

DURRELL WILDLIFE CONSERVATION TRUST

Report and Financial Statements

31 December 2005

Durrell Wildlife Conservation Trust

LEGAL AND ADMINISTRATIVE DETAILS

NAME	The Durrell Wildlife Conservation Trust
GOVERNING INSTRUMENT	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 5 August 2005.
PATRON	Her Royal Highness The Princess Royal
TRUST PRESIDENT	Mr Robin E R Rumboll FCA
HONORARY DIRECTOR	Dr Lee M Durrell BA, PhD
CHIEF EXECUTIVE	Dr Mark R Stanley Price ^d MA, DPhil
CHAIRMAN OF BOARD OF TRUSTEES	Mr Martin Bralsford ^b MSc, FCA, FCT (re-elected May 2005)
HONORARY TREASURER	Mr Mark A Oliver BSc (Hons), FCCA Minst.M
TRUST SECRETARY	Mr Derek Maltwood
TRUSTEES	Elected by the Members in General Meeting Dr Colin Clubbe ^c BSc, DIC, PhD, CBiol, MIBi Ms Tricia Kreitman ^c BSc (Hons) (re-elected May 2005) Dr Eleanor Jane Milne-Gulland ^c BA (Hons), PhD Mr Colin Powell OBE, MA (retired May 2005) Mr R Ian Steven ^c BSc Dr Marcus Trett ^c BSc, PhD, MIEem, FZS, FLS, FRMS Professor Ian R Swingland ^c (elected May 2005) Advocate Jonathan White ^c (elected May 2005)
HONORARY FELLOWS	Sir David Attenborough ^a CBE, FRS Mr John Cleese ^a Miss Fleur Cowles Mrs Murray S Danforth ^a , Jnr Jurat Geoffrey Hamon ^a Mr Reginald R Jeune ^a CBE Dr Alison Jolly ^a BA, PhD Dr Thomas E Lovejoy ^a BS, PhD Dr Jeremy J C Mallinson ^a OBE, DSC, CBiol, FIBiol Professor Robert Martin ^a BA, DPhil, DSC, CBiol, FIBiol Mrs Margaret K Rockefeller ^a General Sir Peter Whiteley ^a GCB, OBE Mr Edward J Whitley ^a

^a Honorary Fellow from May 2005

^b Chairman of Board of Trustees from May 2005

^c Trustee from May 2005

^d Chief Executive from May 2005

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SENIOR EXECUTIVES	Mr Quentin M C Bloxam (Director of Zoo Programme) Dr John E Fa (Director of Conservation) Mr Stephen W Teal (Director of Development Programme) – resigned 2005 Mrs Rachel A Husbands (Director of Finance & Administration) – resigned September 2005 Mr Mark Powell (Director of Commercial Programme) – appointed May 2006
PRINCIPAL ADDRESS	Les Augrès Manor Trinity Jersey Channel Islands JE3 5BP
BANKERS	RBSI Custody Bank Limited RBSI T/A NatWest
FOUNDER	Gerald Durrell, OBE, LHD, DSc (Honorary Director, 1963-1995)
ADVOCATES	Mourant du Feu & Jeune 22 Grenville Street St Helier Jersey JE4 8PX
AUDITORS	Ernst & Young LLP Unity Chambers 28 Halkett Street St Helier Jersey JE1 1EY
INVESTMENT ADVISORS *	HSBC Investment Management Limited 78 St James's Street London SW1A 1HL

* 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.

Durrell Wildlife Conservation Trust

REPORT OF THE BOARD OF TRUSTEES

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 Board of Trustees, 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 Board of Trustees 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 Chief Executive is responsible for the direction and management of the Trust and for the implementation of the strategic objectives established by Board of Trustees. The day-to-day administration of the Trust is delegated to the Chief Executive, who operates within the Scheme of Delegation for the Chief Executive, which is contained within the Board-approved Governance Procedures.

3. Statement of the Board of Trustees' responsibilities in respect of the financial statements

The Rules of the Durrell Wildlife Conservation Trust require the Board of Trustees 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 Board of Trustees 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.

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3. Statement of the Board of Trustees' responsibilities in respect of the financial statements (continued)

The Board of Trustees 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

Conservation

The year 2005 saw great developments in enhancing the scientific quality of our conservation and in integrating yet closer the work at the Jersey site with overseas activities.

The Islands and Highlands approach gained respect through the year as a robust and enviably focused approach for our organisation's conservation. The Population Management Specialist provided technical expertise to several overseas projects, proving robust methodologies for assessing the numbers of many small, cryptic species that the Trust often works with. This led to more optimistic assessments of the numbers and status of the giant jumping rat, the narrow-striped mongoose and flat-tailed tortoise. Our Conservation Geneticist, working out of the University of Puerto Rico, analysed materials from the pygmy hog, various Caribbean reptiles and some amphibians, providing insights into their evolution of great conservation consequence, that could be obtained in no other way.

Milestone events in the year included the first return of ploughshare tortoises to their native habitat in Madagascar, after the Trust had cared for a captive population for over twenty years; these animals were released in January 2006. Working with the Mauritian Wildlife Foundation, we established an island population of the Mauritian fody, indicating that this small bird, otherwise confined to highland forests, could thrive in sea level habitats, a crucial finding for its long-term survival. Planning for return to the wild of pygmy hogs in Assam took a major step forward with development of a second site and population for pre-release life, with less human intervention and presence; this is a significant development after caring for this species in captivity for almost ten years.

