

COMPANY REGISTRATION NUMBER: 07642041
CHARITY REGISTRATION NUMBER: 1143178

Size of Wales
Company Limited by Guarantee
Financial Statements
31 March 2024

CARSTON
Chartered accountants & statutory auditor
1st Floor, Tudor House
16 Cathedral Road
Cardiff
CF11 9LJ

Size of Wales
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2024

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Size of Wales
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Size of Wales
Charity registration number	1143178
Company registration number	07642041
Principal office and registered office	Temple of Peace King Edward VII Avenue Cathays Park Cardiff CF10 3AP
The trustees	Ms Lowri Jenkins Ms Rebecca Williams Prof. Carwyn Jones Ms Hannah Harvey Mr Stuart Clarke Mr Clive Thomas Dr Paul Belford (Retired 12 October 2023) Mr Richard Denman Miss Sarah Evershed Shea Buckland-Jones (Appointed 11 April 2024) Ms Lisa Hand (Appointed 11 April 2024) Prof. John Hunt (Appointed 11 April 2024) Mr Jeremy Lewis (Appointed 11 April 2024)
Key management	Nicola Pulman (Director) Barbara Davies-Quy (Deputy Director)
Auditor	Carston Chartered accountants & statutory auditor 1st Floor, Tudor House 16 Cathedral Road Cardiff CF11 9LJ
Bankers	Triodos Bank Brunel House 11 The Promenade Bristol BS8 3NN

Size of Wales

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

OBJECTIVES AND ACTIVITIES

Our Vision

A world where people, trees and biodiverse forests thrive together in a safe climate.

Our Purpose

To support communities to secure, sustain and restore tropical forests as part of our national response to climate change.

What we do

The "size of Wales" is often used as a measure of deforestation. Size of Wales was established in 2011 with the aim of turning that negative into a positive: to help to protect an area of tropical forest the size of Wales (2 million hectares) as part of Wales' national response to climate change.

We provide funding and expertise to indigenous and local communities in tropical regions to support them to secure and sustain their precious forests, grow more trees and establish sustainable livelihoods. Through education, community engagement and advocacy, we also raise awareness in Wales of the importance of tropical forests and trees in tackling climate change. We inspire people to see that they can be part of the solution and reduce Wales' overseas deforestation footprint.

Why we do it (public benefit)

We are a climate change charity. The world is facing a climate and nature crisis. Despite irrefutable evidence that man-made emissions are heating our planet and destabilising our climate, global greenhouse gas emissions continue to rise. Globally, we have emitted as much atmospheric carbon in the past thirty years as we did in the previous two centuries of industrialisation. Emissions have continued to go up by 1.5% per year in the last decade.

Fast and deep cuts to global emissions are needed, and trees and forests are an essential part of the solution. The world's forests contain approximately 300 billion tonnes of carbon and absorb approximately 2.6 billion tonnes of carbon dioxide each year. That is roughly equivalent to one-third of the carbon dioxide released by burning fossil fuels. The evidence is clear that stopping global deforestation and restoring degraded forests is critical to limiting global temperature rises further. Forests are crucial for life on earth.

Trees and forests are also crucial to climate change adaptation. By providing a wide range of ecosystem services they reduce social and ecosystem vulnerability in a changing climate and contribute to human wellbeing. This includes reducing soil degradation, erosion and flooding and providing shade, habitat, food and livelihoods. An estimated 28.3 million hectares of forest were lost globally in 2023¹. That's roughly 14 times the size of Wales. Global deforestation itself is now estimated to account for 10-15% of global human induced greenhouse gas emissions.

Tropical forests are at the front line of this forest loss. Around 13% of Earth's land is covered with tropical forests (about 2 billion hectares); but some estimates suggest that tropical forests are currently being cut down at a rate that will eliminate them in less than 100 years. Tropical forests are also unparalleled in terms of their biological diversity - they sustain as much as 50% of the species on Earth - and are home to millions of people, who depend on them for their food and livelihoods.

¹ <https://research.wri.org/gfr/forest-extent-indicators/forest-loss>

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Year ended 31 March 2024

Our Aims

Our work focuses on achieving four strategic goals:

1. Support community projects that secure, and sustain over the long term, an area of tropical forest at least the size of Wales (at least 2 million hectares)
2. Support communities to tackle climate change and develop sustainable livelihoods by growing millions of trees
3. Move Wales towards eliminating imported deforestation from our economy by 2030
4. Inspire people across Wales to reduce their forest footprint, support tropical forests and take climate action.

Ensuring our work delivers our Aims

We review our aims and activities annually when we plan our activities for the coming year. This review looks at what we achieved and the outcomes of our work in the previous 12 months, and the public benefit of the work in line with our charitable purposes. Our annual planning involves setting a work plan and targets for the coming year. This helps us to ensure that our activities remain focused on delivering our aims. Size of Wales also undertook a full strategic review in 2019-20, setting a 5-year strategy to 2025. Work is now underway on preparing a new strategy beyond 2025.

Guiding Principles

All our work is guided by the following principles:

- **Community-focused, participatory and inclusive:**
We connect with those most marginalised and whose voices are least platformed. Our work is led by these communities and our forest partners. We aim to remove barriers and increase access. Collectively, we try to influence decision makers and address the structural inequalities that are driving the climate crisis.
- **Promote justice, care and living well:**
These concepts guide the work we do, the ways we interact and the decisions we make. It relates to the fair treatment and rounded health of people - from our own team all the way to the world's Indigenous Peoples - not neglecting our planet and her forests. We know the climate crisis amplifies existing systemic inequalities, and we recognise how Wales and other Global North countries have contributed to global inequalities and excessive carbon emissions alike. Through our work, we aim to address this harmful legacy both overseas and within communities of Wales.
- **Evidence based and solutions focused:** We take an engaging and creative solutions focused approach, basing our work on research and science including indigenous and local knowledge.
- **Focused and strategic:** We focus our work in Wales *and* overseas at local, national and international level. We aspire to influence change to policy, legislation and behaviours. Our work is aligned to the Wellbeing of Future Generations (2015) Wales Act and international commitments to human rights laws and standards.
- **Ethical and accountable:** We strive for the highest standards of integrity, ethics, accountability and transparency in everything we do. We are informed and guided by the experiences and expertise of others and commit to embracing an inclusive approach to the work we do and how we do it.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE

We work towards our goals through four interrelated programmes of activities:

Goal 1: Forest protection

Aim: Support communities to secure - and sustain over the long term - an area of tropical forest at least the size of Wales (at least 2 million hectares)

This programme provides funding to impactful forest protection projects run by our strategic partners in tropical regions. The projects supported by Size of Wales in this period have been working to secure and sustain areas of tropical forests that total over 3 million hectares in size (approximately one and a half times the size of Wales).

