

**FALKLANDS CONSERVATION**  
**(A Company Limited by Guarantee)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

**Company Number: 3661322 (England and Wales)**

**WILKINS KENNEDY**  
**Chartered Accountants**  
**Bridge House**  
**London Bridge**  
**LONDON**  
**SE1 9QR**

**FALKLANDS CONSERVATION**

**OFFICERS AND PROFESSIONAL ADVISORS**

**PATRON**

HRH The Duke of York CVO

**VICE PRESIDENTS**

Sir David Attenborough  
The Hon Lucinda Buxton  
Richard Fitter  
Robert Gibbons  
Sir Rex Hunt CMG

Dr Richard Laws  
E G Lewis CMG OBE  
J R W Parker CMG OBE  
Lady Philippa Scott

**PRINCIPAL ADDRESSES**

United Kingdom:  
1 Princes Avenue, Finchley,  
London N3 2DA

Falkland Islands:  
Jetty Visitor Centre, Stanley,  
Falkland Islands

**REGISTERED OFFICE**

1 Princes Avenue, Finchley,  
London N3 2DA

**COMPANY SECRETARY**

Ann Brown

**CONSERVATION OFFICER,  
FALKLAND ISLANDS**

Rebecca Ingham

**BANKERS**

United Kingdom:  
Barclays Bank Plc

Falkland Islands:  
Standard Chartered Bank Plc

**SOLICITORS**

United Kingdom:  
Sinclair, Taylor & Martin

Falkland Islands:  
Ledingham Chalmers

**AUDITORS**

Wilkins Kennedy  
Chartered Accountants

## FALKLANDS CONSERVATION

### OFFICERS AND PROFESSIONAL ADVISORS

#### **BOARD OF TRUSTEES**

Robin Woods	(Chairman)
Brian Summers	(FI Chairman)
Malcolm Hunt	(Hon Treasurer)
Alan Henry	(Hon Treasurer FI)
Sally Blake	
Nicki Buxton	
Jan Cheek	
Fred Clark	- resigned 28 February 2002
John Croxall	
Dorothy Evans	
William Featherstone	- appointed 21 February 2002
Julian Fitter	
Jeffrey Halliday	- appointed 4 July 2002
Les Harris	
Jane Hill	- resigned 25 October 2001
Dennis Humphreys	- resigned 25 October 2001
Aidan Kerr	
Ron Lewis-Smith	
Gordon Liddle	
Jim McAdam	- resigned 25 October 2001
Frank Mitchell	- resigned 25 October 2001
Michael Morrison	
Daniel Owen	
Mandy Shepherd	
Ronnie Spafford	- resigned 25 October 2001
Kevin Standing	- resigned 25 October 2001
Gail Steen	
David Taylor	- resigned 25 October 2001
Alan Tritton	

## **FALKLANDS CONSERVATION**

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## **FALKLANDS CONSERVATION**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 30 JUNE 2002**

The Trustees have pleasure in presenting their Annual Report together with the audited financial statements for the year ended 30 June 2002.

#### **Objects**

The principal objectives of the charitable company are the education of the public in the protection of wildlife, research and study of flora and fauna, and conservation of sites of scientific importance and outstanding natural beauty in the Falkland Islands.

#### **Organisation**

The Trustees, who are also Directors for the purposes of the Companies Act 1985, are responsible for the overall management and control of the Charity. A Committee of Trustees based in the Falkland Islands oversees operational activities. In November at the Extraordinary and Annual General Meetings (held in the Islands for the first time) the number of Trustees was reduced from 30 to 21, with a majority resident in the Falklands. This is intended to streamline the structure and improve overall management. Robin Woods was appointed Chairman, taking over from Major Ronnie Spafford who had completed a three year term of office.

A new post of Executive Officer has been created in Stanley with Islander Sarah Clement appointed in February. Our Conservation Officer, Rebecca Ingham, took maternity leave in March for six months. Andrea Clausen filled the role for that period with Nic Huin as Field Science Officer.

A full list of the trustees who served during the year is included in the list of Officers and Professional Advisers.

#### **Risk Strategy**

Trustees have undertaken a review of the major risks to which Falklands Conservation is exposed. Where necessary new systems and procedures are being put in place to mitigate those risks. A Health and Safety Policy was formally adopted during the year.

