



**78th
Annual Report
& Accounts
2011/12**

The British Trust for Ornithology
The Nunnery
Thetford
Norfolk IP24 2PU

Registered Charity No. 216652 (England & Wales) No. SC039193 (Scotland)
Company Limited by Guarantee
Registered in England and Wales Company No. 357284

**The British Trust for Ornithology
Council and Management
2012**

Patron HRH The Duke of Edinburgh

Council

<i>President</i>	Baroness Young of Old Scone	2006-2013
<i>Chairman of Council</i>	Professor I Newton	2009-2012
<i>Honorary Treasurer</i>	Dr T J Osmond	2012-2015
<i>Honorary Secretary</i>	N J Bucknell	2011-2014
<i>Chairman of Regional Network Committee</i>	Dr R J Harris	2010-2013
<i>Chairman of Ringing Committee</i>	Dr K W Smith	2011-2014
<i>Other Council Members</i>	K F Betton	2010-2013
	B D Briggs	2012-2015
	Lt Col R C Dickey	2009-2012
	Prof R W Furness	2011-2014
	Mrs M P Henton	2011-2014
	Dr H Insley	2012-2015
	D C Milne	2009-2012
	Professor S Ormerod	2011-2015
	Professor I P F Owens	2012-2015
	Dr A M Whitbread	2010-2013

Vice Presidents

Dr P Jones	2006-2013
Professor J O'Halloran	2011-2018
Mr C Packham	2010-2017
Dr H P Sitters	2007-2014
Professor A R Watkinson	2012-2019

Regional Network Committee

Chairman Dr R J Harris; E M Ab Owain; K F Betton; M F Brown; Dr H M Crabtree; Lt Col R C Dickey; A Heavisides; Dr H Insley; P Overton; C Robinson.

Ringing Committee

Chairman Dr K W Smith; R du Feu; B D Briggs; Professor R W Furness; Dr G P Mawson; C Mitchell; Dr D Sheehan; Mrs J C Warwick; C P Wearn.

Management

Director Dr A Clements; *Director of Communications* G F Appleton; *Director of Development* Dr M M Rehfisch; *Director of Science (Ecological Change)* Professor R J Fuller; *Director of Science (Modelling & Demography)* Dr S R Baillie; *Director of Services & Company Secretary* A T Scott.

Past Chairmen and Presidents

<i>Chairman</i>		<i>Presidents</i>	
1935-39	The Right Hon. Earl of Mansfield	1958-60, 65-68	R C Homes
1940-41	The Right Hon. Malcolm MacDonald MP	1961-64	C A Norris
1942-47	Dr A Landsborough Thomson CB OBE DSc	1969-72	I J Ferguson-Lees
1948	Dr E M Nicholson CB CVO	1973-76	R A O Hickling
1949	A W Boyd MC	1977-80	J M McMeeking MBE
1950	Sir Norman Kinnear	1981-84	S M Taylor
1951-56	Major-General H P W Houston	1985-89	J A Hancock OBE
1957	R C Homes	1990-93	R P Howard
1988-91	G H Green	1994-96	Sir William Wilkinson
1992-96	I C Castle	1997-2001	Sir Frederick Holliday
1996-2000	Dr H P Sitters	2002-2005	Lord Blakenham
2001-2004	A J Martin		
2005-2008	Dr S Hunter		

BRITISH TRUST FOR ORNITHOLOGY

STAFF LIST (as at 31 March 2012)

DIRECTOR: Dr Andy Clements
PA to the Director – Nicki Read

SCIENCE

BTO SCOTLAND

COMMUNICATIONS

Ecological Change Group		Modelling & Demography Group					
Science Director <i>Snr Secretary</i> <i>Secretary</i>	Prof Rob Fuller as PA to Director Maria Knight	Science Director <i>Snr Secretary</i> <i>Secretary</i>	Dr Stephen Baillie Mandy Andrews Debbie Nicholls	<i>Snr Research Ecologist /</i> <i>Head of BTO Scotland P/T</i> <i>Snr Secretary P/T</i>	Dr Chris Wernham Rebecca Cranston	Director <i>Snr Secretary</i> <i>Secretary</i>	Graham Appleton Sam Rider as Snr Sec Development
<i>Principal Ecol – Monitoring</i> <i>Snr Research Manager</i>	Dr David Noble as Head of Monitoring	<i>Principal Ecol –</i> <i>Climate Change</i> <i>Principal Ecol – Modelling</i> <i>Snr Research Manager</i>	as Head of Pop Ecol & Modelling Dr Rob Robinson as Head of Demography	<i>Senior Research Ecologist P/T</i> <i>Data & Administration Officer</i> <i>Development Coordinator P/T</i> <i>Fieldwork & Training Coord</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i>	John Calladine Anne Carrington-Cotton Mandy Cook James Bray Dr Mark Hulme Dr Liz Humphreys Dr Andrew Dobson	Membership & Volunteer Engagement <i>Head</i> <i>Membership Administrator</i> <i>Asst Mem Administrator</i> <i>Training Off /BTO News Editor</i>	Dr Ieuan Evans Chris Morley Samantha Graham Su Gough
Monitoring <i>Head</i> Atlas & Census <i>Atlas Co-ordinator</i> <i>Projects Co-ordinator</i> <i>BirdTrack Organiser</i> <i>BBS Organiser</i> <i>Atlas Org – Scot P/T</i>	Dr Andy Musgrove Dawn Balmer John Marchant Nick Moran Kate Risely Bob Swann	Demography <i>Head</i> <i>Research Ecologist</i> <i>Secretary</i>	Jacque Clark Dr Daria Dadam Jane Waters	BTO CYMRU		<i>Marketing</i> <i>Head</i> <i>Press Officer</i> <i>Research Officer P/T</i> <i>Website Manager</i>	Jeff Baker Paul Stancliffe David Glue William Skellorn
Wetland Bird Survey <i>WeBS LT Count Organiser</i> <i>WeBS C Count Organiser</i> <i>WeBS Counter Net Org P/T</i>	Neil Calbrade Chas Holt Heidi Mellan	Ringling Licensing and Sales <i>Licensing & Sales Mgr</i> <i>Ringling Officer</i> <i>Ringling Officer</i> <i>Ringling Sales Officer P/T</i> Ringling Data Management <i>Ringling Data Mgr</i> <i>Recoveries Officer</i> <i>Ringling Database Officer</i>	Jez Blackburn Diana de Palacio Sabine Schäfer Anne Trehwitt Bridget Griffin Lee Barber Dr Dorian Moss			<i>Senior Ecologist</i> <i>Development Coordinator</i>	Dr Rachel Taylor Kelvin Jones
Wetland & Marine Research <i>Head</i> <i>Snr Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i>	Dr Niall Burton Dr Graham Austin Dr Aonghais Cook Dr Viola Ross-Smith Dr Chris Thaxter Dr Lucy Wright	Demographic Monitoring Projects <i>Snr Research Ecologist</i> <i>Nest Records Organiser</i>	Dr Dave Leech Carl Barimore	DEVELOPMENT		<i>Fundraising</i> <i>Head</i> <i>Fundraiser (Corp & Trusts) P/T</i> <i>Fundraiser (Individual Giving)</i> <i>Fundraising Secretary P/T</i>	Gary Conway Kate Aldridge Rachel Irvine as Snr Sec Comms
Land-use Research <i>Head</i> <i>Snr Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i>	Dr Gavin Siriwardena Dr Simon Gillings Dr David Baker Dr Greg Conway	Population Ecology & Modelling <i>Head</i> <i>Snr Research Ecologist</i> <i>Ecological Statistician</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist P/T</i>	Dr James Pearce-Higgins Dr Stuart Newson Dr Alison Johnston Dr Sarah Eglington Dr Dario Massimino Dr Nancy Ockendon			Director <i>Snr Secretary</i>	Dr Mark Rehfish Sandra Sparkes
International Research <i>Head</i> <i>Snr Research Ecologist</i> <i>Research Ecologist</i>	Dr Phil Atkinson Dr Ian Henderson Dr Chris Hewson	Information Systems <i>Joint Heads</i> <i>Computer Support Officer</i> <i>Database Officer</i> <i>Database Programmer</i> <i>Snr Systems Mgr</i> <i>Web Software Developer</i> <i>Web Software Developer</i> <i>Web Software Developer</i>	Dr Iain Downie Karen Wright Lee Cadwell Bob Blogg Dr Andrew Joys Ian Yates Mark Hammond Paul Harrup Warren Read	SERVICES			

**The British Trust for Ornithology
Council (Trustees') Report
For the Year Ended 31 March 2012**

For the purposes of Section 162 of the Charities Act 2011 and Directors' Report for the purposes of Section 415 of the Companies Act 2006.

Company number:	357284
Charity number:	216652 (England and Wales) SC039193 (Scotland)
Principal Office and Registered Office:	The Nunnery, Thetford, Norfolk IP24 2PU
Principal Advisers:	
Auditor	Lovewell Blake LLP, Bankside 300, Peachman Way, Broadland Business Park, Norwich NR7 0LB
Principal Bankers	National Westminster Bank plc, 7 Cornhill, Bury St Edmunds, Suffolk IP33 1BQ Royal Bank of Scotland, 2 Blenheim Place, Edinburgh EH7 5JH
Solicitors	Birketts LLP, Kingfisher, 1 Gilders Way, Norwich, Norfolk, NR3 1UB
Pensions Advisers	Russell Ulyatt Financial Services Ltd, 1 The Triangle, ng2 Business Park, Nottingham NG2 1AE
Insurance Brokers	Uttings, 16 The Fairland, Hingham, Norwich, Norfolk NR9 4HN

The members of Council are the directors of the charitable company and the trustees for the purpose of charity law. Those serving during the period were as follows:

K F Betton	Dr H Insley (appointed 1 January 2012)
B D Briggs (appointed 1 January 2012)	D C Milne
N J Bucknell	Professor I Newton
N G Campbell (retired 31 December 2011)	Professor S Ormerod (appointed 1 January 2012)
Lt Col R C Dickey	Dr T J Osmond (appointed 1 January 2012)
Professor R W Furness	Professor I P F Owens (appointed 1 January 2012)
R Hamilton (retired 31 December 2011)	Professor D T Parkin (retired 31 December 2011)
Dr R J Harris	Dr K W Smith
Dr I R Hartley (retired 31 December 2011)	Baroness Young of Old Scone
Mrs M P Henton	Dr A M Whitbread

Governing Document

The British Trust for Ornithology (also known as the BTO) is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission and the Office of the Scottish Charity Regulator. Membership is open to any person whose application is approved by Council upon payment of the requisite subscription. Members undertake to contribute up to £1 each in the event of an insolvent winding up.

