



Wilton Park

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An Executive Agency of the
Foreign and Commonwealth
Office

Annual Report and Accounts
2015-16



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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 12 July 2016



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Any enquiries regarding this publication should be sent to us at Wilton Park, Wiston House, Steyning BN44 3DZ

Print ISBN 9781474130578

Web ISBN 9781474130585

ID P002799539 07/16

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

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Performance report

Overview

Chairman's foreword

This year we are celebrating Wilton Park's 70th anniversary and it is pleasing to be able to report that the year ending March 2016 marks another year of achievement and progress.

The Foreign and Commonwealth Office (FCO) commissioned Antony Stokes to undertake an independent review of Wilton Park's activities, performance and cost effectiveness as a front line resource for the FCO. Antony consulted a wide range of stakeholders and reviewed performance metrics over a 10 year timescale. His report concludes that; Wilton Park's activities are, and will continue to be, of significant value and relevance to the FCO, Wilton Park's management team have maintained strong alignment with FCO priorities whilst also achieving continuous improvement in operational efficiency and cost effectiveness and the current agency status and governance arrangements remain appropriate. He also makes a number of valuable recommendations which are now being built into our business plan. The Stokes report was submitted to Minister Swire and he accepted and endorsed the conclusions and recommendations.

Financially, Wilton Park has produced a surplus of just over 1%, slightly above target; this is the sixth consecutive year that the Wilton Park team have achieved a result either on or slightly above target. The continuing close cooperation with FCO colleagues together with tight management control has enabled the Wilton Park team to successfully deal with the continuing volatility of funding. Year-on-year our total revenue grew by 4%, within this our event revenue grew by 4% and our commercial income for Wiston House grew by 7%; a very creditable performance in a volatile and competitive market. Participation fees and commercial sponsorship of events grew in-line with our total revenue. The new Knowledge Information Management database (KIM) has developed well through the year and we are now seeing the anticipated benefits being delivered. The Overseas Hub project has been reviewed and we are now focussing on the Washington Hub, where a high level of interest is being generated. The Senior Management Team has been restructured during the year to facilitate better utilisation of resources between the operations and delivery teams together with building new capability and capacity for the future; this is particularly important in the context of a future with greater emphasis on Official Development Assistance (ODA) aligned activity.

During the year 2,659 people from 155 nations attended 62 Wilton Park events, 39 at Wiston House, 9 in London and 14 in 11 other countries. Participation included 114 ministerial (or equivalent) attendees; all of our conferences had attendees from the FCO network, Whitehall Departments or Agencies. Our Monitoring and Evaluation (M&E) process is fully embedded into the work processes of the conference teams and continues to report high levels of participant and partner satisfaction. The development of new formats and new facilitation techniques is an increasingly important part of the Programme Directors' role, innovation in a digital world is both a new challenge and a new opportunity for Wilton Park.

The team at Wilton Park and Wiston House are dedicated, committed and very competent, we are fortunate to have them and I would like to thank them for all their hard work. Once again the annual staff survey was positive in all significant areas and we retain Investor in People accreditation. I am pleased to be able to tell you that Richard Burge has had his contract as CEXC extended until September 2018, this will both provide welcome continuity of leadership and allow Richard to complete delivery of the post Stokes review recommendations and strategy.

The Wilton Park Advisory Council (WPAC) has again provided good support to the Wilton Park conference team, we are very grateful and benefit significantly from WPAC members' interest, input and wise counsel. During the year we have said thank you to five members whose appointment terms have ended and we have recruited four new members. We are grateful for the continuing support from colleagues in the FCO, both in King Charles Street and in Posts.

Looking ahead, the next year will be a challenging and an exciting period for Wilton Park. The increasing focus on ODA compliant work is reflected in a financial plan for 2016-17 which has a nearly 20% increase in core activity, the challenge is to deliver conferences and events which meet the objectives of our partners and which satisfy ODA requirements. The opportunity is that this new ODA work stream is a catalyst to secure stable longer term funding and a sustainable future for Wilton Park.

Everyone at Wilton Park shares a strong belief in the value of the work that we do, we look forward to continuing to make our contribution to delivering FCO priorities, to successfully delivering ODA work and to playing our part in creating a fairer and a safer world.

Iain Ferguson CBE

Chairman

Chief Executive's foreword

In my report that followed the General Election in 2010, I had to record a difficult year, where we had only just made our targets. This was understandable because with a change in government, policies and priorities shifted, causing delays in decisions on funding and the commissioning of Wilton Park events. Not so on this occasion. We found that in the lead-up to the 2015 election and immediately after, the anticipated downturn was a mere blip with funding decisions both in the UK and overseas giving us a full order book. The volatility in global affairs continues to require that we are highly fluid in our planning, but we have learnt to cope with that situation, and the results are as described by our chairman in his foreword.

My first task is to thank my colleagues on the Wilton Park staff for their hard work, commitment and flexible behaviour that enables us to function as a really effective revenue-based body in the public sector. I am also very grateful to our colleagues in the FCO who support our work, and enable us to fulfil our role in a manner that makes the most for Britain out of the adaptable status of being an executive agency. Finally, I want to thank the Wilton Park Board and our Advisory Council for their wise guidance, challenge and support.

The success of Wilton Park is based on refining our core activities rather than introducing radical new products. We find that there is an increasing demand for events that vary in length from half a day in London to 2-3 days residential meetings in Wiston House or abroad. We have also found that our partners are prepared to fund events with smaller numbers of participants as this can improve the impact and the quality of the dialogue. An increasing proportion of our work occurs "off-line" and by invitation only as participants need space and time for delicate discussion. The volume of our work overseas continues to increase – 11 countries last year – and we have a pilot "hub" in Washington DC designed to increase American engagement and participation with Wilton Park.

I am pleased to announce that the FCO has shown its confidence in Wilton Park in two ways. Firstly, by maintaining the level of our core allocation in 2015/16 despite serious budgetary pressure and constraint. Secondly, by providing us with a significant accountable programme fund relating to ODA in 2016/17. This will allow us to rebalance our work towards aspects of development which are directly supportive of the FCO's strategic objectives. Our task is now to fulfil the FCO's expectations by delivering a contribution to British diplomacy (unique amongst our friends and competitors in the world) that has impact on our security and prosperity, and projects the values of Britain

The world remains an uncertain place, and the global resources that provide the platform for the quiet discussion that must underpin the resolution of conflict are few and far between. I am very proud to lead a community at Wilton Park that ensures the best of British diplomatic skill, and the commitment of our nation to peace and justice is brought to bear on the world's most difficult problems. We are part of Britain's engagement with the world; making a positive contribution regardless of self-interest is what good nations do.

Richard Burge

Chief Executive

Purpose and activities

Wilton Park organises over sixty events a year in the UK and overseas, bringing together leading representatives from the worlds of politics, diplomacy, academia, business, civil society, the military and the media. We focus on issues of international security, prosperity and justice. Our meetings provide a neutral environment where conflicting views can be expressed and debated openly and calmly, allowing acceptable compromise and resolution to be achieved. Our priorities include:

- Conflict resolution and peacemaking
- Counter-terrorism, home affairs and the rule of law
- Defence and security
- Global prosperity
- Human rights, democracy, faith
- Sustainable development, energy and the environment

Performance overview

In 2015/16 Wilton Park slightly exceeded its financial target of +1% to -1% income over expenditure. £75k cash surplus was reported which is 1.5% income over expenditure (£8k surplus in 2014/15). Expenditure in this target excludes non-cash items. The financial statements show a deficit of £299k which includes non-cash items relating to depreciation, nominal costs and provisions of £374k.

Gross revenue was £5,080k up 4.3% on 2014/15 when gross revenue reached £4,872k. Wilton Park delivered 62 events and revenue excluding FCO Core Allocation was £3,443k (£3,240k in 2014/15).

After taking off FCO Core Allocation Wilton Park raised 85% of its revenue from other sources (83% in 2014/15).

The FCO contributed £895k of discretionary funding (£896k in 2014/15) which is 21% of gross funding minus Core Allocation (22% in 2014/15).

Due to an efficiency drive staff costs to income ratio reduced to 51% (54% in 2014/15). This is calculated as the proportion of established staff costs against total income.

97% of participants rated Wilton Park as 'excellent' or 'good' with respect to overall impression of events and 89% rated Wilton Park as 'excellent' or 'good' with respect to impact of event.

Key risks

Throughout the year, the principal two risks have been securing sufficient funding for our work in year and business continuity during extreme weather events. As an organisation which relies on discretionary funding for 85% of its revenue, the current global environment of austerity in public funding bodies (both governmental and civil society) increases risk. Wilton Park's costs are largely fixed and have little room for flexing within year, so the effective marketing of our events is critical. Global uncertainty and conflict has intensified the use of Wilton Park by the FCO, other UK government departments and our overseas partners. Consequently the overall downturn in public finance in the UK and elsewhere has had minimal impact on Wilton Park.

During the year, a general election was held which normally causes financial uncertainty as departments wait for new ministers and the announcement of new strategic priorities. The normal level of stress at this time did not occur which helped our overall financial performance.

Despite the continued reduction in government expenditure in areas from which we have been previously successful in securing discretionary funds, significant positive change has occurred for Wilton Park. We have secured a major injection of accountable programme grant from Official Development Assistance (ODA)-compliant sources with the expectation that we can apply our skills in ODA targeted areas and on issues that are given priority in the new SDSR and UK Aid strategy. We now have to show that we are capable of delivering results rapidly in these areas and with an impact that fulfils the confidence by the FCO.

The business continuity risk from adverse weather has two sources: problems which prevent participants arriving at Wiston House or leaving it because of local conditions, and international conditions that prevent arrival in or departure from the UK. We have monitored the suitability of equipment and staff training to ensure that local conditions have at most only a temporary effect lasting a few hours. For the international dimension, we rely on constant monitoring and the use of video links when appropriate.

Performance analysis

Measuring performance

Financial planning

The Wilton Park Senior Management Team (SMT) prepares an annual financial plan where income is forecast for both Wilton Park events and commercial revenue. Costs relating to that income are forecast using the resourcing models in place. Risks to the forecast are also identified and reported on during this process. The financial plan is re-forecast in September (Quarter 3 re-forecast) and again in January (Quarter 4 re-forecast). The re-forecasts are prepared using latest forecasts of income and costs.

Monthly management accounts

Management accounts are produced on a monthly basis for distribution and discussion at monthly SMT meetings and quarterly Board meetings.

The monthly management accounts analyse actuals against financial plan and explain variances. The management accounts are an integral tool to ensure the re-forecasting process produces realistic forecasts.

