

**Company number 3216892
England and Wales**

UK Overseas Territories Conservation Forum
(A company limited by guarantee)

**Report and Financial Statements
For the Year Ended 31 March 2006**

Charity number 1058483



UK Overseas Territories Conservation Forum
(A company limited by guarantee)

Report and Financial Statements
For the Year Ended 31 March 2006

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UK Overseas Territories Conservation Forum
Report of the Council for the year ended 31 March 2006

The Council presents its report and audited financial statements for the year ended 31 March 2006.

Reference and Administrative Information

Charity Name: UK Overseas Territories Conservation Forum
Charity registration number: 1058483
Company registration number: 3216892
Registered Office: 12B High Street, Wendover, Bucks HP22 6EA

Council

Dr M W Pienkowski	Chairman
Dr C P Clubbe	Vice-Chairman
Mr N J Crocker	Treasurer
Mrs A E Brown	
Mr F J Burton	
Dr R E Cairns-Wicks	
Dr O D Cheesman	(appointed 18 October 2005)
Mr M Drury	(resigned 18 October 2005)
Mr M E J Gore	
Mrs M C Ground	
Mr I C Orr	(appointed 16 June 2006)
Dr J E Rose	
Mrs K Swahn	
Mr D G P Taylor	(resigned 5 May 2006)

Secretary

Mrs F Marks

Senior Management Team

The charity does not employ management staff.

Independent Financial Examiner

Rolfe & Co, 12B High Street, Wendover, Bucks HP22 6EA

Bankers

NatWest Bank Plc, Hemel Hempstead HP11 1FB

Solicitors

Farrer & Co, 66 Lincoln's Inn Fields, London WC2A 3LH

Report of Council

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 26 June 1996 and registered as a charity on 4 October 1996. The company was established under a Memorandum of Association and is governed under its Articles of Association, these documents being amended on 23 July 1996, 30 September 1998, 11 February 2003 and 9 July 2003. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and are known as members of Council. Under the requirements of the Memorandum and Articles of Association and resolutions passed under these Articles the members of Council are elected to serve for a period of three years after which they are eligible for re-election at the next Annual General Meeting. Council may fill vacancies by co-option until the next Annual General Meeting, when the co-opted member may stand for election.

In accordance with the Articles of Association and resolutions passed under them, the following directors retired by rotation at the AGM in October 2005 and were re-elected: Fred Burton, Colin Clubbe and Nigel Crocker. Martin Drury stood down and was replaced at the Annual General Meeting by Oliver Cheesman.

During the year, David Taylor retired, and Council filled the vacancy by co-opting Iain Orr. At the 2006 AGM, Michael Gore, Dace Ground and Juliet Rose retire by rotation. Dace Ground, Juliet Rose, being eligible, offer themselves for re-election. In addition, Council proposes Iain Orr and Bruce Dinwiddy for election. Kerstin Swahn and Fred Burton are prevented by other commitments from completing their current terms of office. Council proposes Geoffrey Fairhurst and Colin Hindmarch for election to fill the remainder of their terms.

Council reviews the coverage of the skills needed across Council, and attempts to maintain this broad mix. In the event of particular skills being lost due to retirements or the need for additional skills being identified, individuals are approached to offer themselves for election to Council.

Trustee Induction and Training

Most new Council members are already familiar with the work of the charity, as most of those with an interest in conservation in the UK Overseas Territories are members of the charity's member organisation, of its working groups, or of the wider informal network which supports the charity's work or are former senior officials with experience in these areas. The members of the UK Overseas Territories Conservation Forum consist of some of the UK's and UK Overseas Territories' leading conservation and scientific organisations.

New Council members are individually briefed by the Chairman of Council and other Council members to identify any aspects of the charity and the context within which it operates which need further briefing. Aspects covered include:

- The obligations of Council members
- The main documents which set out the operational framework for the charity
- Resourcing, both in terms of personnel and finances
- Current and recent activities and future plans.

Risk Management

The Trustees have examined the major strategic and operational risks that face the charity and have identified all material risks and ensured adequate procedures are in place to mitigate such risks. This is kept under review.

Organisational Structure

The UK Overseas Territories Conservation Forum has a Council of up to 12 members who normally meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Council has 12 members drawn from a variety of professional backgrounds relevant to the work of the charity. The Secretary also normally attends Council but has no voting rights.

The UK Overseas Territories Conservation Forum relies heavily upon the commitment of its Council members, as well as others, who give freely of their time and expertise in furtherance of the charity's objectives. Day to day responsibility is delegated to the Chairman, Vice-Chairman and Treasurer. The Secretary acts upon decisions of Council and instructions of these Officers.

