



Wilton Park
Harnessing the power of dialogue

WILTON PARK

**AN EXECUTIVE AGENCY OF THE FOREIGN &
COMMONWEALTH OFFICE**

ANNUAL REPORTS AND ACCOUNTS

2011/12

Presented to the House of Commons pursuant to section 7
of the Government Resources and Accounts Act 2000

Ordered by the House of Commons
to be Printed 10th July 2012

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Chairman's foreword

The year ending March 2012 has been a period of achievement and of encouraging progress at Wilton Park.

In a turbulent and volatile year for international affairs Wilton Park has fulfilled its primary role as a front line resource for the FCO. It has used its international reputation and convening power with imagination and flair to enhance Britain's international role and reputation. It has achieved this by responding to and supporting the FCO priorities.

Financially, Wilton Park achieved the budget target of a modest operating cash surplus. Total funding from the FCO grew year-on-year in line with activity levels and we received increased funding from institutions in the USA, Canada, Norway and Sweden. Independent participation fees and commercial sponsorship was stable year-on-year but we have yet to see a return to the levels we enjoyed before the current economic crisis. Commercial activity at Wiston House recorded revenue growth of 43%, an excellent achievement in a tough environment, and delivering on our strategy to maximise the utilisation of the House throughout the year. Richard Burge has more detail on our financial performance in his section of this report.

During the year over 2,800 people from 124 nations attended 54 Wilton Park conferences and events, 39 of which were held at Wiston House, 7 in London and 8 in other countries. Attendance included 88 ministerial (or equivalent) visits from 38 countries; all of our conferences had senior attendance from the FCO (King Charles Street or posts), relevant Whitehall departments or agencies. During the year we won the 2011 Distinguished Contribution to Diplomacy Award (from the Diplomat Magazine) and hosted our first Wilton Park Annual Address given by President Gül of Turkey. Finally, our participant satisfaction scores were again excellent and we have received increasingly valuable feedback from our new Monitoring and Evaluation process.

I would like to thank all of our staff at Wilton Park for their commitment and hard work throughout the year. During the year good progress has been made in developing new ways of working to further enhance the flexibility, the effectiveness and the efficiency of our operations. There has been excellent staff involvement in designing the new organisation and processes which has facilitated successful implementation. The staff survey and the Investor in People re-accreditation surveys both showed high scores and positive trends.

We have again benefitted from the input and wise counsel from the members of the Advisory Council; we are very appreciative of the time they give us and of the support they provide to Richard and the Programme Directors. We are also grateful for the continuing support from the senior team in the FCO and in particular our colleagues in the Communications Directorate.

The Board and the staff share a strong and continuing belief in the value of the work of Wilton Park. Looking ahead we face another volatile year, a simple reflection of the reality of global issues and the role of the FCO and its front line operations. We have ended a successful year and are well prepared for the challenges ahead. We look forward to continuing to contribute to delivering the key priorities of the FCO and to playing our part in creating a safer and fairer world for future generations.

Iain Ferguson CBE
Chairman

Chief Executive's overview

The year has been one of uncertainty and volatility for the world, which has made increasing use of traditional resources and skills in trying to address its problems. One of those traditional and reliable resources is Wilton Park, where we passed another milestone. It was 60 years ago that we moved from our original home in a prisoner of war camp north of London to our current base at Wiston House on the South Downs of England.

The purpose of this annual report to Parliament is to provide the clear and bald facts about our work, acting as an exercise in due diligence and becoming a document of record. It is not a place for hyperbole. But behind the numbers, it is the human effect of Wilton Park that matters. Each of us who works here is faced, week-in week-out, with examples of how we directly assist courageous and committed people charged with securing peace and justice, many in dark and dangerous situations. It is a privilege to serve them, and it is an honour for the UK to continue to provide such a unique and valuable resource to international affairs.

The number of events has diversified and increased, the number of participants has grown to one of our highest, and the number of nations that have engaged with Wilton Park has risen to 124. During the year, we ran 54 events. Forty six of them were our established two-to-three day conferences where, in addition to 39 at Wiston House, 8 took place in other countries and 7 in London. Our policy is, without decreasing the use of Wiston House, to expand the number of events taking place overseas. This enables us to help policy makers get fresh perspectives on problems by changing the range of participants, and it allows us to gather people around our conference table who need to be part of our discussion but who do not or will not travel. We have also started to hold short events in London (the 90 Minute Dialogues), overnight tightly focused events at Wiston House, and the first Wilton Park Annual Address held in London in front of an invited audience. A total of 2,866 individuals participated in our work. Our Wilton Park community has increased to over 30,000 worldwide, an important British resource for influence and dialogue.

After a very uncertain 2010/11, the twelve months of 2011/12 has been much more robust. Our small cash surplus is significant because it is based on having spent slightly less than we earned, and is not the result of an accounting treatment. Our income from the FCO allocation has decreased to 21% of our total revenue and will decrease by a further 15% in 2012/13. This will mark the end of a planned three year reduction in grant support of 36%. We have replaced that fall with increased revenue from commissioned work from a wide range of funding bodies in the UK and other Governments, and other international organisations.

We have decreased our costs and improved efficiency. Having taken into account the contribution of the core grant and our commercial earnings, the average cost of a Wilton Park conference has fallen to £55,000. This will fall further in 2012/13 to £52,000 as a result of major changes we have introduced in the first 6 months of 2012. We have radically changed the way in which we develop, organise, and deliver our work. This means we are more efficient, but also more flexible, and able to further increase our output within our current resources.

Our commercial earnings come from renting the facilities and services of Wiston House during periods when we are not using them for Wilton Park activity. The market for such services is highly competitive and also depressed, but we have increased revenue by 43% to £ 946,000.

Competent, diligent, and committed staff are at the heart of Wilton Park's success. We are extremely fortunate in having such people. Their commitment to what we do is reflected in the improved results in the annual Civil Service Staff Survey; amongst the best in the UK and where Wilton Park bucked the national trends in positive directions. Our intern programme has increased with a total of 14 placements lasting between 6 and 9 months. All internships are advertised and secured through open competition.

In the coming year, we will bed-down the changes in the way we work so that the operational and financial benefits become permanent. We will increase the number and range of our events, not least with more events overseas, focused on establishing permanent programmes of work in emerging powers. We will invest in new technology and new techniques to make the work of our participants more effective and attractive. We will expand significantly our work on prosperity and growth.

In short, Wilton Park continues to provide a unique and valued service to a world that needs a place where, quietly and discreetly, policy makers can seek security and peace for all of us.

Richard Burge
Chief Executive

Wilton Park activity, review of performance and future prospects

Wilton Park conferences

Information on Wilton Park's conferences is published in our Calendar. The Calendar is distributed widely to contacts within Government in the UK and overseas and to a range of international and UK organisations outside Government. Copies are automatically sent to participants in recent conferences, and to previous conference participants.

Details of forthcoming conferences are also very much at the heart of the Wilton Park website www.wiltonpark.org.uk.

In a year of seismic change that saw momentous political ferment sweep through North Africa and the Middle East, the continuing fall out of the global economic downturn and a catalogue of physical disasters that have plunged the world into crisis management mode, Wilton Park has strengthened its position as a robust global platform generating rigorous, fresh and policy focused dialogue, responding flexibly to new developments and building on established programmes.

A highlight of the year was the **Inaugural Wilton Park Annual Address** with **President Abdullah Gül of the Republic of Turkey**, speaking and responding to questions about the historic transition underway in the Middle East and its impact on global politics. The event excited considerable media interest with the President's on-the-record address demonstrating the extent and influence of Turkey's political and economic development.

Defence and security and counter-terrorism

The highly regarded **WMD** programme expanded discussion on the long term viability of the **nuclear non-proliferation** regime in a series of conferences including **Security of sensitive nuclear information**, designed to assist policy formulation in the lead up to the Nuclear Security Summit. The 16th annual event on the overall **Challenges of the nuclear non-proliferation regime**, opened by **Alistair Burt, Parliamentary Under-Secretary of State**, considered the implementation of the ambitious programme of work mandated by the 2010 NPT Review Conference. A further meeting explored **bridging the North-South divide**, towards more effective collaboration between developed and developing states, leading to a landmark conference, **Africa and the Non-Proliferation Treaty Regime**, held in South Africa, in partnership with the renowned pan-African policy research organisation, the **Institute for Security Studies**. The meeting, attended by 43 representatives from African States and regional organisations, addressed the specific engagement of African countries in the treaty as well as the prospects for more co-ordinated policy.

Nuclear deterrence and nuclear assurance in the NATO area, supported by long term partner **Lawrence Livermore National Laboratory**, focused on: susceptibility to strategic attack in the 21st century; future criteria for successful nuclear deterrence; and nuclear assurance to allies. In a follow up to a ground-breaking Wilton Park meeting held in 2009, **Curtailing Nuclear Commodity Trafficking: Deterrence, Detection, and Disruption**, discussed the use of legislative frameworks to prevent trafficking of nuclear materials.

Building on Wilton Park's extensive track record on **chemical and biological weapons non-proliferation**, the meeting on the **Australia Group** (the informal forum of states implementing common export control on dual-use goods), considered future options including membership, the challenges of constant scientific advance, and engagement with non-Government actors. Prior to this, and in preparation for the 2011 **Biological Weapons Convention Review** conference, Heads of Delegation from key states met at the Dutch Foreign Ministry in The Hague.

Policy officials from stakeholder states met informally to discuss **the international arms trade treaty** including an assessment of challenges and options for the 2012 Negotiating Conference.

Underpinning Wilton Park's overall WMD programme, a stock-take on the current state of **multilateral verification** considered its relevance, benefits and effectiveness across major arms control and environment regimes, as well as the options for improving policy and practice. Held in partnership with **VERTIC**, a UK-based think-tank with extensive expertise on the verification of international agreements, the meeting pooled a unique mix of people, including experts from all fields of WMD elimination (chemical, biological and nuclear weapons), the arms trade treaty, and environmental agreements.

