

**Butterfly Conservation  
Trading Limited**

**Annual Report and Financial  
Statements**

31 March 2011

Company Registration Number  
07166835 (England and Wales)

**Directors** Dudley Cheesman  
David Hanson  
Neil Thompson

**Secretary** Julie Williams

**Registered office** Manor Yard  
East Lulworth  
Wareham  
Dorset  
BH20 5QP

**Company registration number** 07166835 (England and Wales)

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Bankers** Natwest plc  
2 North Street  
Wareham  
Dorset  
BH20 4AL

**Solicitors** Stone King LLP  
16 St John's Lane  
London  
EC1M 4BS

## Contents

### **Reports**

Directors' report	1
Independent auditor's report	4

### **Financial statements**

Profit and loss account	6
Balance sheet	7
Principal accounting policies	8
Notes to the financial statements	9

## Directors' report 31 March 2011

The directors present their report together with the financial statements of the company for the thirteen month period ended 31 March 2011.

The company was formed on 23 February 2010 and commenced trading with effect from that date.

### Principal activity and review of business

Butterfly Conservation Trading Limited is a wholly owned subsidiary of Butterfly Conservation, a registered charity, Charity Registration Nos 254937 (England and Wales) and SCO39268 (Scotland) and Company Registration Number 02206468 (England and Wales).

The company's principal activity during the period under review was establishing new affinity partnerships, which promote Butterfly Conservation through the sale of their products. During the year seven new commercial partnerships were agreed which will result in royalties in the future.

The directors are satisfied with the performance of the company during the period.

Butterfly Conservation, the parent undertaking, invoiced the company for the services of its employees and for the use of those of its assets which were utilised in the operations of Butterfly Conservation Trading Limited during the period.

### Results and dividends

The first period of trading saw a turnover of £74,371. £9,000 of the taxable profits generated were gift aided to Butterfly Conservation. Retained profits for the period after gift aid and tax were £9,872.

The directors do not recommend the payment of a dividend.

### Directors

The directors in office during the period were as follows:

	<b>Date of appointment</b>
Dudley Cheesman	23 February 2010
David Hanson	23 February 2010
Neil Thompson	23 February 2010

The directors have no interest in the shares of the company including rights to subscribe for shares.

**Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the directors confirms that:

- ◆ so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- ◆ the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**Directors' report 31 March 2011**

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of directors:

A handwritten signature in black ink that reads "D. W. Hanson". The signature is written in a cursive style with a large, stylized initial 'D'.

D Hanson

Director

Approved by the board on: 16th July 2011

## **Independent auditor's report 31 March 2011**

### **Independent auditor's report to the members of Butterfly Conservation Trading Limited**

We have audited the financial statements of Butterfly Conservation Trading Limited for the thirteen month period ended 31 March 2011, which comprise the profit and loss account, the balance sheet, the principal accounting policies 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material inconsistencies we consider the implications for our report.

**Independent auditor's report 31 March 2011**

**Opinion on financial statements**

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the period 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the directors' 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 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Buzzacott LLP

Amanda Francis, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

25 July 2011

**Profit and loss account** Period to 31 March 2011

	Notes	Period from 23 February 2010 to 31 March 2011 £
<b>Turnover</b>	1	74,371
Cost of sales		<u>(28,482)</u>
<b>Gross profit</b>		45,889
Operating costs		<u>(24,393)</u>
<b>Profit on ordinary activities before Gift Aid and taxation</b>	2	21,496
<b>Gift Aid</b>	3	<u>(9,000)</u>
<b>Profit on ordinary activities before taxation</b>	3	12,496
<b>Taxation</b>		<u>(2,624)</u>
<b>Profit for the financial period and retained profits at 31 March 2011</b>		<u>9,872</u>

All the company's activities derive from operations which continued throughout the above financial period.

The company has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.


There is no difference between the profit on ordinary activities before taxation and the profit for the financial period stated above, and their historical cost equivalents.

**Balance sheet 31 March 2011**

	Notes	2011 £	2011 £
<b>Current assets</b>			
Cash at bank and in hand		51,179	
<b>Creditors: amounts falling due within one year</b>	4	<u>37,973</u>	
<b>Net current assets</b>			<u>13,206</u>
<b>Creditors: amounts falling due after one year</b>	5		<u>(3,333)</u>
<b>Total net assets</b>			<u>9,873</u>
<b>Capital and reserves</b>			
Called up share capital	6		1
Profit and loss account			<u>9,872</u>
<b>Shareholder's funds</b>			<u>9,873</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the directors of Butterfly Conservation Trading Limited, Company Registration Number 07166835 (England and Wales), and signed on their behalf by:



D Hanson

Director

Approved on: 16th July 2011

## **Principal accounting policies 31 March 2011**

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **Cash flow**

The company is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements', as the financial statements are included within the consolidated financial statements of Butterfly Conservation, a charity registered in England and Wales and in Scotland.

### **Turnover**

Turnover comprises royalties and sponsorship monies.

### **Cost of sales**

Cost of sales comprises expenditure relating to the development of corporate affinity schemes.

## Detailed profit and loss account Period to 31 March 2011

### 1 Turnover

Turnover and the profit on ordinary activities before Gift Aid arises from the one principal activity of the company carried out within the United Kingdom.

### 2 Profit on ordinary activities before Gift Aid and taxation

	Period from 23 February 2010 to 31 March 2011 £
<hr/>	
This is stated after charging:	
Auditors' remuneration	
· Audit fees	2,000
· Other services	1,000
	<hr/>

During the period, no director received any emoluments.

The company had no employees during the period and hence incurred no staff costs.

### 3 Gift Aid and taxation

The company donated under Gift Aid a proportion of its annual taxable profits to its ultimate parent undertaking, Butterfly Conservation (see note 8). For the thirteen month period ended 31 March 2011 the donation amounted to £9,000.

Following the Gift Aid payment, the company's resultant corporation tax liability for the period is £2,624.

### 4 Creditors: amounts falling due within one year

	2011 £
<hr/>	
Amount due to parent entity (see note 5)	3,334
Amount due to parent entity under gift aid	9,000
Trade creditors	15
Corporation tax	2,624
Accruals	3,000
Deferred income	20,000
	<hr/>
	37,973
	<hr/>

## Detailed profit and loss account Period to 31 March 2011

<b>5 Creditors: amounts falling due after one year</b>	<b>2011</b>
	<b>£</b>
Amount due to parent entity	<b>3,333</b>

<b>6 Called up share capital</b>	<b>2011</b>
	<b>£</b>
Authorised, called up and fully paid 1 ordinary share of £1	<b>1</b>

<b>7 Reconciliation of movements in shareholder's funds</b>			
	Share capital £	Profit and loss account £	Total £
Shares issued during the period	1	—	1
Profit for the financial period	—	9,872	<b>9,872</b>
Closing shareholder's funds at 31 March 2011	<b>1</b>	<b>9,872</b>	<b>9,873</b>

- 8 Ultimate controlling party**  
Ultimate control rests with Butterfly Conservation (Charity Registration Nos 254937 (England and Wales) and SCO39268 (Scotland) and Company Registration No 02206468 (England and Wales)) which is the beneficial owner of 100% of the company's issued share capital.

- 9 Related party transactions**  
The accounts do not include disclosure of transactions between the company and entities that are part of the Butterfly Conservation group. This is because, as a subsidiary whose shares are more than 90% controlled within the group, it is exempt from the requirement to disclose such transactions under Financial Reporting Standard 8 "Related Party Disclosures".

Consolidated financial statements for the group are available from the company's registered office, as listed at the beginning of this report and financial statements.