The Caribbean programme flourished. The Montserrat Biodiversity Assessment made major discoveries on the bat and reptile fauna. The fungal disease that is decimating the world's montane frogs is still absent from Montserrat's mountain chickens. The Trust led a team of over twenty biodiversity specialists, and it is anticipated that the results will lead to establishment of the island's first national park.

The conservation community's concern over the accelerating extinction of frogs led to the Trust's involvement in meetings to devise global actions. Amphibian conservation will become a major concern for the Trust, based on our track record with saving the Mallorcan midwife toad and the mountain chicken. Facilities at Jersey were adapted for new frog species, brought in as models for more endangered species; many of these models bred successfully while still in quarantine. By the end of 2005, a brand new training course in amphibian biology and conservation was under development, with the aim of offering this globally unique training opportunity in the first half of 2006.

On a partnership basis the Trust continued to support efforts for three very significant species: the Cayman blue iguana, the Sumatran orang-utan and the Western lowland gorilla. The iguana reflects our increasing interest in the Caribbean iguanas as a diverse group needing research and conservation (and building on our effective work on the iguana in St. Lucia). Our support for great ape conservation in the wild derives from caring for these species in Jersey, and wishing to display and interpret them as ambassadors for the plight of their relatives in the wild.

Integration of Jersey and overseas conservation activities were demonstrated in multiple ways. Jersey-based staff visited overseas projects, of both this Trust and other organisations, to contribute and gain

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experience; countries visited included the Comoros, Galapagos Islands, Madagascar, Grand Cayman, China, Sumatra, Jamaica and Spain. A most significant highlight was the first gathering of all senior overseas staff together in Jersey for a week. A full programme enabled all to get to know one another, meet the Jersey staff with whom they had hitherto been interacting remotely, to learn how the headquarters operates, and to ensure mutual needs of support, information and reporting could all be more efficiently supplied. This meeting was a great success and will become part of the annual calendar; from 2006, the conclusions of the week's work will lead directly into the next year's programme planning and budgeting.

The Trust's conservation work in Jersey, as part of the Islands and Highlands approach, intensified; in addition to surveying farmland birds with the States of Jersey authority, the Trust coordinated and provided a base for a multi-year study of the Jersey toad, which is increasingly endangered.

In recognition of the fact that the Trust does conservation work both at the Jersey site, in Jersey and at multiple sites around the world, the Trust posts of Director of the Zoo Programme and of Conservation were re-titled to Directors of Conservation Management and Conservation Science.

Our integration of conservation work for species both in the wild and when under conservation care was further recognised by the award by the European Association of Zoos and Aquariums of a Special Award to the Trust for its long-term commitment to conservation in the wild.

The animal populations under conservation care in Jersey produced some signal successes. For the first year ever, we had two orang-utans born in the year. This led to a Sustained Breeding Award for 30 years of breeding this species from the British Association of Zoo and Aquariums. We recorded our first breeding of the narrow-striped mongoose, and of the African pitta. The very small bird had to be hand-reared, providing invaluable experience to our staff on a small songbird renowned as a difficult species.

Apart from the success in breeding model species of frogs, the critical milestone of obtaining the second generation of mountain frogs was gained; the secret was to change management methods based on new observations on the frog in the wild. One aye-aye birth confirmed that we remain the pre-eminent breeding institution for this species.

The year saw no great infrastructure developments; there was intense examination of the options for replacing the increasingly inadequate indoor facilities for the gorillas, with clear vision by year-end of the preference for developing an iconic building and facility for the gorillas which are the most popular species in Jersey. Other infrastructure developments included de-commissioning the pond for Mellor's ducks, after moving the birds to the waterfall pond, and bringing into service a range of new units for holding marmosets and tamarins off-show. The Organic Farm proved a popular attraction in its first full season, and the adjacent apple orchard was opened as a recreation area.

As well as saving endangered species from extinction, we contribute to conservation theory in a wider context. This is exemplified by work in Madagascar which is committed to increasing the size of its protected areas by three times in the five years from 2005. This is a huge challenge in many ways. One issue is how to manage all these areas for this is a scale beyond the resources of government for conventional area protection. The MacArthur Foundation granted our Madagascar Director funds to look at management regimes on a comparative basis, and this work proceeded throughout 2005. The conclusions from the three-year study will have profound implications for attaining Madagascar's grand vision for the expanded conservation areas.

Further, we have for long been involved in research in West Africa into the large scale hunting of wild animals for protein, the Bushmeat issue. This is a major extinction factor in many parts of the world, and the biological, sociological and economic drivers of this situation must be clearly understood in order to mitigate it. Trust staff convened and hosted in Jersey a small meeting of the top international experts

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across many fields to deliberate of the question. This was a historic event, culminating in a significant consensus agreement on the nature and causes of the Bushmeat trade on a global level.

