

WILTON PARK

AN EXECUTIVE AGENCY OF THE
FOREIGN & COMMONWEALTH OFFICE

ANNUAL REPORT AND ACCOUNTS

2009/10

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 15 July 2010

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Contents

CHAIRMAN'S FORWARD	4
CHIEF EXECUTIVE'S OVERVIEW.....	5
GOVERNANCE	7
REVIEW OF PERFORMANCE AND FUTURE PROSPECTS	10
SCHEDULE OF WILTON PARK CONFERENCES 2009/10.....	11
REMUNERATION REPORT	22
SUPPORT FOR WILTON PARK CONFERENCES	26
STATEMENT ON THE DISCLOSURE OF INFORMATION TO AUDITORS.....	28
STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES	28
STATEMENT ON INTERNAL CONTROL	29
THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS.....	31
FINANCIAL STATEMENTS.....	33
NOTES TO THE FINANCIAL STATEMENTS.....	37



Chairman's Forward

The year ending March 2010 has been a period of considerable change and of achievement at Wilton Park. The FCO review of Wilton Park, undertaken in 2009, concluded that there is a valuable and continuing role for Wilton Park. The review also highlighted the need for Wilton Park to embrace new ways of working, to adopt a revised governance structure and to develop new and more stable funding arrangements.

I was appointed as the Independent Chairman of the newly constituted Wilton Park Board and also of the Wilton Park Advisory Council in June 2009. I would like to thank my predecessors, Ian Hargreaves who chaired the Wilton Park Departmental Board and Dr Farhan Nizami who chaired the Advisory Council, for their commitment and valuable contributions to the work and future of Wilton Park.

In last year's report our Chief Executive, Donald Lamont, indicated that he wished to retire during 2009. On behalf of the Board and of the staff at Wilton Park, I would like to place on record our appreciation of the great contribution which Donald made during his time as Chief Executive.

I am pleased that we were able to recruit Richard Burge as our new Chief Executive and he arrived in September 2009. Richard has quickly settled into his role and in his section of this report he describes the main activities and key achievements of the last year. It is encouraging to note that the Wilton Park team again achieved excellent satisfaction ratings from the over 3,000 people who attended our conferences and that they achieved this whilst also returning a financial result better than the budget in an environment made more challenging by the effects of the global economic crisis. In all respects a very fine performance.

Looking to the current year (ending March 2011) we have an agreed Business Plan which is stretching and which requires the delivery of 56 conferences in total. Richard and his team have detailed plans in place to deliver both the financial budget and the planned developments of the conference programme. During the year we will also be introducing a new approach to monitoring and evaluating the effectiveness of our conferences, which will strengthen our ability to respond to changing requirements.

I would like to thank all the staff at Wilton Park, and within the PDG at the FCO, for their support and their hard work throughout the year. We are also very grateful to the members of the Advisory Council who give freely of their time and of their experience; their input is of great value to Wilton Park.

The Board and staff share an ambition for Wilton Park. We wish to see Wilton Park deliver an ever more valuable contribution to the work of Public Diplomacy in the Foreign Policy of the UK.

We are committed to delivering our budget and our Business Plan and in so doing to build the future on the success of the past.

I look forward to reporting on further progress at the end of the year.

A handwritten signature in black ink, appearing to read "Ian Ferguson", with a long horizontal line extending to the right.

Iain Ferguson
Chairman



Chief Executive's Overview

The year has been one of starting the process of significant change for Wilton Park while reinforcing the underlying business.

We achieved a modest cash surplus of £78,000 (before deducting £244,000 non cash items) on a turnover of £4.7 million and required £125,000 less in funds from the FCO than was originally budgeted. We conducted 48 conferences at Wiston House and 3 events overseas. We worked with 3038 participants from 134 countries. Costs were reduced and the head count of employees decreased by 3%. These were significant achievements by the staff of Wilton Park. In the middle of a recession, it demonstrates the high priority and value that client institutions, countries and participants place on our work. It also reflects the commitment to us by the FCO in UK and overseas. Wilton Park has reduced its direct reliance on FCO allocations by 2.1%. The FCO core allocation (under the provisions of the new framework) amounts to 23.7% of turnover, and will fall to 21.8 % in 2010/11. In other words, the investment by the FCO now mobilises approximately 4 times that amount in discretionary contributions by the public, private and voluntary sectors in the UK and overseas. Over 24.5% of our revenue comes from overseas government and institutions. That happens because the FCO financial contribution (alongside the fact that Wilton Park itself is part of the FCO) catalyses sponsorship and partnership.

Our success is and will be based on bringing together the strategic objectives of the FCO, those of other government departments, and those of independent partners.

We have commenced delivering the direction set out by the review of Wilton Park in 2008/09. The review concluded that Wilton Park was a valuable asset and had the potential to continue to be an important contributor to the growing influence of public diplomacy. However, there was a critical need for Wilton Park to have a greater focus on those policy areas where the UK has a strategic interest and engagement.

The relationship between the FCO and Wilton Park comes from a framework document that has been rewritten and which defines the overall objectives and targets that must be delivered in activity, management and financial performance. Our mission is to support the British Government within the international community to analyse and shape opinion on foreign policy and international challenges. We do this by bringing together a range of opinion formers from a variety of professional backgrounds from around the world. The emphasis is on making the link between ideas, policy, and delivering results in a practical way, within an environment that promotes frank discussion, problem solving and the development of strategies for future policies and actions.

We have five over-arching targets;

- ✚ The programme and relevance to HMG policy objectives: Wilton Park should deliver a high quality programme of events that add demonstrable value to the work of the FCO and other Government Departments;
- ✚ Network of influence: Wilton Park should maintain an effective network of international partners and stakeholders, governmental and non-governmental, and maintain an effective contacts database of value to Wilton Park and HMG with a particular focus on alumni;
- ✚ Business Development: Wilton Park should continually seek new partnerships to further its core aim and objectives and which also strengthen its financial base;
- ✚ New technology: Wilton Park should lead the way in the use of new technology to engage and influence players in international affairs;
- ✚ Finance: Wilton Park should recover the cost of its operations through a combination of core grant from the FCO, UK and overseas stakeholder sponsorship, and programme charges, as well as through additional revenue-generating activity (e.g. private conferences, social functions). Wilton Park must also maintain tight control of income and expenditure including making efficiency savings and obtaining best value for money. Capital expenditure will be funded through an annual grant from the FCO.



Wilton Park is no different from any other publically funded organisation. As difficult decisions have to be made, not only must we bear our share of the cost reductions but we must demonstrate that our use of public funds is efficient and effective in delivering the strategic ambitions of the UK in the world. That is why our huge improvement in financial performance this year is so significant. We have already started to contribute not only to cost reduction but also to financial predictability.