Balanced scorecard

Wilton Park has also developed a balanced scorecard which includes both financial and non-financial targets. It is prepared every month and distributed to the SMT and Board members and discussed at each Board meeting. The measures on the balanced scorecard have been selected to ensure that the SMT and Board members can effectively measure performance using a relatively small number of targets. The targets are either set using financial plan figures or have been designed using historic data combined with stretch targets:

- Average revenue per event and total revenue for both Wilton Park and Wiston House against financial plan or latest re-forecast
- Number of events to date against financial plan or latest re-forecast
- Pipeline income against target
- Overheads against financial plan or latest re-forecast
- Food and drink as a proportion of income against target
- Occupancy of Wiston House against target
- Monitoring and Evaluation (M&E) 'impact' and 'overall impression' measures against target
- Twitter engagement against target
- Operations and policy staff attributable hours against target (taken from timesheet information)
- Operations staff cost to income relating to Wiston House use against target
- Staff engagement against target
- Staff sickness against target

The Resource Allocation Group

The Resource Allocation Group (RAG), made up of SMT members and operational and policy staff, standardises the decision making process for the allocation of Wilton Park funding, the allocation of dates and other resources, and for the delivery of Wilton Park conferences, taking into account:

- Relevance to policy priority - conferences and events to support the FCO's Strategic Objectives and Priority Outcomes and/or other HMG strategic or foreign policy objectives
- Maximisation of use of Wiston House and available dates for Wilton Park events
- Maximisation of human resources
- Effective allocation of FCO Core Allocation
- Effective use of ODA funding

- Ensuring an audit trail is provided through an appropriately agreed budget and forecast process
- Ensuring that decisions are made in a timely and considered manner

The RAG also makes recommendations to the SMT on strategic decisions regarding product mix, funding mix and future business development.

In order to influence the current seasonal trend of funding, the RAG makes strategic use of the FCO Core Allocation to utilise Wiston House capacity in the first six months of the year.

The RAG also uses timesheet information to monitor time spent on each event and identify cost drivers to ensure future budgets for events realistically capture all costs.

Wilton Park carries out M&E by asking participants, intellectual partners, funders and speakers to complete an electronic survey (eQuestionnaire) during attendance at an event.

Monitoring and Evaluation

The Monitoring and Evaluation (M&E) process contributes to an understanding of the impact of Wilton Park events and to the improvement and development of future work. Detailed statistics are compiled for **all** participants on gender, profession, and region. Comments from eQuestionnaires provide feedback on objectives, quality of programme, impact and facilities and administration.

Feedback is requested from participants, intellectual partners, funders and speakers, and a variety of key indicators are used to measure success. Lessons learned from performance analysis informs the way new events are designed and delivered, enabling improvements in the quality of discussions and facilities.

Wilton Park's M&E process is run under the guidance of a Committee of the Wilton Park Advisory Council (WPAC) chaired by Myles Wickstead, and which includes Professor Robert Picciotto (former Director General of Evaluation at the World Bank) and Nicholas Colloff (Executive Director, Argidius Foundation). The Committee identifies significant trends and performance issues worth consideration and reports this to WPAC biannually, improves and refines the process, and ensures lessons learned are built back into Wilton Park's approach and work.

Performance of staff

Wilton Park ensures that staff performance is in line with requirements by following the FCO Performance Management guidelines and by ensuring all members of staff undergo annual appraisals where they are measured against SMART objectives. In addition to this, sickness is closely monitored and the sickness management process applied when triggers are reached.

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 (with a 1% margin) through raising income from conferences and other commercial activities (before deducting non-cash items).

For 2015/16 this target was slightly exceeded with a 1.5% surplus income over expenditure.

	2015/16	2014/15	
	£000	£000	
Net operating costs	299	793	from Statement Comprehensive Net Expenditure
Less non-cash costs	374	801	Note 3
Cash-based (surplus)/deficit	(75)	(8)	

Sponsorship and participation fees

Wilton Park events are funded by income raised almost exclusively through sponsorship and participation fees. 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 the financial year 2009/10. In 2015/16 this core funding amounted to £750k (£806k in 2014/15).

A breakdown of gross income by funder is shown in the table below:

	2013/14 £'000s	2014/15 £'000s	2015/16 £'000s
Academic/Research	178	115	241
Business	193	272	269
Defence Ministry/Military	249	158	226
FCO	1,067	896	895
Fees	415	342	313
Foreign Ministry	601	698	428
International Organisation	57	153	115
Media			4
NGO	163	256	467
Other Government Ministry	120	350	485
	3,043	3,240	3,443

Support from the FCO

As mentioned above, the FCO plays a key role in supporting the work of Wilton Park. In addition to core funding, the FCO provided conference sponsorship of £895k in 2015/16 (£896k in 2014/15). This amounts to 21% gross income minus FCO allocation (22% in 2014/15).

Additionally, the FCO provides Wilton Park with capital investment resources. During 2015/16 capital investments amounted to £233k (£264k in 2014/15). The total of non-cash resource costs amounted to £374k (£801k in 2014/15). The FCO accounts can be found on the FCO website <https://www.gov.uk/government/organisations/foreign-commonwealth-office>.

Creditor payment

Our policy is to pay our creditors within 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 19 (37 in 2014/15).

Commercial activities

When Wilton Park events are not taking place, 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 2015/16, income from Wiston House commercial activities was £887k (£826k in 2014/15). This income was generated from 87 commercial functions (103 in 2014/15). The strategy around selling commercial events changed in 2015/16 with emphasis on larger, higher quality events (which impact less on our Grade 1 listed building).

Selling available days around the Wilton Park programme of events 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 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.

Monitoring and evaluation (M&E)

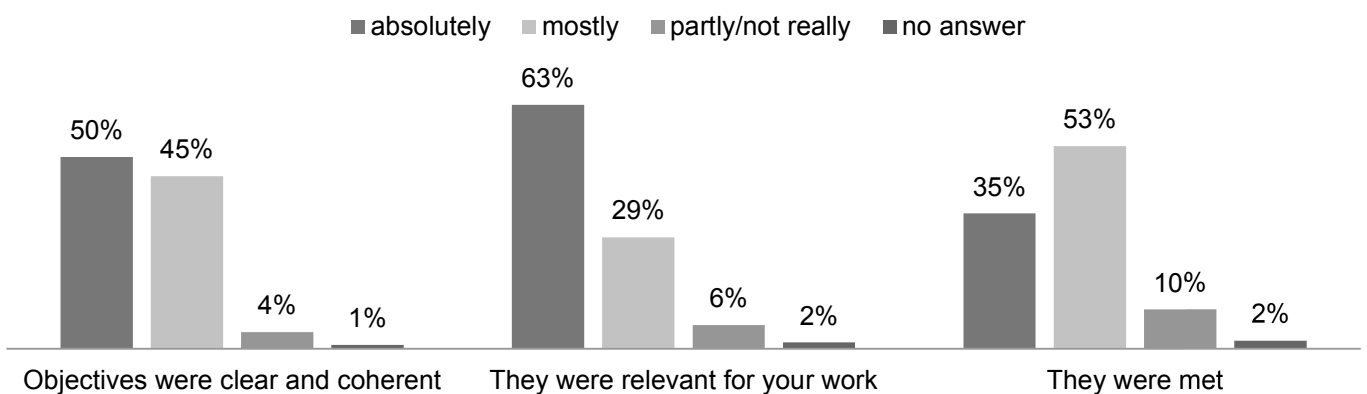
The M&E system is intended to highlight the impact of our events and provide evidence of the strengths of Wilton Park and our ability to deliver value for money. It is also used to assist in ensuring that our strategies are aligned with stakeholders' interests.

We look at a variety of indicators to measure the success of each of our events. In order to create an accurate picture of the composition of our events and identify themes over time we collect data on: Overall participation trends, Participation by sector, Participation by nationality, and Participation by gender. Below is a summary of trends from the last three years.

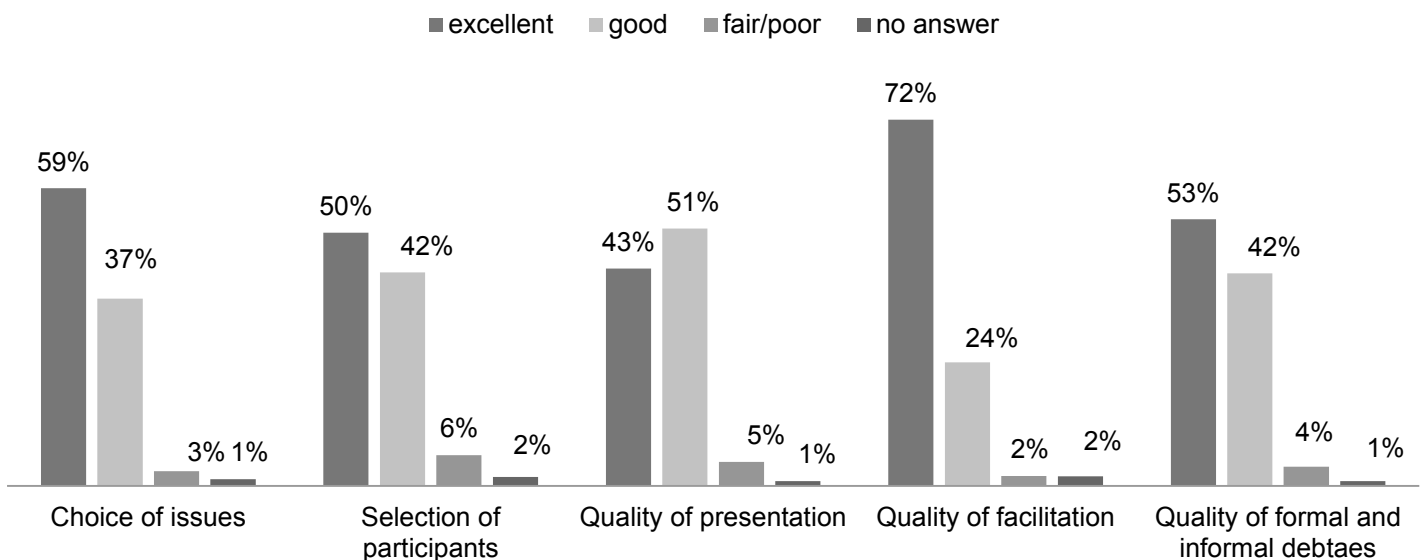
Using the eQuestionnaire, we ask participants to rate each event using five categories: Overall impression, Objectives, Programme design and delivery, Impact, and Facilities and administration. These scores are then collated to give an overall score for the five different categories for each conference.

The graphs and table below show this year's results for each section.