#### **Review of Activities and Future Developments**

Our Seabird Monitoring Programme continues to build up important data on the penguin and albatross populations, particularly relating to diet and breeding success. The death of many penguins, probably from starvation, at the end of the season caused considerable concern and will be the focus of this work over the next year. The Seabirds at Sea Team secured funding for years five and six from the Falkland Islands Government, enabling the continuation of studies into the interactions of seabirds with fishing vessels and further enhancing the at-sea seabird and cetacean surveys in Falkland waters.

The Rat Eradication Project, with funding from the Foreign and Commonwealth Office, tackled six island sites, including our nature reserves at Outer and Double Islands. Tussac grass restoration work continued with fence erection at two sites, and with help from the British Forces Falkland Islands. To provide greater protection and information for visitors a very successful wardening project was run at the popular Volunteer Point king penguin colony. We assisted the Falkland Islands Government with management of visitors at Gypsy Cove, near Stanley. A major initiative to define Important Bird Areas in the Falklands has begun in collaboration with The Royal Society for the Protection of Birds. With The Queens University of Belfast we produced *The Vascular Flora of the Falkland Islands: An Annotated Checklist and Atlas*. We have continued to expand the Falklands National Herbarium with additional specimens. Work has been undertaken on the distribution and habitats of rare Falkland plants and a special expedition organised to look for the endemic Felton's Flower. Surveys of the Wickham Heights and Mount Adam National Parks are almost complete. Falklands Conservation played a crucial role in the successful designation of Sea Lion Island and Berthas Beach as wetlands of international importance under the Ramsar Convention.

## **FALKLANDS CONSERVATION**

### **TRUSTEES' REPORT** **(continued)**

#### **Review of Activities and Future Developments (continued)**

A major achievement during the year was the publication of '*A Visitor's Guide to the Falkland Islands*'. Originally intended for the growing numbers coming to the Islands from cruise ships, it has proved popular with all visitors. It has overall aims of keeping the impact of tourism at sensitive wildlife sites to a minimum while at the same time providing detailed information on the Falklands environment.

Our fourth annual attendance, sponsored by Zeiss, at the British Birdwatching Fair attracted much attention, raised funds and increased membership and support for our activities.

Our nature club for young Islanders has had an active year with up to 30 children regularly taking part in monthly wildlife activities. Community events have included the annual Beach Clean and a programme of informal public talks on wide-ranging environmental topics.

We remain a key participant in the Islands' Environment Committee and have welcomed involvement on the Conservation Liaison Committee of the British Forces Falkland Islands, with whom we have an improving relationship. During the year we have played an active part as an Associate for BirdLife International, attending a Seabirds Workshop in Uruguay, supporting the Save the Albatross Campaign, and taking part in an Americas Regional Meeting in Ecuador. We continue to make a positive contribution to the UK Overseas Territories Conservation Forum and regularly attend meetings of the World Conservation Union. We have been pleased to provide support for many visiting scientists. During the year we have worked closely with the Environmental Planning Office, Fisheries and Agriculture Departments of the Falkland Islands Government.

#### **Finances**

The results for the year are detailed in the attached financial statements. These reflect a busy year with a diverse range of projects undertaken. The full production costs of *A Visitor's Guide to the Falkland Islands* are included, considerably increasing our expenditure for this 2001/02 period. We are confident that over the next year sales of the Guide will fully cover these costs and bring in additional funds to the charity.

In December a theft of £16,000 was discovered. This affected more than one financial year. Following a police investigation and a successful conviction, all funds were repaid to the charity and are included in this year's income. As a result of this incident there has been a thorough review of financial systems resulting in the introduction of new procedures.

We again express our thanks to the many organisations which have generously donated funds including The John Cheek Trust, Cable & Wireless, The Royal Society for the Protection of Birds, The Foreign & Commonwealth Office Overseas Territories Environment Fund, Friends of the Royal Botanic Gardens, Kew, many zoological societies with penguin collections, and especially the Falkland Islands Government. Finally, we gratefully acknowledge the enormous contribution and support given by our members without whom much of our work would not be possible.

#### **Financial Reserves Policy**

Falklands Conservation intends to build up its general reserves to safeguard against potential fluctuations in levels of income. This is to cope with any reduction in the high proportion of funding from the Falkland Islands Government, to meet cash flow demands created by increasing reliance on other fund sources, and to cover unforeseen events. Initially, we aim to cover six months operational costs from these reserves with a view to increasing this to one year's costs in the longer term. The level of current reserves falls short of our desired target sum. Every effort will be made to build up reserves to this level as soon as practicable. In addition and apart from our general reserves, two designated funds have been established as a contingency to meet unexpected employment costs (notably sickness and maternity cover) and, to ensure that future requirements for essential vehicles and equipment can be met. At the end of the financial year the general reserves stood at £54,198.

