

DURRELL WILDLIFE CONSERVATION TRUST

Report and Financial Statements

31 December 2004

# Durrell Wildlife Conservation Trust

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## LEGAL AND ADMINISTRATIVE DETAILS

<b>NAME</b>	The Durrell Wildlife Conservation Trust
<b>GOVERNING INSTRUMENT</b>	The Durrell Wildlife Conservation Trust is an association incorporated under Article 4 of the Loi (1862) sur les teneures en fideicommiss et l'incorporation d'associations, as amended. It is governed by Rules registered in the Royal Court, Jersey on 28 September 2001.
<b>PATRON</b>	Her Royal Highness The Princess Royal
<b>TRUST PRESIDENT</b>	Robin E R Rumboll
<b>HONORARY DIRECTOR</b>	Dr Lee M Durrell**
<b>EXECUTIVE DIRECTOR</b>	Dr Mark R Stanley Price**
<b>CHAIRMAN OF COUNCIL</b>	Martin Bralsford **
<b>HONORARY TREASURER</b>	Christopher E Simpson ** (resigned 2 <sup>nd</sup> January 2004) Mark Oliver (elected 9 <sup>th</sup> September 2004)
<b>TRUST SECRETARY</b>	Derek Maltwood
<b>COUNCILLORS</b>	Elected by the Members in General Meeting  Dr Colin Clubbe Tricia Kreitman Dr Georgina Mace OBE (retired by rotation September 2004) Derek Maltwood ** (retired by rotation September 2004) Cameron McPhail (resigned 30 <sup>th</sup> January 2004) Colin Powell CBE Ian Steven Dr Marcus Trett Advocate Jonathan White ** (retired by rotation September 2004) Dr Eleanor J Milner-Gulland Prof Ian Swingland (co-opted 25 <sup>th</sup> February 2005)
<b>LIFE TRUSTEES</b>	Sir David Attenborough CBE John Cleese Miss Fleur Cowles Mrs Murray S Danforth, Jnr Jurat Geoffrey Hamon Reginald R Jeune CBE Dr Alison Jolly Warren J Iliff (trusteeship relinquished 26 <sup>th</sup> February 2004) Dr Thomas E Lovejoy Dr Jeremy J C Mallinson OBE Professor Robert Martin Margaret K Rockefeller General Sir Peter Whiteley GCB, OBE Edward J Whitley

# Durrell Wildlife Conservation Trust

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## LEGAL AND ADMINISTRATIVE DETAILS

<b>SENIOR EXECUTIVES</b>	Quentin M C Bloxam (Director of Zoo Programme) ** Dr John E Fa (Director of Conservation) ** Stephen W Teal (Director of Development Programme) ** Rachel A Husbands (Director of Finance & Administration)**
<b>PRINCIPAL ADDRESS</b>	Les Augrès Manor Trinity Jersey Channel Islands JE3 5BP
<b>BANKERS</b>	RBSI Custody Bank Limited RBSI T/A NatWest
<b>FOUNDER</b>	Gerald Durrell, OBE, LHD, DSc (Honorary Director, 1963-1995)
<b>ADVOCATES</b>	Mourant du Feu & Jeune 22 Grenville Street St Helier Jersey JE4 8PX
<b>AUDITORS</b>	Ernst & Young LLP Unity Chambers 28 Halkett Street St Helier Jersey JE1 1EY
<b>INVESTMENT ADVISORS</b>	HSBC Investment Management Limited 78 St James's Street London SW1A 1HL
<b>INVESTMENT POWERS</b>	Under the Rules of the Trust, the Trust may invest from time to time all monies and the funds of the Trust not immediately required to be expended for the purposes thereof.

\*\* Member of Executive Committee

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

### **1. Financial statements**

The accounts comply with all current applicable statutory requirements and with the Rules of the Trust.

### **2. Objects and policies**

The objects of the Trust as set out in the Rules of the Trust are:

- i) to promote the conservation of wildlife
- ii) to establish at the Jersey Zoological Park, Les Augrès Manor, Trinity, Jersey or elsewhere, a centre or centres for breeding colonies of animals in danger of extinction in the wild state together with training, education, research and such other activities as may be necessary in furtherance of the objectives of the Trust.

The policies adopted by the Trust to further the above objectives are as follows:

- the continued operation of the Jersey Zoo to breed animals as part of international species recovery programmes.
- the management of or participation in species recovery plans for selected species.
- the provision of an International Training Centre in Jersey promoting training in the breeding and conservation of endangered species.
- working with local communities to develop sustainable development strategies to benefit both the local community and ecosystem.
- field research to understand wildlife species and the reasons for their decline.
- habitat purchase and repair to enable species reintroduction programmes to be implemented successfully.

There have been no material changes in the above policies in the last year since the preceding report.

The Trust is organised as follows:

The Government of the Trust and the management of its concerns are vested in the Council, whose members are elected by the Members of the Trust. The Honorary Director of the Trust is responsible for ensuring that the Rules of the Trust are followed and that the resolutions of the Council are duly carried out. The Honorary Treasurer, elected by the members, is responsible for all accounts and the collection of all sums of money due to the Trust. The Executive Director is responsible for the direction and management of the Trust and for the implementation of the strategic objectives established by Council. The day-to-day administration of the Trust has been delegated by the Council to the Executive Committee, appointed by Council.

### **3. Statement of the Council's responsibilities in respect of the financial statements**

The Rules of the Durrell Wildlife Conservation Trust require the Council to prepare financial statements of the Trust. In preparing the financial statements in accordance with the Statement Of Recommended Practice 'Accounting and Reporting by Charities' issued by the Charity Commission for England and Wales, the members of the Council should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable;
- prepare the accounts on the going concern basis.

## REPORT OF THE COUNCIL

### **3. Statement of the Council's responsibilities in respect of the financial statements (continued)**

The Council is responsible for keeping accounting records which are sufficient to show and are such as to disclose with reasonable accuracy at any time the financial position of the Trust. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **4. Review of Development, Activities and Achievements during the year**

The end of 2003 was notable for the confirmation by Council of a detailed Trust-wide business plan for 2004, based on consultative inputs by all Senior Executives under the guiding hand of the Systems Development Assistant. The plan also contained a strong element of multiple year, forward planning. Senior Executives spent 2004 implementing this plan, monitoring their activities against the relevant objectives and defined measurable outputs.

This report covers main areas of the Trust's operations; at the head of each section, the relevant objectives from the 2004 business plan are reproduced, and the text below indicates how these objectives were met.

#### **Conservation**

##### *Objectives:*

- 1. Establish marketable conservation niche for Durrell Wildlife through roll out and testing of Islands and Highlands concept to existing and new programmes.*
- 2. Optimise role and value of the zoo and visitor satisfaction, while improving its ability to showcase Durrell Wildlife's work.*

The Islands and Highlands concept appeared in press and received very favourable peer review. It provided the basis for guiding attention on our existing conservation activities and for seeking new opportunities; first exposure to the Galapagos Islands is an example (see below). As such, it is a powerful organising principle. However, diversification or expansion of activities has been very conservative and prudent, dependent on the availability of restricted funding for new uses.

Our ongoing field conservation programmes achieved some major milestones in 2004. The echo parakeet programme released 40 birds into the wild, making a total population of almost 300 at the end of the year. Our partners, the Mauritian Wildlife Foundation, now predicts that the 2005 breeding season will be the last in which captive rearing will be needed, and the species in the wild will then only need a maintenance level of protection.

The Madagascar programme made considerable progress: notable was the release back into the wild of 149 side-necked turtles that the Trust had reared for 3 years from wild hatchlings, protecting them through their critical years; monitoring at the end of six months in the wild resulted in several recaptures, and hence assessment of growth rate. Gentle lemur numbers look increasingly secure as the fishing and farming communities have learnt to protect the reedbeds; new technologies and techniques are expected to give much more precise estimates of population numbers in 2005. At Menabe, in western Madagascar, the Trust's team has continued species conservation work on the giant jumping rat, the narrow-striped mongoose, the flat-tailed tortoise, and it is actively working for protection of a suitable area as national park. An initiative in this area was a new focus on the wetlands and their birds, including the Madagascar teal and several colonial nesting species that are under pressure.