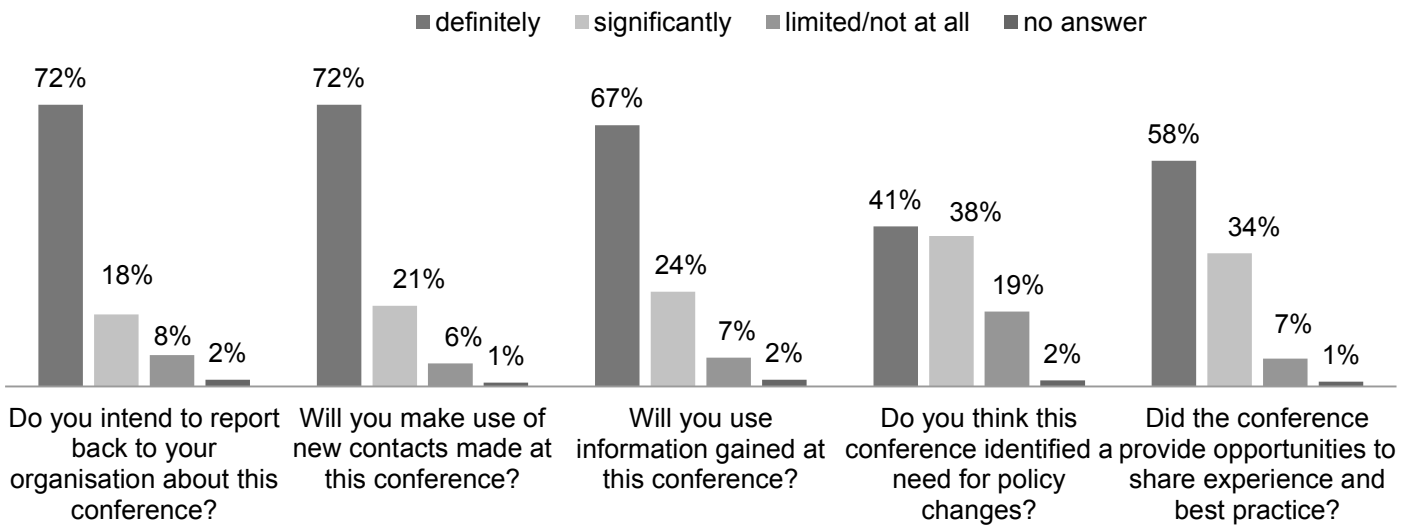
Objectives (clarity and relevance)



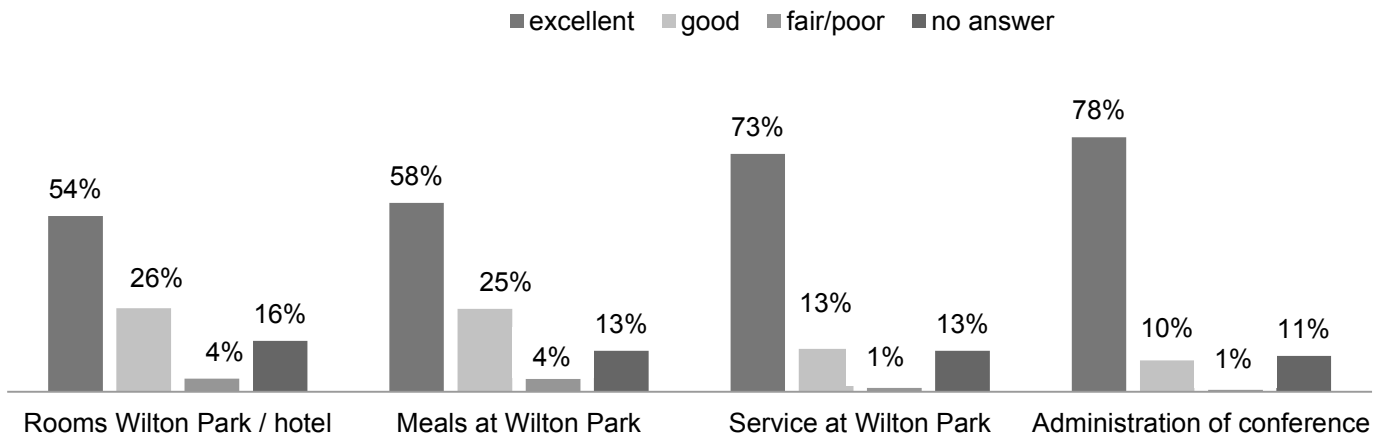
Programme design and delivery (quality)



Impact



Facilities and administration



eQuestionnaire summary 2015-16

Questionnaires issued	2,550
Questionnaires returned	1,735
Return rate	68%

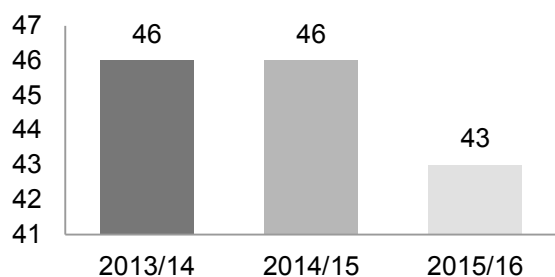
A Conference	% Excellent	% Good	Total
Overall impression	63%	34%	97%
B Objectives	% Absolutely	% Almost	Total
Clear and coherent	50%	45%	
Relevant to your work	63%	29%	
They were met	35%	53%	
Relevance rating	49%	42%	91%
C Programme design and Delivery	% Excellent	% Good	Total
Choice of issues	59%	37%	
Selection of participants	50%	42%	
Quality of presentation	43%	51%	
Quality of facilitation	72%	24%	
Quality of debates	53%	42%	
Effectiveness rating	55%	39%	94%
D Impact	% Definitely	% Significantly	Total
Intend to report back to organisation	72%	18%	
Use new contacts	72%	21%	
Use information gained	67%	24%	
Identified need for policy change	41%	38%	
Opportunities to share experience	58%	34%	
Impact rating	62%	27%	89%
E Facilities and administration	% Excellent	% Good	Total
Rooms	54%	26%	
Meals	58%	25%	
Service	73%	13%	
Administration	78%	10%	
Facilities and administration rating	66%	19%	85%

Overall participation trends

We also collect data internally on general participation trends.

Financial year	Total number of participants	Number of events	Average participation
2015/16	2,659	62	43
2014/15	2,622	57	46
2013/14	2,811	61	46

Average participation per event by year

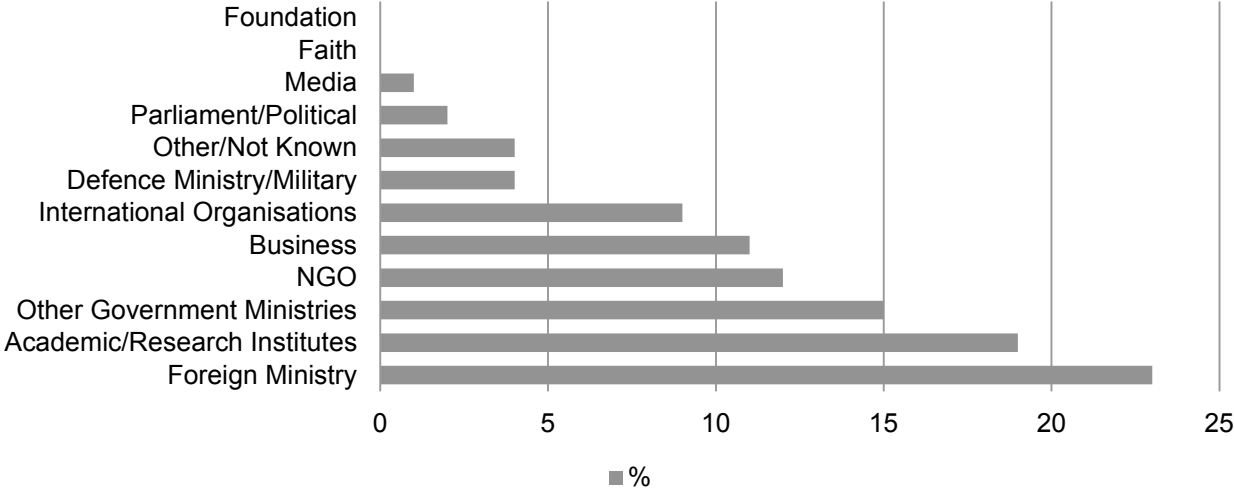


Wilton Park runs an increasing number of tailored events for smaller groups which has led to a reduction in average participation. Average participants at core events remained stable.

Participation by sector by year

	% 2015/16	% 2014/15	% 2013/14
Foreign Ministry	23	19	24
Academic/Research Institutes	19	16	18
Other Government Ministries	15	11	11
NGO	12	11	12
Business	11	9	10
International Organisations	9	9	10
Defence Ministry/Military	4	4	6
Other/Not Known	4	18	-
Parliament/Political	2	2	4
Media	1	1	5
Faith	0	-	-
Foundation	0	-	-
Total	100	100	100

Participation by sector 2015-16



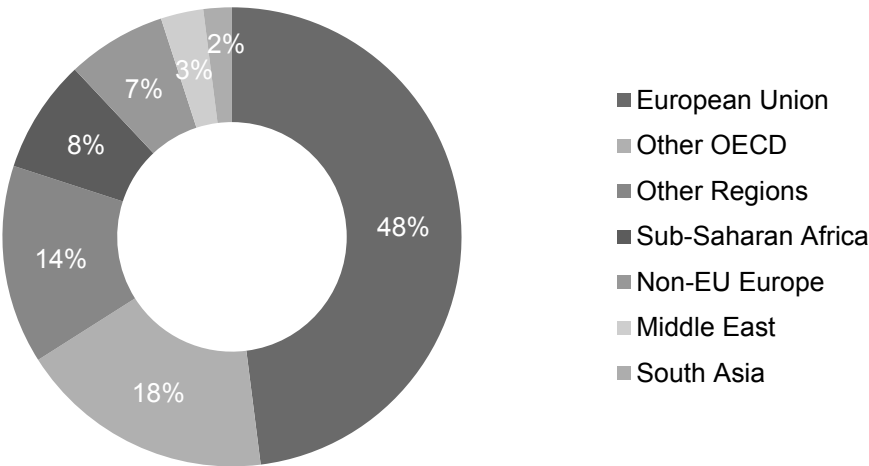
Participation by nationality by year

It was decided after last year’s reporting period that a more conventional metric for breaking down regional participation would be sensible going forward. The first table and chart use the previous metric; the second is for the 2015/16 financial year only using the new metric.

	% 2015/16	% 2014/15	% 2013/14
European Union	48	54	55
Other OECD	18	12	15
Other Regions	14	18	9
Sub-Saharan Africa	8	5	7
Non-EU Europe	7	6	8
Middle East	3	2	4
South Asia	2	3	2
Total	100	100	100

Nationality of people regardless of the domicile of the international institutions they represent.

