

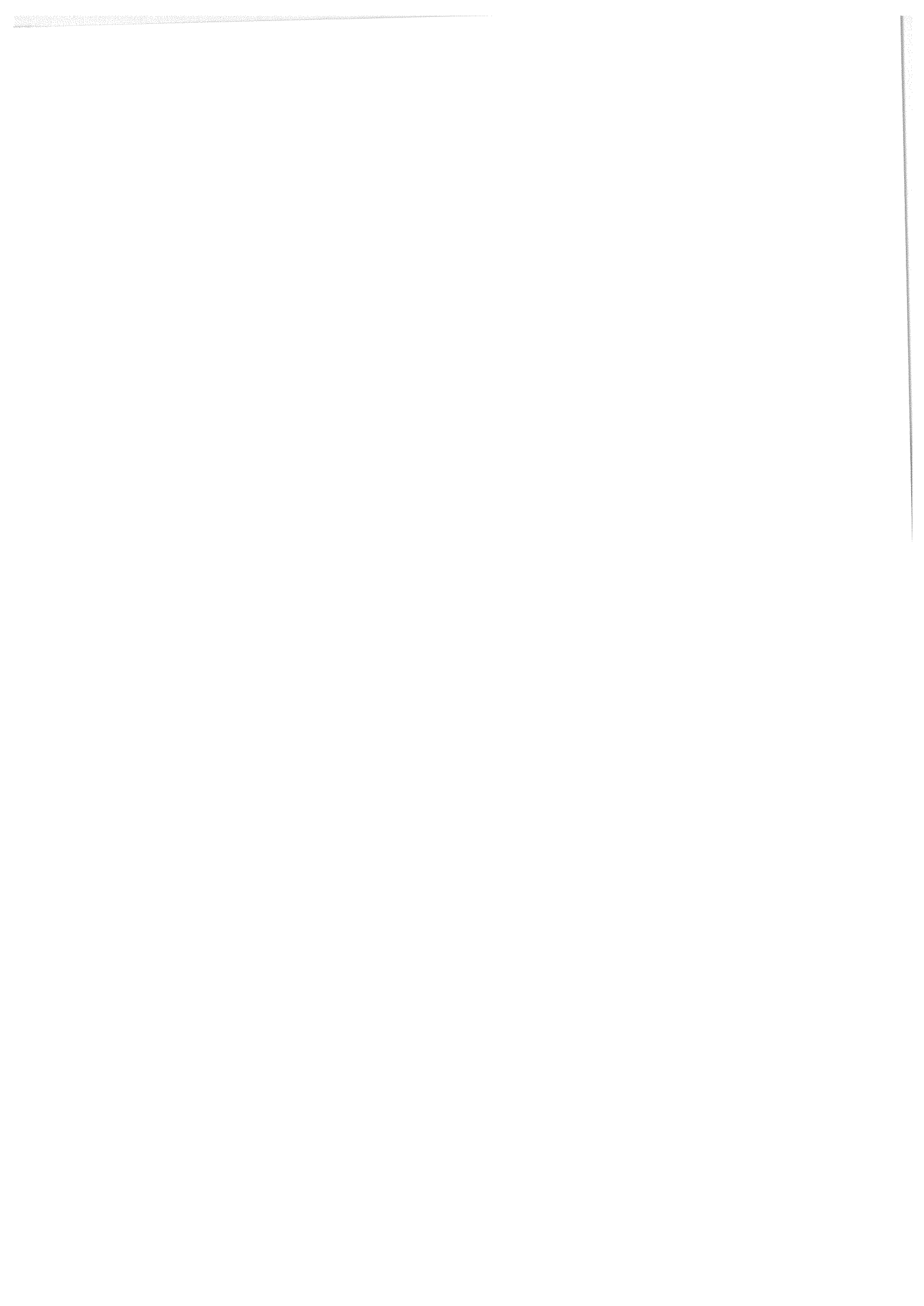
WCMC 2000

(A Company Limited by Guarantee and not having a share capital)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2005

(REGISTRATION NUMBER: 2330031)



WCMC 2000

DIRECTORS REPORT

The Directors present their report and audited financial statements for the year ended 31 December 2005.