The International Training Centre ran the customary courses through 2005, most successfully. The pioneering Island Species Led Action course was repeated in St. Lucia, with a set of regional trainees, and course content adapted to local conditions. Later in the year, the course was also taken by invitation to the Seychelles, where the course enhanced the technical capabilities of a large trainee body from across this scattered archipelago. Both courses used the services of Carl Jones, the Trust's International Conservation Fellow based in Mauritius.

The course in facilitation skills for conservation, which is embedded within the Diploma course, benefited for the last time from expertise from the Conservation Breeding Specialist Group from the USA. The plan is for Trust staff to run the course entirely in 2006, still within a modified Diploma course.

Internal Operations

In mid-year a risk analysis was carried out. All areas of concern were addressed, including the need for new capabilities within staff in order to rise to the needs and opportunities facing the Trust.

One consequence of this was Board approval of an evolved organisational structure in the second half of the year. This was progressively implemented, principally as posts became vacant, to ensure a constant sized establishment and level salary costs. By year end the Trust had its first Head of Marketing, its first Fund-raising Manager, focusing on trusts and foundations, its first Site Manager, and with both a new Commercial Programme Director and a UK-based Director of Development recruited.

In May, Trust members approved the new Rules that had been deferred from the 2004 AGM. These Rules came into effect in August. The Council evolved into The Board of Trustees, and the Executive Director became the Chief Executive. Consequently, Trustees, Honorary Officers and the Chief Executive each operated under clear role descriptions and limits of responsibility, specified in a set of Governance Procedures. By the year-end, Board Committees for Governance and Remuneration were active, with an Audit Committee in formation. The Governance Committee started the extended and improved process for seeking new candidates for election to the board before the year-end, according to the schedule laid down in the new Rules. The Board is confident that the new governance mechanisms, complying with UK charity best practice, will lead to more efficient oversight of the Trust's strategic direction and financial health, and that the Trustee selection process will attract high calibre candidates with those skills particularly needed on the Board in any year.

Deriving from the governance review, charity experts in London advised on the current structure of the UK charity, the Gerald Durrell Wildlife Preservation Trust, and further work on this is scheduled for 2006.

Great effort was expended in the second half of the year on improving the systems of financial control within the Trust: several quantitative measures show the benefits of this.

The Staff Association held its first elections for officers in early 2005. Subsequently, representatives from it met regularly with senior management, with resolution of all issues most satisfactorily. The quality of human resource management was further improved during the year by release of a comprehensive staff handbook, which will be reviewed and updated annually. Staff relations were strong throughout the year, largely due to sensitive management, and the anticipation and responsive handling of matters before they became issues.

Attention was also given to the large and critically valuable body of volunteers. As they carry out such a wide range of tasks across the trust, with greatly varying levels of time commitment and scheduling, it

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was increasingly necessary to develop more systematic management of this body, with better information flow to all. A voluntary volunteer coordinator was recruited, which has had great impact.

External Relations

The Trust continued through the year with its London-based agent for publicity and media relations. This led to steady exposure for the trust and its signal conservation achievements.

The new focus on marketing coincided with exploration of the appropriate form of messaging on the site. A systematic evaluation of the Trust's brand image and messages was started.

Fund-raising for the Trust was enhanced in the year by the first meetings of two informal interest groups – "London for Durrell" and "Jersey for Durrell."

The Trust continued to benefit by receipt of a grant from the States of Jersey education authority to offer teaching on-site; priority was given in 2005 to primary level education, based on the staff skills available and the fact that this is an age group that is able to develop a strong conservation ethos.

Funding from the Jersey Overseas Aid Committee was used at two sites in Madagascar to great effect for a range of facilities such as village water development, school building or upgrading, and adult literacy. These activities are carefully designed as part of our conservation activities, and are conceived as a means of demonstrating that a healthy environment leads to healthier people living in sustainable ways in and around conservation protected areas.

In Jersey there was a drive to encourage businesses to use the site for a variety of their events. This was immediately successful and the public and corporate awareness of the value of the Jersey site and its various facilities as a venue had been greatly enhanced by the year-end.

The Trust and its staff took every opportunity to engage with public bodies in Jersey, whether relating to the environment, tourism of the hospitality sector. Through more interactions with senior politicians and the media, the year saw significant improvement in the level of public understanding that the Trust is a charity that must raise funds annually, and that it is the only international charity with its global headquarters in Jersey.

Activities leading up to the AGM provided opportunities for the Trust to engage with particularly motivated members on issues. It also held an open day for taxi and cab drivers and their families, to encourage marketing of the Trust to their fares, and the good value in a visit.

Public benefit

It continues to be a privilege for Durrell to provide public benefit to the Island of Jersey and to the global community through its ongoing educational and conservation work, which allows the Trust to maintain its Charitable Status.

The Jersey site is seen as a leading recreational resource for the Island and the Trust continues to invest in the development and maintenance of its grounds.

A strong relationship has formed with the States of Jersey Department of Education, Sports and Culture with the Trust providing both formal teaching for local school children and other activities for all children during school holidays, which focus on developing an awareness of the value of conservation for young people.

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5. Review of the Financial Position of the Trust

To understand better the position of the Trust and its performance, it is important to recognize that the Trust generates income from 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 some long term commitments.

