



**79th
Annual Report
& Accounts
2012/13**

Draft of 2 July 2013

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
2013**

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	2009-2013
<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
	Prof A D Fox	2013-2016
	Professor R W Furness	2011-2014
	Mrs M P Henton	2011-2014
	Ms F M Hurst	2013-2016
	Dr H Insley	2012-2015
	Professor I P F Owens	2012-2015
	Dr A M Whitbread	2010-2013

Vice Presidents	Professor T R Birkhead	2013-2020
	Dr P Jones	2006-2013
	Professor J O'Halloran	2011-2018
	C Packham	2010-2017
	Dr H P Sitters	2007-2014
	Professor A R Watkinson	2012-2019

Regional Network Committee

Chairman Dr R J Harris; K F Betton; M F Brown; C W Dee; R J Haycock; A Heavisides; Dr H Insley.

Ringing Committee

Chairman Dr K W Smith; R du Feu; B D Briggs; J D Fletcher; Professor R W Furness; Dr M V Hounsome; C Mitchell; Dr D Sheehan; C P Wearn.

Management

Director Dr A Clements; *Director of Communications* G F Appleton; *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 2013)

DIRECTOR: Dr Andy Clements

PA to the Director – Nicki Read

SCIENCE

BTO SCOTLAND

COMMUNICATIONS

Ecological Change Group		Modelling & Demography Group		BTO SCOTLAND		COMMUNICATIONS	
Science Director <i>Senior Secretary</i> <i>Secretary</i>	Prof Rob Fuller as PA to Director Maria Knight	Science Director <i>Senior Secretary /</i> <i>Group Administrator</i> <i>Secretary P/T</i>	Dr Stephen Baillie Vacant Hazel Evans	<i>Senior Research Ecologist /</i> <i>Head of BTO Scotland P/T</i> <i>Senior Secretary P/T</i>	Dr Chris Wernham Rebecca Cranston	Director <i>Senior Secretary P/T</i> <i>Secretary</i>	Graham Appleton Sam Rider as Res. Sppt. Administrator Services
<i>Principal Ecologist – Monitoring</i> <i>Senior Research Manager</i>	Dr David Noble as Head of Monitoring	<i>Principal Ecologist –</i> <i>Climate Change</i> <i>Principal Ecologist – Modelling</i> <i>Senior Research Manager</i> <i>Research Ecologist</i>	as Head of Population Ecology & Modelling Dr Rob Robinson as Head of Demography Dr Cat Morrison	<i>Senior Research Ecologist P/T</i> <i>Data and Admin. Officer</i> <i>Development Coordinator</i> <i>Fieldwork & Training Coordinator</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i>	John Calladine Anne Carrington-Cotton Dr Ben Darvill James Bray Dr Mark Hulme Dr Liz Humphreys Dr Andrew Dobson	Membership & Volunteer Engagement <i>Head</i> <i>Membership Administrator</i> <i>Asst. Membership Administrator</i> <i>Training Officer/BTO News Editor</i>	Dr Ieuan Evans Chris Morley Sam Graham Su Gough
Monitoring <i>Head</i> Atlas & Census <i>National Survey Co-ordinator</i> <i>Projects Co-ordinator</i> <i>BirdTrack Organiser</i> <i>BBS Organiser</i> Atlas Org. – Scotland P/T Wetland Bird Survey <i>WeBS Low Tide Count Org.</i> <i>WeBS C Count Organiser</i> <i>WeBS Counter Network Org P/T</i> <i>Research Ecologist</i>	Dr Andy Musgrove Dawn Balmer John Marchant Nick Moran Kate Risely Bob Swann Neil Calbrade Dr Chas Holt Heidi Mellan Dr Veronica Mendez	Demography <i>Head</i> <i>Research Ecologist</i> <i>Research Officer</i> <i>Secretary</i> Ringing Licensing and Sales <i>Licensing and Sales Manager</i> <i>Ringing Sales Officer P/T</i> Ringing Data Management <i>Ringing Data Manager P/T</i> <i>Recoveries Officer</i> <i>Ringing Database Officer P/T</i> <i>Recoveries Officer</i> <i>Ringing Officer</i> Demographic Monitoring Projects <i>Senior Research Ecologist</i> <i>Nest Records Organiser</i> <i>Demographic Surveys Org.</i>	Jacquie Clark Dr Daria Dadam Mark Grantham Jane Waters Jez Blackburn Anne Trehwitt Bridget Griffin Lee Barber Dr Dorian Moss Diana de Palacio Sabine Schäfer Dr Dave Leech Carl Barimore Allison Kew	BTO CYMRU		Marketing <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 & Marine Research <i>Principal Ecologist & Head</i> <i>Senior Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i> <i>Research Manager</i> <i>Research Officer</i>	Dr Niall Burton Dr Graham Austin Dr Aonghais Cook Dr Viola Ross-Smith Dr Chris Thaxter Dr Lucy Wright David Still	Population Ecology & Modelling <i>Head</i> <i>Senior 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 Dario Massimino Dr Blaise Martay Dr Nancy Ockendon	<i>Senior Ecologist P/T</i> <i>Development Coordinator</i>	Dr Rachel Taylor Kelvin Jones	Garden Ecology <i>Head</i> <i>GBW Administrator</i> <i>GBW Assistant P/T</i> <i>GBW Assistant P/T</i> <i>GBW Development Officer</i>	Mike Toms Heather Pymar Donna Hobbs Nicky Ward Dr Tim Harrison
Land-use Research <i>Principal Ecologist & Head</i> <i>Senior Research Ecologist</i> <i>Research Ecologist</i> <i>Research Ecologist</i>	Dr Gavin Siriwardena Dr Simon Gillings Dr Greg Conway Dr Kate Plummer	Information Systems <i>Joint Heads</i> <i>Computer Support Officer</i> <i>Database Officer</i> <i>Database Developer</i> <i>Oracle Database Developer</i> <i>Senior Systems Manager</i> <i>Software Developer</i> <i>Senior Software Developer</i> <i>Web Software Developer</i>	Dr Iain Downie, Karen Wright Lee Cadwell Bob Blogg Dr Andrew Joys Justin Walker Ian Yates Sam Marston Mark Hammond Warren Read	DEVELOPMENT		Fundraising <i>Head</i> <i>Fundraiser (Corporate & Trust)</i> <i>Supporter Development Officer</i> <i>Fundraising Secretary P/T</i>	Gary Conway Bonita Johnston Rachel Gostling as Snr. Sec. Communications
International Research <i>Principal Ecologist & Head</i> <i>Senior Research Ecologist</i> <i>Senior Research Ecologist</i>	Dr Phil Atkinson Dr Ian Henderson Dr Chris Hewson			SERVICES			
				Director <i>PA / Personnel Officer P/T</i>	Andrew Scott Sophie Foulger		
				Accounts & Facilities <i>Facilities / H&S Officer</i> <i>Financial Accounts Officer /</i> <i>Administration Supervisor</i> <i>General Sales Officer /</i> <i>Admin. & Finance Assistant</i> <i>Management Accountant</i> <i>Receptionist P/T</i> <i>Receptionist P/T</i> Information Services <i>Information Services Manager</i> <i>Librarian P/T</i> Research Support <i>Research Support Administrator</i> <i>Research Support Officer</i>	Sam Birch Mary Gray Sonya Calder Irene Bowles Christine Bloomfield Charmain Innes Dr Peter Lack Carole Showell Sandra Sparkes Emily Coleman		

**The British Trust for Ornithology
Council (Trustees') Report
For the Year Ended 31 March 2013**

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
B D Briggs	D C Milne (retired 31 December 2012)
N J Bucknell	Professor I Newton
Lt Col R C Dickey (retired 31 December 2012)	Professor S Ormerod (resigned 11 July 2012)
Professor A D Fox (appointed 1 January 2013)	Dr T J Osmond
Professor R W Furness	Professor I P F Owens
Dr R J Harris	Dr K W Smith
Mrs M P Henton	Baroness Young of Old Scone
Ms F M Hurst (appointed 1 January 2013)	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 2013**

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, data management and the final salary pension scheme. During the year the decision was taken to close the final salary scheme to future accrual with effect from 1 April 2013.

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 174,000 days of work in 2012.