Participation by nationality, 2015-16



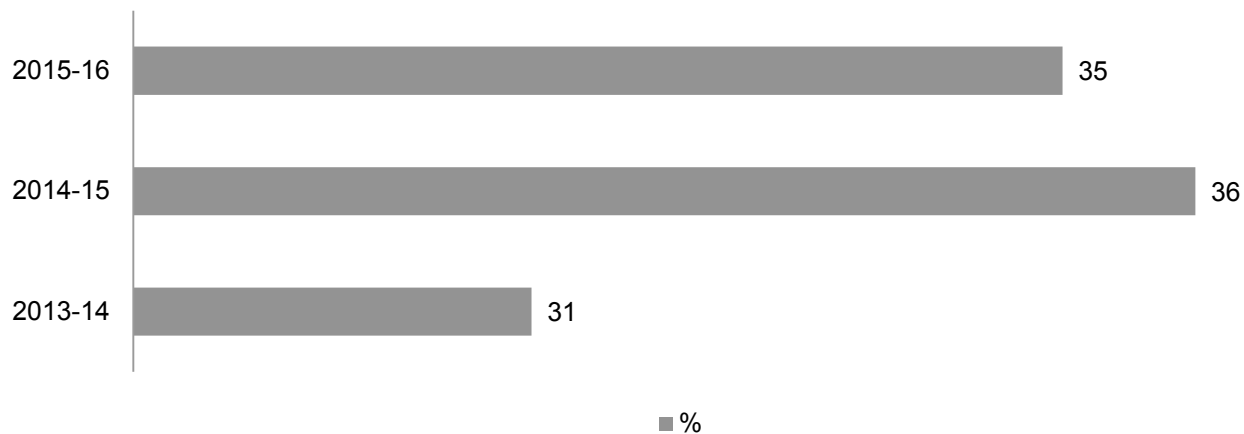
	% 2015/16
UK	32
Europe	28
North America	13
Africa	9
Latin and Central America	7
Asia	6
Middle East and North Africa	4
Oceania	1
Total	100

Nationality of people, taking into account the domicile of the international institutions they represent.

Participation by gender

Financial year	Total number of female participants	As a percentage of total number of participants
2015/16	929	35%
2014/15	938	36%
2013/14	876	31%

Average number of women per event



Wilton Park activities 2015-16

Conflict prevention, resolution and state building

Our work covers a wide range of issues related to the global financial crisis, European strategy and the consequences. **Challenges to European security: parliamentary perspectives and responses** approached these issues from a political perspective, focusing in upon the successes of fringe political movement and radical parties across Europe and the Russian destabilisation efforts throughout.

Continuing our body of work on conflict prevention in Africa, **Peacebuilding in Africa: developing African approaches** was the second part of a continued discussion on African perspectives of the peacebuilding process. It looked at new initiatives on the continent beyond the predominant approaches and interventions traditionally pursued by international actors. The finding of these will then be discussed with regional and sub-regional organisations as well as policy makers within multiple African nations to help shape future policy.

Defence and security

Demonstrating Wilton Park's long standing commitment to non-proliferation, Mark Smith convened discussions on **The Arms Trade Treaty and the Commonwealth**, and events looking specifically at chemical and biological weapons - **100 years of chemical weapons and the future of the OPCW** and **Compliance with the BTWC: strategies towards the 2016 Review Conference**. November's look at **The Australia Group: challenges and future directions** was the latest in a series of work on and with the Australia Group. December's annual week-long nuclear non-proliferation event, this year entitled **Nuclear non-proliferation: planning for 2020**, drew together strands of debate and discussion from throughout the year and began to look ahead to the next NPT Review Conference in 2020.

Looking at broader defence and security themes, Robert Grant convened a dialogue in partnership with the Institute for Security Studies on **Implementing Africa's maritime security strategies** in Johannesburg, looking at cooperation between states and regional organisations. European security architecture and the challenge posed by Russia continued to be central to work at Wilton Park during 2015-16, with **NATO and Russia: managing the relationship** focussing on the hard security issues and **Challenges to European security: parliamentary perspectives and responses** assessing the role for parliamentarians in managing hybrid threats.

Global economy

Promoting women's political and economic engagement: ambition for the future took place as part of the FCO's Week of Women campaign to help encourage engagement in traditionally male dominated institutions in developing and mature economies alike. The **Niger Delta Development Forum** addressed the varied challenges and opportunities for the people in the region. **Wildlife crime and international security** focussed on coordinating action by bringing together traditional wildlife authorities and conservationists with law enforcement and financial anti-crime units.

We held several events relating to the international economic system. **Unlocking the potential for the World Trade Organisation to deliver modern trade deals** looked at moving beyond the Doha mandate to continue facilitating trade deals for developing nations. **Transatlantic Trade and Investment Partnership: collaboration, consensus and communication** provided a clear roadmap to deliver a genuinely 21st century trade agreement. **Disrupting cities through technology** looked at global cities as important actors in international politics which could disrupt global governance, and how 'Smart Cities' could engage their digital citizens.

Wilton Park continued to place a strong emphasis on future leaders with a continuation of its contribution to the FCO **International Leaders Programme** (ILP). It also convened the first ILP regional alumni meeting in Mexico and ran the 30th anniversary event of the **British German Forum** for young leaders, focussing on strengthening resilience in a world of shocks and crises. Director of Programmes, Robin Hart also developed and ran **Caribbean 2030: new thinking for a generation**, the first two events in a new series of programmes for young regional leaders - the first at Wiston House, the second in Kingston, Jamaica. Supporting young leaders was the focus of another discussion at **International scholarship: the case for investment, and how to ensure impact**, and we also engaged in the FCO's Chevening Scholarship and Fellowship programme and chaired a **Chevening alumni meeting celebrating UK-Georgia's 20th anniversary of diplomatic relations** in Tbilisi.

Human rights, good governance and faith

On the theme of good governance, Julia Purcell ran **the Global Consular Forum 2015**, which convened senior consular officials alongside selected experts to discuss ways to enhance international consular policy and practice. She also held conferences addressing Human Rights aspects of citizenship, migration and minority rights. **The challenge of integration: what does it mean to be a citizen?** brought together a group of UK based experts to engage with senior Canadian officials on the themes of citizenship,

multiculturalism and identity. **The migration challenge: tackling root causes** addressed the key factors fuelling the migration crisis in Europe and practical ways in which to respond. **Protecting the rights of ethnic and religious minorities: addressing contemporary global challenges** was the 11th in our series of UN human rights meetings, sponsored by the Swiss and Norwegian Governments, and focussed on the rights of ethnic and religious minorities in the Middle East and North Africa. **The future of borders: geopolitical trends and challenges to 2030**, the ninth annual Futures meeting, convened a broad spectrum of futurists drawn from policy planning, academia, private sector and other industry and subject experts to share insights into trends, challenges and opportunities to inform policy planning and decision making.

Revd Canon Dr Gary Wilton continued his examination of intersections of religion and development, in his role as Visiting Programme Director. **Religion and Development: making better policy to make a bigger difference in Africa** drew policy makers, diplomats/international practitioners and religious actors into dialogue about the best interface between religion, policy and development in Africa.

Chief Executive Richard Burge ran two human rights conferences. **Human Rights and Mega Sporting Events** highlighted concerns over land acquisition, labour rights abuses during venue construction, exploitation of migrant workers, alleged sweatshop and child labour in merchandise production, constraints on the right to protest, clearance of homeless people and street children, and human rights issues on the track and field itself. International and regional participants at **Implementing the Convention against Torture (CAT)** shared best practice and experience of how to prevent torture in police custody in the Middle East and North Africa.

Multilateral Institutions, key countries and regions

Building on Wilton Park's strong tradition of strengthening multilateral institutions, Dr Robert Grant convened **New configurations of international order: values, principles, alliances and alignments**, an event held in Brazil, which explored the importance of values and principles in world politics and identified strategic approaches to help strengthen a rules-based international order. **The Arctic in 2045: a long-term vision**, examined the challenges of implementing the values and principles of the Arctic Council's vision statement, as well as the international avenues available to support the Arctic states and the Arctic Council in addressing these long-term challenges.

Sustainable development and the environment

Wilton Park continued its series on Global Health, with a strong focus on science, medicine and its developmental application. **Malaria elimination in Asia Pacific and Southern Africa** looked at the feasibility of eliminating malaria in 20 countries by 2020. **A new era: redefining the response to HIV in Europe** looked more closely at scientific advances in HIV therapeutics and prevention that can be harnessed into policy across Europe. **Genomics: using precision medicines to improve global health** shared expertise in this revolutionary field.

Two health meetings focused on Africa: **(Re)building health systems in West Africa** explored the role ICT and mobile technologies could play in strengthening the weakest healthcare systems. A follow-up meeting addressed **Unlocking the potential of the global community health workforce post-Ebola** with the aim of harmonising international approaches towards community based healthcare.

In a dynamic conference including several former Olympians and an opportunity for games in the garden at Wiston House, **Sport for development: a catalyst for change** looked at the unique ability of sport to empower individuals, unite communities, tackle inequality and address a wide range of social challenges.

New frontiers for evaluation in an era of market-oriented development explored how evaluation practices and approaches need to be adapted to assess the impact of new market-oriented development initiatives. The forum built consensus among participants from Africa, Asia, and the Middle East with donors, UN agencies, NGOs and the private sector, on the need for a new approach to protracted forced displacement. The forum allowed participants to share practical experiences of pursuing new approaches and, in doing so, identify opportunities for concrete action to secure better outcomes for refugees, internally displaced people and the communities that host them.

In April, we ran a **Forum on new approaches to protracted forced displacement**. The outcomes statement reflected the co-hosts' summary of the five core principles, the Wilton Park Principles, which emerged from the discussion as the foundation of the new approach to protracted forced displacement. The principles will be pursued further through the World Humanitarian Summit in May 2016 and the UN Summit on refugees and migrants in September.