Related Parties

In so far as it is complementary to the charity's objects, the charity works closely with its member organisations and associate member organisations. The current member organisations are:

- Bermuda National Trust
- Bermuda Zoological Society
- British Ecological Society
- British Microbial Biodiversity Association
- British Virgin Islands National Parks Trust
- Chagos Conservation Trust
- Durrell Wildlife Conservation Trust
- Falklands Conservation
- Gibraltar Ornithological & Natural History Society
- Herpetological Conservation Trust
- The National Trust
- National Trust of the Turks & Caicos Islands
- Royal Botanic Gardens, Kew
- Royal Society for the Protection of Birds
- Royal Zoological Society of Scotland
- Zoological Society of London.

The current associate member organisations are:

- Alderney Wildlife Trust
- Anguilla National Trust
- Ascension Conservation Centre
- Ascension Heritage Society
- Bermuda Audubon Society
- National Trust for the Cayman Islands
- La Société Guernesiaise
- National Trust for Jersey
- Société Jersiaise
- Isle of Man Wildlife & Conservation Division
- Manx Chough Project

Montserrat National Trust
St Helena National Trust
South Georgia Association.

Objectives and Activities

UK Overseas Territories Conservation Forum is established to advance public education by increasing knowledge, understanding and practice of the conservation of plants, animals and other wildlife, their natural habitats and the need for such conservation particularly in the UK Overseas Territories; and to advance education generally and other such purposes for the benefit of the community as shall be exclusively charitable.

The Forum furthered its objects during the period by maintaining its programme of liaison with, and advice to, its Associate Member organisations, governments and others in the Overseas Territories, its Member organisations, individual subscribing "Friends", UK Government and others.

There have been no material changes in policy since the last report.

Achievements and Performance

Overview

Many people, if they consider the UK Overseas Territories at all, think of them as rather peripheral. In terms of global biodiversity, this is certainly not the case, with the UKOTs of central importance, greatly overshadowing domestic UK. The UKOTs support more than 200 endemic plants species and over 20 endemic bird species, with more endemics of these and other taxa being discovered with studies. The British Indian Ocean Territory includes more than 20,000 square kilometres of pristine coral reefs, including the Great Chagos Bank, the largest coral atoll in the world. So far, 393 invertebrate species have been recorded from the Central Peaks of St Helena; of these, about 55% are endemic to St Helena. Cayman Islands have two endemic sub-species of Rock Iguana and two of Parrot. Turks & Caicos Islands hold a Wetland of International Importance noted for its outstanding natural coastal ecosystem transitions amongst many other features. All these and many others contribute to the UKOTs remarkable biodiversity. Their world importance for wildlife far outweighs their sizes. However, ecosystem loss and global extinctions – which could be prevented – are still occurring.

The Forum was established (then as an unincorporated association) in 1986 when a number of UK-based science and conservation organisations recognised a previously unaddressed need to promote and coordinated conservation of the diverse and increasingly threatened plant and animal species and natural habitats in the UKOTs. The Forum has helped local people to form conservation NGOs, and helps both these and governmental bodies develop their capacity to run themselves and manage projects. It continues to provide assistance in the form of jointly managed projects and other expertise. It also advises UK government and other institutions, as well as coordinating information, training (including in self-sustaining future project management and maintenance), and liaison between non-governmental organisations and government. The Forum has had a significant track record of achievements. Its *Conservation Review* (1996, with parts updated since on the Forum's web-database) outlined the situation and needs in the UKOTs. Some of the many key analyses since include *Overlooking Britain's Greatest Biodiversity?* (1998), a review of the Convention on Biological Diversity and the UK Overseas Territories, and a special issue of the journal *Ecos* (1998) including the article *Paradise mis-filed? - Nature conservation in UK's Overseas Territories and the role of UK Government and NGO*. This started the ideas for an environment chapter in UK Government's White Paper on Overseas Territories (1999) and

the Environment Charters which it announced. Although the Forum did not have a hand in drafting the actual Charters, it has taken the lead in facilitating local stake-holders in developing Strategies for Action to Implement Environment Charters, notably in Turks & Caicos (2002-3) and St Helena (2004-5). The Forum has a strong commitment to strategic environmental planning, and continues to help several UKOTs.

There are many important and urgent conservation needs in the UKOTs. Each UKOT has different priorities and different legislation making each unique. It is for each Territory to work on their priorities and for the Forum to help in this process, as well as in helping design means to address these needs, help in finding funds, and co-managing projects. Following the pilot work in Turks and Caicos Islands, UKOTCF facilitated the development of a strategy to implement St Helena's Environment Charter. The Environment Charter strategy processes continue to develop reasoned priority lists in several UKOTs, and UKOTCF is reviewing Charter progress more generally. The Forum's recent review commissioned by Defra of actual and potential Ramsar Convention Wetlands of International Importance and the review by Forum-member RSPB of Important Bird Areas have also drawn attention to sites that are high priorities for conservation. UKOTCF and its member organisations are also managing, with local partners (often Forum members themselves) several projects to address some of the identified priorities.