Financial Review

This year's accounts were significantly affected by the decision to close the final salary scheme to future accrual, which resulted in a credit to operating expenditure from the FRS17 valuation of £1,111k. This gave an overall operating surplus of £1,155k. The surplus excluding the pension credit was £44k (2012: £192k deficit). The principal funding sources continued to be research & surveys (£2,183k), membership & communications (£1,141k), and trading and consultancy (including BTO Services Ltd turnover) (£764k). Appeals raised £400k, and £230k was received from legacies. A total of £4,212k was spent during the year on carrying out, supporting and communicating ornithological research.

There was a gain of £56k in the market value of investments, in line with the general rise in the stock market, but an actuarial loss of £468k in the pension scheme, due to continued weakening of bond yields.

Reserves

During the year the Trustees modified their unrestricted free reserves target to a range of 9 to 12 weeks' operating expenditure. These reserves are held against any unexpected falls in income or other unforeseen circumstances. Unrestricted funds excluding tangible fixed assets and the pension fund liability at 31 March 2013 totalled £1,325k, of which £56k is committed to existing BTO-funded projects, and £216k is earmarked for the 2013 pension deficit repair payment, leaving free reserves equivalent to 10.2 weeks' expenditure.

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 2013**

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 2012/13 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 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.*

(a) Monitoring

A full programme of long-term schemes 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 BirdTrends report (<http://www.bto.org/birdtrends>). The enhanced Upland Breeding Bird Survey monitoring resumed in spring 2012. Mammal recording continued as part of the BBS and WBBS schemes (as well as Garden BirdWatch (GBW)), whilst a fourth full season of fieldwork for a Wider Countryside Butterfly Survey was carried out by a combination of BBS and Butterfly Conservation volunteers.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

BTO led the Avian Population Estimates Panel in publishing (*British Birds*, February 2013) updated population estimates for all birds in Great Britain and the United Kingdom. These estimates were based largely on the monitoring schemes of the Trust, supplemented with external data sources as appropriate. 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. 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. Additionally, collaborative work with the Centre for Ecology & Hydrology (CEH) and other partners on non-native species in the UK continued.

Following the completion, in July 2011, of the fieldwork phase for the joint BTO, BirdWatch Ireland (BWI) and Scottish Ornithologists' Club (SOC) *Bird Atlas 2007-11* project, work during 2012-13 concentrated on the substantial task of data collation, validation and analysis. The writing and production of the Atlas book moved ahead strongly, towards an anticipated publication date in late 2013.

In spring 2012, a comprehensive survey of Nightingales was undertaken in England, whilst a new survey of chats (Stonechat, Whinchat, Wheatear) took place in Wales. The focus in winter 2012/13 was on a new large-scale Winter Thrushes Survey, aiming to collect information on numbers, distribution and habitat preferences of the five common thrush species wintering in the UK. Birds and other taxa in gardens continue to be monitored through GBW and the Garden Bird Feeding Survey, the latter of which celebrated the conclusion of its forty-third winter. A special GBW-led birds and berries survey was introduced to run alongside the Winter Thrushes Survey.

Major progress was made on developing an online wildlife recording system for habitat creation schemes and nature reserves. This project, the LivingMap, is being undertaken jointly with The Wildlife Trusts who will be implementing the system within their Living Landscape schemes and reserves. Development of the online systems for this project will continue until at least March 2014.

(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 goal of this work is to understand the demographic mechanisms responsible for large-scale changes in population size. This work is now underpinned by our Demographic Targeting Strategy which identifies a range of target species that are practical to monitor and representative of a wide range of ecological groupings. This will inform the development of the Trust's Ringing and Nest Record schemes over the next 5-10 years. A key aim of the Strategy is to facilitate the building of population models which integrate data from the Trust's various monitoring schemes. Over the course of the year, we have initiated a major piece of work (funded through the BTO/JNCC Partnership) to develop an analytical framework to enable us to do this. This framework rests largely on recent advances made in the application of Bayesian statistics which enable multiple datasets to be analysed simultaneously and allows better estimation of each of the parameters. This work builds on Blackbird models developed by Robinson *et al.* (*Journal of Ornithology* 152:S419-433, 2012), developing our understanding of the mechanisms of individual species population changes and facilitate comparison across species, hopefully allowing inference to be drawn on relating to wider environmental changes. This should help improve the information that we are able to provide in the BirdTrends report (<http://www.bto.org/birdtrends>).

Another major focus of our demographic work, in conjunction with the Wetland and Marine Team, during the year has been on seabirds. We completed a review for JNCC on strategies to improve the monitoring of survival rates of seabirds, in particular those identified as key marine indicator species by the JNCC's Seabird Monitoring Programme (Robinson & Baillie, *BTO Research Report 604*, 2012). We completed two pieces of research for JNCC looking at the feasibility of using breeding success of seabirds, generally, and Kittiwake, in particular, as an indicator of environmental status (Cook *et al.* *Ecological Indicators*, submitted). This is of particular relevance given the recent implementation of the Marine Strategy Framework Directive, and its requirement for environmental monitoring. We are working closely with the JNCC to see the indicators integrated into this process.

Long-term demographic and monitoring data are clearly important tools for documenting the impacts of climate change on bird populations. Two newly funded collaborative projects, described in the climate change section are relevant in this regard: BICCO-Net2 and SPACE 2. We also undertook a range of research on the population dynamics of particular species. For instance, in collaboration with P. Gullett and K. Evans (University of Sheffield) on the impacts of climate on Long-tailed Tit populations (Gullett *et al.* *Ecology & Evolution* 10.1002/ece3.558, 2013; Gullett *et al.* *Oikos* in press) and on Willow Warblers (University of East Anglia, J.A. Gill, Morrison *et al.* *Bird Study* 60, 2013).

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

2012 saw the publication of a number of papers, stemming from work involving the Garden Ecology Team. Two of these are of particular note; the first an update on the finch trichomonosis outbreak and the second concerning the emergence of a new form of avian pox in British Great Tits. Work started on a new Garden Wildlife Health project, being jointly operated by BTO, the Institute of Zoology, RSPB and Froglife and funded by the Esmée Fairbairn Foundation and Defra. The project is centred around a web application for the reporting of wildlife disease, coupled with the provision of best practice advice.

(c) Multi-scale habitat and environmental change studies

A broad range of projects in terrestrial ecology was conducted in 2012-13, building on existing BTO strengths in farmland bird research and working more in woodland, upland and urban systems, as well as broadening scope to include other taxa and ecosystem services. Farmland bird agri-environment research progressed significantly with a high-profile paper in the *Journal of Applied Ecology* (Baker *et al.*, 2012) that provided the first evidence of population benefits of 'broad-and-shallow' agri-environment management at the national scale. This was picked as the 'Editor's Choice' in the journal and is having high impact in the ongoing process of agri-environment scheme (AES) revision in England as the Common Agricultural Policy is reformed. Further bird AES research (a Defra-funded collaboration with CEH) is measuring the benefits of a new option involving direct supplementary feeding of birds. Finally, BTO review work underpins a recently launched online 'Bird Environmental Stewardship Tool' (BEST), which aims to provide evidence-based advice to farmers and land-managers for designing AES agreements to optimise benefits for birds. BTO is conducting the bird survey component of a major new environmental monitoring framework in Wales (funded by the Welsh Government), which is being led by CEH. This monitoring programme is unprecedented and aims both to monitor the effects of the Welsh AES, Glastir, and the broader state of the Welsh environment. Farmland work is also being broadened to encompass research into other taxa, namely bees, beetles, hoverflies, spiders, butterflies and plants, as well as the ecosystem services of pollination and crop pest control, in the BTO's part of the international 'FarmLand' BiodivERSA project (funded by Defra). This research aims to reveal the potential of crop heterogeneity to deliver the biodiversity and ecosystem services found in more complex landscapes without reducing agricultural productivity, which would be a major benefit in an era of increasing pressure on land-use. Parallel research is being conducted in France, Spain, Germany and Canada, providing a wide range of landscape types.

