



Butterfly
Conservation

annual review
for 2004/5



Saving butterflies, moths and their habitats

Chairman's introduction

Butterfly Conservation has enjoyed another highly successful year. However, more evidence was published during the year that butterflies and moths are declining faster than plants and birds. Our challenge thus remains formidable and a principal task for us is to raise sufficient funding to reverse these declines.

During the year we took a major strategic initiative to form Butterfly Conservation Europe to co-ordinate efforts and tackle similar problems that exist throughout mainland Europe; many of these problems were highlighted at our very successful International Symposium held in early April 2005 and attended by over 300 people.

Here at home, the formation of Natural England as the Government's new integrated agency concerned with the rural and natural environment, and changes to the payment of farm subsidies, should impact positively on our work. The Society has submitted data and ideas to both these initiatives and has a key role to play in monitoring the effects of the changes they bring.

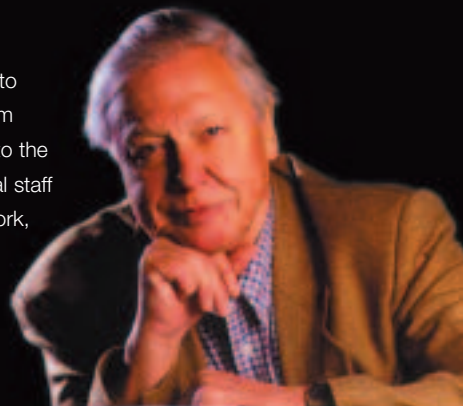
Our Branches make an impressive contribution to Butterfly Conservation's work through the implementation of our National and Regional Action Plans: transect recording continues to grow, and habitat restoration and maintenance could not be achieved without the dedication of volunteers.

The Society's finances remain well managed, but membership growth has to be a target, along with effective fundraising. We are most grateful to all government agencies, charitable trusts and individuals without whose financial support we could not achieve the results we deliver.

I must add my personal thanks to my fellow Trustees without whom the Society could not function, to the outstanding team of professional staff who deliver such high quality work, and to all our members for their continuing support.

Dudley Cheesman Chairman

“ I whole-heartedly support the formation of Butterfly Conservation Europe at this critical time and wish them every success in conserving these beautiful creatures for future generations to enjoy ”
Sir David Attenborough
President of Butterfly Conservation and Patron of BC Europe.



Message from the Chief Executive

The past year has seen Butterfly Conservation confirm its role as the foremost UK environmental organisation leading efforts to save butterflies, moths and their habitats. We understand the threats they face and have developed proven strategies to reverse their declines.

During the year we started several new and exciting landscape scale projects where we are tackling conservation across extensive networks of habitats and trying to reduce the impact of many decades of habitat loss and fragmentation. Our research has shown this approach is vital to ensure a long-term future for butterflies and moths. We also embarked on several innovative

projects such as the Butterflies Mean Business project in Scotland where we are developing the links between Scotland's unique butterflies and moths and local businesses and tourism.

We were delighted with the Government's new Environmental Stewardship scheme that will be available to all farmers in England, which contains features we have suggested specifically to help butterflies and moths. Our extensive monitoring schemes are well placed to evaluate whether the scheme really does make a

difference to our increasingly threatened wildlife. Our staff in Scotland, Wales and Northern Ireland are also contributing to equivalent schemes being developed in those countries.

Despite this progress, we know we must significantly increase our activity and expand our education role to engage with a wider audience if we are to achieve our ambitions of an environment rich in butterflies and moths.

Dr Martin Warren Chief Executive

New research using Butterfly Conservation data has shown that butterflies are disappearing faster than either birds or plants, and that 7 out of every 10 species are declining. For example, the distribution of the **Pearl-bordered Fritillary** has been reduced by almost 50% during the last 20 years.



With our partners in Europe, we helped establish Butterfly Conservation Europe to stimulate and co-ordinate the conservation of butterflies and moths across the continent. Details of the new organisation can be found at www.europeanbutterflies.net

Thinking big to save threatened species

Many of our new conservation projects cover vast swathes of the landscape. Research indicates landscape scale projects are the only way to ensure a long-term future for butterflies and moths.