Relationship with UK government and government agencies

The Forum has maintained a good working relationship with DFID, FCO and the Joint Nature Conservation Committee (JNCC). It has maintained its twice yearly meetings with UK Government, jointly chaired by UKOTCF and FCO, as well as many informal discussions. UKOTCF provided input to the independent review of OTEP which was finalised early in 2006; unfortunately, earlier intentions of UK government to discuss the draft recommendations with UKOTCF did not materialise, and the Forum looks forward to sight of the review. OTEP is a very successful fund but oversubscribed (and unable to address large projects – see below); 35 projects were submitted in the third round, totalling about £900,000, for an available fund of £500,000. Continuance, and increase, in the fund is important. It is anticipated that the review will enable DFID's funding for OTEP to be renewed from the end of the current phase in March 2007. The Forum welcomes FCO's commitment to OTEP's continuance as a rolling programme, with funding in the first instance to 2008 already confirmed.

A number of reorganisations at FCO have resulted in the loss of all senior environmental posts from the Sustainable Development and Commonwealth Group (previously the Environmental Policy Department). The Forum has expressed concern at this dropping of environmental functions, seriously reversing the trend of recent years, when FCO had achieved a great deal since 1998. However, it looks forward to the increase in activity in the Department of Environment, Food and Rural Affairs (Defra) which FCO indicated would take place. FCO will still be involved in environmental issues for the UKOTs, and the small OTEP team has transferred into FCO's Overseas Territories Department (OTD). The Forum's Chairman and Vice-Chairman had a most constructive meeting shortly after the reported year with Denise Holt, FCO Director for Overseas Territories, and were reassured by her commitment to maintaining the size of the OTEP budget, while increasing the potential for drawing also on other funds in support of UKOTs managed in the same department. They welcomed too Ms Holt's assurances that FCO would continue to provide a senior official to chair jointly the twice yearly meetings and provide other policy contacts and representation.

The Chairman and Vice-Chairman had a very constructive meeting with Phil Mason, the new Head of DFID's Overseas Territories Department, and the Chairman also with Marcus Yeo, JNCC Director. The Forum is investigating how better to engage Defra. As part of this process, the Chairman took part in briefing for Defra's Biodiversity Minister, Jim Knight MP, on the Conference of the Parties to the Convention on Biological Diversity, where the

Minister was supportive of the global biodiversity importance of UKOTs and the need for UK to address conservation of this. Ministerial responsibility has since changed. The Forum remains concerned at the lack of regular financial support from Defra (UK's lead department on environment) to the UKOTs (which hold most of UK's globally important and threatened biodiversity). The Forum welcomed awards from Defra's Darwin Initiative to UKOT projects, but noted that this is a world-wide fund to which potential projects in UKOTs can apply, but not a fund addressing UK's shared responsibility for conservation in the UKOTs.

Working Groups and other links with UK Overseas Territories, Crown Dependencies and their NGOs

At the request of FCO, UKOTCF coordinated applications for European Union funding for projects in the South Atlantic and the Caribbean. After 2 years and 2½ years, respectively, a decision is still awaited from the European Commission, but there are signs of activity on the former application, at least. Despite urgent work requested by the European Commission at the beginning of the year on the proposal with input from TCI, BVI and Cayman, and having the necessary supporting letters from each Territory, received by the Commission by the deadline, no further news has been received or any progress taken place for the Caribbean proposal. There is more positive news regarding the South Atlantic bid, and RSPB has been contracted to help.

The Defra-commissioned UKOTCF review of actual and potential Ramsar sites has been completed, with finished and accepted documents now on the Forum website. Work continues to help and encourage designations and related matters. Forum member Alderney Wildlife Trust has assisted the States of Alderney secure the designation of the first Ramsar site in Alderney; Jersey has designated three further sites during the review; Guernsey is in the process of designating its first site; Sark requested Forum advice on progressing its proposed site identified by the review; and it is understood that the Isle of Man Government has approved designation of its first site. The implementation process needs encouraging in the UKOTs, to match the progress in Crown Dependencies.

A special session on UK Overseas Territories was held at the UKOTCF-member British Ecological Society conference at Hatfield 4-7 September 2005, with eight presentations by Forum members. Over 100 people attended all or part of the session, which was very well received. BES would like to draw attention to its Small Ecological Projects grants, the announcement of which specifically refers to UKOTs and includes a link to the Forum website. Further details can be found on their website: www.britishecologicalsociety.org

Working Groups continue to meet regularly and maintain direct contact with the UKOTs. The problem of finding suitable meeting rooms both for the Forum and Working Groups continues and any help in this regard would be appreciated.