Trustees

Trustees are nominated by Council or members and elected by the members at the Annual General Meeting in December each year, to serve from the following 1 January. The normal term of office is four years. New trustees receive a comprehensive information pack and undergo an induction day at The Nunnery to brief them on the BTO and their role as company directors and trustees.

Organisation

The trustees make up the Council, which is the governing body of the BTO. Council meets four times a year. Council is supported by the Regional Network and Ringing Committees. The day-to-day management of the BTO is delegated to the Management Group, led by the Director.

Related Parties

The BTO's wholly owned subsidiary, BTO Services Ltd, was established to undertake commercial operations in support of the BTO, and gifts its profits to the Trust.

The BTO co-operates with many other charities, with government agencies and other bodies in pursuit of its objectives, as illustrated in this report.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2012**

Risk Management

A risk register is maintained which identifies the significant risks faced by the BTO and the measures in place to manage those risks. These are monitored by Management and reviewed biannually by Council. The key risks identified relate to the funding environment, recruitment and retention of staff with key skills, retaining volunteer support, IT systems, data management and the final salary pension scheme.

Volunteers

The Trust depends on the contributions of many thousands of volunteers who participate in BTO surveys and other activities. We are greatly indebted to them, and especially to the Regional Representatives and other regional volunteers who organise so much BTO activity at a local level. It was estimated that BTO volunteers contributed the equivalent of 243,000 days of work in 2011.

Financial Review

There was a net operating deficit of £192k for the year (2011: £87k deficit). The principal funding sources continued to be research & surveys (£1,677k), membership & communications (including BTO, Garden BirdWatch and the Ringing Scheme) (£1,111k), and trading and consultancy (including BTO Services Ltd turnover) (£948k). Appeals raised £346k, and £215k was received from legacies. A total of £3,858k was spent during the year on carrying out, supporting and communicating ornithological research.

There was a small loss in the market value of investments, but the unusual conditions in the bond markets meant a significant deterioration in the FRS17 pension fund valuation.

Reserves

The trustees aim to maintain unrestricted reserves of three months' operating expenditure, equivalent to £1,274k at 2012/13 budgeted costs, in order to deal with any unexpected falls in income or other unforeseen circumstances. Unrestricted funds excluding tangible fixed assets and pension fund liability at 31 March 2012 totalled £1,336k, of which approximately £60k is committed to existing BTO-funded projects, and £200k is earmarked for the third pension fund deficit payment.

Investments

The Memorandum of Association permits the Trust to invest monies not immediately required for its purposes as the trustees see fit. A proportion of the Trust's unrestricted funds is invested in Common Investment Funds. These funds have ethical investment policies that are considered appropriate for the Trust. The performance target for the funds is top quartile within the relevant sector, as measured over a five-year period, on a total return basis.

Public Benefit

The trustees have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The following paragraphs set out in detail the aims, activities and performance of the Trust, and the way in which they provide public benefit.

Charitable Objects

The objects of the Trust, as set out in its Memorandum of Association are, for the benefit of the nation:

- (i) To promote, organise, carry on and encourage study and research and particularly field work for the advancement of knowledge in all branches of the Science of Ornithology.
- (ii) Permanently to preserve and protect lands and objects which by their natural features are suitable for the preservation and study of bird life and of fauna and flora generally.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2012**

Objectives and Activities

The BTO's purpose and public benefit is to deliver objective information and advice, through undertaking impartial research and analysis about birds, other species and habitats, to advance the understanding of nature. We inform policies and evidence-based decisions that impact on the environment such that future generations can benefit from a healthy and wildlife-rich environment. The BTO does this by:

- Sustaining long-term extensive programmes and smaller scale intensive research to study the population trends, movements, breeding, survival, ecology and behaviour of wild birds;
- Encouraging, enthusing, training and supporting volunteers to take part in scientific studies;
- Bringing together professional scientists and volunteer birdwatchers in surveys of wildlife (particularly, but not exclusively, birds);
- Analysing the data gathered through these studies, making information available to Government and other bodies, and publishing the results in the primary scientific literature and via the internet, the birdwatching and conservation press and the media more generally.

The BTO Strategy 2009-14 has been formulated to achieve our mission, and has the broad aims of:

- Encouraging more proactive, innovative and responsive science;
- Improving the accessibility of data and information;
- Achieving a stronger image and improved public profile;
- Gaining more supporters and enhancing our engagement with them;
- Looking after our staff;
- Growing and broadening the Trust's funding base;
- Demonstrating best practice governance.

These broad aims are achieved through a well-defined and cost-effective programme of work of which the key elements are:

1. Conducting fieldwork through our nationwide network of 40,000 volunteers, with planning of projects, collation of data and the analysis and publication of results by staff, under guidance from Council and its committees;
2. Maintaining a programme of long-term monitoring of the distribution and abundance of birds (including Integrated Population Monitoring and modelling), to alert the conservation community to population changes, to suggest likely causes and remedies, and direct further research;
3. Growing our research programme on the relationships between wildlife and their habitats, at multiple scales from ecosystems to territories, in order to better understand the impacts of land-use and environmental change;
4. Developing a collaborative climate change research programme;
5. Undertaking research at home and abroad on migration and the ecology of migrant birds;
6. Extending our wetland and coastal research and survey into an established marine environment programme.

Achievements and performance

The objectives set for 2011/12 and the progress achieved against those objectives were as follows:

1. *Continue to deliver high quality science programmes, particularly to provide Government and other stakeholders with high quality monitoring, population dynamics and modelling information; to complete fieldwork coverage for Bird Atlas 2007-11; to undertake multi-scale habitat and environmental change studies; to extend climate change research programmes; to embed UK, European and African migration studies; and to further develop our marine and related wetland research and survey capability.*

(a) Monitoring

A full programme of long-term schemes for monitoring terrestrial birds was operated successfully, including the BTO/JNCC/RSPB Breeding Bird Survey (BBS), the BTO/RSPB/JNCC Wetland Bird Survey (WeBS) (including Low Tide Counts), the Heronries Census, the BTO/Environment Agency Waterways Breeding Bird Survey (WBBS), the Nest Record Scheme (NRS), the Constant Effort (mist-netting) Sites (CES) scheme, the Retrapping Adults for Survival Scheme (RAS) and the Ringing Scheme. Results from these schemes were reported individually and collated, where appropriate, through the on-line BirdsTrends report (<http://www.bto.org/birdtrends>).

Updated population estimates for British waterbirds, based on WeBS in combination with a variety of other data sources, were published in July 2011. Monitoring data from the Trust also contributed to the *State of the UK's Birds*, and *State of Birds in Wales* reports (with other partners) and to the Pan-European Common Bird Monitoring Scheme.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

Results from BTO bird monitoring are integral to a range of multi-species indicators produced for Government, to periodic species assessments (Red Lists, Biodiversity Action Plans) and to a range of other conservation initiatives. In 2011/12, major progress was made towards revising population estimates of all UK birds for a forthcoming new *Avian Population Estimates Panel* report. Additionally, collaborative work with the Centre for Ecology & Hydrology (CEH) and other partners on non-native species in the UK continued.

The fieldwork phase for the joint BTO, BirdWatch Ireland (BWI) and Scottish Ornithologists' Club (SOC) *Bird Atlas 2007-11* project was completed in July 2011 (although fieldwork for some of the concurrent local atlases is continuing for further seasons, as required). Work on the Atlas then moved into a phase of concentrating on ensuring all records were submitted and then validated. Simultaneously, design of the principal book output was agreed and writing of texts has begun.

Unfortunately, funding could not be found for the enhanced Upland Breeding Bird Survey monitoring (although this work did resume in spring 2012). Mammal recording continued as part of the BBS and WBBS schemes (as well as Garden BirdWatch (GBW)), whilst a third full season of fieldwork for a Wider Countryside Butterfly Survey was carried out by a combination of BBS and Butterfly Conservation volunteers.

Following the completion of the Atlas, planning was undertaken for surveys of Nightingales (England) and Chats (Wales) for spring 2012, and a winter thrush survey for winter 2012/13.

(b) Population dynamics and modelling

The BTO operates a suite of schemes that aim to provide monitoring of productivity and survival as part of its Integrated Monitoring Programme. The overall aim of this work is to understand the demographic mechanisms responsible for large scale population changes, in order to provide robust information on the likely environmental causes of population changes and to help to identify successful strategies for species recovery and management. The key schemes involved are Ringing, CES, RAS and the NRS, all of which form part of the JNCC/BTO Partnership. BTO and JNCC have been keen to improve the focus of this work during the present partnership period, so as to ensure that volunteer effort and resources are focussed on those species and projects that will provide the greatest gains for conservation science. Work on the development of the resulting Demographic Targeting Strategy was completed during the year, being signed off by the Ringing Committee at their autumn meeting and launched at the BTO Annual Conference in December, which followed a population dynamics theme. The strategy identifies a range of target species that are practical to monitor and representative of a wide range of ecological groupings. It will inform the development of the Trust's Ringing and Nest Record schemes over the next 5-10 years. The Trust also contributed to a related programme of work to improve the demographic monitoring of seabirds as part of the Seabird Monitoring Programme in which BTO is a partner. A report with detailed recommendations has been produced and we anticipate that these will be taken forward over the next 12 months.

All of the above schemes continued to operate successfully during the year, with increasing levels of data gathering and improvements in the efficiency with which data are processed. Thanks to some very welcome additional support from JNCC we were able to start a project to redevelop our demographic databases and software. While initial work has inevitably focussed on the database components, the long-term aim is to provide a modern on-line system which will provide many efficiency benefits for both volunteers and staff, allowing us to improve the information produced from demographic monitoring. A key aim of such systems is to feed through into the BirdTrends report (<http://www.bto.org/birdtrends>) so as to provide improved information on the demographic and environmental causes of species change. In this year's report we were pleased to be able to increase the number of species for which trends in survival are reported, drawing on results from the RAS and CES schemes. In a further significant development we have now added literature reviews on the demographic and environmental causes of change for a range of key species. More such reviews will be added in future years, together with a more detailed synthesis of the causes of change across species.

