FAUNA & FLORA INTERNATIONAL

England & Wales · Charity number 1011102

Details

Other names	FAUNA AND FLORA INTERNATIONAL, FAUNA AND FLORA PRESERVATION SOCIETY, FFI, FAUNA & FLORA INTERNATIONAL, Fauna & Flora
Status	Registered
Legal form	Charitable company
Company number	02677068
Registered	1992-05-13
Register	View on the Charity Commission register

Contact

Address	Fauna & Flora International The David Attenborough Building Pembroke Street Cambridge CB2 3QZ
Phone	01223571000
Email	info@fauna-flora.org
Website	www.fauna-flora.org

Activities

Objects: TO PROMOTE THE CONSERVATION OF THE ENVIRONMENT BY THE PROTECTION OF BIODIVERSITY FOR THE BENEFIT OF THE PUBLIC BY DESIGNING AND IMPLEMENTING GLOBALLY APPLICABLE SOLUTIONS THAT ARE EFFECTIVE LOCALLY; TO ADVANCE THE AWARENESS AND EDUCATION OF ALL SECTORS OF SOCIETY WORLDWIDE IN THE CONSERVATION AND PROTECTION OF BIODIVERSITY.

Activities: Fauna & Flora's shared purpose is to protect the diversity of life on Earth, for the survival of the planet and its people. We work closely with local conservation partners around the world to save nature, together. We harness this collective expertise to inspire positive change globally.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Animals, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

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Geography

- Anguilla
- Antigua And Barbuda
- Australia
- Barbados
- Belize
- Botswana
- Bulgaria
- Burma
- Cambodia
- Cape Verde
- Congo (Democratic Republic)
- Dominica
- Georgia
- Grenada
- Guinea
- Honduras
- Indonesia
- Jamaica
- Kazakhstan
- Kenya
- Kyrgyzstan
- Laos
- Liberia
- Mozambique
- Namibia
- Nicaragua
- Romania
- Rwanda
- Saint Vincent
- Senegal
- South Africa
- South Sudan
- St Lucia
- São Tomé And Principe

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- Tajikistan
- Tanzania
- The Bahamas
- Trinidad And Tobago
- Turkey
- Turkmenistan
- Uganda
- United States
- Uzbekistan
- Vietnam

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£44,617,478	£48,757,873	£23,526,070	642
2023-12-31	£36,800,352	£41,875,055	£28,216,366	628
2022-12-31	£33,165,693	£30,403,428	£33,621,130	505
2021-12-31	£36,485,126	£25,595,941	£30,141,347	479
2020-12-31	£26,469,119	£24,042,918	£19,285,546	475

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Trustees

Name	Role	Appointed
Stephen Charles Fitzgerald	Chair	2024-02-13
ABSHIRO SOKA HALAKE		2021-09-29
Anna Gavazzi Asseily		2019-09-25
Christine Lloyd		2023-08-07
Dominic Kailashnath Waughray		2023-12-21
Dr Anthony Thomas Juniper		2023-01-20
Dr Joyce Cacho		2025-10-07
Eyitola St Matthew-Daniel		2023-08-07
HUGH PATRICK SLOANE		2021-09-29
Hernan Gonzalez-Merlani		2023-08-07
JEFFREY JAMES BLUMBERG		2020-03-31
KIMBERLY STEWART		2020-09-15
MARTIN CHARLES TYLER		2024-02-13
Miguel Nogales		2022-10-28

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FAUNA & FLORA INTERNATIONAL

England & Wales - Charity number 1011102

Accounts

Fauna & Flora

Saving Nature Together

© Nahún Rodríguez / Fauna & Flora / Fairpicture

Annual Report & Accounts 2024

Message from the Chair

The first year of our 2030 strategy has made clear both the critical nature of our work and also what a difference we can make together. The ongoing decline in biodiversity, habitat loss, and the global climate crisis underscore the urgency of our mission. These challenges have been exacerbated in recent months by the sudden realigning of global priorities and a drop in governmental funding for both nature and climate work.

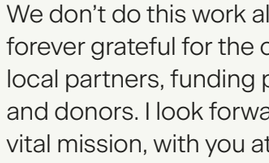
In the light of these challenges, the conservation community around the world has shown remarkable resilience and innovation in the face of adversity. Our shared purpose – to protect the diversity of life – remains steadfast.