The Trust's access to genetic analysis capability expanded in 2004 due to recognition of the immense value of the information arising for conservation. Analysis of the whiptail lizard populations on the islands around St. Lucia showed that there are two species not one, as physical appearance would

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

indicate; the Trust is publishing this case history for the conservation conundrum that this finding prompts. Genetic analysis of the pygmy hog in Assam has shown that it is very distantly related to all other pig species; this situation increases the species' biological significance very materially, and will be of great interest to the scientific world when reported on in 2005.

The Trust assigned a person to spend prolonged periods in the field to census the Antigua racer, and this has now yielded superior population data and will help inform future actions. In December the Trust organised and hosted a meeting that has led to a biodiversity assessment for Montserrat, which will require considerable inputs in 2005, and collaboration with our partners: the Montserrat Forestry Department, the Royal Society for the Protection of Birds, Royal Botanic Gardens Kew, Montana State University and the University of South Dakota.

The first visit to Assam from Jersey for several years led to a new strategy for returning pygmy hogs to the wild. This will take several years and will require new resources and new partners, which are being actively sought.

The capability of the Conservation Programme was significantly enhanced in 2004. The Eastern Caribbean coordinator was complemented by the appointment of a Western Caribbean coordinator late in 2004, to be based in Mexico, with an ongoing programme of conservation activities in Cozumel Island. Capacity in Jersey was increased, first, through appointment of a Conservation Manager, who ensures coordination of field conservation and with the Development Department, and is the contact person for field staff. Second, a Population Management Specialist was recruited, and he has already provided invaluable technical guidance for the field censusing of at least ten species of concern to the Trust in Madagascar and the Caribbean. With the conservation expertise of the Director of the Zoo programme, and other zoo-based staff, we are steadily developing the conservation capacity and scientific quality of all our work. We remain short of the critical intellectual mass within Jersey for sustained conservation work, but are optimistic this stage will be reached in 2005.

Continuing with our commitment to staff development and opportunity, staff made structured visits for significant conservation purposes to the following during the year: Australia, Madagascar, Mallorca, Brazil, Cayman Islands, Cameroon, Sri Lanka and Cozumel Island. Programme Directors made several other site visits for supervision and/or reconnaissance purposes.

In the interests of clarifying our role in various countries, and ensuring good relations with host countries and in-country partners, the Trust signed (or renewed) Memorandums of Understanding with the relevant authorities in St. Lucia, Mallorca, Montserrat, the Mauritian Wildlife Foundation, and signed up to the Alliance for Zero Extinction.

In Jersey, the Training Programme taught the regular, yet updated, Diploma course and Summer School. Its staff developed and taught the first Island Species-led Action course (ISLA) in September: this involved 12 trainees, of medium-upper level cadres from islands around the world. This was judged a great success and possible model for future training. The course will be run in 2005 in St. Lucia, for a Caribbean focus, and the Trust has been invited to develop and run a derivative course for conservationists in the Seychelles. At least one new short course for 2005 was under development in 2004. Staff of the International Training Centre made two visits to Madagascar where the Trust has a small role in a coalition developing conservation training at the University of Antananarivo.

The Trust encourages participation by staff in local conservation activities within Jersey – both to share our expertise and to demonstrate our commitment to be “good citizens”. Staff have been involved in activities relating to the agile frog, the common toad, the stonechat and cirl bunting, and in surveys of farmland birds.

In Jersey there was intense analysis to maximise the direct links between the animal collection content and Trust conservation work in the wild. Exports of animals continued with the aim of keeping the most

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

appropriate species in appropriate numbers for defined purposes. The animal collection is now some 15% smaller than at its peak in 2000, with 198 mammals, 373 birds, and 367 amphibians and reptiles exported over the last four years. The Trust has been greatly helped in the export of animals (and the lesser activity of imports) through the good offices of the Honorary Director and Durrell Wildflights, which ensure minimal journey times for animals. As part of matching the fit between the collection and conservation, in 2004 the Trust started to commit resources to field conservation programmes for western lowland gorillas in Cameroon, and for Sumatran orang-utans in Indonesia.

In late 2004, Council endorsed management's proposal that the Trust should participate in preventing the mass extinction of amphibian species that is now happening. Three rooms in the Herpetology Building were due for renovation, and these have been prepared for research on priority frog species in 2005 and onwards while more elaborate plans are drawn up. This initiative builds on the Trust's record with endangered amphibians and will take the Trust right into one of global conservation's most pressing and major problem areas.

Infrastructure development in the year was on a modest scale, while repair and renovations were the priority. The Bat Tunnel proved its value as Livingstone's fruit bats increasingly flew, and the species became a firm favourite with the public. The walk-through aviary, Jewels of the Forest, was outstandingly attractive and successful with half the resident bird species breeding in 2004; the proportion of all visitors entering was high, and dwell times very satisfactory. The immersion experience confirms the wisdom of our move towards having fewer exhibits, but of mixed species, with a dramatic experience for the visitor.

Staff designed and rebuilt the playground area, with an Indonesian animal theme, which proves very popular. The Lemur Lake was dredged, and its edges re-engineered to the benefit of the red-ruffed lemurs, and its surrounds will be landscaped and re-planted in spring 2005. The Organic Farm was made accessible with a display garden of its contents and a look out point into the polythene tunnels. Conceived by the Landscape Department, and executed as a UK army training exercise, this has opened up an aspect of Trust operations of great interest to the public, at minimal cost. The Logistics Department, responsible for purchasing and handling of all animal feeds moved in 2004 to a purpose built industrial shed adjacent to the Organic Farm; one corollary of this improvement in efficiency is that the International training Centre no longer shares premises with animal feeds. Finally, a new toilet block was installed adjacent to the Bat Tunnel.

In December 2004 Council approved the document "The way forward" proposed by Senior Executives which described a vision and schedule of infrastructure development for the Jersey site over the next 3 years.

### **Internal Operations**

*Ongoing financial analysis to assess the viability of the organisation.*

*Develop optimal organisational structure and resource allocation supported by robust and transparent planning and management systems*

*Define and establish a set of values for Durrell Wildlife*

*Review and enhance Trust's governance processes*

Through 2004 the Trust continued its organisational development to adapt itself to changes in external conditions, both in its operating environment and in conservation. Much effort was expended on the systematic examination and development of operating systems and procedures, and capacity. The need to

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

comply with increasing standards of charity best practice in the UK was a stimulus, as well as the expectation of changes in Jersey's employment legislation.

The Council started a process of reviewing all aspects of its governance in late 2003. This continued with Council workshops through to September 2004. The process led to the conclusion that the Trust's Rules needed updating. Compass Partnership, specialists in this area, ran the governance review throughout, and the services of the charity department of London solicitors Nabarro Nathanson was commissioned to develop new Rules. Their development was steered by a Council Working Group and the Trust's legal adviser in Jersey, who liaised with HM Solicitor-General in Jersey. The proposed Rules were presented to members at the AGM of September 2004; while the overall aim and solution met with approval, there was unease with the detail of the proposed mechanism for electing future Board members. As the Rules had to be adopted, in their entirety, or not at all, Council agreed to defer the vote until the 2005 AGM, and the Trust continued to operate under unchanged Rules for the time being.

A systematic review of all staff policies and practices was facilitated by the appointment in early 2004 of a new Human Resources Manager. By year end, a comprehensive draft staff handbook was under review by both the Jersey Advisory and Conciliation Service and the Trust's lawyers. The Trust's standard contract of employment was also reviewed and aligned with impending legislation. The overall result, in due course, will be that our policies and procedures, and governance arrangements will be a model for similar organisations in Jersey, and will exceed the customary standards increasingly expected of charities.