When comparing figures year on year it is important to appreciate the significant impact that unusual items may have on the year's results.

Total income for 2005 is down only 2% on the previous year and this is due to a combination of unusual items. Legacy income is significantly lower than in 2004 however this has been in part offset by an increase in donations of 15%, including new grants from the MacArthur Foundation and Jersey Overseas Aid Committee.

2005 has seen an increase in membership subscriptions of 24% resulting partly from the implementation of a review of membership types and rates which came into effect in September 2005 and contributed to attracting 1,807 new members during the year (compared to 1,703 in 2004) and also from a revision in the recognition in the accounts of annual subscriptions received in advance. One of the benefits of membership is free admission to the Jersey site and this could account for the slight drop in paid admissions income of 3% (£1,167,000 in 2005 compared to £1,201,000 in 2004).

Other events impacting on the Trust's income for 2005 are that as yet, no profit share has been received in respect of the Dodo Restaurant, pending agreement of accounts, and in 2005 the Trust sold two of its freehold properties, realising profits on the sales of £239,000.

Although it initially appears that Costs of Management and Administration have risen compared to 2004, it should be noted that last year's figures have been restated in accordance with FRS17 reporting requirements (note 6) and that, when these adjustments are excluded, underlying Management and Administration costs have remained consistent, despite the Trust having incurred significant costs during the year in order to make essential repairs to buildings within the site's perimeter. Some additional professional costs were also incurred during 2005 in connection with the pension scheme; however, these are expected to return to normal level for 2006.

2005 has also seen an increase of 7% in the funds expended on furthering the Trusts core objectives, with the funds committed to overseas conservation projects and their support increasing by nearly 41%.

It has also been possible for the Trust to reduce its Fundraising and Publicity costs due to a more focused and efficient approach to Marketing the Trust.

A strong stockmarket has further benefited the Trust performance during the year with investment gains of £807k. This has allowed us to utilise investment income to fund operational activities.

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.

The Income Reserves available at 31 December 2005 amounted to some £6.2 million (2004 £6.1 million) that is calculated by deducting the endowment funds (£1.3 million), fixed assets (£4.5 million) and other restricted funds (£1.2 million) from the total reserves of £13.2 million.

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During 2005 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

Risks to the Trust remain unchanged from 2004 with the exception of the potential for Avian Flu reaching Jersey. Following a risk assessment there are now action plans to deal with the virus and as in the previous year this simply adds to the Trusts main risk which is financial viability in the medium to long term.

A full Trust risk assessment has taken place and is a detailed report, which demonstrates that the management team are aware of both organisational and operational based risk.

To target financial stability a strategic marketing campaign has now started (June 06) and will run throughout the remainder of the 2006 financial year.

8. Connected organisations

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

Wildlife Trust
460 West 34th Street
17th Floor
New York
NY1 001 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.

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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

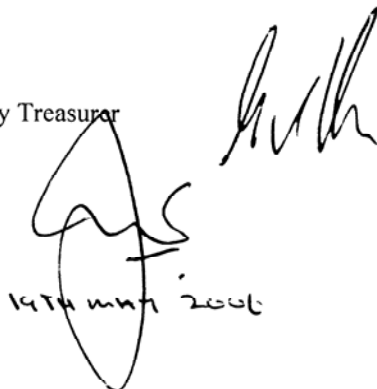
The Trust continues to work closely with many other governmental and non-governmental organisations to further its objectives in many areas of its activities. The Trust is also an active member of a number of international conservation and zoo organisations including the World Conservation Union (IUCN).

On behalf of the Board of Trustees

Honorary Treasurer

Trustee

Date:



14th March 2006

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURRELL WILDLIFE CONSERVATION TRUST

We have audited the trust's financial statements for the year ended 31 December 2005 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 under 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. To 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 Board of Trustees and auditors

As described in the Statement of Board of Trustee's Responsibilities, The Board of Trustees is responsible for the preparation of the financial statements in accordance with applicable Jersey law and 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view.

We read the Report of the Board of Trustees 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 International Standards on Auditing (UK and Ireland) 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 judgments made by the Board of Trustees 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, in accordance with United Kingdom Accounting Standards, of the state of the Trust's affairs as at 31 December 2005 and of its results for the year then ended.

Ernst & Young LLP
Jersey, Channel Islands

Date: 23 May 2006

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STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2005

	<i>Notes</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	Total 2005	<i>Total 2004 as restated</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	£'000	<i>£'000</i>
INCOMING RESOURCES						
Donations, gifts & legacies		583	702	-	1,285	1,553
Grants		30	-	-	30	30
Admission charges		1,167	-	-	1,167	1,201
Membership subscriptions		539	-	1	540	437
Investment income		256	23	58	337	331
Net income of trading activities (for fund-raising purposes)	3	178	-	-	178	194
Other income		486	-	-	486	355
Total incoming resources		3,239	725	59	4,023	4,101
Costs of activities in furtherance of the charity's objects						
Support costs	4	2,401	581	35	3,017	2,830
Costs of management and administration	7	1,075	-	-	1,075	1,120
	6	1,154	-	-	1,154	813
Total resources expended	7	4,630	581	35	5,246	4,763
Net (outgoing)/incoming resources before transfers		(1,391)	144	24	(1,223)	(662)
Transfers between funds		-	-	-	-	-
Net (outgoing)/incoming resources for the year		(1,391)	144	24	(1,223)	(662)
Other recognised gains and (losses)						
Gains & (losses) on investments:						
Unrealised	9	673	-	79	752	316
Realised		48	-	7	55	(68)
Net actuarial (loss)/gain on defined Benefit pension scheme	18	(31)	-	-	(31)	643
Net movement in funds		(701)	144	110	(447)	229
Balances brought forward at 1 January						
– as previously reported		11,412	1,006	1,202	13,620	15,040
Prior year adjustment		-	-	-	-	(1,649)
As restated		11,412	1,006	1,202	13,620	13,391
Balances carried forward at 31 December						
		10,711	1,150	1,312	13,173	13,620