A great strength of having such a long organisational history is to be able to learn from what has been before to prepare for what may come – whether at a global level or for an individual species. This is at the heart of what we do. At Fauna & Flora, our focus is on really understanding our impact, working closely with partners to deliver tangible outcomes for nature, people and climate.

There is increasing recognition that locally led conservation work, which has always been core to Fauna & Flora, has the most sustainable impact. In 2024, I had the privilege of visiting one of Fauna & Flora's long-term partners, Akdeniz Koruma Derneği (AKD) in Türkiye. I saw their holistic approach to conservation, from rangers patrolling Marine Protected Areas, to shark monitoring stations, and the insertion of trackers on lionfish to help monitor the spread of this invasive species. And their vital collaboration with local groups to protect the cultural heritage of this region and create a market for the destructive lionfish.

> "My first year as Chair of Fauna & Flora has been inspiring but has also shown more clearly the challenges ahead for our work. Together we must continue to adapt to a changing world, in order to meet our ambitious goal to double our impact by 2030 and with the underpinning of ensuring a dynamic, resilient and well-governed organisation able to rise to the demands ahead.

We don't do this work alone and we are forever grateful for the crucial support of our local partners, funding partners, supporters and donors. I look forward to continuing our vital mission, with you at our side.



Stephen Fitzgerald AO

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Strategic report

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Phon Sophea and Majel Kong, Fauna & Flora staff, remove a large net from the sand which was found during a beach clean up in Cambodia

Our purpose and mission

Our shared purpose is to protect the diversity of life on Earth, for the survival of the planet and its people. We work closely with local conservation partners around the world to save nature, together. We harness this collective expertise to inspire positive change globally.

How we work

We support, sustain and strengthen local nature conservation action. For the survival of species and habitats, the planet and people.

Around the world, we work on the ground with local partners and communities. By aligning our technical skills and experience with their expertise and their local and traditional knowledge, we each play to our strengths for maximum conservation impact.

We influence businesses and governments to make informed decisions that benefit nature by addressing issues that affect our sites and improving global policies and practices. We also ensure that the voices of those spearheading conservation on the ground are heard.

We innovate, test new approaches, share skills and accelerate learning in support of the evolution of the wider conservation community. We aim to embrace new sectors and communities in order to make a greater contribution to conservation, diversifying the skills that can help solve the crisis before us.

We tackle the biodiversity and climate crisis as one. Our projects are integrated, effective and sustainable so that – working with our partners – we can deliver the best outcomes for climate, food security, livelihoods and health, as well as for nature.

Our charitable objectives

Fauna & Flora is committed to achieving the following charitable objectives:

- To conserve the environment by protecting biodiversity for the benefit of the public through globally applicable solutions that are effective locally.
- To advance the awareness and education of all sectors of society around the world in the conservation and protection of biodiversity.

To achieve our mission and charitable objectives, our Strategy to 2030 sets out five strategic objectives which underpin our approach to conservation as we aim to double our impact.