The interests of overseas-based staff have been of equal importance in this respect, so that we move truly towards being a single, well-integrated organisation. This is explicit in the set of values that were developed consultatively in-house, and approved by Council in November 2004.

After a long period of development, the Staff Association came into existence and elections of officers took place in April. This has proved to be an excellent medium for liaison between management and staff, with regular meetings and as a channel for communications in addition to the conventional line management route.

Under the aegis of the Director of Finance and Administration, management information systems were considerably enhanced. Both the data network and telephone system were upgraded during the year. All staff now have good communications facilities, including all overseas staff who have been brought into the Trust-wide network with standard email addresses.

Our financial procedures and systems are being completely overhauled in order to provide a very clear picture of the financial aspects of the Trust's operations, and therefore allow more timely intervention should it be required. With new systems and procedures in place, we have been able to fully engage all of the Trust's staff in driving the efficiencies that we need in order to reduce costs, and this has met with widespread enthusiasm.

Conservation activities benefited from several developments: staff developed a geographical information system for the Jersey site; in-house training by staff has resulted in wide capacity to use the system which is now the basis for all planning and design work and for conservation work for native plants and animals. We obtained specialised software, Conservation Management Systems, which will be the basis for all project design, implementation tracking and monitoring. All conservation programmes and projects were re-designed during the year to a standard format of Goal, Objectives and Activities, with desired Impacts, and this has become the standard format against which staff report periodically. This standardisation, combined with the improved scientific quality, has been most beneficial.

In early 2004 our Systems Development Assistant moved to a new post, and was replaced by an assistant in the Executive Director's office with experience in change planning.



# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

### **External Relations**

*Promote increased profile for Durrell Wildlife, developing internal and external confidence*

In mid-2004 a London public relations company, Cubitt, was contracted to assess the Trust's media profile in the media and general level of awareness. This move was partly due to the realisation that the Trust needed to both raise its profile, and draw attention to its real conservation achievements, and to position itself within a wider spectrum of potential funding sources.

In the autumn, Gerald Durrell was voted South-West England's Greatest Hero in a BBC opinion poll, and this will be the centre point of several activities in 2005.

The Trust provided the venue for a celebratory symposium of the Galapagos Conservation Trust in June. With some commonality of conservation interests, we were invited to become involved in the Galapagos Islands, and this led to initial exploration by the Director of Zoo programme, with the intention of helping to conserve the Galapagos mangrove finch, one of the world's rarest birds.

The Trust was well-represented at international meetings, on a carefully scrutinised basis. We sent Madagascar-based staff to the World Parks Congress, in Durban, South Africa, held every 10 years, and they also attended and gave presentations at the annual Society for Conservation Biology meeting in New York. The Director of Conservation attended the 4-yearly World Conservation Congress in Bangkok, as did the head of the Pygmy Hog Conservation Project. The Executive Director attended the annual meeting of the World Zoo and Aquarium Association meeting, and the Trust was present at all significant regional zoo association meetings.

Trust staff are members of the Jersey Tourism Board and the Environmental Forum, and participate in many local conservation / environmental activities and events. Apart from any technical input by staff and useful information received, these are opportunities to demonstrate the Trust's commitment to the Jersey community and its issues.

Dr. John Fa, our Director of Conservation Programme was appointed a senior Visiting Research Fellow at Imperial College, London, where he lectures on occasion. We have also developed links with the University of Southampton and Oxford University's Wildlife Conservation Research Unit. We hosted a Royal Society Visiting Fellow from Cuba for three months, enabling development work on our conservation ambitions there.

### **Resources**

*Ensure the implementation of resource raising strategies according to agreed priorities and methods*

Through improved and systematic care of our members and their renewal, membership subscriptions grew by around 10%. Similarly, dedicated effort to the Adoptions scheme resulted in an income in excess of £110,000, some 10% greater than anticipated.

Our market share of visitors to Jersey increased slightly, to the benefit of gate receipts, leading to a tentative conclusion that the decline in Jersey's visitor numbers might be slowing.

A systematic effort to raise funds in Jersey was started through creation of a small committee "Jersey for Durrell" which held several meetings and focused social events for potential supporters. Pledges to the Trust from this group totalled £540,000 at year end.

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

Over £560,000 was raised in restricted funding for conservation work, compared to £515,000 in 2003. The Development Director invested time in development of a London support committee which will start to operate in mid-2005.

Great efforts were made to diversify the Trust's funding sources. Dr Durbin, Director of Madagascar Programme, was invited to submit a proposal to the 'John D. and Catherine MacArthur Foundation' for a grant to explore the diversity of management regimes in Madagascar. This was a significant invitation from a prestigious foundation, and led to a grant for work that will occupy her part-time for three years. Separately, the Trust applied to the Jersey Overseas Aid Committee for support for its community work directly related to its conservation sites in Madagascar. This resulted in funding totalling £50,000, and we regard this as a significant development in terms of highlighting the role and nature of the work that the Trust does, and that these are aligned with the priorities of the Jersey public for development assistance.

The Fota Wildlife Park in the Republic of Ireland contributed €30,000 that it raised in its grounds, to support our work in Menabe, Madagascar.

Jersey's Tourism Development Fund granted the Trust £30,000 to enable renovation of one set of public toilets in the grounds and to provide a further set.

A diminishing public profile, our Jersey location and lack of a UK presence have made fundraising from large companies and charitable trusts rather problematic. Certainly, many approaches have been made to try and establish new funding partnerships, but the aforementioned factors have significantly militated against the Trust. To try to remedy this situation, much work is being undertaken to raise the profile of the Durrell brand through a concerted media campaign, and the foundations are being laid for a UK based development committee.

### **Public benefit**

Durrell Wildlife is a charity, and as such is increasingly expected to demonstrate public benefit to maintain its privileged status. This is evident through the educational work carried out by the Trust, even if conservation is not yet formally recognised as a public benefit.

More specifically, the Jersey site is a major recreational resource for the Island, and much of its management is directed towards maintenance of green, open spaces – the largest park setting in Jersey.

Further our Education Department lays on activities for children in the holidays, while formal teaching continued through 2004 under contract from the States of Jersey Department of Education, Sports and Culture.

## **5. Review of the Financial Position of the Trust**

To better understand the position of the Trust and its performance, it is important to recognise that the Trust generates both recurring and non-recurring sources. The recurring income includes membership subscriptions, income from admission charges for visitors to the Jersey Zoo, trading income including the retail operations at the Zoo Shop, as well as income generated from the Trust's investments. The less predictable non-recurring income includes donations, legacies and other grants and gifts, which play a vital role in enabling the Trust to enter into enduring commitments.

It is important to bear in mind when comparing year on year financial results the impact of any unusual items such as tax rebates on substantial legacies or payments into the pension scheme. For example without the tax rebate on the generous Morrow legacy, 2003 would have resulted in an adjusted operating loss of £1.1m which can be more fairly compared with a deficit before pension provision of £1.1m in 2004.

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

Total income is 6.6% down on the previous year largely due to a fall in legacy income by almost half. Unfortunately this income stream is historically highly variable. Income from donations and gifts rose by 25% as a direct result of the greater emphasis placed on seeking donations and better research to identify new donors, resulting in an all round improved donor care process. Similarly subscriptions were up by over 10% as a direct result of better marketing and of increased efficiencies in record keeping that have stimulated membership renewals. The downturn in Jersey Tourism in 2004 led to a slight drop in income from gate receipts and trading activities (compared to previous years), although market share was maintained.

Yield in real investment income has reduced slightly owing to a reduction in the investment portfolios to fund operational requirements.

Expenditure has increased by 17.3% mainly due to increased costs of Management and Administration, in particular the recognition in this year of a £576k deficit on the Company's pension scheme, redundancy and payments in lieu of notice costs totalling £126k and an increase in establishment and miscellaneous costs as detailed below.

