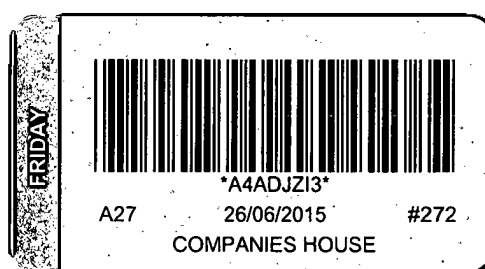
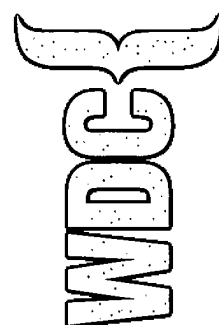


Whale and Dolphin Conservation Report and Financial Statements 2013-2014



WHALE AND
DOLPHIN
CONSERVATION



A world where every whale and dolphin is safe and free

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

Whale and Dolphin Conservation (Limited by guarantee)

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Whale and Dolphin Conservation (Limited by guarantee)

About WDC

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

Our mission is to amaze people with the wonder of whales and dolphins and inspire global action to protect them.

WDC is a leading global charity dedicated to the conservation and protection of whales and dolphins. We defend these remarkable creatures against the many threats they face through campaigns, lobbying, and rescue. We advise governments, run conservation projects, and lead field research.

WDC is a passionate, global campaigner for all whales and dolphins. We care about them and we want others to care about them too. We connect with all people who care about whales and dolphins. We make sure decision makers hear our voice. We are campaigners, we are researchers, we are advisers to governments, and we are volunteers engaging with all parts of global society. Together we are 'one' WDC. We are THE authority on whales and dolphins and the threats they face.

WDC's values:

- Passion – We care deeply about whales and dolphins, and we share this passion with our supporters
- Integrity – Our work is backed by robust research, science and philosophy.
- Inclusiveness – WDC does not work alone. Our supporters are at the heart of what we do. We work with other NGOs, communities and governments to achieve real protection for whales and dolphins
- Courage – We are not afraid to take on those whose actions harm whales and dolphins - whether they be big business, governments or industries

Whale and Dolphin Conservation (Limited by guarantee)

A message from the Chairman

Dear supporters,

WDC's vision is a world where every whale and dolphin is safe and free and this year we are pleased to report notable successes, which take us towards this vision. However, whilst we make progress in some areas, we also have to note that the challenges are growing.

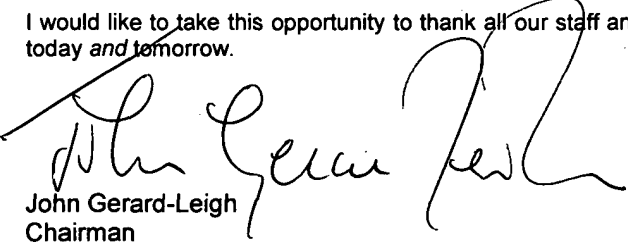
There has been progress in reducing the demand for whale meat and other products. This will ultimately kill the whalers' economic viability. The desire to see whales and dolphins perform in tanks is also decreasing in many parts of the world. But the growing threats of pollution and death in fishing nets, and the explosion of dolphinariums in Russia and China, continue to make the challenges ever stronger. The need for WDC has never been greater.

Despite these challenges, we are making significant gains. Fewer whales are being hunted, despite the whalers' endless drive to increase their quotas. And there is increasing opposition to whaling, critically - within some of the whaling nations themselves. The tide of public opinion is turning against captivity too, nowhere more so than in the US, the home of Seaworld, where the public is voting with its feet.

As you will see in this report, WDC is at the forefront of progress in the captivity and whaling campaigns, as well as helping to develop Marine Protected Areas, such as the one for endangered right whales in the US. We are putting culture and rights on the agenda at international conventions and we are active in many other areas, whether that is engaging in education in the river systems of Latin America, researching in the Outer Hebrides or lobbying governments in all parts of the world. We have a diverse and important programme of projects that are making a difference.

Of course, we cannot do this without our supporters, so I am pleased to report that our income, audience and supporter numbers are growing. But there is always more to be done. Buoyed by our successes, and motivated by the challenges, we are currently undertaking a fundamental planning exercise to assess what the most important challenges are; what we want to achieve and how we want to achieve it.

I would like to take this opportunity to thank all our staff and many volunteers for helping us meet the challenges of today and tomorrow.



John Gerard-Leigh
Chairman

15 June 2015

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

Legal and administrative information

Trustees

The trustees who held office during the year, unless otherwise stated, were as follows:

John Gerard-Leigh (Chairman)
George Adams
Percy Kelland
Sandra Pope
Johnny Reed
Philip Smith

Chief Executive

Chris Butler-Stroud

Registered office and principal office

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

Auditor

Moore Stephens LLP
Prospect House
58 Queens Road
Reading
Berkshire
RG1 4RP

Investment Managers

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

Bankers

Barclays Bank plc
99 Hatton Garden
London
EC1N 8DN

Solicitors

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

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their report (which incorporates the report of the directors) and the audited financial statements of Whale and Dolphin Conservation ("WDC" or "the charity") and its subsidiaries (together, "the group") for the year ended 30 September 2014.

Structure, governance and management

Governing document

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. There are currently six trustees on the board.

Appointment of trustees

Trustees are appointed by the board of trustees by a majority vote. 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.