In November, our three year business plan was approved by the Board and the FCO. That plan describes major changes we are introducing. These changes are designed to improve the productivity of Wilton Park, to extend our reach on behalf of the UK, and to build on our traditional strengths in a more mobile, more interactive, and more uncertain world.

There are five significant developments that will be implemented;

- ✚ The creation of planned projects that pursue strategic foreign policy issues, demonstrating progress and delivering clear outcomes. All Wilton Park activity will be projectised by September 2011. One-off events will still be used to explore new opportunities and new directions
- ✚ All projects will be clearly aligned to FCO or OGD DSOs. Projects will be funded through strategic financing arrangements with partners directorates in FCO, OGDs, or overseas governments and institutions
- ✚ The Wilton Park approach will be revitalised and it will be enhanced through the use of shorter events in London and Sussex, the creation of permanent partnerships to host projects in overseas countries, and the use of training and knowledge-transfer events particularly for the successor generation leaders in the UK and overseas
- ✚ The development of a sophisticated alumni system that makes the attendance at an event the start of a life-long relationship with Wilton Park and with the UK. The system will also be used to secure further financial and resource support for the work of Wilton Park
- ✚ The reassessment of the UK and US charities established to provide support to Wilton Park with a view to the setting of fundraising targets to provide predictable financial support of cross-cutting elements of its work such as bursaries for key participants from developing countries, the use of interns and visiting programme directors, and the management and delivery of the alumni programme

While our business plan is rightly modest in terms of growth, we are ambitious for Wilton Park as part of a reinvigorated public diplomacy platform for the UK. As a nation we are central to as many international issues as ever and our engagement is valued and necessary in a world of considerable uncertainty. Our task at Wilton Park is to ensure that the skills and reputation we have developed over the past 60 years are deployed effectively and efficiently in the service of our international interests, those of our allies, and the international institutions and multinational endeavours supported by the UK.

Finally, I would like to thank my predecessor Donald Lamont and Ian Hargreaves, the outgoing Director of Strategic Communications of the FCO. They both recognised not only the value of Wilton Park to the UK but the significant change that was required for us to live up to those possibilities and expectations. We are grateful for their determination to give Wilton Park the opportunity to continue in its unique global role for the benefit of Britain's place in the world.

A handwritten signature in black ink, appearing to read 'Richard Burge'.

Richard Burge
Chief Executive



Governance

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 (from Sep 09)	Chief Executive
Donald Lamont (to Sept 09)	Chief Executive
Nicholas Hopkinson	Director (External Relations and Development)
Robin Hart	Director (Programme and Delivery)
Tim Catherall (from Oct 09)	Finance Director
Lisa McIlrath (to Jul 09)	Finance Director
Shirley Ellis	Personnel Manager
Mark Bellone	Operations Director

Until September 2009 the Departmental Board, comprising representatives of the FCO and three Non-Executive Directors, was chaired by the FCO Head of Public Diplomacy and oversaw the work of Wilton Park. Relevant members of the Departmental Board formed the Agency's Audit Committee.

The Departmental Board became the Wilton Park Board in September 2009. Its role is to agree strategy and objectives including financial and other performance targets, monitor and evaluate progress, and advise on resource allocation. Its membership is:-

Iain Ferguson	Chair
Ian Hargreaves	Director Strategic Communications, FCO
Richard Morgan	Head of Public Diplomacy Group, FCO
David Frost	Director Strategy and Planning, FCO
Alex Jablonowski (NED)	High Performance Leadership Limited
Simon Turl (NED)	Chief Executive, Road Chef
Iain Morgan	Head of Resource Accounting Department, MOD
Helen Orr	Strategic Finance Adviser, Communication Directorate, FCO



Established in 1946 in 1991 Wilton Park became an Executive Agency 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 rest is 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:

Ms Rachel Briggs	Director, Hostage UK and Freelance Researcher
Mr Nik Gowing	Journalist and Broadcaster
Ms Mary Jo Jacobi	British Civil Service Commissioner and Chair of the Forensic Science Service's Independent Advisory Group
Mr Rupert H W Robson	Company Director
Dr Farhan Nizami	Director, Oxford Centre for Islamic Studies
Prof Philippe J Sands QC	Professor of Law,
Sir Stephen Wall GCMG LVO	Chairman (Public Affairs EMEA), Hill & Knowlton
Prof Myles Wickstead CBE	Former Head of Secretariat, Commission for Africa
Owen Tudor	Head of TUC's European Union and International relations Department
Paul Evans	Director Intervention of the Serious Organised Crime Agency
Victor Sebestyen	Journalist and Writer
Prof Colin Blackmore, FRS	Professor of Neuroscience, University of Oxford

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.



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 taking and in discharging their accountability obligations (particularly in respect of Financial Reporting).

The full terms of reference are available on the Wilton Park website.

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 four times during the year and considered reports from the external auditors (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 & Accounts, the committee also considers:

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

Specifically, this financial year, the committee were presented with audit reports covering Payroll, Human Resources, Payments and Receipts and data handling in line with the agreed Audit Strategy. Members focussed in particular on delays with the implementation of a number of internal audit recommendations from prior years, particularly in relation to data handling.

The Head of Internal Audit reported that the Wilton Park Executive Agency had a satisfactory system of internal control for 2009/10. Improvements have been identified as being required in certain areas and the committee ensures that these are followed-up. No frauds or whistle-blowing cases were reported to us during the year.

Finally, the committee considered the draft Annual Report & Accounts at its May 2010 meeting prior to submission to the Chief Executive for approval, and the outcome of the NAO audit. Following the NAO audit the committee considered a final draft via a telephone conference on 10th June 2010, We specifically considered (a) the Statement on Internal Control, and whether any significant internal control issues should be disclosed and (b) errors identified by the external audit that had not been adjusted. We were 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.

Alex Jablonowski
Chairman



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.

We continue to develop the website as a key tool for spreading information about Wilton Park conferences and for encouraging interaction with the international policy community.

The website shows our conferences under thematic headings and provides clear information on the full scope of our work. The site also contains background information about the Agency and its location, information on how to contact its staff and means of applying to participate in conferences.

As part of the wider dissemination of information on Wilton Park's conference activities, the site also provides a comprehensive range of reports on past conferences.

A full schedule of Wilton Park's conferences and relevant statistical information is included below.

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 over 56%.



