

NATURAL CAPITAL IRELAND

Annual Report & Financial Statements

1st January 2020 – 31st December 2020

Natural Capital Ireland

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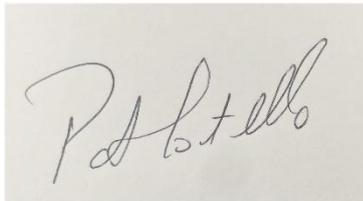
Notice of Annual General Meeting

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 24th March 2021 at 7.00pm online via Zoom.

Agenda:

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

Signed:



Pat Costello,
Company Secretary
2nd March 2021

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Letter from the Chairperson

2nd March 2021

Dear Member,

Welcome to NCI's second 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 600 to 900, the successful delivery of three research projects, Board and Steering Committee elections, learning materials, events and much more.

We would like to sincerely thank the organisations that have funded us over this period, 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 continuing our engagement in the coming years.

Kind regards,

Jane Sout

Chairperson and Director, NCI



Year in Review

January 2020 - February 2021

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 shareholders and other relevant 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.

Orlaith Delargy 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
Bernadette Phelan	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	National Botanic Gardens
Paddy Woodworth	Independent
Sean Kelly	NI Environment Link
Tadhg O'Mahony	Environmental Protection Agency
Tom Pople	Natural Capital Partners
Jane Stout	Ex-officio, Chair of the Board

Orlaith Delargy	Secretariat
Fiona Smith	Secretariat

NCI Secretariat

The Secretariat consists of Executive Coordinator, Orlaith Delargy, and Fiona Smith, Communications Executive.

Updates & Announcements

- In December 2020, NCI held Steering Committee elections. NCI members were invited to elect a new Steering Committee to guide Natural Capital Ireland’s work over the next two years. In addition to the five places reserved for past and present funders and the Chair of the Board, 15 members were elected, with 7 continuing and 8 new members drawn from a mix of public, private, NGO and independent sectors. The first SC meeting was held on the 16th of February 2021, where members were requested to nominate themselves for election as Chair and Deputy Chair by email before the next quarterly meeting.
- The Board would like to thank Micheál Ó Cinnéide for his years of work to establish and develop Natural Capital Ireland. Micheál left NCI in June 2020 and was replaced by three new Board members.
- The Board would like to thank the outgoing Steering Committee for their work, and those members who moved on in 2020 including Ken Bradley, Andrea Carroll, Grainne Devine, Kate Flood and Aileen O’Sullivan. In particular, the Board wishes to acknowledge the work of Andrea Carroll, outgoing Chair and Bernadette Phelan, outgoing Deputy Chair. We appreciate their dedication and efforts to improve and advance our work.
- NCI is in the process of hiring more contractors to deliver its work.

Strategy

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

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

The expected outcomes from the strategy are that:

- NCI has established a long-term funding model;
- NCI is seen by prospective funders as a professional and trustworthy organisation;
- Relevant stakeholders are aware of NCI, key natural capital concepts and NCI benefits of natural capital accounting;

- Irish policy is beginning to incorporate key natural capital concepts;
- NCI participates in original research to advance knowledge on natural capital in Ireland and internationally.

Policy

2020 was a year of significant upheaval in the Irish policy landscape with the general election in February and the publication of a new Programme for Government in June. The Programme for Government committed to a range of measures relevant to natural capital, including but not limited to:

- The delivery of a national land use review, including farmland, forests, and peatlands, so that optimal land use options inform all relevant government decisions
- A review of the National Development Plan
- The establishment of a Citizens' Assembly on Biodiversity
- Publish a new National Pollinator Plan
- Explore new measures of wellbeing and progress
- Develop a Sustainable Tourism Policy document
- New stress tests for financial institutions to look at the impact of tangible risks of higher temperature scenarios and involvement with the fossil-fuel economy on their portfolios, as recommended by the Taskforce on Climate Financial Disclosures

To react to these announcements, and inform policymakers about how the natural capital approach can support the above measures, NCI held an [online policy briefing](#) in June 2020 aimed at Irish policymakers and civil servants. More than 100 civil servants attended to hear about key natural capital concepts and the need for natural capital accounting to be integrated into Irish policy. Speakers included Prof Jane Stout, Micheal O Briain, Deputy Head of the Nature Unit at DG Environment, European Commission, and Jakub Wejchert, Policy Officer for Biodiversity, DG Environment. The event also featured INCASE project economist, Stephen Kinsella, Associate Professor of Economics at University of Limerick.