Related parties

The charity has three subsidiaries. The trading subsidiary, WDC (Trading) Ltd., raises income through merchandise, licensing and lotteries. It gift aids all its 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. WDC (North America) 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. WDC (North America) Inc 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 related party, which has similar aims and objectives to the UK based charity, there is a licensing agreement between the two charities which allows WDC Australasia to use the WDC logo and brand. 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; and
- 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:

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees (continued)

Structure, governance and management (continued)

Risk management (continued)

- 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; and
- 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.

Objectives and Activities

The objectives of WDC are:

- to reduce and ultimately eliminate the continuing threats to cetaceans (whales, dolphins and porpoises) and their habitats;
- to raise awareness of these wonderful animals and the need to protect them in their natural environment.

WDC achieves its objectives through a mixture of campaigning, conservation, research, education and awareness raising, and by representing the interests of whales and dolphins at appropriate national and international forums. WDC is unique in combining concern for the welfare of the animals with efforts to ensure the protection of whole species, unique populations and their habitats. It's this focus on the individual and the wider populations of cetaceans that marks out WDC as different.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Achievements and performance

This report gives us a great opportunity to review our global work over 2013-14 and, as our Chairman indicated in his introduction, to note the significant challenges of the future.

WDC works in many parts of the world on many species and threats. It is one of our great strengths. But of course there are key issues where the challenges are greatest and where, by focusing WDC's resources, we believe we can make the biggest difference and the wisest use of our supporters' money. So it is especially important to highlight our work in these areas.

Stopping Killing

Whaling remains a key campaign for WDC and our supporters.

We continue to focus on investigating and exposing the trade in whale meat and products. The reason for this is simple. Unless they can open up the market, the whalers' trade is - ultimately - doomed.

In 2013-14 we exposed the illegal sale of whale meat in Germany. The Norwegian company responsible has been fined. We exposed the use of whale in a beer, made in Iceland. The world-wide media furor we created resulted in production being stopped.

We also exposed and stopped whalemeat being exported from Iceland to Japan. The meat was impounded before it arrived in Japan.

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees (continued)

Achievements and performance (continued)

We continue to put pressure on the fin whalers in Iceland, especially through asking supermarkets and other retailers in the UK and Germany not to stock fish from Grandi HB, a company with very strong links to the fin whalers. Other groups have also taken up this campaign, applying more pressure, and hurting the whalers where it hurts most - in their pockets!

Whilst firmly attacking whaling wherever it exists, we have to be careful not to view whole nations as being pro-whaling. We are engaging in work in Iceland and the Faroes, looking at the changing culture and nature of those societies, and nurturing and supporting those people who are anti-whaling.

Ending captivity

Perhaps in no other area of WDC's work is the landscape changing so fast as in the controversial area of whale and dolphin captivity. For decades now, there has been a burgeoning industry of capture and display; a one way stream of thousands of whales and dolphins being taken from the wild, never to return, and often being taken to replace those that have died in the 'care' of the captive-aquaria industry. There are roughly 3,000 captive whales and dolphins, held in about 300 separate facilities.

A grim situation. But there is hope, there is change, and it is happening quickly.

In the US the tide of public opinion is turning against the practice of keeping whales and dolphins, especially orcas. Visitor numbers and share prices are down in the aquaria industry, and they are having to rethink their model as a rapid response to public opinion. Seaworld has pledged to increase the size of its tanks. But in WDC's view, this is simply creating a larger prison. There are also motions, supported by WDC, to make holding orcas in tanks illegal in at least one state. In which case the size of the tank won't matter.

We have been focusing our effort on persuading British tourists and operators not to go to, or to carry people, to aquaria in the US which have captive whales and dolphins. During the year we launched a focused campaign to Richard Branson and Virgin to stop carrying UK tourists to Seaworld and other US aquaria that have captive whales and dolphins. Sir Richard responded within 24 hours, stating he would stop working with aquaria that didn't sign Virgin's pledge not to take any more whales and dolphins captured in the wild. Most of the aquaria signed up: <http://www.virgin.com/richard-branson/launching-the-virgin-pledge-on-sea-mammals>. Virgin also hosted a symposium of NGOs's experts and the aquaria industry to discuss the future. Virgin have not gone as far as we hoped, but the pledge is a massive step in the right direction: an end to the capture of wild whales and dolphins that might otherwise have ended up in US aquaria tanks.

We are continuing to put pressure on Virgin and other operators such as BA.

There is change; both within the public and the aquaria industry. To this end, we have to plan a future for the many whales and dolphins held in captivity. We are working with Merlin Entertainments on two key projects: firstly a way to rehouse three beluga whales they inherited when they purchased a facility in China, and secondly a permanent sanctuary for ex-captive dolphins.

We are also pleased to report that at the Convention in Migratory Species (a UN convention) meeting we got agreement from 120 countries to oppose and end the holding of captive whales and dolphins.

Protecting whale and dolphin homes

To protect whales and dolphins we need to protect their homes. But what does this mean in practice?

MPAs (Marine Protected Areas) is a term used to cover a range of legal frameworks which protect vulnerable whale or dolphin species and/or populations, and their habitat. These frameworks are sometimes country specific, but frequently involve two or more governments agreeing to restrict damaging practices such as oil exploration, certain type of fishing or boat speeds. They are a very effective way of addressing many threats at once, and ensuring that specific, large areas of ocean are protected against future encroachment; providing safe spaces for whales and dolphins in their ocean home.