We ensure that all of our projects support local land rights and involve the Indigenous communities that are directly affected by the loss of their forests. These projects - in Africa, South America and Southeast Asia - tackle deforestation in a range of ways including establishing land rights for Indigenous Peoples and supporting the development of sustainable forest management and sustainable livelihoods.



Moses Ndiema, an Ogiek elder, explaining the use of a traditional medicine

In 2023-2024, our current Forest Strategy also enabled us to continue to better link our overseas forests projects to our work in Wales, helping us deliver maximum impact by ensuring all our work areas (education, advocacy, communications and community outreach) are linked to our overall goal of securing tropical forests.

Projects supported in 2023-24

Following detailed screening based on updated criteria, successful projects received a total of £105,529 funding during the year from a combination of funding from The Waterloo Foundation and fundraising donations. This leveraged further external match funding of £74,791 and was supplemented by rapid response funding of £13,800 funding enabling the Wampis Nation to respond to the critical situation regarding illegal logging in the territory and to build canopy bridges to help protect the orangutan population in Sumatra.

Projects supported by Size of Wales continue to place a much greater emphasis on community led projects that work closely with Indigenous Peoples and local communities to protect their forests, incorporating a focus on newly emerging themes for Size of Wales such as gender, inclusion and diversity and awareness of deforestation-risk commodities whilst maintaining areas of work around sustainable livelihoods.

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Year ended 31 March 2024

Achievements and performance *(continued)*

These awards supported six forest protection projects. This includes existing partnerships in Peru, Kenya, Brazil, Democratic Republic of Congo (DRC) and Indonesia, together with a new partner in Brazil. Here is a summary of our main goal 1 projects:

1. INDONESIA, SOS Orangutan: Building ecosystem resilience for orangutans and communities in West Toba Landscape – 52,577 hectares
2. DEMOCRATIC REPUBLIC OF CONGO (DRC), Rainforest Foundation UK (RFUK): Understanding patterns of deforestation in DRC - 257,863 hectares
3. BRAZIL, Synchronicity Earth: Strengthening our people's struggle - The defence of forest areas against soy in the Atlantic Forest - 26,724 hectares
4. PERU, Forest Peoples Programme (FPP): Territories of Abundance: Securing Wampís territory, livelihoods and climate protection - 1,327,761 hectares
5. KENYA, FPP: Securing Ogiek Community Lands, Indigenous Forests, Knowledge and Livelihoods - 178,000 hectares
6. BRAZIL, CAFOD: Protecting Yanomami and Ye'kwana forests from illegal gold mining – 1.2 million hectares

In total, we supported forest communities to protect 3,042,925 hectares of tropical forest in 2023-24 more than one and a half times the Size of Wales. This has involved:

- Strengthening Indigenous land rights through legal support, advocacy and policy work in Peru, Brazil and Kenya
- Mapping data captured to monitor deforestation rates in community owned forests in DRC
- Supporting actions that recuperate traditional Indigenous knowledge, for example by mapping medicinal plants
- Community strengthening and gender work (Women-led assemblies)
- Advocating internationally and at home. For example, by sharing the soy report via our communication channels and at the launch of our public sector pension report with the foreword written by the Guarani and at an event at the Royal Welsh Show. Meetings at COP28 were secured for the Guarani Indigenous leader, Ju Kerexu, to discuss the impact of soy plantations on their land and their struggle for land demarcation.
- Supporting Social Forestry Schemes



Protecting the Peruvian Amazon using solar power

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Year ended 31 March 2024

Achievements and performance *(continued)*

In addition, further activities continued from funding secured in 2022-23 from the Honnold Foundation and Welsh Government to promote renewable green energy transportation and establish a cultural exchange with Wales. Activities in 2023-24 included:

- Facilitation of training Wampis Indigenous technicians in solar technology and the installation, operation and management of solar panels
- Building the first solar powered boat in Peru to enable the Wampis Nation to travel along the river, using 100% renewable energy
- Construction of two solar ports in the communities of Soledad and Shinguito

Goal 2: Community tree growing

Aim: Support communities to tackle climate change and develop sustainable livelihoods by growing millions of trees

In this period, we continued to strengthen our tree growing programme in sub-Saharan Africa, focussing on Uganda with funding from our partnership with Welsh Government and Size of Wales' own fundraising with corporate and individual donors.



Newly established Butta nursery

This was complemented by training and support on agro-forestry techniques and sustainable livelihood initiatives such as beekeeping and the installation of fuel-efficient stoves, reducing the use of firewood.

At the start of the year, we saw the transition of the **Boré Forest Project** in Kenya to fledgling independence. We supported this partnership in conjunction with our corporate partner SportPursuit Ltd with one final set of funds to contribute to their annual 1 million tree seedling target. This allowed them to maintain their tree seedling distribution target, with seed stock predominantly sourced locally, especially indigenous species that were purchased from the local partner Kayas (sacred forest sites) now under protection schemes thanks to the project. A total of 31 species have been delivered to their extensive network of schools and farmers.

Our tree planting work continued with our flagship **Mbale Trees Programme** in Eastern Uganda with our partners the Mount Elgon Tree Growing Enterprise and the Welsh Government. In this financial year, 3,456,446 seedlings were distributed in Uganda, greatly surpassing the annual target (3.1 million). This brings the total number of seedlings distributed to local farmers to 24,153,400 since 2010. This is close to the total target (25 million seedlings) to be distributed by 2025.

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Year ended 31 March 2024

Achievements and performance *(continued)*

At the beginning of the financial year, the format of the nursery sites was changed. Whereas at the beginning of the year all of the 17 nursery sites were managed by the two Implementing Partners (BRDC and MEACCE), during the year, seven nursery sites were established and opened by METGE at Butta, Mafudu, Zesui, Kanyanga, Ganzo-Mayiyi, Bumatofu and Bunabutsale, with METGE now directly or indirectly supporting 24 nursery sites, of which 11 are women led.