Schedule of events

Conference name	Event code	Start date	End date	Location
Implementing Africa's maritime security strategies	WP1407	04/05/2015	07/05/2015	Johannesburg, South Africa
Religion and Development: making better policy to make a bigger difference in Africa	WP1400	20/05/2015	22/05/2015	Cape Town, South Africa
Consular 2015	WP1381	26/05/2015	28/05/2015	Puente de Ixtla Morelos, Mexico
Caribbean 2030: new thinking for a new generation	WP1404	01/06/2015	03/06/2015	Wiston House
The Arms Trade Treaty and the Commonwealth	WP1410	08/06/2015	10/06/2015	Wiston House
Rethinking deterrence and assurance	WP1401	10/06/2015	13/06/2015	Wiston House
100 years of chemical weapons and the future of the OPCW	WP1408	15/06/2015	15/06/2015	The Hague, Netherlands
(Re)Building health systems in West Africa: what role for ICT and mobile technologies?	WP1409	15/06/2015	17/06/2015	Wiston House
Sport for development: a catalyst for change	WP1227	22/06/2015	24/06/2015	Wiston House
Niger Delta Development Forum: delivering sustainable and equitable socioeconomic improvement through industrial diversification	WP1402	23/06/2015	23/06/2015	London, UK
British German Forum 2015: strengthening our resilience in a world of shocks and crises	WP1413	13/07/2015	16/07/2015	Wiston House
New frontiers for evaluation for market-oriented development	WP1411	20/07/2015	22/07/2015	Wiston House
Towards ASEAN 2016: preparing the path	WP1422	26/08/2015	27/08/2015	Vientiane, Laos
The challenge of integration: what does it mean to be a citizen?	WP1438	08/09/2015	08/09/2015	London, UK
International Leaders Programme	WP1425	13/09/2015	14/09/2015	London, UK
Compliance with the BTWC: strategies towards the 2016 Review Conference	WP1416	23/09/2015	25/09/2015	Wiston House
Malaria elimination in Asia Pacific and Southern Africa: political leadership and sustained financing	WP1390	30/09/2015	02/10/2015	Wiston House
The migration challenge: tackling root causes	WP1427	12/10/2015	14/10/2015	Wiston House
The Australia Group: challenges and future directions	WP1412	14/10/2015	16/10/2015	Wiston House
NATO and Russia: managing the relationship	WP1437	21/10/2015	23/10/2015	Wiston House

Conference name	Event code	Start date	End date	Location
Wildlife crime and international security: strengthening law enforcement	WP1423	26/10/2015	28/10/2015	Wiston House
Promoting women's political and economic engagement: ambition for the future	WP1439	28/10/2015	30/10/2015	Wiston House
Chevening alumni: celebrating UK-Georgia's 20th anniversary of diplomatic relations	WP1445	29/10/2015	30/10/2015	Tbilisi, Georgia
Responding to the evolving drugs challenge: towards UNGASS 2016	WP1434	04/11/2015	06/11/2015	Wiston House
The Big Bang and the interfaces of knowledge: towards a common understanding of Logic?	WP1433	09/11/2015	11/11/2015	Geneva, Switzerland
Enhancing the security of the global maritime supply chain: detecting and permanently removing nuclear and other radioactive materials out of regulatory control	WP1432	16/11/2015	18/11/2015	Wiston House
Human rights and mega sporting events	WP1428	18/11/2015	20/11/2015	Montreux, Switzerland
International Leaders Programme	WP1429	22/11/2015	23/11/2015	London, UK
New configurations of international order: values, principles, alliances and alignments	WP1436	22/11/2015	25/11/2015	Rio de Janeiro, Brazil
A new era: redefining the response to HIV in Europe	WP1418	09/12/2015	11/12/2015	Wiston House
Implementing the Convention against Torture (CAT): sharing best practice and experience in preventing torture in police custody in the Middle East and North Africa	WP1426	13/12/2015	15/12/2015	Marrakech, Morocco
Nuclear non-proliferation: planning for 2020	WP1414	14/12/2015	18/12/2015	Wiston House
Protecting the rights of ethnic and religious minorities: addressing contemporary global challenges	WP1442	13/01/2016	15/01/2016	Wiston House
International Leaders Programme	WP1430	17/01/2016	18/01/2016	London, UK
Unlocking the community health workforce potential, post-Ebola: what models and strategies work?	WP1447	10/02/2016	12/02/2016	Wiston House
Challenges to European security: parliamentary perspectives and responses	WP1441	15/02/2016	17/02/2016	Wiston House
The Arctic in 2045: a long-term vision	WP1453	17/02/2016	19/02/2016	Wiston House
The future of borders: geopolitical trends and challenges to 2030	WP1458	24/02/2016	26/02/2016	Wiston House
Caribbean 2030 - new thinking for a new generation II: innovation and entrepreneurship	WP1462	24/02/2016	27/02/2016	Kingston, Jamaica

Conference name	Event code	Start date	End date	Location
Transatlantic Trade and Investment Partnership: collaboration, consensus and communication	WP1443	29/02/2016	01/03/2016	Wiston House
The impact of the genomics revolution on global health - how can governments respond?	WP1463	01/03/2016	03/03/2016	Wiston House
International Leaders Programme	WP1431	13/03/2016	14/03/2016	London, UK
Unlocking the potential for the World Trade Organization to deliver modern trade deals	WP1456	14/03/2016	16/03/2016	Wiston House
Peacebuilding in Africa: developing African approaches	WP1417	14/03/2016	16/03/2016	Addis Ababa, Ethiopia
Disrupting smart cities through technology	WP1449	17/03/2016	19/03/2016	Wiston House
International scholarships: the case for investment, and how to ensure impact	WP1469	21/03/2016	23/03/2016	Wiston House

Wilton Park convened 62 events in 2015-16, 16 of which were closed and are not listed above.

Schedule of partners

UK government/parliament

All Party Parliamentary Group for Human Rights Defenders
British Group Inter-Parliamentary Union*
Cabinet Office
Department for Business, Innovation and Skills* (BIS)
Department of Energy and Climate Change* (DECC)
Department for International Development* (DfID)
Foreign and Commonwealth Office* (FCO)
GREAT Britain Campaign*
Healthcare UK
Home Office*
Ministry of Defence*

Other UK organisations

Amnesty International UK*
BBC Media Action*
Bridge International Dialogue*
British Antarctic Survey (BAS)
Children's Investment Fund Foundation*
Human Rights and Social Justice Research Institute
International Inspiration*
Institute for Human Rights and Business* (IHRB)
Peace Brigades International
University of Sussex*
Vitol Foundation*

Multinational/private sector

Accenture*
Atomic Weapons Establishment* (AWE)
Barclays*
De La Rue plc*
GlaxoSmithKline* (GSK)
Improbable*
WEConnect International*

International organisations

Convention against Torture Initiative*
European Commission*
European External Action Service
European Organisation for Nuclear Research* (CERN)
International Federation of Football Association* (FIFA)
North Atlantic Treaty Organisation* (NATO)
NATO HQ* and Defence College*
Organisation for Economic Cooperation and Development* (OECD)
United Nations Department of Safety and Security*
United Nations Regional Centre for Peace and Disarmament in Africa* (UNREC)
The World Bank Group*
World Health Organisation* (WHO)

Overseas governments and organisations

Australia

Department of Foreign Affairs and Trade*
Permanent Mission of Australia to the UN*

Belgium

Ministry of Foreign Affairs*

Brazil

Pandia Calogeras Institute**

Canada

Global Affairs Canada*
Canada House, High Commission, London**

Denmark

Danish Defence Command*
Ministry of Foreign Affairs*

Finland

Ministry of Foreign Affairs*

France

Ministry of Foreign Affairs and International Development*

Germany

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH* (GIZ)

Ireland

World Vision Ireland*

Jamaica

Continental Baking Company Limited*
Jamaica National Building Society*

Japan

Ministry of Foreign Affairs*

Mexico

Secretariat of Foreign Affairs*

Netherlands

Ministry of Foreign Affairs*

Norway

Ministry of Foreign Affairs*
Ministry of Health and Care Services*
Permanent Delegation of Norway to NATO

Poland

Ministry of Foreign Affairs*

South Korea

Ministry of Foreign Affairs*

Sweden

Ministry of Foreign Affairs*

Switzerland

Federal Department of Foreign Affairs*

Turkey

Ministry of Foreign Affairs*

United Arab Emirates

Ministry of Information & Culture*

USA

The Bill and Melinda Gates Foundation*
Brigham Young University*
Carnegie Corporation of New York*
Futures Group*
Gilead Sciences, Inc*
The Global Health Group, University of California*
IntraHealth International*
Jhpiego*
Lawrence Livermore National Laboratory*
Los Alamos National Laboratory*
mPowering Frontline Health Workers*
Niger Delta Partnership Initiative (NDPI)*
PATH*
Qualcomm*
The Rockefeller Foundation*
Sandia National Laboratories*
The TK Foundation*
United States Agency for International Development (USAID)*
US Department of State*
Vital Wave*
World Vision US*

*financial partners

**partner venue

Strategic report

Business overview

The purpose of Wilton Park is to provide unique opportunities for policy makers to discuss directly and frankly, foreign policy issues where there is uncertainty, disagreement, and conflict. We are able to undertake this because we have a strong and historic reputation for convening and leading, in a neutral manner, difficult discussion on sensitive issues.

Our role is to demonstrate the UK Government's commitment to the pursuit of global peace and prosperity, and to be a unique soft power asset for Britain focused exclusively on the strategic foreign policy priorities of the UK government and her allies.

Wilton Park is a revenue generating organisation – the ability to secure income is a strong indicator of the continuing of its relevance and significance. Consequently, its business plan looks more like that of a commercial operation than a government department.

Our business profile will change significantly in 2016-17 with the introduction of a significant accountable programme grant for ODA-compatible activity. This decision was made in March 2016. A revised 4-year strategic plan will be developed and approved by the Wilton Park Board by September 2016. The plan will reflect this significant shift in the type and nature of our events, while ensuring that our over-riding purpose of support and relevance to British foreign policy objectives remains robust and focussed.

High level objectives

Enhance the relevance of Wilton Park to the priorities of the FCO and the international position of the UK. Increase our relevance and engagement with other government departments on their international agendas with particular emphasis on the MOD, DFID, BIS, Home Office and DEFRA/DECC.

Review and expand our engagement with the "Track 1.5" (policy makers with very closely connected and influential individuals and organisations) environment and in training and facilitation work for others.

Expand our overseas operations in the 21st Century bilateral partner countries and fastest growing economies (as defined by the FCO), and in a manner which increases engagement with participants from conflict-affected areas.

Increase our overall financial effectiveness, with increased earnings, increased efficiency in our activity, and monitoring the continued cost effectiveness of Wiston House against credible external benchmarks. Increase the number of events, overall attendance; maintain our range of participant nationalities but with increased participation by key countries.

Maximise the contribution made by the commercial use of our assets in a manner that does not distract from Wilton Park activity but reduces the net operating cost of the agency.