Schedule of Wilton Park Conferences 2009/10

Conf ID	Conference Title	Dates
WP967	Malaria: Getting to Zero	15-17 Apr 2009
WPS09/1	Civil Military Strategic Principles and Doctrine: Creating Common Tools for Stabilisation Operations	22-25 Apr 2009
WP973	Robust Peacekeeping: Exploring the Challenges in Doctrine, Commitments and Conduct of Operations	14-16 May 2009
WP974	Financing Affordable Housing for Low Income Groups: Innovative Funding for Urban Housing	18-22 May 2009
WP985	Conflict Related International Policing Improving National Effectiveness: Supporting International Developments	27-29 May 2009
WP979	Private Military and Security Companies: Working Towards an International Code of Conduct (held in Switzerland)	4-6 Jun 2009
WPS09/4	Global Pandemic Response: Improving International Co-Ordination	8-10 Jun 2009
WP978	Managing Nuclear Weapons: Reductions, Drawdown and Elimination: What Makes Sense?	18-21 Jun 2009
WP981	Promoting Freedom and Deepening Democracy	22-25 Jun 2009
WPS09/5	Tackling Organised Crime: Assessing the Impact of the Economic Crisis	25-27 Jun 2009
WP962	Leaving Extremism Behind: Disengagement Policy and Programmes	7-9 Jul 2009
WP984	British German Forum 2009	13-17 Jul 2009
WP983	Libya - Investing at Home, Investing Abroad: Managing Resources for Future Development	20-23 Jul 2009
WP989	Managing Risk in Africa: Responding to Political Social and Economic Challenges	23-26 Jul 2009
WP987	Atlantic Youth Forum	3-7 Aug 2009
WP986	Renewable Energy and Energy Efficiency: Practical Strategies for Making Copenhagen a Success	14-17 Sep 2009
WP958	Building Local Capacity for Security and Rule of Law in Fragile and Conflict Affected States	22-25 Sep 2009
WPS09/07	Preventing and Mitigating the Next Use of Chemical and Biological Weapons	25-27 Sep 2009
WP994	The Use of Military Assets in the Humanitarian Response to Natural Disasters	28-30 Sept 2009
WP992	Terrorism, Security & Human Rights: Opportunities for Policy Change	1-4 Oct 2009
WP976	Whither World Trade? Implications of the Global Economic Crisis and Trade Policy Responses	5-8 Oct 2009



Conf ID	Conference Title	Dates
WP1000	Working with China on Sustainable Growth: The Climate Change, Environment, Energy Nexus	8-11 Oct 2009
WP1001	Pakistan's Federally Administered Tribal Areas	11-14 Oct 2009
WPS09/10	Understanding the Pashtun Context: Afghanistan and Pakistan (held in London)	15-Oct 2009
WP993	New Approaches to Penalising Nuclear Smuggling	22-25 Oct 2009
WPS09/9	Peacekeeping and Civilian Protection	26-29 Oct 2009
WP1005	Building a New Balanced Global System of Financial Market Regulation	30-31 Oct 2009
WP988	The EU and Ukraine: Moving Forward (held in Brussels)	4-5 Nov 2009
Conf ID	Conference Title	Dates
WPS09/8	Understanding Islamism	4-6 Nov 2009
WP997	Rethinking Engagement With Iran	12-14 Nov 2009
WP996	Dialogue with Russia: Moving from a Resource Based to a Knowledge Based Economy	19-22 Nov 2009
WP972	Completing The Croatian Accession Negotiations And Prospects For West Balkans EU Membership (held in Zagreb)	17-20 Nov 2009
WP995	The South Caucasus And Wider Black Sea Neighbourhood: Regional Developments And Euro-Atlantic Integration	23-26 Nov 2009
WP1010	The Neglected Agenda: Protecting Children Without Adequate Parental Care	30-3 Dec 2009
WP1009	A Smart EU Energy Policy	3-5 Dec 2009
WP1006	At Home In Europe? Muslims In EU Cities	7-9 Dec 2009
WP1008	Nuclear Non-Proliferation And The 2010 Review	14-18 Dec 2009
WP1012	Global Governance: Future Trends And Challenges	11-13 Jan 2010
WP1013	Reviewing The Work And Functioning Of The Human Rights Council, What Are The Priority Issues?	14-16 Jan 2010
WP1004	How To Balance Food Security With Sustainability Of Agricultural Production	18-20 Jan 2010
WP1016	G-8 Global Partnership Approach to Combating the Global Biological Threat	1-3 Feb 2010
WP1027	Africa 2010: The Key Challenges	3-6 Feb 2010
WP1018	Accountability Under Democratic Constitutions	10-13 Feb 2010
WP1014	Yemen: Prospects for Security, Stability and Development	15-17 Feb 2010
WP1017	The High North: Challenges and Opportunities	18-21 Feb 2010



Conf ID	Conference Title	Dates
WP1019	Indonesia: What Role as A Contemporary Global Actor	1-4 Mar 2010
WPS10/11	The Transatlantic Partnership in Globalised World	5-7 Mar 2010
WP1022	Winning 'Hearts and Minds' in Afghanistan: Assessing the Effectiveness of Development Aid in COIN Operations	11-14 Mar 2010
WP999	Delivering Effective Political Party Assistance: Challenges for Policy Makers and Practitioners	15-18 Mar 2010
WP1021	Tackling Violent Extremism: The Arc Between Pakistan and the UK Diaspora	25-27 Mar 2010
WP1026	Verified Dismantlement Of Strategic Missiles	29-31 Mar 2010

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 – including Quality of Programme and Quality of Discussion

Overall Participation Trends

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

Financial Year	Total Number of Participants	Number of Conferences	Average Participation
2009/10	3,038	51	59.6
2008/09	3,084	50	61.7
2007/08	3,018	47	64.2



Participation by Profession

	2009/10	% 2009/10	2008/09	% 2008/09	2007/08	% 2007/08
Academic/Research Institutes	636	21.0	566	18.4	575	19.1
Business	288	9.5	391	12.6	318	10.5
Defence Ministry/Military	207	6.8	237	7.7	220	7.3
Foreign Ministry	645	21.2	676	21.9	716	23.7
International Organisations	344	11.3	275	8.9	231	7.7
Media	72	2.4	58	1.9	91	3
NGO	265	8.7	309	10.0	227	7.5
Other Government Ministries	462	15.2	440	14.3	499	16.5
Parliament/Political	119	3.9	132	4.3	141	4.7
Total	3038	100.0	3,084	100.0	3,018	100.0

Participation by Nationality

	2009/10	% 2009/10	2008/09	% 2008/09	2007/08	% 2007/08
UK	1,122	36.9	1,123	36.4	1,008	33.4
EU Excluding UK	520	17.1	696	22.6	645	21.4
Non EU Europe	281	9.3	203	6.6	437	14.5
USA	395	13.0	329	10.6	242	8.0
Other OECD	150	4.9	165	5.4	187	6.2
Other Regions	194	6.4	149	4.8	254	8.4
South Asia	112	3.7	111	3.6	80	2.7
Middle East	63	2.1	128	4.2	38	1.3
Other	201	6.6	180	5.8	127	4.2
Total	3,038	100.0	3,084	100.0	3,018	100.0



Conference Quality Ratings

We aim to provide high quality conferences and conference facilities. Feedback from participants enables the Agency to identify opportunities for improvement, and to prioritise resources accordingly.