**FALKLANDS CONSERVATION**

**TRUSTEES' REPORT**  
**(continued)**

**The Future**

We anticipate continued growth in activities particularly in protection of the globally important seabird populations. We are also undertaking a pilot project on the Islands' invertebrates and repeating the Sea Lion Survey of 1995. We place great importance on environmental education and will implement a major programme for this as soon as we have the resources to do so. We look forward with considerable interest and enthusiasm to working with the Falkland Islands Government on producing a Biodiversity Action Plan. We will be producing a Strategic Plan to support our structured development for the next few years – but this will be an on-going process so that we can adapt to changing circumstances, take advantage of new opportunities and be in a position to effectively address any major problems which may threaten the future of the Islands' wildlife.

**Statement Of Trustees' Responsibilities**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and of its income and expenditure for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

A resolution to reappoint Wilkins Kennedy, as auditors to the charitable company, will be proposed at the Annual General Meeting.

Approved by the board and signed on its behalf by:

.....

Robin W Woods, Chairman, Board of Trustees.

**FALKLANDS CONSERVATION**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**  
**FOR THE YEAR ENDED 30 JUNE 2002**

We have audited the financial statements on pages 5 to 13 which have been prepared under the historical cost convention as modified by the revaluation of fixed assets investments and the accounting policies set out on page 7.

**Respective responsibilities of trustees and auditors**

The trustees of the charity who are also directors of the charitable company for purposes of company law are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards as set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law, regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the charity at 30 June 2002 and of the incoming resources and application of resources, including the income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Bridge House  
London Bridge  
London  
SE1 9QR

Chartered Accountants  
and Registered Auditor

**FALKLANDS CONSERVATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 30 JUNE 2002**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2002 £	Total 2001 £
<b>Incoming resources</b>						
Donations and similar incoming resources:						
		-	203,884	-	203,884	315,816
		24,992	12,974	-	37,966	38,371
		9,705	-	-	9,705	10,341
	4	8,405	7,566	-	15,971	-
Activities for generating funds:						
		38,877	-	-	38,877	19,389
		4,003	-	-	4,003	6,171
<b>Total incoming resources</b>		<u>85,982</u>	<u>224,424</u>	<u>-</u>	<u>310,406</u>	<u>390,088</u>
<b>Less: Cost of generating funds</b>						
		11,610	-	-	11,610	12,310
		7,821	-	-	7,821	7,746
		<u>19,431</u>	<u>-</u>	<u>-</u>	<u>19,431</u>	<u>20,056</u>
<b>Net incoming resources available for charitable application</b>		<u>66,551</u>	<u>224,424</u>	<u>-</u>	<u>290,975</u>	<u>370,032</u>
<b>Charitable Expenditure</b>						
Costs of activities in furtherance of the objectives of the charity:						
		-	206,276	-	206,276	304,193
		3,800	20,001	-	23,801	12,872
		27,667	1,745	-	29,412	9,053
		12,307	42,044	-	54,351	40,264
		28,246	-	-	28,246	32,112
<b>Total charitable expenditure</b>		<u>72,020</u>	<u>270,066</u>	<u>-</u>	<u>342,086</u>	<u>398,494</u>
<b>Total resources expended</b>	2/3	<u>91,451</u>	<u>270,066</u>	<u>-</u>	<u>361,517</u>	<u>418,550</u>
<b>Net outgoing resources</b>		(5,469)	(45,642)	-	(51,111)	(28,462)
Loss on investments		(251)	-	-	(251)	(879)
<b>Net movements in funds</b>		<u>(5,720)</u>	<u>(45,642)</u>	<u>-</u>	<u>(51,362)</u>	<u>(29,341)</u>
Balances at 1 July 2001		109,918	112,866	32,408	255,192	252,125
Transfers in		-	-	-	-	32,408
<b>Balances at 30 June 2002</b>		<u>£104,198</u>	<u>£67,224</u>	<u>£32,408</u>	<u>£203,830</u>	<u>£255,192</u>

There were no recognised gains or losses other than those shown in the above Statement of Financial Activities. All activities relate to continuing operations. The notes on pages 7 to 13 form part of these financial statements.