The objectives we set ourselves in 2013 were as follows. Comments on outcome in notes below table (C1 to C4):

Nature of indicator	Achievement date	Target or optimal range	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16
Effect	March 2016	<ul style="list-style-type: none"> • 3,200 participants (70% non-British) • 110+ nations • 70 events 	<ul style="list-style-type: none"> • 2,811 participants (70% non-British) • 130 nations • 61 events 	<ul style="list-style-type: none"> • 2,622 participants (62.7% non-British) • 126 nations • 57 events 	<ul style="list-style-type: none"> • 2,659 participants (68% non-British) (C1) • 155 nations • 62 events
Finance	Every year March 2016	<ul style="list-style-type: none"> • Between -1% and +1% of income over costs • 25% revenue from WH commercial operations • 55% 'occupancy' rate • Turnover £6m • UK/US charitable earning £300k 	<ul style="list-style-type: none"> • 1% deficit • 21% (from 101 events) • Still to be designed • £4.9m 	<ul style="list-style-type: none"> • 0.2% surplus • 17% (from 103 events) • Wilton Park Board work in progress • £4.9m • Six month hub pilot scheme undertaken in the USA 	<ul style="list-style-type: none"> • 1.5% surplus • 17.5% (from 87 events) (C2) • 50% occupancy (C3) • £5.1m (C4) • US hub fully established near end of FY
Relevance	2013-2016	<ul style="list-style-type: none"> • FCO allocations level in cash terms • FCO acknowledge 80% of output related directly to its in-year priorities • FCO in annual report describes WP as a front line diplomatic asset 	<ul style="list-style-type: none"> • Level • First measured in 2014-15 • Phrase is used in internal document and by FCO PUS 	<ul style="list-style-type: none"> • FCO allocation maintained in 2014/15 • Achieved • Phrase is used in internal document and by FCO PUS 	<ul style="list-style-type: none"> • Reduced by 6% • Post-election delay in FCO Strategic Priorities • Post-election delay in FCO Strategic Priorities

Nature of indicator	Achievement date	Target or optimal range	Outcome 2013/14	Outcome 2014/15	Outcome 2015/16
Efficiency	2017	<ul style="list-style-type: none"> • Leverage of FCO allocation to reach 400% • 12 events per PD or equivalent • Staff cost to income ratio to drop to 50% • Staff headcount at 70 (or 65 FTE) 	<ul style="list-style-type: none"> • 381% • 10 events per PD • 55% • 74 (70 FTE) 	<ul style="list-style-type: none"> • 402% • 9.5 events per PD • 54% • 75 (71.6 FTE) 	<ul style="list-style-type: none"> • 460% • 11.3 events per PD • 51% • 71 (65 FTE)

Comments:

1. During the strategic planning period a very clear market demand developed for Wilton Park events with fewer participants to enable more productive and engaged dialogue. This market demand is reflected in the overall figures for participation in 2015/16.
2. We changed marketing strategy during the period to accept fewer but better quality commercial events (including weddings) in order to increase retained revenue per event but reduce wear and tear on the fabric of Wiston House.
3. It has proved very difficult to create a meaningful occupancy rate for Wiston House as all of our events (Wilton Park and commercial) offer exclusive use.
4. The target of £6m exceeded market demand but developments in 2016/17 and beyond mean this target will be achieved.

Sustainability reporting

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.

In seeking to manage operations on a sustainable basis, Wilton Park recognises that its operational activities directly impact upon the environment and has endeavoured over the last decade to minimise its impact in a number of ways and we are committed to improving our environmental performance by minimising negative impacts and enhancing positive impacts.

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 by encouraging staff to share transportation, and coordinating conference and local travel wherever possible.

Our key environmental commitments include:

- minimising our use of resources by producing less waste, and reusing and recycling more;
- actively managing our energy use to reduce our carbon footprint;
- actively managing our water consumption;
- employing sound environmental practices for the selection, procurement, use and disposal of materials, goods, and services;
- using environmentally-sensitive products and services;
- recognising the significant contribution that Wilton Park staff, suppliers and customers can make in minimising the organisation's environmental footprint.

We will fulfil these commitments through our Environmental Policy which includes a range of measures:

- 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 best practice in our use of resources;
- influencing and managing our suppliers and contractors to ensure that goods procured and services undertaken comply with our environmental policy;

Staff have continued to remain engaged in working towards these commitments with a new committee focussed on strategic sustainability and key objectives, to ensure that future initiatives and projects will enhance and benefit the core objectives for the future Greener Government Commitment targets.

Signed Richard Burge Chief Executive

17 June 2016

Accountability report

Corporate governance report

Directors' report

Principal activities

Wilton Park organises over sixty events a year in the UK and overseas, bringing together leading representatives from the worlds of politics, diplomacy, academia, business, civil society, the military and the media. We focus on issues of international security, prosperity and justice. Our meetings provide a neutral environment where conflicting views can be expressed and debated openly and calmly, allowing acceptable compromise and resolution to be achieved. Our priorities include:

- Conflict resolution and peacemaking
- Counter-terrorism, home affairs and the rule of law
- Defence and security
- Global prosperity
- Human rights, democracy, faith
- Sustainable development, energy and the environment

Wilton Park Board

During the period April 2015 to March 2016 the directors below held office for the full period:

Iain Ferguson CBE	Chair of the Wilton Park Board (NED)
Richard Burge	Chief Executive Wilton Park (Accounting Officer for Wilton Park)
Iain Morgan	Former Financial Controller to HM Forces Surgeon-General (NED)
Alex Jablonowski	Director High Performance Leadership Ltd (NED)
Hugh Elliott	Director of Communication FCO (Senior Responsible Officer for Wilton Park)
Peter Hill	Director of Strategy FCO
Peter Jones	Director Defence and International Security FCO

In the case of each of the directors above there is no relevant audit information of which the National Audit Office is unaware. The directors have taken all steps to make themselves aware of any relevant audit information and to establish that the National Audit Office is aware of that information.

Personal data

There were no personal data related incidents.

Statement of Accounting Officer 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, application of resources, 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.

Governance statement

Wilton Park's aim and terms of reference are laid down in a Framework document that is revised every three years. The latest version came into force on 31 March 2013, and can be found at www.wiltonpark.org.uk/wp-content/uploads/Framework-Document.pdf. This document also specifies the processes and procedures used by Wilton Park in governance, management, and audit, including our relationship with the Internal Audit system of the FCO and the National Audit Office (NAO).

The **Wilton Park Board** agrees the strategy and objectives including the financial and other performance targets; it monitors and evaluates progress and advises on the allocation of resources. Its membership is appointed in accordance with the provisions of the Framework, which results in some turnover associated with transfers within the FCO senior staff ranks. Membership of the board is detailed in the Directors' Report.

The Wilton Park Board meetings are also usually attended by:

- Members of the Wilton Park SMT (including Elise Maddocks, Director of Finance, who fills the role of Secretary to the Board).
- Key members of FCO Communication and Engagement Directorate; Val Chamberlain and Jonathan Reed.

The Wilton Park Board carried out an effectiveness review in March 2014, and repeated the exercise in March 2016. Another review is planned to be completed by the end of 2017/18.

Board attendance has been as follows

	Jun 2015	Sep 2015	Nov 2015	Jan 2016
Iain Ferguson	✓	✓	✓	✓
Richard Burge	✓	✓	x	✓
Alex Jablonowski	✓	✓	✓	✓
Iain Morgan	x	✓	✓	✓
Hugh Elliott	✓	✓	✓	✓
Peter Hill	✓	✓	x	✓
Peter Jones	✓	✓	✓	✓

The Chair of the Wilton Park Board writes to the Permanent Under Secretary (PUS) after the end of every financial year outlining the major events and performance indicators. This acts as the basis for a meeting between the PUS, the Senior Reporting Officer (SRO), the Chair and the Chief Executive. Additionally, the Chief Executive meets three to four times a month with the SRO, and attends the weekly FCO Directors meeting with the PUS.

Every month, the Chief Executive sends an update on all ongoing and planned activity to Heads of Mission, the FCO Executive Board and all FCO directors. Every week, a short summary of planned activity is sent to SRO, the Director of Strategy, and key members of FCO Communications and Engagement Department.

Wilton Park is managed on a day-to-day basis by the Chief Executive as Accounting Officer and by the SMT. The SMT meets informally at the beginning of each week, and conducts a formal meeting every month. The team also meets to review the issues and papers going to Board and Audit Committee meetings. The SMT consists of:

Richard Burge	Chief Executive
Mark Bellone	Director of Operations (resigned July 2015)
Jo Childs	Director of Delivery and Communications
Elise Maddocks	Director of Finance

Wilton Park is currently recruiting for a fourth member of the SMT who will fill the new role of Director of Policy and Programmes.

Raising Concerns

Wilton Park is committed to ensuring a high standard of conduct in all that we do, including the effective use of tax payer's money and mitigating the risk of fraud and error. An effective whistleblowing policy is one of the key ways of identifying fraud and error. We refer to this as "raising concerns" rather than "whistleblowing" as we believe it is more positive and encourages reports.

At Wilton Park staff can raise concerns on perceived wrongdoing through their line management chain or via our Senior Reporting Officer at the FCO. All reports under the Raising Concerns policy are investigated.

Whilst the identities of those raising a concern remain confidential, the Senior Management Team and the Audit and Risk Assurance Committee take an active interest in the number of reports received, action taken in respect of each report and common themes from the reports. Heads of Departments are required to ensure that their teams are aware of procedures and encourage them to report a concern. Our Internal Audit team also review both the Raising Concerns procedures and awareness of the procedures.

During 2015-16, there were no specific concerns raised with nominated officers. In 2016-17, we will continue to ensure that staff are aware of the procedures and have confidence in their use and that all reports will be investigated.

Wilton Park Advisory Council (WPAC)

Wilton Park has an Advisory Council (enshrined in the Framework) which provides advice, critique and oversight of the content and policy work of Wilton Park. Collectively and individually, its members advise on conference and event content, participants and structure. They also advise on themes in order to ensure that Wilton Park continues to address issues which will benefit from its approach and methodology, and which are of strategic relevance to the UK foreign policy objectives. Members meet formally twice a year. A sub-committee meeting that reviews the monitoring and evaluation reports of Wilton Park events meets separately twice a year.