Other highlights of the expanded METGE programme include:

- Improved balance in the distribution of type of tree seedling categories
- Restoration of Nakayirila Micro Catchment (NaMiC) using participatory approaches
- Improved farmer knowledge and skills- 80 farmers (16 groups) were trained using practical hands-on techniques on sustainable agroforestry practices
- Improved farmers' decision making on the type of tree species to plant on their farms through community engagements training sessions and radio talk shows reaching 450 farmers
- Supported livelihoods and savings projects, including training and support to 25 beekeeping groups.
- Review of the 2022-23 Gender and Climate Justice reporting positive impact on family life, livelihoods, sustainable land management and conservation efforts.



DEBORAH NABULOBI

"The project has given us leadership training and the confidence to address issues that women go through. I would like to stand as a leader of women: by doing so, I can advocate for women and children, especially girls."



REHEMA MAKUMA

"I am a nursery operator, and the project has changed my life. Before, we didn't know how to use our savings, and it was very hard for women to buy land. Now I have land, which I use for planting trees, and my husband knows they are mine."

Our partnership with **Regrow Borneo in Malaysia** continued to prepare and restore over 8.5 hectares of forest along the Kinabatangan River, creating resilient ecosystems that improve connectivity for wildlife, restore biodiversity, sequester carbon, and to improve the wellbeing of local communities.

Some of the above work was enabled by Size of Wales' fundraising, including our annual Festive Trees campaign. We are grateful to our corporate partners for supporting this campaign by raising or donating money, including SportPursuit Ltd and Admiral Group PLC. Thanks also go to Run4Wales for including us in their Community Fund, raising vital funds for forest protection and to Orchard Media for their invaluable practical support.

Goal 3: Imported deforestation

Aim: Move Wales towards eliminating imported deforestation from Wales' economy by 2030

2023-24 was another impactful year for our Deforestation Free Nation campaign, which brought about further policy commitments and greater visibility of the issue across Wales, building on our programme of advocacy work started in early 2020. We would like to extend our thanks to the Joseph Rowntree Charitable Trust, The Co-op Foundation and the Polden Puckham Charitable Foundation for funding this initial work.

Size of Wales

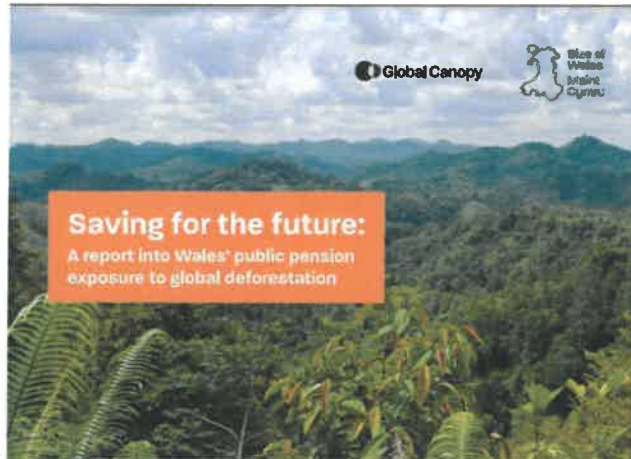
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Year ended 31 March 2024

Achievements and performance *(continued)*

The focus of this work is on eliminating imported deforestation (especially tropical deforestation) from supply chains coming into Wales. This is a programme of policy and advocacy work in Wales (linking into UK wide and international campaigns and initiatives) encouraging the public sector, businesses and individuals in Wales to gradually eliminate imported tropical deforestation from Wales' economy.



Real policy commitment

We have built on the public commitment made by the Welsh Government after our COP26 engagement to influence policy making and policy discussions in Wales. This has resulted in the following changes/impact:

- We have achieved significant policy success in terms of public sector procurement. Caerphilly County Council included our deforestation free criteria in the procurement framework for the new food and catering contract, worth £228 million. This framework covers every county in Wales from Powys / Ceredigion southwards.
- Size of Wales continued to lead a collective of NGOs that have been working on the Social Partnership and Public Procurement (SPPP) Act. Thanks to engagements with the Deputy Minister for Social Justice, a member of Fairtrade Wales was seconded to Welsh Government to help draft the statutory guidance, which will accompany the Act. We are now working with the Welsh Government to devise metrics to measure global responsibility for all public sector contracts in Wales.
- Since April 2023, Size of Wales has been working with Global Canopy to carry out research on Welsh public sector pension funds' exposure to deforestation risk. Global Canopy is a charity that makes accessible the data needed to transition away from the current destructive status quo to help companies, financial institutions and governments tackle their sustainability risks. In November 2023, we launched the new 'Saving for the Future' report and begun engaging with Wales Pension Partnership (that is pool funded from the eight Welsh local authority funds) and Local Authorities on the recommendations of the report.
- We also fed into a number of consultations including the Senedd Climate Change committee consultation on future priorities, the Future Generations Commissioner's consultation on their new strategic plan and the Net Zero Challenge Group consultation, The latter was followed by participation focussing on the food sector and input into the final report and recommendations.

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Year ended 31 March 2024

Achievements and performance *(continued)*

Deforestation Free Communities (DFCs)

Over the past year, we have had significant engagement in Monmouth and worked with four schools, community groups, businesses and the farming community to have a greater understanding of the impact and causes of deforestation, how our actions here in Wales affect tropical forests and how they can positively contribute to solutions. This work has been co-funded by the Coop Carbon Innovation Fund with a final contribution from the Polden Puckham Charitable Foundation and follow-on funding from the Joffe Charitable Trust from April 2024.