During the year we started two major new projects - at Mynydd Mawr in South Wales and brownfield sites in north-east England. Three projects in Devon and Cornwall are poised for launch in 2005 - the Culm Grassland project in the north of the two counties, the Two Moors project covering Dartmoor and Exmoor, and the Tamar Valley project.



The Brecks of Norfolk are crucial for the survival of several threatened moths, including the **Lunar Yellow Underwing**.



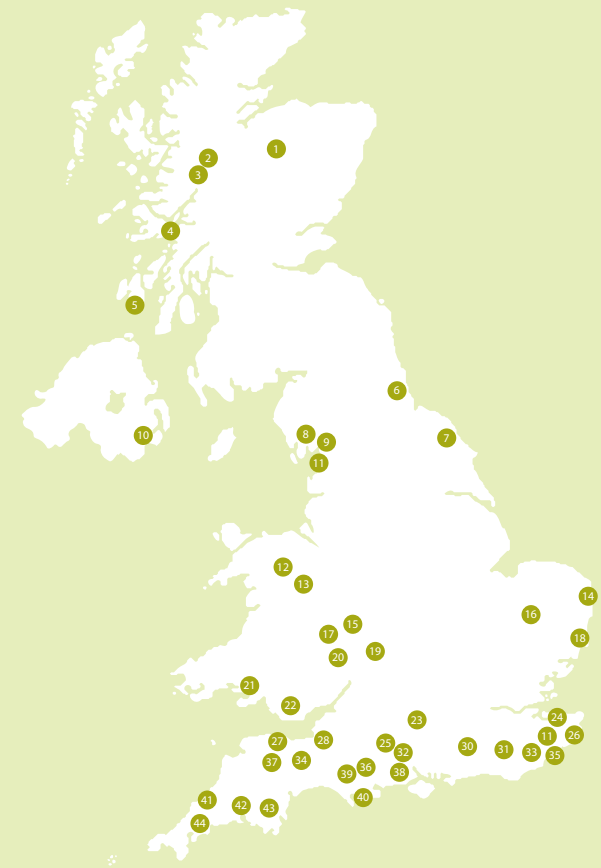
Cattle grazing is vital to maintain the grassland habitats for the Marsh Fritillary and is known to help a wide range of other species.



Several of our landscape projects are aimed at the **Marsh Fritillary**, a butterfly that requires extensive areas of flower-rich grassland grazed predominantly by cattle.

Butterfly Conservation staff are now involved in 44 landscape projects

Here we are conserving threatened species at a landscape level and we are grateful to the many funders who support this work, especially English Nature, Scottish Natural Heritage, the Countryside Council for Wales, the Environment and Heritage Service of N. Ireland, and the Esmée Fairbairn Foundation.



- | | |
|-----------------------------------|--------------------------------|
| 1 Cairngorms Aspen Woods | 23 Berks/Surrey heaths |
| 2 Lochaber woodlands | 24 Blean Woods |
| 3 Loch Arkaig | 25 Salisbury Plain |
| 4 Mull coastal grasslands | 26 Sandwich Bay |
| 5 Islay grasslands | 27 Exmoor |
| 6 Durham wet grasslands | 28 Somerset Levels |
| 7 North York Moors | 29 North Downs and Kent Cliffs |
| 8 The Lake District | 30 Surrey/Sussex Woods |
| 9 Cumbria Fells | 31 Ashdown Forest |
| 10 Co.Down Marsh Fritillary sites | 32 Tytherley Woods |
| 11 Morecambe Bay Limestones | 33 Rother Woods |
| 12 Clocaenog Forest | 34 Blackdown Hills |
| 13 Oswestry Uplands | 35 Dungeness/Romney Marsh |
| 14 Norfolk Broads | 36 Cranborne Chase |
| 15 Wyre Forest | 37 Devon/Cornwall Culm |
| 16 Norfolk Brecks | 38 New Forest |
| 17 Herefordshire Commons | 39 Blackmoor Vale |
| 18 Sandlings | 40 Dorset heaths |
| 19 Malvern Hills | 41 North Cornwall Coast |
| 20 Herefordshire woodlands | 42 Tamar Valley |
| 21 Mynydd Mawr | 43 Dartmoor |
| 22 South Wales Coal Measures | 44 Mid-Cornwall Moors |

Documenting change

Recording and monitoring butterflies and moths is key to everything we do. The results provide vital information on threatened species as well as monitoring climate change and the impact of land use policies.