Another Defra-funded project broadening the BTO's taxonomic scope is examining the effects of street light changes on moth populations. Many local authorities are changing lights from the existing sodium types to much brighter LEDs, with different spectral ranges, which could have significant effects on wildlife. We are testing this, working with Birmingham University, using a combination of analyses of existing Garden Moth Scheme data, new fieldwork in Birmingham and experiments using a model system in Thetford Forest. Further urban work is examining the effects of urban form on the bird communities in Luton, Bedford and Milton Keynes, and the aesthetic benefits therefore accruing to people. This represents the BTO contribution to the Natural Environment Research Council's (NERC) Biodiversity and Ecosystem Service Sustainability (BESS) urban project (a collaboration with Cranfield, Essex and Sheffield Universities).

Work is ongoing with the University of East Anglia (UEA), in which BBS data are used to represent biodiversity in general in an integrated modelling framework considering social and economic drivers of land-use and their consequences. A paper describing the precursor work to this project, as contributed to the UK National Ecosystem Assessment (NEA), has recently been accepted for publication in *Science*, with Ian Bateman (UEA project leader) the lead author. In 2013, interim results from the project, including BTO models, are being incorporated into the new "NEA II".

A Defra project, following up 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, was completed and received positively by the Government's Advisory Committee for Releases into the Environment (ACRE). This constitutes the promotion of the potential value of BTO survey data (as well as other existing monitoring efforts) to new audiences, notably those concerned with proactive risk management in environmental monitoring.

The major Defra and Forestry Commission-funded research project on the effects of woodland management and deer on birds is entering its final stages and will report in the current financial year. Bird data were collected by BTO and RSPB in the 2012 breeding season, along with detailed habitat information both from the bird fieldworkers and from novel ground-based LiDAR surveys conducted by Nottingham University. The latter produce 3-D images of vegetation structure, allowing the extraction of accurate, detailed measures of vegetation density and its heterogeneity, which will provide new insights. Further BTO field surveys have also covered upland conifer systems in Scotland and Wales. The project is entering the data analysis stage in summer 2013 and will report in the autumn.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

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. The three-year work programme uses nest cameras, nest temperature loggers and systematic direct observations to quantify predation rates and the relative influences of different predators. The aims are to assess the effects of predation (including the contributions by hedgehogs and other predators) on the different wader species and within different habitats and land uses, to inform ongoing management of machair and predators in order to conserve the breeding wader assemblage.

The BTO research on Ministry of Defence land has continued. Investigations of the nesting behaviour of Stone Curlews in respect of possible disturbance from increases in road traffic and from 'energetics' (explosion) testing, using nest cameras, have been completed and the final report has been submitted. On Salisbury Plain, BTO is investigating Whinchat survival and productivity with respect to habitats and territory density, as part of a PhD study with Lancaster University. A spatial analysis of habitat selection and breeding success, in collaboration with CEH (who have detailed land-use data) is also planned. Other PhD projects relate to analyses of Countryside Survey 2000 bird and habitat data (with CEH and Newcastle University), the effects of farmland habitat structure on bird diet, using new genetic techniques (with Cardiff University) and Whinchats on Salisbury Plain (see above).

Peer-reviewed papers were published in the journals *Auk* and *Forest Ecology & Management*. These reported on the habitat relationships of birds in woodland that had been heavily impacted by deer browsing. A review of the status and habitat requirements of the Nightingale was published in *British Birds*. In autumn 2012 a major book was published by Cambridge University Press on *Birds and Habitat: Relationships in Changing Landscapes*; this was edited by one of the BTO's science directors.

(d) Climate change

Two new significant externally-funded projects on documenting climate-change impacts started in 2012/13. The first, BICCO-Net2, funded by Defra, NE, SNH and CCW (now NRW), is a BTO-led consortium project that collates and analyses long-term monitoring data across a wide range of taxonomic groups, from invertebrates to birds, to understand the effect of climate change on species' populations. It is extending previous work to include freshwater habitats, and also to consider how the response of populations to variation in these weather variables is influenced by land-use and habitat quality, to enable us to separate the effect of climate change from other drivers of change. Secondly, BTO is involved in a NERC-funded CEH-led project focussed on documenting the impact of temperature on phenological changes across a range of taxa, and the extent to which divergent phenological trends may cause disjunction in the timing of biological events between species. In a component led by BTO and working with Rothamsted Research, we will test the extent to which such mismatch has a significant impact upon the breeding success of insectivorous birds. BTO made a significant input to a new Government-funded climate change report card, launched by Living With Environmental Change (<http://www.lwec.org.uk/resources/report-cards/biodiversity>), authoring three of 15 underpinning review papers, with a significant amount of material presented being based on BTO analyses of long-term monitoring data. Follow-up work from the Defra-funded CHAINSPAN project, funded by NE, to test the role of climate change in driving changes in the abundance of birds on SPAs, was used to determine whether observed population changes at individual sites may have been caused by local factors or climate change. In a CCI-funded piece of work, data from BBS between 1994 and 2009 were used to review the mechanisms underpinning the impact of climate change on natural populations.

A significant number of projects have also looked at informing adaptation. BTO was involved in three successful consortium projects funded by NE to examine various aspects of their conservation response to climate change. The first of these was a BTO-led consortium project to assess the risks and opportunities for species in England as a result of climate change. This involved running bioclimate model outputs for 4,000 species produced by York University through a published framework to assess the likely impact of climate change on those species, and then working with RSPB and CEH to identify potential adaptive conservation responses. Secondly, BTO conducted analyses for a CEH-led project on the role of landscape and site scale characteristics in making species populations resilient to climate change and extreme events, which involved bird and butterfly population responses to drought and severe winter events. Thirdly, BBS data were used to test the extent to which bird distribution may be influenced by microclimate, for a project led by Exeter University.

e) Migration and the ecology of migrants

Migration studies built on our use of innovative technologies. Working with partners in Ghana we extended research into habitat use by Nightingales, based on radio-tracking, by using geolocators to discover the summer breeding areas of birds from this population. Geolocators were also used in the UK, with continuing work on Swifts, Nightingales and Nightjars and a new study of Pied Flycatchers, supported by a range of generous funders. With the help of the Dulverton Trust we started a project to train a small number of experienced ringers to fit these devices.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

The Cuckoo migration project continued to be a success. Four of the five birds fitted with tags in 2011 made it back across the Sahara but poor spring weather conditions are likely to have contributed to the deaths of two birds in Spain and north Africa. A further 10 tags were fitted to birds in 2012 and there was higher autumn mortality, especially for English birds. All Welsh and Scottish birds moved SE to stage in Italy before moving to the Congo to winter. Many of the English birds, as last year, took the south-west route through Spain where there were severe drought conditions. None of these birds successfully crossed the Sahara. European collaborations are being built with teams at Lund University, the Natural History Museum in Copenhagen and in Germany and Belarus. The Cuckoo team was awarded the Marsh Award for Innovative Ornithology.

A paper analysing declines in British-breeding populations of Afro-Palaeartic migrant birds and linked them to bioclimatic wintering zone in Africa was published in *Bird Study* (Ockendon *et al.*, 2012). We also published a paper on spring fattening in migrants in West Africa, using data from the UK-led ringing expeditions in the 1990s, and two further papers from the PhD on Willow Warblers, which was jointly supervised with UEA. The first Willow Warbler paper used stable isotopes from feathers collected by ringers in three regions with differing population trends to attempt to link breeding and wintering areas and the second extended work on population change in Willow Warblers, looking at population trends in 19 resident, 12 short- and 15 long-distance migrant species. The consistently less favourable population trends in England, when compared to Scotland, among long-distance migrants and residents suggested that both breeding and non-breeding ground processes are affecting these species. It may be that the apparently poorer breeding conditions in England are exacerbating the impacts of the non-breeding season or the cost of long migrations, with these effects possibly being buffered in Scotland.

(f) Marine and wetland research and survey

During the past year, there was further development of the BTO's marine work programme, with a continuing focus on marine renewables. The BTO's pivotal role in the development of future working protocols for environmental assessment of offshore renewable energy, providing advice to the offshore wind industry and acting as secretariat for The Crown Estate's Strategic Ornithological Support Services (SOSS) work programme, came to a close in 2012. Outputs from the five projects looking into key ornithological issues relating to wind farm development funded through the programme have been published on the SOSS website, hosted by the BTO. On behalf of the Department of Energy and Climate Change (DECC), and in collaboration with the University of Amsterdam and the University of the Highlands and Islands, a third year of work has been completed on Lesser Black-backed Gulls and Great Skuas, using state-of-the-art GPS tags to assess potential connectivity between Special Protected Areas (SPAs) and wind farm development zones. The project has produced exceptionally high quality information about how birds use the offshore environment, throughout the year. Work from this project was presented at the BOU Marine Renewables and Birds conference in Peterborough in November (BTO staff played important roles in organising the event).