Activities focussed on the following:

- Pupil led audits of school menus in four schools identifying the dishes that have a high deforestation risk, followed by development of proposals for actions shared with key stakeholders including Monmouthshire County Council, Monmouth Town Council and food wholesalers
- Developing Deforestation Free menus looking at flavour, texture, cost and nutritional values prior to developing recipe cards and a podcast of the journey, culminating in participating in the Deforestation Free Schools Champion award ceremony
- Engaging with decision makers. Pupils from one school presented the findings of their school menu audit to Wales' Deputy Minister for Climate Change, and galvanised the community by presenting their campaign at the Action Against Climate Emergency (ACE) festival, securing support from the leader of Monmouthshire County Council and the opportunity to address the full council and request the council's commitment to becoming a deforestation free champion
- Pupils from three schools in Monmouth met with the largest food wholesaler in Wales and a major supplier to Monmouthshire County Council to discuss their ethical sourcing policies for beef, meat, dairy, palm oil, coffee and cacao. The pupils set the supplier five challenges to work towards 'deforestation free' supply chains. Size of Wales have been working with the supplier to audit their supply chains. They are now proposing changes to their sourcing and also setting up a sustainable food supplier network to look at embedded soy
- We have been engaging with four businesses across Wales to become deforestation free and as part of their journey, Orchard Media produced an excellent video available on our website to help motivate other businesses to take action
- We have partnered with Action on Climate Emergency (ACE) Monmouth to set up a regenerative mentoring farming scheme to support 34 local farms to reduce use of imported soy animal feed in favour of locally grown alternatives in order to tackle the deforestation risk of embedded soy.
- We continue to engage on the draft Sustainable Farming Scheme. At the Royal Welsh Show we organised an event in collaboration with IBERS (Institute of Biological, Environmental and Rural Sciences - a department of Aberystwyth University). The aim of the session was to discuss alternative animal feed opportunities to move away from soy. Welsh Government officials, NFU Cymru, and Better Origins spoke on the panel.



Pupils from Osbaston doing a cooking session with Cook along Clwb

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Year ended 31 March 2024

Achievements and performance *(continued)*

Goal 4: Education and Engagement

Aim: Inspire people across Wales to reduce their forest footprint, support tropical forests and take climate action.

This programme is split into two sub-programmes:

- Education and Youth Engagement
- Community Engagement

Education and Youth Engagement



Thanks to funding from the Welsh Government, Size of Wales' education workshops continued to be in high demand. Between April 2023 and March 2024, we visited a total of 200 schools across Wales and delivered 560 sessions to approximately 16,800 young people. The sessions are designed to be interactive and fun.



This year, we have focussed on engaging on a deeper level with 20 schools who received a second visit. During these visits they learned more about the forest risk commodities (foods and products) that are consumed every day in Wales and committed to take action within their school. They also learned the impact deforestation has on Indigenous Peoples and how they are the proven best guardians of the forest. Following the successful goal 3 pilot in Monmouth County, our Deforestation Free Schools Campaign was rolled out to other areas as part of our workshops. This involved working closely and intensely with four schools to become deforestation free champions.

We continued to deliver training alongside our valued partner, Keep Wales Tidy, and are looking to enhance this area of work.

Size of Wales in collaboration with Keep Wales Tidy, CAST Centre and Youth for Nature held Youth COP events in Cardiff and Wrexham in November 2023 with a total of seventeen schools attending, represented by 134 students. The day-long events focussed on key topics of climate education, food and farming, and nature loss and recovery. The events aimed to create an opportunity for young people to directly engage with politicians and people in power to have their say on these key topics. The day commenced with an open session and speeches from Ministers, followed by workshops and then an afternoon plenary session where the young people could put their questions to Ministers.

Youth Climate Ambassadors (YCA) for Wales

Size of Wales has continued to engage with the YCA who are now hosted by WCIA / Climate Cymru by providing technical support. Since the move, we have also helped secure funding from the COOP Gamechanger fund to support a part time facilitator for the YCA.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Achievements and performance *(continued)*

Community Engagement

This year, Size of Wales completed the recruitment process for a new Community Outreach Officer (COO) to build on our fantastic existing community partnerships. Once in post, the COO drafted the Community Outreach Strategy which explains how Size of Wales aims to engage historically environmentally disengaged and underrepresented communities, to help create a representative approach within Wales of tackling climate change, including:

- Young people in socially deprived areas
- LGBTQ+ (queer climate activists)
- People of the Global Majority
- Rural Welsh Communities
- Refugees
- Disabled people

These communities were chosen due to their historic positions of being some of the furthest removed from the climate change discussions. It was determined early on that to achieve our goals we would have to adopt a strong partnership approach with organisations already embedded in our target communities. The process of exploring and discovering these partnerships began in Q3. This included a mapping process that identified suitable organisations that matched our ethos and aims followed by a meeting to discuss how we could work together, allowing us to determine what approach would be best to work together; be that a one-off workshop, a presence at an event or a more in-depth relationship/partnership. Following these discussions Size of Wales entered into strong discussions with 16 partner organisations. Whilst several of these relationships are still being explored, many have led to delivered actions, including five community awareness events (reaching 72 individuals) and Size of Wales having a presence at three events. These actions have allowed us to connect with four out of our six target communities.



Run4Wales community event

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Year ended 31 March 2024

FINANCIAL REVIEW

Review of the financial position at the end of the accounting period

Total income during the year was £1,304,568 (2023: £1,103,789).

Total expenditure amounted to £1,194,775 (2023: £1,270,178). Grant funding activities of £735,773 are included within this figure (2023: £815,616).

Overall, there was a surplus of £109,793 (2023: net deficit of £166,389) for the year. The variations are due to timings of income and expenditure on restricted funds. In total £69,244 (2023: £27,584) unrestricted surplus was added to our reserves.

See further detail under reserves policy of 'core' free reserves available at 31 March 2024.

Summary of Reserves

At the year end the balance of unrestricted reserves, including designated funds, was £306,168 (2023: £236,924) and restricted funds amounted to £268,123 (2023: £227,574). The level of free reserves available was £240,215 (2023: £197,028).

Principal sources of funding

We received funding from the Welsh Government, as well as a number of trusts and foundations including The Waterloo Foundation, the Co-op Foundation, The Honnold Foundation (an element of which was granted directly to partner organisations), and the Joseph Rowntree Charitable Trust. In this period, we also received smaller grants including from Ernest Kleinwort Charitable Trust and a WCVA grant to advancing gender equality for climate change. Size of Wales also received some much-valued income from corporate partnerships and donations from the public. Our thanks go to all who supported us during the year to make our work possible.

Reserves Policy

The board has a policy of retaining at least three months running costs. Three months running costs would enable the charity to function, and staff to draw salaries, for a period commensurate with their notice period and would allow the charity to ensure all donations and charitable funds have been delivered to the recipient projects. This would also allow enough time to communicate the cessation of activities to Size of Wales' supporters.

Unrestricted funds, including designated funds at the end of March 2024 were £306,168 (2023: £236,934) and restricted funds amounted to £268,123 (2023: £227,574). Included in unrestricted reserves are designated donations of £54,985. After deducting this and the balance of fixed assets £460, there is a balance representing free reserves of £250,723.