~ Establishment costs have substantially increased during 2004 (115%) owing to increased investment in infrastructure related costs such as electricity, repairs and renewals, property maintenance costs, cleaning and security. There has also been an increase in health and safety costs as the Trust ensures compliance with ever more onerous Health and Safety guidelines.

~ Miscellaneous costs have increased owing to the costs of developing new rules for the Trust, and professional fees associated with administering the pension scheme (See note 18).

~ Zoo-keeping costs have reduced during 2004 due to a changed apportionment of group overhead costs and a general reduction through efficiency drives in variable costs associated with recruitment and staff clothing.

~ The expenditure on the Overseas' programme has increased by 9% mainly due to the Trust's focus on activities in the Caribbean. This increase upholds the Trust's commitment to expanding its Islands and Highlands conservation project focus.

~ Fundraising and publicity costs overall have remained steady; however there has been a substantial increase in expenditure related to travel, advertising and marketing activity and associated costs which has been offset by a decrease in annual report and newsletters costs, with publications now being produced in-house.

~ Support costs have risen due to the increase in depreciation charge for 2004, resulting from the investment in improved facilities at the Zoo;

~During the course of 2004 the Trust concluded the lengthy process of transferring the remainder of its funds to be pooled under a single investment manager. As a result, a number of previously unrealised investment losses were crystallised as the incoming manager sold off investments to create a portfolio that is fully aligned to achieve the Trust's investment objectives.

Current market values have not been placed on two important Trust assets: the Jersey freehold property incorporating the Trust headquarters and the Jersey Zoo is shown at its original cost, and the animal collection that is stated in the accounts at a nominal value of £1. In the opinion of Council, due to the unique nature of these assets of these assets in their existing use, it would be unrealistic to place a value thereon.

## REPORT OF THE COUNCIL

### **6. The Trust's Policy on Reserves and Investments**

The Trust's longstanding policy is to maintain its reserves at a given level is based on its current and future activities, and the need to sustain funding for those activities if income was not available in the short term. The Reserves to which this Policy relates are "Income Reserves" which are those that are available for discretionary use by the Council and will exclude those that represent either endowments or other restricted donations. It also excludes those represented by the Trust's fixed assets as these form the infrastructure without which the Trust could not carry on its core activities.

A clear statement on the quantum of reserves in relation to expenditure awaits formalisation. However, during March 2005 an operational and strategic review was embarked upon to assist in this process.

The Income Reserves available at 31 December 2004 amounted to some £6.1 million (2003 £7.6 million) that is calculated by deducting the endowment funds (£1.2 million), fixed assets (£5.3 million) and other restricted funds (£1.0 million) from the total reserves of £13.6 million.

During 2004 the Trust maintained its asset allocation of its investment portfolio as 50% equity to 50% fixed interest and cash equivalents. This ratio is subject to an ongoing review by the Investment Sub-Committee of Council and will change if it is considered that there is scope for greater capital growth in the equity market in due course.

### **7. The risks to which the Trust is exposed**

Given the state of the world's biodiversity, it is safe to assume there will always be a technical role in conservation for the Trust to carry out. The main risk relates to the financial viability of the Trust in the medium to long term.

To address this, in conjunction with the operational and strategic review mentioned in note 6 of the Council report above, a comprehensive review of the associated risks facing the Trust was embarked upon. This exercise will be completed by the third quarter of 2005 and will result in comprehensive risk management procedures being implemented and documented, together with the greater operational efficiencies that will result. Overall, the Trust is aware of the risks it faces, and is working proactively, from a secure financial position in the short and medium-terms, to ensure it has a viable and sustainable long term future.

### **8. Connected organisations**

The Durrell Wildlife Conservation Trust is connected with the following charities:

Wildlife Trust  
1520 Locust Street  
Suite 704  
Philadelphia  
Pennsylvania 19102-4403 USA

Wildlife Preservation Trust Canada  
120 King Street  
Guelph  
Ontario N1E 4P8  
Canada

Gerald Durrell Wildlife Preservation Trust  
National Westminster Bank PLC (Reg No 232004)  
153 Preston Road  
Brighton BN1 6SD  
Sussex

The above trusts were all founded by Gerald Durrell and have common aims, although they are separate legal entities. They work together on some projects as well as working alone.

# Durrell Wildlife Conservation Trust

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## REPORT OF THE COUNCIL

Transactions of the Gerald Durrell Wildlife Preservation Trust are consolidated into the financial statements of the Durrell Wildlife Conservation Trust.

Details of transactions between the Durrell Wildlife Conservation Trust and the other connected charities are shown in note 20.

Other charities and organisations with which the Durrell Wildlife Conservation Trust has enjoyed significant levels of co-operation in the pursuit of its objectives are as follows:

St Lucia Ministry of Agriculture, Forestry & Fisheries – Forestry Department  
St Lucia National Trust  
Zoological Society of San Diego  
Zoological Society of London  
IUCN Iguana Specialist Group  
Fauna and Flora International  
Black Hills State University  
Antigua Ministry of Agriculture, Lands and Fisheries  
Montserrat Ministry Of Agriculture  
Montserrat National Trust  
Royal Society for the Protection of Birds  
Gauhati University, Zoological Department  
Centre for Cellular and Molecular Biology  
UNESCO World Heritage Site Biodiversity Programme  
IUCN/SSC Pigs, Peccaries & Hippos Specialist Group (PPHSG)  
Forest Department, Government of Assam (AFD)  
Ministry of Environment & Forests (MoEF), Government of India  
Empresa Nacional para la Proteccion de la Flora y Fauna, Cuba  
Grupo Jaragua, Santo Domingo, Dominican Republic  
Indianapolis Zoo, Indianapolis, USA  
CBSG, Minnesota, USA  
Estacion Biologica Donana, Seville, Spain  
Imperial Collage, London, UK  
WildCru, University of Oxford, UK  
The British and Irish Association of Zoos and Aquariums  
Institute de Projetos e Pesquisas Ecologicas (IPE)  
IUCN/SSC Conservation Breeding Specialist Group  
Mauritian Wildlife Foundation  
Durrell Institute for Conservation and Ecology  
Environmental Awareness Group - Antigua

The Trust continues to work closely with many other governmental and non-governmental organisations to further its objectives in many areas of its activities. The Trust is also an active member of a number of international conservation and zoo organisations including the World Conservation Union (IUCN).

On behalf of the Council



Honorary Treasurer



Executive Director

Date: 25<sup>th</sup> May 2005

**INDEPENDENT AUDITORS' REPORT  
to the Members of Durrell Wildlife Conservation Trust**

We have audited the trust's financial statements for the year ended 31 December 2004 which comprise the Statement of Financial Activities, Summary of Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes 1 to 21. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Trust's Members, as a body in accordance with the Trust's Rules and our letter of engagement. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' report and for no other purpose. The fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the Council and auditors**

As described in the Statement of Council's Responsibilities the Council is responsible for the preparation of the financial statements in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued by the Charities Commission for England and Wales.

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, which have been prepared in accordance with United Kingdom accounting standards, give a true and fair view.

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

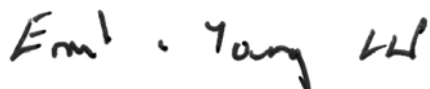
**Basis of audit opinion**

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 Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the trust'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 Durrell Wildlife Conservation Trust as at 31 December 2004 and of its results for the year then ended.