The BTO has also continued its work with Forewind Ltd to provide advice in relation to survey design and to undertake Environmental Impact Assessment work for projects for the Dogger Bank Round 3 Offshore Wind Farm Zone. In furtherance of our marine work programme, the BTO has completed reports on population and distributional indicators, as well as developing further indicators of Kittiwake breeding success and seabird breeding colony failure, in relation to the Marine Strategy Framework Directive. In collaboration with the Norfolk Ornithologists' Association we have reported on the monitoring potential of sea-watching data. A key paper on breeding seabird foraging ranges was published in a special issue of *Biological Conservation*.

BTO scientists have been actively engaged with JNCC and other partners of the national Seabird Monitoring Programme (SMP), providing research to help develop the SMP's strategic aims and supporting development of the next national Seabird Census. Review work for Defra's recent fish-eating birds licensing review has led to the publication of a paper providing improved population trends for Cormorants in *Bird Study* and an analysis of the potential spatial relationships between Cormorant population trends and culling in the *Journal of Ornithology*. A joint PhD project between BTO and UEA on the functional diversity of non-breeding wader communities on British estuaries, using WeBS data, was completed in 2012 and has already led to a paper in *Diversity and Distributions*. 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 CCW (now NRW), 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. BTO work on the cultural services provided by waterbirds (informed by WeBS data) in association with socio-economists from the University of St. Andrews and Queen's University, Belfast, is also underway.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

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.*

The BTO's website was further developed, with more attention being given to science in particular. Further use of videos enhanced training, engagement with surveys and scientific messaging. There is still significant work to do in order to provide a clear entry point for birdwatchers looking for information on bird species, with links to the excellent information that is already available, especially using BirdFacts, BirdTrack, BirdTrends and the enhanced Ringing Report.

The profile and use of the online bird recording system BirdTrack (BTO/RSPB/BWI/SOC/WOS) increased rapidly, especially in early 2013. A total of 3.1 million records were added during the period April 2012 to March 2013 (bringing the total to 18.5 million records). The main developments during the year were the launch of the BirdTrack App for smartphones (initially Android then later for iPhone), the expansion from birds to include dragonflies and, particularly, an entirely new home page which is much more data driven and allows anyone to explore the dataset themselves to a much greater degree than was previously possible. An injection of funds from a small number of BirdTrackers supported these new developments.

Another major initiative within BirdTrack during 2012-13 was in the area of international collaboration. In particular, staff visited our colleagues at the Cornell Lab of Ornithology in the USA to discuss a range of projects, especially BirdTrack and eBird. Following return visits from Cornell colleagues to the UK, we have now signed a Memorandum of Understanding with Cornell which looks towards the creation of an overarching global bird data collating system, that will combine data from BirdTrack, eBird and many other similar systems, to allow the widest possible use of all of our bird observation data. Work will start in 2013-14 towards making this vision a reality.

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

One of the focuses for Communications was to enhance internal processes in order to make better use of the mix of e-newsletter, news releases, Twitter and Facebook in order to expand our influence. Much of the social media work is undertaken by staff in their own time, for which we are most grateful.

Two major campaigns in 2012, one focusing on the forthcoming Atlas and the other on member-get-a-member, made this a very successful year, with a membership increase of 7% and the highest ever number of new recruits. The total membership at year end was 16,328. The increases in Scotland (12%) and Wales (12.5%) were particularly impressive. Retention Rate dropped in 2012; this was not completely unexpected given the significant increase in new recruits over the previous three years. More time and effort spent on our member contact strategy in 2013 should remedy this and put us in a strong position to grow our membership further.

The number of BTO Garden BirdWatch participants at 31 December 2012 was 14,844 – an increase of 395 (2.73%) on the previous year. Friends and relatives continue to play a key role in recruiting new participants, as does the Ambassador Network and Online. The number of enquiries for 2012 was 5,474, three times the figure for 2011. Much of this success was down to Springwatch and the Garden Berry Study.

The *Volunteer* magazine, which has replaced the March/April *BTO News* was mailed to all members and volunteers (50,000 supporters). The mailing was accompanied by a half-price membership offer to non-members and a pre-publication offer for Bird Atlas. Feedback indicates that the magazine is successfully meeting its aim of engaging and recruiting new surveyors.

BTO contributes to a Defra initiative to create the UK Biodiversity Indicator on Conservation Volunteering in the UK. The amount of time spent by volunteers in 2012 was estimated at 1.29 million hours – equivalent to employing 729 staff. A drop from 1.81 million hours (1,114 staff) provides a reminder of the effort that had been going into *Bird Atlas 2007-11* in previous years. The value of volunteer effort has dropped from £37 million to £26.1 million. For the first time, we have broken down data by country: England 1,047 thousand hours (£21.2 million), Scotland 133 (£3.1 million), Wales 66 (£1.3 million) and Northern Ireland 19 (£0.4 million)

The priorities for BTO Cymru over the year were to raise our profile in the principality and boost coverage of the BBS. Numerous events, talks and media appearances were organised and a bilingual newsletter produced and mailed to all supporters in Wales. BBS training courses were run, supplemented by four mentors who provided personalised one-to-one tuition. The result of this initiative was an impressive 22% increase in the uptake of BBS across Wales. The Wales Chat Survey was hindered by the extremely wet spring; it will run again during 2013 to boost coverage. 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), Natural Resources Wales (formerly CCW) and the Esmée Fairbairn Foundation.

**The British Trust for Ornithology
Council (Trustees') Report - Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

In Northern Ireland (NI) Shane Wolsey continues to represent the BTO, and is in the second year of his second three year contract, funded by Northern Ireland Environment Agency (NIEA). The NI regional conference on 10 November attracted 180 people – the largest number to date – and is now considered the most important annual bird meeting on the island of Ireland. A BTO NI Seabird Coordinator (NIEA funded) started in February on a part-time basis (30 days p.a.) to improve seabird data collection and reporting. BTO were awarded a second grant by Northern Ireland Environment Link to develop the Cockle Island Seabird Centre to enable live images of breeding terns and gulls to be viewed online, and for the BTO NI web pages to be greatly expanded. The Crown Estate has funded Natural Copeland, driven by BTO, to prepare a 5-year management plan for the Copeland Islands. Four BBS training days were delivered during February and March 2013.

During this period BTO Scotland engaged in a range of activities aimed at increasing membership, support and volunteering. This included attendance at the Scottish Birdfair (May) and Gardening Scotland (June). In October of 2012 a special reception was held in Edinburgh to thank members and supporters of the BTO in Scotland and to share ideas for future work. The Scottish Birdwatchers' Conference was held in March, in Edinburgh, with a Bird Atlas theme; a joint venture with the Scottish Ornithologists' Club. Preparations were made for the 'What's Up?' project, which aims to engage new audiences in upland recording. In parallel, the format and tone of public-facing communication channels such as the website and e-newsletter were revisited with the aim of appealing to a broader audience. Several face-to-face training events took place, including courses on bird identification, survey techniques and specific training for the BBS.

2012/13 was another busy year in the media. There were 91 radio and TV appearances in 2012 involving contributions by a minimum of 21 members of staff. Cuckoos featured strongly and we benefited once more from the excellent relationships that have been developed with the BBC Natural History, One Show and Springwatch teams. It is interesting to note that three of the most effective news releases were focused on garden birds. A particular success was the effort put in alongside BBC Springwatch, through the Big Garden Weigh-in, which attracted 2,200 new Garden BirdWatch enquirers.

The BTO e-newsletter continues to be a key tool for engaging supporters. During 2012 the e-news mailing list grew from 36,500 to 42,000 and our Twitter following doubled, bringing it to over 11,000. Our Twitter community is very active and engaged and this channel really proved itself during our member-get-a-member campaign. We also grew our presence on Facebook with over 7,500 fans by the end of 2012. Our YouTube channel continues to work well as an engagement tool; by the end of 2012 we had added 79 videos which had received over 190,000 views, with identification videos being particularly popular. Two blogs – the Demog Blog and the Migration Blog are regularly updated and are successful, both in terms of followers and in providing great content for our social media and web presence.