The following table shows the three measurements for quality of Wilton Park Conferences:-

	Excellent	Above Average	Average	Below Average	Poor	Number of Questionnaires
Programme						
2009/10	1,015	598	75	5	0	1,693
%	59.6	35.1	4.4	0.3	0.0	[55.4%]
2008/09	1,004	647	92	3	0	1,746
%	57.5	37	5.3	0.2	0.0	[56.5%]
2007/08	996	621	58	2	0	1677
%	59.4	37.0	3.5	0.1	0.0	[55.6%]
Discussion						
2009/10	976	634	82	7	0	1,699
%	57.4	37.3	4.8	0.4	0.0	[55.6%]
2008/09	940	666	121	3	1	1,731
%	54.3	38.5	7.0	0.2	0.1	[55.9%]
2007/08	953	626	78	6	0	1,663
%	57.3	37.6	4.7	0.4	0.0	[55.15]



	Excellent	Above Average	Average	Below Average	Poor	Number of Questionnaires
Administration						
2009/10	1,492	183	18	3	0	1,696
%	88.0	10.8	1.1	0.2	0.0	[55.5%]
2008/09	1,520	208	22	0	0	1,750
%	86.9	11.9	1.3	0.0	0.0	[56.6%]
2007/08	1,482	199	12	1	0	1,694
%	87.5	11.7	0.7	0.1	0.0	[56.1%]

As part of the Wilton Park conference questionnaire, we also ask participants to rate our services and facilities for the events held at Wiston House. The following table shows the three measurements for quality of services.

	Excellent	Above Average	Average	Below Average	Poor	Number of Questionnaires
Meals						
2009/10	1,061	439	82	4	0	1,586
%	66.9	27.7	5.2	0.3	0.0	
2008/09	1,006	555	99	9	0	1,669
%	60.3	33.3	5.9	0.5	0.0	
2007/08	970	422	107	6	0	1,505
%	64.5	28.0	7.1	0.4	0.0	
Service						
2009/10	1,389	179	13	0	0	1,581
%	87.9	11.3	0.8	0.0	0.0	
2008/09	1,345	271	20	0	0	1,636
%	81.8	16.5	1.2	0.0	0.0	
2007/08	1,218	217	22	0	0	1,457
%	83.6	14.9	1.5	0.0	0.0	



Accommodation						
2009/10	809	398	203	21	2	1,433
%	56.5	27.8	14.2	1.5	0.1	
2008/09	810	426	225	21	3	1,485
%	54.5	28.7	15.2	1.4	0.2	
2007/08	686	420	225	30	0	1,361
%	50.4	30.9	16.5	2.2	0.0	

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 2009/10, income from Wiston House commercial activities was £619k (including bar and shop sales) representing a decrease of £391k on the previous year. This income was generated from 68 commercial functions (89 in 2008/09), of which 13 were weddings (24 in 2008/09).

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 decrease in our commercial income arose from the loss of revenue we received from the FCO for use of our facilities as an Assessment and Development Centre (ADC). Ordinarily ADC activity would occupy 60 days in our annual calendar and generated 37% of our commercial income in 2008/09. The economic climate also took effect with the reduction in weddings and banqueting.

The main Wilton Park website provides links to on-line information on hiring the facilities at Wiston House. Alternatively, these can be directly accessed from our commercial website www.wiltonpark.co.uk

Financial Review

Wilton Park Conference Income
 £4,121K
 +25%

Full Cost Recovery
 96.6%
 +8.2% points

Commercial Income
 £619k
 -39%



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.

This target was not met.

The running cost surplus for the year is £78k before taking into account non cash items however after non cash items the deficit was £166k.

Informative comparison can be drawn from performance in the last three years as follows:-

	2009/10 £000	2008/09 £000	2007/08 £000
Wilton Park Conferences Gross Income *	4,121	3,287	2,728
Speaker Travel costs	(520)	(335)	(261)
Net Wilton Park Conference Income	3,601	2,952	2,467
Commercial/Bar/Shop Income	619	1,021	856
Total	4,220	3,973	3,323
Running Costs	1,490	1,752	1,492
Permanent Pay Costs	2,504	2,393	2,210
Casual/Agency/Other Pay	148	167	141
Total	4,142	4,312	3,843
Running Cost Surplus/(Deficit)	78	(339)	(520)
Non cash items	(244)	(261)	(234)
Net Resource Outturn	(166)	(600)	(754)
Full cost recovery	96.6%	87.8%	82.6%

* includes income from sponsorship, participation fees and corporate membership fees.



The high running cost deficit of last year was improved by £417k. This was achieved by:-

- ✚ A significant improvement in gross income generated from Wilton Park conferences, representing an increase of 27% on 2008/9.
- ✚ A decrease in running costs of 15%.
- ✚ As we look to the future we hope to achieve our target of meeting the costs of our operations by:-
 - Building upon our successes in Wilton Park conference income generation with the stability of 'core' funding from the FCO
 - Increase the income generated from commercial activities.
 - Continuing to improve our procurement and management information systems and imposing stronger budgeting controls to manage our running costs more effectively.

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 2009/10 this core funding amounted to £1,125K

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 2009/10 was £1,125k plus conference specific sponsorship of £296K (2008/09 total funding £833K). This amounts to 43% of total sponsorship funding (39% in 2008/09).

Additionally, the FCO provides Wilton Park with capital investment resources. During 2009/10 capital investments amounted to a net £248k (£276k in 2008/09). The total of non-cash resource costs amounted to £244k (£261k in 2008/09).

The total cost of Wilton Park to the FCO, as consolidated in the FCO Resource Accounts, is £166k for 2009/10 (£600k in 2008/09). 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. Of the 4,605 payments made to creditors (4,982 in 2008/09) 4,520 were paid on time (4,877 in 2008/09). Of the remaining 1.85% (2.11% in 2008/09), none were in dispute (0.28% in 2008/09). During the year 725 invoices (15.7%) were paid within the 10 day target set by the Prime Minister.

