971
Merchandise, cafe, raffle and magazine costs		237,196	-	237,196	171,066
Costs of raising funds		1,088,699	-	1,088,699	910,037
Charitable activities					
Conservation and campaigns		2,659,827	590,880	3,250,707	2,959,031
Information and education		203,190	-	203,190	214,660
Membership and adoption programmes		194,852	-	194,852	236,892
Governance costs		47,512	-	47,512	53,603
Total charitable activities expenditure		3,105,381	590,880	3,696,261	3,464,186
Total expenditure	10	4,194,080	590,880	4,784,960	4,374,223
Net gains on investments		-	-	-	6,903
Net income/(expenditure)		113,323	(94,350)	18,973	644,965
Other recognised gains and losses:					
Gains/(losses) on foreign exchange		42,242	-	42,242	(14,973)
Net movement in funds		155,565	(94,350)	61,215	629,992
Reconciliation of funds:					
Total funds brought forward		2,413,286	432,016	2,845,302	2,215,310
Total funds carried forward	25&26	2,568,851	337,666	2,906,517	2,845,302

All results arose from continuing operations. There were no recognised gains for either financial year other than the results shown above.

The net expenditure for the year of the parent was £18,070 (2021: net income of £472,017)

The notes on pages 38 to 54 form part of these financial statements.

**Whale and Dolphin Conservation
(Limited by guarantee)**

**Consolidated statement of financial activities
Year ended 30 September 2021
(including an income and expenditure account)**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Income from:				
Donations and legacies:				
Donations and similar income	5	2,202,962	754,347	2,957,309
Legacies	6	948,242	-	948,242
Charitable activities:				
Membership and adoption programmes		784,519	-	784,519
Other trading activities:				
Merchandise, cafe, raffle and magazine income	7	190,993	-	190,993
Royalty and other similar income		126,440	-	126,440
Interest	8	4,782	-	4,782
Total income		4,257,938	754,347	5,012,285
Expenditure on:				
Raising funds				
Fundraising costs		738,971	-	738,971
Merchandise, cafe, raffle and magazine costs		171,066	-	171,066
Costs of raising funds		910,037	-	910,037
Charitable activities				
Conservation and campaigns		2,361,138	597,893	2,959,031
Information and education		214,660	-	214,660
Membership and adoption programmes		236,892	-	236,892
Governance costs		53,603	-	53,603
Total charitable activities expenditure		2,866,293	597,893	3,464,186
Total expenditure	10	3,776,330	597,893	4,374,223
Net gains on investments		6,903	-	6,903
Net income		488,511	156,454	644,965
Other recognised gains and losses:				
Losses on foreign exchange		(14,973)	-	(14,973)
Net movement in funds		473,538	156,454	629,992
Reconciliation of funds:				
Total funds brought forward		1,939,748	275,562	2,215,310
Total funds carried forward	25&26	2,413,286	432,016	2,845,302

All results arose from continuing operations. There were no recognised gains or losses for the financial year other than the results shown above.

The notes on pages 38 to 54 form part of these financial statements.

**Whale and Dolphin Conservation
(Limited by guarantee)**

**Balance sheet
30 September 2022**

	Note	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Tangible fixed assets	15	135,064	82,840	39,296	32,647
		<u>135,064</u>	<u>82,840</u>	<u>39,296</u>	<u>32,647</u>
Current assets					
Stock	17	44,965	46,923	-	-
Debtors	18	615,158	746,682	616,465	771,866
Investments	19	724,765	566,187	591,109	342,304
Cash at bank & in hand		1,934,650	1,853,377	1,132,208	1,191,747
		<u>3,319,538</u>	<u>3,213,169</u>	<u>2,339,782</u>	<u>2,305,917</u>
Liabilities:					
Creditors: amounts falling due within one year	21	(413,797)	(339,571)	(331,748)	(273,164)
		<u>2,905,741</u>	<u>2,873,598</u>	<u>2,008,034</u>	<u>2,032,753</u>
Net current assets					
Creditors: amounts falling due after one year	22	(134,288)	(111,136)	-	-
		<u>2,906,517</u>	<u>2,845,302</u>	<u>2,047,330</u>	<u>2,065,400</u>
Total net assets					
		<u>2,906,517</u>	<u>2,845,302</u>	<u>2,047,330</u>	<u>2,065,400</u>
Unrestricted funds	25&26				
Operational funds – free reserves		1,050,000	1,000,000	950,000	900,000
Designated funds		1,518,851	1,413,286	896,207	917,556
		<u>2,568,851</u>	<u>2,413,286</u>	<u>1,846,207</u>	<u>1,817,556</u>
Restricted funds	25&26	337,666	432,016	201,123	247,844
Total funds		<u>2,906,517</u>	<u>2,845,302</u>	<u>2,047,330</u>	<u>2,065,400</u>

These financial statements were approved and authorised for issue by the trustees on 13 June 2023 and signed on their behalf.