The defence programme also encompassed Alliance relationships as well as capability and practical resources in response to threats. **Re-engineering the transatlantic security and defence relationship** brought together senior North American and European policy experts and officials to develop recommendations for the allies as they began to shape the agenda for NATO's May 2012 Chicago Summit. Topics included the challenges to the Alliance posed by the age of austerity and ways of enhancing informal cooperation between NATO and EU members through shared planning, drawing particularly on non-military resources.

Building Local Capacity for Maritime Security considered a series of case studies including Ghana, Seychelles, Colombia, and Uruguay, to understand ways in which developing countries could improve maritime security capability and capacity, reduce threats to national and regional stability and create new sources of revenue. International support to local capacity building, and bridging disconnects between international donor assistance and host country needs were key to the discussion which included presentations from senior officials such as **Thomas Winkler** (Under Secretary for Legal Affairs, Danish Ministry of Foreign Affairs) and **Commodore Emmanuel Bonsu**, (Chief Staff Officer, Ghanaian Navy).

The rights and obligations of states and private security providers in countering piracy were examined in a timely meeting organised in conjunction with the **Geneva Academy of International Humanitarian Law and Human Rights** and the **Geneva Centre for the Democratic Control of the Armed Forces**. Policy makers, legal/academic experts and representatives of private security providers engaged in a lively debate on the adequacy of the normative and policy framework for countering piracy with particular regard to their practical application. The use of force, and arrest and detention procedures are among the difficult issues facing private security providers.

In support of the UK's **Prevent strategy**, this year's **counter-terrorism** series included **tackling the threat posed by violent extremists in prisons**, a practical discussion between police, probation and prison authorities alongside policy makers, with the **National Offender Management Service** presenting ground-breaking work on interventions.

Human Rights, Democracy and Governance

The 8th in the highly regarded series of annual human rights meetings sponsored by the **Norwegian and Swiss Governments** focused on the challenges of **peaceful protest as a cornerstone of democracy**, with the aim of identifying common ground among the international community to strengthen protection for human rights in times of civil protest. Drawing on the experience of the **Arab uprisings** and elsewhere, senior contributors included the **UN's Deputy High Commissioner for Human Rights**, the **Special Rapporteur on the Rights of Peaceful Assembly and Association**, the **Special Rapporteur on Summary and Arbitrary Executions** and the **US's Deputy Assistant Secretary for Democracy, Human Rights and Labour**. There was general agreement that protection should be pursued through legal frameworks based on existing rights.

A **2020 vision for the European Court of Human Rights** was discussed at an event organised in cooperation with the **FCO's International Organisations' Department** and the **Ministry of Justice**, as part of the UK Chairmanship of the Committee of Ministers of the Council of Europe. **Attorney General Dominic Grieve** spoke at the opening of the conference, which was also attended by **Lord McNally**. While the Court was seen as one of Europe's great achievements, problems of the Court's backlog, the lack of political will among some member states in executing its judgments and its public profile in some countries were readily identified.

Amidst concerns over the rapidly evolving situation in North Africa, **human rights and Libya** was the topic of a specially convened half day meeting at the FCO, planned at short notice in the lead up to the 'Contact Group' meeting in Qatar. Discussion included measures to ensure the accountability of people who have committed human rights violations and how, in the future, the people of Libya should have their human rights respected and protected. Speakers included: **Abdurrahman Shalgham** (Former Libyan Permanent Representative to the United Nations, New York), **Philippe Sands** (Professor of Law, Director of Centre on International Courts and Tribunals, University College London) and **Michael O'Flaherty** (Vice-Chairperson, United Nations Human Rights Committee and Professor of Applied Human Rights, University of Nottingham).

The **role of media and social media in democratic governance** was explored in a timely meeting bringing together media experts with foreign policy and development communities. The speed and scale of the uprisings in North Africa and the Middle East have illustrated the need for a more informed and strategic response from civil society, Governments and international institutions. The conference, supported by the **BBC Media Action** and the **Open Society Institute**, discussed the implications of these events, drawing on the media lessons of the widespread democratisation in Eastern Europe post 1989. Key messages from the conference were fed into the subsequent OECD DAC GovNet meeting, in advance of the High Level Forum on Development Effectiveness in Busan in November 2011.

The implications of **social media** also featured in Wilton Park's contribution to the Foreign Secretary's **London Conference on Cyberspace**, which included a well-attended fringe meeting on **Internet Freedom**, opened by the **Right Honourable William Hague**. The invited panel, including the Yemeni activist and blogger **Atiaf Alwazir**, **William Echikson**, (Google's Middle East and Africa Head of Free Expression) and **John Kampfner** (Index on Censorship), took part in a robust debate on 'how free is free speech?'

The debate on individual liberty was also core to a conference **on religious freedom around the world**, organised at the request of **Parliamentary Under-Secretary of State, Alistair Burt** and including contributions from **Paul Bhatti**, (Advisor on Minority Affairs to the Prime Minister of Pakistan), **Mona Siddiqui**, (Professor of Islamic Studies, University of Glasgow) and **Bishop Angaelos** of the Coptic Orthodox Church. A further conference in the 'faith' programme, run in partnership with **Oxfam** and the **Archbishop of Canterbury's Secretariat** for International Development, considered case studies from Afghanistan, China, Sub-Saharan Africa and Yemen and the role of **religion in development**.

The 'statecraft' of diplomats underpinned a workshop on **diplomatic excellence** commissioned in support of a recent FCO initiative and the 5th conference in the **public diplomacy** series which considered the 'conversion challenge' of turning academic theory on **soft power** into practical application. The conference examined the role of culture, sport and the military and explored the specific activities of non-state actors including the OECD and Facebook. Speakers included **Ido Aharoni** (Israeli Consul General in New York and former Head of Israeli Branding); **Professor Nick Cull** (University of Southern California); and **Navdeep Suri** (Joint Secretary, Head of Public Diplomacy, Indian Ministry of External Affairs).

Reforming international governance held in Luxembourg, considered the increasing importance of economic issues in international relations, with particular emphasis on the power shift towards emerging economies. The impact on institutional reform and the prospects for future global governance were key to the senior level discussion which included **Louise Fréchette**, former UN Deputy Secretary-General, **Foreign Minister of Luxembourg, Jean Asselborn**, **Betty E. King** (Permanent Representative of the USA to the UN in Geneva) and **Vanu Gopal Menon** (Permanent Representative of Singapore to the UN in New York).

Conflict prevention, peacebuilding, statebuilding

The UN Secretary-General's Special Representative on Children and Armed Conflict, **Dr Radhika Coomaraswamy** and her predecessor, **Olara Otunnu**, both attended **Protecting children affected by armed conflict**, along with Government policy-makers, including conflict-affected countries such as Colombia, Burma and Sudan. The conference increased knowledge of the evolving response to children's care and protection during and after armed conflict, and explored innovative strategies for enhancing their protection. The meeting was supported by the **Norwegian and the UK Governments**, together with **Lebara Foundation** and held in partnership with **World Vision UK**.

Afghanistan remained high on the agenda in a meeting that explored specific options with regard to the **civil-military presence and transition process towards 2015**. Run in collaboration with **Coffey International Development**, the meeting was supported by the **Australian Asia Pacific Civil Military Centre of Excellence** and **British Army Land Forces**.

Economic prosperity and sustainable development

Building on the Wilton Park series with the **Deutsche Bundesbank** and **GrahamBishop.com**, a Frankfurt meeting on **financial regulation in the European Union** brought together senior market participants, regulators and officials to analyse current efforts to supervise financial markets in the European Union and its Member States and to consider the implementation of new regulatory frameworks.

The **future of the World Trading System** by 2030, the prospects for multilateral trade liberalisation and bilateral and plurilateral models were under discussion at a **BIS/FCO** commissioned meeting which included contributions from **Arancha Gonzalez** (Pascal Lamy's Chief of Staff at the WTO), a strong cohort of WTO Ambassadors, the economist **Stephen King** and **Marc Vanheukelen** (Chef de Cabinet for Commissioner De Gucht).

Wilton Park's series on **Global Food, Agriculture and Land Use** was launched at a conference exploring **policy options in response to increased volatility**. This new conference series, which was developed from previous Wilton Park meetings on global agriculture and food security, will consist of six meetings over the next three years, and is being developed in partnership with Exeter University under the guidance of **Professor Michael Winter**, renowned expert on land use. Speakers included **Arancha Gonzalez**, **Tim Yeend** (Australian Ambassador to WTO), **Charles Godfray** (lead author of the UK Government's Foresight report) and representatives from Argentina, Brazil, South Africa, Japan and the Philippines. The second conference in the series focused on **land use** with speakers from China, Brazil, Cameroon, Cuba and Rwanda, highlighting that soil degradation can be overcome, the importance of land rights, the inclusion of women, and the distorting effect of biofuels mandates.

The 10th conference in the **Global Health Series**, run in partnership with **Sir Richard Feachem** (former Head of the Global Fund for AIDS, TB and Malaria), targeted the **elimination of malaria**, including the efficacy of vaccine programmes. Speakers included the **DFID Minister Stephen O'Brien** and **Health Ministers** from **Nigeria** and **Namibia**.

In a year of high impact, catastrophic events that included earthquakes, tsunamis, drought, famine and flood, responses to **environmental emergencies** and **disaster risk reduction in Asia** formed the basis of two conferences, expanding on previous work. **Sha Zukang**, the UN Under Secretary General, and Conference Secretary-General of the Rio 2012 Conference on Sustainable Development, addressed the environmental emergencies meeting in Switzerland, ensuring that the topic will remain high on the agenda. Both events included practical input from affected countries with the aim of improving early warning systems and reducing impact through innovative technology, better building, and community based approaches. The disaster risk reduction meeting, run in partnership with the **Asia Disaster Preparedness Centre (ADPC)**, was held in Thailand in the aftermath of the severe floods of 2011, with the outcomes of the meeting subsequently channelled via a media and donor panel hosted by the **Foreign Correspondents Club**.

