

**Report of the Directors and
Financial Statements for the Year Ended 31 December 2007
for
The European Forum on Nature
Conservation and Pastoralism Ltd**

**The European Forum on Nature
Conservation and Pastoralism Ltd**

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for the Year Ended 31 December 2007**

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**The European Forum on Nature
Conservation and Pastoralism Ltd**

**Company Information
for the Year Ended 31 December 2007**

DIRECTORS:	Dr D I McCracken Dr E M Bignal Dr R Luick D G L Jones
SECRETARY:	Dr E M Bignal
REGISTERED OFFICE:	32 College Lane Stratford on Avon CV37 6DD
REGISTERED NUMBER:	3150755 (England and Wales)
AUDITORS:	Campbell Stewart MacLennan & Co Chartered Accountants 8 Wentworth Street Portree Highland IV51 9EJ

**The European Forum on Nature
Conservation and Pastoralism Ltd**

**Report of the Directors
for the Year Ended 31 December 2007**

The directors present their report with the financial statements of the company for the year ended 31 December 2007.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a non-profit making organisation with its main aim being to increase the understanding of the high nature conservation and cultural value of certain farming systems.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2007 to the date of this report.

Dr D I McCracken
Dr E M Bignal
Dr R Luick
D G L Jones

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each 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.

AUDITORS

The auditors, Campbell Stewart MacLennan & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
Dr E M Bignal - Secretary

Date: 14 August 2008

**Report of the Independent Auditors to the Members of
The European Forum on Nature
Conservation and Pastoralism Ltd**

We have audited the financial statements of The European Forum on Nature Conservation and Pastoralism Ltd for the year ended 31 December 2007 on pages four to seven. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Campbell Stewart MacLennan & Co
Chartered Accountants
8 Wentworth Street
Portree
Highland
IV51 9EJ

Date: 14 August 2008

**The European Forum on Nature
Conservation and Pastoralism Ltd**

**Profit and Loss Account
for the Year Ended 31 December 2007**

	Notes	31.12.07 £	31.12.06 £
TURNOVER		29,852	13,195
Administrative expenses		<u>186,414</u>	<u>123,598</u>
		(156,562)	(110,403)
Other operating income		<u>154,497</u>	<u>122,267</u>
OPERATING (LOSS)/PROFIT	2	(2,065)	11,864
Interest payable and similar charges		<u>(3,472)</u>	<u>2,259</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,407	9,605
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>1,407</u></u>	<u><u>9,605</u></u>

The notes form part of these financial statements

**The European Forum on Nature
Conservation and Pastoralism Ltd**

**Balance Sheet
31 December 2007**

	Notes	31.12.07 £	31.12.06 £
CURRENT ASSETS			
Debtors	4	53,111	13,645
Cash at bank and in hand		<u>51,500</u>	<u>9,890</u>
		104,611	23,535
CREDITORS			
Amounts falling due within one year	5	<u>111,879</u>	<u>32,210</u>
NET CURRENT LIABILITIES		<u>(7,268)</u>	<u>(8,675)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(7,268)</u>	<u>(8,675)</u>
RESERVES			
Profit and loss account	6	<u>(7,268)</u>	<u>(8,675)</u>
		<u>(7,268)</u>	<u>(8,675)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Directors on 14 August 2008 and were signed on its behalf by:

.....
Dr D I McCracken - Director

**The European Forum on Nature
Conservation and Pastoralism Ltd**

**Notes to the Financial Statements
for the Year Ended 31 December 2007**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

The turnover shown in the income and expenditure account represents amounts invoiced during the year.

In respect of long-term contracts and contracts for on-going services, turnover represents amounts the value of work done in the year, including estimates of amounts not invoiced. Turnover on respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating surplus.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit and loss account over the expected useful economic lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

2. OPERATING (LOSS)/PROFIT

The operating loss (2006 - operating profit) is stated after charging:

	31.12.07	31.12.06
	£	£
Auditors' remuneration	<u>3,011</u>	<u>2,300</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2007 nor for the year ended 31 December 2006.

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.07	31.12.06
	£	£
Trade debtors	<u>53,111</u>	<u>13,645</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.07	31.12.06
	£	£
Trade creditors	89,447	20,172
Other creditors	<u>22,432</u>	<u>12,038</u>
	<u>111,879</u>	<u>32,210</u>

**The European Forum on Nature
Conservation and Pastoralism Ltd**

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2007**

6. RESERVES

	Profit and loss account £
At 1 January 2007	(8,675)
Profit for the year	<u>1,407</u>
At 31 December 2007	<u>(7,268)</u>

7. RELATED PARTY DISCLOSURES

During the year ended the 31st December 2007 £14,808 (2006 - £11,375) was charged by Dr. E M Bignal, a Director of the company, for consultancy fees. The balance owing to Dr. E M Bignal at the year end is £2,600 (2006-nil).

Another director of the company, D G L Jones billed consultancy fees of £7,150 to the company which were paid during the year.

8. GOING CONCERN

The annual deficiency which has existed in previous years has again been reduced during the year.

The company continues to work on fully funded projects and the board feels confident that the company will return to a net asset position and can continue in existence for the foreseeable future.

**The European Forum on Nature
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**Profit and Loss Account
for the Year Ended 31 December 2007**

	31.12.07		31.12.06	
	£	£	£	£
Turnover				
Consultancy	29,645		13,033	
Bank interest	<u>207</u>		<u>162</u>	
		29,852		13,195
Other income				
Grants received		<u>154,497</u>		<u>122,267</u>
		184,349		135,462
Expenditure				
Telephone	314		292	
Post and stationery	2,356		90	
Website costs	2,504		877	
Direct travel & subsistence	10,345		18,659	
Printing and publishing	4,049		-	
Conference & seminar costs	29,352		10,176	
Sundry expenses	29		29	
Accountancy	-		1,825	
Consultancy costs	128,565		88,717	
Finance services	5,400		-	
Auditors' remuneration	<u>3,011</u>		<u>2,300</u>	
		<u>185,925</u>		<u>122,965</u>
		(1,576)		12,497
Finance costs				
Bank charges	489		633	
Bank interest	-		7	
Exchange rate variance	<u>(3,472)</u>		<u>2,252</u>	
		<u>(2,983)</u>		<u>2,892</u>
NET PROFIT		<u><u>1,407</u></u>		<u><u>9,605</u></u>