Conservation Priorities

The Forum has expressed grave concern regarding the reversal of UK Government (HMG) policy in Ascension. In the late 1990s, the companies using Ascension had indicated to HMG that, with changing needs, they would no longer run the island. HMG had commissioned a study of options. The University of Portsmouth produced a report of this study in March 2000: *Report on Ascension*. The consultants identified two options for the future of Ascension. One model, "modified status quo," would lead to run-down; the other "public finance" option involved a move to a more normal system of government and economy, with an elected council, the introduction of property rights, right of abode, opportunities for self-employment and investment in new business, and the opening of the airport to more civilian traffic.

HMG accepted the report and, in 2001, announced their decision in favour of the "public finance" option. A first Council was elected. Some businesses were sold to local inhabitants. UK and local conservation bodies invested heavily in conservation projects. Late in 2005, there were signs of uncertainty over the crucial "right-of-residence" point. At the end of November, HMG personnel visited Ascension and announced to Ascension's newly elected second Council an intended reversal of HMG policy, without any prior consultation. Conservationists were very concerned that the major, and so far highly successful, programme of work based on the earlier plan for the future would be seriously undermined, as this depended heavily on a stable and long-term population.

The Forum wrote a letter to Lord Triesman, the FCO Minister with responsibility, although no reply has been received at the time of writing 5 months later, despite several reminders. Articles by others were also published in the *New Scientist*, *Observer*, *Telegraph* and on the BBC Radio 4 *Today Programme*. Although admitting to UKOTCF that there has been a change, FCO continues to state publicly, and incorrectly, that there has been no change of policy. FCO had announced the new policy in 2000 and invited people to work on this basis, i.e. right of abode, ownership of property and businesses, local representative democracy etc. Despite this, FCO continues to state offensively that there are no Ascension Islanders, despite several long residencies, in some cases over several generations. The Forum will maintain its stand both of principle and practical need, in support of Ascension Islanders and the conservation of the globally important biodiversity.

Happily, in most other UKOTs, HMG actions have been more in support of environmental conservation. This is reflected in the OTEP grants noted above. One programme with which UKOTCF has had a long involvement through a series of projects with its partner the Turks & Caicos National Trust (TCNT) concerns the conservation of biodiversity and sustainable management in and around the major Ramsar site of North, Middle & East Caicos – throughout in close partnership with local communities. This has passed through the major research phase (with some support from the Darwin Initiative and others), this year seeing the completion of much of the infrastructure, including "field-roads" (a local term being used for nature trails), the Middle Caicos Conservation Centre (renovated with local funding), training for local people in guiding and small business operation, and an integrated package of interpretation, which has already received international acclaim (and copying!). The completion of this phase allows a move into encouraging and managing the use of this infrastructure as a basis for a locally run sustainable economy on ecotourism, as well as for education and public awareness. A new OTEP project (as well as other support) is helping get this started. The Forum is using this project and some other opportunities to explore the potential for a wider coordinated volunteer programme to help UKOTs.

Public Awareness and Publicity

The Forum decided to take a stand at the Bird Fair held at Rutland Water in August 2005. It was generally felt that the first year had been a useful initial experience, warranting further development, and that the uniqueness of the UKOTs has to be promoted. It would be advantageous to have books, merchandise and input from more UKOTs, as well as videos to run.

New *Friends of the UKOTs* are welcome, one way to show support for the work of the Forum. If a sponsor could be found for the newsletter it could be published in colour as it is on the website.

The Forum is in the second year of the DFID/FCO OTEP Communications Strategy contract. Material on the web site is being extended progressively, including information on the current round of approvals. Issues of *Forum News* continue to publish details of OTEP projects; both including information on successful bids and reports of current OTEP project work in the

Territories. The Forum has agreed with OTEP that it needs to capture the main outputs of OTEP projects, to make them available on the OTEP web site, which is managed by the Forum. This is important to demonstrate the efficacy of OTEP. Individual letters have been sent to all project managers to capture any papers that they felt appropriate to publish. These can be included on the Forum's web site or linked to the site.

Information Management

Planning for the environment conference to be held in Jersey from 7th to 12th October 2006 is in an advanced stage. The programme attempts to include a good balance between Territories (including the Crown Dependencies), with involvement also of the French and Dutch territories and some small independent states. There are also some activities related to the conference that should result in the database being made more complete and updated.

Forum News 28 contained the initial item on the performance monitoring of the implementation of the Environment Charters. The Forum is looking to use performance measures that are both practical and meaningful. Although some of this work has been resourced by OTEP, FCO and DFID officers have not been involved in preparing the initial draft, to allay fears by UKOTs that one party to the Charters has been put in the position of assessing both itself and the other parties as it is necessary to include measures of performance of HMG as well as of UKOTs. All parties are welcome to comment.

The Forum has produced three more territory-specific versions of the Environment Charter/OTEP information leaflet, which were delivered to DFID for distribution.