Jersey, Channel Islands

Date: 25<sup>th</sup> May 2005

**NOTES:**

1. The maintenance and integrity of the Durrell Wildlife Conservation Trust web site is the responsibility of the Council; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements they were initially presented on the website.
2. Legislation in the Island of Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Durrell Wildlife Conservation Trust

## STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2004

	<i>Notes</i>	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment Funds £'000</i>	<b><i>Total 2004 £'000</i></b>	<b><i>Total 2003 £'000</i></b>
<b>INCOMING RESOURCES</b>						
Donations, gifts & legacies		992	560	1	1,553	1,888
Grants		30	-	-	30	30
Admission charges		1,201	-	-	1,201	1,205
Membership subscriptions		437	-	-	437	394
Investment income		268	21	42	331	404
Net income of trading activities (for fund-raising purposes)	3	194	-	-	194	203
Other income		353	-	2	355	267
<b>Total incoming resources</b>		<b>3,475</b>	<b>581</b>	<b>45</b>	<b>4,101</b>	<b>4,391</b>
<b>Costs of activities in furtherance of the charity's objects</b>						
Support costs	7	1,120	-	-	1,120	1,023
Costs of management and administration	6	1,131	62	50	1,243	1,086
Pension deficit provision		576	-	-	576	-
<b>Total resources expended</b>	7	<b>5,554</b>	<b>161</b>	<b>54</b>	<b>5,769</b>	<b>4,918</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(2,079)</b>	<b>420</b>	<b>(9)</b>	<b>(1,668)</b>	<b>(527)</b>
Transfers between funds		227	(227)	-	-	-
<b>Net (outgoing)/incoming resources for the year</b>		<b>(1,852)</b>	<b>193</b>	<b>(9)</b>	<b>(1,668)</b>	<b>(527)</b>
<b>Other recognised gains and (losses)</b>						
Gains & (losses) on investments:						
Unrealised	9	289	-	27	316	473
Realised		(39)	-	(29)	(68)	33
<b>Net movement in funds</b>		<b>(1,602)</b>	<b>193</b>	<b>(11)</b>	<b>(1,420)</b>	<b>(21)</b>
Balances brought forward at 1 January 2004		13,014	813	1,213	15,040	15,061
Balances carried forward at 31 December 2004		<b>11,412</b>	<b>1,006</b>	<b>1,202</b>	<b>13,620</b>	<b>15,040</b>

The accompanying notes on pages 19 to 31 form part of these financial statements.

## Durrell Wildlife Conservation Trust

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### SUMMARY OF INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 2004

	<i>Note</i>	<i>2004</i> <i>£'000</i>	<i>2003</i> <i>£'000</i>
Gross income of continuing operations		3,907	4,188
Net income of trading activities	3	194	203
Total income of continuing operations		<u>4,101</u>	<u>4,391</u>
Total expenditure of continuing operations		<u>5,769</u>	<u>4,918</u>
Net (loss)/gain for the year before investment asset disposals		(1,668)	(527)
(Loss)/gain on disposal of fixed asset investments		<u>(68)</u>	<u>33</u>
<b>Net (loss)/gain for the year</b>		<u><u>(1,736)</u></u>	<u><u>(494)</u></u>

Total income comprises £3,475,000 for unrestricted funds and £626,000 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.

Turnover of non-charitable trading activities amounted to £499,000. A detailed analysis of the trading results is shown in note 3.

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and notes 4 to 7.

Net outgoing resources before investment asset disposals amounted to £1,668,000 comprising £1,852,000 net expense of unrestricted funds plus £184,000 net income of restricted funds.

The Summary Income and Expenditure account is derived from the Statement of Financial Activities on page 15 which, together with notes 1 to 21 provides full information on the movements during the year on all funds of the Trust.

The accompanying notes on pages 19 to 31 form part of these financial statements.



# Durrell Wildlife Conservation Trust

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## BALANCE SHEET at 31 December 2004

	<i>Notes</i>	<i>2004</i> <i>£'000</i>	<i>2003</i> <i>£'000</i>
<b>FIXED ASSETS</b>			
Animal collection	2	–	–
Tangible fixed assets	8	5,298	5,407
Investments	9	6,426	7,437
		<u>11,724</u>	<u>12,844</u>
<b>CURRENT ASSETS</b>			
Stock		189	158
Debtors	10	451	676
Bank balances		2,191	2,060
Loans receivable	11	50	60
		<u>2,881</u>	<u>2,954</u>
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(985)</u>	<u>(658)</u>
<b>NET CURRENT ASSETS</b>		<u>1,896</u>	<u>2,296</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,620</u>	<u>15,140</u>
<b>CREDITORS:</b> amounts falling due after more than one year	13	<u>-</u>	<u>(100)</u>
<b>NET ASSETS</b>	14	<u>13,620</u>	<u>15,040</u>
<b>CAPITAL FUNDS</b>			
Permanent Endowment Funds	15	1,202	1,213
<b>INCOME FUNDS</b>			
Restricted Funds	16	1,006	813
Unrestricted Funds:			
Designated Funds	17	6,876	7,491
Other Charitable Funds		4,536	5,523
		<u>13,620</u>	<u>15,040</u>

Approved by the Council

and signed on its behalf by



Mark Oliver  
Honorary Treasurer  
Date: 25<sup>th</sup> May 2005

The accompanying notes on pages 19 to 31 form part of these financial statements.

# Durrell Wildlife Conservation Trust

## CASH FLOW STATEMENT

for the year ended 31 December 2004

	2004 £'000	2003 £'000
<b>CHANGES IN RESOURCES BEFORE REVALUATIONS</b>	(1,668)	(527)
Depreciation	554	531
Management fees	22	9
Dividends and interest received	(294)	(310)
Increase / (reduction) in creditors	327	(129)
Decrease in debtors and stock	194	23
	<u>803</u>	<u>124</u>
<b>NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<u>(865)</u>	<u>(403)</u>
<b>Net returns on investments</b>		
Income from investments	206	247
Bank interest	87	60
Loan interest	1	3
Management fees	(22)	(9)
	<u>272</u>	<u>301</u>
<b>Capital expenditure and financial investment</b>		
Purchase of investments	(1,791)	(739)
Sale proceeds of investments	3,050	810
Purchase of fixed assets	(445)	(296)
Loans repaid	10	28
Repayment of mortgage	(100)	-
	<u>724</u>	<u>(197)</u>
<b>INCREASE / (DECREASE) IN CASH</b>	131	(299)
<b>CASH AT 31 DECEMBER 2003</b>	<u>2,060</u>	<u>2,359</u>
<b>CASH AT 31 DECEMBER 2004</b>	<u><u>2,191</u></u>	<u><u>2,060</u></u>

### ANALYSIS OF CHANGES IN NET DEBT

	<i>At 1 January</i> 2004 £'000	<i>Cash flows</i> £'000	<i>At 31 December</i> 2004 £'000
Bank balances	2,060	131	2,191
Debt due after one year	(100)	100	-
	<u>1,960</u>	<u>231</u>	<u>2,191</u>

The accompanying notes on pages 19 to 31 form part of these financial statements.

# Durrell Wildlife Conservation Trust

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 1. INCORPORATION

The Durrell Wildlife Conservation Trust is an association incorporated under Article 4 of the Loi (1862) sur les teneures en fideicommiss et l'incorporation d'associations, as amended.

### 2. ACCOUNTING POLICIES

#### *Basis of preparation*

The financial statements are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities", and with other applicable Statements of Standard Accounting Practice and Financial Reporting Standards.

#### *Accounting convention*

The financial statements are prepared on the basis of historical cost, except for investments which are included at market value and the animal collection which is included at a nominal value of £1.

#### *Allocation of funds*

The funds of the Trust comprise the following:

#### Permanent

endowment Endowment capital funds where there is no power to convert the capital into income; the income arising from such funds is accounted for in a restricted fund. Capital gains and losses arising from the sale of investments in such funds are accumulated and added to capital.

Restricted Funds which are subject to specific conditions, imposed by the donor and binding on the trustees; such funds are placed in separate bank accounts and are held there until the specific project for which they are received is carried out; the balance of restricted funds represents unspent restricted income.

