

The background is a solid teal color. In the upper right quadrant, there are several thin, white, parallel diagonal lines that extend from the top right towards the center of the page.

Natural Capital Ireland

Annual Report & Financial Statements

1st January 2021– 31st December 2021

Natural Capital Ireland

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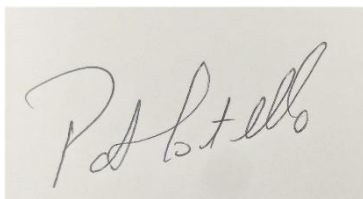
Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Irish Forum on Natural Capital (trading as Natural Capital Ireland) will be held on Wednesday 23rd March 2022 at 5.00pm online via Zoom.

Agenda:

1. To approve minutes of AGM 24 March 2021
2. To receive the Annual Report
3. To receive the Audit Report and Financial Statements
4. To appoint Directors
5. To authorise the Board to appoint Auditors and to fix their remuneration
6. To receive a presentation on future plans for NCI
7. AOB

Signed:

A rectangular box containing a handwritten signature in black ink. The signature is cursive and appears to read 'Pat Costello'.

Pat Costello,
Company Secretary
2nd March 2022

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Letter from the Chairperson

2nd March 2022

Dear Member,

Welcome to NCI's third annual report since our incorporation as a company limited by guarantee in August 2018.

The past year has seen huge growth in our organisation's reach and impact with our membership up from 800 to >1,100 members, the successful delivery of several events and projects and funding won for more – you can read details of these in this report. As demand for NCI's expertise has increased, so has our team, and I would like to extend my thanks to all of NCI's dedicated Board, Steering Committee, Secretariat and Research Team. Although I am stepping away from the Chairperson role in 2022, I will continue to stay closely involved with NCI through various research projects, and as an Advisor to the Board.

On behalf of NCI, I would like to sincerely thank the organisations that have funded us during 2021, including the National Parks and Wildlife Service and the Department of Agriculture, Food and the Marine.

I am delighted to present this progress report for your review, and look forward to continued growth of and engagement with NCI and its members in the coming years.

Kind regards,

Jane Frowe

Chairperson and Director, NCI



Year in Review

January 2021 – February 2022

Governance

Overview

The governance of NCI comprises a Board of Directors, a Steering Committee and a Secretariat. NCI's work is divided between these three branches, with the Board providing strategic direction and governance, the Steering Committee providing technical insights and thought leadership and the Secretariat delivering projects and coordinating the Steering Committee and Board.

A more detailed description of our governance structures can be found below.

Board of Directors - The Board is responsible for directing NCI's affairs while meeting the appropriate interests of its stakeholders, and complying with all necessary legislation and regulation. The Board sets the organisation's strategy, while the Steering Committee determines annual work plans.

Financial Officer – The Financial Officer oversees the accounts and supports the Secretariat to prepare mid- and end of year statements for the SC. The Financial Officer reports to the Board.

Steering Committee –The Steering Committee (SC) is the high-level advisory group to NCI, steering its general direction and setting the work plan. The SC meets quarterly to critically assess the direction, general activities and overall outputs of each aspect of the organisation's work using NCI objectives as the benchmark.

NCI Board Members

Name	Position on Board	Affiliation
Jane Stout	Director and Chairperson	Professor in Botany, Trinity College Dublin
Emer Moriarty Crowley	Director	Partner, Beauchamps
Alan Costello	Director	Director, Resolve Partners
Kate Hotten	Director	Director, Fintrail
Pat Costello	Director and Company Secretary	Former CEO of Chartered Accountants Ireland

Chloe Lipscombe is Financial Officer for Natural Capital Ireland and attends Board meetings.

Iseult Sheehy is Natural Capital Ireland's Executive Coordinator and attends Board meetings to represent the Secretariat.