WDC is at the forefront of designating, and even designing new MPAs. Here are some highlights of key areas we worked in and on, in 2013/14.

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees (continued)

Achievements and performance (continued)

The Scottish government declared its intention to review MPAs, and opened up a period of public consultation. WDC supporters sent over 10,000 messages. In response, the government promised to double the number of protected areas.

Through our Act Right Now campaign we lobbied the US government for the protection of endangered Right whales off the north east coast of America. They listened, and have now set permanent speed limits for larger vessels traveling through the whales' habitat. But this isn't enough. We need them to extend the protected area for Right whales. They have promised to act by 2016. We also helped push through a ruling reducing the use of deadly vertical fishing lines. Our work on this MPA is addressing a number of threats, and protecting a number of species. It is also helping us demonstrate that it is possible to enact powerful conservation measures in a place where there are a lot of whales and a great deal of commercial boats, leisure boats and all kinds of fishing activity. Proof that people and whales can share the same space if the right regulations are in place.

In Germany, we are pushing for an MPA to protect Germany's only resident coastal cetacean, the endangered harbor porpoise. In the year, we raised awareness and garnered political support, which we hope will lead to a meaningful MPA designation very soon.

Our work continues to protect New Zealand's vulnerable Maui's and Hector's dolphins, lobbying the government to extend and strengthen the MPA network there. We recently surveyed the NZ public and found significant support for protection measures. We also got good support, across the political spectrum, with the exception of the ruling National party. The National Party secured another three years in recent elections. But WDC is undeterred. We are planning campaign activity, and will not rest until the necessary protection measures are in place.

Establishing rights for whales and dolphins

Rights is a very loaded term. Especially when applied to animals. But in essence it simply means recognising that whales and dolphins are very special; because they have culture, intelligence, self-awareness, neurological wiring in the brain, and many other qualities that have sometimes been thought of as being unique to humans. This programme is about getting recognition of this "specialness", in law. It is important because WDC is not simply about conservation and welfare. We believe individual whales and dolphins should not be hunted or held in captivity, *regardless* of whether they are part of an endangered species, and *regardless* of whether the methods used to kill them are humane. Ultimately, the only way to gain protection for all whales and dolphins, is through recognition of rights in law, both nationally and through international conventions.

Our work in this area is about moving the debate forward: providing sound scientific evidence on culture and intelligence and working with pioneer thinkers, authors and presenters at conferences. People like Hal Whitehead, Philip Hoare, and Thomas White. Great champions for whales and dolphins.

As a mark of real progress I am pleased to report that at the Convention on Migratory Species (a UN intergovernmental treaty), 120 countries agreed a resolution that whale and dolphin 'culture' should be considered in all conservation measures. This is a major step forward.

Ending whale and dolphin hunts

WDC is working within the Faroes and Japan, where drive hunts are, arguably, deeply entrenched in the local culture. But as we are finding in Iceland, there is change. WDC is working to understand and nurture generational change. Our objective is to help evolve the changing view of whales and dolphins, not as a resource, but as a part of natural heritage, one worth preserving and appreciating.

Education

We continue our global education programme; working with schools and communities world-wide. This year we launched a very successful dolphin sculpture trail in Aberdeen. Fifty life-sized dolphin models were painted by local artists and displayed in public places bringing colour, fun and crowds to the "granite city". The project included a substantial education project, where we worked with local schools. The project raised awareness of Scottish dolphins and the need to protect them, and more than £200,000 was raised at auction to support WDC's work.

Scotland - visitors centres

Our visitors' centres continue to thrive. They are a place for us to provide fantastic interpretation and education initiatives; a great place to go shorewatching, and a base for us to coordinate research from.

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees (continued)

Achievements and performance (continued)

Whale watching

WDC encourages *responsible* whale watching. What better way to persuade people of the need to protect whales and dolphins than getting them to see whales and dolphins for themselves?

We continue to work with operators, setting standards for how to watch whales, in the US, Scotland, Sri Lanka and other places. We offer advice to supporters and members of the public, online, on the phone and on board. Also, we use whale watch boats as a fantastic platform for research, especially photo ID.

Science and research

WDC is passionate about whale and dolphin conservation. We campaign, we lobby, we create change. But this passion is only really effective if tempered with expertise and authority. We take our science and research very seriously. As well as funding research we undertake research ourselves; leading the way in non-invasive methods, which we use to gather data on vulnerable species and populations. This 'evidence' is then written into reports that we use to persuade governments, and other decision making bodies to enact proper conservation methods. In 2013/14, we either undertook, or funded, work in the Pacific, North America, in Latin America (three different projects) Scotland (two projects), Wales and Australia.

Other work

Our priority areas are where we focus a great deal of resource and where we score some of our most notable successes. But it is important to note that WDC is active across a number of threats and issues, in many corners of the world, helping a range of species and populations.

Of course, you can always find out more on our website: www.whales.org

Planning for the Future

WDC is constantly looking to where we can improve our delivery in seeking the protection of whales and dolphins.

As part of this drive we have committed to an ongoing programme of internal development. The goal is very simple: to refine our assessment of where the biggest problems for whales and dolphins lie and to apply our resources where we can make the biggest difference.