However, £58,306 of this balance, whilst unrestricted, represents advance income from grants which have planned expenditure against them. Such expenditure relates, inter alia, to programmatic support and/or organisational strengthening.

This has significantly increased the level of core unrestricted funds at 31 March 2024.

If this future planned expenditure is removed, the balance, referred to as core unrestricted reserves, is £192,417. These unrestricted core reserves are built up over time to provide funds for meeting unplanned emergency operating expenditure and cash flow without affecting planned delivery.

Our unrestricted free core reserves of £192,417 are in excess of the minimum stated in our reserves policy but after taking into account advanced income of £58,306, slightly below our internal target which the trustees aim to build towards. These reserves are not influenced by fixed assets or investments.

Investment policy

Size of Wales banks with Triodos which was chosen for its ethical investment policies. Funds are released to Size of Wales on a quarterly or annual basis and no long-term investments are held by the charity.

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Year ended 31 March 2024

Financial Review *(continued)*

Risk Management

The charity maintains a Risk Register that is regularly updated and reviewed by the trustees quarterly via the Risk Subcommittee.

The primary risks currently faced by the charity are those of uncertainty in short to medium-term funding, staff turnover, health and safety (especially when staff travel overseas), financial fraud (especially with regard to funding provided to overseas projects), safeguarding and of not meeting funder targets/deliverables due to restrictions. Additionally, the charity recognises the importance of embedding anti-racist and anti-oppressive practices in everything we do, both in Wales and overseas.

PLANS FOR FUTURE PERIODS

Size of Wales is committed to our ambitious 5-year strategy for the period 2020-25. This is based on **four strategic goals** above and **our operational pillars**:

Working to deliver our four strategic Goals

Goal 1: Support community projects that secure, and sustain over the long term, an area of tropical forest at least the size of Wales (at least 2 million hectares)

The work of our forest partners continues to be at the heart of Size of Wales' mission and enriches and supports our policy, education and outreach work here in Wales. As this is the last year of our five-year strategy, we are not proposing any significant changes to our UK partner portfolio. Our monitoring work has shown that we are supporting impactful projects in regions of high need. We have also developed excellent relationships with partners built on trust and shared values. Over the coming year, we will continue to support six forest partners to protect tropical forests the size of Wales via the Waterloo Foundation Match fund and donations.

As part of this portfolio, we will manage the Honnold Foundation grant directly with the Wampis Nation to expand solar energy and livelihoods work in their territory. We will grow our rapid response fund to enable partners to access funding to meet urgent needs, given the level of threats Indigenous partners are facing, particularly in South America.

A strong focus will also be on communicating more about the impact of our partners work to be used in education and community outreach resources and external comms and gathering evidence to show why supporting Indigenous led forest protection is impactful. We will also support the advocacy work of our partners, amplifying their voices at international level.

Goal 2: Support communities to tackle climate change and develop sustainable livelihoods by growing millions of trees

We are well on track to reaching 25 million trees distributed by 2025 and during the next year, METGE will transition towards their new goal of 50 million trees by 2030. We will continue to work with METGE to ensure the programme is effective and having an impact. A strong focus will be on strengthening farmer knowledge and sustainable land management practices and monitoring survival rates.

We will be supporting two sub projects:

- the new Gender grant funded by Welsh Government / WCVA which builds on the previous gender grant in Bumaena
- tree growing work and biodiversity protection on the boundary of the Mt Elgon National Park funded by Admiral and Ernest Kleinwort Charitable Trust (EKCT).

We will continue to provide a small grant from our own fundraising sources to Regrow Borneo, who are now taking a more integral approach to restoring hectares of forest rather than counting the number of trees.

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Plans for future periods *(continued)*

Goal 3: Move Wales towards eliminating imported deforestation from our economy by 2030

We will continue to engage with key stakeholders to reduce Wales' overseas deforestation footprint. This will involve influencing Welsh legislation at national level and engaging with local authorities, businesses, farmers and communities with a focus on young people and is funded by Joseph Rowntree Charitable Trust (JRCT), Joffe Trust and the COOP Foundation.

At national level a key priority will be to engage with Wales' new First Minister and cabinet on the DFN campaign. In terms of specific national policy work, we will focus on the statutory guidance for the Social Partnership and Procurement Bill and the Sustainable Farming Scheme. At local level, we will engage with councils to adopt deforestation free criteria into their procurement contracts and follow up on the impact that having DF criteria in a Food framework tender has already had in one County Council. We plan to also take forward the findings of Size of Wales' pensions report and work with Wales Pension Partnership in introducing commitments on deforestation free investments in their climate strategy, being more aware of their risks and reviewing their investment portfolios, with the support of Global Canopy.

Thanks to funding support from the Joffe Charitable Trust and JRCT we will build on our exciting and innovative Deforestation Free Community (DFC) pilot project in Monmouth funded by the COOP foundation.

Across this goal, we will work closely with our Communications Manager to capture inspiring case studies to share on our website and social media platforms and with key stakeholders to encourage action. We will also look for funding to roll out the DFC model more widely across Wales.

Goal 4: Inspire people across Wales to reduce their forest footprint, support tropical forests and take climate action

We will build on our expanded education and engagement programmes, linking in awareness of the commodities most responsible for tropical deforestation such as palm oil, soy, coffee and cacao. We will also work in a more focussed and reflective way with schools and continue to deliver high quality resources to a diverse range of schools. We will continue to roll out the deforestation free schools initiative across the nation, deepening our impact and enhance the learning with each school, track young people's learning and offer learning progression. We will develop a new strategy to engage with secondary schools and produce a clearer methodology for Youth COP29 to make it less of a one-off event, but more of a process running over a school term which culminates in an in-person conference, where young people are leading sessions.

We will strengthen our engagement with communities outside of the school setting, now that we have a Community Outreach Officer and strategy in place. We will build on the initial discussions and activities held with organisations during the scoping phase in 2023-24, to develop impactful community partnerships for delivery of sessions on climate change to community groups and to engage with a wider audience via events.

Strengthening the four operational pillars underpinning our work

Financial Resilience

A number of our key grants are multi-year grants, providing us with reasonable financial stability for the period 2023-25. We will continue to work to diversify our funding base through growing our non-grant income streams (corporate partnerships and individual giving) and by working to secure grants from new funders (institutional, trusts and foundations). This is to ensure we are not overly dependent on any one funder.