NCI Steering Committee 2021-2023

Name	Affiliation
Ali Sheridan	Independent
Cillian McMahon	Business in the Community
Catherine Farrell	TCD
Charlie Coakley	Irish Water
Craig Bullock	Optimize/UCD
Conor Kretsch	Cohab Initiative
Deirdre Lynn	NWPS / Dept of Housing, Local Govt & Heritage
Dorothy Maxwell	Davy
Janice Fuller	Coillte
Jennifer Fulton	Ulster Wildlife
John O'Neill	Department of Environment, Climate and Communications
Mark McCorry	Bord na Móna
Mary Kelly-Quinn	UCD
Niall Ryan	Dept of Agriculture, Food & the Marine
Noeleen Smyth	UCD
Paddy Woodworth	Independent
Sean Kelly	NI Environment Link
Tadhg O'Mahony	Environmental Protection Agency
Tom Popple	Natural Capital Partners
Jane Stout	Ex-officio, Chair of the Board
Iseult Sheehy	Secretariat
Fiona Smith	Secretariat

NCI Secretariat

The Secretariat consists of Executive Coordinator, Iseult Sheehy, and Fiona Smith, Communications Executive.

Updates & Announcements

- The Board would like to thank Jane Stout for her years of work to establish and develop Natural Capital Ireland. Jane is moving to an Ex-Officio role in order to dedicate her time to project work with NCI.
- The Board would like to thank Pat Costello who is stepping down as Director but will remain as Company Secretary for his dedication, and efforts to improve and advance our work.

- The Board would like to thank Orlaith Delargy for her work as Executive Coordinator at NCI. Orlaith moved to an Associate Director position with KPMG's Sustainable Futures Team in May 2021.

Strategy

[NCI's Strategy 2021-2023](#) was developed in March 2020, and revised by the Board between December and February 2021. The Strategy set out three core objectives:

1. Increase funding & develop governance;
2. Build natural capital awareness and capacity in Ireland;
3. Implement research programmes.

2021 outcomes from the strategy were:

- NCI has seen funding rise by 20% from DAFM and increased revenue through project based work which is driving NCI's capacity to deliver on its core mission. We have prioritised further diversifying our funding in 2022 so that we can pursue additional research and projects to further our mission.
- It has been demonstrated that NCI is seen by prospective funders as a professional and trustworthy organisation through our repeated tender success and increased demand for participation in project based work;
- Relevant stakeholders are aware of NCI, key natural capital concepts and benefits of natural capital accounting;
- Irish policy is beginning to incorporate key natural capital concepts;
- NCI has broadened its research program as natural capital and ecosystems accounting have become relevant in sectors such as agriculture and forestry.

2022 priorities:

- Continue to diversify funding streams through government, corporate and/or philanthropic sources to meet the strategic target of €150,000
- Increase member offerings to include short informative podcasts, natural capital approach webinars and workshop opportunities to connect policy makers and stakeholders to discuss Natural Capital approaches across sectors.
- Finalise NCI's Media Response Unit in order to increase the dialogue on Natural Capital across Irish society.
- NCI will make an application for charitable status in 2022, pursuant to a decision by the board in 2021.

Policy

The topic of natural capital is growing in importance at the European level and nationally:

- In late 2019, the European Green Deal was announced, which states that "*all EU policies should contribute to preserving and restoring Europe's natural capital*". In June 2020, the EU published its new Biodiversity Strategy, which states that by 2050, "*the EU's natural capital will be protected, valued and appropriately restored*". Further, the Strategy sets a target to bring at least 10% of agricultural land under management for biodiversity.

- The economic benefits delivered by natural capital remain very undervalued and underrepresented in government policy. Properly accounting for natural capital can help make these values visible, revealing both Ireland’s hidden wealth, and the hitherto invisible factors that impoverish us. Natural capital concepts are already found in a range of flagship national policies, including the National Planning Framework, the National Biodiversity Action Plan 2017-2021, the National Adaptation Framework, and Heritage Ireland 2030 – but much more can be done to embed natural capital thinking in decision making. The 4th National Biodiversity Action Plan 2022-2026 is currently being drafted and it is anticipated that the natural capital approach and natural capital accounting will be incorporated into the Plan, in line with EU-wide adoption of the UN System of Environmental Economic Accounting ([SEEA](#)) and proposed changes to the EU Regulation on Environmental Economic Accounts.
- The recent [World Economic Forum’s Global Risks Report](#) (2022), states that the top three most severe global risks are climate inaction, extreme weather, and biodiversity loss; all of which are inter-related risks that compound each other. These risks are a direct threat to our natural capital, and also stem largely from our failure to conserve and restore it.