Achievements during the year include:

- ◆ The Butterflies for the new Millennium project continues to be the largest of its kind anywhere in the world and has provided data for over 50 scientific papers. Over 1.5 million records have been received for the 2000-04 period, which will allow us to make a detailed comparison of change since the Millennium Atlas recording period 1995-99 when we gathered 1.6 million records.

- ◆ We finished our consultation on a proposed new National Moth Recording Scheme. This showed that there is great support amongst moth recorders for us to start a new scheme, provided this is well resourced. We will now be seeking major funds to run the scheme.

- ◆ Together with Rothamsted Research, we published trend data on the decline of hundreds of common moths, based on their long-running network of light traps.

- ◆ Thanks to new funding from a government consortium led by the Department for Environment, Food and Rural Affairs, we began a new partnership with the Centre for Ecology and Hydrology to integrate our butterfly transect data from over 550 sites to form a world leading UK Butterfly Monitoring Scheme. The project also includes the development of a new method for monitoring population trends of common butterflies in the wider countryside.



Our results show that the **Comma** (above) is still spreading rapidly northwards, probably due to climate change.

Butterflies such as the **Chalkhill Blue** (below left) are valuable indicators of climate change and are a sensitive way of measuring the effectiveness of land use policies such as the Government's new "green" farming schemes.



Our data on moths shows that many species such as this **Grass Rivulet** (above) are declining very rapidly.

" Research is essential to understanding change. Butterfly Conservation is collaborating with Universities around the UK to study several declining species such as the **Small Heath** (below centre).



Our members are vital
Both members and volunteers
are crucial to the success
of Butterfly Conservation.

During the year, Butterfly Conservation ran over 700 field trips and educational events involving over 10,000 people. Many new events were run under our innovative Butterfly Guardians projects in Wales and Scotland.

To help increase membership we produced a new membership leaflet and a best practice toolkit for Branches and staff.

We continue to produce a wealth of high quality literature on our work including a general leaflet on the work of Butterfly Conservation, Newsletters on our work in Wales, Scotland, Eastern England and south-east England. We also worked with a film company to produce a video/DVD on the work of the Society across the UK.

Small Blue (left) is one of the rare butterflies that has colonised the restoration area at our Magdalen Hill Down Reserve.



Fundraising is vital to obtain sufficient resources for our ambitious and urgent conservation projects.

During the year we:

- ◆ Established a Development Board and Conservation Fund, backed by a Case for Support to potential donors.
- ◆ Ran a highly successful appeal for funds for the conservation of the Pearl-bordered Fritillary and other woodland butterflies and moths
- ◆ Promoted the importance of legacy donations to the Society with a high level of interest from members.
- ◆ Obtained funds to continue our core Species Advisory and regional staff in England, Scotland, Wales and Northern Ireland.

Reserves for the future

Butterfly Conservation has 27 nature reserves throughout the UK.

During the year we conducted a complete review of their performance and management costs. The report highlighted the massive voluntary contribution made by our members to their management, equivalent to six paid staff.

We also submitted offers to purchase two major new butterfly reserves - at Alners Gorse in Dorset and at Prees Heath in Shropshire.

In addition, Butterfly Conservation provided advice on 350 key sites nationwide.

At our nature reserve at Magdalen Hill Down in Hampshire we have restored this adjacent arable field to chalk downland using best practice techniques and local seed. It now has a spectacular show of cowslips in spring and has been colonised by over 20 species of butterfly, including the Chalkhill Blue and Small Blue. Together with our existing reserve it doubles the area of chalk downland habitat and makes the site more viable for the long-term conservation of butterflies and moths.