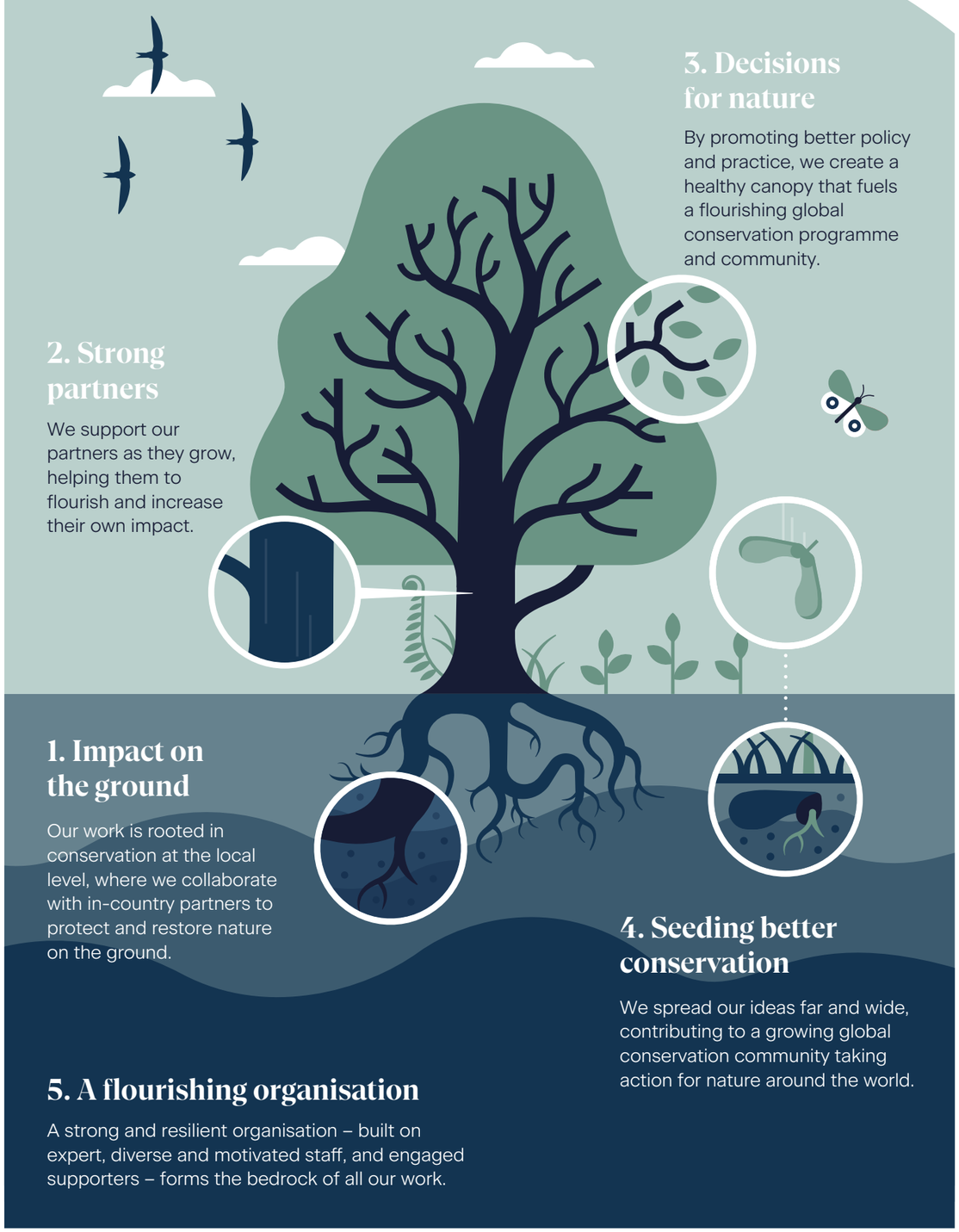
Read our **Conservation Impact Report**

Read our **Strategy to 2030**

© Steph Baker / Fauna & Flora

Karst limestone hills and wetlands, Vietnam

Our strategic approach



1. Impact on the ground

Our work is rooted in conservation at the local level, where we collaborate with in-country partners to protect and restore nature on the ground.

2. Strong partners

We support our partners as they grow, helping them to flourish and increase their own impact.

3. Decisions for nature

By promoting better policy and practice, we create a healthy canopy that fuels a flourishing global conservation programme and community.

4. Seeding better conservation

We spread our ideas far and wide, contributing to a growing global conservation community taking action for nature around the world.

