

## **FALKLANDS CONSERVATION**

### **TRUSTEES' REPORT: FOR THE YEAR ENDED 30 JUNE 2006**



The Trustees have pleasure in presenting this summarised Annual Report together with audited financial statements for the year ended 30 June 2006.

#### **Governance**

The make up of the Board reflects the key role of the charity with all Trustees committed to the protection of the Islands' wildlife. A number of specialists provide financial and investment guidance, environmental and scientific expertise, in depth local knowledge, and contacts with the military presence in the Islands. Tim Carr, John Croxall and Julian Fitter retire at the 2006 AGM being the longest serving UK Trustees, and offer themselves for re-election. Ron Lewis-Smith (UK based) is leaving the Board. Dr Michael Richardson is standing for election from UK. Due to the resignation of Tim Stenning and existing vacancies, no Falkland Islands Trustees are retiring. Deborah Summers and Alan Henry are new candidates from the Falkland Islands standing for election for the first time.

#### **Achievements and Performance**

The main areas of our work in 2005-06 concentrated on protection of the black-browed albatross, undertaking wildlife surveys and censuses, and developing environmental resources for young people.

#### ***Albatross & Petrel Programme***

The black-browed albatross has its stronghold in the Falkland Islands and is classified as an endangered species. A long-term programme to reduce the mortality at sea of both albatrosses and petrels has continued. As a result of our investigations, trials of various devices and the introduction of appropriate mitigation methods, a 90% reduction in seabird mortality rates on trawlers operating in Falkland waters was confirmed. An assessment of the jigging fleet was conducted during the year. A workshop on options for offal management was held with industry representatives. A leaflet, in English and Spanish, describing the need to implement measures to protect albatrosses at sea was circulated to fishermen. Advice on protecting key breeding sites was produced, including a management plan for Kidney Island agreed with the Falkland Islands Government, and voluntary management guidelines provided for private landowners.

We organised and hosted an International Workshop, '*Albatross & Petrels in the South Atlantic: Priorities and Conservation*' in the Islands from 12-15 March 2006, involving 35 delegates representing the UK Overseas Territories in the region and a number of adjacent countries. A full report, including a series of recommendations arising from the meeting outlining actions necessary to protect these species is to be published in 2006-07.

#### ***Other Conservation Projects***

Our work with the Falkland Island Seabird Monitoring Programme continued for its 20<sup>th</sup> year. Penguin colonies at selected sites were monitored to assess breeding success and diet. Samples were taken from a number of stricken birds at Port Stephens and Albemarle for analysis in UK. These pointed to an outbreak of avian pox. We advised the tourism industry and landowners on steps to take to reduce spread of the disease. In order to restore habitats for ground nesting birds, particularly the endemic Cobb's wren, rats were eradicated from SW Horse Island, and NW Island was checked for any sign of re-colonisation by rodents.

The programme to identify and assess Important Bird Areas in the Falkland Islands neared completion. Surveys were undertaken at four potential IBA sites: Cape Dolphin, the Narrows, East Bay/Lake Sullivan, and Fanning Head/Race Point coastline.

#### ***Surveys, Censuses and Research***

In order to determine population trends Islands-wide censuses were conducted for the black-browed albatross, three penguin species (rockhopper, gentoo, king), and for the white chinned petrel. These counts were major undertakings involving teams of staff, volunteers and landowners and included a boat charter to visit remote islands off West Falkland. Results show a continuing reduction in black-browed albatrosses of 1% per annum, and a significant decline in many penguin colonies following the Harmful Algal Bloom incident of 2001-02.

Our Falkland Islands Invertebrates Conservation Project conducted a further summer season of field work with visits to Carcass Island, Hill Cove, Port Stephens, New Island Sea Lion Island as well as East Falkland. Long-term monitoring sites are being established. Taxonomic work, in conjunction with the Natural History Museum, identified a number of new records for the Falkland Islands from fieldwork collections. Eight people attended a second invertebrates training course in Stanley. A paper on Falkland worms was published.

#### ***Education and Publications***

A two-year Education Officer appointment has enabled us to start producing resources and classroom materials for teachers on Falklands native wildlife and the local environment. Education packs have now been produced for the Infant and Junior School, and the peripatetic Camp Education Service.

In November we published an enlarged and substantially revised second edition of our *Visitor's Guide to the Falkland Islands*. This includes 19 of the most important wildlife sites with accompanying information on fauna and fauna and guidance on keeping disturbance to a minimum. 10,000 copies of the first edition are now sold out.