Business Review and Objects

The Centre's objects, as recorded in its Memorandum and Articles of Association, are to promote for the public benefit the conservation, protection, enhancement and support of nature and natural resources world-wide.

The charity, World Conservation Monitoring Centre, received a certificate of incorporation on change of name to WCMC 2000 dated 6 April 2000. On 8 June 2000, with the agreement of the Charity Commission, WCMC 2000 agreed to a sublease of its building to the UNEP World Conservation Monitoring Centre, an office of the United Nations Environment Programme, headquartered in Nairobi, Kenya. On the same day the Centre's staff were loaned to the UNEP Centre on the basis of reimbursement of costs. Since 8 June 2000, the UNEP Centre has carried out the work of the charity, WCMC 2000, in fulfilment of its objects. WCMC 2000 receives and reviews reports of the work of the UNEP Centre to satisfy itself that the activities of the UNEP Centre are consistent with WCMC 2000's charitable objects. The Directors intend to continue and develop these activities.

The Directors have identified the major risks to which the charity is exposed. These have been reviewed and systems established to mitigate any identified risks.

The Directors consider the state of the company's affairs to be satisfactory and during the year the company recorded an unrestricted deficit on its ordinary activities for the year of £33,976 (2004 deficit £29,540). A detailed audited financial statement is attached. The UNEP Centre recorded a surplus on its ordinary activities for the year of £104,595 (2004 deficit £22,325).

Fixed Assets

Details of expenditure on fixed assets are shown in Note 3.

Legal and Administrative Information

WCMC 2000 is registered in the United Kingdom as Charity No: 328044.

The company was until 29 March 2000 jointly guaranteed and supported by the International Union for Conservation of Nature and Natural Resources (IUCN - The World Conservation Union), the United Nations Environment Programme (UNEP), and the World Wide Fund for Nature (WWF). Each of these agencies had the right to nominate two Directors to the Board. On 29 March 2000 IUCN and WWF resigned their membership and the sole remaining member, UNEP, has the right to appoint one Director to the Board.

The following Directors have served on the WCMC 2000 Board during the financial period.

Director

Sir Rudolph Agnew (Chairman)
Mr A Amin
Mr P J Haighton
Mr A Poore

Nominee

Independent
UNEP
Independent
Independent

Company Secretary
Dr R Gambell OBE

WCMC 2000

DIRECTORS' REPORT (continued)

Legal and Administrative Information (continued)

WCMC 2000's registered offices are at:	219C Huntingdon Road Cambridge CB3 0DL United Kingdom
Solicitors:	Messrs Hewitsons Shakespeare House 42 Newmarket Road Cambridge CB5 8EP United Kingdom
Accountants:	Messrs Peters Elworthy & Moore Salisbury House Station Road Cambridge CB1 2LA United Kingdom
Auditors:	Messrs Stafford & Co 35 Hills Road Cambridge CB2 1NT United Kingdom
Bankers:	Barclays Bank 15/16 Bene't Street Cambridge CB2 3PZ United Kingdom

Statement of Directors' Responsibilities

Company law requires Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the income and expenditure of the Company for that period. In preparing those 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 accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

WCMC 2000

DIRECTORS' REPORT (continued)

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 and follow the recommendations of the Charity Commission and of the accounting profession with regard to the form and content of the accounts, or to disclose and explain any departures therefrom. 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.