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.

We recognize 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 decreased from 77 to 75, including 19 part-time staff (the equivalent of 67 full time staff at 31st March 2010, a decrease of 2 from the previous year). Staff turnover increased to 15.9%, with 8 people leaving (12 in 2008/09) and 12 recruited.

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	1	0	0	0
D	1	0	0	0
C	2	50	0	0
B	1	100	0	0
A	1	100	0	0

These were no exceptions to selection by fair and open competition.

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 & Safety Committee, led by the Personnel Manager, which meets quarterly to discuss a range of matters affecting our staff and visitors. During the year 480 days were lost through sickness absence. This equates to 6.4 days per employee.

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 and
- ✚ 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 1100 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 and are currently in the process of formulating a Wilton Park Carbon Offsetting policy. The policy will eventually form part of a holistic policy on reducing the carbon footprint of the organisation.

Richard Burge
Chief Executive
24th June 2010



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 7 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 Agency.

Name, Title	Salary 2009/10 £000	Salary 2008/09 £000
Richard Burge Chief Executive (from Sep 09)	65-70 (110-115 full year equivalent)	N/A
Donald Lamont Chief Executive (to Sep 09)	50-55 (75-80 full year equivalent)	75-80
Alex Jablonowski NED (from Nov 09)	0-5	N/A
Nicholas Hopkinson Director (External Relations and Development)	70-75	65-70
Tim Willows FCCA Finance Director (to Oct 08)	N/A	30-35 (50-55 full year equivalent)
Lisa McIlrath ACA Finance Director (from Jan 09 to Jul 09)	10-15 (40-45 full year equivalent)	5-10 (25-30 full year equivalent)
Tim Catherall FCCA Finance Director (from Oct 09)	15-20 (40-45 full year equivalent)	N/A
Robin Hart Director (Programme and Delivery)	55-60	55-60
Shirley Ellis Personnel Manager	30-35	30-35
Mark Bellone Operations Director	40-45	15-20 (40-45 full year equivalent)



'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 for the Senior Management Team.

This report is based on payments made by the Agency and thus recorded in these accounts. Donald Lamont received three months salary in lieu of notice. The members of the Senior Management Team held no other posts during the year.

The Chief Executive was provided with a rent free furnished cottage in the grounds of Wiston House from 7 September 2009. 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 and meets the liability to Income Tax and National Insurance contributions arising from this Benefit in Kind. The liability provided for in these accounts for 2009/10 is £1,027.

Pension Benefits

Name Title	Accrued pension at age 60 as at 31/3/09 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	CETV at 31/3/10 £000	CETV at 31/3/09 £000	Real increase in CETV £000
Richard Burge Chief Executive	0 – 5 plus lump sum 0 – 5	0 – 2.5 plus lump sum 0 – 2.5	19	N/A	17
Donald Lamont Chief Executive	0 – 5 plus lump sum 5 – 10	0 – 2.5 plus lump sum 0 – 2.5	63	46	14
Nicholas Hopkinson Director	20 – 25 plus lump sum 35 – 40	0 – 2.5 plus lump sum 0 – 2.5	371	321	28
Tim Catherall FCCA Finance Director	0 – 5 plus lump sum 0 – 5	0 – 2.5 plus lump sum 0 – 2.5	4	N/A	3
Lisa McIlrath ACA Finance Director	0 – 5 plus lump sum 0 – 5	0 – 2.5 plus lump sum 0 – 2.5	3	2	-
Robin Hart Senior Programme Director	15 – 20 plus lump sum 50 – 55	0 – 2.5 plus lump sum 5 – 7.5	259	212	33
Shirley Ellis Personnel Manager	10 – 15 plus lump sum 30 – 35	0 – 2.5 plus lump sum 2.5 – 5.0	211	179	21
Mark Bellone General Manager	0 – 5 plus lump sum 0 – 5	0 – 2.5 plus lump sum 0 – 2.5	10	4	5



Donald Lamont, Robin Hart and Shirley Ellis are members of the Classic scheme. Nick Hopkinson is a member of the Classic Plus scheme whilst Richard Burge, Tim Catherall, Lisa McIlrath and Mark Bellone are members of the Nuvos scheme.

Donald Lamont's position was initially offered on a non pensionable basis and was charged to Wilton Park by the FCO payroll on this basis. However on his retirement it came to light that it was in fact legally pensionable and therefore an amount now appears in this and the previous years CETV and an accrual has been included in the accounts to cover the amount payable.

Civil Service Pensions

Pension benefits are provided through the Civil Service Pension (CSP) 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). The 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 changes in the Retail Prices Index (RPI). Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality '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' 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 (31 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 RPI. 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 www.civilservice-pensions.gov.uk.



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 individual 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 calculated in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 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 drawn.

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.

A handwritten signature in black ink, appearing to read 'Richard Burge'.

Richard Burge
Chief Executive
24th June 2010



Support for Wilton Park Conferences

British Government Departments

Foreign & Commonwealth Office (and British Embassies and High Commissions)
Cabinet Office
Department for Environment, Food and Rural Affairs
Department of Health
Home Office, (including the Office of Security and Counter Terrorism, and Office for Security and Counter-Terrorism -Research, Information and Communications Unit (OSCT-RICU)
Department for International Development
Department for Communities and Local Government
Department for Business, Innovation and Skills (including the Foresight Horizon Scanning Centre)
Government Office for Science
Ministry of Defence
Ministry of Justice

Other UK Agencies/Organisations

Association of Chief Police Officers
British Council
Electoral Reform International Services (ERIS)
International Institute for Environment and Development
Libra Advisory Group Ltd
MacDougall Trust
Royal United Service Institute
Save the Children UK
The Open University UK
China Media Centre, University of Westminster
Westminster Foundation for Democracy

International/Multinational Organisations

Better Care Network
Civil Military Coordination Section, Office for Co-ordination of Humanitarian Affairs (OCHA), United Nations
Office of Military Affairs, Department of Peacekeeping Operations (DPKO), United Nations
Commonwealth Secretariat
European Commission (EC)
European Financial Forum
European Fund and Asset Management Association (EFAMA)
International Commission of Jurists, Geneva

Loyola de Palacio Programme, European University Institute
North Atlantic Treaty Organisation (NATO)
Renewable Energy and Energy Efficiency Partnership
UN Habitat
United Nations Institute for Training and Research (UNITAR)
United Nations Children's Fund (UNICEF)

Business Sponsors and Corporate Members

Associated British Foods
Cargill
De La Rue
Deutsche Bank
Exxon Mobil
GlaxoSmithKline
HSBC
Shell