As of 31 March 2016, the membership of the Advisory Council is:

- Mr Peter Apps, Executive Director, Project for Study of the 21st century (PS21)
- Sir Colin Blakemore, Professor of Neuroscience, University of Oxford
- Mr Nicholas Colloff , Executive Director, Argidius Foundation
- Mr Iain Ferguson, Chairman, Wilton Park
- Sir John Holmes, Director, The Ditchley Foundation
- Dame Denise Holt , Former UK Ambassador to Spain (until 1 December 2015)
- Ms Bridget Kendall, Diplomatic Correspondent, BBC
- Sir Michael Leigh, Senior Adviser, German Marshall Fund
- Sir Tom Phillips, Former Ambassador to Tel Aviv and Saudi Arabia (until 1 December 2015)
- Professor Robert Picciotto, Visiting Professor, King's College London
- Mr Victor Sebestyen, historian and journalist (until 1 February 2016)
- Dr Paola Subacchi, Research Director, International Economics Programme, Chatham House
- Mr Owen Tudor, Head, TUC European Union and International Relations Department
- Prof Myles Wickstead, Visiting Professor, Open University

Associates

- Mr Simon Harris, Adviser, Associated British Foods plc (until 12 October 2015)
- Mr Paul Wilson, Director, Government Relations, De La Rue plc (until 12 October 2015)

Audit and Risk Assurance Committee report

Wilton Park has an **Audit and Risk Assurance Committee (ARAC)** of the main Board. Its terms of reference and purpose are detailed in the Framework document. The membership is:

Alex Jablonowski	Chair of the ARAC (NED)
Iain Ferguson	Chair Wilton Park Board (NED)
Iain Morgan	Former Financial Controller to HM Forces Surgeon-General (NED)

The Chief Executive attends the Committee and the Director of Finance acts as Secretary. Other Wilton Park senior managers are often invited to attend as are other members of the main board and key members of staff from the FCO.

The ARAC considers the management accounts in detail, reviews the delivery of internal audit reports and self-audits, reviews the Operational Risk Register, and undertakes the detailed review of the annual accounts on behalf of the main Board.

During the year, the Internal Audits were carried out on:

1. IT Environment, Security and Operating Procedures
2. Risk Management Framework
3. The SMT completed the Annual Consolidated Certificate of Assurance (ACCA)

The final report on the Risk Management Framework audit was presented to the ARAC at the June 2016 meeting.

The ACCA replaces self-audits. The evidence it provides is used as an additional assurance tool for the board and the ARAC.

All prior year internal audit recommendations have been implemented.

Wilton Park maintains an Operational Risk Register modelled on the format used by the FCO. A sub-group of the SMT chaired by the Chief Executive is responsible for maintaining the Operational Risk Register and for preparing its submission to the ARAC and the Board, who both review the document at every meeting.

The Head of Internal Audit has given an overall opinion of Moderate Assurance. 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. The ARAC concurs with this opinion.

During 2015/16 an ARAC effectiveness review was organised by Internal Audit with the National Audit Office facilitating this review of the function and effectiveness of the Wilton Park ARAC.

Key risks are detailed in the Overview at the beginning of this report.

No ministerial directions were given during the year.

I confirm that Wilton Park complies with the Corporate Governance Code for central government departments in so far as the code is relevant to an organisation of Wilton Park's size and circumstances.

Signed Richard Burge Chief Executive

17 June 2016

Remuneration and staff report

Remuneration policy

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, with a three year extension granted in September 2012. His contract was extended for a further three years in March 2016. 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 <http://civilservicecommission.independent.gov.uk/>

Single total figure of remuneration for each director

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

Officials	Salary (£'000)		Bonus payments (£'000)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1000) ¹		Total (£'000)	
	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15
Richard Burge CE	115-120	115-120	-	-	4,600	4,600	45	43	160-170	160-170
Iain Ferguson Chairman	20-25	20-25	-	-	-	-	-	-	20-25	20-25
Alex Jablonowski NED	5-10	5-10	-	-	-	-	-	-	5-10	5-10
Iain Morgan NED	0-5	0-5	-	-	-	-	-	-	0-5	0-5

¹ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Pension entitlements for each Director

The table below has been subject to audit.

Name Title	Accrued pension at age 60 as at 31/3/16 and related lump sum £000	Real increase in pension and related lump sum at age 60 £000	CETV at 31/3/16 ² £000	CETV at 31/3/15 £000	Real increase in CETV £000
Richard Burge Chief Executive	15-20	2.5-5	276	219	25

Richard Burge is a member of the Nuvos scheme.

Fair pay disclosure

	2015/16	2014/15
Band of Highest Paid Director's Total Remuneration (£ '000)	115-120	115-120
Median - Total Remuneration	22,133	21,889
Ratio	5.3	5.3

Richard Burge, Alex Jablonowski and Iain Morgan are remunerated by Wilton Park. Iain Ferguson is remunerated by the FCO.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

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 2015/16 was £115-£120k (£115-£120k in 2014/15). This was 5.3 times (5.3 in 2014/15) the median remuneration of the workforce, which was £22,133 (£21,889 in 2014/15). In 2015/16, no employees received remuneration in excess of the highest paid director (none in 2014/15). Remuneration of employees, excluding the highest paid director, ranged from £18,520 to £60,794 (£18,337 to £60,240 in 2014/15).

The Chief Executive was provided with a rent free cottage in the grounds of Wiston House. The cash benefit is calculated as £4,600 for the full year. The Class 1 NICs due are declared on the P11d of the Chief Executive.

² The factors used to calculate the CETV were reviewed by the scheme actuary in 2015, so the tables of factors used to calculate the CETV in 2015 are not the same as those used to calculate the CETV in 2016

Staff report

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 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 and gender equality. We continue to seek every opportunity to develop the potential of all staff at Wilton Park by providing them with the training necessary to improve their performance, close any skill gaps and also for their personal development. As Wilton Park is a small organisation we recognise that there are limited opportunities for progression and so encourage staff to identify training opportunities which will develop their skills for use in their future career.

The Wilton Park employee engagement index in the civil service annual employee survey increased for the third year in a row to 72% in 2015 compared to 70% in 2014 and the target of 70%. The staff engagement figures for the FCO was 58% in 2015 (67% in 2014) and 58% in the civil service as a whole.

We are proud to be accredited with the Investors in People award and one of our strategic targets is to ensure that we maintain this accreditation.

This year, due to operational efficiencies staffing levels decreased to 71 (77 in 2014/15), including 17 part-time staff, the equivalent of 65.1 full time staff at 31st March 2016 (71.6 in 2014/15). Staff turnover was 13%, with 9 people leaving (9 in 2014/15). Four of those people left as they came to the end of a fixed term contract. Without these four staff turnover reduces to 7%. Average length of service is more than eight years.

Recruitment is carried out in accordance with the Civil Service Commissioners' Guidance. Wilton Park policy provides that there shall be no discrimination on the grounds of the protected characteristics set out in The Equality Act 2010.

Four people were recruited. 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	3	66	0	0
A	1	0	0	0

There were no exceptions to The Civil Service Commission's Recruitment Principles.

Apprentices

The Government is committed to creating 3 million apprenticeships during this parliament as part of its wider diversity and social mobility strategy. This equates to one apprentice starting every minute across England over the next four years so it is an ambitious goal.

The Civil Service has been asked to lead the way by delivering annual apprenticeships equivalent to 2.3% of the workforce. The 2.3% target applies to all public bodies with a workforce of 250 or more employees.

Wilton Park is enthusiastic about committing to the Government Apprentice Scheme and we have already employed an apprentice chef with a digital apprentice due to start in June 2016. There are further plans for a hospitality apprentice. Wilton Park will therefore have met the government target by June 2016.

The tables below have been subject to audit.

Staff Costs	2015/16			2014/15
	Permanently employed staff £000	Others £000	Total £000	
Salaries and wages	2,112	56	2,168	2,252
Social Security	161	3	164	167
Others - Superannuation	407		407	354
- Employee Related Costs	34	123	157	107
Total	2,714	182	2,896	2,880

Staff Numbers Full Time Equivalent	2015/16			2014/15
	Permanently employed staff	Others	Total	Total
Directly employed staff	65.1	5.0	70.1	75.5
	65.1	5.0	70.1	75.5

Number of Staff	Male	Female	Total
Directors	1	0	1
Employees	15	55	70
Total	16	55	71

Staff sickness

The target for absence rate is 4.0%. At the end of 2015/16 the overall absence rate at Wilton Park was 2.6% compared to 4.2% at the end of 2014/15. The reduction in absence rate brings it well below the target.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

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**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha** the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 3% and 8.05% of pensionable earnings for members of **classic** (and members of **alpha** who were members of **classic** immediately before joining **alpha**) and between 4.6% and 8.05% for members of **premium**, **classic plus**, **nuvos** and all other members of **alpha**. 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 for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on his 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 Pensions Increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a 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% up to 30 September 2015 and 8% and 14.75% from 1 October 2015 (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of 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 up to 30 September 2015 and 0.5% of pensionable salary from 1 October 2015 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**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.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 member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 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 that is 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.

Pension liabilities

There are no pension liabilities in the Wilton Park Financial Statement as these are within the accounts of the FCO. The FCO accounts can be found on the FCO website.

<https://www.gov.uk/government/organisations/foreign-commonwealth-office>

Signed Richard Burge Chief Executive

17 June 2016

Parliamentary and accountability and audit report

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 2016 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Statements 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 and Staff Report that is described in that report and disclosures as having been audited.

Respective responsibilities of the Accounting Officer 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. 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 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 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 financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Wilton Park's affairs as at 31 March 2016 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 parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Performance Report and Accountability 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 returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse Comptroller and Auditor General

National Audit Office

157-197 Buckingham Palace Road

Victoria

London

SW1W 9SP

30 June 2016

Financial statements

**Statement of Comprehensive Net Expenditure
for year ended 31 March 2016**

	Note	£000	2015/16 £000	£000	2014/15 £000
Staff Costs	3	2,896	-	-	2,880
Direct Costs and overheads	3	-	2,483	-	2,784
Operating Income	2&4	-	-	(5,080)	(4,872)
Totals		2,896	2,483	(5,080)	
NET OPERATING COST				299	792

The notes on pages 45 to 53 form part of these accounts

STATEMENT OF FINANCIAL POSITION
as at 31 March 2016

	Note	31st March 2016		31st March 2015	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	5	793		886	
Intangible assets	6	197		208	
Total non-current assets		990		1,094	
Current assets					
Inventories	9	18		19	
Trade and other receivables	10	643		721	
Cash and cash equivalents	11	514		514	
Total current assets		1,175		1,254	
Total assets			2,165		2,348
Current liabilities					
Trade and other payables	12	(645)		(860)	
Provisions		-		-	
Total current liabilities		(645)		(860)	
Non-current assets plus net current assets			1,520		1,488
Non-current liabilities					
Provisions	13		(429)		(436)
ASSETS LESS LIABILITIES			1,091		1,052
Taxpayers' equity					
General Fund	SCTE		1,091		1,052
Total taxpayers' equity			1,091		1,052