NCI Policy Working Group

NCI has changed the format of the Policy Working Group (PWG) from five separate PWGs to a single PWG. This is considered a more focussed format to prepare and coordinate NCI’s response to national policies and programmes relevant to NCI’s mission. The PWG is led by Dr. Emer Ní Dhúill of the NCI Research Team and meets monthly to discuss ongoing and upcoming national policy consultations and programmes. To aid with responses, the PWG utilises the bank of expertise of the NCI Board, Steering Committee and Membership, and others outside of these groups. All submissions are signed off on by Steering Committee Co-Chair Paddy Woodworth. Members of the PWG are:

- Emer Ní Dhúill
- Paddy Woodworth
- Fiona Smith
- Conor Kretsch

Public Consultation 2021

[Climate Action Plan](#)

Date submitted

May 2021

Public Consultations 2021

[EPA land use review](#)

Date submitted

24th January 2022

[Public Consultation on Carbon Budgets](#)

8th February 2022

Draft Dublin Development Plan

8th February 2022

Public Consultation of EU Just Transition Fund

14th February 2022

Upcoming Public Consultations

Deadline

[EPA strategic plan 2022-2026](#)

11th March 2022

[Draft River Basin Management Plan for Ireland 2022-2027](#)

31st March 2022

Heritage Council Strategy

Not given

Policy submissions and media

Policy submissions are summarised to blog posts and circulated in NCI's monthly newsletter, making all submissions publicly available. Going forward, the PWG plans to create press releases for the policy responses that are considered particularly important for raising awareness of the importance of the natural capital approach and natural capital accounting in policy, strategies and decision-making.

Project Work

NCI specialises in the following project areas:

- Producing and delivering online and in person workshops, webinars, events & conferences
- Stakeholder mapping, engagement and analysis
- Providing communication, dissemination and reporting services for research projects

2021 Projects

National Data 4 Nature Workshop

The Data 4 Nature event on May 11th, 2021 was an online workshop hosted by NCI with over 100 attendees brought together to discuss ways in which the collection and publication of environmental, land and water data can be harmonised to facilitate nature conservation, including data used for natural capital accounting and smart farming. The recommendations went into our [Data4Nature report](#), later submitted to the Minister with responsibility for Communications and Data Governance Ossian Smyth.

The Data4Nature report made a series of recommendations relating to the availability, accuracy, accessibility, discoverability, usability and reproducibility of data to inform such projects reliant on nature-related data i.e. developing a central dashboard for Irish nature-related data, harmonising formats and establishing robust data gathering protocols. Upon invitation, INCASE technician Lisa Coleman presented these recommendations during the National Data Conference on November 30th, 2021.

Peatlands Gathering Conference

NCI worked with the Irish Peatland Society to present a sold-out (500 attendees) Peatlands Gathering event on October 7-9th, which provided a platform for peatland stakeholders from diverse sectors to communicate their specific perspective on the future of land use in Ireland. This three-day event consisted of two full-day online webinars followed by a day of in-person field trips to Irish bogs. The Peatlands Gathering Conference report and recordings are

[available here](#) and have been sent out to the participants who signed up worldwide. Outputs of the event linking peatlands to farmland, community and cultural heritage were the third day of in-person field trips and an [ongoing blog series](#). Key messages from the Gathering were presented at Climate COP26 at the UNEP Virtual Peatlands Pavilion on November 10th 2021.

Nature-Based Solution CARO Workshop Series

NCI developed and delivered a series of Nature-based Solutions (NbS) workshops for the Atlantic Seaboard North (ASBN) local authorities on behalf of the ASBN Climate Action Regional Office. The aim of these workshops was to support these local authorities in delivering on their Climate Adaptation Strategies. Guest speakers from a wide variety of sectors contributed to the workshops and experts provided detailed information on NbS implementation, giving examples of national and international projects. [A blog on this project](#) was published on NCI's website in January and the full report will be released in March.

Peatland Finance Ireland – Phase 1

During the summer in 2021, NCI worked with the WWF Landscape Finance Lab and UCD, supported by the EIB's Natural Capital Finance Facility and the NPWS on phase one of the project, which aims to identify investible case studies and plan the development of novel markets in peatland restoration in the Irish context. As a key partner on this project, NCI participated in stakeholder mapping, engagement and analysis, engaging with sectors including government, energy, farming, industry and community. This project centred natural capital and landscape level approaches in considering the next phase, due to start in 2022. NCI will publish the PFI Phase One Report once it is finalised in the coming weeks.