Other Governments and Overseas Agencies/Organisations

Australia

Asia Pacific Civil-Military Centre of Excellence
Australian Agency for International Development (AusAid)

Canada

Canadian International Centre for the Arctic Region
Department of Foreign Affairs and International Trade

Croatia

Ministry of Foreign Affairs

France

Fondation pour la Recherche Stratégique

Germany

Deutsche Bundesbank
Deutsches Aktieninstitut
RWE

Italy

Fondazione Eni Enrico Mattei



Libya

Afriqiyah Airways
World Islamic Call Society

Netherlands

Clingendael International Energy Programme
Ministry of Economic Affairs

Netherlands

Clingendael International Energy Programme
Ministry of Economic Affairs

Sweden

International Institute for Democracy and Electoral Assistance (IDEA)
Ministry of Foreign Affairs
Swedish International Development Cooperation Agency
Stockholm International Peace Research Institute
Save the Children - Sweden
Vattenfall AB

Switzerland

Geneva Centre for the Democratic Control of Armed Forces
Geneva Academy of International Humanitarian Law and Human Rights
Federal Department of Foreign Affairs

Swiss Agency for Development and Co-operation

United States of America

Atlantic Council, Washington
Centre for Excellence in Disaster Management, Hawaii
Feinstein International Center, Tufts University
Department of Defense (Center for Civil-Military Relations, Defense Threat Reduction Agency and Office of the Secretary of Defense for Policy)
Department of State
Global Health Sciences, University of California San Francisco
Institute for International Law and Politics, Georgetown University
Lawrence Livermore National Laboratory
Los Alamos National Laboratory
James Martin Center for Non-proliferation Studies, Monterey Institute for International Studies
National Intelligence Council
Open Society Institute
Rockefeller Foundation
Sandia National Laboratories
Science Applications International Corporation
US Air Force Institute for National Security Studies
US Army Peacekeeping and Stability Operations Institute
United States Institute of Peace



Statement on the 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.

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, recognised gains and losses 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 the Accounting Officers' Memorandum, issued by HM Treasury and published in "Managing Public Money".

A handwritten signature in black ink, appearing to read 'Richard Burge'.

Richard Burge
Chief Executive
24th June 2010



Statement on Internal Control

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Wilton Park's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I am personally responsible for the overall performance of Wilton Park against Ministerial and other operating targets and reporting on progress to the Wilton Park Board.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Wilton Park's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wilton Park for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts, and accords with Treasury Guidance.

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. The risk management framework has been strengthened this year through the implementation of a number of internal audit recommendations. In particular, 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
- ✚ 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
- ✚ Ongoing liaison with external Health and Safety consultants to ensure our legal compliance in dealing with Health and Safety risks
- ✚ Ongoing 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.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within Wilton Park who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the FCO Internal Audit Department and the Audit Committee, and a plan to ensure continuous improvement of the system is in place.

I report four times a 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.

Overall, for 2009-10 the Head of Internal Audit reported to me that Wilton Park had a satisfactory system of internal control and the National Audit Office (NAO) identified "no material weaknesses in internal controls" during their audit. However, whilst Internal Audit confirmed that progress had been made in implementing the requirements of the Cabinet Office Data Handling Review, they rated the current level of implementation as weak. Further action in this area is therefore still required, especially in relation to removable media and personal data access. During 2009/10 there was one personal data incident that was reported to IMG and was dealt with according to the guidelines.

Particular attention has also been given this year to implementing outstanding internal audit recommendations arising from reviews carried out in 2008-09 and three of those five audits (Conferences, Procurement and Accommodation) are now closed i.e. all actions complete. Of the remaining two (Risk Management Framework and General Computing Environment) I expect all actions to be completed shortly. Going forward, two of the four audits carried out in 2009-10 have already closed and a third will close shortly.

Richard Burge
Chief Executive and Accounting Officer for Wilton Park

24th June 2010



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 31 March 2010 under the Government Resources and Accounts Act 2000. These comprise the Operating Cost Statement, the Statement of Changes in Taxpayers' Equity, the Statement of Financial Position, the Statement of Cash Flows 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 Chief Executive Responsibilities, the Chief Executive 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 the financial statements in accordance with applicable law and 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 the Agency's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Agency; and the overall presentation of the financial statements.

In addition, 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 conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions 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 the Agency's affairs as at 31 March 2010, and of the net operating cost, changes in taxpayers' equity and cash flows 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 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 Statement on Internal Control 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*

29th June 2010



OPERATING COST STATEMENT

for year ended 31 March 2010						Restated for IFRS
	Note	2009/10				2008/09
		£000	£000	£000	£000	£000
Administration Costs						
Staff Costs	4	2,652				2,583
Other Administration Costs	5		1,041			1,192
Net Programme Costs	6			1,213		1,124
Operating Income	7				(4,740)	(4,308)
Totals		2,652	1,041	1,213	(4,740)	591
NET OPERATING COST					166	591

The notes on pages 37 to 47 form part of these accounts



STATEMENT OF FINANCIAL POSITION

as at 31 March 2010

		2009/10		2008/09		2007/08	
	Note	£000	£000	£000	£000	£000	£000
Non-current assets							
Property, plant and equipment	8		1,019		954		864
Intangible assets	9		39		-		-
			1,058		954		864
Current Assets							
Inventories	12	32		33		56	
Trade and other receivables	13	438		589		603	
Cash and cash equivalents	14	786		770		308	
Total Current Assets		1,256		1,392		967	
Total Assets			2,314		2,346		1,831
Current liabilities							
Trade and other payables	15		(579)		(536)		(543)
Non-current assets plus net current assets			1,735		1,810		1,288
Non-current liabilities							
Provisions			0		0		0
ASSETS LESS LIABILITIES			1,735		1,810		1,288
Taxpayers' Equity							
General Fund			1,721		1,795		1,230
Revaluation Reserve			0		0		42
UK Government Grant Reserve			14		15		16
Total taxpayers' equity			1,735		1,810		1,288

The notes on pages 37 to 47 form part of these accounts

Richard Burge
Chief Executive

24th June 2010



CASH FLOW STATEMENT

for year ended 31 March 2010

	Note	2009/10 £000	2008/09 £000
Cash flows from operating activities			
Net Operating Cost		166	591
Adjustments for non-cash transactions	5	(244)	(260)
(Increase)/decrease in trade payables	10	4	7
Increase/(decrease) in inventories	10	(1)	(23)
Increase/(decrease) in trade and other receivables	10	(151)	(13)
Net cash outflow from operating activities		(226)	302
Cash flows from investing activities			
Purchase of property plant and equipment	8	201	276
Net cash outflow from investing activities		201	276
Cash flows from financing activities			
Net FCO Funding		(9)	1,040
Net financing		(9)	1,040
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		16	462
Cash and cash equivalents at the beginning of the period	14	770	308
Cash and cash equivalents at the end of the period		786	770