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.

Diversification of income was delivered through the development of a broader spectrum of funding streams and a more careful matching of 'asks' with 'interests', as highlighted below. These were the first tentative steps to develop the way that we talk to volunteers, new members and long-standing supporters, particularly by considering what their specific interests might be. At the start of the journey we now use *Volunteer* to deliver information on the breadth of the BTO's work to the full spectrum of our contacts. As people become more involved in different aspects of the Trust's work it will be possible to talk to people about species-related and survey-related projects for which funding is sought. The development of relationships with supporters is very important to the BTO. We want to give better feedback to volunteers, to broaden their involvement and to present more appropriate fundraising messages. We are constrained by the BTO's current database but aim to tackle this issue in 2013/14.

Legacy income in 2012/13 was slightly higher than in 2011/12, but still below the budgeted figure for the year. Increased individual giving made up the short-fall. An appeal for core funds was delivered to the Membership in autumn 2012, and attracted significant support. A total of £54,000 (plus Gift Aid) was received immediately and has been used to support development of BirdTrack, the launch of a new ringing-based project and further Nightingale research. A total of £14,000 (plus Gift Aid) per annum was also secured in Direct Debits, which will provide a stream of unrestricted income for years to come. A single donation of £10,000 will enable some atlas-based research to take place, and yet again we were grateful for a donation added to the Young Scientists' Fund.

Membership income is an increasingly important element of the funding for core work, such as the BTO's contributions to the JNCC partnership and the annual Heronries Survey, and we are grateful to people who choose to add regular donations to their monthly or annual subscriptions. The GBW subscription was increased from £15 to £17 in autumn 2012 but the retention rate and donation level appears to have been unaffected.

**The British Trust for Ornithology
Council (Trustees') Report – Continued
For the Year Ended 31 March 2013**

Achievements and performance (cont'd)

As we ended the financial year, it was agreed that we needed to further enhance the BTO's fundraising capability, especially to take on the challenges of addressing issues identified by *Bird Atlas 2007-11*, a drive to expand our online recording (especially via BirdTrack) and the continuing desire to set our own research priorities, as is the case for demography and migration studies.

Our close partnership with Gardman Ltd continues to develop and we acknowledge the huge support we receive from them for our work. Gardman own Ernest Charles, with whom we work closely in developing birdcare products, and, of course, our own BTO-branded sales items, which they distribute on our behalf, thereby providing significant cost savings for us.

Opticron supported our work this year by providing binoculars as membership incentives and sponsoring BTO clothing at the British Birdfair.

An agreement was signed with Harper Collins to work together on a set of book projects over the next few years. BTO Books is a complementary outlet for BTO messages, for which the main focus during the year was the design of *Bird Atlas 2007-11*, alongside discussions with groups who have asked BTO Books to publish their local atlases.

Research contracts remain the largest source of funding for the BTO, and there was a significant increase in the volume of contract work undertaken during the year. Contrary to expectations, the increase came in publicly-funded, rather than commercial, contracts.

5. *Achieve best practice and efficient governance and build staff morale through learning from results of three consecutive annual staff satisfaction surveys.*

We have started to benchmark BTO Council performance against the National Council for Voluntary Organisations' (NCVO) Good Governance Code. The results of the self-assessment process will be considered at Council during the current year. A key issue emerging from the third Charity Pulse staff attitudes survey was the desire to improve job satisfaction for scientists through better encouragement to undertake and publish peer-reviewed science. Working within the constraints of a tight budget and challenging financial climate, and therefore reliant on maintaining contract income, we have made progress in addressing this aim. There is an active programme of work to ensure a stronger scientific publishing effort, and cultural adjustments to encourage it.

Plans for future periods

We are in the final period of the BTO Strategy 2009-14, and are beginning to work on the organisation's strategic intent for the period 2015-2020. Much has changed in our world and in the external world since we last set our direction – we will have finished and published *Bird Atlas 2007-11* by the end of 2013, and we have had five years of working in a tough financially challenging climate – and we will review this context as we look forward. We will adjust our strategic science priorities in the light of the Government environmental policy agenda, and other emerging drivers, to ensure we continue to inform policies and decisions with high quality scientific information and evidence. We aim to minimise the impact of a tough Government spending round on levels of contract income, and continue to look for additional unrestricted income sources. We aim to extend the international reach of our work. The main priorities for the coming period are to:

1. Adjust strategic direction of high quality science programmes, maintaining our reputation in providing Government and other stakeholders with monitoring, population dynamics and modelling information; to publish *Bird Atlas 2007-11*, and develop exclusive and collaborative research through the Atlas research strategy; to undertake multi-scale habitat and environmental change studies incorporating ecosystem service research; to extend climate change research programmes; to expand international work through migration studies and services to contribute to monitoring global biodiversity; to improve targeting of our volunteer demographic effort; and to maintain marine and wetland research capability.
2. Extend our data, information and on-line services, through a larger constituency, and to broader taxa, and build our recognised capability with new technologies for data capture. We now have an active collaboration with the Cornell Lab of Ornithology, Ithaca NY USA and will make progress in building a facilitative platform to accept bird observational data at the global scale.
3. Continue to grow and broaden our membership and supporter base.
4. Continue to realise additional capacity in donor fundraising, and further develop corporate, trust and legacy giving.
5. Achieve best-practice governance and maintain good staff morale.

**The British Trust for Ornithology
Council (Trustees') Report – Continued
For the Year Ended 31 March 2013**

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
10 July 2013

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 2013 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 charitable company'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 (as amended). 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, the charitable company's 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.uk/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 2013 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 requirements of 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
Date:

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

The British Trust for Ornithology
Consolidated Statement of Financial Activities
for the Year Ended 31 March 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
General donations		78,976	77,737	156,713	75,412
Appeals		75,140	325,347	400,487	345,844
Legacies		230,106	-	230,106	214,867
		384,222	403,084	787,306	636,123
<i>Activities for generating funds:</i>					
Trading and consultancy		764,132	-	764,132	948,193
Royalties and copyright		119,529	-	119,529	123,189
Corporate membership and sponsorship		12,625	-	12,625	20,525
Other income		5,667	-	5,667	4,456
		901,953	-	901,953	1,096,363
<i>Investment income</i>	3	31,200	632	31,832	34,810
		1,317,375	403,716	1,721,091	1,767,296
Incoming resources from charitable activities:					
Membership and communications		1,141,291	-	1,141,291	1,111,264
Research and surveys		2,179,989	3,229	2,183,218	1,676,905
		3,321,280	3,229	3,324,509	2,788,169
Total incoming resources		4,638,655	406,945	5,045,600	4,555,465
Resources expended					
Costs of generating funds:					
Costs of generating voluntary income		128,276	45,349	173,625	141,893
Costs of activities for generating funds		575,330	-	575,330	711,430
		703,606	45,349	748,955	853,323
Charitable activities:					
Membership, volunteers and communications		1,166,497	6,079	1,172,576	1,400,249
Research and surveys		2,568,116	471,283	3,039,399	2,457,298
		3,734,613	477,362	4,211,975	3,857,547
Governance costs		40,536	-	40,536	36,608
Total resources expended	6	4,478,755	522,711	5,001,466	4,747,478
Defined benefit pension scheme closure	18	1,111,000	-	1,111,000	-
Net incoming/(outgoing) resources before transfers		1,270,900	(115,766)	1,155,134	(192,013)
Gross transfers between funds	15,16	(147,122)	147,122	-	-
Net incoming/(outgoing) resources before other recognised gains and losses	4	1,123,778	31,356	1,155,134	(192,013)
Gains/(losses) on investment assets for charity's own use	9	55,642	-	55,642	(8,171)
Loss on revaluation of tangible assets	8	-	-	-	(426,009)
Actuarial loss on pension scheme	18	(468,000)	-	(468,000)	(1,063,000)
Net movement in funds		711,420	31,356	742,776	(1,689,193)
Reconciliation of funds					
Total funds brought forward		11,433	301,949	313,382	2,002,575
Total funds carried forward		722,853	333,305	1,056,158	313,382

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.