The Society continues to benefit greatly from the large and small legacies it receives from its members and other supporters. Thanks to a generous legacy received from Miss Pamela Lewis, we have recently purchased a new reserve at Alners Gorse; a key site in Dorset for the Brown Hairstreak and other rare species. By remembering Butterfly Conservation in your Will, you can make a lasting contribution to our work and ensure your wishes are met after your death. For information about leaving a gift in your will, please contact David Bridges on 0870 7744309, or write to him at the Society's Head Office in Dorset.



Key targets for 2005/6

Conservation

- ◆ Continue implementing Action Plans for the 63 Priority Species listed in the UK BAP.
- ◆ Obtain funding for further landscape scale projects across the UK and to maintain our network of national and regional staff.
- ◆ Make recommendations for the UK BAP review including new Priority Species.
- ◆ Publish new State of Britain's Butterflies book incorporating the new Atlas data for 2000-04 and trends from transects.
- ◆ Publish results on the declines of common moths and a State of Britain's Moths report.
- ◆ Submit proposal to fund a National Moth Recording Scheme.
- ◆ Publish results on the impact of agri-environment schemes on butterflies and launch integrated butterfly transect scheme.
- ◆ Secure funding required for the acquisition of a new reserve at Prees Heath.
- ◆ Promote butterflies and moths as indicators both in the UK and Europe.

Volunteers and members

- ◆ Conduct a review of communications between staff and Branches, and implement recommendations.
- ◆ Continue to increase the Society's membership and evaluate effectiveness of recruitment.
- ◆ Organise Branch membership road shows to maximise recruitment opportunities at a local level.
- ◆ Update Branch Handbook.
- ◆ Implement the new Volunteering Policy.
- ◆ Continue to work with our members and other supporters to secure fresh sources of unrestricted income.

Publicity and Education

- ◆ Launch the new website with a Content Management System, including membership and giving on-line.
- ◆ Run National Moth Night with Atropos magazine.
- ◆ Run Publicity Workshops for Branches and staff.
- ◆ Develop plans for an Education Programme.
- ◆ Produce a set of posters for use by Branches at public events

Financial Statements

The Council confirms that the summarised accounts on the pages overleaf are a summary of the information extracted from the full accounts which were approved on 16 July 2005.

The summarised accounts may not contain sufficient information to allow for a full understanding of the financial affairs of the charity. For further information, the full annual accounts, the auditor's report and the report of the Council on those accounts should be consulted. Copies may be obtained free of charge from the charity. The summarised accounts do not constitute full accounts within the meaning of the Companies Act 1985.

A copy of the statutory accounts of the charity, upon which the auditors have reported without qualification, will be delivered to both the Charity Commission and Companies House.

By order of the Council

David Hanson, Honorary Treasurer
16 July 2005

Auditors' statement to the Council of Butterfly Conservation Independent auditors' statement to the members of Butterfly Conservation.

We have examined the summarised financial statements of Butterfly Conservation.

Respective responsibilities of the Council and auditors

The Council members are responsible for preparing the summarised financial statements in accordance with the recommendations of the charities SORP. Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full financial statements and Report of Council. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The Auditors' statement on the summary financial statement' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summarised financial statements are consistent with the full financial statements and the Report of Council of Butterfly Conservation for the year ended 31 March 2005.

Buzzacott Chartered Accountants and Registered Auditors
12 New Fetter Lane London EC4A 1AG
16 July 2005



Financial review: extracts from the full Annual Report and Accounts to 31 March 2005

The Society's income rose by 18% to nearly £2m and its expenditure rose by 12% to £1.67m, the difference between the percentages being explained by the receipt of a significant legacy.

The Society's income has become progressively more reliant on grants and contracts, which now constitute over 50% of income received. While this support is very welcome, an over-dependence on such external and often short-term income streams is a cause for concern.

In contrast to the 20% increase in grant and contract income, the amount received from donations and membership subscriptions declined by 5%. The Society is now reviewing its membership programme and has recruited a second Fundraiser, with the strategic aim of diversifying its funding sources. Initiatives in the latter field have included the establishment of a Development Board and the launch of a legacy campaign.

