

Charity registration number 1199692

Company registration number 13871372 (England and Wales)

**ECOLOGICAL RESTORATION FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**  
**PAGES FOR FILING WITH REGISTRAR**

# ECOLOGICAL RESTORATION FUND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Dr A L K Rausing	(Appointed 25 January 2022)
	Dr S Rausing	(Appointed 25 January 2022)
	Mr D Hotz	(Appointed 25 January 2022)

**Charity number** 1199692

**Company number** 13871372

**Registered office** 12 Penzance Place  
London  
UK  
W11 4PA

**Auditor** Bright Grahame Murray  
Emperor's Gate  
114a Cromwell Road  
Kensington  
London  
SW7 4AG

**Bankers** C. Hoare & Co  
37 Fleet Street  
Temple  
London  
EC4Y 1BT

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# ECOLOGICAL RESTORATION FUND

## CONTENTS

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	Page
Trustees' report	1 - 5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 16

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# ECOLOGICAL RESTORATION FUND

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

### FOR THE PERIOD ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the period ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### Objectives and activities

The Ecological Restoration Fund was set up to provide benefit to other charitable institutions in the advancement of their charitable work or to benefit other groups provided the work they carry out is charitable.

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, planning future activities, and setting the grant-making policy for the Trust.

The Ecological Restoration Fund furthers its charitable purposes for the public benefit by promoting the values and principles of Ecological Restoration and supporting the preservation of nature from further degradation.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### Incorporated status

The Ecological Restoration Fund was established as a charitable registered company limited by guarantee on the 25th January, 2022.

#### Grant-making

The Trust's grants during the period were dedicated to supporting organisations that protect and restore biodiversity and rejuvenate degraded landscapes. We align the Ecological Restoration Fund with international actions and intentions, including COP 15 targets and the ecosystem categories set out with the UN Decade of Ecosystem Restoration.

More details about our grants and decision-making can be found on our website.

#### Grant making policy

Trustees review the Trust's grant-making policies regularly to ensure they reflect the charity's objects and advance public benefit.

Trustees currently do not invite unsolicited applications for funding, given the limited annual budget, the Trust's wide geographic reach and our small team. Instead, the Trust's experienced programme staff look for influential, well-run organisations working in the Trust's fields of interest. Trustees may also bring potential applicants to the attention of programme staff. After an initial review, programme staff propose potential applicants to trustees, who will decide whether or not to invite a full application.

Organisations invited to apply are allocated to one of the Trust's programmes. Applications are assessed by programme staff. They aim to gain an in-depth understanding of the applicant's objectives, organisation and effectiveness, and to assess the applicant's fit with the overall objectives of the Trust. Where possible, staff will make a site visit. Each application is also reviewed for compliance with UK charitable laws, with legal advice if necessary, and a financial review of past performance and future projections is undertaken.

Trust staff prepare reports and recommendations for each organisation's application. These are considered at regular review meetings where the founder and Chairman, Daniel Hotz, will decide if the information is sufficient to take to the Trustees. Trustees can raise concerns or questions and approve or reject referred grants. Trustees' decisions are final. Once the successful applicant has accepted the terms and conditions of the grant, the grant will be paid out. Further instalments of multiyear grants are paid on receipt of satisfactory interim reports.

The Trust's grants generally provide core and project support. The Trust typically either makes a one-off grant or will offer grants up to three years. The potential for long-term flexible support is greatly valued by grantees.

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## ECOLOGICAL RESTORATION FUND

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

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#### **Monitoring and Follow up: how the Trust's grant giving has delivered public benefit**

Grantees are required to complete annual progress reports and a final report after the end of the grant period. The reports cover progress made, problems encountered, and any organisational changes. Grantees also provide a financial statement showing how the grant has been used.

These reports are reviewed, and any queries are raised directly with the grantee to ensure that the grant has been used in compliance with the original application.

Grantees can be visited at any time during the grant. The Trust schedules regular visits, both to see the operation of grantees first-hand and to learn more about the current challenges in each country or region. International grantees are encouraged to visit the Trust offices should they be travelling to the UK. Staff report back to trustees on visits, and trustees regularly review the impact of the grants made.

#### **Achievements and performance**

During the period, the Trust has awarded £250,000 in grants. The financial statements and accounts contained later in this report reflect the total value of grants awarded by trustees during 2022.

All grantees report on the progress of their funded projects within six months (interim report) and then again after 12 months (final report).

#### **Financial review**

The results for the period are set out on pages 8-15.

Grant awards totalling £250,000 were made during the year.

In addition, the Trust spent £14,298 in administrative costs, making a total of £264,298 in direct charitable expenditure. Support costs were thus 5.72% of total charitable expenditure.