**Lisa Drewe
Chairman**

The notes on pages 38 to 54 form part of these financial statements.

Registered number: 02737421

**Whale and Dolphin Conservation
(Limited by guarantee)**

**Consolidated statement of cash flows
Year ended 30 September 2022**

	2022 £	2021 £
Cash flows from operating activities		
Net cash provided from operating activities (note 27)	272,650	574,979
Cash flows from investing activities		
Purchase of tangible fixed assets	(75,040)	(25,826)
Purchase of investments	(158,578)	-
Sale of investments	-	3,552
Cash used in investing activities	(233,618)	(22,274)
Cash flows from financing activities		
Repayments of borrowing	-	(10,465)
Cash provided by financing activities	-	(10,465)
Change in cash and cash equivalents in the year	39,032	542,240
Cash and cash equivalents at the beginning of the year	1,853,377	1,326,111
Movement on revaluation of foreign cash	42,241	(14,974)
Total cash and cash equivalents at the end of the year	1,934,650	1,853,377

The notes on pages 38 to 54 form part of these financial statements.

Notes to the financial statements
Year ended 30 September 2022

1. Legal status of the charity

Whale and Dolphin Conservation (WDC) is a company limited by guarantee, not having a share capital. The liability of the members in the event of winding up is limited to an amount not exceeding £1 per member. At 30 September 2022 there were six members.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (The Charities SORP 2nd Edition effective 1 January 2019) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 and the Charities Act 2011.

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

The presentational currency of these financial statements is pound sterling rounded to the nearest £1.

b) Basis of consolidation

The group accounts consolidate the accounts of the WDC and its subsidiary undertakings on a line by line basis. The accounts are made up to 30 September 2022.

In accordance with the Companies Act 2006 WDC is exempt from the requirement to present its own statement of financial activities. This is however, a requirement in Scotland so it has been included in note 3. Net movement in funds for the year ended 30 September 2022 for the charity was a deficit of £18,070.

The amount of the result for the financial period dealt with in the financial statement of subsidiaries is disclosed in note 16 to these accounts.

c) Preparation of the accounts on a going concern basis

The Trustees have considered a period of at least 12 months from the date of signing these financial statements. Given the level of reserves, cash and bank balances and the current operating position of the charitable group, they consider that the accounts should be prepared on the going concern basis.

The Trustees are of the opinion that there is no material uncertainty related to going concern and that the Charity will continue to be a going concern for a period of at least 12 months from the date of signing the financial statements.

During the course of the audit, and as part of our regular risk assessment, we performed a stress test which assumes that there is no income from 1 Nov 2022, as an extreme worst-case scenario. Allowing for the time needed to implement cost reductions the charity would have a cash balance of approximately £113,980 at the end of the period to 30 June 2024. This would see the charity through and past the 12 months period from sign off. This situation is extremely unlikely and other business changes which could be made due to the economic downturn have been drawn up and all result in a positive cash flow.

Given the cash resources and unrestricted funds as at the date of signing these financial statements, and as WDC has not yet experienced a downturn of the order of the worst case scenarios modelled above, let alone a no income situation, the trustees believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Notes to the financial statements
Year ended 30 September 2022 (continued)

The Charity does not consider that there would be a significant potential effect on the balance sheet for the year ended 30 September 2022 over and above the knock on effect of any downward effects from matters noted above.

d) Income

Donations, except in relation to legacies and non-monthly adoptions, are accounted for when receivable at head office.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material (see note 20).

Most adoption programme income is collected on a monthly basis. However, there are some annual and quarterly adoptions. Income received for these adoptions is deferred and matched to the period the adoption covers (see note 23).

Subscription and appeal income is allocated to the accounting period to which it relates. Other income is included in the financial statements when receivable.

Gifts in kind are recognised within donations in the year that they are received at a market value provided by the donor.

Payments received from government for furloughed employees or for Covid-19 related employee support are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

e) Fixed assets and depreciation

Expenditure of a capital nature and in excess of £3,000 in value is capitalised.