Hence we are developing our thinking to be delivered through a series of four year plans that will give us the ability to do more for whales and dolphins. It won't be any surprise that that we will be further developing our work on whaling, captivity and marine protected areas - protecting whale and dolphin homes in the sea. But we will also be putting resources into opposing directed hunts of whales and dolphins, preventing the unnecessary deaths in fishing nets and making sure whale and dolphin rights is put on the agenda at international forums. We want to go much further than simple conservation of endangered species or populations. We want protection for *all* whales and dolphins. This is a very exciting phase in WDC's story.

Our planning process is designed to structure WDC and our work programme so that we:

- Engage with people and inspire action to protect whales and dolphins,
- Focus our work to ensure we are achieving the most effective outcomes,
- Grow the organization sustainably and efficiently to meet these future challenges, and,
- Support our volunteers and colleagues to achieve our shared vision of a world safe and free for all whales and dolphins.

To reach these challenging objectives, in a rapidly evolving global environment, we recognize that we need to fully understand our changing audience so we can work with them to help fulfill our shared vision for whales and dolphins. This means innovating in the way we communicate with supporters around the globe. We believe that our planning approach will put us in the best position to meet the ever-increasing challenges whales and dolphins face in the years to come.

Financial review

Total income for the year was £4,569,545. This was up by £1,591,727 from the 2013 level of £2,977,818 due to gross auction income of £697,000 from the Wild Dolphins event in Aberdeen, an exceptional legacy of £548,000 in the UK, additional income from the running of the café at the Scottish Dolphin Centre which we took over during the year, higher than normal legacy income in our US subsidiary and increased Trust and Grant and merchandising

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees (continued)

Financial review (continued)

income. Donations from individuals outside of the above were similar to last year leading us to believe that our investment in direct marketing activity contributed to ceasing the steady decline in this type of giving we had seen since the recession began. The cost of generating funds increased from £935,092 to £1,463,515. This increase of £528,423 is mainly due to cost of running the Wild Dolphins event of £499,000 (including our partner's share of the proceeds of the auction). Another factor was the additional costs of running the café (including staffing).

As a percentage of total incoming resources, the cost of generating funds has increased from 31% in 2013 to 32% in 2014, reflecting the cost of running the Wild Dolphin event, the increased Trading activities and the continuing investment in raising income through direct marketing.

Charitable expenditure in the year amounted to £2,769,359 an increase of 2% from last year. Charitable spend was matched to budgeted regular donation income expected during the year and was increased slightly due to legacy income in previous years. The success of the Wild Dolphins auction resulted in greater income than budget. This only was realized in September (our year end) so we conservatively did not plan to spend this income until we were sure of the results.

Our subsidiary companies had mixed results during the year. Our German subsidiary has had considerable success in attracting new supporters. However, a significant percentage of income continues to come each March from a face to face advertising campaign that was run many years ago. The new supporters are not yet great enough in number to counteract the number of long-time supporters that were acquired during this campaign, some of whom have decided to stop their support after many years of generous donations. We are working to use the lessons learnt about gaining new supporters via the internet that have been made in the UK to continue to increase monthly support, leaving us to rely less on these long-standing donors.

Our US subsidiary benefitted from a legacy that was received during the year. This allowed the US to operate with reduced support from the UK. We continue to work towards all subsidiaries being self-sufficient.

The Trading company had an excellent year, benefitting from the Wild Dolphins event and the first year of WDC running the café at the Scottish Dolphin Centre. Adding an additional trading activity to our operation in Scotland will allow us to operate even more efficiently. 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.

Reserves policy

WDC has a policy of continually reviewing the reserves position to ensure it holds sufficient financial reserves to fund current and future trading. Our objective is to maintain an appropriate level of reserves to keep pace with the development of WDC. Reserves are held to cover cash flow fluctuations, provide emergency cover and to provide for unforeseen opportunities. Due to the recent history of decreasing donations, two years ago we increased the amount we set aside to cover cash flow fluctuations which resulted in a higher reserve level than WDC had historically maintained. In addition, due to the receipt in 2012 of a significant legacy, the trustees had earmarked funds within the reserves to spend on policy initiatives and investment in the growth of our supporter database that would not have been possible without these funds. The receipt of an additional large legacy has allowed WDC to continue to invest in growing its income and to begin a strategic planning process that will take us through the next four years and beyond.

The trustees have determined that the reserve level which will meet the continuing objectives is £650,000 in unrestricted funds. At the end of the year the group had reserves of £1,073,490 of which £1,004,883 represents unrestricted funds. The excess of unrestricted funds over the agreed reserve level has been earmarked to fund various initiatives over the next four years, which include focusing on achieving our planning objectives as outlined in the Planning for the future section of the Trustees report, above.

Whale and Dolphin Conservation (Limited by guarantee)

Report of the Trustees (continued)

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 of its incoming resources and application of resources, including 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:

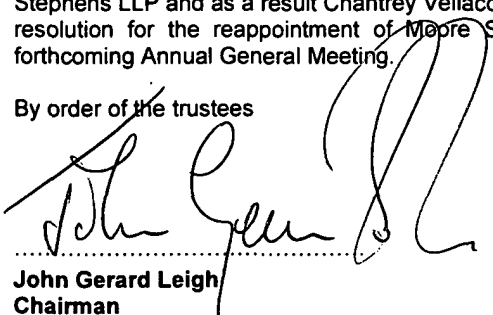
- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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 legislations in other jurisdictions.