Development of modelling work during the year focussed particularly around spatial modelling of relative abundance and trends from BBS data, and will lead to regular reporting of spatial variation in trends from 2012-13. The approaches developed have been used to model future impacts of Climate Change, as reported under (d) below. BBS mammal data have also allowed us to model the spread of deer populations, and to use these results to assess the likely large scale effects of these increases on bird populations (Newson et al. *Journal of Applied Ecology* 49, 278-286). We also published work on the impacts of the introduced and rapidly spreading Ring-necked Parakeet population on other bird species (Newson et al. *Ibis* 153, 509-516). The Trust's interest in the impacts of avian diseases was also maintained, with a further significant paper being published as a result of our collaboration with the Institute of Zoology (Lawson et al. *Ecohealth* 8, 143-153).

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

(c) Multi-scale habitat and environmental change studies

BTO habitat-focused research has progressed well in the last year, with several major research projects begun and a good level of contract income.

Two particularly significant new projects have recently started. The first is a major Defra and Forestry Commission-funded project investigating the influences of woodland management practices and deer browsing on birds, which will run until 2014. The project is BTO-led, with collaboration from Forest Research, RSPB and Nottingham University. Work is being conducted both in lowland broadleaved woods and upland conifer plantations. The second project is a Defra-funded project on the influences of farming heterogeneity on biodiversity which arose from an international collaboration with partners in Europe and North America. Work in Canada is in progress (funded by the Canadian government); equivalent work in France, Germany and Spain has also now begun, funded by the EU's BiodivERsA fund, while Defra have funded a UK component to be conducted entirely by the BTO. This project involves monitoring and field experiments on plants, bees, butterflies, beetles, spiders and hoverflies as well as birds.

The BTO is involved in three successful consortia within NERC's Biodiversity and Ecosystem Service Sustainability programme. Our largest involvement is in a project led by Cranfield University, with Exeter and Sheffield Universities, which is investigating the influence of 'urban form' on the provision of ecosystem services. We are also minor partners in projects led by Cardiff University (focused on Welsh river catchments) and St Andrews (considering coastal services). All three projects start in summer 2012.

Other important projects this year include the completion of a short-term project for Natural England (NE) re-assessing the impacts of Entry-Level Stewardship on farmland birds using BBS data and more sophisticated analytical methods than previously. This has produced the first ever evidence for national-scale positive effects of "broad and shallow" agri-environment schemes; a paper will appear in the *Journal of Applied Ecology*. A second NE project (in partnership with the CEH, building on work done under the JNCC-BTO partnership) has used bird and butterfly monitoring data to test the implications of landscape structure, and interactions with extreme events and weather, on population stability and vulnerability/recovery at the site level. A paper from this work will also appear in the *Journal of Applied Ecology*.

A quantitative review was undertaken to inform the development of an online research tool for farmers to assist with their agri-environment scheme applications, funded by Syngenta; results are now being used by web developers at York University. A new Defra project (in collaboration with CEH) has been investigating the potential for direct supplementary feeding of farmland birds to enhance existing wild bird seed crop options in order to fill the late winter "hungry gap" that was identified by previous BTO research. A further Defra project, in collaboration with CEH, is following up previous work for JNCC, scoping the potential of BBS data to monitor the environmental effects of any future post-market roll-out of genetically modified crops. Finally, the "Farm4bio" evaluation of un-cropped land for biodiversity in England is completed and a paper has been accepted for publication.

Research on Ministry of Defence land continues, via projects at Porton Down, investigating the nest behaviour of Stone Curlews for evidence of disturbance effects from increases in road traffic and from 'energetics' (explosion) testing. On Salisbury Plain, BTO is investigating Whinchat survival and productivity with respect to habitat use and territory density. For the latter, a PhD studentship was begun in 2012, with Lancaster University.

A further suite of relevant projects is also being undertaken in Scotland. Analyses and reporting of the first ten years of monitoring the effectiveness of a suite of moorland management prescriptions is nearly completed (with ADAS and Scottish Coal – the funders). The resulting paper will demonstrate the efficacy of widely advocated prescriptions (e.g. through agri-environment schemes) in the light of ongoing declines of many moorland birds.

The second round of monitoring (funded by Forest Research; currently undertaken at 5-year intervals and planned for 100 years) of a suite of 11 new native upland woodlands in Scotland is being undertaken in 2012. The sites are a combination of new plantings and natural regeneration. The project will record the changing ecology from largely open habitats as they progress through to woodlands.

BTO (in partnership with the John Hutton Institute and MacArthur Green) is providing specialist scientific advice on machair waders to SNH's Uist Wader Research programme for three years starting in 2012 (funded by SNH). The consortium undertook a scoping study to identify research options concerning the impact of predators on nesting waders. The 2012 work programme, being undertaken by SNH, is deploying nest cameras, nest temperature loggers and systematic direct observations to quantify predation rates and the relative influences of different predators. BTO will be analysing the data collected by SNH in 2012 and with the consortium advising on developing the research programme in subsequent years.

Finally, a radio-tracking study undertaken in the 2011 breeding season on Short-eared Owl ranging behaviour and habitat use (funded by Tay Ringing Group, SOC and SNH) has been analysed and a manuscript submitted, and a fifth year of surveys (funded by Scottish Coal) is being undertaken looking at the colonisation of a restored river channel to investigate associations with hydromorphology and macro-invertebrates (with Stirling University).

**The British Trust for Ornithology
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For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

In addition to the range of standard research projects outlined above, several relevant MSc and PhD projects are either in progress, are being set up or have been completed in the last year. These include analyses of Countryside Survey 2000 bird and habitat data (with CEH and Newcastle University), studies of the effects of farmland habitat structure on bird diet using new genetic techniques (with Cardiff University), whinchats on Salisbury Plain (see above) and projects related to ongoing research on the characteristic species in the Thetford Forest area (e.g. Nightjar and Woodlark).

(d) Climate change

The Trust continued to strengthen its contributions to climate change research during the year, based around the three themes of documenting impacts, predicting the future and informing adaptation. A series of articles by James Pearce-Higgins in *BTO News* provide an accessible summary of our work in these areas and how it relates to the wider research agenda. A review workshop held in July attracted a wide range of stakeholders from the research and user communities, and will inform our future research priorities. Ten BTO-authored papers relevant to climate change research were published during the year.

Two new collaborative projects were initiated thanks to funding obtained from the Cambridge Conservation Initiative. The first involved a workshop to outline potential mechanisms underpinning climate change impacts on global biodiversity and associated options for adaptation. A successful workshop was held in July and an overview / framework paper is in preparation. The second project is to follow this up with a literature review and meta-analysis of the evidence for climate change impacts on biodiversity, which was well advanced by the end of the year. This will deliver a much needed update of the evidence of climate change impacts on global biodiversity and therefore highlight the priorities for adaptation, following on the workshop outputs.

Reports on two major collaborative climate change projects, both led by BTO and funded by Defra on account of their high policy relevance, were finalised during the year. The first was the Biodiversity Impacts of Climate Change Network (BICCO-Net) which aimed to provide up-to-date information on the impacts of climate change on the abundance and distribution of organisms across a wide range of taxa. One publication has already appeared (Eglington & Pearce-Higgins *PLoS ONE* 7(3), e30407) and several others are in the pipeline. The second project was entitled Climate Change Impacts on Avian Interests of Protected Area Networks (CHAINSPAN) and aimed to assess the likely impacts of climate change on the avian interest within the UK's protected sites network. This project had an entirely ornithological focus but is of substantial importance to conservation planners as they consider the likely future of current protected sites and the need for additional designations. Again several papers are in preparation and further work to extend the findings was funded by NE.

Spatial modelling of BBS data undertaken as part of the BTO/JNCC/RSPB Breeding Bird Survey has provided some of the first predictions of how climate change is likely to effect the spatial variation in the abundance of particular species (Renwick et al. *Diversity and Distributions* 18, 121-132). Two northerly species, Curlew and Meadow Pipit, were predicted to decline in abundance as a result of climate change while two southerly species, Nuthatch and Green Woodpecker, were expected to increase. The methodology developed provides the potential to undertake such analyses for a much wider range of species. BTO researchers also contributed to a Europe wide analysis of the impacts of climate change on birds and butterflies (Devictor et al. *Nature Climate Change* 2, 121-124). Both birds and butterflies were not adjusting their distributions quickly enough to keep up with recent temperature change, with birds generally showing a greater lag than butterflies.

Increased development of renewable energy sources is a consequence of climate change that may have significant impacts on birds and other wildlife. We undertook some international work in the area for Birdlife International, resulting in three guideline documents relating to the development of renewable energy sources along the Rift Valley/Red Sea flyway. We also undertook modelling of the impacts of wind farms on birds for the Scottish windfarms consortium. Much work in this area involves evaluation of the impacts of individual developments from which it may be difficult to draw a broader picture. It was therefore timely to be able to publish a meta-analysis of results from post construction monitoring of wind farm developments (Pearce-Higgins et al. *Journal of Applied Ecology* 49, 386-394). The results showed that densities of Curlew and Snipe declined as a result of wind farm construction, so particular attention should be given to these species when planning wind farm developments.

(e) Migration and the ecology of migrants

Our third year of the work on long-distance migrants in Ghana and Burkina Faso saw a move from large-scale surveys looking at all migrant species to a focus on those species that winter in the humid zones of West Africa. The previous two winters have given a much better understanding of the habitats each migrant uses and how this changes throughout the year. Analysis of BTO data published in 2012 identified the humid zone species (e.g. Nightingale, Wood Warbler, Garden Warbler, Spotted Flycatcher) as being those that are now in most rapid decline (Ockendon et al. 2012) and these will be

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

the focus of future research. The project team (joint with RSPB and the Ghana Wildlife Society) focused on two species – Nightingale (BTO lead) and Wood Warbler (RSPB lead). The fieldwork involved detailed work on habitat selection using radio telemetry and refining species presence/absence distributional models. We also fitted 12 geolocators to Nightingales in Ghana and these will be retrieved in the winter of 2012/2013.

Three tracking studies were implemented in 2011, two using geolocators and one satellite-tracking study. We retrieved 9 geolocators from Common Swifts tagged in Norfolk, Cambridgeshire and Guernsey and these provided full tracks for these individuals. Geolocators were attached to Nightjars and these will be retrieved in 2012.