The most pleasing element of our expenditure is very clearly the £1.2m spent on conservation, an increase of 14% over the previous year. I am delighted to report that conservation expenditure represents 73% of our total expenditure.

Education was another area in which we were able to increase our spending, by £39,000 or 59%, but, sadly, we remained unable to finance a new Education Officer as we had hoped.

A notable feature of the past year has been the success of the Society's procedures and controls in ensuring that the financial plans for the year were adhered to closely, thanks to the Director of Finance and Administration and her team.

Our Financial Reserves Policy statement highlights the gap between the actual level of reserves and that which we believe to be desirable, giving us a severe constraint on our ambitions.

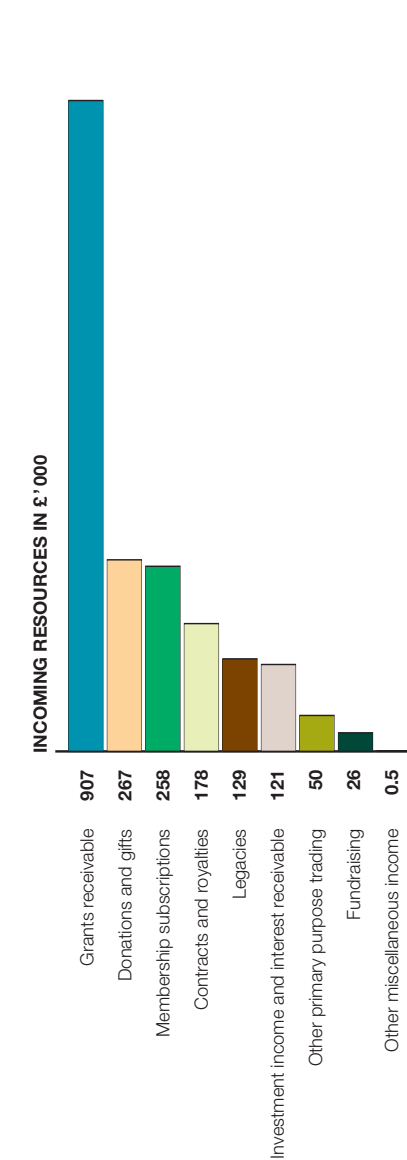
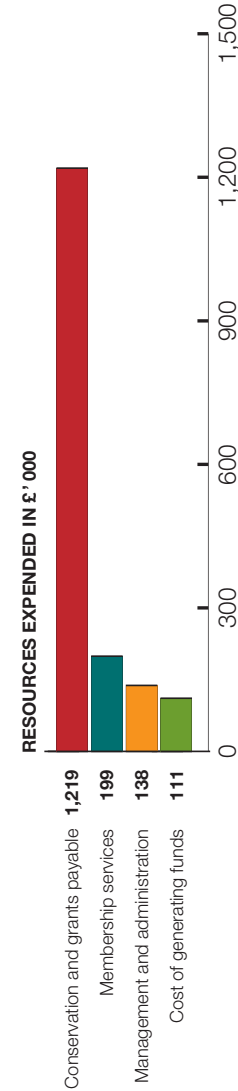
Overall, the year to 31 March 2005 was one of very well controlled growth. Looking ahead, new funding on a considerable scale will be required to support this increased level of activity and to enable our further ambitions to be realised. The fundraising and membership initiatives referred to earlier are absolutely key to our achievement of these aims.

David Hanson Honorary Treasurer

The **Black Hairstreak** is one species that requires urgent attention and specialist habitat management if it is going to become another success story. The caterpillar (left) feeds on blackthorn and is superbly camouflaged.