**FALKLANDS CONSERVATION**

**BALANCE SHEET**

**YEAR ENDED 30 JUNE 2002**

	Notes	2002		2001	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		76,817		82,462
Investments	6		24,134		24,385
			<u>100,951</u>		<u>106,847</u>
<b>Current assets</b>					
Stock	7	31,181		13,965	
Debtors	8	11,949		17,650	
Cash at bank and in hand		94,630		151,433	
		<u>137,760</u>		<u>183,048</u>	
<b>Creditors: Amounts falling due</b>					
Within one year	9	2,881		34,703	
				<u>34,703</u>	
<b>Net current assets</b>			<u>134,879</u>		<u>148,345</u>
<b>Total assets less current liabilities</b>			235,830		255,192
<b>Creditors: Amounts falling due</b>					
after more than one year	10		32,000		-
			<u>32,000</u>		<u>-</u>
<b>Net assets</b>			<u><b>£203,830</b></u>		<u><b>£255,192</b></u>
<b>Funds</b>					
Endowment	11		32,408		32,408
Restricted	12		67,224		112,866
Unrestricted funds:					
Designated	13		50,000		-
General	13		54,198		109,918
			<u>£203,830</u>		<u>£255,192</u>

These financial statements were approved by the Board of Trustees on  
Signed on behalf of the Board of Trustees by:

.....

.....

The notes on pages 7 to 13 form part of these financial statements.

## **FALKLANDS CONSERVATION**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **YEAR ENDED 30 JUNE 2002**

#### **1. ACCOUNTING POLICIES**

##### **1.1 Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments. In preparing the financial statements the charity has followed best practice as set out in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000.

##### **1.2 Fixed assets**

Depreciation is provided on all tangible assets except freehold land in order to write off their cost less residual value over their estimated useful lives, at the rate of 25% on the reducing balance.

##### **1.3 Stocks**

Stock is stated at the lower of cost and net realisable value.

##### **1.4 Incoming resources**

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be used in a future period.

Grants include amounts received from the Falkland Islands Government for core funding and other specific projects, together with grants from other bodies in response to applications or appeals.

Gifts in kind are included within donations at a reasonable estimate of their value to the charity.

##### **1.5 Resources Expended**

Expenditure is included when incurred.

The majority of costs are directly attributable to specific projects and activities. Management and administration expenses includes certain expenses which cannot be readily allotted to a specific charitable project.

Support costs include operational costs of both the Falkland Islands and UK based offices, where they directly provide technical support and supervision for specific projects and programmes.

##### **1.6 Fund accounting**

Funds held by the charity are:

*Unrestricted funds* - represent funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are those funds set aside by the trustees out of unrestricted funds for specific future purposes or projects.

*Restricted and Endowment funds* - represent funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for specific restricted purposes.

**FALKLANDS CONSERVATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(continued)**

**2. ANALYSIS OF RESOURCES EXPENDED**

	<u>Staff costs</u>	<u>Other</u>	<u>Depreciation</u>	<u>Total</u>
	£	£	£	£
Costs of generating funds:				
Merchandising costs	-	11,610	-	11,610
Fundraising and publicity	6,395	1,426	-	7,821
	<u>6,395</u>	<u>13,036</u>	<u>-</u>	<u>19,431</u>
Costs of activities in furtherance of the objectives of the charity:				
Conservation and research	107,067	92,916	6,293	206,276
Education and community	12,653	11,148	-	23,801
Site Guide costs	7,654	21,758	-	29,412
Support costs	14,922	32,636	6,793	54,351
Managing and administering the charity	15,637	12,609	-	28,246
	<u>157,933</u>	<u>171,067</u>	<u>13,086</u>	<u>342,086</u>
<b>Total resources expended</b>	<b><u>£164,328</u></b>	<b><u>£184,103</u></b>	<b><u>£13,086</u></b>	<b><u>£361,517</u></b>

Other expenditure includes:	<b>2002</b>	<b>2001</b>
	£	£
Auditors' remuneration:		
For audit	2,881	2,881
For other services	3,825	-
Loss (gain) on disposal of fixed assets	-	2,708
	<u>2,881</u>	<u>2,708</u>

**3. STAFF COSTS**

	£	£
Wages and salaries	152,113	126,166
Social security costs	4,575	3,218
Pension costs	7,640	6,141
	<u>£164,328</u>	<u>£135,525</u>

None of the Trustees received any remuneration, other benefits or reimbursement of expenses from the charity during the year. There were no employees earning more than £50,000 during the year.