Auditor

On 1 May 2015 the charitable company's auditor during the period, Chantrey Vellacott DFK merged with Moore Stephens LLP and as a result Chantrey Vellacott DFK resigned as auditors and Moore Stephens were appointed. A resolution for the reappointment of Moore Stephens LLP as auditor of the charity is to be proposed at the forthcoming Annual General Meeting.

By order of the trustees



John Gerard Leigh
Chairman

Date:

15 June 2015

Whale and Dolphin Conservation (Limited by guarantee)

Independent auditor's report to the trustees and members of Whale and Dolphin Conservation

We have audited the financial statements of Whale and Dolphin Conservation for the period ended 30 September 2014 which comprise the consolidated Statement of Financial Activities, the consolidated and parent charitable company Balance Sheets, the consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees responsibilities set out on page 10, the Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the Report of the Trustees and the financial statements and for being satisfied that they give a true and fair view.

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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees (incorporating a directors' report) to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 30 September 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

***Independent auditor's report to the trustees and members of
Whale and Dolphin Conservation (continued)***

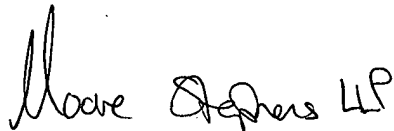
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees (incorporating a directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011, and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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



MIKE MCALLISTER ACA (Senior Statutory Auditor)
for and on behalf of MOORE STEPHENS LLP
Chartered Accountants and Statutory Auditor
READING

Date 25-06-2015.

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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

**Consolidated statement of financial activities
Year ended 30 September 2014
(including an income and expenditure account)**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2014 £	Total funds 2013 £
Incoming resources					
Incoming resources from generated funds					
Donations and similar income	4	1,657,861	232,969	1,890,830	1,871,677
Legacies	5	899,784	-	899,784	123,311
Merchandise, cafe, raffle and magazine income	6	229,242	-	229,242	126,377
Event income		696,577	-	696,577	-
Royalty and other similar income		31,821	-	31,821	37,680
Investment income	7	1,664	-	1,664	1,171
		<u>3,516,949</u>	<u>232,969</u>	<u>3,749,918</u>	<u>2,160,216</u>
Incoming resources from charitable activities					
Membership		167,225	-	167,225	139,141
Adoption programmes		652,402	-	652,402	678,461
		<u>819,627</u>	<u>-</u>	<u>819,627</u>	<u>817,602</u>
Total incoming resources		<u>4,336,576</u>	<u>232,969</u>	<u>4,569,545</u>	<u>2,977,818</u>
Resources expended					
Costs of generating funds					
Fund raising costs		705,794	-	705,794	786,939
Merchandise, cafe, raffle and magazine costs		258,628	-	258,628	148,153
Event costs		499,093	-	499,093	-
		<u>1,463,515</u>	<u>-</u>	<u>1,463,515</u>	<u>935,092</u>
Costs of generating funds					
Charitable activities					
Conservation and campaigns		2,030,594	208,510	2,239,104	2,180,017
Information and education		231,437	-	231,437	223,053
Membership		54,976	-	54,976	72,645
Adoption programmes		260,842	-	260,842	307,367
Recoverable VAT		-	-	(56,408)	-
		<u>2,577,849</u>	<u>208,510</u>	<u>2,786,359</u>	<u>2,726,674</u>
Charitable expenditure		<u>2,577,849</u>	<u>208,510</u>	<u>2,786,359</u>	<u>2,726,674</u>
Governance costs		<u>27,012</u>	<u>-</u>	<u>27,012</u>	<u>25,495</u>
Total resources expended	9	<u>4,068,376</u>	<u>208,510</u>	<u>4,276,886</u>	<u>3,687,261</u>
Net movement in funds, being net income (expenditure) for the year		<u>268,200</u>	<u>24,459</u>	<u>292,659</u>	<u>(709,443)</u>
Balances brought forward		<u>736,683</u>	<u>44,148</u>	<u>780,831</u>	<u>1,490,274</u>
Balances carried forward	21	<u>1,004,883</u>	<u>68,607</u>	<u>1,073,490</u>	<u>780,831</u>

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

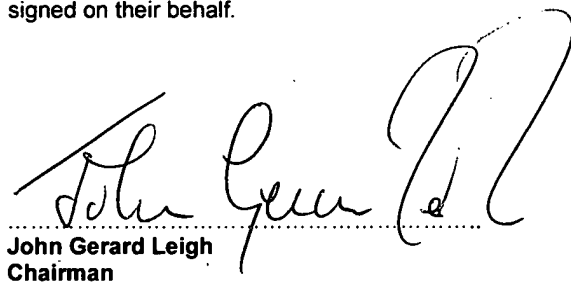
The notes on pages 16 to 27 form part of these financial statements.

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

**Balance sheet
30 September 2014**

	Note	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Fixed assets					
Tangible fixed assets	14	116,464	72,815	92,042	56,397
Investments	15	-	-	-	-
		<u>116,464</u>	<u>72,815</u>	<u>92,042</u>	<u>56,397</u>
Current assets					
Stock	16	40,680	36,909	-	-
Debtors	17	178,143	154,063	408,156	239,367
Cash at bank & in hand		1,383,278	755,361	1,032,757	626,243
		<u>1,602,101</u>	<u>946,333</u>	<u>1,440,913</u>	<u>865,610</u>
Creditors: amounts falling due within one year	18	(645,075)	(238,317)	(563,558)	(196,907)
Net current assets		<u>957,026</u>	<u>708,016</u>	<u>877,355</u>	<u>668,703</u>
Total net assets		<u>1,073,490</u>	<u>780,831</u>	<u>969,397</u>	<u>725,100</u>
Unrestricted funds	21				
Operational funds		650,000	736,683	585,049	706,010
Designated funds		354,883	-	354,883	-
		<u>1,004,883</u>	<u>736,683</u>	<u>939,932</u>	<u>706,010</u>
Restricted funds	21	68,607	44,148	29,465	19,090
Total funds		<u>1,073,490</u>	<u>780,831</u>	<u>969,397</u>	<u>725,100</u>

These financial statements were approved and authorised for issue by the trustees on 15 June 2015 and signed on their behalf.