We were pleased to support and publish a small book on *Falkland Islands Freshwater Fishes*. Two issues of our magazine, *Wildlife Conservation in the Falkland Islands*, were produced. Our website, updated on a regular basis,

continues to attract an increasing number of visitors. Once again we delivered a presentation on the Falkland Islands Tourist Board 'Tour Guides Course' covering key conservation issues and the role we play in addressing them.

### ***Community Activities and Young People***

It is the wish of the Board that greater encouragement and opportunities are available for voluntary involvement in our activities. To this end a Volunteer Policy was adopted in April 2006 and the approved strategy will be implemented over the next twelve months.

Cetacean Watch promoted public participation in recording sightings of whales and dolphins. Over 500 record forms from all around the extensive coast of the Falklands were returned enabling us to produce distribution maps and improve our database for these species. A second Breeding Birds Survey was launched, both in Stanley and at the Mount Pleasant military base. Anyone interested in the Islands' birdlife was invited to gather information on land birds with a view to publishing a new distribution and status Atlas within 5 – 10 years. Our popular annual series of beach clean-ups continued with a litter and rubbish pick at Whalebone Cove on 26<sup>th</sup> March.

### **Financial Review**

The results for the year are detailed in the attached financial statements. These reflect a busy year with a diverse range of projects undertaken. Finances as a whole reflect a healthy position with a small surplus of income over expenditure £3,851 and an increase in the value of our investments. Once again we can report on the success of our community fundraising events in the Islands. The Charity Ball in September in particular made a substantial and much needed contribution to our funds.

### ***Principal Funding Sources***

The principal source of funding for the charity is provided by way of a grant from the Falkland Islands Government, which this year contributed 32% of our total annual income. This essential income supports much of our overhead organisational costs in the Falkland Islands, enabling us to build additional income by applying to conservation funds elsewhere for undertaking specific projects. We are particularly grateful to the Falkland Islands Government for maintaining our grant income at a level which enables us to do this in the face of continued FIG budget restraints.

Major supporters of project work include The Foreign & Commonwealth Office Overseas Territories Environment Fund, the UK Defra Darwin Initiative, the Royal Zoological Society of Scotland, and The Royal Society for the Protection of Birds. Generous contributions from The Ernest Kleinwort Charitable Trust and The Rufford Maurice Laing Foundation helped with the costs of our 2005 Penguin Census. Donors contributing significant sums to other aspects of our work include The H B Allen Charitable Trust, Cable & Wireless, Standard Chartered Bank, IAATO and Consolidated Fisheries Ltd.

We also rely on donations from individuals. Our penguin adopters are an increasingly important source of revenue, signing up via our web shop. Members of the public give to our charity through collection boxes at UK zoos with penguin collections. Last, but not least, we recognise the on going support (particularly to our WATCH Group and Seabirds Appeal this year) from our members without whom 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. It is our aim to cover six months operational costs (approximately £80,000) from these reserves with a view to increasing this to one year's costs in the longer term. Our current reserves, including restricted funds, stand at £480,611. This also includes four designated funds which have been established as a contingency to meet unexpected employment costs (notably sickness and maternity cover), to ensure that future requirements for essential vehicles and equipment can be met, to cover the cost of publication reprints, a general conservation fund.

### **Plans for Future Periods**

During 2006-07 a review of priorities will be undertaken and plans for future key projects agreed. Our activities however will depend heavily on raising sufficient income to undertake such work. Significant developments we expect to achieve in the next 12 months include publication of our Important Bird Areas of the Falkland Islands, conducting a survey of the rare Striated Caracara, re-focusing our Albatross and Petrel Programme in line with the Albatross & Petrel Workshop recommendations and publication of the Workshop proceedings, and taking part in a major EU funded initiative on invasive species. We will seek full partner status within BirdLife International. We will continue to be responsive to any threats to wildlife of the Islands.

### **Auditors**

A resolution for the re-appointment of Wilkins Kennedy as auditors to the charitable company will be submitted to the Annual General Meeting.