Climate Change and Energy

The FCO commissioned a **specialist 24 hour meeting** in **Lancaster House** that brought together senior experts to discuss the response of Governments and produce concrete recommendations on the **emerging risks to global security and prosperity posed by climate change**. The role of the military, institutional leadership and the nexus with food, water and energy were amongst the emerging themes, with presentations from speakers including **President Ali Bongo Ondimba** of the Gabonese Republic, **UK Secretary of State for Energy and Climate Change, Edward Davey** and **Foreign Minister of Grenada, Karl Hood**.

A year on from the **Fukushima accident**, a meeting on **nuclear energy** assessed the risks and challenges associated with nuclear facilities and material, including the relationships between safety, security, and non-proliferation objectives. High-level speakers included **Rafael Grossi** (Assistant Director General for Policy and Chef de Cabinet, International Atomic Energy Agency), **Lord Hutton** (Chairman, UK Nuclear Industry Association) and **Tibor Toth** (Executive Secretary, Preparatory Commission for the Comprehensive Nuclear Test-Ban Treaty Organisation).

In the run up to the **UN's 2012 International Year of Sustainable Energy for All**, industry experts, business leaders and donor communities met with regional policy makers to consider strategies for **powering Africa** by promoting **sustainable energy infrastructure and investment**. Attendees included the **Ministers of Energy and Mines** from **Namibia** and **Ethiopia**.

From a European perspective, **UK Energy Minister Charles Hendry MP** and **Norwegian Secretary of State Per Rune Henriksen** led discussions with major gas producing companies on the **EU and UK gas security**. The meeting emphasised the increasing perception of gas as the future fuel of choice in the energy mix and considered the impact of new sources as well as the dramatic fall in prices in the US due to the exploitation of shale gas. Emerging themes included technology for carbon capture and storage (CCS), and the need for dialogue between gas producing and consuming countries with regard to security of supply and demand. The conference deliberations will provide substantial input to a major new book: '**A New Architecture for EU Gas Security of Supply**', due for publication in 2012.

The range of unconventional hydrocarbons including oil sands, shale gas, coal-based methane and shale oil were further explored in **New energy frontiers: what role for hydro-carbons in global energy security?** Discussion included global and regional energy security, the impacts of extraction, including CO2 emissions in production, and the national and international frameworks that will guide development.

Key countries and regions

The launch of a new series of seminars, **China Dialogues: prosperity in a new world economic order** run in partnership between Wilton Park and the **Communist Party School (CPS)** took place at the School's campus in Beijing. The first seminar explored ways of measuring prosperity and promoting sustainable growth; examined how to create institutional frameworks for global economic governance that are fit for purpose and identified obstacles. It was opened by **HMA Sebastian Wood** and the **CPS Vice President, Minister Li Jingtian** and will lead to a programme of events to be run over the next two years.

A **brainstorming meeting** on **Nagorno-Karabakh** focused on post settlement undertakings by the international community. These included demining, peace keeping, monitoring, policing, reconciliation, development and whether enough is being done to prevent a return to conflict. A later conference, held in Tbilisi, in partnership with the **Georgian Ministry of Foreign Affairs** and opened by their **Foreign Minister**, sought to define policy options to develop conditions for **safeguarding security in the South Caucasus** with particular regard to regional perspectives.

Future trends and challenges for the Middle East and North Africa, the 6th meeting in the annual 'Futures' series, provided policy planners, along with academics and think-tanks from 23 countries, an opportunity to step back and consider the long term implications of the seismic changes in the region. The main topics under discussion were the balance of power, energy security, economic growth, proliferation and demography. The meeting was developed in collaboration with Whitehall and the **National Intelligence Council (NIC)**, who tasked expert participants with the exploration of potential scenarios to inform NIC's **Global Trends 2030 project**.

A one day workshop in London on **migration management, capacity building and diaspora engagement** in the **Horn of Africa**, commissioned by the FCO and the UK Border Agency, brought together policy makers from the US and EU Member States alongside selected international organisations and non-Governmental organisations. The workshop, which forms part of Action 7 of the EU-US platform of cooperation on Migration and Asylum, focused on developing migration management capacity in third countries and the engagement of diaspora in development activities in their countries of origin.

Emerging leaders

The legacy of Sir Heinz-Koeppler, Wilton Park's founder, remains central to the institution's ethos and this year the 26th **British German Forum** brought together 40 of Britain and Germany's leading thinkers in the 25-35 age range, to discuss security and prosperity. Meetings at the FCO, the German Embassy and the Houses of Parliament were interspersed with presentations from speakers, including alumni, **Angus Robertson**, (Scottish National Party MP) and **Jan Techau**, (Director, Carnegie Europe).

European Union and its neighbours

A meeting, run in partnership with the public policy think tank **ResPublica**, explored issues raised in the debate over the '**big society**' in the UK with related discussions on **societal change and sustainable economic development across Europe**. Speakers included Hungarian Deputy Premier, **Tibor Navracsics**, **Ulf Kristersson** (Swedish Minister for Social Security) and **Nick Herbert MP** (Minister for Policing). Case studies included work in deprived areas of London, the redeployment of an Austrian bank's assets to a philanthropic foundation and democratisation projects in the Ukraine. Civil society organisations warned that the 'big society' agenda, ran the risk of being seen as a cover for Government cuts.

Europe's economic perspectives analysed the impact of the euro crisis and the various responses and explored ways to achieve financial stability and restore confidence. Discussion then moved to a medium and longer term view of Europe's wider role in the evolving global economic structures, its relationship with other major trading blocs and an examination of ways to promote innovation and entrepreneurship. It was agreed that there is excessive focus on the symptoms rather than the underlying economic structural problems which had triggered the crisis. The euro was described as a political construction and, as such, there was strong political will to keep it working. Changes are needed but not crisis response measures triggered by the markets which were, in effect, driving policy. Structural reform was seen as the way to create a 'deeper single market' for entrepreneurship and innovation to flourish.

Key international stakeholders expressed very positive feedback following a meeting on the **future for Bosnia and Herzegovina in Europe and the Euro-Atlantic Community**, designed to support the reinforced EU mission in Bosnia under new EUSR/Head of Delegation, **Peter Sorensen**. Run in tandem with the conference, a breakfast meeting on **Bosnia's NATO Membership Action Plan** (MAP) took place under the chairmanship of Bulgarian Foreign Minister, **Nickolay Mladenov**, with participation of senior Western Balkans officials from the UK, US, France, Germany, Italy, and Turkey, EUSR Peter Sorensen, High Representative, **Valentin Inzko** and Bosnian officials and politicians.

90 minute dialogues

The first Wilton Park **90 minute dialogue**, held at the **Institute for Government** in London, was led by the **US State Department's Secretary for European and Eurasian Affairs, Spencer Boyer**, who led a roundtable, off the record, discussion with selected experts on the **foreign policy implications of multiculturalism**.

The impact of our policy work

Wilton Park conferences contribute to the achievement of the UK Government's international policy priorities. Wilton Park's framework targets include:-

Target: The impact of Wilton Park conferences on policy and opinion should receive the positive endorsement of the Advisory Council and the FCO.

This was successfully achieved.

We engage with a range of external stakeholders on the outcomes from conferences held and in looking at the range and balance of our proposed future conference schedule. These key external stakeholders include the Wilton Park Advisory Council (WPAC) and Wilton Park International Council (WPIC).

We also engage with Directorates within the FCO and with other Government departments to ensure that our policy work is aligned to UK International Policy Priorities.

The contribution of our conferences to policy outcomes is directly measured by feedback from conference participants, both orally and in targeted questionnaires, for which we obtain a response rate of 51%. Last year we developed a new Monitoring and Evaluation system which we rolled out in January 2011. We continue to refine this system and report on its results below.

Schedule of Wilton Park conferences and events 2011/12

Conf ID	Conference title	Dates
WP1127	Libya and human rights - the way forward (in FCO, London)	11 Apr 2011
WP1081	Global food and agriculture: policy options in response to increased volatility	11 - 13 Apr 2011
WP1105	Powering Africa: helping energy infrastructure investment deliver growth and connectivity	13 - 15 Apr 2011
WP1110	Media, social media and democratic governance	16 - 18 May 2011
WP1057	Nagorno Karabakh	23 - 25 May 2011
WP1100	Verification in the 21st century: evolution in concept and practice	1 - 3 Jun 2011
WP1119	Afghanistan 2015: options for the international civil-military presence and transition process	6 - 9 Jun 2011
WP1101	Nuclear deterrence and nuclear assurance in the NATO area	12 - 15 Jun 2011
WP1112	Reforming international governance (in Luxembourg)	15 - 17 Jun 2011
WP1111	New energy frontiers: what role for hydrocarbons in global energy security	15 - 17 Jun 2011
WP1118	Big Society conference	30 Jun - 2 Jul 2011
WP1108	Freedom of religion for everyone, everywhere	3 - 5 Jul 2011
WP1044	Building local capacity for maritime security	7 - 10 Jul 2011
WP1095	British German forum	11 - 15 Jul 2011
WP1115	Tackling violent extremism in prisons	18 - 20 Jul 2011
WP1128	Security of sensitive nuclear information	5 - 7 Sep 2011
WP1124	BTWC review (in the Hague)	11 - 13 Sep 2011
WP1093	Environmental disaster response (in Switzerland)	12 - 15 Sep 2011
WP1129	Re-engineering the transatlantic security and defence relationship	12 - 14 Sep 2011
WP1116	Global land use policies	26 - 28 Sep 2011
WP1098	The nuclear non-proliferation regime: bridging the north-south divide	3 - 5 Oct 2011
WP1117	Putting the power in soft power?	12 - 14 Oct 2011
WP1123	Religion, change and development	24 - 26 Oct 2011
WP1135	Nuclear trafficking with DTRA	27 - 30 Oct 2011
WP1149	Internet freedom (FCO cyber-security event in London)	31 Oct - 2 Nov 2011
WP1136	The arms trade treaty	9 - 12 Nov 2011
WP1145	EU economic perspectives	14 - 16 Nov 2011
WP1156	90 minute dialogue: foreign policy implications of multiculturalism: strategy and practice	16 Nov 2011
WP1139	Council of Europe conference	17 - 19 Nov 2011
WP1137	What future for Bosnia and Herzegovina in Europe and the euro-Atlantic community?	20 - 23 Nov 2011