The accompanying notes on pages 17 to 29 form part of these financial statements.

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SUMMARY OF INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 2005

	<i>Note</i>	<i>2005</i> <i>£'000</i>	<i>2004</i> <i>£'000</i>
Gross income of continuing operations		3,845	3,907
Net income of trading activities	3	178	194
Total income of continuing operations		<u>4,023</u>	<u>4,101</u>
Total expenditure of continuing operations		<u>5,246</u>	<u>4,763</u>
Net (loss) for the year before investment asset disposals		(1,223)	(662)
Gain/(loss) on disposal of fixed asset investments		55	(68)
Net (loss) for the year		<u><u>(1,168)</u></u>	<u><u>(730)</u></u>

Total income comprises £3,239,000 for unrestricted funds and £784,000 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 £448,000. 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 £1,223,000 comprising £1,391,000 net expense of unrestricted funds plus £168,000 net income of restricted funds.

The Summary Income and Expenditure account is derived from the Statement of Financial Activities on page 13 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 17 to 29 form part of these financial statements.

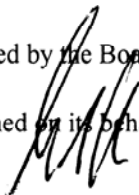
Durrell Wildlife Conservation Trust

BALANCE SHEET at 31 December 2005

	<i>Notes</i>	<i>2005</i>	<i>2004</i>
		<i>£'000</i>	<i>as restated</i> <i>£'000</i>
FIXED ASSETS			
Animal collection	2	-	-
Tangible fixed assets	8	4,497	5,298
Investments	9	7,645	6,426
		<u>12,142</u>	<u>11,724</u>
CURRENT ASSETS			
Stock		150	189
Debtors	10	147	451
Bank balances		1,708	2,191
Loans receivable	11	50	50
		<u>2,055</u>	<u>2,881</u>
CREDITORS: amounts falling due within one year	12	<u>(419)</u>	<u>(409)</u>
NET CURRENT ASSETS		<u>1,636</u>	<u>2,472</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,778</u>	<u>14,196</u>
NET ASSETS EXCLUDING PENSION LIABILITY	14	13,778	14,196
Pension liability	18	605	576
NET ASSETS		<u><u>13,173</u></u>	<u><u>13,620</u></u>
CAPITAL FUNDS			
Permanent Endowment Funds	15	1,312	1,202
INCOME FUNDS			
Restricted Funds	16	1,150	1,006
Unrestricted Funds:			
Designated Funds	17	6,531	6,876
Other Charitable Funds		4,180	4,536
		<u>13,173</u>	<u>13,620</u>

Approved by the Board of Trustees

and signed on its behalf by



Mark Oliver
Honorary Treasurer

Date: 14th May 2006

The accompanying notes on pages 17 to 29 form part of these financial statements.

Durrell Wildlife Conservation Trust

CASH FLOW STATEMENT

for the year ended 31 December 2005

	2005 £'000	2004 <i>as restated</i> £'000	
CHANGES IN RESOURCES BEFORE REVALUATIONS	(1,223)	(662)	
Depreciation	504	554	
Management fees	25	22	
Profit on sale of fixed assets	(240)	-	
Dividends and interest received	(337)	(294)	
Increase / (reduction) in creditors	10	(249)	
Decrease in debtors and stock	343	194	
Pension costs less curtailment gains and contributions paid	(2)	(430)	
	303	(203)	
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	(920)	(865)	
Net returns on investments			
Income from investments	268	206	
Bank interest	69	87	
Loan interest	-	1	
Management fees	(25)	(22)	
	312	272	
Capital expenditure and financial investment			
Purchase of investments	(752)	(1,791)	
Sale proceeds of investments	340	3,050	
Purchase of fixed assets	(148)	(445)	
Sale proceeds of fixed assets	685	-	
Loans repaid	-	10	
Repayment of mortgage	-	(100)	
	125	724	
INCREASE / (DECREASE) IN CASH	(483)	131	
CASH AT 31 DECEMBER 2004	2,191	2,060	
CASH AT 31 DECEMBER 2005	1,708	2,191	
ANALYSIS OF CHANGES IN NET DEBT			
	<i>At 1 January</i> 2005 £'000	<i>Cash flows</i> £'000	<i>At 31 December</i> 2005 £'000
Bank balances	2,191	(483)	1,708
Debt due after one year	-	-	-
	2,191	(483)	1,708

The accompanying notes on pages 17 to 29 form part of these financial statements.