The average number of employees during the year was as follows:

	<b>No.</b>	<b>No.</b>
Average number	<u>7</u>	<u>6</u>

**FALKLANDS CONSERVATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(continued)**

**4. OTHER INCOME**

Other income comprises an amount of £15,971 being the amount recovered by the charity following a theft which was discovered in December 2001. This affected more than one financial year. Following a police investigation and a successful conviction, all funds were repaid to the charity. As a result of this incident there has been a thorough review of financial systems resulting in the introduction of new internal control procedures.

**5. TANGIBLE FIXED ASSETS**

	<b><u>Land and Buildings</u></b>	<b><u>Plant and Equipment</u></b>	<b><u>Motor Vehicles</u></b>	<b><u>Total</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>				
At 1 July 2001	34,098	34,699	48,132	116,929
Additions	-	7,441	-	7,441
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2002	34,098	42,140	48,132	124,370
	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>				
At 1 July 2001	423	13,171	20,873	34,467
Charge for the year	77	7,148	5,861	13,086
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2002	500	20,319	26,734	47,553
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
<b>At 30 June 2002</b>	<b>£33,598</b>	<b>£21,821</b>	<b>£21,398</b>	<b>£76,817</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2001	£33,675	£21,528	£27,259	£82,462
	<hr/>	<hr/>	<hr/>	<hr/>

Land and buildings includes land at a cost of £33,598 which is not depreciated.

**6. INVESTMENTS**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
At market value:		
Balance at 1 July 2001	24,385	29,031
Additions	-	236
Disposals at book value	-	(4,024)
Revaluation	(251)	(858)
	<hr/>	<hr/>
Balance at 30 June 2002	<b>£24,134</b>	<b>£24,385</b>
	<hr/>	<hr/>
Cost at 30 June 2002	£20,763	£20,763
	<hr/>	<hr/>

**7. STOCKS**

	<b>£</b>	<b>£</b>
Goods for resale	<b>£31,181</b>	<b>£13,965</b>
	<hr/>	<hr/>

**FALKLANDS CONSERVATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(continued)**

<b>8. DEBTORS</b>		<b>2002</b>	<b>2001</b>
		£	£
	Other debtors	-	12,948
	Prepayments	11,949	4,702
		<u>£11,949</u>	<u>£17,650</u>
<b>9. CREDITORS:</b>	Amounts falling due within one year	£	£
	Taxation and social security costs	-	358
	Other creditors	-	31,464
	Accruals	2,881	2,881
		<u>£2,881</u>	<u>£34,703</u>
<b>10. CREDITORS:</b>	Amounts falling due after more than one year	£	£
	Other loan	<u>£32,000</u>	<u>£ -</u>

The other loan of £32,000 was provided by the Falkland Islands Development Corporation to help finance the production of a Site Guide. The loan is interest free and will be repaid in full on 31 October 2003.

<b>11. ENDOWMENT FUND</b>		<b>Balance</b>		<b>Balance</b>
		<b>31 July</b>	<b>Incoming</b>	<b>30 June</b>
		<b><u>2001</u></b>	<b><u>Resources</u></b>	<b><u>2002</u></b>
		£	£	£
	Islands Nature Reserves	<u>£32,408</u>	<u>£ -</u>	<u>£ -</u>
			<u>£ -</u>	<u>£32,408</u>

The above capital fund was created in the old charity in 1995, from donations received and was utilised to purchase certain freehold land. The balance was transferred during the year from the old charity to the new charitable company, Falklands Conservation, following the transfer of legal title.