Organisational Development

A Memorandum of Understanding concerning a new alliance for the conservation and sustainable use of biodiversity in the Outermost Regions and Overseas Countries and Territories of the EU (EU ORs/OCTs) is near to completion. UKOTCF leads the UK component of this, working alongside French and Netherlands partners (and potentially others) to help in improving EU policy and funding for OTs.

The Forum has expressed concern over the loss of several member organisations in the UK. As far as can be ascertained, this resulted more from erroneous perceptions that, because the Forum is achieving much, it does not need support, rather than dissatisfaction with the Forum's work. This analysis is supported in that member organisations in the UKOTs continue voluntarily to convert from associate (non-paying) to full membership. The Forum continues to look proactively at its evolving role, including assessing why it was losing UK members. On the more positive side, the Forum and the UK Committee of IUCN (the World Conservation Union) have agreed various areas of cooperation, including the Forum's representation of IUCN-UK, as well as itself, in various Overseas Territories matters.

The Chairman gave a presentation at the IUCN-UK December meeting in York and is continuing to cement relations between the Forum and IUCN. An IUCN-UK representative is now invited routinely to SAWG and WCWG meetings. In the first instance, this has been Dr Vin Fleming of JNCC, which provides the secretariat for IUCN-UK.

Financial Review

Funding both for conservation work in the UKOTs and for running the charity itself remain very poor. The Treasurer is in the process of reviewing the financial strategy for the charity. At present a main proportion of Forum funding is dependent on the overheads of projects and work by certain Council members, mostly in a voluntary capacity. Through tremendous efforts

by these, the outcome for the year has improved from the initial deficit budget approved by Council to an approximately balanced position.

Incoming resources were £144,459 (2005 £178,947) and total resources expended were £148,396 (2005 £121,530). Net incoming resources on the unrestricted general fund were £10,306 (2005 £16,328) and net outgoing resources on the restricted funds were £14,243 (2005 £41,089 net incoming). The balance sheet shows that at 31st March 2006 the total funds of the Forum were £110,406. Restricted funds stood at £61,761 and the unrestricted general fund stood at £48,645. The Forum's assets are held in pursuit of its charitable objectives.

The Forum has managed to secure small funding grants from an external charity for the St Helena Flax mill restoration project and for environmental education on Tristan da Cunha, both of which are progressing well.

The UK Overseas Territories Conservation Forum would like to thank the individuals and representatives of member organisation who have given numerous hours of voluntary time to the Forum both in the UK and in the Territories. The Forum is currently under-resourced and excessive amounts of input of voluntary time have been required to achieve its goals.

Because of their status as UK territories, the UKOTs are not eligible for most international grant sources, but nor are they eligible for most UK funding. The charity is pleased to have worked with governmental colleagues to initiate and operate the Foreign & Commonwealth Office's (FCO) Environment Fund for Overseas Territories (EFOT), and more recently to advise and help on its successor, the Overseas Territories Environment Programme (OTEP), jointly run by FCO and the Department for International Development (DFID). This is the only fund committed to assisting environmental conservation in the UKOTs. OTEP, supported by voluntary effort by UKOTCF and its member organisations, is a great success for small projects, whether these be complete in themselves or pilots/ start-ups for potential large projects. However, no fund exists on an appropriate scale to fund larger projects. Just at a stage when, in domestic UK, a project would move into a species recovery plan, it stops in a UKOT because of the lack of such a fund. It is bizarre that the areas of UK territory which have most global endemics, and other features of world importance at risk, lack a funding source available to other (domestic) parts of UK. This is a fundamental reason why UK will fail to meet its internationally agreed 2010 targets. Neither does present funding allow for realistic capacity building, which can take several years. Those successes that the Forum has achieved have required a combination of huge volunteer effort and several funded projects strung together.

Principal Funding Sources

Member organisations, now in both UK and the UKOTs, part-fund the UK Overseas Territories Conservation Forum on a subscription basis, with other funds being raised from donations and project work. The charity is grateful for the financial assistance as project grants or donations, from the Foreign and Commonwealth Office, Department for International Development, Bryan Guinness Charitable Trust, The Royal Bank of Scotland Group and anonymous donors. More individual supporters (*Friends of the UKOTs*) have converted to direct debits, which helps in the administration of subscriptions; the Forum would like to thank all who have joined during the year and for those who have renewed their subscription. The charity is grateful to member organisation for allowing meetings to take place at their offices: particularly Royal Botanic Gardens Kew, Royal Society for Protection of Birds and Zoological Society of London; and to Falkland Islands Government and St Helena Government for allowing the use of their London offices for South Atlantic Working Group meetings.

Investment Policy

The Trustees have wide investment powers. During the year, no long-term investments were held. All cash reserves were held on interest-earning accounts.