After a change of Government, Departments are required to publish new statements of strategy. NCI submitted to the consultations for the following Departments:

- Department of Enterprise, Trade and Employment
- Department of Further and Higher Education, Research, Innovation and Science
- Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media
- Department of the Taoiseach
- Department of Housing, Local Government and Heritage

NCI used its Twitter page and press releases to publish reactions to the EPA State of the Environment report 2020 and to the Department of Agriculture's Ag Climatise document.

Most recently, NCI has established five Policy Working Groups made up of our members. The Groups help to prepare and coordinate NCI's response to national policies and programmes relevant to NCI's mission. This includes the preparation of commentary and submissions in response to core aspects of Irish government and sectoral policies and

programmes on social, economic, cultural and environmental matters, from the perspective of promoting the awareness, conservation, enhancement and sustainable use of Ireland's natural capital.

The Groups have already delivered responses to:

- Ireland's National Recovery & Resilience Plan
- The review of the National Development Plan
- Agri-Environment Results Based Pilot Project

Projects & Activities

2020 was a hugely busy year for NCI. We delivered several successful projects which contribute to the national knowledge base on natural capital, as well as educational resources for those seeking to learn more about the concept.

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, [Teaching Natural Capital Approach and Ecosystem Services in Third-Level Institutions in Ireland](#), has been sent to academics across the country, in natural science departments as well as business and economics. The results of will be compiled in 2021 and used to inform recommendations on the incorporation of natural capital concepts in curricula.

Business & Biodiversity project

NCI, together with consultancies Optimize and AECOM and former Board member Micheál Ó Cinnéide, was engaged by the National Parks and Wildlife Service to conduct a Business and Biodiversity study to examine how business can better support national biodiversity objectives.

The team conducted a survey of 122 Irish businesses to gauge their knowledge of - and action on - biodiversity. The survey was complemented by in-depth interviews with industry representatives. The project also assessed the appetite for developing a national Business and Biodiversity Platform to support businesses in protecting and restoring biodiversity.

In October 2020, NCI partnered with Business in the Community to deliver the preliminary findings on [a webinar](#). The project report was submitted to NPWS in November 2020 and [published](#) in January 2021, receiving coverage in [Irish Tech News](#) the [Irish Independent](#) and the [Irish Times](#).

NCI discussed the findings on our [Business, Biodiversity & Finance webinar](#) on January 19th, 2021, with two international speakers presenting recent studies on business and biodiversity abroad, and NCI's Orlaith Delargy providing a summary of our Irish Business & Biodiversity Project Report findings. The event had over 100 attendees, and over 200 YouTube streams.

Report with the National Biodiversity Forum

NCI facilitated a series of workshops with members of the National Biodiversity Forum and delivered a commentary report on the National Biodiversity Action Plan to Minister of State for Heritage, Malcolm Noonan. The National Biodiversity Forum acts as an independent advisory group to the Minister and includes some of Ireland's leading conservation experts.

“

Ireland's biodiversity action plan must become a biodiversity **impact** plan

”

The report called on the government to radically step up efforts to address the biodiversity crisis - and ensure Ireland's next Biodiversity Action Plan is an “impact plan”. The report made 5 key recommendations:

1. Ensure effective governance & stewardship
2. Finance the plan and prioritise action
3. Recover, restore, renew biodiversity & ecosystems
4. Build, connect & use the knowledge base
5. Engage communities & private sector

The report was widely covered in the media, including in [the Irish Times](#), the [Irish Examiner](#), [the Irish Independent](#) and the Government News Service website, [Merrion Street](#) .

Read the full report at biodiversityimpactplan.ie

Natural capital on farmland

NCI partnered with the Department of Agriculture, Food & the Marine to deliver [a video](#) on how the natural capital approach can be used on farmland. The lively animated video shows how the standardised method to assess nature's stocks and flows can help us all to consider the hidden economic and environmental value in a farm.