John Gerard Leigh
Chairman

The notes on pages 16 to 27 form part of these financial statements.

Registered number: 02737421

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

**Consolidated cash flow statement
30 September 2014**

	2014 £	2013 £
Net cash inflow/(outflow) from operating activities (note 22)	710,209	(770,215)
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	<u>(82,292)</u>	<u>(37,930)</u>
Net cash inflow/(outflow) before management of liquid resources and financing	627,917	(808,145)
	<u> </u>	<u> </u>
Increase/(decrease) in cash in the year	<u>627,917</u>	<u>(808,145)</u>
Reconciliation of net cash flow to movement in net funds		
Net cash increase/(decrease) in year	627,917	(808,145)
Net funds at start of year	<u>755,361</u>	<u>1,563,506</u>
Net funds at end of year	<u>1,383,278</u>	<u>755,361</u>
	<u> </u>	<u> </u>
Cash at bank and in hand	<u>1,383,278</u>	<u>755,361</u>

The notes on pages 16 to 27 form part of these financial statements.

Whale and Dolphin Conservation (Limited by guarantee)

Notes to the financial statements Year ended 30 September 2014

1. Company status

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 2014 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 under the historical cost convention rules and in accordance with Statement of Recommended Practice "Accounting and Reporting by Charities", issued in March 2005, applicable accounting standards and the Companies Act 2006.

The directors consider that the consolidated statement of financial activities presented contains all the information of income and expenditure required by the Companies Act and is more appropriate to the activities of the company than the formats for profit and loss as laid down in the Companies Act 2006.

b) Basis of consolidation

The group accounts consolidate the accounts of WDC and its subsidiary undertakings on a line by line basis. The accounts are made up to 30 September 2014.

In accordance with the Companies Act 2006 WDC is exempt from the requirement to present its own statement of financial activities. Net movement in funds for the year ended 30 September 2014 for the charity was a surplus of £244,297.

The amount of the result for the financial period dealt with in the financial statement of subsidiaries is disclosed in note 15 to these accounts.

c) Investments

Investments in listed securities are stated in the balance sheet at their market value as at the balance sheet date. All movements in value arising from investment changes or revaluation are recognised in the consolidated statement of financial activities. Realised gains or losses on investments are calculated as the difference between the disposal proceeds and the balance sheet value. Unrealised gains or losses are derived from the movement on market values during the year.

Investment income is the amount receivable for the year.

Investment in group companies are recorded at cost less any provision for permanent diminution in value.

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

2. Accounting policies (continued)

d) Income

Donations, except in relation to legacies, are accounted for at the time of receipt at head office. Legacies are included when WDC becomes entitled to the funds and the sum receivable can be reliably quantified. Where they rely on the sale of property or investments, and thus do not have a certain valuation, an estimate of their value is disclosed in the notes to the financial statements.

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.

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) Expenditure

All expenditure is accounted for on an accruals basis.

Expenditure categories include support costs (wages and salaries, rent, rates, depreciation and sundry other), which are allocated based on staff numbers, head count or asset value as appropriate.

g) Charitable expenditure

Certain expenditure is directly attributable to charitable activities and has been included in this cost category. Where costs cannot be directly attributed to specific activities, they have been allocated to activities on a basis consistent with the use of the resources.

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.

i) Donations

WDC donates funds to WDC Australasia 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.

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

2. Accounting policies (continued)

j) Taxation

The company, which is a registered charity, is not liable to taxation on the net income from its primary activity.

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 FRS 19.

k) 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) Pensions

The group contributes to individual pension schemes. The amount charged against income represents the contributions payable to the schemes in respect of the accounting period.

m) 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.

n) 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. Such purposes are within the overall aims of the organisation. From these funds, the donation and income deriving there from may be utilised in accordance with the specific purposes.

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.

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

3. Cash flow statement - Charity

	2014 £	2013 £
Net incoming/(outgoing) resources	244,297	(696,733)
Depreciation	27,398	13,423
(Increase) in debtors	(168,789)	(94,176)
Increase/(decrease) in creditors	366,651	(19,724)
Net cash inflow/(outflow) from operating activities	469,557	(797,210)
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	(63,043)	(22,724)
Net cash inflow/(outflow) before management of liquid resources and financing	406,514	(819,934)
Increase/(decrease) in cash in the year	406,514	(819,934)
Reconciliation of net cash flow to movement in net funds		
Net cash increase/(decrease) in year	406,514	(819,934)
Net funds at start of year	626,243	1,446,177
Net funds at end of year	1,032,757	626,243
Cash at bank and in hand	1,032,757	626,243

4. Donations and similar income

	2014 £	2013 £
Individuals	1,277,279	1,306,332
Trusts	262,093	181,333
Adopt a dolphin donations	289,710	335,656
Adopt a whale donations	61,748	48,356
	1,890,830	1,871,677

5. Legacies

Fifteen legacies were received totalling £899,784 (2013: £123,311 in respect of 15 legacies).