Reserves policy

The purpose of the reserves held is to fund the activities in UK Overseas Territories and to fund the support of these activities in the UK. It is envisaged that all the reserves held will be required to meet these commitments.

The Trustees of UK Overseas Territories Conservation Forum (the Forum) will review its budget and agree from time to time what proportion of its incoming resources, if any, will be reserved for specific or expected future commitments. Those reserves will be regarded, in the Forum's accounts, as designated funds, but may be undesignated at the discretion of the Trustees should the purpose for designation not materialise. All policy decisions relating to reservation of incoming resources will be fully documented in the annual report and accounts of the Forum, including amounts of reservation and subsequent expenditure or removal from designation, reasons for those actions and decisions being fully explained. In all respects the Trustees will have regard for any guidance issued from time to time by the Charity Commission making recommendations to trustees regarding their reservation of incoming resources.

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years, subject to satisfactory funding arrangements. Approaches to improving these arrangements are integrated in the above sections, as are plans for developing current activities.

Responsibilities of the Council

Company law requires the Council to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue its activities.

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

Members of the Council

Members of the Council, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out at the start of this report.

In accordance with company law, as the company's directors, we certify that:

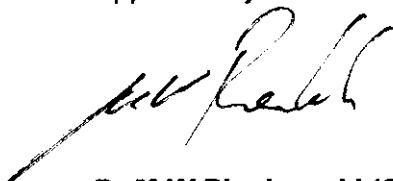
- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Financial Examiner

Rolfe & Co were appointed as the charitable company's independent financial examiner during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Council on 15 August 2006 and signed on its behalf by:



Dr M W Pienkowski (Chairman)

Independent Examiner's Report on the Accounts

Report to the trustees/members of UK Overseas Territories Conservation Forum on accounts for the year ended 31st March 2006

We examined the accounts set out on pages 15 to 23. These financial statements have been prepared under the historical cost convention and the accounting policies as set out on page 15.

Respective responsibilities of trustees and examiner

The charity's trustees consider that, because of the level of turnover, a full audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to

- examine the accounts (under section 43 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act), and
- to state whether particular matters have come to my attention.


Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express a full audit opinion on the accounts

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept (in accordance with section 41 of the Act); and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:  Date: 21/8/06

Rolfe & Co
12b High Street
Wendover
Bucks HP22 6EA

UK Overseas Territories Conservation Forum
Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2006

	<u>Note</u>	<u>2006</u> <u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>2006</u> <u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2006</u> <u>Total</u> <u>Funds</u> <u>£</u>	<u>2005</u> <u>Total</u> <u>Funds</u> <u>£</u>
INCOMING RESOURCES					
Voluntary Income					
Subscriptions		10,897		10,897	13,802
Donations		500		500	13,762
INVESTMENT INCOME					
Interest received		2,582		2,582	2,212
OTHER INCOMING RESOURCES					
Sale of publications		91		91	231
Tax refund		109		109	
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES					
Project income					
Turks and Caicos Islands Development					30,391
Communication for Overseas Territories Environment Programme	2		23,800	23,800	19,950
Jersey Conference			25,536	25,536	19,387
Ramsar Review			7,600	7,600	8,000
Turks and Caicos Trails			16,000	16,000	16,000
Turks and Caicos Biodiversity Management	2		57,344	57,344	55,212
TOTAL INCOMING RESOURCES		14,179	130,280	144,459	178,947

UK OVERSEAS TERRITORIES CONSERVATION FORUM
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE) (continued)
FOR THE YEAR ENDED 31ST MARCH 2006

	<u>2006</u> <u>Unrestricted</u> <u>Funds</u> <u>£</u>	<u>2006</u> <u>Restricted</u> <u>Funds</u> <u>£</u>	<u>2006</u> <u>Total</u> <u>Funds</u> <u>£</u>	<u>2005</u> <u>Total</u> <u>Funds</u>
RESOURCES EXPENDED				
CHARITABLE ACTIVITIES				
Production of publications	872	29,120	29,992	18
Consultants	1,180	23,255	24,435	21,731
Travel	4,927	24,263	29,190	29,259
Project implementation	204	34,942	35,146	35,336
Meetings and conferences	975	1,987	2,962	13,040
Small equipment	-	249	249	-
Photographic materials	26	5,240	5,266	-
	8,184	119,056	127,240	99,384
OTHER RESOURCES EXPENDED				
Postage, telephone and stationery	7,247	3,594	10,841	11,802
Computer software	215	624	839	-
Audit and accountancy	4,530	-	4,530	5,757
Insurance	-	-	-	207
Bank charges	353	324	677	356
Equipment depreciation	2,031	-	2,031	2,125
Bad debts/unpaid subscriptions	1,668	-	1,668	-
Publications and reference	352	-	352	-
Sundries	51	367	418	2,305
Profit on currency exchange	-	(200)	(200)	(406)
	16,447	4,709	21,156	22,146
TOTAL RESOURCES EXPENDED BEFORE TRANSFER	24,631	123,765	148,396	121,530
Less contributions to overheads from projects	(20,758)	20,758	-	-
Total resources used	3,873	144,523	148,396	121,530
NET INCOMING (OUTGOING) RESOURCES	10,306	(14,243)	(3,937)	57,417
RECONCILIATION OF FUNDS				
BALANCES BROUGHT FORWARD	38,339	76,004	114,343	56,926
1 ST April 2005				
BALANCES CARRIED FORWARD				
31 ST March 2006	48,645	61,761	110,406	114,343