The video was welcomed by the Minister of State for Land Use and Biodiversity, Pippa Hackett, and was widely covered in the press, including by [Agriland](#) and the [National Rural Network](#). The video received over 600 views in its first week of publication.

"I look forward to a time when we all speak easily about natural capital. The services nature provides are so widespread and so important that we should be recognising them almost without thinking. And we must start accounting for them too."

**Minister of State for Land Use and
Biodiversity, Pippa Hackett**

INCASE Project

NCI provides communication and dissemination services to the EPA-funded [INCASE project](#), which is piloting natural capital accounting in Ireland for the first time.

Our last in-person event before the Covid-19 pandemic hit was a stakeholder workshop for the [INCASE project](#), held in Dublin's Alex Hotel in January 2020. It comprised a half-day of talks aimed at clarifying the natural capital approach, answering questions and exchanging ideas about how to apply it at catchment-level in Ireland. Dr Catherine Farrell outlined the project's plans, with an overview on natural capital from Professor Jane Stout and a presentation from IDEEA Group economist Carl Obst via video link from Australia.

In June, we released an [Introduction to Natural Capital Accounting video](#). Our Secretariat Orlaith Delargy and Fiona Smith worked with an animation team to script, produce and launch a four-minute video which was widely shared online, translated into Russian and Hindi and has received over 6,200 views on YouTube.



Meanwhile, the [INCASE Feasibility Report](#) by Jane Stout and Catherine Farrell, reviewing the rationale and direction of our Irish natural capital project, was published by the EPA in July. Dr Catherine Farrell was interviewed for a [podcast](#) for Burren Nature Sanctuary and took part in the [Irish Rural Link 'In Conversation' series](#) in October plus the [Irish Tech News podcast](#) in early 2021. Dr Farrell and Lisa Coleman contributed to a [natural capital map](#) as part of [Bioeconomy Week](#).

INCASE project economist, Professor Stephen Kinsella also presented to a financial audience as part of [Climate Finance Week](#) in November 2020 for a session entitled *Financing Biodiversity*, while Prof Jane Stout also spoke at the [Environment Ireland Conference](#) in October.

In February 2021, we hosted another [stakeholder briefing](#) online, with a series of short presentations from the INCASE team and a great line-up of international and Irish experts including:

- Professor Gretchen Daily, founder of Natural Capital Project
- Professor Kathy Willis, University of Oxford and member of the UK Natural Capital Committee

- Professor Lars Hein, Wageningen University, the Netherlands
- Grainne Devine, Bord Iascaigh Mhara
- Tom Healy, Central Statistics Office, Ecosystem Accounting Unit.

Communications, Media & Events

Events

Natural Capital Ireland hosted several well-attended events over the period to raise awareness of natural capital topics, keep our stakeholders informed of various developments in the field and build capacity for the organisation.

On October 19th 2020, we hosted top UK economist Dieter Helm, Oxford, chair of the UK's Natural Capital Committee, for a student-aimed [seminar](#) on achieving net zero emissions, which has since had over 300 views on YouTube.

Communications

In January 2021, we rebranded from our original name of the Irish Forum on Natural Capital to our new trading name of [Natural Capital Ireland](#). We developed a new logo and a press campaign and updated our website and communications outputs accordingly.

We have grown our membership from 600 at the beginning of 2020 to over 900 today. Our Twitter following is up to 2,200 – an increase of 1,000 from this time last year – and our LinkedIn page, newly launched in 2019, now has over 550 followers.

NCI issues monthly newsletters to these members, featuring NCI news, general natural capital news, updates from our INCASE project, events and workshops, research calls, reports and papers. NCI published 35 blogs over the period with a total of over 4,200 views.



Our new logo and trading name

This year, we established a Media Response Unit to respond to relevant initiatives, articles and events in order to raise the profile of NCI and advocate for the natural capital approach via press releases, letters, media interviews and social media updates. The team,

currently consisting of Paddy Woodworth, Catherine Farrell, Jane Stout and the NCI Secretariat, issued a number of social media and press release responses throughout 2020, including a release on the deficiencies of the Department of Agriculture's Ag Climatise Roadmap in December, which was picked up by [Irish Tech News](#) and the [Irish Times](#). We are looking forward to expanding the Media Response Team in 2021, using the expertise and reach of our new Steering Committee members.