Unrestricted Funds which are not subject to specific conditions imposed by the donor. Unrestricted funds are split into the following three categories:

Designated funds which have been allocated or designated for special projects by the Trust itself. The use of such funds for their designated purpose remains at the discretion of the Council; or

General funds which have not been allocated for any special purpose.

#### *Fund transfers*

As stated above, funds which are subject to specific donor-imposed conditions or which are allocated to designated purposes by the Council, are held in separate bank accounts until the projects for which they are intended are carried out.

When such funds are utilised on capital projects the capitalised assets are regarded as fixed assets of the unrestricted general fund and the total of such capital expenditure is accordingly transferred from the designated or restricted fund to the general fund.

#### *Branch*

The incoming resources and resources expended of the Gerald Durrell Wildlife Preservation Trust (GDWPT) are consolidated into the Trust's results. The GDWPT is a UK registered charity (Reg No 232004) and prepares accounts annually to 5 April. The Trust includes its results on a pro rata basis.

# Durrell Wildlife Conservation Trust

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 2. ACCOUNTING POLICIES (continued)

#### *Interest receivable*

All bank interest receivable is accounted for in the Statement of Financial Activities. It is credited to the fund holding the bank balances in respect of which it is earned.

On the purchase and sale of fixed interest securities, accrued interest included in the transaction price is treated as part of the capital value of the investment. Credit is taken for interest on the date receivable and at the balance sheet date the market value is stated inclusive of accrued interest.

#### *Depreciation*

Depreciation is not charged on the Trust's freehold property, other than zoo buildings, on the grounds that such depreciation would be immaterial because of the length of the estimated remaining useful economic life of the property and its estimated residual value.

In accordance with Financial Reporting Standard (FRS) No 15, entitled "Tangible Fixed Assets", an impairment review in accordance with FRS No 11, entitled "Impairment of fixed assets and goodwill", has been performed by the Trust's Executive Committee on behalf of Council on those properties. The results of that review show that the recoverable amount in respect of those properties is in excess of the carrying amount at which they are included in the financial statements.

The cost of other fixed assets, is written off using the straight line basis as follows:

Zoo buildings	Over 10 to 20 years depending on the degree of permanence
Fixtures and fittings	At 10 % per annum
Plant and machinery	At 20% per annum
Motor vehicles	At 25% per annum
Electrical equipment	At 33 <sup>1</sup> / <sub>3</sub> % per annum

#### *Grants received*

Grants received from governments or other public bodies are accounted for in the Statement of Financial Activities when the income is receivable.

#### *Stock*

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

#### *Basis of allocation of expenses*

Expenses are allocated to the categories shown in the financial statements on the following bases. Where expenses are directly attributable to a particular category, they are allocated entirely to that category. Where an expense relates to direct charitable work but cannot be allocated to a specific category of such work (usually because it benefits more than one category) it is allocated to support costs. Where an expense relates both to direct charitable work and other activities such as management and administration, then it is apportioned across the categories using percentages estimated to be the approximate benefit to each category.

#### *Legacies and bequests*

Legacies and bequests are accrued as receivable, before receipt if it is reasonably certain that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

#### *Quoted investments*

Quoted investments are included in the financial statements at their market values, which are calculated using the closing prices on the last business day in the Trust's financial year. Differences between the market value and the cost of quoted investments, being unrealised gains or losses, are disclosed in the Statement of Financial Activities and then added to or deducted from the appropriate fund in the balance sheet.

# Durrell Wildlife Conservation Trust

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 2. ACCOUNTING POLICIES (continued)

Realised gains and losses on the disposal of investments are also disclosed in the Statement of Financial Activities and added to or deducted from the appropriate fund in the balance sheet.

#### *Animal Collection*

The animal collection is included in the financial statements at a nominal value of £1, since in the opinion of the Council it is not possible to place a realistic value thereon due to the unique nature of the animal collection.

#### *Taxation*

The Trust is established for a charitable purpose and is therefore exempt from Jersey Income Tax under Article 115(a) of the Income Tax (Jersey) Law 1961.

### 3. NET INCOME FROM TRADING ACTIVITIES

The Trust operates a gift shop at the Visitor Centre at the Jersey Zoological Park, selling gifts and souvenirs. A summary of the shop's results together with other trading income is shown below:

Profit and loss account	2004 £'000	2003 £'000
Turnover	499	531
Gross profit	256	260
Expenses, net of interest received	(152)	(124)
Net profit	104	136
Other income (Dodo Restaurant and sale of guides)	90	67
Amount transferred to General Funds	(194)	(203)
	<u>          </u>	<u>          </u>
	-	-
	<u>          </u>	<u>          </u>

### 4. COSTS IN FURTHERANCE OF THE CHARITY'S OBJECTS

	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>2004 Total £'000</i>	<i>2003 Total £'000</i>
Zookeeping	1,206	-	1,206	1,255
Research, training & education	360	47	407	388
Overseas conservation projects	585	56	641	589
Fundraising and publicity (See Note 5)	533	-	533	538
Bank charges and investment management	43	-	43	39
	<u>2,727</u>	<u>103</u>	<u>2,830</u>	<u>2,809</u>

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2004

### 5. ANALYSIS OF FUNDRAISING AND PUBLICITY

	<i>2004</i>	<i>2003</i>
	<i>Total</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>
Salaries	301	284
Direct costs	110	103
Advertising and marketing	54	46
Annual report and newsletters	7	51
Establishment	42	50
Office	19	4
(See Note 4)	<u>533</u>	<u>538</u>

### 6. COSTS OF MANAGEMENT AND ADMINISTRATION

	<i>Unrestricted</i>	<i>Restricted</i>	<i>2004</i>	<i>2003</i>
	<i>Funds</i>	<i>Funds</i>	<i>Total</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Salaries	414	65	479	496
Redundancy and payments in lieu of notice	126	-	126	-
Pensions	130	-	130	312
Establishment	206	3	209	97
Office expenditure	159	-	159	141
Audit fees	18	-	18	13
Miscellaneous	78	44	122	27
(See Note 7)	<u>1,131</u>	<u>112</u>	<u>1,243</u>	<u>1,086</u>

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 7. ANALYSIS OF TOTAL RESOURCES

	<i>Staff costs</i>	<i>Depreciation</i>	<i>Other costs</i>	<i>2004 Total</i>	<i>2003 Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Zookeeping	828	-	378	1,206	1,255
Research, training and education	186	-	221	407	388
Overseas projects	80	-	561	641	589
Fund raising and publicity	366	-	167	533	538
Investment management	-	-	43	43	39
	1,460	-	1,370	2,830	2,809
Support	324	547	249	1,120	1,023
Management & Administration (See Note 6)	735	-	508	1,243	1,086
Pension deficit provision	576	-	-	576	-
	3,095	547	2,127	5,769	4,918

An actuarial valuation of the defined benefit section of the Trust's pension scheme as at 31 December 2004 for FRS17 purposes indicates a deficit of £576k. Council's objective has been to ensure that the scheme continues to be adequately funded. Accordingly a constructive obligation has been recognised in respect of this deficit.

The Trust employed staff whose emoluments fell in the following bands:

2 (2003:0) members of staff in the band £70,000 - £79,999

2 (2003:3) members of staff in the band £60,000 - £69,999

0 (2003:1) members of staff in the band £50,000 - £59,999

The average number of employees was 87 (2003: 98). The staff costs include £137,566 (2003: £137,760) of rent subsidies given to staff.