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

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 capital funds where there is no power to convert the capital into income; the endowment 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 Board of Trustees; 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 Board of Trustees, 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.

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

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 Chief Executive on behalf of the Board of Trustees 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 ¹ / ₃ % 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

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

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 Trustees 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.

Retirement benefits

The trust values its liability in respect of defined retirement benefits in accordance with FRS17 and following the unit cost method of calculation.

Any surplus or deficit in the defined benefit section of the scheme, being the difference between the value of the scheme assets and the present value of the plan liabilities, is recognised in the balance sheet as an asset or liability to the extent that any surplus is recoverable or that conversely, any deficit reflects a legal or constructive obligation.

Changes in accounting policy

Under FRS17 contributions to defined benefit pension schemes are not charged to the Statement of Financial Activity, but are replaced by actuarially calculated current and past service costs, finance costs and experience gains and losses arising on the scheme's assets and liabilities together with the effects of any changes in underlying assumptions in the present value of the scheme's liabilities.

This represents a change in accounting policy. As the scheme deficit was provided for in 2004, it being included within creditors, the balance sheet impact of FRS17 is presentational only. However, FRS17 has impacted the way in which pension related costs are recognised in the Statement of Financial Activities.

The change in accounting policy has had the effect of decreasing the opening net assets of the prior year by £1,649k, being the pension deficit at 1 January 2004.

In respect of the year ended 31 December 2005 the change in policy has decreased the net movement in funds by £29k, the increase in the pension deficit for the year.

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	2005 £'000	2004 £'000
Turnover	448	499
Gross profit	247	256
Expenses, net of interest received	(128)	(152)
Net profit	119	104
Other income (Dodo Restaurant and sale of zoo guides)	59	90
Amount transferred to General Funds	(178)	(194)
	—	—

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

4. COSTS IN FURTHERANCE OF THE CHARITY'S OBJECTS

	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>2005 Total £'000</i>	<i>2004 Total £'000</i>
Zookeeping	1,193	-	1,193	1,206
Research, training & education	303	66	369	407
Overseas conservation projects	357	545	902	641
Fundraising and publicity (See Note 5)	516	-	516	533
Bank charges and investment management	32	5	37	43
	<u>2,401</u>	<u>616</u>	<u>3,017</u>	<u>2,830</u>

5. ANALYSIS OF FUNDRAISING AND PUBLICITY

	<i>2005 Total £'000</i>	<i>2004 Total £'000</i>
Salaries	287	301
Direct costs	74	110
Advertising and marketing	74	54
Annual report and newsletters	23	7
Establishment	42	42
Office	16	19
(See Note 4)	<u>516</u>	<u>533</u>

6. COSTS OF MANAGEMENT AND ADMINISTRATION

	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>2005 Total £'000</i>	<i>2004 Total £'000</i>
Salaries	509	-	509	479
Redundancy and payments in lieu of notice	-	-	-	126
Pension costs:				
Defined contribution scheme				
- contributions	58	-	58	65
Defined benefit scheme				
- current service costs	2	-	2	127
- finance (income)/charges	(4)	-	(4)	50
- net curtailment gain	-	-	-	(542)
Establishment	315	-	315	209
Office expenditure	149	-	149	159
Audit fees	25	-	25	18
Miscellaneous	100	-	100	122
(See Note 7)	<u>1,154</u>	<u>-</u>	<u>1,154</u>	<u>813</u>

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	<i>Staff costs</i>	<i>Depreciation</i>	<i>Other costs</i>	<i>2005 Total</i>	<i>2004 Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Zookeeping	798	-	395	1,193	1,206
Research, training and education	229	-	140	369	407
Overseas projects	268	-	634	902	641
Fund raising and publicity	331	-	185	516	533
Investment management	-	-	37	37	43
	<u>1,626</u>	<u>-</u>	<u>1,391</u>	<u>3,017</u>	<u>2,830</u>
Support	370	498	207	1,075	1,120
Management & Administration (See Note 6)	567	-	587	1,154	813
	<u>2,563</u>	<u>498</u>	<u>2,185</u>	<u>5,246</u>	<u>4,763</u>

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

2 (2004:2) members of staff in the band £70,000 - £79,999

3 (2004:2) members of staff in the band £60,000 - £69,999

1 (2004:0) members of staff in the band £50,000 - £59,999

The average number of employees was 91 (2004: 87). The staff costs include £112,495 (2004: £137,566) of rent subsidies given to staff.

8. FIXED ASSETS

	<i>Freehold Land & Property</i>	<i>Zoo Buildings</i>	<i>Plant and Machinery</i>	<i>Fixtures, Fittings & Equipment</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cost					
1 January 2005	1,516	7,442	498	279	9,735
Additions	-	124	4	20	148
Disposals	(445)	(163)	(158)	(62)	(828)
31 December 2005	<u>1,071</u>	<u>7,403</u>	<u>344</u>	<u>237</u>	<u>9,055</u>
Depreciation					
1 January 2005	-	3,889	376	172	4,437
Disposals	-	(163)	(158)	(62)	(383)
Charge for the year	-	395	62	47	504
31 December 2005	<u>-</u>	<u>4,121</u>	<u>280</u>	<u>157</u>	<u>4,558</u>
Net book value					
31 December 2005	<u>1,071</u>	<u>3,282</u>	<u>64</u>	<u>80</u>	<u>4,497</u>
31 December 2004	<u>1,516</u>	<u>3,553</u>	<u>122</u>	<u>107</u>	<u>5,298</u>

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

8. FIXED ASSETS (continued)

The Board of Trustees 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.