However, by far the most high profile study was the Cuckoo satellite-tracking project. Five Cuckoos were fitted with 5g satellite tags in May and June 2011 and the results posted on the BTO website in near-real time. The project was planned with both scientific and public engagement aspects and has been a great success. All five birds migrated successfully to their wintering areas and the subsequent publicity has highlighted not only the fascinating migration of this species but more generally the wider message of Afro-Palaearctic migrant declines. Many new aspects of the Cuckoo migrations have been found from tracking these five birds, such as the surprisingly early departure of some individuals and the identification of a new migration route which took two birds south-west through Spain, Morocco and Senegal to the same Congolian wintering areas that the other three birds were in. The two birds that travelled the south-westerly route travelled approximately 2,500km longer than the other three birds that took a more direct route through Italy, Chad and Central African Republic. It was only on the return journey that mortality occurred. One bird died in Cameroon shortly after leaving its wintering area and one in south-western Spain where it hit very cold weather conditions. Two successfully returned to the UK and we lost contact with the final bird in the Atlas mountains in Algeria. Given the success of the project, 17 more tags were ordered and will be fitted to birds in Scotland, England and Wales. Females will also be targeted for the first time.

A study of the demography of Willow Warblers, which was carried out as a jointly-supervised PhD with UEA, was completed successfully in 2011. The work used BTO data to explore the population trends of the species within Britain confirming rapid declines in abundance in the southeast of Britain while slightly increasing in the northwest. Analysis of BTO data from ringing and nest records showed that the success of breeding attempts has declined in the southeast, largely as a result of losses at the pre-fledging stage, but not the northwest, implicating changes in the quality of breeding conditions. Declining survival of adult females in the southeast is likely to have exacerbated the decline, reducing the number of breeding pairs. Evidence for declines in recruitment of females into the breeding population is also apparent in the northwest, where population trends are currently stable. Further work on a range of migrants showed a common theme with population trend being more positive (or less negative) in the northwest.

(f) Marine and wetland research and survey

During the past year, there has been further development of the BTO's marine work programme, with particular focus on marine renewables. Central to this has been the BTO's work for The Crown Estate (in collaboration with Bureau Waardenburg, The Netherlands, and the Centre for Research into Ecological and Environmental Modelling, St. Andrews) to provide independent 'Strategic Ornithological Support Services' to inform decision-making for the offshore wind farm industry. The BTO's role has been to act as the group's Secretariat and to oversee a programme that has produced reports and guidance on five projects looking into key ornithological issues relating to wind farm development. A second field season of a project involving tagging of Great Skuas and Lesser Black-backed Gulls to establish connectivity between Special Protected Areas (SPAs) and wind farm development zones was undertaken in 2011. GPS tags have now been fitted to 25 Lesser Black-backed Gulls at the Alde-Ore Estuary SPA and to 24 Great Skuas at the Foula SPA, Shetland. The project has shown how birds' foraging ranges overlap with wind farm zones and vary annually, and has provided information on their flight heights, as well as the migration routes of Lesser Black-backed Gulls to Iberia. The BTO has also continued its work with Forewind Ltd to provide advice in relation to survey design and undertake Environmental Impact Assessment work for the Dogger Bank Round 3 Offshore Wind Farm Zone.

Also in relation to our marine work programme, the BTO has undertaken work to develop population and distributional indicators, and further indicators on Kittiwake breeding success and seabird breeding colony failure in relation to the Marine Strategy Framework Directive. Our work on sea-watching is continuing with a project undertaken in collaboration with the Norfolk Ornithologists' Association using information from Holme Bird Observatory showing the potential of sea-watching data. We hope that this will provide support for the establishment of a national sea-watching scheme and are in discussions with potential partners in this regard.

Our wetland work has again been rather limited this year. A workshop on assessing the turnover of wader populations on estuaries was held at the BTO in early October, with reports from volunteer-led projects on sites on the west, south and east coasts. The BTO has also undertaken three projects to support Defra's current fish-eating birds licencing review, providing improved population trends for Cormorants, an analysis of the potential spatial relationships between Cormorant population trends and culling, and a collation of colony counts for Cormorants to feed into a

**The British Trust for Ornithology
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For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

Europe-wide census. We continue to provide detailed advice to country agencies on waterbird trends on SPAs through fine-scale analyses of WeBS data; on behalf of the Countryside Council for Wales (CCW), we have provided continued monitoring of the status and distribution of Oystercatcher and Knot in and around the Burry Inlet SPA, following recent declines of their cockle food resources.

2. *Further improve data, information and on-line services, extending this capability to a larger constituency of users, and incorporate new technologies for capturing data.*

The profile and use of the online bird recording system BirdTrack (BTO/RSPB/BWI/SOC) continued to grow, with 2.95 million records added during the period April 2011 to March 2012 (bringing the total to 15.48 million records). The main developments during the year, funded in part by additional support from SNH, were improved ways for users to interrogate their own data through the *Explore My Records* function. A questionnaire was circulated around BirdTrack users and attracted over 4,200 responses. Amongst the findings from this was the high proportion of users who wished to add non-bird records to BirdTrack, and thus effort has gone into planning to put this into operation for dragonflies (as a first step) in spring 2012. In parallel, a great deal of effort was put into considering the best ways for BirdTrack to collaborate with similar schemes elsewhere in the world, and how to manage the flow of data between BirdTrack, the county bird club recording structure, and the National Biodiversity Network (NBN).

A significant development during the year was the launch of our first Apps for smartphones. An information App for ringers and nest recorders was launched for Android phones in April 2011, followed by an iPhone version later in the year and is now installed on about 1,000 smartphones. We also developed an App to allow entry of BirdTrack casual records in the field, and to provide information on recent sightings from the area where the phone user is located. The Android version was successfully released and is already in use on over 1,000 devices and being used to submit over 10,000 BirdTrack records per month, while work on an iPhone version also commenced and will be completed during 2012-13.

A significant on-going development effort is undertaken to maintain and enhance facilities for long-term schemes such as BBS, WeBS and GBW, as well as to develop applications to support special surveys as they arise. Examples of such developments include a web application for the Welsh Chat survey and new facilities for square management by BBS regional organisers. We also commenced a significant programme of work to redevelop our demographic databases as mentioned under population dynamics. There were also significant developments to the BirdTrends report (<http://www.bto.org/birdtrends>) designed to fully integrate it with the new BTO website and to provide improved handling and presentation of results.

3. *Complete brand and Website development to further enhance the accessibility of BTO science.*

The new website has become a major focus for the BTO's work, enabling us to freely provide information relating to Britain's birds and to publicise scientific research. *BirdFacts* and *BirdTrends* are open-access resources that are of direct relevance to all birdwatchers, whilst facilities such as the on-line WeBS and BBS reports are useful to conservation practitioners and decision makers. The three, monthly e-newsletters (BTO, GBW and BirdTrack) link to these facts and figures, to underpin stories about ornithology.

During the year, we published the first *Annual Review* for our members and the first *Volunteer* for 60,000 supporters who are involved in our work. These publications replaced two issues of *BTO News*, with funding for the printing and distribution of the latter being provided by Defra. Both publications aim to promote BTO research and surveys to new audiences. Scheme newsletters were developed, alongside blogs and high-impact website content, for Nightingale and Cuckoo projects in particular. These resources contributed to the highest ever level of public interest in the BTO's work, which was further enhanced by close working relationships with Michael McCarthy, who was awarded the Dilys Breese medal, and the BBC *Springwatch*, *One Show* and *Saving Species* teams.

The BTO brand was further enhanced through the launch of a new range of BTO birdcare products, with Gardman, and the integration of our sales operation with Ernest Charles, which provides a greater choice to members and supporters. BTO Books was launched, with the publication of the Norfolk Bird Atlas, followed by a Field Guide to Monitoring Nests.

4. *Continue to grow our membership and supporter base.*

We continue to use the lessons learnt from the recent market research to shape our communication strategies. A number of concepts developed during the market research work have been delivered. Bird identification video tutorials provide one example; these have proved to be an excellent way of engaging people. The BTO YouTube channel has

**The British Trust for Ornithology
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For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

received over 90,000 views, the majority of which have been of the ID videos. Similarly, our reach on social networks continues to grow with Twitter proving particularly popular with over 7,500 'followers'. 2011 was a slower but still good year for new member recruitment with 1,610 new members recruited, compared with 2,020 in 2010 but still well above the 6-year average of 1,323. The end of year membership total rose by 4% to 15,253 with the highest increases of 5.4% in Wales and Northern Ireland.

In support of our strategy to encourage Atlas volunteers to take on BBS, a grant from OPAL was secured to purchase AV equipment and to deliver additional training courses for BBS volunteers in England. The first full-colour annual review was produced in place of the Sept/Oct issue of *BTO News* and proved a popular publication attracting plenty of positive feedback from members. The BTO, GBW and BirdTrack e-newsletters continue to provide excellent vehicles for promoting our work. The annual meeting of BTO's regional network was held at The Nunnery in November and was well attended as was a meeting of Scottish RRs at Kindrogan in September. Regional conferences for members and volunteers were held in Nottinghamshire, Gloucestershire, Staffordshire, Cornwall & Hereford and Northern Ireland, and there was a national conference with a focus on ringing, and demographic targeting in particular.

The re-launch of the Gardman BTO Bird Care range has provided an opportunity to exploit the fit with BTO GBW. In-store material (e.g. display gondolas) are now strongly GBW badged and carry GBW Gift Packs and BTO-branded literature, together with an interactive display screen (the latter a strong selling point with garden centre stockists). This opportunity has seen Gardman take in excess of 1,000 GBW Gift packs, contributing to the growth in recruitment seen in 2011, and has expanded the promotion of GBW to a new audience.

BTO Cymru, the Trust's new office in Wales was launched at the Royal Welsh Show in July. Two staff have been appointed; Kelvin Jones, the Development Coordinator, has been focusing on the development of the BTO's profile, organising new BBS training and setting up the Chat Survey, whilst Rachel Taylor is forging links that will help BTO to better support research and decision-making in Wales. BTO Cymru receives significant support from Environment Wales (on behalf of Welsh Government), CCW and the Esmée Fairbairn Foundation.

In Northern Ireland a new three year contract for the employment of Shane Wolsey as BTO representative, funded by NIEA, started in mid-November. The NI regional conference on 12 November attracted 160 people – the largest number to date. We continue to work with Belfast Harbour Commissioners to develop a major wader turnover project for Belfast Lough. The Crown Estate is funding Natural Copeland, driven by BTO, to prepare a 5-year management plan for the Copeland Islands. In December 2011 BTO were awarded a grant by Northern Ireland Environment Link to establish Cackle Island Seabird Centre, where live images of breeding terns and gulls can be viewed. As of the end of March 2012 this Centre was operational. Six BBS and one Nest Recording training days have been delivered during February and March 2012.