6. Merchandise, cafe, raffle and magazine income

	2014 £	2013 £
Merchandising income	114,876	102,547
Raffle income	24,435	23,830
Cafe income	89,931	-
	229,242	126,377

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

7. Investment income	2014	2013
	£	£
Interest receivable	<u>1,664</u>	<u>1,171</u>

8. Taxation

The company, which is a registered charity, is not liable to taxation on the net income from its primary activity.

9. Total resources expended

	Staff costs (note 11) £	Other direct costs £	Total 2014 £	Total 2013 £
Costs of generating funds				
Fund raising costs	423,347	282,447	705,794	786,939
Merchandise, raffle and magazine costs				
Cost of merchandise	43,651	118,771	162,422	75,332
Raffle costs	-	15,987	15,987	14,004
Administration costs	14,468	65,751	80,219	58,817
Event expenses	-	499,093	499,093	-
	<u>481,466</u>	<u>982,049</u>	<u>1,463,515</u>	<u>935,092</u>
Charitable activities				
Conservation, campaigns and donations	1,185,206	1,053,898	2,239,104	2,180,017
Information and education	-	231,437	231,437	223,053
Membership	-	54,976	54,976	72,645
Adoption programmes	-	260,842	260,842	307,367
(Recoverable)/Unrecoverable VAT	-	-	-	(56,408)
	<u>1,185,206</u>	<u>1,601,153</u>	<u>2,786,359</u>	<u>2,726,674</u>
Governance costs	-	27,012	27,012	25,495
	<u>1,666,672</u>	<u>2,610,214</u>	<u>4,276,886</u>	<u>3,687,261</u>

Other direct costs include:

	2014 £	2013 £
Audit fee – parent and group auditors	12,475	12,000
Audit fee – other auditors	14,061	11,717
Operating lease rentals – land and buildings	108,513	108,882
- plant and equipment	6,883	22,711
Depreciation	37,670	16,826
Loss on sale of fixed assets	<u>973</u>	<u>-</u>

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

10. Trustee remuneration

The trustees neither received nor waived any emoluments in either year. The number of trustees to whom reimbursements were made for out of pocket expense, and the amounts were as follows:

	2014 Number	2013 Number	2014 £	2013 £
Travel	-	-	-	-

11. Staff costs

	2014 £	2013 £
Wages and salaries	1,431,093	1,393,961
Social security costs	190,651	189,638
Other pension costs (note 13)	44,928	44,859
	1,666,672	1,628,458

There were two employees (2013: two) whose emoluments for the year were within the £50,000 to £60,000 banding range.

12. Number of staff

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

	2014 No.	2013 No.
Charitable activities	35	38
Cost of generating funds	17	11
Management and administration of the charity	10	9
	62	58

13. Pension costs

The group contributes to a stakeholder pension scheme and other personal pension schemes. The charge for the year represents contributions payable by the group to such schemes and amounted to £44,928 (2013: £44,859).

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

14. Tangible fixed assets

Group	Tenants improvements £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost				
At beginning of year	40,000	123,335	252,751	416,086
Additions	-	29,877	52,415	82,292
Disposals	-	(16,255)	-	(16,255)
At 30 September 2014	40,000	136,957	305,166	482,123
Depreciation				
At beginning of year	32,000	73,386	237,885	343,271
Charge for the year	4,000	18,167	15,503	37,670
Eliminated on disposal	-	(15,282)	-	(15,282)
At 30 September 2014	36,000	76,271	253,388	365,659
Net book value				
At 30 September 2014	4,000	60,686	51,778	116,464
At 30 September 2013	8,000	49,949	14,866	72,815
Charity				
Cost				
At beginning of year	40,000	113,989	224,094	378,083
Additions	-	10,628	52,415	63,043
Disposals	-	(15,000)	-	(15,000)
At 30 September 2014	40,000	109,617	276,509	426,126
Depreciation				
At beginning of year	32,000	68,022	221,664	321,686
Charge for the year	4,000	10,774	12,624	27,398
Eliminated on disposal	-	(15,000)	-	(15,000)
At 30 September 2014	36,000	63,796	234,288	334,084
Net book value				
At 30 September 2014	4,000	45,821	42,221	92,042
At 30 September 2013	8,000	45,967	2,430	56,397

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

15. Fixed asset investments

Name of subsidiary	Country of registration	
WDC (Trading) Limited	England	(100% owned by WDC)
WDC Germany GmbH	Germany	(100% owned by WDC)
WDC (North America) Inc.	USA	(Under the control of WDC)

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

Profit and loss accounts

	WDC (Trading) £	WDC GmbH £	WDC (NA) Inc £
Merchandising income & cafe	199,653	5,765	-
Event income	174,577	-	-
Legacies	-	-	111,894
Raffle income	24,435	-	-
Donations	4,777	421,851	289,019
Royalty and other similar income	6,409	-	2,913
Investment income	820	2	50
Total income	410,671	427,618	403,876
Merchandising	(178,408)	-	-
Event costs	(148,346)	-	-
Raffle expenditure	(15,987)	-	-
Administration expenses	(21,728)	-	-
Fundraising costs	-	(10,604)	(62,714)
Charitable expenses	-	(429,444)	(266,319)
Governance costs	(2,275)	(7,394)	(6,658)
Total expenses	(366,744)	(447,442)	(335,691)
Surplus/(deficit)	43,927	(19,824)	68,185