Equality, diversity and inclusion (EDI)

Having started off as an anti-racism review, Size of Wales has broadened this piece of work to cover equality, diversity and inclusion (EDI), with support from organisations such as Disability Wales and Stonewall Cymru. Last year, progress was made to embed EDI into our practices and it has been

Size of Wales

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Plans for future periods *(continued)*

adopted as an organisational pillar. We will build on this and ensure that EDI continues to crosscut all our work at Size of Wales, both internally and externally.

Governance

We will continue to review and strengthen our governance systems where appropriate, ensuring that we are operating to the highest international standards, including diversifying our board of trustees. We also plan to build on our anti-racism work and action plan with our broader EDI approach.

Wellbeing, team cohesion and skilled team

Staff wellbeing will continue to be a priority in 2024-25. The new Wellbeing and Staff Subcommittee will review the findings of the staff survey and develop an action plan. We will also update the team charter, ensure that managers are trained in areas such as mental health, and workload monitored. We will run staff away days and ensure staff are accessing services to improve their wellbeing. We will review the team's quarterly review process and promotion guidance. Following a skills mapping exercise, the team will be encouraged to access training / mentoring where gaps / needs have been identified.

We have and will continue to strive to recruit and maintain a diverse, inclusive, talented and engaged board of trustees.

Communications

Size of Wales is in a key position to reach out further to new audiences and garner more significant support. We will develop a new Communications Strategy to help reach our organisational goals under the current strategic plan. Linking communications and marketing with campaigns will be key and ensuring that fresh, impactful stories in Welsh and English about all the fantastic things that Size of Wales does and supports are spread across Wales and beyond, reaching new audiences.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Size of Wales is a charitable company limited by guarantee and as such is governed by a memorandum and articles of association. The company was incorporated on 20th May 2011 under the Companies Act 2006 and registered as a charity on 29th July 2011.

Trustee Recruitment and Appointment

Trustees are recruited through networks of the current trustee board and/or through public advertisement based on skills and experience in areas identified as needing support and in accordance with the Charity's governing document. No external body or person has the right to appoint trustees.

Trustee Induction and Training

New trustees receive induction sessions and are provided with a trustee pack which contains the following documents:

- i. The essential trustee (a Charity Commission publication)
- ii. Charity commission new trustee registration
- iii. Conflict of interest policy
- iv. Other relevant organisational policies, including Safeguarding Policy and GDPR
- v. Declaration of interest form
- vi. Skills audit
- vii. Trustee role description
- viii. Articles of Association

Size of Wales

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Structure, governance and management *(continued)*

Organisational Structure

As at the end of March 2024, Size of Wales had eight trustees (also company directors), including the Chair. The board of trustees meet quarterly with an Annual General Meeting held every November. Strategic decisions are made by the board but take on the views of the team in a collaborative and democratic style. Pay, remuneration and all governance decisions are made by the board according to the criteria set out in our governing documents and the Designated Authorities Policy.

There are subcommittees including a Risk Subcommittee, Mbale (Uganda) Subcommittee, Wellbeing and Staff Subcommittee, Ethics Subcommittee and a Finance and Fundraising Subcommittee, as well as lead trustees such as a safeguarding trustee and a financial lead trustee.

The day-to-day management of Size of Wales is led by the Executive Director, Nicola Pulman, who is supported by Deputy Director Barbara Davies-Quy and a team of staff, freelancers, contractors and volunteers.

Trustees' responsibilities statement

The trustees (who are also directors of Size of Wales for the purposes of company law) are responsible for preparing the trustees' annual report 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 year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Size of Wales

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

Auditor

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 20 November 2024 and signed on behalf of the board of trustees by:

Trustee.....

Name Carwyn Jones

Size of Wales

Company Limited by Guarantee

Independent Auditor's Report to the Members of Size of Wales

Year ended 31 March 2024

Opinion

We have audited the financial statements of Size of Wales (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Size of Wales

Company Limited by Guarantee

Independent Auditor's Report to the Members of Size of Wales *(continued)*

Year ended 31 March 2024

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; 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 and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion. We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

Size of Wales

Company Limited by Guarantee

Independent Auditor's Report to the Members of Size of Wales *(continued)*

Year ended 31 March 2024

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the Trustees.

Based on our understanding of the charitable company and the charity sector, discussions with management and trustees we identified financial reporting standards, Charities Act 2011 and Companies Act 2006 as having a direct effect on the amounts and disclosures in the financial statements.

As part of the engagement team discussion about how and where the charitable company's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- completing a risk-assessment process during our planning for this audit that specifically considered the risk of fraud;
- enquiry of management about the charitable company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- enquiry of management, about litigations and claims and inspection of relevant correspondence;
- analytical procedures to identify any unusual or unexpected relationships;
- specific audit testing on and review of areas that could be subject to management override of controls and potential bias, most notably around the key judgments and estimates, including the carrying value of accruals, provisions, grant making and revenue recognition;
- considering management override of controls outside of the normal operating cycles including testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements including evaluating the rationale of significant transactions, outside the normal course of charitable activity.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Size of Wales

Company Limited by Guarantee

Independent Auditor's Report to the Members of Size of Wales *(continued)*

Year ended 31 March 2024

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.



Farzana Ahmed (Senior Statutory Auditor)

For and on behalf of
Carston
Chartered accountants & statutory auditor

1st Floor, Tudor House
16 Cathedral Road
Cardiff
CF11 9LJ

Dated: 28/11/2024

Size of Wales
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)

Year ended 31 March 2024

		2024	2023
	Unrestricted funds	Restricted funds	Total funds
Note	£	£	£
Income and endowments			
Donations and legacies	5	228,026	1,071,857
Investment income	6	2,889	–
Other income	7	1,372	424
Total income		<u>232,287</u>	<u>1,072,281</u>
Expenditure			
Expenditure on charitable activities	8,9	163,467	1,031,308
Other expenditure	12	–	–
Total expenditure		<u>163,467</u>	<u>1,031,308</u>
Net income/(expenditure)		<u>68,820</u>	<u>40,973</u>
Transfers between funds		424	(424)
Net movement in funds		<u>69,244</u>	<u>40,549</u>
Reconciliation of funds			
Total funds brought forward		236,924	227,574
Total funds carried forward		<u>306,168</u>	<u>268,123</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.


The notes on pages 25 to 35 form part of these financial statements.