BTO Scotland ran a range of activities aimed at increasing volunteer support for long-term surveys, including: promotion of BBS and BirdTrack (four training days, including one aimed at John Muir Award providers); promotion of WeBS (two training days); GBW (Gardening Scotland and Big Bird Feed in Lothian); and membership and all our volunteer recording schemes (Dundee Food and Flower Festival and at the RSPB Scotland staff conference). The annual Scottish Birdwatchers' Conference (held in Oban jointly with Argyll Bird Club and SOC) attracted 180 delegates and excellent feedback was received. The delivery of developments to BirdTrack under the SOC/BTO/SNH Integrated Bird Recording in Scotland was completed, and the SOC project officer spent much of the year promoting the enhanced recording software to Local Bird Recorders and their networks of volunteers in Scotland. The BTO/SOC Building Bird Monitoring in Scotland project, funded by SNH and the Gillman Trusts to enhance volunteer support for bird recording in Scotland, also reached completion with publication of the final report, which shared the evaluation of project success and the useful feedback received from volunteers. Based on the findings, a further project targeted at expanding support for recording in the uplands is being discussed with SNH to begin in 2012. BTO's expertise in volunteer engagement and citizen science received high profile at a Sharing Good Practice event organised by SNH and attended by representatives from many Scottish NGOs.

We again contributed to a Defra initiative to produce the UK Biodiversity Indicator on Conservation Volunteering in the UK. The amount of time spent working on BTO-led surveys in 2011 was estimated as 1.8 million hours (as in 2010) – equivalent to employing 1,114 full-time staff and valued at £37 million.

5. *Broaden the funding base, taking account of expected and significant public sector funding cuts, and secure significant additional unrestricted income.*

The breadth of the BTO's fundraising has been growing for some years (see list of funders on page 32) but there is a growing need for unrestricted income to support the general work of the Trust, especially our contributions to the JNCC partnership and to projects such as BBS, WeBS and BirdTrack. Ideas were developed with the aid of Council and its Strategic Funding Working Group and these will be driven forward during 2012/13.

**The British Trust for Ornithology
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For the Year Ended 31 March 2012**

Achievements and performance (cont'd)

We have never been able to talk to more people about the work of the BTO, thanks to the success of the monthly e-newsletter and the development of *Volunteer*, which was sent to 60,000 members and volunteers. In order better to be able to raise funds for specific projects and for our core work, from this growing group of supporters and potential donors, Gary Conway was appointed as head of the fundraising team. It is anticipated that, by strengthening this area of our operations, we will deliver significant benefit in the medium term.

Successful initiatives during 2011/12 included the Nightingale Appeal, a raffle in aid of the Thrushes Survey, sponsorship for the five, named BTO Cuckoos and an auction of remaining atlas species. The ten-year appeal came to an end, as did most of the Direct Debits associated with *Bird Atlas 2007-11*. An encouraging number of supporters chose to maintain the support, transferring their donations to other areas of the BTO's work. The generosity of individuals helped to balance reduced income from Trusts and a relatively slow year for legacy income.

Publicly funded contracts remain the largest source of funding for the BTO, and as anticipated there was a significant decline in 2011/12. This was however compensated for by an increase in commercial work, as reflected in the contribution from BTO Services Ltd.

6. *Achieve best practice and efficient governance and build staff morale through listening to and addressing feedback from the second annual staff satisfaction survey.*

The Governance Working Group's recommendations on trustee role descriptions, trustee recruitment and committee structures have worked well. BTO Council now has a better balance between business delivery and strategy, including greater engagement with science. We are considering benchmarking performance against the Good Governance Code for the Voluntary and Community Sector. We have undertaken a short fit-for-purpose Structure Review three years into the new strategy, and implemented savings and adjustments that improve delivery. BTO participated in the annual Charity Pulse staff satisfaction survey for a second year, and management discussed, with an informal staff panel, learning points and how to further improve encouraging results. Carbon and other resource use continue to be monitored.

Plans for future periods

The implementation plan for the BTO Strategy 2009-14 is now beyond half-way, with all performance indicators being delivered in a timely way. Our Structure Review has enabled a reflection on delivery and adjustments that will ensure continued improvement. Our strategic science priorities have positioned the BTO well with respect to the Government environmental policy agenda, and we continue to maintain levels of contract income from Government and Agency suppliers, and to inform policies and decisions with high quality scientific information and evidence. The brand renewal and website development has been highly successful in raising profile and increasing our supporter base. The main priorities for the coming period are to:

1. Continue to deliver high quality science programmes, particularly to provide Government and other stakeholders with high quality monitoring, population dynamics and modelling information; to complete preparation and publication of *Bird Atlas 2007-11*; to undertake multi-scale habitat and environmental change studies, incorporating Ecosystem Service research; to extend climate change research programmes; to expand UK, European and African migration studies; to improve the targeting of our volunteer demographic study effort; and to further develop our marine and related wetland research and survey capability.
2. Further improve data, information and on-line services, extending this capability to a larger constituency of users, and incorporate new technologies for capturing data. Seek significant new partnerships to support BirdTrack development.
3. Continue to grow our membership and supporter base.
4. Develop fundraising strategy to secure significant additional unrestricted income, particularly through the 'donor journey', while maintaining contract income in the face of expected continuing public sector funding constraints.
5. Achieve best practice and efficient governance and build staff morale through learning from results of three consecutive annual staff satisfaction surveys.

**The British Trust for Ornithology
Council (Trustees') Report – Continued
For the Year Ended 31 March 2012**

Statement of Council Members' Responsibilities

The Council members are responsible, as Directors of the Company, for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group at the year end and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for the year. In preparing those financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Council members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are 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.

Council members are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Council members are aware:

- there is no relevant audit information of which the Trust's auditor is unaware; and
- the Council members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint Lovewell Blake as auditor for the ensuing year will be proposed at the annual general meeting under section 485 of the Companies Act 2006.

BY ORDER OF COUNCIL

11 July 2012

Professor I Newton
Chairman

Dr T J Osmond
Honorary Treasurer

Independent Auditor's Report to the Members of The British Trust for Ornithology

We have audited the financial statements of The British Trust for Ornithology for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charity's trustees those matters we are required to state to them in an auditor's 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 charitable company, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Council Members and Auditor

As explained more fully in the Statement of Council Members' Responsibilities set out on page 14, the Council Members (who are also the directors of the British Trust for Ornithology for the purposes of company law) are responsible for the preparation of the Annual Report and the financial statements and for being satisfied that the financial statements give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the charitable company and the group as at 31 March 2011 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Council Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or returns; or
- certain disclosure of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Bankside 300, Peachman Way,
Broadland Business Park, Norwich NR7 0LB

Mark Proctor ACA DChA (Senior Statutory Auditor)
For and on behalf of Lovell Blake LLP, Statutory Auditor

Date:

The British Trust for Ornithology
Consolidated Statement of Financial Activities
for the Year Ended 31 March 2012

	Note	Unrestricted Funds	Restricted Funds	Total 2012 £	Total 2011 £ Restated
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
General donations		38,838	36,574	75,412	53,259
Appeals		2,798	343,046	345,844	237,086
Legacies		214,867	-	214,867	444,077
		256,503	379,620	636,123	734,422
<i>Activities for generating funds:</i>					
Trading and consultancy		948,193	-	948,193	704,555
Royalties and copyright		123,189	-	123,189	163,957
Corporate membership and sponsorship		20,525	-	20,525	25,842
Other income		4,456	-	4,456	3,480
		1,096,363	-	1,096,363	897,834
<i>Investment income</i>	3	33,506	1,304	34,810	47,665
		1,386,372	380,924	1,767,296	1,679,921
Incoming resources from charitable activities:					
Membership and communications		1,111,264	-	1,111,264	1,042,434
Research and surveys		1,676,905	-	1,676,905	2,041,658
		2,788,169	-	2,788,169	3,084,092
Total incoming resources		4,174,541	380,924	4,555,465	4,764,013
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income		92,365	49,528	141,893	104,048
Costs of activities for generating funds		711,430	-	711,430	590,483
		803,795	49,528	853,323	694,531
Charitable activities:					
Membership, volunteers and communications		1,362,075	38,174	1,400,249	1,289,944
Research and surveys		1,987,132	470,166	2,457,298	2,829,117
		3,349,207	508,340	3,857,547	4,119,061
Governance costs		36,608	-	36,608	37,201
Total resources expended	6	4,189,610	557,868	4,747,478	4,850,793
Net incoming resources before transfers		(15,069)	(176,944)	(192,013)	(86,780)
Gross transfers between funds	15,16	(241,568)	241,568	-	-
Net incoming/(outgoing) resources	4	(256,637)	64,624	(192,013)	(86,780)
Before other recognised gains and losses					
(Losses)/gains on investment assets for charity's own use	9	(8,171)	-	(8,171)	17,306
(Loss) on revaluation of tangible assets	8	(426,009)	-	(426,009)	
Actuarial (loss)/gain on pension scheme	18	(1,063,000)	-	(1,063,000)	338,000
Net movement in funds		(1,753,817)	64,624	(1,689,193)	268,526
Reconciliation of funds					
Total funds brought forward		1,765,250	237,325	2,002,575	1,734,049
Total funds carried forward		11,433	301,949	313,382	2,002,575

The notes on pages 20 to 31 form part of these accounts.

The Statement of Financial Activities includes all gains and losses recognised during the year.

All incoming resources and resources expended derive from continuing activities.

Gift Aid on subscriptions and some other income is now shown under Membership, volunteers and communications. The corresponding previous year figures have been restated accordingly.

The British Trust for Ornithology
Consolidated Income and Expenditure Account
For the Year Ended 31 March 2012

	Note	2012 £	2011 £
Income		4,520,655	4,716,348
Operating expenses		(4,747,478)	(4,850,793)
Excess of operating expenditure over income		<u>(226,823)</u>	<u>(134,445)</u>
Income from investments	3	<u>34,810</u>	<u>47,665</u>
Excess of expenditure over income for the financial year		<u>(192,013)</u>	<u>(86,780)</u>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the income and expenditure account.

The notes on pages 20 to 31 form part of these financial statements.