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives and as follows:

Tenants improvements	- period of lease
Fixtures, fittings & equipment	- 20% straight line per annum
Computer equipment	- 25% straight line per annum

f) Current asset investments

The Company carries investments at fair value. Interest and dividends are recorded when earned. Gains and losses are recognised as incurred or based on fair value changes during the period. Investments are exposed to risks such as interest rates, credit and overall market volatility.

g) Resources expended

Resources expended are accounted for on an accruals basis. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the charitable company, such as the costs of board and committee meetings, satisfying statutory requirements.

h) Grant making

WDC invites applications for funding of cetacean research projects, using benign research techniques.

Applications are submitted in a specific format and reviewed by the WDC panel of staff and consultants. Projects are monitored on a regular basis and a final report is submitted for each project. The liability for the grant is recognised at the point that the contract is signed and authorised by the Chief Executive.

Notes to the financial statements
Year ended 30 September 2022 (continued)

- i) **Donations**
From time to time WDC donates funds to WDC Australasia (see Note 30) to enable them to further their campaigns and conservation projects in their region. WDC Australasia is able to spend these funds at their own discretion and is free of any conditions from WDC. There were no donations in the year.
- j) **Taxation**
The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

The profits of the non-charitable UK subsidiary are normally gift aided to the parent company, any surplus remaining is subject to a taxation charge. The charge for taxation is based on the result for the year. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by accounting standards.
- k) **Operating leases**
All leases entered into are operating leases. The rental charges are charged to the statement of financial activities on a straight line basis over the life of the lease.
- l) **Stock**
Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.
- m) **Debtors**
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.
- n) **Cash at bank and in hand**
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account
- o) **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 after allowing for any trade discounts due.
- p) **Financial instruments**
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.
- q) **Pensions**
The group contributes to a group personal pension scheme. The amount charged against income represents the contributions payable to the schemes in respect of the accounting period.
- r) **Foreign currencies**
Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the statement of financial activities.
- s) **Fund accounting**
The charity has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Restricted income funds
Donations or legacies which are earmarked by the donor for specific purposes or by the terms of the appeal. Such purposes are within the overall aims of the organisation. From these funds, the

Notes to the financial statements
Year ended 30 September 2022 (continued)

donation and income deriving there from may only be utilised in accordance with the specific purposes.

Designated funds

Designated funds are those unrestricted funds that have been designated for a specific purpose. These funds are being allocated to current and future projects that will allow WDC to invest and grow income in order to implement our strategic plan over the next two years.

General funds

General funds are unrestricted funds which 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.

t) Critical accounting estimates and areas of judgement

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charitable company's accounting policies. Estimates and judgments are continually evaluated by Management and the Trustees based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The principal judgements and estimates adopted relate to the accounting for legacies and the amount receivable at the year end; and the provision required against the carrying value of the investments in group companies.

Notes to the financial statements
Year ended 30 September 2022 (continued)

3. Statement of financial activities – Charity

	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies:				
Donations and similar income	1,569,145	337,157	1,906,302	1,794,659
Legacies	319,371	-	319,371	764,496
Charitable activities:				
Membership and adoption programmes	761,668	-	761,668	784,519
Other activities:				
Intercompany income	82,391	-	82,391	54,921
Royalty and similar income	610	-	610	2,508
Interest	6,783	-	6,783	4,905
Total income	2,739,968	337,157	3,077,125	3,406,008
Expenditure on:				
Raising funds				
Fundraising costs	811,639	-	811,639	683,737
Costs of raising funds	811,639	-	811,639	683,737
Charitable activities				
Conservation and campaigns	1,517,532	383,878	1,901,410	1,763,007
Information and education	203,190	-	203,190	214,660
Membership and adoption programmes	194,852	-	194,852	236,892
Governance costs	26,346	-	26,346	27,625
Total charitable activities expenditure	1,941,920	383,878	2,325,798	2,242,184
Total expenditure	2,753,559	383,878	3,137,437	2,925,921
Net gains on investments	-	-	-	6,903
Net (expenditure)/income	(13,591)	(46,721)	(60,312)	486,990
Other recognised gains and losses:				
Gains/(losses) on foreign exchange	42,242	-	42,242	(14,973)
Net movement in funds	28,651	(46,721)	(18,070)	472,017
Reconciliation of funds:				
Total funds brought forward	1,817,556	247,844	2,065,400	1,593,383
Balances carried forward	1,846,207	201,123	2,047,330	2,065,400

Restricted fund information for the comparative period was: donations and similar income £514,719; conservation and campaigns expenditure £326,877; net expenditure and net movement in funds £187,842.