Conf ID	Conference title	Dates
WP1153	Inaugural Wilton Park Annual Address (with President Gül of Turkey)	23 Nov 2011
WP1125	Disaster prevention (in Thailand)	11 - 14 Dec 2011
WP1122	Challenges of the nuclear non-proliferation regime	12 - 16 Dec 2011
WP1158	Prison and pastoral care: expert exchange workshop 1	19 - 21 Dec 2011
WP1159	Prison and pastoral care: expert exchange workshop 2	9 - 11 Jan 2012
WP1138	Futures - Middle East 2030	18 - 20 Jan 2012
WP1121	EU and UK gas security of supply	23 - 25 Jan 2012
WP1154	Human rights - peaceful protests	26 - 28 Jan 2012
WP1150	Anti-piracy conference	30 Jan - 1 Feb 2012
WP1161	Migration conference with FCO in London	1 Feb 2012
WP1162	What future for the world trade system?	6 - 7 Feb 2012
WP1114	America's Asia Pacific century: Europe's too?	15 - 17 Feb 2012
WP1141	Malaria vaccines	20 - 22 Feb 2012
WP1142	Nuclear energy one year after Fukushima: challenges and responses	27 - 29 Feb 2012
WP1132	Africa and NPT regime (in s Africa)	4 - 7 Mar 2012
WP1174	Burma: long term challenges and international responses	5 - 6 Mar 2012
WP1169	Diplomatic Excellence workshop	7 Mar 2012
WP1163	Conference with China Central Party (in China)	13 - 14 Mar 2012
WP1164	Somalia diasporas	18 - 21 Mar 2012
WP1099	Global financial regulation roundtable (in Frankfurt) with deutsche Bundesbank	19 - 21 Mar 2012
WP1171	Security in the South Caucasus (in Tbilisi)	20 - 23 Mar 2012
WP1151	Protecting children affected by armed conflict: advancing the agenda of the last 10 years	21 - 24 Mar 2012
WP1167	A climate and resource security dialogue for the 21st century	22 - 23 Mar 2012
WP1143	The Australia group	29 - 31 Mar 2012

Measuring the success of our conferences

We look at a variety of indicators to measure the success of each of our conferences, in thematic areas, and in the continuing overall impact of the full set of past and planned conferences. Of the variety of indicators, we pay close management attention to:

Overall Participation Trends, Participation by Profession, Participation by Nationality

Conference ratings – the new Monitoring and Evaluation system particularly focuses on an overall rating and ratings on Effectiveness, Quality, Design and Delivery, Impact and Facilities and Administration.

Overall participation trends

Comparative figures for the last three years are as follows:-

Financial year	Total number of participants	Number of conferences	Average participation
2011/12	2,866	54	53.1
2010/11	2,388	47	50.8
2009/10	3,038	51	59.6

Participation by profession

	2011/12	% 2011/12	2010/11	% 2010/11	2009/10	% 2009/10
Foreign Ministry	768	27	567	24	645	21
Academic/Research Institutes	502	17	558	23	636	21
Business	264	9	295	12	288	10
Other Government Ministries	395	14	289	12	462	15
NGO	318	11	201	8	265	9
International Organisations	253	9	197	8	344	11
Defence Ministry/Military	167	6	133	6	207	7
Parliament/Political	98	3	87	4	119	4
Media	101	4	61	3	72	2
Total	2,866	100	2,388	100	3,038	100

Participation by nationality

	2011/12	% 2011/12	2010/11	% 2010/11	2009/10	% 2009/10
UK	1,074	38	835	35	1,122	37
EU excluding UK	572	20	412	17	520	17
USA	285	10	289	12	395	13
Non EU Europe	296	10	227	10	281	9
Other OECD	138	5	146	6	150	5
South Asia	77	3	101	4	112	4
Middle East	70	2	46	2	63	2
Other Regions	354	12	332	14	395	13
Total	2,866	100	2,388	100	3,038	100

Conference quality ratings

We aim to provide high quality conferences and conference facilities. The new Monitoring and Evaluation system aims to provide more feedback on the impact and effectiveness of the conferences and provides ways in which we can improve the conferences. This new system has been used since 1st January 2011. The findings of the system are reported below.

Monitoring and Evaluation review

The monitoring and evaluation system has been in use since January 2011 and was developed with the aid of Professor Robert Picciotto. A subcommittee of the Wilton Park Advisory Council has been set up to steer the use of the Monitoring and Evaluation system and to help improve and refine it.

The questionnaires focused on five categories and asked participants to rate the sections within those categories. i.e. 'What was your overall impression of the conference?'. These scores were then collated to give an overall rating within the five different categories for each conference.

The table below gives the overall results for each section within the five categories.

Conference results	2011-2012		
Total questionnaires	2,456		
Questionnaires returned	1,264		
Return percentage	51.5		
% Female	30		
A Conference	% Excellent	% Good	Total
Overall impression	67.5	31.7	99.2
B Objectives	% Absolutely	% Almost	Total
Clear and coherent	53.8	42.0	
Relevant to your work	66.5	27.5	
They were met	42.7	49.7	
Overall relevance rating	54.3	39.7	94.1
C Programme design and delivery	% Excellent	% Good	Total
Choice of issues	62.1	35.7	
Selection of participants	55.3	39.4	
Quality of presentation	45.8	50.3	
Quality of facilitation	72.4	26.0	
Quality of debates	58.4	38.2	
Overall effectiveness rating	58.8	37.9	96.7
D Impact	% Definitely	% Significantly	Total
Broader and deeper understanding	38.9	53.5	
Attitude changed	10.3	32.4	
Do things differently	12.1	38.4	
Use new contacts	56.0	36.7	
Consider returning to WP	64.4	33.4	
Worth my time	64.9	33.8	
Overall impact rating	41.1	38.0	79.1
E Facilities and administration	% Excellent	% Good	Total
Rooms	63.7	28.5	
Meals	68.5	20.4	
Service	83.7	8.8	
Administration	89.4	8.1	
Overall facilities and admin rating	76.3	16.5	92.8

Commercial activities

When Wilton Park conferences are not being held, the facilities at Wiston House are used to generate income which provides a contribution towards our overheads. We generate interest internally from Government departments and externally from the private sector to use the facilities for conference, training and banqueting events.

During 2011/12, income from Wiston House commercial activities was £946k (including bar and shop sales) representing an increase of £286k on the previous year (£660k). This income was generated from 103 commercial functions (76 in 2010/11), of which 35 were weddings (28 in 2010/11).

Selling available days around the Wilton Park conference programme is core to maximising this commercial income stream and diary management continues to be the key factor that leads to success in this area. The main Wilton Park website www.wiltonpark.org.uk provides links to online information on hiring the facilities at Wiston House. Alternatively, these can be directly accessed from our commercial website www.wistonhouse.co.uk.

Financial review

The financial target for Wilton Park as set out in the Framework document is as follows:

Target – Wilton Park should meet the costs of its operations through raising income from conferences and other commercial activities (before deducting non-cash items).

This target was met.

Sponsorship and participation fees

Wilton Park conferences raise income almost exclusively through sponsorship and participation fees.

Up until March 2009, sponsorship for conferences was secured on a conference-by-conference basis.

In March 2009, following the results of the FCO Review, the FCO committed to providing 'core' funding for our conferences commencing in 2009/10. In 2011/12 this core funding amounted to £950k (2010/11 £1,100k).

Support from the FCO

As mentioned above, the FCO plays a key role in supporting the work of Wilton Park. The total core funding in 2011/12 was £950k (2010/11 £1,100k) plus conference specific sponsorship of £904k (2010/11 £396k). This amounts to 61% of total sponsorship funding (55% in 2010/11). Additionally, the FCO provides Wilton Park with capital investment resources. During 2011/12 capital investments amounted to £251k (£355k in 2010/11). The total of non-cash resource costs amounted to £306k (£235k in 2010/11). The FCO accounts can be found on the FCO website www.fco.gov.uk.

Creditor payment

Our policy is to pay our creditors within the later of 30 days from the invoice date or receipt of the month-end statement, or within otherwise agreed trading terms. The aggregate number of days taken to pay suppliers was 25 (59 in 2010/11).

Statement on Disclosure of Information to Auditors

So far as the Accounting Officer is aware there is no relevant audit information of which Wilton Park's auditors are unaware.

The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that Wilton Park's auditors are aware of that information.

Wilton Park's staff

The Agency's success is founded on high quality staffing at all levels and high priority is given to the management and training of staff. During this year we were reaccredited with Investors in People, receiving a very positive report from the assessor. There was also an improvement in the Wilton Park employee engagement index, to 76% (2010 – 72%), in the civil service annual employee survey.

We recognise that making best use of the talents and skills of all our staff makes us more effective and productive; we aim to create and sustain a culture that values and actively supports and promotes diversity. We continue to seek every opportunity to develop the potential of all staff at Wilton Park. We continue to provide staff with the training necessary for improving their performance, closing any skill gaps and for their personal development.

This year, staffing levels remained constant at 68, including 16 part-time staff (the equivalent of 63 full time staff at 31st March 2012, (2010/11 - 63).

Staff turnover decreased to 5.8%, with four people leaving (ten in 2010/11). Of the four leavers, two retired.