**Henry Robinson, Chairman, Board of Trustees**

**FALKLANDS CONSERVATION**  
**Statement of Financial Activities**

**For the Year Ended 30 June 2006**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2006 £	Total 2005 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	67,110	-	332,206	399,316	421,456
Activities for generating funds:					
Sale of goods and publications	30,797	-	-	30,797	25,382
Investment income	6,054	3,975	-	10,029	10,942
<b>Total incoming resources</b>	<u>103,961</u>	<u>3,975</u>	<u>332,206</u>	<u>440,142</u>	<u>457,780</u>
<b>Resources expended</b>					
<b>Cost of generating funds:</b>					
Costs of generating voluntary income	21,044	-	-	21,044	17,210
Cost of fundraising trading	11,045	-	-	11,045	13,132
<b>Charitable activities:</b>					
Conservation and research	59,773	-	261,884	321,657	370,098
Education and community	361	-	95,650	96,011	46,856
Conservation Grants	-	-	-	-	4,685
<b>Governance costs</b>	<u>6,763</u>	<u>-</u>	<u>-</u>	<u>6,763</u>	<u>6,908</u>
<b>Total resources expended</b>	<u>98,986</u>	<u>-</u>	<u>357,534</u>	<u>456,520</u>	<u>458,889</u>
Net incoming resources before transfers	4,975	3,975	(25,328)	(16,378)	(1,109)
Transfers between funds	-	-	-	-	-
<b>Net incoming (outgoing) resources</b>	<u>4,975</u>	<u>3,975</u>	<u>(25,328)</u>	<u>(16,378)</u>	<u>(1,109)</u>
Gain on investments	6,772	13,457	-	20,229	17,115
<b>Net movements in funds</b>	<u>11,747</u>	<u>17,432</u>	<u>(25,328)</u>	<u>3,851</u>	<u>16,006</u>
Total funds at 1 July 2005	25,437	282,401	168,922	476,760	460,754
<b>Total funds at 30 June 2006</b>	<u><u>£37,184</u></u>	<u><u>£299,833</u></u>	<u><u>£143,594</u></u>	<u><u>£480,611</u></u>	<u><u>£476,760</u></u>

**TRUSTEES' STATEMENT ON THE SUMMARISED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

These financial statements are a summary of information extracted from the full financial statements. The full report and accounts were approved by the Trustees on 19 October 2006 and will be submitted to the Charity Commission and Registrar of Companies. These summarised financial statements may not contain sufficient information to allow for a full understanding of the financial affairs of Falkland Conservation. For further information, the full annual accounts, the auditors' report on those accounts and the trustees' annual report should be consulted. Copies of these can be obtained from Falklands Conservation at 1 Princes Avenue, Finchley, London N3 2DA or The Jetty Visitor Centre, Stanley, Falkland Islands.

Approved by the Board and signed on its behalf by:

Henry Robinson, 19 October 2006

**INDEPENDENT AUDITORS' STATEMENT TO THE TRUSTEES OF FALKLANDS CONSERVATION**

We have examined the summarised financial statements of Falklands Conservation.

**Respective responsibilities of trustees and auditors**

The trustees are responsible for preparing the summarised financial statements in accordance with applicable law.

Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full financial statements, and its compliance with the relevant requirements of s251 of the Companies Act 1985 and the regulations thereunder. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

**Basis of opinion**

We conducted our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board for use in the United Kingdom.

**Opinion**

In our opinion the summarised financial statements are consistent with the full financial statements and the Trustees' Annual Report of Falklands Conservation for the year ended 30 June 2006 and comply with the applicable requirements of s251 of the Companies Act 1985, and the regulations thereunder.

**WILKINS KENNEDY**, Chartered Accountants and Registered Auditor  
Bridge House, London Bridge, London SE1 9QR.

Date: 19 October 2006

**FALKLANDS CONSERVATION  
BALANCE SHEET: AS AT 30 JUNE 2006**

	2006		2005	
	£	£	£	£
<b>Fixed assets</b>				
Tangible assets		50,691		65,049
Investments		361,781		285,350
		412,472		350,399
<b>Current assets</b>				
Stock	44,271		23,865	
Debtors	14,770		32,786	
Cash at bank and in hand	21,130		85,118	
		80,171		141,769
<b>Creditors:</b> Amounts falling due Within one year		12,032		15,408
<b>Net current assets</b>		68,139		126,361
<b>Net assets</b>		<b>£480,611</b>		<b>£476,760</b>
<b>Funds</b>				
Endowment		32,408		32,408
Restricted		111,186		136,514
Unrestricted funds:				
Designated		299,833		282,401
General		37,184		25,437
		<b>£480,611</b>		<b>£476,760</b>