Notes to the financial statements
Year ended 30 September 2022 (continued)

4. Statement of cash flows - Charity

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	27	174,424	419,545
Cash flows from investing activities			
Purchase of tangible fixed assets		(27,399)	-
Purchase of investments		(248,806)	(5,612)
Cash used in investing activities		(276,205)	(5,612)
Change in cash and cash equivalents in the year		(101,780)	413,933
Cash and cash equivalents at the beginning of the year		1,191,747	792,787
Movement on revaluation of foreign cash		42,242	(14,973)
Total cash and cash equivalents at the end of the year		1,132,208	1,191,747

5. Donations and similar income

	2022 £	2021 £
Individuals	1,892,775	1,698,378
Corporate Partnerships	683,863	552,425
Trusts	437,864	455,722
Adoption programme donations	200,787	206,750
COVID-related government grants	-	44,034
	3,215,289	2,957,309

6. Legacies

34 legacies were receivable in the year totalling £334,546 (2021: £948,242 in respect of 39 legacies).

7. Merchandise, cafe, raffle and magazine income

	2022 £	2021 £
Merchandising income	114,174	89,026
Raffle income	25,145	28,476
Cafe income	115,737	73,491
	255,056	190,993

8. Investment income

	2022 £	2021 £
Interest receivable	6,428	4,782

9. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Whale and Dolphin Conservation
(Limited by guarantee)

Notes to the financial statements
Year ended 30 September 2022 (continued)

10. Expenditure

	Staff costs (note 12) £	Other direct costs £	Total 2022 £	Total 2021 £
Costs of raising funds				
Fundraising costs	546,614	304,889	851,503	738,971
Merchandise, raffle and magazine costs				
Cost of merchandise, café sales	-	110,955	110,955	75,969
Raffle costs	-	21,392	21,392	19,636
Administration costs	77,399	27,450	104,849	75,461
	<u>624,013</u>	<u>464,686</u>	<u>1,088,699</u>	<u>910,037</u>
Charitable activities				
Conservation, campaigns and donations	2,188,061	1,062,646	3,250,707	2,959,031
Information and education	-	203,190	203,190	214,660
Membership and adoption programmes	-	194,852	194,852	236,892
Governance costs	-	47,512	47,512	53,603
	<u>2,188,061</u>	<u>1,508,200</u>	<u>3,696,261</u>	<u>3,464,186</u>
	<u>2,812,074</u>	<u>1,972,886</u>	<u>4,784,960</u>	<u>4,374,223</u>

Other direct costs include:

	2022 £	2021 £
Auditor's remuneration - parent	26,346	26,628
Auditor's remuneration – subsidiary companies	25,646	25,103
Group auditors – payments for other services	2,260	1,872
Operating lease rentals – land and buildings	133,124	111,232
– plant and machinery	10,847	8,931
Depreciation	<u>22,816</u>	<u>29,318</u>

11. Trustee remuneration

No remuneration was paid to the trustees and no expense reimbursements were made to trustees in either year.

Notes to the financial statements
Year ended 30 September 2022 (continued)

12. Staff costs

	2022 £	2021 £
Wages and salaries	2,450,814	2,139,018
Social security costs	267,417	232,280
Other pension costs (note 14)	93,843	82,588
	<u>2,812,074</u>	<u>2,453,886</u>

The number of employees paid in excess of £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

WDC considers its key management personnel to be the Trustees and the six members of the UK Senior Management Team. The total employment benefits including employer's pension contributions of the key management personnel was £318,484 (2021: £347,995 for seven staff) on which there was employer's NI of £31,218 (2021 - £27,789). The Trustees receive no remuneration.

13. Number of staff

The average number of employees, analysed by function was:

	2022 No.	2021 No.
Charitable activities	45	44
Cost of raising funds	16	17
Management and administration of the charity	8	8
	<u>69</u>	<u>69</u>
Average number of employees	<u>103</u>	<u>96</u>

14. Pension costs

The group contributes to a group personal pension scheme. The charge for the year represents contributions payable by the group to the scheme and amounted to £93,843 (2021: £82,588). Pension commitments as at the year-end were £6,784 (2021: £6,378).