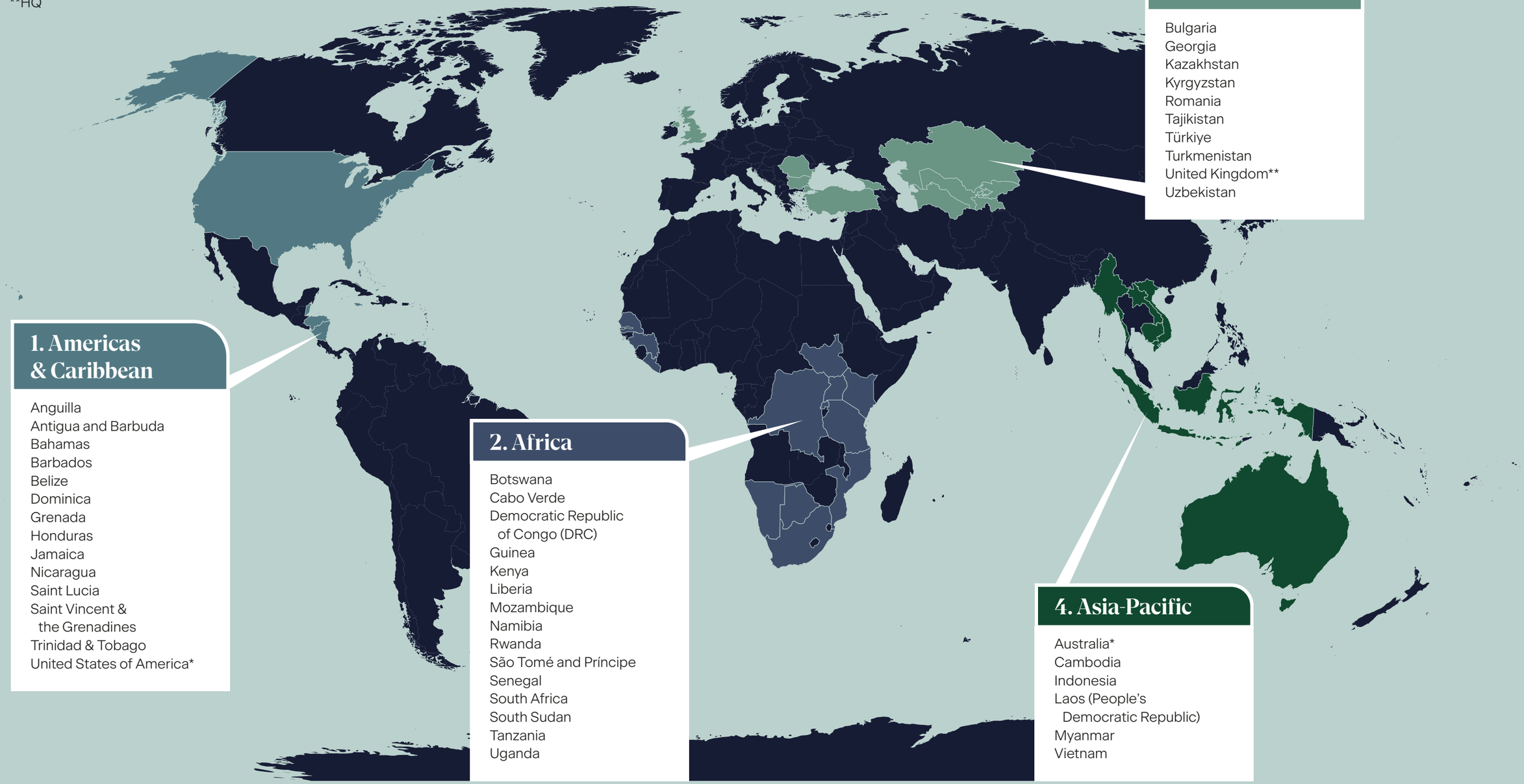
5. A flourishing organisation

A strong and resilient organisation – built on expert, diverse and motivated staff, and engaged supporters – forms the bedrock of all our work.

Where we work

Fauna & Flora has over 125 projects† in more than 40 countries around the globe.

*Administrative hub
**HQ



1. Americas & Caribbean

Anguilla
Antigua and Barbuda
Bahamas
Barbados
Belize
Dominica
Grenada
Honduras
Jamaica
Nicaragua
Saint Lucia
Saint Vincent & the Grenadines
Trinidad & Tobago
United States of America*

2. Africa

Botswana
Cabo Verde
Democratic Republic of Congo (DRC)
Guinea
Kenya
Liberia
Mozambique
Namibia
Rwanda
São Tomé and Príncipe
Senegal
South Africa
South Sudan
Tanzania
Uganda

3. Eurasia

Bulgaria
Georgia
Kazakhstan
Kyrgyzstan
Romania
Tajikistan
Türkiye
Turkmenistan
United Kingdom**
Uzbekistan