The notes on pages 45 to 53 form part of these accounts

Signed Richard Burge Chief Executive
Date 17 June 2016

STATEMENT OF CASH FLOWS
for year ended 31 March 2016

	Note	2015/16 £000	2014/15 £000
Cash flows from operating activities			
Net Operating Cost		(299)	(792)
Adjustments for non-cash transactions	3	374	801
Increase/(decrease) in trade payables	12	(215)	143
(Increase)/decrease in inventories	9	1	7
(Increase)/decrease in trade and other receivables	10	78	(270)
Net cash outflow from operating activities		(61)	(111)
Cash flows from investing activities			
Purchase of property plant and equipment	5	(193)	(212)
Purchase of intangible assets	6	(40)	(52)
Net cash outflow from investing activities		(233)	(264)
Cash flows from financing activities			
Net FCO Funding	SCTE	293	371
Net financing		293	371
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund	11	-	(4)
Cash and cash equivalents at the beginning of the period	11	514	518
Cash and cash equivalents at the end of the period	11	514	514

The notes on pages 45 to 53 form part of these accounts

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY
for year ended 31 March 2016

	General Fund	Total Reserves
	£000	£000
Balance at 1st April 2014	1,428	1,428
Changes in taxpayers' equity for 2014/15		
Non-cash charges:		
External Auditor's Fees	22	22
Internal Auditor's Fees	18	18
Pay Section Costs	5	5
Net operating cost for the year	(792)	(792)
FCO Capital Funding	(264)	(264)
FCO Funding	635	635
Balance at 1 April 2015	1,052	1,052
Changes in taxpayers' equity for 2015/16		
Non-cash charges:		
External Auditor's Fees	22	22
Internal Auditor's Fees	18	18
Pay Section Costs	5	5
Net operating cost for the year	(299)	(299)
FCO Capital Funding	(233)	(233)
FCO Funding	526	526
Balance at 31 March 2016	1,091	1,091

The notes on pages 45 to 53 form part of these accounts

1 Statement of Accounting Policies

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

Where FRM 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

Property 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	5 to 10
Office equipment	3 to 10
Intangible assets	3 to 5

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

Intangible assets

Website and Operations System 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. Intangible Assets are amortised at rates calculated to write them down to their estimated residual values on a straight-line basis over their estimated useful lives.

Provisions

Wilton Park accounts for provisions in line with IAS 37 and these will be recognised when there is a present obligation as a result of a past event and a reliable estimate can be made for the provision.

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 in which the first day of the conference or event occurs.

The FCO Core Allocation is treated as operating income and is allocated to support the delivery of specific conferences.

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 (PCSPS) which are described in 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 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 Segmental reporting

	Wilton Park Conference activities £000	Commercial activities £000	Total £000
Income	4,193	887	5,080
Expenditure	4,403	976	5,379
(Deficit)/surplus	(210)	(89)	(299)
% Cost recovery	95.2%	90.9%	94.4%
Surplus/(deficit) on the disposal of fixed assets	-	-	-
Interest receivable and similar income	-	-	-
Interest payable and similar charges	-	-	-
Total assets	1,772	393	2,165

Commercial activities included weddings, meetings and corporate conferences. Including non-cash costs commercial activities report a loss but a significant contribution to fixed costs is made from the running of these events

3 Other expenditure

	2015/16		2014/15	
	Permanently employed staff £000	Others £000	Total £000	Total £000
Staff costs				
Salaries and wages	2,112	56	2,168	2,252
Social security	161	3	164	167
Others - Superannuation	407	-	407	354
- Employee related costs	34	123	157	107
Total net costs	2,714	182	2,896	2,880

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as "alpha" are unfunded multi-employer defined benefit scheme but Wilton Park is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2012.

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

For 2015-16, employers' contributions of £407k were payable to the PCSPS (2014/15 £354k) at one of four rates in the range 20.0% to 24.5% of pensionable earnings, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2015/16 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

The contribution rates are set to meet the cost of the benefits accruing during 2015/16 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

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 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.

Average number of persons employed

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

	2015/16		2014/15	
	Permanently employed staff	Others	Total	Total
Directly employed	65.1	5.0	70.1	75.5
	65.1	5.0	70.1	75.5

Other staff were interns, FTE calculations for the remaining casual staff are not practicable due to short working hours of these numerous staff.

Other operating expenditure

	Note	2015/16		2014/15	
		£000	£000	£000	£000
Rentals under operating leases					
Hire of office equipment					
Property rentals		205		205	
			<u>205</u>		<u>205</u>
Non cash items					
Depreciation and amortisation	5 & 6	337		318	
External auditor's fees		22		22	
Internal auditor's fees		18		18	
Pay section charge		5		5	
Loss on disposal	5 & 6	-		2	
			<u>382</u>		<u>365</u>
Provisions	13	(8)		436	
			<u>(8)</u>		<u>436</u>
Other expenditure					
Rates		80		79	
Maintenance, cleaning, heating and lighting		298		281	
Administrative expenses		213		202	
Net (gain)/loss on Foreign Exchange				3	
			<u>591</u>		<u>565</u>
Direct expenditure					
Purchases		242		238	
Housekeeping		221		196	
Conference costs		850		779	
			<u>1,313</u>		<u>1,213</u>
			<u>2,483</u>		<u>2,784</u>

4 Operating income

	2015/16	2014/15
	£000	£000
Operating income is analysed as follows:		
Bank interest received		
Other fees and charges	5,080	4,872
	5,080	4,872
Other fees and charges is analysed as follows:		
WP conferences	3,443	3,240
FCO allocation funding for conferences	750	806
Commercial operations	732	697
Bar sales	54	53
Shop sales	2	3
Miscellaneous	99	73
	5,080	4,872

In 2015/16 The FCO supported Wilton Park conferences with a base allocation of £750k (£806k in 2014/15)

5 Property, plant and equipment

	Building en'ment	Assets under construction	ICT	Fixture & fittings	Motor vehicles	Plant & machinery	Office equipment	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1/4/2015	425	29	353	961	40	722	111	2,641
Additions	97	-	59	31	-	-	6	193
Disposals	-	-	-	(98)	-	(13)	-	(111)
Re-classification	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Cost at 31/03/2016	522	29	412	894	40	709	117	2,723
Depreciation at 1/4/2015	210	-	221	748	31	469	76	1,755
Charge in year	69	-	57	81	7	55	17	286
Disposal	-	-	-	(98)	-	(13)	-	(111)
Re-classification	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Depreciation at 31/03/2016	279	-	278	731	38	511	93	1,930
Net book value at 31/03/2016	243	29	134	163	2	198	24	793
at 31/3/2015	215	29	132	213	9	253	35	886

A project to identify assets with nil net book value which no longer exist commenced at year end leading to the disposal of £111k of assets and associated depreciation. This project will be completed during 2016-17

	Building en'ment	Assets under construction	ICT	Fixture & fittings	Motor vehicles	Plant & machinery	Office equipment	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1/4/2014	377	170	289	926	45	708	94	2,609
Additions	48	29	64	35	-	19	17	212
Disposals	-	-	-	-	(5)	(5)	-	(10)
Re-classification	-	(170)	-	-	-	-	-	(170)
Revaluation	-	-	-	-	-	-	-	-
Cost at 31/03/2015	425	29	353	961	40	722	111	2,641
Depreciation at 1/4/2014	155	-	163	661	28	411	59	1,477
Charge in year	55	-	58	87	7	62	17	286
Disposal	-	-	-	-	(4)	(4)	-	(8)
Re-classification	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Depreciation at 31/03/2015	210	-	221	748	31	469	76	1,755
Net book value at 31/03/2015	215	29	132	213	9	253	35	886
at 31/3/2014	222	170	126	265	17	297	35	1,132

6 Intangible Assets

	TOTAL £000
Intangible assets comprise the cost of building the website and implementation and development of the Operations System	
Cost or valuation at 1/4/2015	244
Additions	40
Disposals	-
Re-classification	-
Revaluation	-
Cost at 31/03/2016	284
Amortisation at 1/4/2015	36
Charge in year	51
Disposal	-
Re-classification	-
Revaluation	-
Amortisation at 31/03/2016	87
Net book value at 31/03/2016	197
at 31/3/2015	208
	TOTAL £000
Cost or valuation at 1/4/2014	22
Additions	52
Disposals	-
Re-classification	170
Revaluation	-
Cost at 31/03/2015	244
Amortisation at 1/4/2014	4
Charge in year	32
Disposal	-
Re-classification	-
Revaluation	-
Amortisation at 31/03/2015	36
Net book value at 31/03/2015	208
at 31/3/2014	18

7 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 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 one interest bearing bank account on which the interest was negligible in 2015/16; this would have otherwise been disclosed in note 5. 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's policy is to tolerate this risk. As at 31 March 2016, 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 FCO, and it has no borrowing facilities. FCO resource requirements are voted annually by Parliament.

8 Impairments

	2015/16	2014/15
There are no impairments for 2015/16 (2014/15 £nil)		

9 Inventories

	2015/16	2014/15
	£000	£000
Liquor and food	14	15
Shop	4	4
	<u>18</u>	<u>19</u>

10 Trade receivables and other current assets

	2015/16	2014/15
	£000	£000
Amounts falling due within one year		
Trade Receivables	523	619
Prepayments and Accrued Income	120	102
	<u>643</u>	<u>721</u>

11 Cash and cash equivalents

	2015/16	2014/15
	£000	£000
Balance at 1 April	514	518
Net change in cash and cash equivalent balances	-	(4)
Balance at 31 March	<u>514</u>	<u>514</u>

12 Trade payables and other current liabilities

	2015/16	2014/15
	£000	£000
Trade payables	119	203
Payments received on account	285	390
Other payables	2	4
Accruals and deferred income	107	152
VAT	132	111
	645	860

13 Provisions for liabilities and charges

	Total
	£000
Balance as at 1 April 2015	436
Provided in the year	42
Provisions not required written back	-
Provisions utilised in the year	(49)
Unwinding of discount	-
Balance at 31 March 2016	429

Analysis of expected timing of discounted cash flows

	Total
	£000
Not later than 1 year	-
Later than 1 year and not later than 5 years	-
Later than 5 years	429
	-
Other provisions relates to Wilton Park operations	-

14 Commitments under Leases

	2015/16	2014/15
	£000	£000
Total future minimum lease payments under operating lease are given in the table below for each of the following periods:		
Land and buildings		
	-	-
Not later than 1 year	207	-
Later than 1 year and not later than 5 years	828	414
Later than 5 years	207	-

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 2017 the commitment is now until March 2022.

Other operating Leases

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

15 Capital commitments

	2015/16	2014/15
	£000	£000
There were £20k capital commitments in 2015/16 (2014/15 £20k)	20	20

16 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 £750k plus £895k for conference specific funding and £233k 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 and Department for International Development

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

17 Events after reporting date

No non-adjusting events after the reporting date have been identified. These financial statements were authorised for issue on the same date that the Comptroller and Auditor General signed his certificate.

ISBN 978-1-4741-3057-8



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