### 8. FIXED ASSETS

	<i>Freehold Land &amp; Property</i>	<i>Zoo Buildings</i>	<i>Plant and Machinery</i>	<i>Fixtures, Fittings &amp; Equipment</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<b>Cost</b>					
1 January 2004	1,516	7,163	476	279	9,434
Additions	-	340	52	53	445
Disposals	-	(61)	(30)	(53)	(144)
31 December 2004	1,516	7,442	498	279	9,735
<b>Depreciation</b>					
1 January 2004	-	3,553	302	172	4,027
Disposals	-	(61)	(30)	(53)	(144)
Charge for the year	-	397	104	53	554
31 December 2004	-	3,889	376	172	4,437
<b>Net book value</b>					
31 December 2004	1,516	3,553	122	107	5,298
31 December 2003	1,516	3,610	174	107	5,407

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 8. FIXED ASSETS (continued)

The Council of the Trust does not consider that it is practicable to analyse the assets of the Trust between those used for Direct Charitable Purposes and Other Purposes. The Fixed Assets of the Trust are all held at the Headquarters at Les Augrès Manor or otherwise in Jersey, and may be used for both Charitable and Other Purposes.

At 31 December 2004 further capital expenditure of £8k had been authorised by the Trustees.

### 9. INVESTMENTS

Funds are placed under discretionary management with an investment company. Details of funds invested other than in cash at the year end are as follows:

	<i>Cost</i>	<i>2004 Market Value</i>	<i>Income for the year</i>	<i>Cost</i>	<i>2003 Market Value</i>	<i>Income for the year</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<b>UNRESTRICTED FUNDS</b>						
Unit trusts	183	187	17	1,186	1,158	41
Fixed interest securities	2,295	2,361	93	3,027	3,118	188
Equities	2,770	3,006	111	2,130	2,094	64
	<u>5,248</u>	<u>5,554</u>	<u>221</u>	<u>6,343</u>	<u>6,370</u>	<u>293</u>
<b>ENDOWMENT FUNDS</b>						
Unit trusts	-	-	-	658	602	13
Fixed interest securities	474	497	19	438	465	35
Equities	351	375	4	-	-	-
	<u>825</u>	<u>872</u>	<u>23</u>	<u>1,096</u>	<u>1,067</u>	<u>48</u>
Total	<u>6,073</u>	<u>6,426</u>	<u>244</u>	<u>7,439</u>	<u>7,437</u>	<u>341</u>

Details of realised gains and losses on the disposal of investments during the year and of unrealised gains and losses arising from the inclusion of investments in the balance sheet at their market value are disclosed below and in the Statement of Financial Activities.

The above securities are invested in two separate portfolios, each portfolio representing a legally separate fund of securities. The managers of the portfolios were instructed by the Investment Sub Committee of Council to adopt a conservative approach and invest in the proportion of 50:50 equities to cash and cash equivalents during the year. For the purposes of investment the Trustees have defined cash equivalents to include fixed interest securities.



# Durrell Wildlife Conservation Trust

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 9. INVESTMENTS (continued)

Cash is further classified into cash available for investment and cash held for operating requirements of the Trust, thus at the year end £1.4m of the total cash of £2.191m was held for investment purposes only.

	2004	2003
	£'000	£'000
<b>FIXED ASSET INVESTMENTS</b>		
Market value at 1 January 2004	7,437	7,030
Less: disposal at opening book value (Proceeds £3,050k, loss £68k)	(3,118)	(805)
Add: Acquisitions at cost	1,791	739
Net gains on revaluation at 31 December 2004	316	473
Market value at 31 December 2004	<u>6,426</u>	<u>7,437</u>
Historical cost as at 31 December 2004	<u>6,073</u>	<u>7,439</u>

### 10. DEBTORS

	2004	2003
	£'000	£'000
Trade debtors	30	21
Other debtors	40	54
Prepayments	-	41
Accrued legacies	318	491
Accrued income	63	69
	<u>451</u>	<u>676</u>

### 11. LOANS RECEIVABLE

At 31<sup>st</sup> December 2004 there was one loan receivable from an employee, totalling £50,000, which is fully secured on property and is repayable in 2010.

### 12. CREDITORS: amounts falling due within one year

	2004	2003
	£'000	£'000
Trade creditors	101	111
Accruals	684	366
Deferred income	200	181
	<u>985</u>	<u>658</u>

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

**13. CREDITORS:** amounts falling due after more than one year

The loan of £100,000 from the States of Jersey bore interest at 4% per annum, was secured on Les Augrès Manor and was scheduled for repayment on 21<sup>st</sup> April 2010. The loan was repaid on 26<sup>th</sup> April 2004.

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

	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment Funds £'000</i>	<i>Total Funds £'000</i>
<b>Fund balances at 31 December 2004 are represented by</b>				
Animal collection	-	-	-	-
Tangible fixed assets	5,298	-	-	5,298
Investments	5,554	-	872	6,426
Current assets	1,544	1,006	331	2,881
Current liabilities	(984)	-	(1)	(985)
<b>Total Net Assets</b>	<u>11,412</u>	<u>1,006</u>	<u>1,202</u>	<u>13,620</u>
<b>Unrealised gains/(losses) included above</b>				
On tangible fixed assets	204	-	-	204
On investment assets (see below)	405	-	(52)	353
<b>Total unrealised gains/(losses) at 31 December 2004</b>	<u>609</u>	<u>-</u>	<u>(52)</u>	<u>557</u>
<b>Reconciliation of movements in unrealised gains/(losses) and investment assets</b>				
Unrealised losses at 31 December 2003	27	-	(29)	(2)
Realised in respect of disposals in year	89	-	(50)	39
Less: net gains arising on revaluations in year	289	-	27	316
<b>Unrealised gains/(losses) at 31 December 2004</b>	<u>405</u>	<u>-</u>	<u>(52)</u>	<u>353</u>

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 15. CAPITAL ENDOWMENTS

	<i>Balance 1 January 2004 £'000</i>	<i>Unrealised and realised investment (losses)/gains £'000</i>	<i>Balance 31 December 2004 £'000</i>
Whitley ITC Fund	1,129	(13)	1,116
Electricity Fund	20	-	20
Rumboll Staff Awards	62	1	63
The Venerable Lawrence Ashcroft Fund	2	1	3
	<u>1,213</u>	<u>(11)</u>	<u>1,202</u>

#### Whitley ITC Fund

The Whitley International Training Centre Fund was established by the Whitley Animal Protection Trust with an initial donation of £1 million. The income from this is restricted to covering the operational costs of running the International Training Centre. Gains on investment activities are accumulated as capital and added to the fund to prevent the erosion of the value of the fund through inflation.

#### Electricity Fund

The Electricity Fund was established to provide income to be used to pay some of the electricity costs of the Gaherty reptile house.

#### Rumboll Travel Award Fund

The Rumboll Travel Award Fund was established during 2001 to fund an annual award to a selected staff member to undertake field conservation to develop their conservation skills.

#### The Venerable Lawrence Ashcroft Fund

The Venerable Lawrence Ashcroft Fund was established during 2002, income from which may be used to further the Trust's wildlife conservation mission particularly through support of international programmes.

### 16. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	<i>Movements in funds</i>			
	<i>Balance 1 January 2004 £'000</i>	<i>Incoming resources £'000</i>	<i>Expenditure gains, (losses) and transfers £'000</i>	<i>Balance 31 December 2004 £'000</i>
Gerald Durrell Memorial Fund	174	7	-	181
Gerald Durrell Chair	117	6	(4)	119
Weyland Income Fund	22	1	-	23
Other International Training Centre Funds	207	138	(175)	170
Other funds	293	429	(209)	513
	<u>813</u>	<u>581</u>	<u>(388)</u>	<u>1,006</u>

#### Gerald Durrell Memorial Fund

The Gerald Durrell Memorial Fund was established to build a capital sum, income from which may be used to provide grants to support the work of graduates of the International Training Centre, Jersey.

# Durrell Wildlife Conservation Trust

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## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 16. RESTRICTED FUNDS (continued)

#### Gerald Durrell Chair

The Gerald Durrell Chair was established to help towards the cost of the International Training Centre at Les Noyers, Jersey.

#### The Weyland Fund

The fund was established to help staff with the cost of taking MSc degrees.