As for INCASE project communications, our number of subscribers has more than doubled from 60 in early 2020 to close to 150 today, while the project's Twitter account has gained 900 followers over the course of the year.

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 2020

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 Michael Kennedy (Resigned 22 June 2020) Kathryn Hotten (Appointed 22 June 2020) Alan Costello (Appointed 22 June 2020) Emer Moriarty Crowley (Appointed 22 June 2020)
Company Secretary	Pat Costello
Company Number	632971
Registered Office and Business Address	Ground Floor 71 Lower Baggot Street Dublin 2 D02 P593
Registered Business Name	Natural Capital Ireland
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 2020

The directors present their report and the audited financial statements for the financial year ended 31 December 2020.

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 (loss)/profit for the financial year after providing for taxation amounted to (€2,693) (2019 - €20,773).

The directors do not recommend payment of a dividend.

At the end of the financial year, the company has assets of €48,044 (2019 - €46,163) and liabilities of €29,964 (2019 - €25,390). The net assets of the company have decreased by (€2,693).

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 18.

Directors and Secretary

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

Jane Stout
Pat Costello
Michael Kennedy (Resigned 22 June 2020)
Kathryn Hotten (Appointed 22 June 2020)
Alan Costello (Appointed 22 June 2020)
Emer Moriarty Crowley (Appointed 22 June 2020)

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

In the first quarter of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all "non-essential" businesses were ordered to close temporarily.

Fortunately the company was able to continue its work online and this is expected to continue for most of 2021 while restrictions apply. While there have been no face to face events, a number of online events were held in 2020 which will continue in 2021. The company has not incurred a material reduction in income or grants due to the Covid-19 virus spread.

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 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.

**Irish Forum on Natural Capital Company Limited by Guarantee
t/a Natural Capital Ireland
DIRECTORS' REPORT**

for the financial year ended 31 December 2020

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**

22 February 2021

**Irish Forum on Natural Capital Company Limited by Guarantee
t/a Natural Capital Ireland
DIRECTORS' RESPONSIBILITIES STATEMENT
for the financial year ended 31 December 2020**

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.

In so far as the directors are aware:

- 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**

22 February 2021

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 2020 which comprise the Income Statement, the Balance Sheet, the Reconciliation of Shareholders' Funds, the Cash Flow Statement and the related notes to the financial statements, including a 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".

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 2020 and of its loss 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 further described 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 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

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, 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
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider 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. 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 disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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, as 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 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 23, 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

22 February 2021

**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 2020

	Notes	2020 €	2019 €
Revenue		66,931	140,474
Gross profit		<u>66,931</u>	<u>140,474</u>
Administrative expenses		(70,009)	(116,536)
(Loss)/profit before taxation		<u>(3,078)</u>	<u>23,938</u>
Tax on (loss)/profit	5	<u>385</u>	<u>(3,165)</u>
(Loss)/profit for the financial year		<u><u>(2,693)</u></u>	<u><u>20,773</u></u>

Approved by the board on 22 February 2021 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 2020

	Notes	2020 €	2019 €
Current Assets			
Debtors	6	6,232	-
Cash and cash equivalents		41,812	46,163
		<u>48,044</u>	<u>46,163</u>
Creditors: Amounts falling due within one year	7	<u>(29,964)</u>	<u>(25,390)</u>
Net Current Assets		<u>18,080</u>	<u>20,773</u>
Total Assets less Current Liabilities		<u><u>18,080</u></u>	<u><u>20,773</u></u>
Equity			
Income statement		<u>18,080</u>	<u>20,773</u>
Shareholders' Funds		<u><u>18,080</u></u>	<u><u>20,773</u></u>

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

Approved by the board on 22 February 2021 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 2020

	Retained earnings	Total
	€	€
At 1 January 2019	-	-
Profit for the financial year	20,773	20,773
At 31 December 2019	20,773	20,773
Loss for the financial year	(2,693)	(2,693)
At 31 December 2020	18,080	18,080