Statement of financial activities for the year ended 31 March 2005

	Unrestricted funds £	Restricted funds £	Endowment funds £	Year to 31 March 2005 Total funds £	Year to 31 March 2004 Total funds £
Incoming resources					
Donations and gifts	227,738	38,934	-	266,672	291,890
Legacies	128,600	-	-	128,600	9,978
Incoming resources from activities in furtherance of the charity's objectives					
• Conservation activities - grants receivable	31,326	875,200	-	906,526	778,160
• Contracts & royalties	98,793	79,235	-	178,028	124,683
• Other primary purpose trading	48,914	1,128	-	50,042	44,031
• Membership subscriptions	258,389	-	-	258,389	259,016
Incoming resources from activities for generating funds					
• Fundraising	26,437	-	-	26,437	22,420
• Investment income and interest receivable	97,347	23,567	-	120,914	110,576
Other miscellaneous income	383	150	-	533	2,661
Total incoming resources	917,927	1,018,214	-	1,936,141	1,643,415
Resources expended					
Cost of generating funds	63,506	47,626	-	111,132	116,230
Charitable expenditure					
Grants payable	4,932	300	-	5,232	1,210
Cost of activities in furtherance of the charity's objectives					
• Conservation	303,304	910,510	-	1,213,814	1,069,164
• Membership services	197,689	1,224	-	198,913	174,356
Management and administration of the charity	119,262	18,444	-	137,706	124,425
Total resources expended	688,693	978,104	-	1,666,797	1,485,385
Net incoming resources before transfers	229,234	40,110	-	269,344	158,030
Gross transfers between funds	(63,983)	63,983	-	-	-
Net incoming resources before net investment gains	165,251	104,093	-	269,344	158,030
Net investment gains	6,731	-	130,606	137,337	108,795
Net movement in funds	171,982	104,093	130,606	406,681	266,825
Balances brought forward at 1 April 2004	948,722	819,642	1,382,189	3,150,553	2,883,728
Balances carried forward at 31 March 2005	1,120,704	923,735	1,512,795	3,557,234	3,150,553



Balance sheet at 31 March 2005

	2005 £	2004 £
Fixed assets		
Tangible assets	336,135	329,523
Investments	1,512,795	1,382,189
Total fixed assets	1,848,930	1,711,712
Current assets		
Stocks	19,126	16,985
Debtors	503,716	163,623
Investments	158,325	163,180
Cash at bank and in hand		
• Short term deposits and interest bearing accounts	975,446	939,448
• Current accounts	185,879	221,500
Total current assets	1,842,492	1,504,736
Creditors: amounts falling due within one year	134,188	65,895
Net current assets	1,708,304	1,438,841
Total net assets	3,557,234	3,150,553
Represented by:		
Funds and reserves		
Charitable funds		
Capital funds		
Endowment funds	1,512,795	1,382,189
Income funds		
Restricted funds	923,735	819,642
Unrestricted funds		
• General funds	440,799	421,285
• Tangible fixed assets (including freehold nature reserves) fund	196,798	194,434
• Designated funds	483,107	333,003
Total funds	3,557,234	3,150,553

Approved by the Council and signed on its behalf by: **Dudley Cheesman** Chairman 16 July 2005

Organisations making donations, grants and providing sponsorship or gifts-in-kind

A & N Daniell Charitable Trust
Alys & Graham Ferguson Trust
Arnside/Silverdale AONB Landscape Trust
Associated British Ports
Awards for All
Barclays Community Programme
Barnsley Metropolitan Borough Council
Basingstoke & District Bee Keepers Association
Biological Recording in Scotland
BP Matched Giving
Brecon Beacons National Park
Bridge House Estates Trust Fund
Bristol City Council
BTCV
Cairngorms LEADER +
Cairngorms National Park Authority
Captain J.G.G.P. Elwes Charitable Trust
Caradoc Field Club
Carter Ecological Limited
Catfield Parish Council
Catterick Nature Reserve
Coda Wildlife Trust
Countryside Council for Wales
Crop Protection Association UK Limited
CSV Environment

D G Albright Charitable Trust
Data Connections
Department for Environment, Food and Rural Affairs
Dunblane and District Gardening Club
Durham County Council
Edinburgh Butterfly and Insect World
English Nature
Environment Agency
Environment and Heritage Service
Esmée Fairbairn Foundation
Folkstone and Dover Water Services Limited
Forest Enterprise England (deferred income)
Forestry Commission
Friends of Boxhill Association
Gardening Which?
Go Wales
Hampshire County Council
Harold Hughes OBE
Herefordshire Nature Trust
Heritage Lottery Fund
Joint Nature Conservation Committee
Kent Active Retirement Association
Kingston Maurwood College
Knockholt Horticultural Society Gardens
Ladies Circle, Woodbank