Two people were recruited and we have also appointed an A Grade from the FCO and taken a B Grade on loan from HM Revenue & Customs during the year.

Recruitment is carried out in accordance with the Civil Service Commissioners' Guidance.

The recruitment figures are shown in the table below:

Grade/Level	Total recruited	% Female	% Ethnic minority	% Disabled
SMS	0	0	0	0
D	0	0	0	0
C	0	0	0	0
B	2	100	0	0
A	0	0	0	0

One of the appointments was an exception to The Civil Service Commission's Recruitment Principles; she is a specialist appointed on a 12 month contract. Our job-shadowing scheme continues to be highly successful, as has our reward scheme, which recognises and rewards staff for outstanding achievements outside their work remit.

We have an active Health and Safety Committee, led by the Personnel Manager, which meets quarterly to discuss a range of matters affecting our staff and visitors. During the year 491 days were lost through sickness absence. This equates to 7.2 days per employee, a reduction of two days per employee from 2010/11 (621 total days lost, 9.1 per employee in 2010/11).

Sustainable operations

Wilton Park is committed to the Government's international policy for prioritisation of sustainable development. As one of the world's leading centres for the discussion of key international policy challenges, Wilton Park contributes strongly to the sustainable development agenda by running conferences on this theme.

Understanding and recognising the global issues links directly with actively managing Wilton Park's own carbon footprint. In seeking to manage operations on a sustainable basis, Wilton Park has endeavoured over the last decade to minimise its impact on the environment in a number of ways and we are committed to continual improvement in our environmental performance, preventing pollution and minimising adverse environmental impacts.

We will fulfil these commitments through a range of measures that include:

- Complying with all relevant environmental laws and regulations
- Setting clear environmental objectives which are prioritised in line with the nature, scale and environmental impacts of our activities
- Actively monitoring performance against objectives and targets
- Implementing effective and efficient resource reduction and handling methods consistent with best practice
- Influencing and managing our suppliers and contractors to ensure that goods procured and services undertaken comply with our environmental policy
- Ensuring that our environmental policy is understood, implemented and maintained at all levels in the organisation and is supported by suitable information and training
- Other environmental practices undertaken at Wilton Park include:
- Food waste recycling through two waste compost machines – with the compost spread on the gardens
- Re-use of materials, waste compaction and compression, recycling of a wide range of materials (glass, plastics, cardboard, paper etc.), or considerate disposal – reducing waste to landfill to one 1,100 litre bin collected twice per week
- Using in-house water filtration and bottling facilities – reducing transportation and materials for bottled water from external suppliers
- Investing in energy saving lighting and other energy efficiency measures – identified through Carbon Trust survey recommendations
- Reducing supplier delivery chains – through using locally sourced products and services wherever practical
- Meeting customer demands and preferences for using environmentally sensitive and Fair-trade products
- Encouraging shared transportation – co-ordinating conference and local travel

We recognise that the use of transport by our staff and conference speakers and participants uses energy and produces CO₂ emissions. Air travel is however, largely unavoidable in the pursuit of our core business. We are actively trying to avoid or reduce emissions as much as possible.

Support for Wilton Park events

British Government departments

Department for Business Innovation and Skills (BIS)
Department for International Development (DfID)
Department of Energy and Climate Change (DECC)
Foreign and Commonwealth Office (FCO)
Home Office
Ministry of Defence (MOD)
National Offender Management Service
Ministry of Justice (MOJ)
UK Border Agency (UKBA)
UK Trade and Investment (UKTI)

Other UK agencies and organisations

BBC Media Action
British Army Land Forces
Centrica plc.
Coffey International Development
Grahambishop.com
Lebara Foundation
Open Society Foundation
Oxfam
ResPublica
The Royal Society
Small Foundation
Verification Research, Training and Information Centre (VERTIC)
The Archbishop of Canterbury's Secretariat for International Development, Lambeth Palace
University of Exeter
World Vision (UK)

International and multinational organisations

Associated British Foods
Cargill
European Commission
GlaxoSmithKline
Global Public Policy Institute (GPPI)
NATO
International Food & Agriculture Trade Policy Council
Novartis
Office for the Coordination of Humanitarian Affairs (OCHA)
PricewaterhouseCoopers
United Nations Environment Programme (UNEP)

Overseas Governments and organisations

Australia

Asia Pacific Civil Military Centre of Excellence

Canada

Canadian Association of Petroleum Producers (CAPP)
Canadian High Commission
Department of Foreign Affairs and Trade, Ottawa
Federal Government of Canada and Alberta
Natural Resources Canada (NRCan)

China

Central Party School

Georgia

Ministry of Foreign Affairs

Germany

Bosch Stiftung

Deutsche Bundesbank

German Federal Foreign Ministry

Kreditanstalt für Wiederaufbau (KfW)

Italy

European University Institute

Fondazione Eni Enrico Mattei

Luxembourg

Ministry of Foreign Affairs

Pierre Werner Institute

Netherlands

International Energy Programme, Netherlands Institute of International Affairs, Clingendael

Humanist Institute for Development Cooperation (HIVOS)

Ministry of Foreign Affairs

Norway

Ministry of Foreign Affairs

Sweden

The Stockholm International Peace Research Institute (SIPRI)

Ministry of Foreign Affairs

Switzerland

Federal Department of Foreign Affairs

Geneva Academy of International Humanitarian Law and Human Rights

Geneva Centre for the Democratic Control of Armed Forces

Medicines for Malaria Venture

Swiss Agency for Cooperation and Development (SDC)

Vestergaard Frandsen

Thailand

Asian Disaster Preparedness Centre

Turkey

Ministry of Foreign Affairs

USA

US Defence Threat Reduction Agency (DTRA)

Department of State/Bureau of Intelligence Research

International Centre for Nonviolent Conflict

Institute for Science and International Security

James Martin Centre for Non-proliferation Studies (CNS)

Lawrence Livermore National Laboratory

Los Alamos National Laboratory

National Intelligence Council (NIC)

PATH Malaria Vaccine Initiative

Sandia National Laboratory

The Global Health Group, University of California

Governance statement

Wilton Park's aims and terms of reference are laid down in a Framework Document approved by Ministers in November 2009. A copy of the Framework Document can be found on the FCO www.fco.gov.uk website. The Wilton Park Senior Management Team provides a forum for the Chief Executive to consult senior staff on performance and strategy, to help resolve management issues, to contribute to financial and business planning and to develop fundraising and marketing strategies. The composition of the Senior Management Team during the year was as follows:

Richard Burge	Chief Executive
Mark Bellone	Operations Director
Tim Catherall	Finance Director
Jo Childs (from Dec 11)	Director, Communications and Delivery
Shirley Ellis	Personnel Manager
Robin Hart	Director of Programmes

The Wilton Park Board agrees strategy and objectives including financial and other performance targets, monitors and evaluates progress, and advises on resource allocation. Its membership is:

Iain Ferguson CBE	Chair of the Wilton Park Board and Advisory Council
Richard Burge	Chief Executive
Andrew Whyte (to Oct 11)	Director of Communications, FCO – Senior Responsible Officer
Anna Clunes (from Oct 11)	Head of Communications and Engagement, FCO – Senior Responsible Officer
Alex Ellis	Director, Strategy, FCO
Alex Jablonowski (NED)	High Performance Leadership Limited
Simon Turl (NED)	Chief Executive, Road Chef

The following also attend the Board:-

Iain Morgan	MOD
Tim Willows	Strategic Finance Adviser, Communications Directorate, FCO
Stephen Townsend	Team Leader, Public Diplomacy Team, Communication and Engagement Department, FCO

Established in 1946, Wilton Park became an Executive Agency in 1991 to give it more operational autonomy and a more secure financial footing through the opportunity to raise more of its funding. The Foreign and Commonwealth Office (FCO) provides capital funding, and financial and other support for individual conferences and for meeting public diplomacy objectives. The remaining costs are met by participants' contributions, sponsorship and the hire of the House for other events.

The Wilton Park Advisory Council was established in 1949. Under the 2009 Framework Document its purpose is to ensure Wilton Park meets the highest intellectual standards, and maintain its reputation as a global centre of excellence. The Secretary of State for Foreign and Commonwealth Affairs appoints members of the Advisory Council. Membership is drawn from the academic world, Government, non-Governmental organisations, media, business, trades unions and other organisations concerned with international relations.

The Advisory Council's primary roles are to advise on the selection of conference themes, and ensure a proper balance is maintained; monitor follow-ups on our delivery of longer term objectives, provide practical advice on partnerships and fundraising. Advisory Council meetings are held twice a year. Individual members (who are volunteers) provide specialist advice and support and participate as appropriate at conferences by chairing sessions and workgroups.

Membership of the Advisory Council is as shown below:

Iain Ferguson CBE	Chair of the Wilton Park Board and Advisory Council
Prof Colin Blackmore, FRS	Professor of Neuroscience, University of Oxford
Rachel Briggs	Director, Hostage UK and Freelance Researcher
Paul Evans	Director Intervention of the Serious Organised Crime Agency
Nik Gowing	Journalist and Broadcaster
Mary Jo Jacobi	British Civil Service Commissioner and Chair of the Forensic Science Service's Independent Advisory Group
Sir Michael Leigh	German Marshall Fund Senior Advisor
Tim Livesey (resigned Jan 12)	The Archbishop of Canterbury's Secretary for Public Affairs
Dr Farhan Nizami	Director, Oxford Centre for Islamic Studies
Robert Picciotto	Visiting Professor at Kings College, London
Rupert H W Robson	Company Director
Prof Philippe J Sands QC	Professor of Law
Victor Sebestyen	Journalist and Writer
Owen Tudor	Head of TUC's European Union and International Relations Department
Sir Stephen Wall GCMG LVO	Chairman (Public Affairs EMEA), Hill & Knowlton
Prof Myles Wickstead CBE	Former Head of Secretariat, Commission for Africa

The role of the Wilton Park International Council is as a principal instrument for the promotion of Wilton Park programmes. It comprises the Heads of Mission in London of the G20 and OECD nations plus the European Commission and the Commonwealth Secretariat. The Council meets annually at the FCO offices in London.