**The British Trust for Ornithology
Consolidated Income and Expenditure Account
For the Year Ended 31 March 2013**

	Note	2013 £	2012 £
Income		5,013,768	4,520,655
Operating expenses		(3,890,466)	(4,747,478)
Excess of income over operating expenditure/ (operating expenditure over income)		<u>1,121,302</u>	<u>(226,823)</u>
Income from investments	3	<u>31,832</u>	<u>34,810</u>
Excess of income over expenditure / (expenditure over income) for the financial year		<u>1,155,134</u>	<u>(192,013)</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 2013

	Note	Group		Charity	
		2013 £	2012 £	2013 £	2012 £
Fixed assets					
Tangible assets	8	1,167,013	1,176,626	1,167,013	1,176,626
Investments	9	516,857	461,215	516,957	461,315
		<u>1,683,870</u>	<u>1,637,841</u>	<u>1,683,970</u>	<u>1,637,941</u>
Current assets					
Stocks	10	179,426	136,971	-	-
Debtors	11	1,340,308	971,576	1,473,629	1,098,308
Short-term deposits		1,600,537	1,700,633	1,600,537	1,700,633
Cash at bank and in hand		56,222	62,900	(10,347)	2,252
		<u>3,176,493</u>	<u>2,872,080</u>	<u>3,063,819</u>	<u>2,801,193</u>
Creditors:					
Amounts falling due within one year	12	<u>(2,013,701)</u>	<u>(1,673,189)</u>	<u>(1,901,127)</u>	<u>(1,602,402)</u>
Net current assets		<u>1,162,792</u>	<u>1,198,891</u>	<u>1,162,692</u>	<u>1,198,791</u>
Total assets less current liabilities		<u>2,846,662</u>	<u>2,836,732</u>	<u>2,846,662</u>	<u>2,836,732</u>
Creditors:					
Amounts falling due after one year	13	<u>(21,504)</u>	<u>(22,350)</u>	<u>(21,504)</u>	<u>(22,350)</u>
Net assets excluding pension scheme liability		<u>2,825,158</u>	<u>2,814,382</u>	<u>2,825,158</u>	<u>2,814,382</u>
Defined benefit pension scheme Liability	18	(1,769,000)	(2,501,000)	(1,769,000)	(2,501,000)
Net assets including pension scheme liability	17	<u>1,056,158</u>	<u>313,382</u>	<u>1,056,158</u>	<u>313,382</u>
Represented by:					
Restricted funds	16	333,305	301,949	333,305	301,949
Unrestricted funds	15	722,853	11,433	722,853	11,433
Total Funds	17	<u>1,056,158</u>	<u>313,382</u>	<u>1,056,158</u>	<u>313,382</u>

Approved by the Council and authorised for issue on 10 July 2013 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.

**The British Trust for Ornithology
Consolidated Cash Flow Statement
For the Year Ended 31 March 2013**

	Note	2013 £	2012 £
Reconciliation of changes in resources to net cash inflow from operating activities			
Net incoming/(outgoing) resources for the year	1,155,134	(192,013)	
Depreciation	8 46,761	58,843	
Loss on disposal of fixed assets	-	203	
Increase in debtors	11 (368,732)	(229,649)	
Increase in creditors	12,13 339,666	327,072	
Increase in stocks	10 (42,455)	(18,413)	
Difference between payments to defined benefit pension scheme and amount charged to expenditure	<u>(1,002,000)</u>	<u>44,000</u>	
Net cash inflow/(outflow) from operating activities		128,374	(9,957)
Cash flow statement			
Payments to acquire tangible fixed assets	8	(37,148)	(60,849)
Receipts on disposal of fixed assets		-	250
Pension deficit repair payment		(198,000)	(198,000)
Net decrease in short-term deposits		<u>100,096</u>	<u>173,445</u>
Net cash outflow		<u>(6,678)</u>	<u>(95,111)</u>

Analysis of short term deposits and cash	1 April 2012	Cash flow	Other non-cash changes	31 March 2013
	£	£	£	£
Cash at bank and in hand	62,900	(6,678)	-	56,222
Short term deposits	<u>1,700,633</u>	<u>(100,096)</u>	-	<u>1,600,537</u>
Net funds	<u>1,763,533</u>	<u>(106,774)</u>	-	<u>1,656,759</u>

Reconciliation of net cash inflow to movement in net funds	2013 £	2012 £
Decrease in cash in the year	(6,678)	(95,111)
Cash disinvested in short-term deposits	<u>(100,096)</u>	<u>(173,445)</u>
Change in net funds resulting from cash flows	<u>(106,774)</u>	<u>(268,556)</u>
Movement in net funds in the year	(106,774)	(268,556)
Opening net funds	<u>1,763,533</u>	<u>2,032,089</u>
Closing net funds	<u>1,656,759</u>	<u>1,763,533</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 2013**

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 surplus for the year of the parent company were £4,436,191 and £1,155,134 (2012: £3,840,313 and £(192,013)).

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 2013

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. A Pensions reserve fund has been created so that movements and balances relating to pension fund valuations can be separately identified. 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 scheme was closed to future accrual with effect from 1 April 2013. 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 British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

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 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	2013	2012
	£	£
Bank interest receivable	11,928	15,826
Dividends	19,904	18,984
	<u>31,832</u>	<u>34,810</u>

4. NET INCOMING/(OUTGOING) RESOURCES	2013	2012
	£	£
The surplus/(deficit) for the year is stated after charging:		
Auditor's remuneration:		
Audit services	17,600	16,200
Non audit services	-	1,500
Depreciation	46,762	58,843
Loss on disposal of fixed assets	-	203

5. STAFF COSTS	2013	2012
	£	£
Wages and salaries	2,711,262	2,599,575
Social security costs	229,311	220,902
Pension contributions and other pension costs	258,981	276,009
FRS17 charges	109,000	44,000
Total	<u>3,308,554</u>	<u>3,140,486</u>

The number of employees whose emoluments exceeded £60,000 fell within the following bands:	2013	2012
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

Pension contributions of £8,441 (2012: £8,406) were made in relation to one employee (2012: 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 18 (2012: 20) Council members as follows:

	2013	2012
	£	£
Travel & subsistence	<u>3,338</u>	<u>4,689</u>

There are no other related party transactions to disclose.

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

5. STAFF COSTS (continued)

Average numbers of staff and full time equivalent (FTE)

	2013		2012	
	No.	FTE	No.	FTE
Permanent posts	105	95.6	107	98.5
Seasonal fieldworkers	8	6.3	2	1.3
Total	113	101.9	109	99.8

6. TOTAL RESOURCES EXPENDED

	Direct costs £	Support costs £	2013 Total £	2012 Total £
Costs of generating funds				
Costs of generating voluntary income	129,012	44,613	173,625	141,893
Costs of activities for generating funds	468,207	107,123	575,330	711,430
Charitable activities				
Membership, volunteers & communications	965,392	207,184	1,172,576	1,400,249
Research & surveys	2,388,055	651,344	3,039,399	2,457,298
Governance	35,726	4,810	40,536	36,608
Support costs	1,015,074	(1,015,074)	-	-
Total resources expended	5,001,466	-	5,001,466	4,747,478

7. SUPPORT COSTS

	Premises £	IT & Office Services £	Human Resources £	Manage- ment & Finance £	2013 Total £	2012 Total £
Costs of generating funds						
Costs of generating voluntary income	5,723	16,332	5,408	17,150	44,613	40,671
Costs of activities for generating funds	13,740	39,215	12,987	41,181	107,123	140,751
Charitable activities						
Membership, volunteers & communications	26,575	75,846	25,118	79,645	207,184	327,632
Research & surveys	83,547	238,443	78,968	250,386	651,344	621,879
Governance	617	1,761	583	1,849	4,810	7,125
Total support costs	130,202	371,597	123,064	390,211	1,015,074	1,138,058

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 2013

8. TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Freehold Property	Furniture and Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost or valuation at 1 April 2012	1,100,000	235,066	423,574	122,185	1,880,825
Additions	7,445	7,285	22,418	-	37,148
Disposals	-	(7,506)	(20,755)	-	(28,261)
Revaluation	-	-	-	-	-
At 31 March 2013	<u>1,107,445</u>	<u>234,845</u>	<u>425,237</u>	<u>122,185</u>	<u>1,889,712</u>
Depreciation at 1 April 2012	-	217,338	372,161	114,700	704,199
Depreciation charge	-	11,492	30,299	4,970	46,761
Disposals	-	(7,506)	(20,755)	-	(28,261)
At 31 March 2013	<u>-</u>	<u>221,324</u>	<u>381,705</u>	<u>119,670</u>	<u>722,699</u>
Net book value at 31 March 2013	<u>1,107,445</u>	<u>13,521</u>	<u>43,532</u>	<u>2,515</u>	<u>1,167,013</u>
Net book value at 1 April 2012	<u>1,100,000</u>	<u>17,728</u>	<u>51,413</u>	<u>7,485</u>	<u>1,176,626</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. Additions since that date of £7,445 have been capitalised at cost. It was previously externally valued on 22 March 2006 at £1,400,000.