4. Asia-Pacific

Australia*
Cambodia
Indonesia
Laos (People's Democratic Republic)
Myanmar
Vietnam

† For the purposes of this report, a project is defined as a set of activities leading towards a meaningful conservation outcome. The conservation result that a project works towards might be a specific biodiversity target, such as the conservation of a site or a species, or it might be creating a specific set of enabling conditions for delivering better conservation – for example by changing the behaviour of a particular group to address a specific issue. A project may encompass multiple sites and/or species and employ multiple conservation approaches. A project might be delivered by Fauna & Flora directly, or in collaboration with partners and other organisations

OUR STRATEGIC OBJECTIVES

1. Impact on the ground

Protecting nature, together.

Nature is in crisis, but crucial to the success of our conservation efforts is ensuring we work with those who live closest to nature to protect and recover habitats and species around the world. By 2030 our goal is to double our on-the-ground impact, securing and restoring more land and sea for biodiversity, climate security and for people. And we continue to work towards that ambition hand-in-hand with our local partners, organisations and communities.

We implement comprehensive projects, designed to ensure the flourishing of ecosystems, species, and communities. We work with communities as active participants, partners, and leaders in conservation and sustainable resource management, ensuring they have the tools and support they need to thrive.

2024 highlights

Influenced the conservation of over
60 million hectares of crucial habitat
(an area nearly twice the size of Italy)

Helped protect
94 priority species
256 secondary species

Worked directly to manage habitat in
323 sites

Grew / planted over
274,000 tree seedlings, including over
14,000 from threatened species

Engaged with over
3,300 people from over
800 communities to inform conservation actions

Conserved over
1.7 million hectares of important marine and coastal habitat, and influenced conservation over an additional
1.3 million hectares

Delivered conservation outreach activities to over
44,000 community members

Carried out over
215 biodiversity surveys within our field projects

Activities to address illegal wildlife trade helped protect at least
84 species

Protected and released over
15,000 turtle hatchlings

A Sombrero ground lizard

© Toby Ross / Fauna & Flora

Turning the tide for a critically endangered Caribbean reptile

Sombrero Island is home to several species found nowhere else on Earth – including the Sombrero ground lizard. Just three years after Fauna & Flora and our partners began work to rescue this diminutive Caribbean species from extinction, it started showing signs of bouncing back. A population survey conducted in 2024 revealed a staggering increase in numbers – from fewer than 100 individuals in 2018 to over 1,600 – representing one of the most rapid recoveries of any reptile in the region.

Sombrero ground lizard numbers

This success is the direct result of on-the-ground action carried out in close partnership with the Anguilla National Trust, Re:wild, and Wildlife Management International, with leadership and expertise from local conservationists. Together, we have implemented a holistic island restoration programme: local teams have played a critical role in removing invasive species, propagating and replanting native flora, and monitoring species recovery. These efforts are beginning to transform the island's landscape: once barren and degraded, Sombrero is now visibly greener and more hospitable for its unique native wildlife.

The ecological recovery of the island, part of both a designated Ramsar Site that protects its wetlands and a Marine Reserve, is not only securing biodiversity, but also increasing the island's resilience to climate change, helping to buffer against more frequent and intense hurricanes and other environmental shocks.

This project is a powerful example of what's possible when local leadership, scientific expertise and long-term partnerships come together to deliver real, measurable impact on the ground.

> "The ecological restoration we have implemented on Sombrero and many other islands across the Caribbean is important for establishing a more secure future for these islands and the many species and people that rely on them. Protecting and restoring healthy natural ecosystems is key to resilience to a changing climate.

Arica Hill Caribbean Lead

2. Strong partners

In partnership for success

At the heart of our conservation efforts is our commitment to partnership. Together, we are better equipped to tackle new challenges and able to combine global and local expertise to protect and restore nature. Alongside our ambition to increase on-the-ground impact, we aim to see our local partners thrive, grow, and amplify their own impact.

To do this, we support our partners with training and development, resources, and the confidence they need to drive sustainable programmes and influence decision-making. Because strong, capable partners are fundamental to delivering enduring conservation impact.