Wilton Park Board effectiveness review

During March 2012 the Board carried out an effectiveness review which consisted of a questionnaire to its members and other attendees at Board meetings. The questions focused on Roles and Responsibilities, Working Together, Making Decisions, Support, Looking Strategically and asked for general comments. The results were discussed at the Board Meeting held on 3rd April 2012. The issues that come out of the review are:-

A strategy day would help to give strategic direction, clearer board objectives are required, Board inductions need reviewing as do board behaviours – how we act as a board, what we look at and when are all to be considered?

It was decided that an action plan based on the issues is to be developed. Overall the Board was considered to be effective in its work and that it complies with the Corporate Governance Code for Central Government Departments Code of Good Practice 2011 published by the HM Treasury and the Cabinet Office in so far as the code applies to Wilton Park and the Board.

Board attendance was as follows:-

	10/06/2011	08/09/2011	23/11/2011	18/01/2012	%age
Iain Ferguson	Y	Y	Y	Y	100%
Richard Burge	Y	Y	Y	Y	100%
Andrew Whyte (to Oct 11)	Y	Y	NA	NA	100%
Anna Clunes (from Oct 11)	NA	NA	Y	Y	100%
Alex Ellis (from Jan 11)	N	Y	Y	Y	75%
Alex Jablonowski (NED)	Y	Y	Y	Y	100%
Simon Turl (NED)	N	N	Y	Y	50%

Wilton Park Audit Committee

The Wilton Park Audit Committee was established to support the Wilton Park Board and the Accounting officer in their oversight by:

- Reviewing the comprehensiveness of assurances in meeting the Board/Accounting Officer's assurance needs
- Reviewing the reliability and integrity of these assurances and
- Providing an opinion on how well the Board and Accounting Officer are supported in decision making and in discharging their accountability obligations (particularly in respect of Financial Reporting)

The full terms of reference are available on the Wilton Park website and have been reviewed this year. The final draft was approved at the Audit Committee meeting on 3 April 2012.

The Committee comprises the two Non-Executive members of the Wilton Park Board: Alex Jablonowski, Chair and Simon Turl and Iain Morgan, Independent Member. The Wilton Park Chairman and Chief Executive, as Agency Accounting Officer, attend each meeting but neither are members of the Committee.

The Audit Committee met three times during the year, including one held on 3rd April 2012, and considered reports from the external auditors, the National Audit Office, the FCO Internal Audit Department, who provide internal audit services to the Agency; and Wilton Park's senior management.

In addition to the Annual Report and Accounts, the Committee also considers:

- Internal Audit's plans, progress, findings and conclusions
- The principal risks facing Wilton Park and their mitigation strategies
- Business continuity plans and the arrangements for testing
- The findings and conclusions from the NAO external audit

Specifically, this financial year, the Committee was presented with audit reports covering Conference and Programme Delivery, Sponsorship and Fundraising and Business Continuity plus three self-audits covering Payments, Receipts and Human Resources in line with the agreed Audit Strategy. The Sponsorship and Fundraising and Business Continuity have been published and recommendations are being implemented. As a result of the Sponsorship and Fundraising audit there has been some strengthening of controls on budgets and financial targets. An exercise was also carried out during the year involving the emergency services and the results form part of our implementation of the Business Continuity plan. Both received a 'medium' assurance rating with Business Continuity scoring a 'high' rating for testing. Programme and Delivery and three self-audits are in the process of being published and implemented.

The Head of Internal Audit reported that : “overall, based on the findings and conclusions from internal audit work undertaken during the year and the continued good progress reported by management in implementing internal audit recommendations, my audit opinion is Moderate Assurance¹: that is, internal controls provide a moderate level of assurance that objectives will be achieved. Some weaknesses in the operation of controls could impair the achievement of the objectives. However, either their impact would be less than critical or they would be unlikely to occur. Under the previous system of audit opinion grading adopted in previous years this would equate to ‘Satisfactory’.

Where improvements have been identified as being required in certain areas the Committee ensures that these are followed-up. No frauds or whistle-blowing cases were reported to us during the year.

Following the completion of the external audit work, the Committee considered a final draft of the Annual Report and Accounts on 15th June 2012. The Committee specifically considered (a) the Governance Statement, and whether any newly identified risks should be disclosed and (b) errors identified by the external audit that had not been adjusted. It was satisfied in both areas. However, HM Treasury advises that an Audit Committee will not be able to advise the Accounting Officer on whether the accounts are true and fair.

The Committee sought views on its effectiveness from members, stakeholders and other meeting attendees during the year and no major issues were identified.

Risk Assessment

Capacity to handle risk

Wilton Park is a small entity and, as such, a small number of individuals have direct responsibility for the management of risks. The majority of risks are either managed or controlled directly by the Wilton Park Senior Management Team, by Programme Directors, or through a number of groups that focus on particular areas such as Business Planning, ICT Strategy, Marketing, Conference Planning and Pricing.

The risk and control framework

The Senior Management Team normally meets monthly to discuss the effective running of Wilton Park and much of the focus revolves around the Wilton Park conference programme, commercial activities and associated financial performance and forecasts. Particular attention is paid to managing risks faced in income generation and control of costs. There is regular feedback on the general economic environment and discussion and decision on how the Agency can best target its efforts towards the most promising opportunities for raising sufficient income to meet the costs of its operations.

The Wilton Park Risk Register is formulated from the major issues identified through Senior Management Team discussions from stakeholder, customer and staff feedback and from review by the Audit Committee. The identified risks are weighted in line with the collective experiences of the most senior Wilton Park staff based on past performance and trends, together with information about the current conference environment and prevailing operating and political priorities of main partners, and in particular those of the FCO. Wilton Park has approved a formal statement on risk appetite, enhanced its risk register reporting by adopting the FCO template and developed tailored guidance and training to help staff adopt best practice in risk management.

The following additional processes are in place:

- Six-monthly meetings of the Wilton Park Advisory Council and an annual meeting of the Wilton Park International Council that inform the Wilton Park conference programme in forthcoming calendar years
- Monthly review of performance against Wilton Park’s key conference quality and participation targets
- Monthly review of performance against Wilton Park’s key financial targets and capital prioritisation plans

¹ Internal Audit assess risk management and control using the following assurance ratings: High / Moderate / Limited / No Assurance

- Regular reports from operational managers on steps they are taking to manage risks in their areas of delegated operational and financial responsibility including progress reports on key projects
- On-going liaison with external Health and Safety consultants to ensure our legal compliance in dealing with Health and Safety risks
- On-going liaison with the IT Security Advisors at the FCO to identify and deal with risks to information and obtain guidance on their management and control and
- An agreed programme of Internal Audit examinations, which is informed by an analysis of the extent to which Wilton Park is exposed to risk.

Key Risks and Management of those risks

The key risks faced by the agency during the year included sponsorship and funding both for this year and the next, achieving our strategic aims and objectives, delivery by programme staff and physical security.

These are managed by the Risk Committee by evaluating their impact against the likelihood of the event and then assessing whether they will have high/medium/low impact and high/medium/low likelihood. Each risk has an appropriate description of the risk, the treatment and the progress since the last meeting recorded in the register. The risk register is reviewed by the Audit Committee.

The Board and Audit Committee regularly review the form and content of the financial and management information presented to it, which together present a comprehensive picture of Wilton Park's core business activities and its finance, HR, IT and operational support functions.

I reported four times this year on Wilton Park's performance and plans to the Wilton Park Board. Certain members of the Wilton Park Board form the Wilton Park Audit Committee who scrutinise the Risk Register, in-year reports from the FCO Internal Audit Department and the annual National Audit Office Management Letter. The Audit Committee is chaired by a non-executive member of the Wilton Park Board.

FCO Internal Audit Department operates to Government Internal Audit Standards. Their work is informed by Wilton Park's analysis of the risk to which the agency is exposed, and the annual internal audit plans are endorsed by the Wilton Park Audit Committee and approved by myself. The Head of Internal Audit reports, at least annually, on internal audit activity and provides me with an independent opinion on the adequacy and effectiveness of Wilton Park systems of governance, risk management and internal control, together with recommendations for improvement.

There were no lapses of data security during the year and no ministerial directions were given.

Richard Burge
Chief Executive and Accounting Officer for Wilton Park
18th June 2012

Remuneration report

Service Contracts

Civil Service appointments are made in accordance with the Civil Service Commissioners' Guidance.

Richard Burge was appointed as Chief Executive of Wilton Park on a three year contract commencing 7th September 2009. All other officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the senior officials of the Board. The tables below have been subject to audit.

Name, Title	Salary 2011/12 £000	Bonus 2011/12 £000	Salary 2010/11 £000	Bonus 2010/11 £000
Richard Burge, Chief Executive	110-115	nil	110-115	nil
Iain Ferguson, Chairman	20-25	nil	20-25	nil
Alex Jablonowski, NED	0-5	nil	0-5	nil
Simon Turl, NED	nil	nil	nil	nil

	2011/12	2010/11
Band of Highest Paid Director's Total Remuneration (£ '000)	110-115	110-115
Median - Total Remuneration	24,042	23,699
Ratio	4.6	4.7

Richard Burge and Alex Jablonowski are remunerated by Wilton Park. Iain Ferguson is remunerated by the FCO. Andrew Whyte, Anna Clunes and Alex Ellis are all full time employees of the FCO who do not receive any additional remuneration for their role on the Wilton Park Board.