The Trustees discussed the condition and value of the freehold property at their meeting on 13 July 2013 and agreed that there had been no material change in either since the last external valuation in March 2012.

On an historical cost basis, the freehold property would have been included at a cost and net book value of £2,284,365 (2012: £2,276,920).

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

9. INVESTMENTS

The Group

Unit Trust Investments

	2012 Market Value	Disposals	Additions	Realised gain in market value	Unrealised gain in market value	2013 Market Value
	£				£	£
Birds in Trust Fund						
M&G Charibond	101,651	-	-	-	2,950	104,601
M&G Charifund	108,667	-	-	-	16,263	124,930
	<u>210,318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,213</u>	<u>229,531</u>
General Funds						
Black Rock Charishare	135,062	-	-	-	16,156	151,218
JP Morgan UK Equity	115,835	-	-	-	20,273	136,108
	<u>250,897</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,429</u>	<u>287,326</u>
All Funds	<u>461,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,642</u>	<u>516,857</u>

The Charity

Unit Trust Investments as above

Shares in Group Undertaking

BTO Services Ltd – cost at 1 April 2012 and 31 March 2013

100

516,957

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 2013 was £100 (2012: £100) and the company reported a nil profit or loss (2012: nil) for the financial period. The value of the Charity's investments in the subsidiary undertaking under the equity method of valuation is £100 (2012: £100). £403,115 (2012: £517,496) was paid to the Charity under Gift Aid.

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

	2013 £	2012 £
Turnover	1,012,524	1,232,648
Cost of sales	<u>(544,630)</u>	<u>(685,611)</u>
Gross profit	467,894	547,037
Net operating expenses	<u>(64,779)</u>	<u>(29,541)</u>
Net profit before payment under Gift Aid	<u>403,115</u>	<u>517,496</u>

Turnover includes sales to overseas markets of £22,470 (2012: £40,185)

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

10. STOCKS	2013	2012
	£	£
The Group		
Finished goods and goods for resale	<u>179,426</u>	<u>136,971</u>

The Charity

The charity itself does not hold trading stock.

11. DEBTORS	2013	2012
	£	£
The Group		
Trade and contract debtors	831,009	625,888
Taxes recoverable	161,569	131,589
Prepayments	68,941	62,924
Accrued income	278,789	151,175
	<u>1,340,308</u>	<u>971,576</u>

	2013	2012
	£	£
The Charity		
Trade and contract debtors	624,231	326,019
Amounts due from Group undertakings	340,099	429,191
Taxes recoverable	161,569	131,589
Prepayments	68,941	60,334
Accrued income	278,789	151,175
	<u>1,473,629</u>	<u>1,098,308</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

12. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
The Group		
Trade creditors	248,189	209,175
Taxes and Social Security costs	233,152	184,529
Other creditors	89,842	49,892
Accruals and deferred income	1,442,518	1,229,593
	<u>2,013,701</u>	<u>1,673,189</u>

	2013	2012
	£	£
The Charity		
Trade creditors	226,483	202,877
Taxes and Social Security costs	209,236	159,664
Other creditors	65,061	46,121
Accruals and deferred income	1,400,347	1,193,740
	<u>1,901,127</u>	<u>1,602,402</u>

13. CREDITORS – AMOUNTS FALLING DUE AFTER ONE YEAR

	2013	2012
	£	£
The Group		
Deferred income	21,504	22,350
	<u>21,504</u>	<u>22,350</u>

	2013	2012
	£	£
The Charity		
Deferred income	21,504	22,350
	<u>21,504</u>	<u>22,350</u>

14. DEFERRED INCOME RECONCILIATION

	Group	Charity
	£	£
Balance as at 1 April 2012	1,234,843	1,201,990
Amount released to incoming resources	(773,152)	(761,368)
Amount deferred in year	984,731	966,729
Balance as at 31 March 2013	<u>1,446,422</u>	<u>1,407,351</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

15. UNRESTRICTED FUNDS

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

	Balance 1/4/12 £	Incoming Resources £	Expenditure £	Other Gains /(Losses) £	Transfers £	Balance 31/3/13 £
General funds	1,288,450	4,393,977	4,249,538	36,429	(220,843)	1,248,475
Pensions reserve	(2,501,000)	-	(1,002,000)	(468,000)	198,000	(1,769,000)
Birds in Trust fund	1,223,983	244,678	120,217	19,213	(124,279)	1,243,378
	<u>11,433</u>	<u>4,638,655</u>	<u>3,367,755</u>	<u>(412,358)</u>	<u>(147,122)</u>	<u>722,853</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. £89,796 was transferred to the Atlas Fund, £10,738 to the Thrush Fund and £23,745 to the Out of Africa Fund in support of their respective projects. £15,871 was transferred from general funds to the Thrush Fund in respect of the Christmas Raffle and £20,000 was transferred from general funds to the Out of Africa Fund in support of their respective projects. £198,000 was transferred from general funds to the Pensions reserve in respect of the pension deficit repair payment.

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 1/4/12 £	Incoming Resources £	Expenditure £	Transfers £	Balance 31/3/13 £
Atlas Appeal	-	68,597	145,893	89,796	12,500
Dilys Breese Fund	131,714	2,342	7,002	-	127,054
Boddy & Sparrow Fund	1,817	-	-	-	1,817
House Sparrow Appeal	7,317	8	7,325	-	-
Nightingale Appeal	64,271	41,006	83,827	-	21,450
Swallow Appeal	5,955	159	-	-	6,114
Young Scientists' Fund	26,577	16,000	19,577	-	23,000
Out of Africa Fund	4,199	125,698	132,654	43,745	40,988
Thrush Fund	21,890	12,635	61,134	26,609	-
BTO Wales Fund	25,712	77,713	48,945	(12,000)	42,480
BirdTrack Fund	-	53,750	8,597	-	45,153
Ringers' Bursary	25	1,487	1,354	-	158
Thorne Ringing	6,563	7,500	1,472	-	12,591
Jean Clark Migration	-	50	50	-	-
GBHi New Year Bird Count	3,832	-	3,832	-	-
Opal Grant	2,077	-	1,049	(1,028)	-
	<u>301,949</u>	<u>406,945</u>	<u>522,711</u>	<u>147,122</u>	<u>333,305</u>

The purposes of the funds are as follows:

The Atlas Appeal is for the 2007-11 Bird Atlas. £89,796 was received from Birds in Trust.

The Dilys Breese Fund is for projects relating to nesting birds and £3,771 was expended 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 British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

16. RESTRICTED FUNDS (Continued)

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

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

The Young Scientists' Fund is to support the career development of young scientists.

The Out of Africa Fund is to fund work on African migrants. £43,745 was transferred from Birds in Trust to support project costs.

The Thrush Fund is to fund work on Thrushes. £26,609 was transferred from Birds in Trust to support project costs

The BTO Wales Fund is to support a BTO presence in Wales. £12,000 was released to general funds in relation to staff costs in accordance with CCW/EW grants terms.

The BirdTrack Fund is to support the development of BirdTrack.

The Ringers' Bursary fund is to support ringing.

The Thorne Ringing donation is to support ringing.

The Jean Clark Migration fund is to support migration projects.

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

The Opal Grant is to support the training of volunteers. £1,028 was released to general funds in relation to staff costs in accordance with the grant terms.