#### Other International Training Centre Funds

The other International Training Centre funds comprise some funds which were donated to sponsor various activities of the International Training Centre at Les Noyers, Jersey.

### 17. DESIGNATED FUNDS

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the Council for specific purposes:

	<i>Balance 1 January 2004</i>	<i>New designations income &amp; transfers</i>	<i>Outgoing resources</i>	<i>Balance 31 December 2004</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Headquarters fund	3,755	(3,301)	(454)	-
Overseas fund/Trust fund	3,545	4,013	(839)	6,719
Other designated funds	191	52	(86)	157
	<u>7,491</u>	<u>764</u>	<u>(1,379)</u>	<u>6,876</u>

#### Headquarters Fund

The purpose of the Headquarters Fund was to meet the expenses of the Jersey Headquarters of the Trust. Such expenses could include a trading deficit if running costs outpaced running income. This fund was amalgamated with the Overseas fund to create a new 'Trust Fund' during the first half of 2004.

#### Overseas Fund

The Overseas Fund was historically used to meet the shortfall in specific funding for overseas projects, which would otherwise have to be met by the General Fund. Following the amalgamation with the Headquarters fund, use of the Trust Fund monies is driven by reference to budgeted expenditure and income.

#### Other Designated Funds

Other Designated Funds comprise funds designated by the Trust to fund various specific projects both in Jersey and overseas.

## NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

### 18. PENSION SCHEME

The Trust operated a pension scheme providing benefits based on final pensionable pay; this defined benefit scheme closed to new members with effect from 2 January 2001. A new Defined Contribution (Money Purchase) section of the scheme was introduced on 1 January 2002 for all new pension scheme members and any existing members who chose to transfer from the old scheme. The assets of the scheme are held separately from those of the Trust and are administered by BWCI (Jersey) Limited. The underlying assets of the defined benefit section are invested in appropriate funds by Newton International Investment Managers Ltd.

During the first Council meeting of 2004 Council decided to cease the accrual of pensionable service in the defined benefit section of the pension scheme as at 31 July 2004. Members had the choice of transferring their pension entitlement up to that date into the defined contribution scheme, or remain as a deferred pensioner of the curtailed section of the scheme. All pension contributions as from the 1<sup>st</sup> August 2004 were paid into the defined contribution scheme.

The contributions into the defined benefit scheme were determined by a qualified actuary on the basis of triennial valuations using the Attained Age method. The most recent formal valuation of this section of the scheme was carried out as at 1 January 2001. As a result of this valuation it was agreed to increase the funding rate to 18.1% with effect from 1 January 2001. This level of funding continued up until 31 July 2004.

Following the closure of the defined benefit section, an actuarial valuation has been carried out as at 31 December 2004 in order to determine the future funding requirements of this section. Preliminary results of this valuation have been received, indicating a deficit of £534k. The assumptions that have the most significant effect on the results of the valuation are those relating to future investment return. It has been assumed that the investment return pre-retirement would be at 6.5% pa and that the investment return post-retirement would be at 5%pa.

In the opinion of Council, the funding deficit identified by the actuaries of the defined benefit section of the Pension Scheme has principally arisen as a result of under provision over many previous years, and, accordingly Council have decided to make lump sum payments in order to re-establish adequate funding of the scheme. Although Statement of Standard Reporting Practice No 24 (“Accounting for Pension Costs”) normally requires such a funding deficit to be spread over the service lives of the scheme members (in this case 19 years), Council agreed to apply the more prudent approach of writing off the additional cost in the year in which the payment was agreed to be made.

However, in order to comply with FRS17, the Trust’s actuarial advisers have completed a full valuation for FRS17 purposes as at 31 December 2004. This showed a pension deficit of £576,154 which has been recognised in these Financial Statements as a constructive obligation.

The pension charge for the year was £845,003 (2003: £443,926) including the £576,154 pension deficit referred to above. The major assumptions used by the actuary for FRS 17 were:

#### Composition of Defined Benefit Scheme

	At 31 Dec 2004	At 31 Dec 2003	At 31Dec 2002
Rate of increase in salaries	4.4%	4.3%	3.5%
Pension increases	3.0%	3.0%	3.0%
Discount rate*	5.3%	5.4%	5.4%
Price inflation	2.9%	2.8%	2.4%

\*based on iboxx over 15 year AA bond index.

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2004

### 18. PENSION SCHEME (continued)

#### Scheme assets and expected rates of return

	2004		2003		2002	
	Expected long-term rate of return	Value £'000	Expected long term rate of return	Value £'000	Expected long term rate of return	Value £'000
Equity/Property	7.50%	2,021	7.75%	1,797	7.00%	1,473
Bonds	4.85%	1,105	5.10%	811	4.9%	514
Cash	4.75%	160	3.75%	212	3.00%	206
Total value of assets:		3,286		2,820		2,193
Present value of liabilities		(3,862)		(4,468)		(4,293)
Net pension deficit		(576)		(1,648)		(2,100)

Had FRS 17 been adopted in full, the following amounts would have been recognised in the Statement of Financial Activities in the year to 31 December 2004.

In arriving at incoming/(outgoing) resources for the year	2004 £'000	2003 £'000
Resources expended		
Current service cost	127	206
Past service cost	(542)	-
	(415)	206
Net interest		
Expected return on the Scheme's assets	(188)	(133)
Interest on the Scheme's liabilities	239	227
Net interest charge	51	94
Total (credit)/charge	(364)	300

# Durrell Wildlife Conservation Trust

## NOTES TO THE FINANCIAL STATEMENTS at 31 December 2004

### 18. PENSION SCHEME (continued)

<b>Included as other recognised gains and losses</b>	<i>2004</i>	<i>2003</i>	
	<i>£'000</i>	<i>£'000</i>	
Actual return less expected return on the Scheme's assets	297	533	
Experience gains arising on the Scheme's liabilities	462	299	
Changes in assumptions underlying the present value of the Scheme's liabilities	(116)	(212)	
	<hr/>	<hr/>	
Actuarial gain recognised in other gains and losses	643	620	
	<hr/>	<hr/>	
<b>Total increase in funds</b>	<b>1,007</b>	<b>320</b>	
	<hr/>	<hr/>	
	<i>2004</i>	<i>2003</i>	
	<i>£'000</i>	<i>£'000</i>	
<b>Movement in surplus/(deficit) during the year</b>			
Deficit in scheme as at 1 January			
Movement in year	(1,649)	(2,100)	
Current service cost	(127)	(206)	
Contributions	65	132	
Past service costs	542	-	
Other finance income	(50)	(95)	
Actuarial gain	643	620	
	<hr/>	<hr/>	
Deficit in Scheme as at 31 December	(576)	(1,649)	
	<hr/>	<hr/>	
<b>Details of experience gains and losses during the year</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Difference between the expected and actual return on the Scheme's assets			
Amount (£'000s)	297	533	(872)
Percentage of the Scheme's assets (%)	9%	189%	39.8%
Experience losses on the Scheme's liabilities			
Amount £'000s	462	299	(214)
Percentage of the Scheme's liabilities (%)	12%	6.7%	5.0%
Total amount recognised in other gains and losses			
Amount (£'000s)	643	620	(1,274)
Percentage of the present value of the Scheme's liabilities (%)	17%	13.9%	29.7%

### 19. UNACCRUED LEGACIES

Legacies are credited in the period in which they are received. In addition legacies are accrued as receivable before receipt, if it is reasonably certain that the legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

### 20. TRANSACTIONS WITH CONNECTED CHARITIES

During 2004, the Wildlife Trust made contributions of £ 61,527 (US\$ 113,917) to the Trust. There were no amounts outstanding at 31 December 2004.

### 21. POST BALANCE SHEET EVENT

On 8<sup>th</sup> April 2005, a freehold property and a parking area owed by the Trust were sold for a total consideration of £362,000. Council approved the sale of an additional freehold property which is currently on the market.