The Trust benefited from a donation of £1 million during the year, which had been distributed as charitable donations in its entirety by April 2023.

#### **Risk Management**

The trustees have examined the major strategic, business and operational risks to which the charity is exposed and maintain these in a register which is reviewed and updated regularly and formally by the trustees. They are satisfied that appropriate mitigations and resources are in place to manage the risks faced by the Trust and its staff.

The trustees assess the risks associated with each grant as it is made. They are mindful of the risks faced by grantees working to protect and restore ecosystems and species and the risk to staff of visiting current and potential grantees in certain countries. Trustees and staff draw on their own expertise and the advice of country experts and then take appropriate measures to safeguard staff and strengthen grantee security.

The considerable combined expertise of the Trust's staff and trustees, and the external experts it can call on for an independent opinion, ensure that the Trust can evaluate the applications received and mitigate the risk of ineffective grant making.

As part of the Trustees' duties, they manage risk to the organisation, including overseeing financial reporting, the processes related to risk management and internal control, including financial, reputational, compliance and other strategic and operational risks, and overseeing the audit processes.

#### **Plans for future periods**

In 2023, the Fund will implement the new vision and look to significantly upscale the amount of funding towards ecological restoration around the globe in response to the ecological and climate crises.

## **ECOLOGICAL RESTORATION FUND**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE PERIOD ENDED 31 DECEMBER 2022***

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#### **Structure, governance and management**

The Ecological Restoration Fund was established as a charitable registered company limited by guarantee on the 25th January 2022.

The following acted as directors and trustees during the period 25th January to 31st December 2022:

Dr A L K Rausing

Dr S Rausing

Mr D Hotz

The power of appointing new or additional trustees is vested in the current trustees. The number of trustees shall at no time be fewer than three individual trustees.

The Board of Trustees meets regularly, with an agenda focusing on strategic questions, future scanning and any significant questions of organisational risk.

All trustees are aware of their obligations to the Trust and on behalf of the Trust.

Details of trustee remuneration and expenses and any related party transactions are disclosed in note 2 to the accounts. Trustees are required to disclose all relevant interests and register them annually with the Trust's administration, and in accordance with the Trust's Overlap of Interest Policy to withdraw from decisions where a conflict of interest arises.

The trustees consider that the Board of Trustees and the Programme Officer comprise the key management personnel of the charity in charge of directing and controlling the charity and its day-to-day operation.

The pay of the charity's senior managers and other staff is reviewed annually and is normally increased in line with accepted measures of price and wage inflation.

## **ECOLOGICAL RESTORATION FUND**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

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#### **Statement of trustees' responsibilities**

The trustees, who are also the directors of Ecological Restoration Fund for the purpose of company law, are responsible for preparing the Trustees' 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with the company's articles, a resolution proposing that Bright Grahame Murray be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report is approved by the Trustees of the Charity. The Strategic Report, which forms part of the annual report, is approved by the Trustees in their capacity as directors in company law of the charity.

## **ECOLOGICAL RESTORATION FUND**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

***FOR THE PERIOD ENDED 31 DECEMBER 2022***

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#### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report is approved by the Trustees of the Charity. The Strategic Report, which forms part of the annual report, is approved by the Trustees in their capacity as directors in company law of the charity.

Mr D Hotz  
**Trustee**

24 August 2023



# ECOLOGICAL RESTORATION FUND

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ECOLOGICAL RESTORATION FUND

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#### Opinion

We have audited the financial statements of Ecological Restoration Fund (the 'charity') for the period ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial period for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

# ECOLOGICAL RESTORATION FUND

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ECOLOGICAL RESTORATION FUND

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

#### **Extent to which our procedures are capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the Charity, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the tax legislation, Charities Act.
- We enquired of the trustees and reviewed trustees' meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the trustees have in place to ensure compliance.
- We gained an understanding of and evaluated the controls that the trustees have in place to prevent and detect fraud. We enquired of the members about any incidences of fraud that had taken place during the accounting period.

## ECOLOGICAL RESTORATION FUND

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE MEMBERS OF ECOLOGICAL RESTORATION FUND

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- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: income recognition, management override, misappropriation of assets.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the trustees about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgments made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Brian Clifford (Senior Statutory Auditor)**  
**for and on behalf of Bright Grahame Murray**

**Chartered Accountants**  
**Statutory Auditor**  
Emperor's Gate  
114a Cromwell Road  
Kensington  
London  
SW7 4AG

1 September 2023

## ECOLOGICAL RESTORATION FUND

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds 2022 £
<b><u>Income from:</u></b>		
Donations and legacies	2	1,000,000
<b><u>Expenditure on:</u></b>		
Charitable activities	3	264,298
<b>Net income for the period/ Net movement in funds</b>		735,702
Fund balances at 25 January 2022		-
<b>Fund balances at 31 December 2022</b>		<b>735,702</b>