The National Business for Biodiversity Platform

In 2021, Natural Capital Ireland (NCI) won the tender to develop and establish a [Business and Biodiversity Platform for Ireland](#) over three years, in cooperation with Business in the Community Ireland and the National Biodiversity Data Centre. This project is funded by both the Department of Housing, Local Government and Heritage (DHLGH) and the Department of Agriculture, Food and the Marine (DAFM). The overall aim of the Platform is to encourage and incentivise Irish businesses to assess their impacts and dependencies on biodiversity, with a view to managing and availing of associated risks and opportunities respectively. Through this work, the Platform will support implementation of the National Biodiversity Action Plan (NBAP) and biodiversity conservation generally.

In November, NCI recruited Platform Manager Lucy Gaffney to coordinate the platform development with the Platform Implementation Team, consisting of the NCI Executive and Research Team and under the guidance of a Business for Biodiversity Advisory Committee. The Platform held its first stakeholder engagement workshop with the business community on the 28th of February 2021. The [Platform website](#) will be launched in the coming weeks. This project follows on from NCI's 2020 Business and Biodiversity Conference and report.

Provision of Expert Support to Draft the 4th National Biodiversity Action Plan

In November 2021, NCI, in collaboration with KPMG, Optimize and the Institute for Development of Environmental-Economic Accounting (IDEEA Group), won the tender to provide expert support to the National Parks and Wildlife Service to draft the 4th National Biodiversity Action Plan (NBAP) 2022-2027 by December 2022. The 4th NBAP will set the scene for the transformational political and socioeconomic change needed to arrest biodiversity loss and restore Irish ecosystems. The development of the 4th NBAP is heavily informed by the CBD post-2020 Global Biodiversity Framework and the EU Biodiversity Strategy 2030. In accordance with these guidance documents, the 4th NBAP includes long-term goals for 2030 and 2050, with short-term objectives and actions providing stepping stones to achieve these goals. The 4th NBAP is an emergency response plan to address ongoing biodiversity loss in Ireland.

The draft 4th NBAP v.1 went out for stakeholder consultation in December 2021. The initial round of consultation, now complete, included the National Biodiversity Forum, the Biodiversity Working Group, the Business for Biodiversity Platform Advisory Group and NPWS personnel. The next phase of consultation includes numerous Government Departments, Local Authorities, Public Bodies and NGOs and will conclude in early April 2022. Stakeholder feedback will inform the revision of the 4th NBAP prior to the public consultation process, due to commence in May 2022.

Research

INCASE

NCI provides communication and dissemination services to the EPA-funded [INCASE project](#), which is piloting natural capital accounting in Ireland for the first time. In 2021, this included supporting four workshops, one a general project workshop for a broad range of stakeholders ([recording available here](#)), the other three catchment-specific workshops for stakeholders in each catchment. NCI also manages the social media and blogs for the project, with >1300 Twitter followers, [10 blog posts](#) and [3 newsletters](#) in 2021.

By communicating about the project via a variety of means, we have achieved good reach, and the project is well known nationally and internationally, in academia and practice. We will continue through these channels through the rest of the project.

FOR.ES

NCI will provide communication and dissemination services to the DAFM-funded [For-ES](#) project from 2022-2026, which will develop Natural Capital Accounts for specific forest sites. These accounts will capture information on forest natural capital stocks (the amount, location and condition of forest habitats), and the flows of ecosystem services (in terms of commercial timber production, carbon sequestration, water retention, biodiversity and recreation), and develop decision support tools for forest management.

COFORD Forestry ES Desk Study

In December 2021 NCI won the tender for a six month desk study to address the integration of forest-related Ecosystem Services into non-forestry policy. This project involves policy document review across a broad range of sectors, case study analysis, a stakeholder workshop and production of a final report.

Surveys

Survey of Irish third-level institutions

NCI launched an online survey of third-level institutions to gauge the status of teaching of natural capital and ecosystem services approaches in Ireland. The survey on Teaching Natural Capital Approach and Ecosystem Services in Third-Level Institutions in Ireland was sent to academics across the country, in natural science departments as well as business and economics. The results will be published in 2022 and used to inform recommendations on the incorporation of natural capital concepts in curricula, with follow-up surveys to come.