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:

	2005			2004		
	<i>Cost</i>	<i>Market</i>	<i>Income for</i>	<i>Cost</i>	<i>Market</i>	<i>Income for</i>
	<i>£'000</i>	<i>Value</i>	<i>the year</i>	<i>£'000</i>	<i>Value</i>	<i>the year</i>
		<i>£'000</i>	<i>£'000</i>		<i>£'000</i>	<i>£'000</i>
UNRESTRICTED FUNDS						
Unit trusts	184	190	9	183	187	17
Fixed interest securities	2,295	2,418	118	2,295	2,361	93
Equities	3,080	3,937	101	2,770	3,006	111
	<u>5,559</u>	<u>6,545</u>	<u>228</u>	<u>5,248</u>	<u>5,554</u>	<u>221</u>
ENDOWMENT FUNDS						
Unit trusts	53	54	3	-	-	-
Fixed interest securities	421	469	22	474	497	19
Equities	499	577	14	351	375	4
	<u>973</u>	<u>1,100</u>	<u>39</u>	<u>825</u>	<u>872</u>	<u>23</u>
Total	<u>6,532</u>	<u>7,645</u>	<u>267</u>	<u>6,073</u>	<u>6,426</u>	<u>244</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 Committee 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

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

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 £0.8m of the total cash of £1.708m was held for investment purposes only.

	2005 £'000	2004 £'000
FIXED ASSET INVESTMENTS		
Market value at 1 January 2005	6,426	7,437
Less: disposal at opening book value (Proceeds £340k, gain £55k)	(285)	(3,118)
Add: Acquisitions at cost	752	1,791
Net gains on revaluation at 31 December 2005	752	316
Market value at 31 December 2005	<u>7,645</u>	<u>6,426</u>
Historical cost as at 31 December 2005	<u>6,532</u>	<u>6,073</u>

10. DEBTORS

	2005 £'000	2004 £'000
Trade debtors	25	30
Other debtors	1	40
Prepayments	-	-
Accrued legacies	74	318
Accrued income	47	63
	<u>147</u>	<u>451</u>

11. LOANS RECEIVABLE

At 31st December 2005 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

	2005 £'000	2004 £'000
Trade creditors	219	101
Accruals	68	108
Deferred income	132	200
	<u>419</u>	<u>409</u>

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2005

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>
Fund balances at 31 December 2005 are represented by				
Animal collection	-	-	-	-
Tangible fixed assets	4,497	-	-	4,497
Investments	6,545	-	1,100	7,645
Current assets	1,140	555	360	2,055
Current liabilities	(417)	-	(2)	(419)
Total Net Assets excluding pension liability	<u>11,765</u>	<u>555</u>	<u>1,458</u>	<u>13,778</u>
Unrealised gains/(losses) included above				
On tangible fixed assets	92	-	-	92
On investment assets (see below)	1,126	-	34	1,160
Total unrealised gains/(losses) at 31 December 2005	<u>1,218</u>	<u>-</u>	<u>34</u>	<u>1,252</u>
Reconciliation of movements in unrealised gains/(losses) and investment assets				
Unrealised losses at 31 December 2004	405	-	(52)	353
Realised in respect of disposals in year	48	-	7	55
Less: net gains arising on revaluations in year	673	-	79	752
Unrealised gains/(losses) at 31 December 2005	<u>1,126</u>	<u>-</u>	<u>34</u>	<u>1,160</u>

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

15. CAPITAL ENDOWMENTS

	<i>Balance</i> <i>1 January</i> <i>2005</i> <i>£'000</i>	<i>Unrealised</i> <i>and realised</i> <i>investment</i> <i>(losses)/gains</i> <i>£'000</i>	<i>Balance</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
Whitley ITC Fund	1,116	106	1,222
Electricity Fund	20	1	21
Rumboll Staff Awards	63	3	66
The Venerable Lawrence Ashcroft Fund	3	-	3
	<u>1,202</u>	<u>110</u>	<u>1,312</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>Balance</i> <i>1 January</i> <i>2005</i> <i>£'000</i>	<i>Movements in funds</i>		<i>Balance</i> <i>31 December</i> <i>2005</i> <i>£'000</i>
		<i>Incoming</i> <i>resources</i> <i>£'000</i>	<i>Expenditure</i> <i>gains, (losses)</i> <i>and transfers</i> <i>£'000</i>	
Gerald Durrell Memorial Fund	181	9	(6)	184
Gerald Durrell Chair	119	2	-	121
Weyland Income Fund	23	1	-	24
Other International Training Centre Funds	170	72	(28)	214
Other funds	513	641	(547)	607
	<u>1,006</u>	<u>725</u>	<u>(581)</u>	<u>1,150</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

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

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 Board of Trustees for specific purposes:

	<i>Balance 1 January 2005</i>	<i>New designations income & transfers</i>	<i>Outgoing resources</i>	<i>Balance 31 December 2005</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Overseas fund/Trust fund	6,719	-	(340)	6,379
Other designated funds	157	-	(5)	152
	<u>6,876</u>	<u>-</u>	<u>(345)</u>	<u>6,531</u>

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 in 2004, 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.