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

## ECOLOGICAL RESTORATION FUND

### BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£
<b>Current assets</b>			
Cash at bank and in hand		754,510	
<b>Creditors: amounts falling due within one year</b>	<b>9</b>	<u>(18,808)</u>	
Net current assets			<u>735,702</u>
<b>Income funds</b>			
Unrestricted funds			<u>735,702</u>
			<u>735,702</u>

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 24 August 2023

Mr D Hotz  
Trustee

Company registration number 13871372

## ECOLOGICAL RESTORATION FUND

### STATEMENT OF CASH FLOWS

*FOR THE PERIOD ENDED 31 DECEMBER 2022*

	Notes	2022 £	£
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	11		749,510
<b>Net cash used in investing activities</b>			-
<b>Financing activities</b>			
Proceeds from borrowings		5,000	
<b>Net cash generated from/(used in) financing activities</b>			5,000
<b>Net increase in cash and cash equivalents</b>			754,510
Cash and cash equivalents at beginning of period			-
<b>Cash and cash equivalents at end of period</b>			754,510

# ECOLOGICAL RESTORATION FUND

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Charity information**

Ecological Restoration Fund is a private company limited by guarantee incorporated in England and Wales. The registered office is 12 Penzance Place, London, W11 4PA, UK.

#### **1.1 Reporting period**

The financial statements have been presented for a period shorter than one year, this is due to company registration on 25 January 2022, and accounting reference period ending 31 December 2022. There are no comparative amounts as this is the first accounting period.

#### **1.2 Accounting convention**

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.3 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.4 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.5 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# ECOLOGICAL RESTORATION FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



# ECOLOGICAL RESTORATION FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.9 Grants payable

Grants and donations are recognised in the Statement of Financial Activities based on the commitments made during the year. In case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside the control of the Trust. Multi-year grants are recognised at the value awarded: trustees consider that given the Trust's funding arrangements there is no material discounting required to reflect the time value of the money.

### 2 Donations and legacies

#### Unrestricted funds

2022  
£

Donations and gifts 1,000,000

#### Donations and gifts

Gifts and Legacies 1,000,000

1,000,000

The £1,000,000 donation received in the year was from a family member of a trustee.

### 3 Charitable activities

#### Grant Making

2022  
£

Sundry Expenses 1,508

Bank Fees 490

1,998

Grant funding of activities (see note 4) 250,000

Share of governance costs (see note 5) 12,300

264,298

# **ECOLOGICAL RESTORATION FUND**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

### **4 Grants payable**

	Grant Making
	2022
	£
Grants to institutions (10 grants):	
BIOM Association	25,000
Birdlife Sverige	25,000
Blue Marine	25,000
Bulgarian Biodiversity Foundation	25,000
Cheshire Beaver Trust	25,000
Polish Society for the Protection of Birds	25,000
Portuguese Society for the Study of Birds	25,000
Rewilding Portugal	25,000
Wildlife and Wetlands Trust	25,000
Zoological Society of London	25,000
	<u>250,000</u>

### **5 Support costs**

	Support costs	Governance costs	2022	Basis of allocation
	£	£	£	
Audit fees	-	12,300	12,300	Governance
	<u>-</u>	<u>12,300</u>	<u>12,300</u>	
Analysed between				
Charitable activities	-	12,300	12,300	
	<u>-</u>	<u>12,300</u>	<u>12,300</u>	

Governance costs includes payments to the auditors of £12,300 for audit fees.

### **6 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

### **7 Employees**

The average monthly number of employees during the period was:

	2022
	Number
Total	<u>-</u>

# ECOLOGICAL RESTORATION FUND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2022

### 7 Employees (Continued)

There were no employees whose annual remuneration was more than £60,000.

### 8 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

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

	2022 £
Directors' loan	5,000
Accruals and deferred income	13,808
	<u>18,808</u>

### 10 Related party transactions

Where trustees have an interest in a grant making decision they register that interest and withdraw from the assessment, discussion and decision.

There exists a £5,000 directors' loan owed to a trustee at the year end. The balance is interest free and repayable on demand.

Donations received from related parties are disclosed in note 2.

### 11 Cash generated from operations 2022 £

Surplus for the period	735,702
Movements in working capital:	
Increase in creditors	13,808
<b>Cash generated from/(absorbed by) operations</b>	<u><u>749,510</u></u>

### 12 Analysis of changes in net funds/(debt)

	At 25 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	-	754,510	754,510
Loans falling due within one year	-	(5,000)	(5,000)
	<u>-</u>	<u>749,510</u>	<u>749,510</u>

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