Survey of NCI memberships' Research Interests and Capabilities

Between June and August 2021, NCI conducted a survey to see what kind of research interests and expertise is held by its members and are currently working out how best to engage and collaborate with our members to further our plan to advance knowledge on natural capital. Read more details on the subject [in this blog](#) by NCI's Steering Committee Chair Conor Kretsch.

Communications, Media & Events

Events

As well as hosting our major [Data 4 Nature](#) event and the booked-out (500 attendees) [Peatlands Gathering](#), NCI hosted a number of online presentations to highlight our work and the natural capital approach, including a [seminar in January 2021](#) bringing together perspectives on business, biodiversity & finance which featured Dr Theodor Cojoianu, of Queen's University Belfast & Platform on Sustainable Finance, EU Commission and Mark van Oorschot, Senior Researcher of Netherlands Environmental Assessment Agency (PBL) as well as our own NCI chair Prof Jane Stout.

NCI also hosted a meeting of the [EU Business @ Biodiversity Platform](#) in November and joined the inaugural meetings of the [National Bioeconomy Forum](#) over the summer. Our new executive coordinator Iseult Sheehy gave a presentation on the [Natural Capital framework in Ireland](#) to the [Interreg Europe PROGRESS event](#), while the INCASE team including Catherine Farrell, Lisa Coleman and Paddy Woodworth presented at numerous conferences including a [CIEEM event](#), [SER2021](#) & [Ecosystems Services Partnership](#), while Prof Jane Stout spoke at the [EPA Water Conference](#) among several other high-profile outreach events.

Communications

In 2021, we reached the milestone of over 1,000 members, growing our membership from 800 at the beginning of 2021 to over 1,100 today. Our Twitter account has gained over 500 followers over the past year (now up to 2,700+) while our LinkedIn page has almost doubled in that period to over 1,000 followers.

NCI issues monthly newsletters to our membership, featuring news of our various projects, general natural capital news, tools, [event listings](#) and publications. We also published 25 [blogs](#) over the period with a total of over 3,500 views.

Our Natural Capital on Farmland [animated video](#), aimed at introducing the concept of natural capital to the farming community, was launched at the start of the year and has now reached over 1,500 views on YouTube. Our February online INCASE stakeholder workshop is also available to watch online and has received over 300 views.

NCI was [profiled in Irish Tech News](#) in January 2021 with Dr Catherine Farrell also appearing on an [associated podcast](#), one of several broadcast media appearances for Dr Farrell including the [Nature Magic](#) & [In Your Nature](#) podcasts.

NCI featured in the [Third Handbook of Good Practices](#) by the Interreg Europe PROGRESS project (Promoting the Governance of Regional Ecosystem Services).

Since establishing a Policy Working Group, we have increased our capacity to issue responses to public consultations throughout 2022, with follow-up blogs & social media updates to publicise our submissions. We also hope to formalise the Media Response Team in 2022, using the expertise and reach of our new members.

For INCASE project communications, we will continue to issue regular newsletters to an audience of subscribers rising to over 200, while the project's Twitter account has gained close to 500 followers over the course of the year, now at over 1,350. The project has had 4 peer-reviewed papers accepted for publication in academic journals over the course of '21/22, with a number of [blogs on the INCASE site](#) and social media to publicise the project findings.

Annual Report and Financial Statements

**Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital
Ireland**

Annual Report and Financial Statements

for the financial year ended 31 December 2021

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

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**Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital
Ireland
DIRECTORS AND OTHER INFORMATION**

Directors	Jane Stout Pat Costello Kathryn Hotten Alan Costello Emer Moriarty Crowley
Company Secretary	Pat Costello
Company Number	632971
Registered Office and Business Address	Ground Floor 71 Lower Baggot Street Dublin 2 D02 P593
Auditors	Whiteside Cullinan Registered Auditor and Chartered Accountants Fleming Court Fleming's Place Dublin 4 D04N4X9
Bankers	Bank of Ireland Smithfield Dublin 7

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

DIRECTORS' REPORT

for the financial year ended 31 December 2021

The directors present their report and the audited financial statements for the financial year ended 31 December 2021.