The notes on pages 37 to 47 form part of these accounts



STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

for the year ended 31 March 2010

	General Fund <i>£000</i>	Revaluation Reserve <i>£000</i>	UK Government Grant Reserve <i>£000</i>	Total Reserves <i>£000</i>
Taxpayers' equity at 31 March 2008 under UK GAAP	1,287	42	16	1,345
Adjustments for:				
Staff holiday costs accruals	(57)	-	-	(57)
Balance at 1 April 2008	1,230	42	16	1,288
Changes in taxpayers' equity for 2008-09				
Net gain/(loss) on revaluation of property plant and equipment	-	(24)	-	(24)
Receipt in year	-	-	-	-
Non-cash charges:				
Cost of Capital	52	-	-	52
External Auditor's Fees	23	-	-	23
Internal Auditor's Fees	17	-	-	17
Pay Section Costs	5	-	-	5
Release of reserves to the operating cost statement				-
Transfers between reserves	19	(18)	(1)	-
Net operating cost for the year	(591)	-	-	(591)
Total recognised income and expense for 2008-09	755	-	15	770
Net FCO Funding	1,040	-	-	1,040
Balance at 1 April 2009	1,795	-	15	1,810
Changes in taxpayers' equity for 2009-10				
Net gain/(loss) on revaluation of property plant and equipment	-	-	-	-
Non-cash charges:				
Cost of Capital	53	-	-	53
External Auditor's Fees	23	-	-	23
Internal Auditor's Fees	19	-	-	19
Pay Section Costs	5	-	-	5
Transfers between reserves	1	-	(1)	-
Net operating cost for the year	(166)	-	-	(166)
Total recognised income and expense for 2009-10	1,730	-	14	1,744
Net FCO Funding	(9)	-	-	(9)
Balance at 31 March 2010	1,721	-	14	1,735

The notes on pages 37 to 47 form part of these accounts



1 Statement of Accounting Policies

The financial statements have been prepared in accordance with the 2009–10 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 does not revalue assets. As a result, indices published by the Office of National Statistics are no longer applied to such assets and the accrued changes in value due to prior indices based revaluations have been removed.

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. As a result, indices published by the Office of National Statistics are no longer applied to such assets.

The websites 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 3 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. Annually, an amount is transferred from the Government Grant Reserve to operating income over the same life of the asset used for calculating depreciation.

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.



Administration and Programme Expenditure

The Operating Cost Statement is analysed between administration and programme costs. Administration costs reflect the costs of running the Agency as defined under the administration cost control regime, together with associated operating income. Income is analysed in the notes between that which, under the regime, is allowed to be offset against gross administrative costs in determining the outturn against the administration cost limit, and that operating income which is not. Programme costs reflect non-administration costs, including payments of grants and other disbursements by the Agency.

Capital Charge

A charge, reflecting the cost of capital utilised by the Agency, is included in operating costs. The charge is calculated at the Government's standard rate of 3.5% in real terms on all assets less liabilities. Charges are calculated monthly for cash balances and annually for all other assets less liabilities.

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 4. 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 First-time adoption of IFRS

	General Fund	Revaluation reserve	Governmen t Grant Reserve
	£000	£000	£000
Taxpayers' equity at 31 March 2009 under UK GAAP	1,843	-	15
Adjustments for:			
Staff holiday costs accruals IAS 19 – Employee Benefits	(48)	-	-
Taxpayers' equity at 1 April 2009 under IFRS	1,795	-	15
			Operating costs
			£000
Net operating costs for 2008-09 under UK GAAP			600
Adjustments for:			
Staff holiday costs adjustment IAS 19 – Employee Benefits			(9)
Net operating costs for 2008-09 under IFRS			591



3 Financial Targets

	Target	Achieved
Gross Income (£000)	4,462	4,740
Recovery Percentage	94.7%	96.6%

4 Staff Numbers and Costs

	2009/10			2008/09
	Permanently Employed Staff	Others	Total	Total
	£000	£000	£000	£000
The payroll costs of these employees were as follows:				
Salaries and wages	2,017	0	2,017	1,974
Social Security	149	0	149	145
Others - Superannuation	381	0	381	328
- Employee Related Costs	105	0	105	136
	2,652	0	2,652	2,583
Less recoveries in respect of outward secondments	0	0	0	0
Total net costs	2,652	0	2,652	2,583

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 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2009-10 employer's contributions of £381k were payable to the PCSPS (2008-09 £328k) at one of four rates in the range 17.1 to 25.5 per cent (the rates in 2008-09 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 2010-2011. 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. Employers' contributions of £nil (2008-09 £nil) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3.0 to 12.5 per cent (2008-09: 3.0 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3.0 per cent of pensionable pay. In addition, employer contributions of £nil (0.8 per cent; 2008-09: £nil, 0.8 per cent) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting period date were £nil. Contributions prepaid at that date were £nil. No person (2008-09: nil persons) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £nil (2008-09: £nil).

The Chief Executive was provided with a rent free furnished cottage in the grounds of Wiston House from 7th September 2009 (see remuneration report). Casual workers costs are included in Salaries and Wages whilst Agency costs are included within Employee Related Costs. It is not practicable to calculate full time equivalents as casual staff and agency staff are employed by Wilton Park irregularly and therefore they are not included in staff numbers.