**Irish Forum on Natural Capital Company Limited by Guarantee
t/a Natural Capital Ireland**
CASH FLOW STATEMENT
for the financial year ended 31 December 2020

	Notes	2020 €	2019 €
Cash flows from operating activities			
(Loss)/profit for the financial year		(2,693)	20,773
Adjustments for:			
Tax on (loss)/profit on ordinary activities		(385)	3,165
		<u>(3,078)</u>	<u>23,938</u>
Movements in working capital:			
Movement in debtors		(5,847)	-
Movement in creditors		7,739	22,225
		<u>(1,186)</u>	<u>46,163</u>
Cash (used in)/generated from operations		(1,186)	46,163
Tax paid		(3,165)	-
		<u>(4,351)</u>	<u>46,163</u>
Net cash (used in)/generated from operating activities		(4,351)	46,163
Net (decrease)/increase in cash and cash equivalents		(4,351)	46,163
Cash and cash equivalents at beginning of financial year		46,163	-
Cash and cash equivalents at end of financial year	10	41,812	46,163

**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 2020

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 2020 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 comprises grants from Government bodies.

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, (2019 - 0).

**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 2020

5. TAX ON (LOSS)/PROFIT

	2020	2019
	€	€
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2019 - 12.50%)	-	3,165
Under/(over) provision in prior year	(385)	-
Total current tax	(385)	3,165

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2019 - 12.50%). The differences are explained below:

	2020	2019
	€	€
(Loss)/profit taxable at 12.50%	(3,078)	23,938
(Loss)/profit before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.50% (2019 - 12.50%)	(385)	2,992
Effects of:		
Expenses not deductible for tax purposes	-	173
Total tax charge for the financial year (Note 5 (a))	(385)	3,165

No charge to tax arises due to tax losses incurred.

6. DEBTORS

	2020	2019
	€	€
Trade debtors	5,000	-
Taxation	385	-
Prepayments	847	-
	6,232	-

7. CREDITORS

	2020	2019
	€	€
Amounts falling due within one year		
Trade creditors	2,275	-
Taxation	-	3,165
Accruals	4,070	2,625
Deferred Income	23,619	19,600
	29,964	25,390

8. CAPITAL COMMITMENTS

The company had no material capital commitments at the financial year-ended 31 December 2020.

**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 2020

9. POST-BALANCE SHEET EVENTS

In the first quarter of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all “non-essential” businesses were ordered to close temporarily.

Fortunately the company was able to continue its work online and this is expected to continue for most of 2021 while restrictions apply. While there have been no face to face events, a number of online events were held in 2020 which will continue in 2021. The company has not incurred a material reduction in income or grants due to the Covid-19 virus spread.

10. CASH AND CASH EQUIVALENTS	2020	2019
	€	€
Cash and bank balances	41,812	46,163

11. COMPARATIVES

The 2020 financial year end is for a 12 month period whereas the 2019 financial year end was for a 16 month period.

12. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 22 February 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 2020

NOT COVERED BY THE REPORT OF THE AUDITORS

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

**Irish Forum on Natural Capital Company Limited by Guarantee
t/a Natural Capital Ireland**
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
TRADING STATEMENT
for the financial year ended 31 December 2020

	2020 €	2019 €
Sales		
Other income	12,450	-
National Parks & Wildlife Service grant income	23,000	36,000
Department of Communications, Climate Action, & Environment grant income	-	35,000
Conference income	-	53,952
Irish Forum on Natural Capital grant income	-	6,876
EPA research grant (INCASE)	16,481	8,646
Department of Agriculture, Food and the Marine grant income	15,000	-
	<u>66,931</u>	<u>140,474</u>
Administrative expenses		
Rent payable	121	2,466
Administration costs	50	14,521
Print and stationery	16	132
IT costs	730	2,324
Travel	69	1,217
Entertainment	-	562
Legal and professional	4,774	-
Support services	60,932	41,708
Bank charges	10	123
Canteen	-	212
General expenses	36	105
Conference costs	-	48,971
Workshop costs	1,771	1,979
Company incorporation cost	-	716
Auditor's remuneration	1,500	1,500
	<u>70,009</u>	<u>116,536</u>
Net (loss)/profit	<u><u>(3,078)</u></u>	<u><u>23,938</u></u>