There are no recognised gains or losses for the year/period other than those recognised in the Statement of Financial Activities. The accompanying accounting policies and notes form an integral part of these financial statements.

UK Overseas Territories Conservation Forum

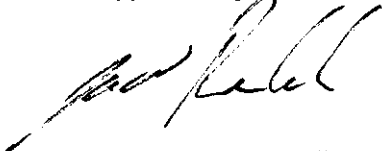
Balance Sheet


as at 31st March 2006

	Notes	<u>2006</u>	<u>2005</u>
		£	£
FIXED ASSETS			
Tangible assets	6	2,236	1,307
CURRENT ASSETS			
Debtors	7	20,111	2,543
Cash at bank		101,350	115,218
		<u>121,461</u>	<u>117,761</u>
CREDITORS: DUE WITHIN ONE YEAR	8	13,291	4,725
NET CURRENT ASSETS		<u>108,170</u>	<u>113,036</u>
NET ASSETS		<u>110,406</u>	<u>114,343</u>
INCOME FUNDS AND RESERVES			
RESTRICTED FUNDS	9	61,761	76,004
UNRESTRICTED FUNDS			
GENERAL FUND	10	48,645	38,339
	11	<u>110,406</u>	<u>114,343</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985, relating to small companies and in accordance with Financial Reporting Standard for Smaller Entities (Effective January 2005).

Approved by the Directors and Trustees on 15 August 2006 and signed on their behalf by:


 _____ (Chairman)
 Dr M Pienkowski


 _____ (Director)
 N Crocker

UK Overseas Territories Conservation Forum

Notes to the Accounts for the Year Ended 31st March 2006

1. ACCOUNTING POLICIES

(a) Basis of accounts

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (January 2005). The accounts have been drawn up in accordance with the Statement of Recommended Practice; "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005).

A summary Income and Expenditure Account has not been presented in strict compliance with the format requirements of the Companies Act 1985, as it is considered that the information is in accordance with the Statement of Financial Activities.

(b) Funds

Restricted funds are those the use of which is restricted by the conditions imposed by the donors.

Unrestricted funds are those which are used for the general advancement of the charity's objectives.

(c) Subscriptions

Subscriptions are non returnable and are accounted for on an accruals basis, the income being recognised in the period to which it relates.

(d) Grants Receivable

Grants receivable are accounted for on an accruals basis, the income being recognised in the period to which it relates.

(e) Donations

Donations are accounted for on a receipts basis.

(f) Capital grants

Capital grants are credited to revenue over the estimated useful lives of the tangible fixed assets purchased from such grants.

(g) Administration Expenses

Administration expenses comprise costs not incurred directly in charitable activities.

(h) Investment Income

Investment income comprises of interest receivable on bank balances and is included gross of tax recoverable.

UK OVERSEAS TERRITORIES CONSERVATION FORUM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2006 (continued)

(i) Other incoming resources

Other incoming resources are accounted for on an accruals basis.

(j) Resources used

As permitted by the Charities SORP 2005, a functional analysis of expenditure is not provided.

(k) Fixed assets and depreciation

Fixed assets are stated at cost (or value if donated) less depreciation.

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives at the following rates per annum.

Computer equipment	-	33.33%	Straight line
Office equipment	-	33.33%	Straight line

(l) Cash Flow Statement

The company has taken advantage of the exemption from preparing a cashflow statement under financial reporting standard No. 1 (Revised) on account of its size.

2. INCOME

The income is derived entirely within the United Kingdom.

Incoming resources from charitable activities

Project income is derived from The Department for International Development (DFID) on the following projects:

OTEP	Communication for overseas territories	£23,800
OTEP	Turks & Caicos Biodiversity Management	£57,344

3. NET INCOMING RESOURCES

Net incoming resources are stated after charging.

	<u>2006</u>	<u>2005</u>
	£	£
Depreciation	2,031	2,125

UK OVERSEAS TERRITORIES CONSERVATION FORUM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2006 (continued)

4. STAFF COSTS AND NUMBERS

There were no staff employed by UK Overseas Territories Conservation Forum in the year ended 31st March 2006 nor in the period ended 31st March 2005.

5. TRUSTEES' REMUNERATION

The trustees received no remuneration in either period for core work.