Average number of persons employed

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

	2009/10			2008/09
	Permanently Employed Staff	Others	Total	Total
Directly Employed	68	0	68	69
Staff engaged on capital projects	0	0	0	0



68

0

68

69

5 Other Administration Costs

	Note	2009/10		2008/09	
		£000	£000	£000	£000
Rentals under operating leases					
Hire of Office Equipment		40		42	
Property Rentals		167		174	
			207		216
Non cash items					
Depreciation	8	144		145	
Impairment		-		-	
Loss on Disposal of Fixed Assets		-		18	
Interest on Capital Employed	18	53		52	
External Auditor's Fees		23		23	
Internal Auditor's Fees		19		17	
Pay Section Charge		5		5	
			244		260
Other expenditure					
Rates		46		43	
Maintenance, Cleaning, Heating & Lighting		258		337	
Administrative Expenses		286		336	
			590		716
			1,041		1,192

6 Net Programme Costs

	2009/10		2008/09	
	£000		£000	
Other current expenditure				
Purchases		285		354
Housekeeping		226		248
Conference Costs		702		522
		1,213		1,124



7 Operating Income

	2009/10	2008/09
Operating income is analysed as follows:	£000	£000
Rent received from external tenants	1	2
Bank Interest received	2	12
Transfer from Government Grant Reserve	-	1
Other fees and charges	4,737	4,293
	4,740	4,308
An analysis of income from services provided to external and public sector customers is as follows:		
WP Conferences	2,643	2370
FCO conference specific funding	296	833
FCO allocation funding for conferences	800	-
FCO transitional funding	325	-
Commercial Operations	531	892
Bar Sales	68	98
Shop Sales	1	1
Miscellaneous	73	99
	4,737	4,293

The FCO support Wilton Park conferences with a base allocation of £800k as part of last years review. Following the review in 2009 a number of changes were made to Wilton Park and additional funding was granted to aid with the transitional period. It is planned that this will reduce to zero in the next 2 years.



8 Property, Plant and Equipment

	Building Enh'ment £000	ICT £000	Fixture & Fittings £000	Motor Vehicles £000	Plant & Machinery £000	Office Equipment £000	TOTAL £000
Cost or Valuation							
at 1/4/2009	121	258	686	21	489	36	1,611
Additions	69	22	97		16	5	209
Disposals	-	-	-	-	-	-	-
Re-classification	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Cost at 31/3/2010	190	280	783	21	505	41	1,820
Depreciation							
at 1/4/2009	10	214	260	14	139	20	657
Charge in year	11	20	70	1	39	3	144
Disposal	-	-	-	-	-	-	-
Re-classification	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
Depreciation at 31/3/2010	21	234	330	15	178	23	801
Net Book Value							
at 31/3/2010	169	46	453	6	327	18	1,019
at 31/3/2009	111	44	426	7	350	16	954
at 31/03/2008	33	73	373	9	376	-	864

Up until 31 March 2008 indices produced by the Office of National Statistics were used to approximate modified historic cost accounting. Indices are no longer used and the accrued changes in value due to prior indices revaluations have been removed. Refer to Note 1.



9 Intangible Assets

Intangible assets comprise the cost of building the website

	TOTAL Website £000
Cost or Valuation	
at 1/4/2009	-
Asset under construction	39
Disposals	-
Re-classification	-
Revaluation	-
Cost at 31/3/2010	39
Amortisation	
at 1/4/2009	-
Charge in year	-
Disposal	-
Re-classification	-
Revaluation	-
Amortisation at 31/3/2010	-
Net Book Value	
at 31/3/2010	39
at 31/3/2009	-
at 31/3/2008	-

10 Movements in Working Capital other than Cash

	2009/10 £000	2008/09 £000
(Decrease)/Increase in Inventories	(1)	(23)
(Decrease)/Increase in Receivables	(151)	(13)
Decrease/(Increase) in Payables	4	7
	(148)	(29)



11 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 7 was earned. It has no other financial assets and liabilities on which interest, other than notional interest on capital, 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 but has requested support from the FCO on appropriate processes which can put into place. As at 31 March 2010, 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.

12 Inventories

	2009/10	2008/09
	£000	£000
Liquor and Food	16	14
Shop	3	4
Wilton Park Conference Folders	2	1
Commercial & Wedding Brochures	11	14
	32	33

13 Trade receivables and other current assets

	2009/10	2008/09
	£000	£000
Amounts falling due within one year		
Trade Receivables	366	516
Other Receivables	1	1
Prepayments and Accrued Income	71	72
	438	589
An analysis of debtors is as follows:		
Balances with other central government bodies	186	292
Balances with bodies external to government	252	297
	438	589



14 Cash and cash equivalents

	2009/10	2008/09
	£000	£000
Balance at 1 April	770	308
Net change in cash and cash equivalent balances	<u>16</u>	<u>462</u>
Balance at 31 March	786	770

15 Trade payables and other current liabilities

	2009/10	2008/09
	£000	£000
Trade Payables	184	239
Payments Received on Account	165	115
Other Payables	9	14
Accruals and Deferred Income	188	116
Tax payable (Income tax on Benefit in Kind)	1	-
VAT	<u>32</u>	<u>52</u>
	579	536

Restated
for IFRS

An analysis of creditors is as follows:

Balances with other central government bodies	192	56
Balances with bodies external to government	<u>387</u>	<u>480</u>
	579	536

16 Commitments under Operating Leases

	2009/10	2008/09
	£000	£000

At 31 March 2010 Wilton Park minimum commitment under non-cancellable operating leases which expire was:

Land and Buildings

Not later than 1 year	165	168
Later than 1 year and not later than 5 years	165	336
Later than 5 years	-	-

The new lease on Wiston House extends to the year 2027 with 5 yearly break clauses.

Other Operating Leases

Not later than 1 year	5	27
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 amounted to £1,125k plus £296k for conference specific funding plus £248k for capital expenditure. Wilton Park also received income from the Wilton Park USA Foundation. This amounted to £103k for a conference on Malaria. The foundation is an independent charitable organisation set up in the USA. One member of the Senior Management team is a trustee of the foundation.

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

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

18 Interest on Capital Employed

Interest is charged at 3.5% per annum on the annual average capital employed as follows:

	2009/10	Restated for IFRS 2008/09
	£000	£000
Non current assets	1,058	953
Current Assets (excluding cash)	470	622
Current Liabilities	(579)	(536)
	949	1,039
Interest on average annual working capital employed excluding cash	34	36
Interest on average monthly capital employed for cash assets	19	16
Interest on Capital Employed	53	52

19 Segmental Reporting

	Wilton Park		Total
	Conference Activities	Commercial Activities	
	£000	£000	£000
Income	4,121	619	4,740
Expenditure	3,856	1,050	4,906
Deficit (surplus)	265	(431)	166
% Cost Recovery	107.0%	59.0%	96.6%
% Cost Recovery Target			94.7%
Surplus/(deficit) on the disposal of fixed assets	-	-	-
Interest receivable and similar income	1	1	2
Interest payable and similar charges	-	-	-
Total Assets	1,819	495	2,314

Commercial activities included weddings, meetings and corporate conferences. FCO's contribution of £800k core allocation, £325k transitional allocation and £296k conference specific funding for Wilton Park is for conference activities only.



20 Capital Commitments

	2009/10	2008/09
	£000	£000
Contracted capital commitments at 31 March 2010 for which no provision has been made	0	0

21 Contingent Liabilities

There are no contingent liabilities for 2009/10 (2008/09 £nil)



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