Principal Activity

The Irish Forum on Natural Capital CLG, through the collaboration and leadership of our diverse members, helps to value, protect and restore Ireland's natural capital and ecosystem services. We do this by supporting the adoption of natural capital concepts in public policy and corporate strategy, promoting informed public and private decision-making and assisting in the establishment of a national natural capital accounting standard.

Results and Dividends

The profit/(loss) for the financial year after providing for taxation amounted to €22,520 (2020 - €(2,693)).

The directors do not recommend payment of a dividend.

At the end of the financial year, the company has assets of €122,248 (2020 - €48,044) and liabilities of €81,648 (2020 - €29,964). The net assets of the company have increased by €22,520.

The statutory income statement is shown on page 10 of these financial statements. The Income and Expenditure amounts reported on this statement are broken-down in greater detail on page 17.

Directors and Secretary

The directors who served throughout the financial year were as follows:

Jane Stout
Pat Costello
Kathryn Hotten
Alan Costello
Emer Moriarty Crowley

The secretary who served throughout the financial year was Pat Costello.

Future Developments

The company plans to continue and expand its present activities, while managing the effects of the Covid-19 pandemic.

Post Balance Sheet Events

There have been no significant events affecting the company since the financial year-end.

Auditors

The auditors, Whiteside Cullinan, (Registered Auditor) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Compliance Statement

The directors are responsible for securing the company's compliance with its relevant obligations (compliance with both company and tax law) and with respect to each of the following four items, we confirm that it has been done. We confirm:"

- the existence of a compliance policy statement;
- appropriate arrangements or structures have been put in place to secure material compliance with the company's

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

DIRECTORS' REPORT

for the financial year ended 31 December 2021

relevant obligations;

- a review of such arrangements and structures has taken place during the year
- a review of the governance arrangements has taken place during the year and the details are set out in the Chairman's report.

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at Ground Floor, 71 Lower Baggot Street, Dublin 2, D02 P593.

Signed on behalf of the board

Jane Stout
Director

Pat Costello
Director

28 February 2022

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2021

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditor

Each persons who is a director at the date of approval of this report confirms that:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

Jane Stout
Director

Pat Costello
Director

28 February 2022

INDEPENDENT AUDITOR'S REPORT

to the Members of Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland ('the company') for the financial year ended 31 December 2021 which comprise the Income Statement, the Balance Sheet, the Reconciliation of Shareholders' Funds, the Cash Flow Statement and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2021 and of its profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 3 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other Information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

INDEPENDENT AUDITOR'S REPORT

to the Members of Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page , the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page , which is to be read as an integral part of our report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Hamill

for and on behalf of

WHITESIDE CULLINAN

Registered Auditor and Chartered Accountants

Fleming Court

Fleming's Place

Dublin 4

D04N4X9

28 February 2022

INDEPENDENT AUDITOR'S REPORT
to the Members of Irish Forum on Natural Capital Company Limited by Guarantee
t/a Natural Capital Ireland

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital
Ireland**

INCOME STATEMENT

for the financial year ended 31 December 2021

	Notes	2021 €	2020 €
Revenue		127,254	66,931
Gross profit		127,254	66,931
Administrative expenses		(101,517)	(70,009)
Profit/(loss) before taxation		25,737	(3,078)
Tax on profit/(loss)	5	(3,217)	385
Profit/(loss) for the financial year		22,520	(2,693)

Approved by the board on 28 February 2022 and signed on its behalf by:

Jane Stout
Director

Pat Costello
Director

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

BALANCE SHEET

as at 31 December 2021

	Notes	2021 €	2020 €
Current Assets			
Debtors	6	30,322	6,232
Cash and cash equivalents		91,926	41,812
		<u>122,248</u>	<u>48,044</u>
Creditors: amounts falling due within one year	7	<u>(81,648)</u>	<u>(29,964)</u>
Net Current Assets		<u>40,600</u>	<u>18,080</u>
Total Assets less Current Liabilities		<u>40,600</u>	<u>18,080</u>
Equity			
Retained earnings		40,600	18,080
Shareholders' Funds		<u>40,600</u>	<u>18,080</u>

The financial statements have been prepared in accordance with the small companies' regime.