During year ended 31st March 2006 remuneration was paid to two trustees in respect of work undertaken on externally funded projects. Remuneration of £10,000 (2005 - £10,000), under procedures approved by the Charity Commission, was paid to Dr M Pienkowski, £6,500 (2005 - £2,000) to Mrs M Ground and £nil (2005 - £1,800) to Miss J Rose. Reimbursed expenses paid to trustees in the year were £2,654 (2005 - £2,815) to Dr M Pienkowski, £nil (2005 - £229) to Mrs M Ground and £562 (2005 - £nil) to Mr N Crocker.

During the year the company secretary, Mrs F Marks, charged the company £8,595 (2005 - £7,881) in respect of general administration, specific project work and expenses.

	Office Equipment £	Computer Equipment £	Total £
6. TANGIBLE FIXED ASSETS			
COST			
At 1 st April 2005	20,082	14,286	34,368
Additions	2,960	-	2,960
	—	—	—
At 31 st March 2006	23,042	14,286	37,328
	—	—	—
DEPRECIATION			
At 1 st April 2005	20,081	12,980	33,061
Provided	987	1,044	2,031
	—	—	—
At 31 st March 2006	21,068	14,024	35,092
	—	—	—
NET BOOK VALUE			
At 31 st March 2006	1,974	262	2,236
	—	—	—
At 31 st March 2005	1	1,306	1,307
	—	—	—

UK OVERSEAS TERRITORIES CONSERVATION FORUM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2006 (continued)

7. DEBTORS

	2006	2005
	£	£
Due within one year:		
Prepayments and accrued income	12,771	546
Debtors	7,340	1,997
	<hr/>	<hr/>
	20,111	2,543
	<hr/>	<hr/>

8. CREDITORS:

	2006	2005
	£	£
Due within one year:		
Accrued expenses	4,966	4,653
Sundry creditors	-	72
Income in advance	8,325	-
	<hr/>	<hr/>
	13,291	4,725
	<hr/>	<hr/>

UK OVERSEAS TERRITORIES CONSERVATION FORUM

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2006 (continued)

	Balance 1 st April 2005	Incoming Resources	Resources Used	Balance 31 st March 2006
9. RESTRICTED FUNDS				
Communication for Overseas Territories	-	23,800	23,892	(92)
Data Base and dissemination	3,862	-		3,862
Turks and Caicos Development	48,633	-	(2,263)	50,896
Turks and Caicos Biodiversity Management	21,894	57,344	79,238	-
Ramsar review	(1,731)	7,600	5,869	-
Turks and Caicos Trails	3,427	16,000	19,427	-
Jersey Conference	(81)	25,536	18,360	7,095
	<hr/>	<hr/>	<hr/>	<hr/>
Balance	76,004	130,280	144,523	61,761
	<hr/>	<hr/>	<hr/>	<hr/>

	1st April 2005 £	Surplus for year £	31 st March 2006 £
10. UNRESTRICTED FUNDS			
General fund	38,339	10,306	48,645
	<hr/>	<hr/>	<hr/>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	2,236	-	2,236
Net current assets	46,409	61,761	108,170
	<hr/>	<hr/>	<hr/>
	48,645	61,761	110,406
	<hr/>	<hr/>	<hr/>

UK OVERSEAS TERRITORIES CONSERVATION FORUM

NOTES TO THE ACCOUNTS FOR THE YEAR PERIOD ENDED 31ST MARCH 2006 (continued)

12. ANALYSIS OF NET ASSETS RESTRICTED FUNDS

<u>Restricted Funds</u>	<u>Fixed Assets</u>	<u>Net current assets/ (Liabilities)</u>	<u>Total</u>
Communication for Overseas Territories			
Environment Programme	-	(92)	(92)
Database and dissemination	-	3,862	3,862
Turks and Caicos Development	-	50,896	50,896
Turks and Caicos Biodiversity Management	-	-	-
Ramsar Review	-	-	-
Turks and Caicos Trails	-	-	-
Jersey Conference	-	7,095	7,095
	<hr/>	<hr/>	<hr/>
	-	61,761	61,761
	<hr/>	<hr/>	<hr/>

There is a deficit on one of the funds at the year end for which there is further income arising in the current year to cover. The deficit has only arisen due to having to incur expenditure ahead of income being received.

13. CONNECTED CHARITIES

The following Registered Charities are members of UK Overseas Territories Conservation Forum and support it by the payment of membership subscriptions and other funding:

British Ecological Society
Falklands Conservation
The National Trust
Royal Botanic Gardens, Kew
Royal Society for the Protection of Birds
Royal Zoological Society of Scotland.
Zoological Society of London

14. SHARE CAPITAL

The company is a private company limited by guarantee and not having a share capital.

15. REGISTERED CHARITY

The company is a registered charity.