**FALKLANDS CONSERVATION**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(continued)**

**12. RESTRICTED FUNDS**

	<u>Balance at</u> <u>1 July</u> <u>2001</u> £	<u>Incoming</u> <u>Resources</u> £	<u>Resources</u> <u>Expended</u> £	<u>Transfers</u> £	<u>Balance at</u> <u>30 June</u> <u>2002</u> £
FIG Core Fund	-	56,034	(56,034)	-	-
Conservation Fund	27,995	29,586	(33,523)	-	24,058
RSPB Core Support	-	13,434	(13,434)	-	-
Seabird Monitoring Project	3,000	29,876	(32,876)	-	-
Falkland Flora Research Project	-	16,308	(17,331)	-	(1,023)
Seabirds at Sea Project	42,003	45,924	(59,310)	-	28,617
Albatross Project	15,151	6,585	(20,297)	-	1,439
Visitor Site Guide Research	(6,202)	6,202	-	-	-
Visitor Site Guide Production	(9,053)	10,798	(1,745)	-	-
Rat Eradication Project	19,221	3,305	(12,433)	-	10,093
Felton's Flower Project	9,000	-	(9,000)	-	-
Herbarium	(1,432)	352	-	-	(1,080)
Southwest Atlantic Marine Environment Conference	1,543	-	(1,543)	-	-
Tussac Restoration Project	9,088	20	(6,540)	-	2,568
Islands Appeal	2,552	-	-	-	2,552
Volunteer Point Penguin Project	-	6,000	(6,000)	-	-
	<u>£112,866</u>	<u>£224,424</u>	<u>£(270,066)</u>	<u>£ -</u>	<u>£67,224</u>

The following restricted funds were held at 30 June 2002:

- a) **Falkland Islands Government (FIG) Core Fund**  
Funds awarded to support the core costs in the Falkland Islands.
- b) **Conservation Fund**  
Funds awarded to support the conservation costs in the Falkland Islands.
- c) **The Royal Society for the Protection of Birds (RSPB) Core Support**  
A grant has been awarded to assist with the United Kingdom office costs, education, bird survey and travel.
- d) **Seabird Monitoring Project**  
A fund providing support from FIG for research costs of the Seabird Monitoring Project, including provision of field equipment and vehicles.
- e) **Falkland Flora Research Project**  
Includes grants from the Foreign and Commonwealth Office and FIG to assist with research and surveys of the flora of the Falkland Islands.
- f) **Seabirds at Sea Project**  
A grant received from FIG for the ongoing Seabirds at Sea Project.
- g) **Albatross Project**  
A fund for research into the status and ecology of the Black-Browed Albatross in the Falkland Islands.

**FALKLANDS CONSERVATION**

**NOTES TO THE FINANCIAL STATEMENTS**

**(continued)**

**12. RESTRICTED FUNDS (Continued)**

- h) Visitor Site Guide**  
Balance of a grant from FIG, towards research and compilation of the 'Visitors Guide to the Falkland Islands'.
- i) Rat Eradication Project**  
A fund, supplemented this year by a grant from the William A Cadbury Charitable Trust, to undertake rat eradication from selected islands.
- j) Felton's Flower Project**  
A grant received from the Royal Botanic Gardens at Kew to research the status and distribution of Felton's Flower in 2001/02.
- k) Herbarium**  
Comprises money raised by individual donations to set up a National Herbarium for the Falklands, providing a definitive reference collection of Falkland plants.
- l) Tussac Restoration Project**  
A fund for the restoration projects to replant areas of tussac grass on East Falkland.
- m) Islands Appeal**  
The surplus from the Islands Appeal, to be used for management of the Island nature reserves, or for future Island nature reserve purchases.
- n) Volunteer Point Penguin Project**  
Includes donations from Rotterdam Zoo and HM Forces Falkland Islands Charity Fund to warden and protect the penguin colonies at Volunteer Point.

**13. UNRESTRICTED FUNDS**

	<u>Balance at</u> <u>1 July</u> <u>2001</u> £	<u>Incoming</u> <u>Resources</u> £	<u>Resources</u> <u>Expended</u> £	<u>Transfers</u> £	<u>Balance at</u> <u>30 June</u> <u>2002</u> £
Designated Funds:					
Fixed asset replacement	-	-	-	20,000	20,000
Staff contingency fund	-	-	-	30,000	30,000
General Reserve	109,918	85,982	(91,702)	(50,000)	54,198
	<u>£109,918</u>	<u>£85,982</u>	<u>£(91,702)</u>	<u>£ -</u>	<u>£104,198</u>

The trustees have established two designated funds as a contingency to meet unexpected employment costs (notably sickness and maternity cover) and, to ensure that future requirements for essential vehicles and equipment can be met.

**FALKLANDS CONSERVATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**(continued)**

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Fixed Assets £</b>	<b>Investments £</b>	<b>Other Net Assets £</b>	<b>Total £</b>
Endowment Funds	32,408	-	-	32,408
Restricted Funds	-	-	67,224	67,224
Unrestricted Funds	44,409	24,134	35,655	104,198
	<u>£76,817</u>	<u>£24,134</u>	<u>£102,879</u>	<u>£203,830</u>