The British Trust for Ornithology
Consolidated and Charity Balance Sheets
as at 31 March 2012

	Note	Group		Charity	
		2012 £	2011 £	2012 £	2011 £
Fixed assets					
Tangible assets	8	1,176,626	1,601,082	1,176,626	1,601,082
Investments	9	461,215	469,386	461,315	469,487
		<u>1,637,841</u>	<u>2,070,468</u>	<u>1,637,941</u>	<u>2,070,569</u>
Current assets					
Stocks	10	136,971	118,558	-	-
Debtors	11	971,576	741,927	1,098,308	878,336
Short-term deposits		1,700,633	1,874,078	1,700,633	1,874,078
Cash at bank and in hand		62,900	158,011	2,252	8,629
		<u>2,872,080</u>	<u>2,892,574</u>	<u>2,801,193</u>	<u>2,761,043</u>
Creditors:					
Amounts falling due within one year	12	<u>(1,673,189)</u>	<u>(1,344,982)</u>	<u>(1,602,402)</u>	<u>(1,213,552)</u>
Net current assets		<u>1,198,891</u>	<u>1,547,592</u>	<u>1,198,791</u>	<u>1,547,491</u>
Total assets less current liabilities		<u>2,836,732</u>	<u>3,618,060</u>	<u>2,836,732</u>	<u>3,618,060</u>
Creditors:					
Amounts falling due after one year	13	<u>(22,350)</u>	<u>(23,485)</u>	<u>(22,350)</u>	<u>(23,485)</u>
Net assets excluding pension scheme liability		<u>2,814,382</u>	<u>3,594,575</u>	<u>2,814,382</u>	<u>3,594,575</u>
Defined benefit pension scheme Liability	18	(2,501,000)	(1,592,000)	(2,501,000)	(1,592,000)
Net assets including pension scheme liability	17	<u>313,382</u>	<u>2,002,575</u>	<u>313,382</u>	<u>2,002,575</u>
Represented by:					
Restricted funds	16	301,949	237,325	301,949	237,325
Unrestricted funds	15	11,433	1,765,250	11,433	1,765,250
Total Funds	17	<u>313,382</u>	<u>2,002,575</u>	<u>313,382</u>	<u>2,002,575</u>

Approved by the Council and authorised for issue on 11 July 2012 and signed on its behalf by:

Chairman Professor I Newton

Honorary Treasurer Dr T J Osmond

Company registration number 00357284.

The notes on pages 20 to 31 form part of these financial statements.

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**The British Trust for Ornithology
Consolidated Cash Flow Statement
For the Year Ended 31 March 2012**

	Note	2012 £	2011 £
Reconciliation of changes in resources to net cash inflow from operating activities			
Net outgoing resources for the year		(192,013)	(86,780)
Depreciation	8	58,843	68,937
Loss on disposal of fixed assets		203	-
(Increase)/decrease in debtors	11	(229,649)	273,777
Increase/(decrease) in creditors	12,13	327,072	(42,053)
(Increase)in stocks	10	(18,413)	(28,854)
Difference between payments to defined benefit pension scheme and amount charged to expenditure		<u>44,000</u>	<u>39,000</u>
Net cash (outflow)/inflow from operating activities		(9,957)	224,027
Cash flow statement			
Payments to acquire tangible fixed assets	8	(60,849)	(13,742)
Receipts on disposal of fixed assets		250	-
Pension deficit repair payment		(198,000)	(250,000)
Net decrease in short-term deposits		<u>173,445</u>	<u>170,857</u>
Net cash outflow/(inflow)		<u>(95,111)</u>	<u>131,142</u>

Analysis of short term deposits and cash	1 April 2011	Cash flow	Other non-cash changes £	31 March 2012
	£	£		£
Cash at bank and in hand	158,011	(95,111)	-	62,900
Short term deposits	<u>1,874,078</u>	<u>(173,445)</u>	-	<u>1,700,633</u>
Net funds	<u>2,032,089</u>	<u>(268,556)</u>	-	<u>1,763,533</u>

Reconciliation of net cash inflow to movement in net funds	2012 £	2011 £
(Decrease)/increase in cash in the year	(95,111)	131,142
Cash disinvested in short-term deposits	<u>(173,445)</u>	<u>(170,857)</u>
Change in net funds resulting from cash flows	<u>(268,556)</u>	<u>(39,715)</u>
Movement in net funds in the year	(268,556)	(39,715)
Opening net funds	<u>2,032,089</u>	<u>2,071,804</u>
Closing net funds	<u>1,763,533</u>	<u>2,032,089</u>

The notes on pages 20 to 31 form part of these financial statements.

**The British Trust for Ornithology
Notes to the Consolidated Accounts
For the Year Ended 31 March 2012**

1. ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments and freehold property which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards, the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Group Financial Statements

These financial statements consolidate the results of the charity and its wholly owned trading subsidiary BTO Services Ltd on a line by line basis. A summarised profit and loss account of the subsidiary is given in note 9. A separate Statement of Financial Activities and Income and Expenditure Account is not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The gross income and deficit for the year of the parent company were £3,840,313 and £(192,013) (2011: £4,170,048 and £(86,780)).

c) Incoming Resources

Voluntary income including donations, gifts and legacies is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from charitable activities includes income received under contract which is recognised as earned (as the related work is performed). Income from grant funding included in this category provides funding to support charitable activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is deferred when it is received in advance of the services it relates to. Life membership income is released to the Statement of Financial Activities in equal instalments over a ten-year period.

Income from the trading subsidiary and other commercial trading activities is recognised as earned (as the related goods and services are provided).

Investment income, sponsorship and royalty income and membership subscription income are recognised on a receivable basis.

d) Resources Expended

Expenditure is recognised when a liability is incurred.

Costs are allocated directly to activity cost categories.

Costs of generating funds are those costs incurred in attracting voluntary income, in carrying out trading activities and those costs associated with royalties and sponsorship income.

Charitable activities include scientific research contracts, allocated fund research work and restricted fund research work. They also include membership, Garden BirdWatch, Ringing Scheme and communications costs.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a staff time basis.

VAT has been reclaimed on allowable expenses under the partial exemption rules. Where not reclaimable it has been included within expenses.

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

e) Tangible Fixed Assets

Individual assets costing £500 or more are initially capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

Asset Category	Annual Rate
Computer Equipment	25%
Motor Vehicles	25%
Furniture and Equipment	25%

Freehold property is not depreciated as, in the opinion of the Council, any such depreciation charged will be immaterial. Annual impairment reviews are carried out on the property. Revaluations are performed every five years, or as the trustees consider necessary, by a qualified valuer. The increase or decrease on revaluation is credited or charged to the fund holding the asset.

f) Investments

Investments are shown at market value and any unrealised gain or loss on the revaluation is taken to the Statement of Financial Activities. Surpluses / deficits on the sale of investments are credited / charged in the year they arise.

g) Stock

Stock is valued at the lower of cost or net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

h) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting dates. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

i) Funds Structure

The Trust has a number of restricted income funds to account for situations where funds have been raised for a specific purpose. All other funds are unrestricted income funds. The trustees intend to use part of the unrestricted funds to provide longer-term funding for BTO projects and core activities. Designated funds have been set up to reflect this. The funds in each of these categories are disclosed in notes 15 and 16.

j) Retirement Benefits

The defined benefit scheme provides benefits for staff based on final pensionable salary. This scheme is closed to new entrants. The assets of the scheme are held separately from those of the Trust, being invested with Legal and General and other fund managers. Defined benefit pension liabilities are measured using the projected unit cost method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Under FRS17-Retirement Benefits, any net liability arising based on these valuations is the best estimate of the present value of the actual amounts to be paid out of the scheme, less the market value of the scheme assets.

The increase in the present value of the liabilities of the Trust's defined benefit pension scheme expected to arise from employee service in the period is charged to the Statement of Financial Activities. The net interest on the scheme liabilities is also charged to the Statement of Financial Activities. Actuarial gains and losses are recognised in the Statement of Financial Activities.

The Trust also makes payments in respect of employees' own defined contribution schemes, through a group personal pension arrangement. For these schemes, the amount charged to the Statement of Financial Activities

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. MEMBERS' LIABILITY

Under the Memorandum of Association of the Trust, members are required to undertake to contribute to the assets of the Trust in the event of its being wound up while they are members, or within one year after they cease to be members, for payment of the debts and liabilities of the Trust contracted whilst they were still members and of the costs, charges and expenses of winding up such an amount as may be required, but not exceeding £1 each.

3. INVESTMENT INCOME	2012	2011
	£	£
Bank interest receivable	15,826	29,006
Dividends	18,984	18,659
	<u>34,810</u>	<u>47,665</u>

4. NET INCOMING/(OUTGOING) RESOURCES	2012	2011
	£	£

The deficit for the year is stated after charging:

Auditor's remuneration:

Audit services	16,200	20,563
Non audit services	1,500	-
Depreciation	58,843	68,937
Loss on disposal of fixed assets	203	-

5. STAFF COSTS	2012	2011
	£	£
Wages and salaries	2,599,575	2,622,657
Social security costs	220,902	218,330
Pension contributions and other pension costs	320,009	325,602
Total	<u>3,140,486</u>	<u>3,166,589</u>

The number of employees whose emoluments exceeded £60,000 fell within the following bands:	2012	2011
£60,001 - £70,000	1	1

Pension contributions of £8,406 (2011: £8,647) were made in relation to one employee (2011: one) earning in excess of £60,000 who participated in the group personal pension arrangement. For details of pension contributions and other pension costs, see note 18.

Council members receive no remuneration. Expenses were reimbursed to 20 (2011: 18) Council members as follows:

	2012	2011
	£	£
Travel & subsistence	<u>4,689</u>	<u>4,841</u>

There are no other related party transactions to disclose.

Average numbers of staff and full time equivalent (FTE)

	2012		2011	
	No.	FTE	No.	FTE
Permanent posts	107	98.5	109	100.4
Seasonal fieldworkers	2	1.3	5	3.4
Total	<u>109</u>	<u>99.8</u>	<u>114</u>	<u>103.8</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

6. TOTAL RESOURCES EXPENDED

	Direct costs £	Support costs £	2012 Total £	2011 Total £ Restated
Costs of generating funds				
Costs of generating voluntary income	101,222	40,671	141,893	104,048
Costs of activities for generating funds	570,679	140,751	711,430	590,483
Charitable activities				
Membership, volunteers & communications	1,072,617	327,632	1,400,249	1,289,944
Research & surveys	1,835,419	621,879	2,457,298	2,829,117
Governance	29,483	7,125	36,608	37,201
Support Costs	1,138,058	(1,138,058)	-	-
Total resources expended	<u>4,747,478</u>	<u>-</u>	<u>4,747,478</u>	<u>4,850,793</u>

7. SUPPORT COSTS

	Premises £	IT & Office Services £	Human Resources £	Manage- ment & Finance £	2012 Total £	2011 Total £
Costs of generating funds						
Costs of generating voluntary income	3,919	13,494	6,558	16,700	40,671	31,456
Costs of activities for generating funds	13,559	46,702	22,696	57,794	140,751	96,873
Charitable activities						
Membership, volunteers & communications	31,562	108,710	52,830	134,530	327,632	298,321
Research & surveys	59,909	206,342	100,277	255,351	621,879	703,640
Governance	686	2,364	1,149	2,926	7,125	5,180
Total support costs	<u>109,635</u>	<u>377,612</u>	<u>183,510</u>	<u>467,301</u>	<u>1,138,058</u>	<u>1,135,470</u>

Governance costs include audit fees, Council meeting expenses, and the staff time cost of servicing Council meetings.