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	1,167,013	287,326	1,563,136	(1,769,000)	1,248,475
Pensions reserve	-	-	(1,769,000)	-	(1,769,000)
Birds in Trust fund	-	229,531	1,013,847	-	1,243,378
	<u>1,167,013</u>	<u>516,857</u>	<u>807,983</u>	<u>(1,769,000)</u>	<u>722,853</u>
Restricted Funds	-	-	333,305	-	333,305
Total	<u>1,167,013</u>	<u>516,857</u>	<u>1,141,288</u>	<u>(1,769,000)</u>	<u>1,056,158</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

18. PENSIONS

During the year it was agreed to close the defined benefit pension scheme (which was closed to new entrants in 2002) to future accrual, and to move all staff into a new group personal pension scheme, with effect from 1 April 2013. Contributions to both schemes remained as before throughout the year, however the decision to close the defined benefit scheme affected the valuation of the scheme liabilities in the triennial and FRS17 valuations.

In the defined contribution scheme, run by Aviva, employees continued to decide their own contribution rates with the Trust making an employer's contribution on a sliding scale. The Trust made total contributions of £91,367 (2012: £98,145). In the defined benefit scheme members contributed 7% of salary and the Trust paid 11.6% plus 1.5% for insured benefits. The accrual rate remained 1/60th of final pensionable pay for each completed year of service.

Triennial Actuarial Valuation

A full actuarial valuation of the scheme was carried out as at 1 April 2012. The assets of the scheme at this date were valued at £6,222,000, and the technical provisions (liabilities) at £8,378,000, giving a shortfall of £2,156,000 and a funding level of 74%. 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 £216,000 was paid into the scheme in May 2013.

FRS17 Valuation

Financial Reporting Standard 17 – Retirement Benefits (FRS17) requires the following disclosures, for which a valuation was carried out as at 31 March 2013. As a result of the decision to close the scheme to future accrual with effect from 1 April 2013 a credit to pension costs arises in the expenditure account. Because of the exceptional nature of this item it is shown separately in the Statement of Financial Activities.

Principal Assumptions

	2013	2012	2011
Discount rate	4.50%	5.00%	5.60%
Rate of increase in pensionable salaries	-	4.20%	4.40%
Rate of increase in pensions in payment	3.60%	3.50%	3.65%
Rate of increase in pensions in deferment	2.30%	3.20%	3.40%
Inflation assumption	3.30%	3.20%	3.40%

	2013	2012	2011
	No of years	No of years	No of years
Average life expectancy, after retirement at age 65:			
Male - as at the valuation date	24.5	23.1	23.0
Male - retiring in 20 years' time	26.5	25.9	25.8
Female - as at the valuation date	25.0	24.3	24.3
Female - retiring in 20 years' time	26.5	26.3	26.3

Assets of the Scheme and expected rates of return

	2013		2012		2011	
	Expected long-term rate of return	Value £	Expected long-term rate of return	Value £	Expected long-term rate of return	Value £
Bonds	3.50%	2,721,000	3.90%	2,186,000	5.60%	1,631,000
Equities	8.00%	4,713,000	8.00%	3,918,000	8.00%	3,934,000
Cash	2.00%	36,000	2.00%	46,000	2.00%	125,000
		<u>7,470,000</u>		<u>6,150,000</u>		<u>5,690,000</u>
Present value of scheme liabilities		(9,239,000)		(8,651,000)		(7,282,000)
Deficit of scheme		<u>(1,769,000)</u>		<u>(2,501,000)</u>		<u>(1,592,000)</u>

The British Trust for Ornithology
Notes to the Consolidated Accounts - Continued
For the Year Ended 31 March 2013

18. PENSIONS (Cont'd)

Analysis of amount charged to the Statement of Financial Activities under FRS17	2013 £	2012 £
Service cost	243,000	224,000
Past service cost	-	-
Total operating charge	<u>243,000</u>	<u>224,000</u>
Expected return on pension scheme assets	(412,000)	(422,000)
Interest on pension liabilities	<u>446,000</u>	<u>420,000</u>
Net interest cost	34,000	(2,000)
(Gains) on settlements and curtailments	(1,111,000)	-
	<u>(834,000)</u>	<u>222,000</u>

History of Experience Gains and Losses

	2013	2012	2011	2010	2009
Difference between expected and actual return on assets:					
amount £	538,000	(307,000)	114,000	1,133,000	(1,396,000)
% of scheme assets	7.2%	(5.0%)	2.0%	23.9%	(43.6%)
Experience gains and losses on scheme liabilities:					
amount £	197,000	78,000	(76,000)	48,000	(117,000)
% of scheme liabilities	2.1%	0.9%	(1.0%)	0.7%	(2.6%)
Changes in assumptions underlying scheme liabilities:					
amount £	(1,203,000)	(834,000)	300,000	(2,001,000)	984,000
Actuarial (loss)/gain					
amount £	(468,000)	(1,063,000)	338,000	(820,000)	(529,000)
% of scheme liabilities	(5.07%)	(12.29%)	4.64%	(11.91%)	(11.81%)

Movement in deficit during year

	2013 £	2012 £	2011 £
Deficit in scheme at 1 April 2012	(2,501,000)	(1,592,000)	(2,141,000)
Movement in year:			
Current service charge	(243,000)	(224,000)	(229,000)
Contributions	366,000	376,000	459,000
Past service costs	-	-	-
Interest cost	(446,000)	(420,000)	(392,000)
Expected return on assets	412,000	422,000	373,000
Gain on settlements and curtailments	1,111,000	-	-
Actuarial gain/(loss)	(468,000)	(1,063,000)	338,000
Deficit in scheme at 31 March 2013	<u>(1,769,000)</u>	<u>(2,501,000)</u>	<u>(1,592,000)</u>

**The British Trust for Ornithology
Supporters
For the Year Ended 31 March 2013**

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 2012/13

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, Frontier Holidays Ltd, Gardenature, Gardman Ltd, Grant Arms Hotel, Heatherlea, John E Haith Ltd, Jacobi Jayne & Co, JustAddBirds, Nature Counters, The Nest Box Co Ltd, Northumbrian Water, Opticron, Paddocks Farm Partnership, Park Hill Nurseries & Garden Centre Ltd, Porzana, Serenata Commerce Ltd, Swallowtail Print, Swarovski UK Ltd, Syngenta, Tendley Quarries Ltd, Thames Water Utilities Ltd, Thetford Garden Centre, Unilever R & D Colworth.

Trusts 2012/13

The AEB Charitable Trust, The Balmain Charitable Trust, The A S Butler Charitable Trust, The Chapman Charitable Trust, The Child-Beale Trust, The Marjorie Cooté Animal Charity Trust, The Dulverton Trust, The Esmée Fairbairn Foundation, The Harris Charitable Trust, The Lady Hind Charitable Trust, The Hobart Trust, The Marsh Christian Trust, The Michael Marks Charitable Trust, The Mill Dam Trust, The Jack Patston Charitable Trust, The Rowan Bentall Charitable Trust, The Saxham Trust, The Slater Foundation, Sussex Ornithological Society, The Tay Charitable Trust, The Tobit Trust, The Emily Weircroft Charitable Trust, The J & J R Wilson Trust.

Legacies 2012/13

Bryan John Adams, Robert George Norton Barris, Jeffery Hugh Richard Boswall, Dennis Ashton Bullock, Jean Diane Edwards, Edwina Maude Geffers, Dr Ian J L Goldberg, Mrs Eileen Rosemary Hewitt, David Herringshaw, John Charles Holland, Peter Mackenzie Thornton Leith, John Darryl Richardson, David John Stinson, Edith Lorna Thomas, Brunon Stanislaw Zakrzewski Tyc, Bernard Wright.

In memoriam 2012/13

John Robert Simcoe Abbott, Bryan John Adams, Mrs Delia A Averbs, Rev Ronald A H Bocking, Alan Burgess, Mrs Elsie Beatrice Glue, Angela Hanson, James Keith Jepson, Mr Lewis, John F Naylor, Mr E G Philp, Maurice Pyle, Bob & Alison Spencer, Neil A Taylor, John Tully, Mrs June Watkinson, Mrs Muriel Wheeler.

Funders of BTO Work 2012/13

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