Size of Wales
Company Limited by Guarantee
Statement of Financial Position
31 March 2024

	Note	2024 £	£	2023 £
Fixed assets				
Tangible fixed assets	17		460	1,019
Current assets				
Debtors	18	62,785		24,692
Cash at bank and in hand		552,176		464,109
		<u>614,961</u>		488,801
Creditors: amounts falling due within one year	19	41,130		25,322
Net current assets			573,831	463,479
Total assets less current liabilities			574,291	464,498
Net assets			574,291	464,498
Funds of the charity				
Restricted funds			268,123	227,573
Unrestricted funds				
General funds		251,183		
Designated funds		<u>54,985</u>		
			<u>306,168</u>	<u>236,924</u>
Total charity funds	21		574,291	464,497

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 20 November 2024, and are signed on behalf of the board by:

Trustee..... 

Name **STUART CLARKE**

Company Registration Number: 07642041

The notes on pages 25 to 35 form part of these financial statements.

Size of Wales
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income/(expenditure)	109,793	(166,389)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	336	502
Impairment of tangible fixed assets	223	–
Other interest receivable and similar income	(2,889)	(1,159)
Loss on disposal of tangible fixed assets	–	152
Accrued (income)/expenses	(48)	134
<i>Changes in:</i>		
Trade and other debtors	(38,092)	6,564
Trade and other creditors	15,855	(38,272)
Cash generated from operations	<u>85,178</u>	<u>(198,468)</u>
Interest received	2,889	1,159
Net cash from/(used in) operating activities	<u>88,067</u>	<u>(197,309)</u>
Net increase/(decrease) in cash and cash equivalents	88,067	(197,309)
Cash and cash equivalents at beginning of year	464,109	661,418
Cash and cash equivalents at end of year	<u>552,176</u>	<u>464,109</u>

The notes on pages 25 to 35 form part of these financial statements.

Size of Wales

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Temple of Peace, King Edward VII Avenue, Cathays Park, Cardiff, CF10 3AP.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts are rounded to the nearest £.

Going concern

After making reasonable enquiries and having considered the impact of various other factors on the financial performance of the charity and its current position, the trustees believe the charity will be able to continue to fulfil its charitable purpose, will be able to meet its liabilities as they fall due and will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Depreciation: the trustees set depreciation rates based on their considered estimate of the expected useful life of that asset. This is unlikely to have a material effect.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Size of Wales

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Size of Wales

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 33% reducing balance

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Match funding

The commitment to provide match funded grants will only be recognised when the donations to be match funded have been received and agreed by the board of trustees, and not when they are notified or pledged.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

Each member of the Board of Trustees has undertaken to guarantee the Charity's debts to the sum of £1 each.

Size of Wales

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	92,228	–	92,228
The Waterloo Foundation - donations	–	110,000	110,000
The Waterloo Foundation - general funding	33,000	–	33,000
Grants			
Welsh Government	–	775,000	775,000
Joseph Rowntree Charitable Trust	–	131,622	131,622
Co-op Foundation	–	24,292	24,292
Ernest Kleinwort Charitable Trust	–	5,000	5,000
US Embassy	–	1,943	1,943
Joffe Charitable Trust	25,000	–	25,000
Honnold Foundation	76,998	–	76,998
WG/WCVA	–	24,000	24,000
Other grants receivable	800	–	800
	<u>228,026</u>	<u>1,071,857</u>	<u>1,299,883</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	44,578	–	44,578
The Waterloo Foundation - donations	–	100,000	100,000
The Waterloo Foundation - general funding	30,000	–	30,000
Grants			
Welsh Government	–	651,700	651,700
Joseph Rowntree Charitable Trust	15,899	79,497	95,396
Co-op Foundation	–	72,698	72,698
Scottish Power	–	–	–
Hub Cymru Africa	–	–	–
Polden Puckham Charitable Foundation	–	10,000	10,000
US Embassy	–	–	–
Honnold Foundation	–	75,258	75,258
Keep Wales Tidy	–	22,000	22,000
WCIA Changemakers	–	1,000	1,000
	<u>90,477</u>	<u>1,012,153</u>	<u>1,102,630</u>

Size of Wales

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

6. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>2,889</u>	<u>2,889</u>	<u>1,159</u>	<u>1,159</u>

7. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Other income	<u>1,372</u>	<u>424</u>	<u>1,796</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Other income	<u>–</u>	<u>–</u>	<u>–</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Grants / project funding	157,381	1,031,308	1,188,689
Support costs	6,086	–	6,086
	<u>163,467</u>	<u>1,031,308</u>	<u>1,194,775</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Grants / project funding	65,769	1,198,825	1,264,594
Support costs	–	5,432	5,432
	<u>65,769</u>	<u>1,204,257</u>	<u>1,270,026</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2024 £	Total fund 2023 £
Grants / project funding	452,916	735,773	–	1,188,689	1,264,594
Governance costs	–	–	6,086	6,086	5,432
	<u>452,916</u>	<u>735,773</u>	<u>6,086</u>	<u>1,194,775</u>	<u>1,270,026</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

10. Analysis of support costs

	Analysis of support costs	Total 2024	Total 2023
	£	£	£
Governance costs	6,086	<u>6,086</u>	<u>5,432</u>

11. Analysis of grants

	2024	2023
	£	£
Grants to institutions		
Grants to institutions	<u>735,773</u>	<u>815,616</u>
Total grants	<u>735,773</u>	<u>815,616</u>

12. Other expenditure

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	<u>—</u>	<u>—</u>	<u>152</u>	<u>152</u>

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	336	502
Loss on disposal of tangible fixed assets	<u>—</u>	<u>152</u>

14. Auditors' remuneration

	2024	2023
	£	£
Fees payable for the audit of the financial statements	<u>5,400</u>	<u>5,292</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	334,070	301,768
Social security costs	23,386	22,079
Employer contributions to pension plans	20,353	18,350
	<u>377,809</u>	<u>342,197</u>

The average head count of employees during the year was 15 (2023: 13). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Number of staff	<u>11</u>	<u>9</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £99,365 (2023: £94,971).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

All trustees are entitled to claim the cost of attending trustee meetings. The total reimbursed was £nil (2023: £66) for travelling and subsistence costs.