2024 highlights

Collaborated with

439

in-country organisations, of which

68

were core partners

320

organisations

whose skills, knowledge & resources we helped develop

Over

5,500

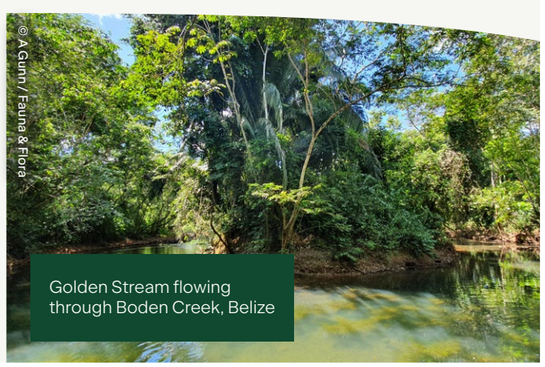
people

whose conservation capacity we built

Ownership in local hands

In 2021 Fauna & Flora worked to secure funding to secure the Boden Creek Ecological Preserve in Belize on behalf of our local partner, Ya'axché Conservation Trust.

This year saw us successfully transfer ownership of this site to Ya'axché Conservation Trust, in line with the original vision and intention for local ownership in perpetuity. Ya'axché now protects and manages this crucial 5,178-hectare area, through community outreach work, monitoring and protection patrols. Boden Creek represents a vital part of a wider mosaic of protected sites, linking across the Mayan Golden Landscape – a 300,000-hectare area stretching from mountains to reefs, containing critical forests and supporting a range of iconic and threatened species, as well as being the home for numerous local communities.



© A Gunn / Fauna & Flora

Golden Stream flowing through Boden Creek, Belize

Working together to secure a future for Vietnam's rare primates

Community-led conservation is at the heart of Fauna & Flora's work in northern Vietnam, where the world's second rarest primate – the cao vit gibbon – clings to survival in just 16 km² of remaining habitat. With an estimated 74 individuals left in the wild, every single birth matters. And so does every local conservationist working to protect them.

In 2024, we continued to work closely with the Gibbon Monitoring Team (GMT) – a dedicated group of 10 community members who, alongside Fauna & Flora research staff and rangers from the Forest Protection Department, are the front line of protection for this critically endangered species and its habitat.

The GMT's role goes far beyond patrols. We work closely with them to train them to be conservation practitioners, undertake acoustic surveys, track gibbon behaviour, collect samples for genetic analysis, and record vital data to inform national and international conservation efforts. Over the past year alone, the team conducted nearly 1,500 person-patrol days covering over 7,600 kilometres, and contributed more than 3,500 hours to gibbon protection and research.

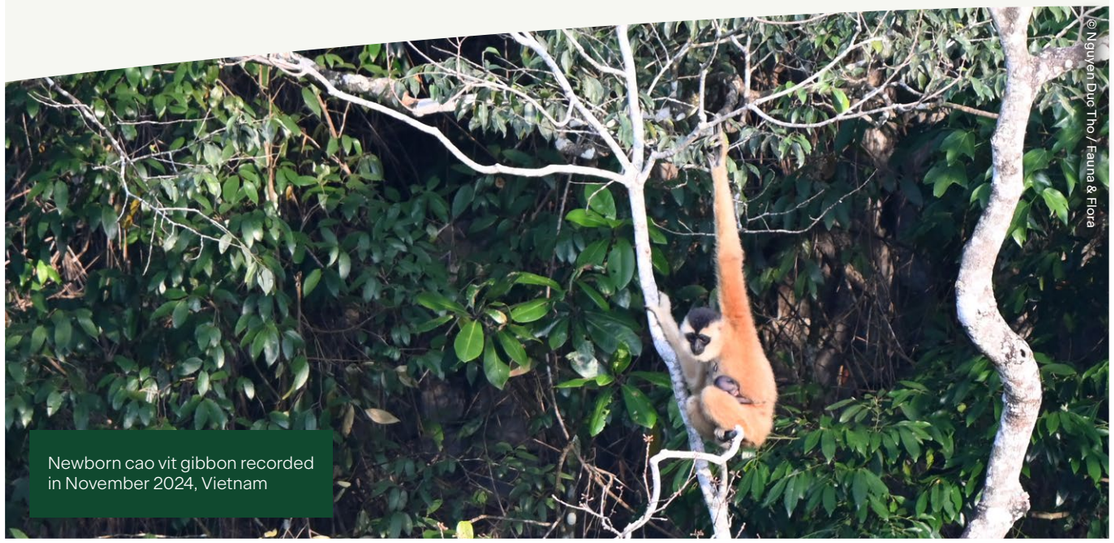
In November 2024, the team recorded a hopeful milestone: the sighting of a newborn gibbon – the second since the population was reassessed and recalibrated in 2023.