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

15. Fixed asset investments (continued)

Balance sheets

	WDC (Trading) £	WDC GmbH £	WDC (NA) £
Fixed assets	17,245	11	7,166
Current assets	209,874	70,688	136,495
Creditors: amounts falling due within one year	(519,224)	(62,297)	(57,216)
Net current (liabilities)/assets	(309,350)	8,391	79,279
Total assets less current liabilities	(292,105)	8,402	86,445
Creditors: amounts falling due after more than one year	-	-	-
Net (liabilities)/assets	(292,105)	8,402	86,445

16. Stock

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Goods for resale	40,680	36,909	-	-

17. Debtors

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Amounts falling due within one year				
Trade debtors	32,944	23,560	15,402	16,390
VAT	-	22,370	-	22,370
Amounts owed by subsidiary undertakings	-	-	551,238	444,489
Less provisions against amounts owed	-	-	(295,371)	(339,296)
Prepayments and other accrued income	145,199	108,133	136,887	95,414
	178,143	154,063	408,156	239,367

The loans to subsidiary undertakings are repayable on demand. However, WDC have indicated that they will not seek repayment during the next year. The loans receive interest at 2% above the base rate of the Bank of England. There is no security on these loans.

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

18. Creditors

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Trade creditors	122,285	114,363	82,432	95,171
Social security	29,866	28,858	23,737	24,763
VAT	16,142	5,628	-	-
Accruals and deferred income	476,782	89,468	457,389	76,973
	645,075	238,317	563,558	196,907

19. Financial commitments

Group	2014 Other £	2014 Land & Buildings £	2013 Other £	2013 Land & Buildings £
Expiry date				
Within 1 year	-	-	-	155
Within 2 to 5 years	6,080	93,666	5,754	94,025
	6,080	93,666	5,754	94,025
Charity	2014 Other £	2014 Land & Buildings £	2013 Other £	2013 Land & Buildings £
Expiry date				
Within 1 year	-	-	155	-
Within 2 to 5 years	4,682	81,720	4,352	81,720
	4,682	81,720	4,352	81,720

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

20. Statement of funds

	Balance at 1 Oct 2013	Income	Expenditure	Transfer	Balance at 30 Sept 2014
	£	£	£	£	£
Group					
Unrestricted funds					
Operational funds	736,683	4,336,576	(4,068,376)	(354,883)	650,000
Designated fund	-	-	-	354,883	354,883
Total unrestricted funds	736,683	4,336,576	(4,068,376)	-	1,004,883
Restricted funds					
Trusts	44,148	232,969	(208,510)	-	68,607
Total restricted fund	44,148	232,969	(208,510)	-	68,607
Total funds	<u>780,831</u>	<u>4,569,545</u>	<u>4,276,886</u>	<u>-</u>	<u>1,073,490</u>

	Balance at 1 Oct 2013	Income	Expenditure	Transfer	Balance at 30 Sept 2014
	£	£	£	£	£
Charity					
Unrestricted funds					
Operational funds	706,010	3,250,598	(3,016,676)	(354,883)	585,049
Designated fund	-	-	-	354,883	354,883
Total unrestricted funds	706,010	3,250,598	(3,016,676)	-	939,932
Restricted funds					
Trusts	19,090	192,790	(182,415)	-	29,465
Total restricted fund	19,090	192,790	(182,415)	-	29,465
Total funds	<u>725,100</u>	<u>3,443,388</u>	<u>3,199,091</u>	<u>-</u>	<u>969,397</u>

Restricted funds are funds which have been given for particular purposes and projects. Trusts funds are where individual donors have specifically requested how their donations may be spent. Designated funds are those unrestricted funds that have been designated for a specific purpose as explained in more detail in the reserves policy in the Trustees Report.

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

**Notes to the financial statements
Year ended 30 September 2014 (continued)**

21. Analysis of net assets between funds

Group	Restricted funds £	Unrestricted general funds £	Total £
Fund balances at 30 September 2014 are represented by:			
Tangible fixed assets	-	116,464	116,464
Current assets	68,607	1,533,494	1,602,101
Current liabilities	-	(645,075)	(645,075)
Total net assets	68,607	1,004,883	1,073,490
Charity	Restricted funds £	Unrestricted general funds £	Total £
Fund balances at 30 September 2014 are represented by:			
Tangible fixed assets	-	92,042	92,042
Current assets	29,465	1,411,448	1,440,913
Current liabilities	-	(563,558)	(563,558)
Total net assets	29,465	939,932	969,397

22. Net cash inflow from operating activities

	2014 £	2013 £
Net incoming/(outgoing) resources	292,659	(709,443)
Depreciation	37,670	16,826
Loss on sale of fixed assets	973	-
Increase in stocks	(3,771)	(2,927)
(Increase) in debtors	(24,080)	(40,288)
Increase /(decrease) in creditors	406,758	(34,383)
Net cash inflow / (outflow) from operating activities	710,209	(770,215)

23. Related parties

During the year, WDC supported an Australian based connected charity. There is a licensing agreement between the two charities which allows WDC Australasia to use the WDC logo and brand. During the year, WDC donated funds to WDC Australasia which amounted to £19,997 (2013: £24,489) to support their campaigns and conservation projects.