Notes to the financial statements
Year ended 30 September 2022 (continued)

15. Tangible fixed assets

Group	Tenants improvements £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At beginning of year	40,000	282,654	308,594	631,248
Additions	-	47,641	27,399	75,040
Disposals	-	-	-	-
At 30 September 2022	40,000	330,295	335,993	706,288
Depreciation				
At beginning of year	40,000	199,814	308,594	548,408
Charge for the year	-	16,786	6,030	22,816
Eliminated on disposal	-	-	-	-
At 30 September 2022	40,000	216,600	314,624	571,224
Net book value				
At 30 September 2022		113,695	21,369	135,064
At 30 September 2021	-	82,840	-	82,840
Charity	Tenants improvements £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At beginning of year	40,000	185,258	279,937	505,195
Additions	-	-	27,399	27,399
At 30 September 2022	40,000	185,258	307,336	532,594
Depreciation				
At beginning of year	40,000	152,611	279,937	472,548
Charge for the year	-	15,794	4,956	20,750
At 30 September 2022	40,000	168,405	284,891	493,298
Net book value				
At 30 September 2022	-	16,853	22,443	39,296
At 30 September 2021	-	32,647	-	32,647

16. Fixed asset investments

Name of subsidiary	WDC (Trading) Limited	WDC Germany GmbH	WDC (North America) Inc
Country of registration	England	Germany	USA
Registered address	Brookfield House 38 St Paul Street Chippenham SN15 1LJ UK	Implerstrasse 55 81371 Munich Germany	7 Nelson Street Plymouth 02360 MA USA
Company number	02593116	HRB126158	Not applicable
Ownership	100% owned by WDC	100% owned by WDC	Licence agreement and under the control of WDC through Board membership

Notes to the financial statements
Year ended 30 September 2022 (continued)

16. Fixed asset investments (continued)

The profit and loss accounts and balance sheets of the subsidiaries are summarised below:

Profit and loss accounts

	WDC (Trading) £	WDC GmbH £	WDC (NA)Inc £
Merchandising income & cafe	229,911	-	-
Event income	-	-	-
Legacies	-	-	15,175
Raffle income	25,145	-	-
Donations	-	637,582	729,983
Royalty and other similar income	76,347	-	150,573
Investment income	-	-	(355)
Total income	331,403	637,582	895,376
Merchandising and cafe	(110,954)	-	-
Event costs	-	-	-
Raffle expenditure	(21,392)	-	-
Administration expenses	(129,715)	-	-
Fundraising costs	-	-	(97,389)
Charitable expenses	-	(632,581)	(832,568)
Governance costs	(2,260)	(9,793)	(10,204)
Total expenses	(264,321)	(642,374)	(940,161)
Surplus/(loss)	67,082	(4,792)	(44,785)

Balance sheets

	WDC (Trading) £	WDC GmbH £	WDC (NA)Inc £
Fixed assets	3,337	-	92,431
Current assets	137,947	367,010	525,984
	(74,200)	(45,112)	(13,922)
Net current assets	63,747	321,898	512,062
Total assets less net current liabilities	67,084	321,898	604,493
Creditors: amounts falling due after more than one year	-	-	(134,288)
Net assets	67,084	321,898	470,205

17. Stock

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Goods for resale	44,965	46,923	-	-

Stock recognised in cost of sales during the year as an expense was £109,023 (2021 - £68,475).

Notes to the financial statements
Year ended 30 September 2022 (continued)

18. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Amounts owed by subsidiary undertakings	-	-	50,408	90,503
Prepayments and other accrued income	615,158	746,682	566,057	681,363
Total	<u>615,158</u>	<u>746,682</u>	<u>616,465</u>	<u>771,866</u>

In 2021, a loan of £50,000 was included in the above balances and received interest at 2% above the base rate of the Bank of England. During the current year this loan was repaid. There are no longer any outstanding subsidiary loans included in the current year figures above.

19. Current asset investments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Listed investments	4,958	10,243	4,958	10,243
Other investments	719,807	555,944	586,151	332,061
	<u>724,765</u>	<u>566,187</u>	<u>591,109</u>	<u>342,304</u>

The listed investments above relate to shares held in Rolls Royce Holdings plc.

The other investments are either cash deposits of greater than one year or are related to open-end mutual funds registered with the Security and Exchange Commission (SEC) held by WDC (NA). These funds are required to publish their net asset value and transact at that price and are deemed to be actively traded.

20. Contingent assets – legacy income

As of 30 September 2022 the charity had been notified of 1 legacy (2021: 1) with an estimated value of £46,250 (2021: £46,250). This has not been included in the accounts as there was insufficient probability of receipt to enable its inclusion. This remains the situation as at the time of signing the accounts.

21. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	201,297	174,548	172,650	112,543
Social security	39,970	32,803	39,970	32,803
VAT	11,332	4,132	1,337	211
Deferred income	42,619	33,634	42,619	33,634
Provisions	17,029	17,029	17,029	17,029
Accruals	101,550	77,425	58,143	76,944
Total	<u>413,797</u>	<u>339,571</u>	<u>331,748</u>	<u>273,164</u>

Notes to the financial statements
Year ended 30 September 2022 (continued)

22. Creditors: amounts falling due after one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Small Business Association Economic Injury Disaster Loan	<u>134,288</u>	<u>111,136</u>	-	-

Under the CARES Act, the US subsidiary received from the Small Business Administration (SBA) Economic Injury Disaster Loan (EIDL) Advance in the amount of £5,970 and Economic Injury Disaster Loan (EIDL) in the amount of £111,940 on 13 June 2020. The advance of £5,970 was forgiven in the year. WDC (US) had an obligation to SBA bearing interest at 2.75%. The loan is payable in monthly instalments of £478, including interest, and is collateralised by all tangible and intangible personal property.

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due in one year	-	804	-	-
Due between 2 and 5 years	13,020	10,251	-	-
Due in more than 5 years	<u>121,269</u>	<u>100,884</u>	-	-
	<u>134,289</u>	<u>111,939</u>	-	-

23. Deferred income

Deferred income comprises income from adoptions received during the year but which relates to the next financial year. This amount is estimated based on annual and quarterly donations and the balance of deferred income is adjusted to reflect the amount relevant to future periods.

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Balance as at 1 October	33,634	32,491	33,634	32,491
Released to income earned from charitable activities	(33,634)	(32,491)	(33,634)	(32,491)
Other deferred income	12,000	-	12,000	-
Deferred in year	30,619	33,634	30,619	33,634
Balance at 30 September	<u>42,619</u>	<u>33,634</u>	<u>42,619</u>	<u>33,634</u>

24. Commitments under operating leases

The group has minimum lease payments under non-cancellable operating leases as set out below:

Group	2022 Other £	2022 Land & Buildings £	2021 Other £	2021 Land & Buildings £
Not later than one year	32,508	104,885	30,970	107,351
Later than one year and not later than five years	23,117	281,421	22,119	344,438
Later than five years	-	-	-	26,000
Total	<u>55,625</u>	<u>386,306</u>	<u>53,089</u>	<u>477,789</u>

Notes to the financial statements
Year ended 30 September 2022 (continued)

24. Commitments under operating leases (continued)

Charity	2022 Other £	2022 Land & Buildings £	2021 Other £	2021 Land & Buildings £
No later than one year	8,319	89,386	7,894	92,413
Later than one year and not later than five years	9,549	260,000	8,203	323,387
Later than five years	-	-	-	26,000
Total	<u>17,868</u>	<u>349,386</u>	<u>16,097</u>	<u>441,800</u>

25. Statement of funds

Group	Balance at 1 October 2021 £	Income £	Expenditure £	Gains/ (losses) and transfers £	Balance at 30 September 2022 £
Operational funds – free reserves	1,000,000	4,307,403	(4,194,080)	(63,323)	1,050,000
Designated funds	1,413,286	-	-	105,565	1,518,851
Restricted funds	<u>432,016</u>	<u>496,530</u>	<u>(590,880)</u>	<u>-</u>	<u>337,666</u>
Total funds	<u>2,845,302</u>	<u>4,803,933</u>	<u>(4,784,960)</u>	<u>42,242</u>	<u>2,906,517</u>

Charity	Balance at 1 October 2021 £	Income £	Expenditure £	Gains/(losses) and transfers £	Balance at 30 September 2022 £
Operational funds – free reserves	900,000	2,739,968	(2,753,559)	63,591	950,000
Designated funds	917,556	-	-	(21,349)	896,207
Restricted funds	<u>247,844</u>	<u>337,157</u>	<u>(383,878)</u>	<u>-</u>	<u>201,123</u>
Total funds	<u>2,065,400</u>	<u>3,077,125</u>	<u>(3,137,437)</u>	<u>42,242</u>	<u>2,047,330</u>

Restricted funds are funds which have been given for particular purposes and projects and where donors have specifically requested how their donations may be spent.