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2005

18. PENSION SCHEME

The Trust operates a pension scheme, with two formal sections; a defined contribution section and a defined benefit section. The assets of the scheme are held separately from those of the Trust and are administered by BWCI (Jersey) Limited.

Defined contribution section

The defined contribution section of the scheme was opened to new members on 1 January 2002 and any existing defined benefit section members who chose to transfer to the new section.

On 31 July 2004 the defined benefit section was closed for the accrual of further pensionable service and members had the choice of transferring their pensionable entitlement up to that date into the defined contribution section or remaining as a deferred pensioner of the curtailed defined benefit section of the scheme.

Employer contributions during the year to 31 December 2005 totalled £58k (2004 - £65k).

Defined benefit section

The liabilities of the defined benefit section are funded by contributions from the trust.

The actual funding of the defined benefit section is determined by the actuarial valuation and this differs from the amount that is required to be charged in the Statement of Financial Activities under Financial Reporting Standard 17. Scheduled retirement benefit contributions ceased in 2004 and amounted to £65k in that year.

A valuation for FRS17 purposes was carried out as at 31 December 2005. The major assumptions used by the actuary were:

	At 31 Dec 2005	At 31 Dec 2004	At 31Dec 2003
Rate of increase in salaries	N/A	4.4%	4.3%
Pension increases	3.0%	3.0%	3.0%
Discount rate*	4.7%	5.3%	5.4%
Price inflation	N/A	2.9%	2.8%

*based on iBoxx over 15 year AA corporate bond index.

FRS17 has now been adopted in full for the year ended 31 December 2005 which has required the comparative figures to be re-stated.

Durrell Wildlife Conservation Trust

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2004

18. PENSION SCHEME (continued)

Defined Benefit section assets and expected rates of return

	2005		2004		2003	
	<i>Expected long-term rate of return</i>	<i>Value £'000</i>	<i>Expected long term rate of return</i>	<i>Value £'000</i>	<i>Expected long term rate of return</i>	<i>Value £'000</i>
Equity/Property	8.00%	1,823	7.50%	2,021	7.75%	1,797
Bonds	4.38%	831	4.85%	1,105	5.10%	811
Cash	4.89%	264	4.75%	160	3.75%	212
Total value of assets:		2,918		3,286		2,820
Present value of liabilities		(3,523)		(3,862)		(4,468)
Net pension deficit		(605)		(576)		(1,648)

Analysis of the amounts recognised in the Statement of Financial Activities in the year to 31 December 2005.

In arriving at (outgoing)/incoming resources for the year	2005 £'000	2004 £'000
Resources expended		
Current service cost	2	127
Past service cost	-	325
Curtailement gain	-	(867)
	2	(415)
Net interest		
Expected return on the Scheme's assets	(189)	(188)
Interest on the Scheme's liabilities	185	238
Net interest (credit)/charge	(4)	50
Total (credit)	(2)	(365)

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NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2004

18. PENSION SCHEME (continued)

Included as other recognised gains and losses	2005 £'000	2004 £'000	2003 £'000
Actual return less expected return on the Scheme's assets	276	297	533
Experience gains arising on the Scheme's liabilities	4	462	299
Changes in assumptions underlying the present value of the Scheme's liabilities	(311)	(116)	(212)
Actuarial (loss)/gain recognised in other gains and losses	(31)	643	620
Total (decrease)/increase in funds	(29)	1,007	320

Movement in surplus/(deficit) during the year	2005 £'000	2004 £'000	2003 £'000
Deficit in scheme as at 1 January	(576)	(1,649)	(2,100)
Movement in year			
Current service cost	(2)	(127)	(206)
Contributions	-	65	132
Past service costs	-	(325)	-
Curtailment gain	-	867	-
Other finance income/(charge)	4	(50)	(95)
Actuarial (loss)/gain	(31)	643	620
Deficit in Scheme as at 31 December	(605)	(576)	(1,649)

Details of experience gains and losses during the year	2005	2004	2003	2002
Difference between the expected and actual return on the Scheme's assets				
Amount (£'000s)	276	297	533	(872)
Percentage of the Scheme's assets (%)	9%	9%	189%	(39.8%)
Experience losses on the Scheme's liabilities				
Amount £'000s	4	462	299	(214)
Percentage of the Scheme's liabilities (%)	0%	12%	6.7%	(5.0%)
Total amount recognised in other gains and losses				
Amount (£'000s)	(32)	643	620	(1,274)
Percentage of the present value of the Scheme's liabilities (%)	(1%)	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 2005, the Wildlife Trust made contributions of £ 83,424 (US\$ 153,110) to the Trust. There were no amounts outstanding at 31 December 2005.

21. POST BALANCE SHEET EVENT

On 22nd February 2006, the Board of Trustees agreed that a payment of £195,300 would be made to reduce the defined benefit pension scheme deficit. This payment was made on 11 May 2006.