> "We were very excited to spot another infant cao vit gibbon during our regular patrolling. This is amazing and an encouraging sign of hope for the species' population, and highlights the critical importance of long-term ongoing monitoring and conservation efforts in Cao Bang.

Tho Duc Nguyen Project Manager – Cao Vit Gibbon Programme

Fauna & Flora has worked alongside the GMT to build their capacity over time – not only in field techniques, but also in research, leadership and enforcement. In 2024, the team led an intensive two-day enforcement patrol, working hand in hand with Fauna & Flora staff and government rangers. No signs of poaching or illegal activity were found – a clear sign of success.

This partnership is a powerful example of our strategic priority to support locally led conservation – in this case, communities rooted in the landscape. As we move forward, our goal is to help the GMT strengthen its role further, grow its influence, and share its expertise with others working across Vietnam's remaining forests.



© Nguyen Duc Tho / Fauna & Flora

Newborn cao vit gibbon recorded in November 2024, Vietnam

3. Decisions for nature

Influencing wider policies and practices

Decisions made by governments, international bodies and businesses can help or hinder nature. We aim to influence laws and policies that have a direct impact on the sites where we work, and ensure that the knowledge and information we and our partners hold can be used to influence key global decisions.

We continue to amplify local voices and expertise to ensure that the local communities we work with are included at all levels of conservation decision-making. We are also working to find credible, practical and effective ways to get more finance invested into nature conservation and climate change work in a way that benefits people and planet. We strive to find solutions that ensure this finance reaches those taking action on the ground.

2024 highlights

Helped develop

61

laws, regulations and strategic government plans

Influenced the development of at least

140

policies

that affect our work at local, national or regional scale

Engaged with

164

government agencies

on policy issues

Directly worked with over

157

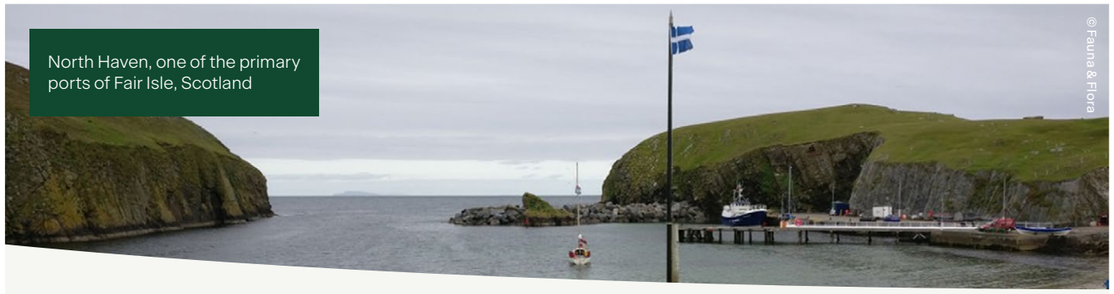
local and national businesses

Worked with over

550

communities

on local planning or governance



North Haven, one of the primary ports of Fair Isle, Scotland

© Fauna & Flora

Community-led marine management in Scotland

Working in partnership lies at the heart of Fauna & Flora's approach in Scotland. Across the country, we support community-based organisations to take the lead in protecting nature, shaping conservation priorities, and influencing policy. One such partner is the Fair Isle Marine Research Organisation (FIMRO), which is helping to manage the waters around one of Scotland's most pioneering marine sites.

In 2016, following years of community advocacy, the waters around Fair Isle – a remote island between Orkney and Shetland – were designated as a Demonstration and Research Marine Protected Area (DR MPA) with support from Fauna & Flora. Marine Protected Areas (MPAs) are sites where damaging activities are limited or prohibited to help restore marine ecosystems. A DR MPA has a particular focus on testing new ideas and involving local people in how the site is run – and Fair Isle remains the only one in Scotland where a community-based organisation like FIMRO is formally recognised as part of the site's management.