'Salary' includes gross salary, performance pay or bonuses, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation. The pay and conditions are set by the FCO and are normal Civil Services conditions. This report is based on payments made by the Agency and thus recorded in these accounts. The members of the Wilton Park Board held no other posts during the year.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in Wilton Park in the financial year 2011-12 was £110-£115k (2010-11, £110-£115k). This was 4.6 times (2010-11, 4.7) the median remuneration of the workforce, which was £24,042 (2010-11, £23,699). In 2011-12, no employees received remuneration in excess of the highest-paid director (2010-11, none). Remuneration ranged from £16,635 to £59,099 (2010-11, £16,135 to £66,119).

The Chief Executive was provided with a rent free cottage in the grounds of Wiston House. The cash benefit is calculated as £1,960 for the full year. The Agency has a PAYE Settlement Agreement in place with HM Revenue & Customs for the provision of accommodation which will be met by the Chief Executive.

Pension Benefits

The table below has been subject to audit.

Name Title	Accrued pension at age 60 as at 31/3/12 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	CETV at 31/3/12 £000	CETV at 31/3/11 £000	Real increase in CETV £000
Richard Burge Chief Executive	7	3	69	39	23

Richard Burge is a member of the Nuvos scheme. None of the other Board members have accrued any pension benefits as a result of their work at Wilton Park.

Civil Service pensions

Pension benefits are provided through the Civil Service Pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (Nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and Nuvos are increased annually in line with Pensions Increase legislation. Members who joined from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and Nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In Nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31st March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pension Increase legislation. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of Nuvos.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the member has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are worked out within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Richard Burge
Chief Executive
18th June 2012

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000, Wilton Park is required to prepare accounts for each financial year, in conformity with an HM Treasury Direction, detailing the resources acquired, held or disposed of during the year and the use of resources by Wilton Park during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Wilton Park and of its net resource outturn, change in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts and prepare the accounts on a going concern basis.

The Accounting Officer for the FCO has appointed the Chief Executive as the Accounting Officer for Wilton Park.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Wilton Park's assets, are set out in Managing Public Money published by the HM Treasury.

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

I certify that I have audited the financial statements of Wilton Park Executive Agency for the year ended 31st March 2012 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Chief Executive and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive, as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board'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 Wilton Park's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Wilton Park; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects, the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on the financial statements

In my opinion:

- The financial statements give a true and fair view, of the state of Wilton Park's affairs as at 31st March 2012, and of the net operating cost for the year then ended; and
- The financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder

Opinion on other matters

In my opinion:

- The part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- The information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- Adequate accounting records have not been kept; or
- The financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit.
- The Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

25th June 2012

STATEMENT OF COMPREHENSIVE NET EXPENDITURE
for year ended 31st March 2012

	Note	2011/12			2010/11	
		£000	£000	£000	£000	
Administration Costs						
Staff Costs	3	420			337	
Other Administration Costs	4		1,074		1,034	
Operating Income	6			(946)	(660)	
Programme Costs						
Staff Costs	3	2,280			2,344	
Net Programme Costs	5			1,035	889	
Income	6			(3,596)	(3,450)	
Totals		<hr/> 2,700	1,074	1,035	(4,542)	<hr/> 494
NET OPERATING COST				<hr/> 267	<hr/> 494	

There was no Other Comprehensive Expenditure during the year
The notes on pages 35 to 43 form part of these accounts

STATEMENT OF FINANCIAL POSITION
as at 31st March 2012

	Note	31st March 2012		31st March 2011	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	7		1,188		1,189
Intangible assets	8		17		30
			<u>1,205</u>		<u>1,219</u>
Current Assets					
Inventories	11	29		44	
Trade and other receivables	12	676		398	
Cash and cash equivalents	13	<u>814</u>		<u>1,307</u>	
Total Current Assets			1,519		1,749
Total Assets			<u>2,724</u>		<u>2,968</u>
Current liabilities					
Trade and other payables	14	769		788	
Provisions	15	<u>74</u>		<u>-</u>	
			(843)		(788)
Non-current assets plus net current assets			<u>1,881</u>		<u>2,180</u>
Non-current liabilities					
Provisions			0		0
ASSETS LESS LIABILITIES			<u><u>1,881</u></u>		<u><u>2,180</u></u>
Taxpayers' Equity					
General Fund			1,881		2,167
UK Government Grant Reserve			-		13
Total taxpayers' equity			<u><u>1,881</u></u>		<u><u>2,180</u></u>

The notes on pages 35 to 43 form part of these accounts

Signed Chief Executive
18th June 2012

STATEMENT OF CASH FLOWS
for year ended 31st March 2012

	Note	2011/12 £000	2010/11 £000
Cash flows from operating activities			
Net Operating Cost		(267)	(494)
Adjustments for non-cash transactions	4	306	235
Increase/(decrease) in trade payables	9	(19)	209
(Increase)/decrease in inventories	9	15	(12)
(Increase)/decrease in trade and other receivables	9	(278)	40
Use of Provisions	9	74	-
Net cash outflow from operating activities		(169)	(22)
Cash flows from investing activities			
Purchase of property plant and equipment	7 & 8	(251)	(355)
Net cash outflow from investing activities		(251)	(355)
Cash flows from financing activities			
Net FCO Funding	SCTE	(73)	898
Net financing		(73)	898
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(493)	521
Cash and cash equivalents at the beginning of the period	13	1,307	786
Cash and cash equivalents at the end of the period		814	1,307

The notes on pages 35 to 43 form part of these accounts

STATEMENT OF CHANGES IN TAX PAYERS' EQUITY
for the year ended 31st March 2012

	General Fund	UK Government Grant Reserve	Total Reserves
	£000	£000	£000
Balance at 1st April 2010	1,721	14	1,735
Changes in taxpayers' equity for 2010-11			
Non-cash charges:			
External Auditor's Fees	20	-	20
Internal Auditor's Fees	16	-	16
Pay Section Costs	5	-	5
Transfers between reserves	1	(1)	-
Net operating cost for the year	(494)	-	(494)
Net FCO Funding	898	-	898
Balance at 1 April 2011	2,167	13	2,180
Changes in taxpayers' equity for 2011-12			
Non-cash charges:			
External Auditor's Fees	20	-	20
Internal Auditor's Fees	16	-	16
Pay Section Costs	5	-	5
Transfers to Income	-	(13)	13
Net operating cost for the year	(267)	-	(267)
Net FCO Funding	(60)	-	(60)
Balance at 31 March 2012	1,881	-	1,881

The notes on pages 35 to 43 form part of these accounts

1 - Statement of Accounting Policies

The financial statements have been prepared in accordance with the 2011–12 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Wilton Park Executive Agency for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, and inventories where material, at their value to the business by reference to their current costs.

Property, Plant and Equipment

Plant and equipment in excess of £500 are stated at current value. Individual assets purchased for less than this amount are written off.

Depreciated cost is used as a suitable proxy for current value where non property assets have a short useful economic life or are of low value. Consequently Wilton Park do not revalue assets.

Depreciation

Property, plant and equipment are depreciated at rates calculated to write them down to their estimated residual values on a straight-line basis over their estimated useful lives. Asset lives have been set in the following ranges.

	Estimated useful life in years
Plant and Machinery	5 to 20
Fixtures and Fittings	5 to 10
Building Enhancement	Remaining period of current lease to 10 years
Computers and Equipment	3 to 10
Motor Vehicles	4 to 10

In-year capital acquisitions and disposals are depreciated on a monthly pro-rata basis.

Intangible Assets

Website costs in excess of £500 are stated at current value. Amortised cost is used as a suitable proxy for current value where intangible assets have a short useful economic life or are of low value. Website costs are amortised at rates calculated to write them down to their estimated residual values on a straight-line basis over their estimated useful lives. The asset lives for the website has been set at three years. In year acquisitions and disposals are amortised on a monthly pro-rata basis.

UK Government Grant

The UK Government Grant relates to the Bio Energy Capital Grant received for the Biomass Heating system installed at Wilton Park in July 2007. Previously, an amount was transferred annually from the Government Grant Reserve to income over the same life of the asset used for calculating depreciation however this year we can no longer carry forward in accordance with IAS 20. Therefore the remaining balance has been transferred to operating income. We have not treated this as a prior year adjustment as the impact is not material to these financial statements.

Inventories

Inventories are valued at the lower of cost (or current replacement cost if materially different), and net realisable value.

Operating Income

Operating income is income that relates directly to the operating activities of the Agency. It principally comprises fees and charges for services provided, on a full cost basis, to external customers and other Government bodies, but also includes other income from other assets. Income is recognised in the month which the first day of the conference or event occurs in.

Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme costs. Administration costs reflect the day to day costs of running Wilton Park whilst Programme costs reflect the direct costs attributable to the conferences and events. Income is analysed in the notes to the accounts.

Foreign Exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used. Balances held at the year-end are translated at the rate prevailing on 31 March.

Pensions

Present and past employees are covered by the provisions of the Principal Civil Service Pension Schemes which are described at Note 3. The defined benefit elements of the schemes are un-funded and are non-contributory except in respect of dependants benefits. The Agency recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the Agency recognises the contribution payable for the year.

Operating Leases

Payments made under operating leases are charged to expenditure in equal amounts in accordance with the terms of the lease.

VAT Policy

Output VAT is charged as appropriate on activities that fall within the scope of VAT. In broad terms Wilton Park conference income is exempt from VAT whereas commercial income is standard rated. Input VAT is subject to partial exemption and to the extent it is irrecoverable is included in expenditure as shown in these accounts.

2 - Financial Targets

	Target	Achieved
Gross Income (£000)	4,673	4,542
Recovery Percentage	94.8%	94.1%

This target is recovery of costs against income including non-cash items such as depreciation and auditors fees. When these items (£306k) are removed from the deficit of £267k the result is a cash surplus of £39k.