Approved by the board on 28 February 2022 and signed on its behalf by:

Jane Stout
Director

Pat Costello
Director

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

RECONCILIATION OF SHAREHOLDERS' FUNDS

as at 31 December 2021

	Retained earnings	Total
	€	€
At 1 January 2020	20,773	20,773
Loss for the financial year	(2,693)	(2,693)
At 31 December 2020	18,080	18,080
Profit for the financial year	22,520	22,520
At 31 December 2021	40,600	40,600

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

CASH FLOW STATEMENT

for the financial year ended 31 December 2021

	Notes	2021 €	2020 €
Cash flows from operating activities			
Profit/(loss) for the financial year		22,520	(2,693)
Adjustments for:			
Tax on profit/(loss) on ordinary activities		3,217	(385)
		<u>25,737</u>	<u>(3,078)</u>
Movements in working capital:			
Movement in debtors		(24,475)	(5,847)
Movement in creditors		48,467	7,739
		<u>49,729</u>	<u>(1,186)</u>
Cash generated from/(used in) operations		-	(3,165)
Tax paid		385	-
		<u>50,114</u>	<u>(4,351)</u>
Net cash generated from/(used in) operating activities		<u>50,114</u>	<u>(4,351)</u>
Net increase/(decrease) in cash and cash equivalents		50,114	(4,351)
Cash and cash equivalents at beginning of financial year		41,812	46,163
Cash and cash equivalents at end of financial year	10	91,926	41,812

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2021

1. General Information

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland is a company limited by shares incorporated in the Republic of Ireland. The registered office of the company is Ground Floor, 71 Lower Baggot Street, Dublin 2, D02 P593 which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 31 December 2021 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014.

Revenue

Revenue mainly comprises of grants from Government bodies and project income for services provided on natural capital and ecosystem projects.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

3. Provisions Available for Audits of Small Entities

In common with many other organisations of our size and nature, we use our auditors to prepare and submit tax returns to the Revenue and to assist with the preparation of the financial statements.

4. Employees

The average monthly number of employees, including directors, during the financial year was 0, (2020 - 0).

Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital Ireland

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

5. Tax on profit/(loss)	2021	2020
	€	€
Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2020 - 12.50%)	3,217	-
Under/over provision in prior financial year	-	(385)
	<u>3,217</u>	<u>(385)</u>
Total current tax	<u>3,217</u>	<u>(385)</u>
Profit/(loss) taxable at 12.50%	<u>25,737</u>	<u>(3,078)</u>
6. Debtors	2021	2020
	€	€
Trade debtors	3,000	5,000
Taxation	5,000	385
Prepayments	-	847
Accrued income	22,322	-
	<u>30,322</u>	<u>6,232</u>
7. Creditors	2021	2020
Amounts falling due within one year	€	€
Trade creditors	8,220	2,275
Taxation	14,228	-
Accruals	1,700	4,070
Deferred Income	57,500	23,619
	<u>81,648</u>	<u>29,964</u>
8. Capital commitments		
The company had no material capital commitments at the financial year-ended 31 December 2021.		
9. Post-Balance Sheet Events		
There have been no significant events affecting the company since the financial year-end.		
10. Cash and cash equivalents	2021	2020
	€	€
Cash and bank balances	<u>91,926</u>	<u>41,812</u>
11. Approval of financial statements		
The financial statements were approved and authorised for issue by the board of directors on 28 February 2022.		

**Irish Forum on Natural Capital Company Limited by Guarantee t/a Natural Capital
Ireland**

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

**IRISH FORUM ON NATURAL CAPITAL COMPANY LIMITED BY GUARANTEE T/A NATURAL
CAPITAL IRELAND**

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

Sales

Project Income	70,813	12,450
Grant Income	46,000	38,000
EPA research grant (INCASE project)	10,441	16,481
	<u>127,254</u>	<u>66,931</u>

Administrative expenses

Rent payable	-	121
Insurance	695	-
Administration costs	435	50
Print and stationery	-	16
IT costs	3,608	730
Travel	-	69
Legal and professional	624	4,774
Support services	94,033	60,932
Bank charges	175	10
General expenses	447	36
Workshop costs	-	1,771
Auditor's remuneration	1,500	1,500
	<u>101,517</u>	<u>70,009</u>

Net profit/(loss)	<u>25,737</u>	<u>(3,078)</u>
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