Designated funds are those unrestricted funds that have been designated for a specific purpose by the Trustees. These funds have been set aside to provide for a new CRM in the UK and investment in staff.

Notes to the financial statements
Year ended 30 September 2022 (continued)

25. Statement of funds (continued)

2021 comparative

Group	Balance at 1 October 2020	Income	Expenditure	Gains/ (losses) and transfers	Balance at 30 September 2021
	£	£	£	£	£
Operational fund – free reserves	1,000,000	4,257,938	(3,776,330)	(481,608)	1,000,000
Designated funds	939,748	-	-	473,538	1,413,286
Restricted funds	<u>275,562</u>	<u>754,347</u>	<u>(597,893)</u>	-	<u>432,016</u>
Total funds	<u>2,215,310</u>	<u>5,012,285</u>	<u>(4,374,223)</u>	<u>(8,070)</u>	<u>2,845,302</u>

Charity	Balance at 1 October 2020	Income	Expenditure	Gains/ (losses) and transfers	Balance at 30 September 2021
	£	£	£	£	£
Operational fund – free reserves	900,000	2,891,289	(2,599,044)	(292,245)	900,000
Designated funds	633,381	-	-	284,175	917,556
Restricted funds	<u>60,002</u>	<u>514,719</u>	<u>(326,877)</u>	-	<u>247,844</u>
Total funds	<u>1,593,383</u>	<u>3,406,008</u>	<u>(2,925,921)</u>	<u>(8,070)</u>	<u>2,065,400</u>

Restricted Fund Balances

	Balance at 30 September 2021	Income	Expenditure	Balance at 30 September 2022
Group	£	£	£	£
Critical Habitat Fund	77,904	26,902	(20,260)	84,546
Biomass Boiler Fund	11,339	-	(2,029)	9,310
Important Marine Mammal Project	16,477	17,950	(34,427)	-
Orca Research Projects	5,343	-	(5,343)	-
Project funds (UK and US)	89,893	421,678	(355,644)	155,927
US Education project	56,631	-	(56,631)	-
Sousa project	98,491	-	(48,491)	50,000
Green Whale project	<u>75,938</u>	<u>30,000</u>	<u>(68,055)</u>	<u>37,883</u>
	<u>432,016</u>	<u>496,530</u>	<u>(590,880)</u>	<u>337,666</u>
Charity				
Sousa project	98,491	-	(48,491)	50,000
Green Whale project	75,938	30,000	(68,055)	37,883
Biomass Boiler Fund	11,339	-	(2,029)	9,310
Project funds	45,599	289,207	(230,876)	103,930
Important Marine Mammal Project	<u>16,477</u>	<u>17,950</u>	<u>(34,427)</u>	-
	<u>247,844</u>	<u>337,157</u>	<u>(383,878)</u>	<u>201,123</u>

Notes to the financial statements
Year ended 30 September 2022 (continued)

25. Statement of funds (continued)

Restricted Fund Balances – 2021 comparative

	Balance at 30 September 2020	Income	Expenditure	Balance at 30 September 2021
Group	£	£	£	£
Critical Habitat Fund	108,258	52	(30,406)	77,904
Biomass Boiler Fund	23,827	-	(12,488)	11,339
Important Marine Mammal Project	15,688	49,554	(48,765)	16,477
Orca Research Projects	12,655	16,061	(23,373)	5,343
North Atlantic Right Whale Projects	15,799	7,366	(23,165)	-
Project funds (UK and US)	20,487	264,647	(195,241)	89,893
US Education project	78,581	111,940	(133,890)	56,631
Salt Quay Fund	267	-	(267)	-
Sousa project	-	192,227	(93,736)	98,491
Green Whale project	-	112,500	(36,562)	75,938
	<u>275,562</u>	<u>754,347</u>	<u>(597,893)</u>	<u>432,016</u>
Charity				
Sousa project	-	192,227	(93,736)	98,491
Green Whale project	-	112,500	(36,562)	75,938
Biomass Boiler Fund	23,827	-	(12,488)	11,339
Project funds	20,487	160,438	(135,326)	45,599
Important Marine Mammal Project	<u>15,688</u>	<u>49,554</u>	<u>(48,765)</u>	<u>16,477</u>
	<u>60,002</u>	<u>514,719</u>	<u>(326,877)</u>	<u>247,844</u>