3 - Staff Numbers and Costs

	2011/12			2010/11
The payroll costs of these employees were as follows	Permanently Employed Staff	Others	Total	Total
	£000	£000	£000	£000
Salaries and wages	2,078	0	2,078	2,084
Social Security	163	0	163	158
Others - Superannuation	326	0	326	349
- Employee Related Costs	133	0	133	90

Total net costs	<u>2,700</u>	<u>0</u>	<u>2,700</u>	<u>2,681</u>
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The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. Wilton Park is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31st March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk)

For 2011-12 employer's contributions of £326k were payable to the PCSPS (2010-11 £349k) at one of the four rates in the range 17.1 to 25.5 per cent (the rates in 2010-11 were between 17.1% and 25.5%) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The salary bands and contribution rates will remain unchanged until 2011-12. The contribution rates reflect benefits as they are accrued not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. No employees have opted to open a partnership account.

The Chief Executive was provided with a rent free furnished cottage in the grounds of Wiston House from 7th September 2009 (see remuneration report). Costs relating to casual workers and interns are included in Salaries and Wages whilst Agency costs are included within Employee Related Costs.

Average number of persons employed

The average number of whole-time equivalent persons employed during the period, including directors, was made up as follows:

	2011/12			2010/11
	Permanently Employed Staff	Others	Total	Total
Directly Employed	66	0	66	68
Staff engaged on capital projects	0	0	0	0
	<u>66</u>	<u>0</u>	<u>66</u>	<u>68</u>

There were no staff engaged on capital projects. It is not practicable to calculate full time equivalents for casual staff and Agency staff as they are employed by Wilton Park irregularly and therefore they are not included in staff numbers.

4 - Other Administration Costs

	Note	2011/12		2010/11	
		£000	£000	£000	£000
Rentals under operating leases					
Hire of Office Equipment		13		32	
Property Rentals		176		173	
			<u>189</u>		<u>205</u>
Non-cash items					
Depreciation	7 & 8	265		194	
External Auditor's Fees		20		20	
Internal Auditor's Fees		16		16	
Pay Section Charge		5		5	
			<u>306</u>		<u>235</u>
Other expenditure					
Rates		65		53	
Maintenance, Cleaning, Heating & Lighting		284		299	

Administrative Expenses	214	225
Net (gain)/loss on Foreign Exchange	16	17
	<u>579</u>	<u>594</u>
	<u>1,074</u>	<u>1,034</u>

5 - Net Programme Costs

	2011/12	2010/11
	£000	£000
Other current expenditure		
Purchases	288	255
Housekeeping	233	226
Conference Costs	514	408
	<u>1,035</u>	<u>889</u>

6 - Operating Income

	2011/12	2010/11
	£000	£000
Operating income is analysed as follows:		
Bank Interest received	3	2
Other fees and charges	4,539	4,108
	<u>4,542</u>	<u>4,110</u>

Other fees and charges is analysed as follows:

WP Conferences	2,603	2,302
FCO allocation funding for conferences	800	800
FCO transitional funding	150	300
Commercial Operations	808	541
Bar Sales	87	92
Shop Sales	3	2
Miscellaneous	75	71
Government Grant Reserve transfer	13	-
	<u>4,539</u>	<u>4,108</u>

The FCO support Wilton Park conferences with a base allocation of £800k. Wilton Park also has been granted an additional funding to aid with the transition period of 3 years following the appointment of a new Chief Executive. This year it amounted to £150k, in 2010/11 it was £300k and will reduce to zero in 2012/13.

7 - Property, Plant and Equipment

	Building Enh'ment	ICT	Fixture & Fittings	Motor Vehicles	Plant & Machinery	Office Equipment	TOTAL
	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation							
at 1/4/2011	224	344	926	40	535	92	2,161
Additions	50	31	21	-	148	1	251
Disposals	-	-	-	-	-	-	-
Re-classification	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Cost at 31/3/2012	<u>274</u>	<u>375</u>	<u>947</u>	<u>40</u>	<u>683</u>	<u>93</u>	<u>2,412</u>
Depreciation							
at 1/4/2011	40	255	411	6	230	30	972

Charge in year	30	37	101	7	62	15	252
Disposal	-	-	-	-	-	-	-
Re-classification	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Depreciation at 31/3/2012	70	292	512	13	292	45	1,224
Net Book Value at 31/3/2012	204	83	435	27	391	48	1,188
at 31/3/2011	184	89	515	34	305	62	1,189

Indices are no longer used and the accrued changes in value due to prior indices revaluations have been removed. Refer to Note 1.

8 - Intangible Assets

Intangible assets comprise the cost of building the website

	TOTAL Website £000
Cost or Valuation at 1/4/2011	43
Additions	-
Disposals	-
Cost at 31/3/2012	43
Amortisation at 1/4/2011	13
Charge in year	13
Disposal	-
Amortisation at 31/3/2012	26
Net Book Value at 31/3/2012	17
at 31/3/2011	30

9 - Movements in Working Capital other than Cash

	Note	2011/12 £000	2010/11 £000
Decrease/(Increase) in Inventories	11	15	(12)
Decrease/(Increase) in Receivables	12	(278)	40
(Decrease)/Increase in Payables	14	(19)	209
(Decrease)/Increase in Provisions	15	74	-
		(208)	237

10 - Financial Instruments

International Financial Reporting Standard 7 (IFRS 7), Financial Instruments: Disclosures, requires disclosures in the financial statements that enable users to evaluate the significance of financial instruments to the financial position and performance, and the nature and extent of risks arising from financial instruments to which the Agency is exposed during the year and at the financial year end, and how those risks are being managed.

Due to the largely non trading nature of its activities and the way in which Government agencies are financed, the Agency is not exposed to the degree of financial risk faced by many private sector business entities.

Financial assets and liabilities generated by day-to-day operational activities are not held to change the risks facing the Agency in undertaking its activities, or for trading.

Interest Rate Risk - Wilton Park has two interest bearing bank accounts on which the interest disclosed in Note 6 was earned. It has no other financial assets and liabilities on which interest is earned or paid, and is not considered to be exposed to significant interest rate risk.

Currency Risk – Wilton Park Conference income includes sponsorships that are denominated in foreign currency. It is exposed to foreign exchange risk to the extent that the relevant foreign exchange rate fluctuates between the date the sponsorship debtor is recognized and when it is paid. Wilton Park has not had a policy for managing this risk as the amounts involved are not material.

As at 31 March 2012, Wilton Park has negligible assets or liabilities in foreign currency.

Liquidity Risk - Wilton Park is not exposed to significant liquidity risk, as the liquidity requirements are met by financing from the Foreign and Commonwealth Office, and it has no borrowing facilities. Foreign and Commonwealth Office resource requirements are voted annually by Parliament.

11 - Inventories

	2011/12	2010/11
	£000	£000
Liquor and Food	20	24
Shop	9	11
Wilton Park Conference Folders	-	2
Commercial & Wedding Brochures	-	7
	29	44

12- Trade receivables and other current assets

	2011/12	2010/11
	£000	£000
Amounts falling due within one year		
Trade Receivables	605	361
Other Receivables	-	4
Prepayments and Accrued Income	71	33
	676	398

An analysis of debtors is as follows:

Balances with other central Government bodies	354	111
Balances with bodies external to Government	322	287
	676	398

13 - Cash and cash equivalents

	2011/12	2010/11
	£000	£000
Balance at 1 April	1,307	786
Net change in cash and cash equivalent balances	(493)	521
Balance at 31 March	814	1,307

14 - Trade and other current liabilities

	2011/12	2010/11
	£000	£000
Trade Payables	138	329
Payments Received on Account	306	237
Other Payables	10	4
Accruals and Deferred Income	160	144
VAT	155	74
	769	788

An analysis of creditors is as follows:

Balances with other central Government bodies	168	194
Balances with bodies external to Government	601	594
	769	788

15 - Provisions for liabilities and charges

	Early departure costs	Other	Total
	£000	£000	£000
Balance at 1 April 2011	-	-	-
Provided in the year	30	44,	74
Provisions not required written back	-	-	-
Provisions utilised in the year	-	-	-
Borrowing costs (Unwinding of discount)	-	-	-
Balance at 31 March 2012	30	44	74

In-year provisions were classified under accruals in the previous year's accounts.

16 - Commitments under Operating Leases

	2011/12	2010/11
	£000	£000
At 31 March 2012 Wilton Park minimum commitment under non-cancellable operating leases which expire was:		
Land and Buildings		
Not later than 1 year	176	176
Later than 1 year and not later than 5 years	704	704
Later than 5 years	-	176

The new lease on Wiston House extends to the year 2027 with 5 yearly break clauses. As notice was not given at the time for the break clause to be exercised in 2012 the commitment is now until March 2017.

Other Operating Leases

Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

17 - Related Party Transactions

Wilton Park is an Executive Agency of the Foreign and Commonwealth Office. The Foreign and Commonwealth Office is regarded as a related party. During the year, Wilton Park has had a significant number of transactions with the Foreign and Commonwealth Office. The Gross income from the FCO amounts to £950k plus £904k for conference specific funding plus £251k for capital expenditure.

In addition, Wilton Park has had various transactions with other Government departments. Most of these transactions have been with the Ministry of Defence (MOD), DfID (Department for International Development) and BIS (Department for Business, Innovation and Skills).

None of the Management Board members or their related parties have undertaken any material transactions with Wilton Park during the year.

18 - Segmental Reporting

	Wilton Park Conference Activities £000	Commercial Activities £000	Total £000
Income	3,596	946	4,542
Expenditure	3,935	874	4,809
Deficit (surplus)	(339)	72	(267)
% Cost Recovery	90.5%	108.2%	94.1%
% Cost Recovery Target			94.8%
Interest receivable and similar income	2	1	3
Total Assets	2,155	569	2,724

Commercial activities included weddings, meetings and corporate conferences.

19 - Capital Commitments

	2011/12 £000	2010/11 £000
Contracted capital commitments at 31 March 2012 for which no provision has been made	0	0

20 - Contingent Liabilities

There are no contingent liabilities for 2011/12 (2010/11 £nil)



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