Leica Camera Ltd
Lomond and Rural Stirling LEADER +
Longburton Garden Club
Malvern Hills Conservators
Marsh Christian Trust
Menter Môn
Muscular Dystrophy Campaign
National Biodiversity Network
Natural Environment Research Council
Naturetrek
NFU Mutual
North Lanarkshire Council
North York Moors Association
North York Moors National Park Authority
Northumberland Wildlife Trust
Oates Advertising & Marketing Ltd
Objective 1 (European Fund)
Orr Mackintosh Foundation
People's Trust for Endangered Species
Robert Kiln Charitable Trust
Rotoract
Royal Society for the Protection of Birds
Rural Development Service Countryside Stewardship & ESA
Scottish Executive

Scottish Natural Heritage
Scottish Wildlife Trust
Somerset Wildlife Trust
Southampton City Council
South Lanarkshire Council
Southern Water (deferred income)
Suffolk County Council
Taunton Deane Borough Council
Test Valley Borough Council
The Bernard Sunley Charitable Trust
The Book Guild
The Bromley Trust
The Craignish Trust
The D'Oyly Carte Charitable Trust
The Gestingthorpe Trust
The Jack Patston Charitable Trust
The Lavender Garden
The Llysdinam Trust
The Manifold Trust
The Marjorie and Geoffrey Jones Charitable Trust
The O J Whitley Trust
The National Trust
The Roger Vere Foundation
The Slater Foundation Ltd
The Swire Charitable Trust

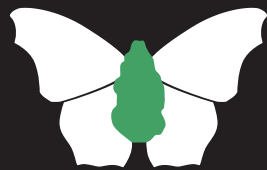
The Vincent Wildlife Trust
The William Williams Charity
The Woodland Trust
Thomson Ecology
Thornby & Yarn Inner Wheel Club
Ulster Museum
United Trusts: Barclays Bank, Staff & Pensioners
University of Durham
Wales Council for Voluntary Action
Welsh Assembly Government
Woodpeckers Trust
Wright Favell Limited
Yorkshire Dales National Park Authority
Yorkshire Naturalists' Union

Legacies

Ms Joyce Butchart
Professor A G Gaydon
Mr David Seafeld Grant
Mr Clive Charles Griffin
Ms Daphne Hardy Henrion
Ms Suzanne W Marsh
Ms Judyth Platt

Corporate Members

Buglife: The Invertebrate Conservation Trust
Monty Watts Plants Ltd
C J Wildbird Foods Ltd
Murata Manufacturing Co Ltd
Coda Systems Ltd
Naturetrek
Dorset Chamber of Commerce
NHBS Ltd
Ecotours Hungary Ltd
Northumbrian Water
Ernest Charles
Royal Horticultural Society
Ernest Kleinwort Charitable Trust
Statsbiblioteket
Innogy plc
Thames Water Utilities Ltd
Lafarge Aggregates Ltd
The Morgan Crucible Company plc
Martin-Baker Aircraft Co Ltd
The Travelling Naturalist
McArthur Group Ltd
Three Valleys Water
Mitsui & Co UK plc
UKAEA



Butterfly Conservation

Saving butterflies, moths and their habitats

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Butterfly Conservation Scotland

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Allan Park

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Chairman: Dudley Cheesman

Vice-chairman: Dr Andrew Barker

Hon. Treasurer: David Hanson.

Other Council Members (Directors and Trustees): Dr Jim Asher, Maurice Avent, David Barrie, Martyn Davies, David Dennis (co-opted Feb 05), David Dunbar MBE, Dr Ian Duncan, Mandy Gluth, Dr David Howson, Neil Jones, Jenny Mallett, Roy Neeve, Dr Andrew Pullin, John Randall, Marjory Taylor.

Chief Executive: Dr Martin Warren

Photographs by Alan Barnes, Tom Brereton, Adam Davison, Dave Green, Paul Pugh, Julie Stoneman and Robert Thompson.

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