By order of the Board

Dr R Gambell OBE
Company Secretary
219c Huntingdon Road
Cambridge
United Kingdom



Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WCMC 2000

We have audited the financial statements of WCMC 2000 for the year ended 31 December 2005 which comprise the Statement of Financial Activities, Balance Sheet and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective Responsibilities of Trustees and Auditors

As described in the Statement of Directors' Responsibilities, the Trustees (who are also Directors of WCMC 2000 for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting practice).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

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

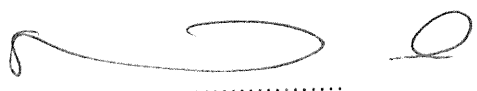
Basis of Audit Opinion

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 charity'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 mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion the Financial Statements give a true and fair view of the state of the charity's affairs as at 31 December 2005 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


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Stafford & Co
Chartered Accountants and Registered Auditors
35 Hills Road
Cambridge CB2 1NT
United Kingdom

Date: 27/2/06

WCMC 2000

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	Unrestricted Funds £	Endowment Funds £	2005 Total Funds £	2004 Total Funds £
Incoming Resources					
Activities in furtherance of the charity's objects					
- Costs recharged to UNEP-WCMC		1,561,116	-	1,561,116	1,862,631
- Miscellaneous Contributions		-	-	-	2,500
Total Incoming Resources		1,561,116	-	1,561,116	1,865,131
Charitable Expenditure					
Costs of activities in furtherance of charity's objects					
- Management and administration		1,595,092	-	1,595,092	1,894,671
Total Resources Expended	2	1,595,092	-	1,595,092	1,894,671
Net (resources expended) being net movements in funds		(33,976)	-	(33,976)	(29,540)
Fund balances brought forward		72,531	1,222,051	1,294,582	1,324,122
Fund balances carried forward		38,555	1,222,051	1,260,606	1,294,582

The statement is equivalent to an Income and Expenditure Account.

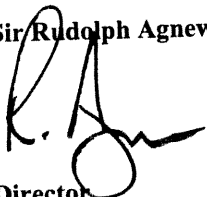
The notes on pages 7 to 10 form part of the financial statements.

WCMC 2000

BALANCE SHEET AS AT 31 DECEMBER 2005

	Note	2005		2004	
		£	£	£	£
Fixed Assets					
- Tangible Assets	3		1,275,324		1,309,300
Current Assets					
- Debtors	4	37,985		-	
- Cash at bank and in hand		<u>32,321</u>		<u>52,219</u>	
Total Current Assets		70,306		52,219	
Creditors: amounts falling due within one year	5	<u>(85,024)</u>		<u>(66,938)</u>	
Net Current (Liabilities)			(14,718)		(14,718)
Total Assets less Liabilities			<u><u>1,260,606</u></u>		<u><u>1,294,581</u></u>
Endowment funds	6		1,222,051		1,222,051
Unrestricted funds					
- General funds			38,555		72,530
			<u><u>1,260,606</u></u>		<u><u>1,294,581</u></u>

Sir Rudolph Agnew



Director

Approved by the Board on

The notes on pages 7 to 10 form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2005

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the SORP 'Accounting and Reporting by Charities' and the Financial Reporting Standard for Smaller Entities (June 2002).

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Funds

Resources are allocated to Restricted Funds according to the limitations on their use specified by the donors or other providers.

Funds received in the direct operation of the charity are treated as Unrestricted Funds. Certain resources received without external restriction are allocated to Designated Funds by the Trustees for particular purposes as deemed appropriate.

Tangible fixed assets

Tangible fixed assets are shown at cost less depreciation.

Depreciation on tangible fixed assets is calculated on a straight line basis by reference to original cost, estimated useful life and residual value. The period of estimated useful life used for this purpose is as follows:

Leasehold property	50 years
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Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the year.

Gains and losses on re-translation are dealt with as part of the deficit or surplus on ordinary activities for the financial year.

Pensions

The Company operates a defined contribution scheme, the assets of which are held separately from those of the Company. The Company's contributions are written off in the year in which they are incurred.

Cashflow Statement

The Company qualifies as a small company and accordingly a cashflow statement is not required.