17. Tangible fixed assets

	Equipment	Total
	£	£
Cost		
At 1 April 2023 and 31 March 2024	<u>3,102</u>	<u>3,102</u>
Depreciation		
At 1 April 2023	2,083	2,083
Charge for the year	336	336
Impairment losses	223	223
At 31 March 2024	<u>2,642</u>	<u>2,642</u>
Carrying amount		
At 31 March 2024	<u>460</u>	<u>460</u>
At 31 March 2023	<u>1,019</u>	<u>1,019</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

18. Debtors

	2024	2023
	£	£
Trade debtors	–	212
Prepayments and accrued income	62,785	24,480
	<u>62,785</u>	<u>24,692</u>

19. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	25,900	3,347
Accruals and deferred income	11,217	11,265
Social security and other taxes	–	6,151
Other creditors	4,013	4,559
	<u>41,130</u>	<u>25,322</u>

20. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £20,353 (2023: £18,350).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	198,047	137,915	(95,711)	10,932	251,183
Project Donations	38,877	94,372	(67,756)	(10,508)	54,985
	<u>236,924</u>	<u>232,287</u>	<u>(163,467)</u>	<u>424</u>	<u>306,168</u>

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	141,851	47,403	(265)	9,058	198,047
Project Donations	67,489	44,233	(65,656)	(7,189)	38,877
	<u>209,340</u>	<u>91,636</u>	<u>(65,921)</u>	<u>1,869</u>	<u>236,924</u>

Excluding the fixed assets value from the general reserves, the free reserves at the year-end amounted to £250,724 (2023 £197,028). This includes advance income (see Trustees Report).

A designated fund exists for the donations received towards project funding. Further donations were received in the current year, as well as spending against the fund.

Included within general fund income is £33,000 from The Waterloo Foundation (2023 £30,000), £76,998 from the Honnold Foundation (2023 £nil) and £25,000 from The Joffe Charitable Trust (2023 £nil) to support core and project costs.

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Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Welsh Government	56,375	775,000	(767,267)	–	64,108
The Waterloo Foundation	90,000	110,000	(103,800)	–	96,200
Scottish Power Prize Fund	1,693	–	(1,693)	–	–
Joseph Rowntree Charitable Trust	12,171	131,622	(75,686)	–	68,107
Ernest Kleinwort Trust	–	5,000	(5,000)	–	–
Polden Puckham Charitable Foundation	10,000	–	(10,000)	–	–
US Embassy	(1,943)	2,367	–	(424)	–
The Co-operative Foundation	58,350	24,292	(43,667)	–	38,975
WCIA Changemakers	928	–	(195)	–	733
WG / WCVA Gender Grant	–	24,000	(24,000)	–	–
	<u>227,574</u>	<u>1,072,281</u>	<u>(1,031,308)</u>	<u>(424)</u>	<u>268,123</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Welsh Government	277,394	651,700	(872,719)	–	56,375
The Waterloo Foundation	88,076	100,000	(98,076)	–	90,000
Hub Cymru Africa	10,000	–	(10,000)	–	–
Scottish Power Foundation	24,506	–	(22,637)	(1,869)	–
Scottish Power Prize Fund	5,000	–	(3,307)	–	1,693
Joseph Rowntree Charitable Trust	8,126	79,497	(75,452)	–	12,171
Polden Puckham Charitable Foundation	6,589	10,000	(6,589)	–	10,000
US Embassy	1,856	–	(3,799)	–	(1,943)
The Co-operative Foundation	–	72,698	(14,348)	–	58,350
Keep Wales Tidy	–	22,000	(22,000)	–	–
The Honnold Foundation	–	75,258	(75,258)	–	–
WCIA Changemakers	–	1,000	(72)	–	928
	<u>421,547</u>	<u>1,012,153</u>	<u>(1,204,257)</u>	<u>(1,869)</u>	<u>227,574</u>

Welsh Government have provided grants in relation to the Education and Communication Programme and to the Mbale Trees project in Mbale, Uganda.

The Waterloo Foundation provided funding to support forest projects.

Hub Cymru Africa has provided funds towards the Gender and Climate Justice project.

The Scottish Power Foundation grant has been received in respect of its MockCOP programme and has been extended to support the Youth Climate Ambassadors programme.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

21. Analysis of charitable funds *(continued)*

The Scottish Power Prize Fund grant was awarded for the education programme for school pupils for participating in the MockCOP events in school and is being utilised to further support the Youth Climate Ambassadors in 2022/23 and beyond.

The Joseph Rowntree Charitable Trust grant was received towards the "Eliminating imported deforestation from Wales' economy" project as well as further funding this year towards Promoting Equality, Diversity, Inclusion and Wellbeing.

The Ernest Kleinwort Charitable Trust provided funding towards Conserving Forests in Mount Elgon National Park.

The Polden-Puckham Charitable Foundation provided funds towards growing the "Zero-Deforestation Nation" project.

The US Embassy has provided an award to support "Wales Youth Citizen Journalism Training Program".

The Co-operative Foundation has provided a grant through their Decarbonisation Fund towards piloting work on Deforestation Free Communities.

Keep Wales Tidy has provided funding towards the "My Tree, Our Forest Schools Project".

The Honnold Foundation provided restricted funding last year in support of the work promoting indigenous self-determination and increasing access to solar energy for the Wampis Nation.

The WCIA Changemakers grant was provided to support Youth Climate Ambassadors to participate in the global Changemakers project.

Wales Council for Voluntary Action (WCVA), through the Welsh Government's Wales and Africa Grant Scheme, have provided a grant towards advancing gender equality for climate change resilience and adaptation in Manafwa district, Eastern Uganda.

Fund transfers represent the transfer of the exchange rate gain made on the US Embassy fund that had been spent in the prior year.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	460	–	460
Current assets	322,838	292,123	614,961
Creditors less than 1 year	(17,130)	(24,000)	(41,130)
Net assets	<u>306,168</u>	<u>268,123</u>	<u>574,291</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,019	–	1,019
Current assets	261,227	227,574	488,801
Creditors less than 1 year	(25,322)	–	(25,322)
Net assets	<u>236,924</u>	<u>227,574</u>	<u>464,498</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

23. Analysis of changes in net debt

	At 1 Apr 2023	Cash flows	At 31 Mar 2024
	£	£	£
Cash at bank and in hand	<u>464,109</u>	<u>88,067</u>	<u>552,176</u>

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Not later than 1 year	<u>6,395</u>	<u>—</u>

25. Related parties

During the year, donations totalling £1,797 were received from members of the trustee board.