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

8. TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Freehold Property	Furniture and Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost or valuation at 1 April 2011	1,499,513	225,525	409,730	131,751	2,266,519
Additions	26,496	11,159	23,194	-	60,849
Disposals	-	(1,618)	(9,350)	(9,566)	(20,534)
Revaluation	(426,009)				(426,009)
	-			-	
At 31 March 2012	<u>1,100,000</u>	<u>235,066</u>	<u>423,574</u>	<u>122,185</u>	<u>1,880,825</u>
Depreciation at 1 April 2011	-	206,533	339,608	119,296	665,437
Depreciation charge	-	12,423	41,450	4,970	58,843
Disposals	-	(1,618)	(8,897)	(9,566)	(20,081)
	-				
At 31 March 2012	<u>-</u>	<u>217,338</u>	<u>372,161</u>	<u>114,700</u>	<u>704,199</u>
Net book value at 31 March 2012	<u>1,100,000</u>	<u>17,728</u>	<u>51,413</u>	<u>7,485</u>	<u>1,176,626</u>
Net book value at 1 April 2011	<u>1,499,513</u>	<u>18,992</u>	<u>70,122</u>	<u>12,455</u>	<u>1,601,082</u>

The freehold property at The Nunnery, occupied by the British Trust for Ornithology, was valued by external valuers, Fenn Wright Chartered Surveyors, on 31 March 2012 on the basis of existing use value, at £1,100,000. It was previously externally revalued on 22 March 2006 at £1,400,000. There are no plans to dispose of the property and it is anticipated that in the long term the value will rise.

On an historical cost basis, the freehold property would have been included at a cost and net book value of £2,276,920 (2011: £2,250,423).

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

9. INVESTMENTS

The Group

Unit Trust Investments

	2011 Market Value	Disposals	Additions	Realised gain in market value	Unrealised gain/(loss) in market value	2012 Market Value
	£				£	£
Birds in Trust Fund						
M&G Charibond	96,947	-	-	-	4,704	101,651
M&G Charifund	110,649	-	-	-	(1,982)	108,667
	<u>207,596</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,722</u>	<u>210,318</u>
General Funds						
Black Rock Charishare	141,937	-	-	-	(6,875)	135,062
JP Morgan UK Equity	119,853	-	-	-	(4,018)	115,835
	<u>261,790</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,893)</u>	<u>250,897</u>
All Funds	<u>469,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,171)</u>	<u>461,215</u>

The Charity

Unit Trust Investments as above

Shares in Group Undertaking

BTO Services Ltd – cost at 1 April 2011 and 31 March 2012	100
	<u>461,315</u>

The Trust owns 100% of the ordinary share capital of its subsidiary undertaking, BTO Services Ltd, which is incorporated in England & Wales. This company operates to promote the work of The British Trust for Ornithology by undertaking activities designed to raise funds in support of such work. The aggregate value of share capital and reserves at 31 March 2012 was £100 (2011: £100) and the company reported a nil profit or loss (2011: nil) for the financial period. The value of the Charity's investments in the subsidiary undertaking under the equity method of valuation is £100 (2011: £100). £517,496 (2011: £408,758) was paid to the Charity under Gift Aid.

The following is a summary of the subsidiary's results for the year:

	2012 £	2011 £
Turnover	1,232,648	1,002,723
Cost of sales	<u>(685,611)</u>	<u>(555,731)</u>
Gross profit	547,037	446,992
Net operating expenses	<u>(29,541)</u>	<u>(38,234)</u>
Net profit before payment under Gift Aid	<u>517,496</u>	<u>408,758</u>

Turnover includes sales to overseas markets of £40,185 (2011: £41,210)

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

10. STOCKS	2012	2011
	£	£
The Group		
Finished goods and goods for resale	<u>136,971</u>	<u>118,558</u>

The Charity

The charity itself does not hold trading stock.

11. DEBTORS	2012	2011
	£	£
The Group		
Trade and contract debtors	625,888	404,581
Taxes recoverable	131,589	144,058
Prepayments	62,924	66,621
Accrued income	151,175	126,667
	<u>971,576</u>	<u>741,927</u>

	2012	2011
	£	£
The Charity		
Trade and contract debtors	326,019	189,876
Amounts due from Group undertakings	429,191	351,381
Taxes recoverable	131,589	144,058
Prepayments	60,334	66,354
Accrued income	151,175	126,667
	<u>1,098,308</u>	<u>878,336</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

12. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
The Group		
Trade creditors	209,175	188,935
Taxes and Social Security costs	184,529	141,751
Other creditors	49,892	56,294
Accruals and deferred income	1,229,593	958,002
	<u>1,673,189</u>	<u>1,344,982</u>

	2012	2011
	£	£
The Charity		
Trade creditors	202,877	159,648
Taxes and Social Security costs	159,664	115,651
Other creditors	46,121	44,463
Accruals and deferred income	1,193,740	893,790
	<u>1,602,402</u>	<u>1,213,552</u>

13. CREDITORS – AMOUNTS FALLING DUE AFTER ONE YEAR

	2012	2011
	£	£
The Group		
Deferred income	22,350	23,485
	<u>22,350</u>	<u>23,485</u>

	2012	2011
	£	£
The Charity		
Deferred income	22,350	23,485
	<u>22,350</u>	<u>23,485</u>

14. DEFERRED INCOME RECONCILIATION

	Group	Charity
	£	£
Balance as at 1 April 2011	961,373	900,161
Amount released to incoming resources	(809,053)	(761,921)
Amount deferred in year	1,082,523	1,063,750
Balance as at 31 March 2012	<u>1,234,843</u>	<u>1,201,990</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

15. UNRESTRICTED FUNDS

The income funds of the charity include unrestricted funds comprising the following balances:

	Balance 1/4/11 £	Incoming Resources £	Expenditure £	Other Gains /(Losses) £	Transfers £	Balance 31/3/12 £
General Funds	154,490	3,938,923	4,053,952	(1,499,902)	247,891	(1,212,550)
Birds in Trust Fund	1,610,760	235,618	135,658	2,722	(489,459)	1,223,983
	<u>1,765,250</u>	<u>4,174,541</u>	<u>4,189,610</u>	<u>(1,497,180)</u>	<u>(241,568)</u>	<u>11,433</u>

The Birds in Trust Fund is to provide long-term funding for BTO projects. Income from legacies is credited to this fund unless the will provides otherwise. £190,491 was transferred to the Atlas Fund and £58,379 to the Out of Africa Fund in support of their respective projects.

16. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following balances of donations and appeal monies given for specific purposes:

	Balance 1/4/11 £	Incoming Resources £	Expenditure £	Transfers £	Balance 31/3/12 £
Atlas Appeal	20,399	73,256	284,146	190,491	-
Dilys Breese Fund	146,613	2,404	17,019	(284)	131,714
Boddy & Sparrow Fund	1,817				1,817
House Sparrow Appeal	7,283	34			7,317
Migration Fund	2,045	1,378		(3,423)	-
Nightingale Appeal	5,275	120,934	61,938		64,271
Swallow Appeal	5,787	168			5,955
Young Scientists Fund	26,858	15,000	10,781	(4,500)	26,577
Out of Africa Fund	-	66,640	124,243	61,802	4,199
Thrush Fund	-	23,990	2,100		21,890
BTO Wales Fund	8,790	72,460	55,538		25,712
Ringers Bursary	25				25
Thorne Ringing	8,030		1,467		6,563
GBHi New Year Bird Count	3,832				3,832
Shearwood Ringing	571			(571)	-
Opal Grant	-	4,660	636	(1,947)	2,077
	<u>237,325</u>	<u>380,924</u>	<u>557,868</u>	<u>241,568</u>	<u>301,949</u>

The purposes of the funds are as follows:

The Atlas Appeal is for the 2007-11 Bird Atlas. £190,491 was received from Birds in Trust.

The Dilys Breese Fund is for projects relating to nesting birds. £284 was transferred to general funds for costs relating to the annual awards.

The Boddy & Sparrow Fund is for awards to the best amateur contribution(s) to either or both of the *Bird Study* and *Ringing & Migration* publications.

The House Sparrow Appeal is to fund work on House Sparrows.

The Migration Fund is a bequest to promote the Migration Atlas and the BTO to as wide a range of people as possible. £3,423 was transferred to the Out of Africa Fund in respect of migration projects.

The Nightingale Appeal is to fund work on Nightingales and woodland birds.

The Swallow Appeal is to fund work on Swallows and migration.

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

16. RESTRICTED FUNDS (Continued)

The Young Scientists Fund is to support the career development of young scientists. £4,500 was transferred to General Funds, with the donor's consent, to support the development of PhD students.

The Out of Africa Fund is to fund work on African migrants. £58,379 was transferred from Birds in Trust and £3,423 from Migration Funds to support project costs.

The BTO Wales Fund is to support a BTO presence in Wales.

The Thrush Fund is to fund work on Thrushes.

The Ringers Bursary fund is to support ringing.

The Thorne Ringing donation is to support ringing.

GBHi New Year Bird Count is to support garden bird health research.

The Shearwood Ringing donation is to support ringing. £571 was transferred to General Funds in respect of BTO ringing projects.

The Opal Grant is to support the training of volunteers. £1,947 was released to General Funds in respect of capitalised equipment.

17. ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

	Fixed Assets	Investments	Current Assets less Total Liabilities	Pension Scheme Deficit	Total Assets
	£	£	£	£	£
Unrestricted Funds					
General Funds	1,176,626	250,897	(139,073)	(2,501,000)	(1,212,550)
Birds in Trust Fund	-	210,318	1,013,665	-	1,223,983
	<u>1,176,626</u>	<u>461,215</u>	<u>874,592</u>	<u>(2,501,000)</u>	<u>11,433</u>
Restricted Funds	-	-	301,949	-	301,949
Total	<u>1,176,626</u>	<u>461,215</u>	<u>1,176,541</u>	<u>(2,501,000)</u>	<u>313,382</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2012

18. PENSIONS

Group Personal Pension Scheme

The Trust's defined benefit pension scheme was closed to new members on 1 December 2002, and new members of staff since that date have been offered a group personal pension scheme run by Aviva. Employees decide their own contribution rates, and the Trust makes an employer's contribution on a sliding scale. The Trust made total contributions of £98,145 (2011: £98,964) to staff personal pensions during the year.