WCMC 2000

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2005 (CONTINUED)

2. TOTAL RESOURCES EXPENDED

	Staff Costs £	Other Direct Costs £	Total 2005 £	Total 2004 £
Management and administration	1,487,851	107,241	1,595,092	1,894,671
Other direct costs include:				
- Legal fees			11,412	21,672
- Auditors' remuneration - for audit			2,500	2,575
- Depreciation			33,976	33,976
- Bank expense			30	50
Staff Costs:			1,217,961	1,461,149
- Wages and salaries			152,310	155,431
- Social security costs			117,580	138,338
- Other pension costs			1,487,851	1,754,918

Under an agreement signed on 29 March 2000 all WCMC 2000 staff are seconded to UNEP-WCMC from 8 June 2000.

The average number of persons, analysed by function, employed during the year was:

	2005	2004
Management and administration of charity	15	15
Research and operational	33	34
	48	49

The above numbers include Directors ("Trustees") who are not permitted to receive remuneration for their duties.

The number of employees earning over £50,000 per annum excluding pension contributions was:

	2005	2004
£50,001 - £70,000	1	Nil

3. TANGIBLE FIXED ASSETS

Cost	Leasehold Property £
At beginning of period	1,698,933
Additions	-
At end of period	1,698,933
Accumulated depreciation	389,633
At beginning of period	33,976
Charged in period	423,609
At end of period	423,609
Net book value	1,275,324
At end of period	1,275,324
At beginning of period	1,309,300

On 8 June 2000 WCMC 2000 granted an under-lease to UNEP-WCMC for occupation of the headquarters building.

WCMC 2000

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2005 (CONTINUED)

4. DEBTORS

Amount due from UNEP-WCMC

2005	2004
£	£
37,985	-

The year end debt has arisen due to accrued backpay and bonuses being recognised in the accounts at the year end but not paid through the payroll or repaid by UNEP-WCMC until 2006.

5. CREDITORS: amounts falling due within one year

Accruals and other creditors
Pension costs
Other taxes and social security costs

2005	2004
£	£
41,676	10,989
4,155	14,555
39,193	41,394
85,024	66,938

The bank overdraft facility is secured by a charge on the company's leasehold buildings and by a debenture on the assets.

6. ENDOWMENTS

Contributions to headquarters building

Balance 1 Jan 2005	Incoming Resources	Balance 31 Dec 2005
£	£	£
1,222,051	-	1,222,051

The Partners made capital contributions for the new building which until 29 March 2000 were repayable only if WCMC 2000 ceased to operate or if the headquarters building had been sold and the proceeds are not reinvested in acquiring alternative premises. As at 29 March 2000 the Partners waived their rights to repayment under an agreement supplemental to that made in April 1992. During the period the British government gifted via UNEP £671,407 to redeem the financing on the building. This grant is repayable on the same terms as the Partners original contributions. A further grant of £37,500 was received from Rio Tinto during the period ended 31 December 2000.

Tangible fixed assets
Debtors
Cash at bank and in hand
Creditors
Net assets

Unrestricted Funds	Endowment Funds	Total Funds
£	£	£
53,273	1,222,051	1,275,324
-	-	-
70,306	-	70,306
(85,024)	-	(85,024)
38,555	1,222,051	1,260,606

7. OPERATING LEASE COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the next financial year:-

Expiring:
Within two to five years
After five years

2005	2004
Land and Buildings	Land and Buildings
£	£
-	-
1,000	1,000
1,000	1,000

Under the sub-lease to UNEP-WCMC the commitments under the operating leases for land and buildings are fully recoverable.

WCMC 2000

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2005 (CONTINUED)

8. PENSION COSTS

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the funds and amounted to £117,580 (2004 £138,338).

9. RELATED PARTY TRANSACTIONS

The Company recharged costs of £1,561,116 to UNEP-WCMC and as at 31 December 2005 there was £37,985 due to the company from UNEP-WCMC.

10. COMPANY STATUS

The Company is limited by guarantee, not having a share capital. It is a registered charity and is not liable to corporation tax.

11. DIRECTORS' (TRUSTEES') REMUNERATION

The Directors neither received nor waived any emoluments during the year (2004 £nil).
No expenses were reimbursed to directors during the year (2004 £nil).