26. Analysis of net assets between funds

Group	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 30 September 2022 are represented by:			
Tangible fixed assets	-	135,064	135,064
Current assets	337,666	2,981,872	3,319,538
Current liabilities	-	(413,797)	(413,797)
Long term liabilities	-	(134,288)	(134,288)
Total net assets	<u>337,666</u>	<u>2,568,851</u>	<u>2,906,517</u>
Charity			
Fund balances at 30 September 2022 are represented by:			
Tangible fixed assets	-	39,296	39,296
Current assets	201,123	2,138,659	2,339,782
Current liabilities	-	(331,748)	(331,748)
Total net assets	<u>201,123</u>	<u>1,846,207</u>	<u>2,047,330</u>

Notes to the financial statements
Year ended 30 September 2022 (continued)

26. Analysis of net assets between funds (continued)

Analysis of net assets between funds (prior year)

Group	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 30 September 2021 are represented by:			
Tangible fixed assets	-	82,840	82,840
Current assets	432,016	2,781,153	3,213,169
Current liabilities	-	(339,571)	(339,571)
Long term liabilities	-	(111,136)	(111,136)
Total net assets	432,016	2,413,286	2,845,302

Charity	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 30 September 2021 are represented by:			
Tangible fixed assets	-	32,647	32,647
Current assets	247,844	2,058,073	2,305,917
Current liabilities	-	(273,164)	(273,164)
Total net assets	247,844	1,817,556	2,065,400

27. Reconciliation of net income to net cash flow from operating activities

Group	2022 £	2021 £
Net income for the year	18,973	644,965
Adjustments for:		
Depreciation	22,818	29,318
Investment gain	-	(6,903)
Foreign exchange loss	23,153	
Decrease in stocks	1,957	4,291
Decrease/(Increase) in debtors	131,524	(180,026)
Increase in creditors	74,225	83,334
Net cash inflow from operating activities	272,650	574,979

Reconciliation of net income to net cash flow from operating activities

Charity	2022 £	2021 £
Net (expenditure)/ income for the year	(60,312)	486,990
Adjustments for:		
Depreciation charges	20,749	22,042
Investment (gain)	-	(6,903)
Decrease/(Increase) in debtors	155,402	(155,661)
Increase in creditors	58,585	73,077
Net cash inflow from operating activities	174,424	419,545

Notes to the financial statements
Year ended 30 September 2022 (continued)

28. Analysis of cash and cash equivalents

Group

	2022 £	2021 £
Cash at bank	<u>1,934,650</u>	1,853,377
Total cash and cash equivalents at year end	<u>1,934,650</u>	<u>1,853,377</u>

Charity

	2022 £	2021 £
Cash at bank	<u>1,132,208</u>	1,191,747
Total cash and cash equivalents at year end	<u>1,132,208</u>	<u>1,191,747</u>

29. Analysis of changes in net debt

Group

	At 1 October 2021 £	Cash flows £	At 30 September 2022 £
Cash	1,853,377	81,273	<u>1,934,650</u>
Loans	<u>(111,136)</u>	<u>(23,152)</u>	<u>(134,288)</u>
Total	<u>1,742,241</u>	<u>58,121</u>	<u>1,800,362</u>

Charity

	At 1 October 2021 £	Cash flows £	At 30 September 2022 £
Cash	1,191,747	<u>(59,539)</u>	<u>1,132,208</u>
Total	<u>1,191,747</u>	<u>(59,539)</u>	<u>1,132,208</u>

30. Related party transactions

The related party transactions entered into by the charity are detailed below. All transactions that arose were in the normal course of business. No related party transactions were entered into with any of the Trustees.

The charity invoiced WDC (Trading) Ltd £82,482 (2021: £54,921) for management charges provided by the charity. No interest (2021: £1,000) was charged on the loan from the charity to the trading company, as the loan was repaid in full early in the year. During the year the charity was repaid £44,536 (2021: £50,940). A balance of £45,964 (2021: £90,503) was owed to the charity by WDC (Trading) Ltd at the year end.

A grant of £25,720 was made to the charity by WDC (NA) during the year to support their projects (2021: £25,058). A grant of £6,549 (2021: £35,320) was paid by the charity to WDC (NA) to support projects. The charity owes WDC (NA) £746 (2021: £nil) at the year end.

No grants were made by WDC Germany to the charity during the year (2021: £3,773). WDC Germany owes the charity £4,444 (2021: £nil) at the year end.

There is a licensing agreement between WDC and an Australian based connected charities which allows WDC Australia to use the WDC logo and brand. During the year, WDC did not donate funds to WDC Australasia (2021: £1,964 – donated to support campaigns and projects).