Defined Benefit Scheme

The defined benefit scheme continues for the benefit of existing members and is based on an accrual rate of 1/60th of final pensionable pay for each completed year of service. The assets of the scheme are held separately from those of the Trust, being invested by the trustees in managed funds. The contribution rate, expressed as a percentage of pensionable salary, paid by the Trust during the year ended 31 March 2012 was 11.6% plus 2.1% for insured benefits. Employees contributed 7%.

Triennial Actuarial Valuation

A full actuarial valuation of the scheme was carried out as at 1 April 2009. The assets of the scheme at this date were valued at £3,222,000, and the technical provisions (liabilities) at £5,359,000, giving a shortfall of £1,336,000 and an ongoing funding level of 60%. A deficit recovery plan was subsequently agreed between Council and the pension fund trustees, by which the shortfall would be made good by lump sum contributions spread over a ten year period. The first contribution of £250,000 was paid into the scheme in May 2010, and the second, of £198,000 in May 2011. An interim valuation was carried out as at 1 April 2011, and this showed assets of £5,690,000 and technical provisions of £7,162,000, giving a shortfall of £1,472,000 and a funding rate of 79%.

FRS17 Valuation

Financial Reporting Standard 17 – Retirement Benefits (FRS17) requires the following disclosures, for which a valuation was carried out as at 31 March 2012.

Principal Assumptions

	2012	2011	2010
Discount rate	5.00%	5.60%	5.50%
Rate of increase in pensionable salaries	4.20%	4.40%	4.50%
Rate of increase in pensions in payment	3.65%	3.65%	3.50%
Rate of increase in pensions in deferment	3.20%	3.40%	3.50%
Inflation assumption	3.20%	3.40%	3.50%
Average life expectancy, after retirement at age 65:	2012	2011	2010
	No of years	No of years	No of years
Male - as at the valuation date	23.1	23.0	22.9
Male - retiring in 20 years' time	25.9	25.8	25.6
Female - as at the valuation date	24.3	24.3	24.2
Female - retiring in 20 years' time	26.3	26.3	26.2

Assets of the Scheme and expected rates of return

	2012		2011		2010	
	Expected long-term rate of return	Value £	Expected long-term rate of return	Value £	Expected long-term rate of return	Value £
Bonds	3.90%	2,186,000	5.60%	1,631,000	5.50%	747,700
Equities	8.00%	3,918,000	8.00%	3,934,000	8.00%	3,878,600
Cash	2.00%	46,000	2.00%	125,000	2.00%	119,000
		<hr/>		<hr/>		<hr/>
		6,150,000		5,690,000		4,746,000
Present value of scheme liabilities		(8,651,000)		(7,282,000)		(6,887,000)
Deficit of scheme		<hr/>		<hr/>		<hr/>
		(2,501,000)		(1,592,000)		(2,141,000)

The British Trust for Ornithology
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For the Year Ended 31 March 2012

18. PENSIONS (Cont'd)

Analysis of amount charged to the Statement of Financial Activities under FRS17	2012 £	2011 £
Service cost	224,000	229,000
Past service cost	-	-
Total operating charge	<u>224,000</u>	<u>229,000</u>
Expected return on pension scheme assets	(422,000)	(373,000)
Interest on pension liabilities	<u>420,000</u>	<u>392,000</u>
Net interest cost	(2,000)	19,000
	<u>222,000</u>	<u>248,000</u>

Under the projected unit method, the current service cost will increase as the members of the scheme approach retirement.

History of Experience Gains and Losses

	2012	2011	2010	2009	2008
Difference between expected and actual return on assets:					
amount £	(307,000)	114,000	1,133,000	(1,396,000)	(650,000)
% of scheme assets	(5.0%)	2.0%	23.9%	(43.6%)	(15.8%)
Experience gains and losses on scheme liabilities:					
amount £	78,000	(76,000)	48,000	(117,000)	30,000
% of scheme liabilities	0.9%	(1.0%)	0.7%	(2.6%)	0.6%
Changes in assumptions underlying scheme liabilities:					
amount £	(834,000)	300,000	(2,001,000)	984,000	855,000
Actuarial (loss)/gain					
amount £	(1,063,000)	338,000	(820,000)	(529,000)	235,000
% of scheme liabilities	(12.29%)	4.64%	(11.91%)	(11.81%)	4.87%

Movement in deficit during year

	2012 £	2011 £	2010 £
Deficit in scheme at 1 April 2011	(1,592,000)	(2,141,000)	(1,276,000)
Movement in year:			
Current service charge	(224,000)	(229,000)	(118,000)
Contributions	376,000	459,000	162,000
Past service costs	-	-	-
Net interest cost	(420,000)	(392,000)	(310,000)
Expected return on assets	422,000	373,000	221,000
Actuarial gain/(loss)	(1,063,000)	338,000	(820,000)
Deficit in scheme at 31 March 2012	<u>(2,501,000)</u>	<u>(1,592,000)</u>	<u>(2,141,000)</u>

**The British Trust for Ornithology
Supporters
For the Year Ended 31 March 2012**

We are very grateful for the generous support that we have received, both in time and money, in the past year. In addition to members and other fieldworkers, there are many other individuals and companies who support the work of the BTO with financial contributions. The Trust is particularly pleased to acknowledge the following Corporate Members and other supporters.

Corporate Membership 2011/12

Anglia Sports & Schoolwear Ltd, Anglian Water, Ark Wildlife, R & E Bamford Ltd, Biotrack Ltd, Bird Box Cameras Ltd, BirdGuides, Birdseye, The BirdTable Ltd, Carl Zeiss Ltd, EDF Energy, Ernest Charles, Essex & Suffolk Water, Gardenature, Gardman Ltd, Grant Arms Hotel, Heatherlea, John E Haith Ltd, Jacobi Jayne & Co, Nature Counters, Northumbrian Water, Opticron, Paddocks Farm Partnership, Park Hill Nurseries & Garden Centre Ltd, Porzana, Scarecrow Bio-Acoustic Systems Ltd, Swallowtail Print, Swarovski UK Ltd, Syngenta, Tendley Quarries Ltd, Thames Water Utilities Ltd, Unilever R & D Colworth.

Trusts 2011/12

A S Butler Charitable Trust, The H B Allen Charitable Trust, British Birds Charitable Trust, The Benham Charitable Settlement, The Cecil Pilkington Charitable Trust, The Child-Beale Trust Estate, The Downton Banister Trust, The E G & M A Bousfield Charitable Trust, The Esmée Fairbairn Foundation, The Harris Charitable Trust, The William Haddon Charitable Trust, The Marsh Christian Charitable Trust, Lord Medways Charitable Trust, The Mercers' Charitable Foundation, The Mijoda Charitable Trust, The Mitchell Trust, The Overwood Trust, The Slater Foundation, The Tasso Leventis Foundation, The Emily Weircroft Charitable Trust, J & J R Wilson Charitable Trust, The Udimore Charitable Trust, The Wetland Trust, The Whaites Charitable Fund.

Legacies 2011/12

Yvonne Mary Rose Bishop, Barbara Ann Carver, Marion Catton, William John Farley-Hills, Kathleen Joyce Francis, Gloria Griffiths, James Bruce Henry, Vera Winifred Lingley, Mrs M Phippen, Gwendoline Anne Read, Gladys Helen Roscoe, Trevor Beresford Silcocks, Joan Eunice Smith, Joseph Alfred Soddy.

In memoriam 2011/12

Douglas Eric Barker, Philip Cooper, Stephen Hilo Davies, Dr Jim Fowler, Dale Berenice Hanmer, William Hardiman, Leslie John Hodgetts, Hazel Johnson, Brian Jones, Robert James Kirk, Betty Ailsa Moore, Mary Nelder, Mrs M Phippen, Graeme Noel Taylor, Ruth Wootton, James Arthur Waller, Bernard Wright.

Funders of BTO Work 2011/12

AEWA (African-Eurasian Waterbird Agreement); Agriculture & Horticulture Development Board; Anglian Water Group; APEM Ltd; Bayer CropScience; BBC Wildlife Fund; BiOD Ltd; BirdLife International; Birdseye Wall's Ltd; BirdWatch Ireland; Black & Veatch Ltd; Boughton Woodlands; Breckland Council; Broads Authority; Butterfly Conservation; Cambridge Conservation Initiative; Cardiff Harbour Authority; CEFAS; Centre for Ecology & Hydrology; Coombe Farm; Co-Operative Society; Countryside Council for Wales; Country Innovation; COWRIE (Collaborative Offshore Wind Research Into The Environment); Crown Estate; Department of the Environment, Food and Rural Affairs; Department of Energy and Climate Change; DHI Water & Environment; Dstl; EDF Energy; Emap Active Ltd (Bird Watching Magazine); Environment & Heritage Service in Northern Ireland; Environment Agency; Environment Wales; ESRC; Essex & Suffolk Water; FERA; Forewind Ltd; Forestry Commission; Forestry Commission Scotland; Forest Research; Foster & Partners; Gardman Ltd; Jacobi Jayne & Company; Joint Nature Conservation Committee (on behalf of Countryside Council for Wales, Natural England, Scottish Natural Heritage and the Environment and Heritage Service in Northern Ireland); The Leverhulme Trust; Make Architects; Manor House Estates; MOD; National Forest; Natural England; NERC; NJ Division of Fish & Wildlife; NIEA; Norfolk Ornithologist's Association; Normandeau Associates; North East Yorkshire Ecological Data Centre; Northumbrian Water Ltd.; Opticron; Origin Energy; People's Trust for Endangered Species; Perth & Kinross Quality of Life Trust; Rothamsted Research; Royal Society for the Protection of Birds; RSWT; RWE nPower Ltd; Scottish Coal; Scottish Government; Scottish Natural Heritage; Scottish Raptor Study Group; Scottish Renewables; Serco Ltd; Snowdonia National Park; OPAL Grants Scheme; SOC; Stanny House Farm; State of Delaware (DNREC); Swarovski UK Ltd (Swarovski Optik); Syngenta; Tasso Leventis Foundation; Unilever Ice Cream & Frozen Foods; Unilever Research; University of Cambridge; University of East Anglia; University of Edinburgh; US Fisheries & Wildlife; Welsh Government; Wildfowl & Wetlands Trust; Wildlife Trust; Zoological Society of London.