Since designation, Fauna & Flora has worked alongside FIMRO to strengthen their ability to play a meaningful role in shaping how the MPA is governed. This includes mentoring staff, fundraising support, technical project input, and ensuring FIMRO has a seat at the table through the site's advisory and steering groups, which Fauna & Flora is also a part of. In practice, this means the community sets research priorities, reviews plans and data, and advises on how the area should be protected and managed – bringing local knowledge and lived experience directly into decision-making.

In 2024, FIMRO took a major step forward by securing £120,000 to hire a full-time Research Officer for three years – funding that Fauna & Flora helped secure, through contributions from NatureScot and the National Trust for Scotland. This new role is already delivering results including:

- Benthic surveys, which examine the seabed and its habitats
- Inshore fish surveys, which monitor fish populations close to shore
- Acoustic monitoring, which uses underwater devices to detect whale and dolphin activity

These findings are helping to build a clearer picture of how the local marine environment is changing – and will support evidence-based decisions about future management of the site.

As the only designated MPA in Scotland with formal community involvement in governance, Fair Isle is setting a valuable precedent – one that is helping to inform wider policy conversations about community-led marine management across the country. FIMRO's story has inspired other local community groups to follow the same process, and Fauna & Flora are also supporting the application process in another location.

> "FIMRO are an inspiring example of what a community can achieve for nature and people through their commitment, resilience and deep local knowledge, with steady support from Fauna & Flora's locally based team – reflecting our model of collaboration and respect for locally led solutions.

Rebecca Plant Programme Manager, Scotland

4. Seeding better conservation

New approaches, new solutions

The global challenges we face due to the nature and climate crises are enormous. To overcome this, we must work together. We are able to harness our track record to help improve how we all implement conservation.

Woven throughout our programmes is a commitment to seeding better conservation. By working together, with organisations both within the conservation sector and beyond, we innovate, collaborate, and seek new solutions. We harness emerging technologies and, most importantly, learn from one another to build on our successes.

2024 highlights

Conservation skills training was delivered to over:

2,000 staff from our partner and collaborating organisations

2,900 community members close to our project sites

570 students close to our project sites

> "The Conservation Leadership Programme has kickstarted over 4,400 careers in nature conservation across 109 countries. In our most recent alumni survey, 98% credit the programme with playing an important role in their career success."
>
> **Marianne Carter** Director, Capacity & Conservation Leadership

58% of field-based projects incorporated technology into their work in context-appropriate ways including camera traps, eDNA and other DNA analysis, tagging, aerial surveys, acoustic monitoring and BRUVS

The Conservation Leadership Programme supported **13 teams of 60 conservationists** with over **US $212,000** in small grant funding

Research from Fauna & Flora projects was used to support wider decision-making in over **50 projects**

Challenging gender norms to strengthen conservation from the inside out

In Kenya's community conservancies, women have traditionally been sidelined from leadership and decision-making roles. Recognising that stronger conservation governance depends on inclusive participation and broader community ownership, Fauna & Flora, funded by the UK government through the Darwin Initiative, is working with CARE Kenya to pilot a gender-transformative approach in two conservancies – Sera Wildlife Conservancy and Pate Marine Community Conservancy.

The process, tailored to each site, encourages men and women to examine and reflect on gender roles and norms, and take action to address inequalities in their households, communities and the conservancy. In 2024, more than 190 people in Pate – including Beach Management Units, religious leaders and local government representatives – joined training and dialogue sessions. These community conversations opened up space to rethink who gets to lead and contribute to conservation, and how.

The effects go beyond formal leadership. In Sera, 21 trained "champions" facilitated 62 dialogues across the community, reaching almost 1,400 people. These sessions are helping shift attitudes and expectations, including around unpaid care work and who speaks in public forums. As one older man shared: "Since we started the community dialogues, women have been experiencing a positive shift in the community culture. As an older man, I have begun assisting my wife with tasks I traditionally would not have done... I no longer feel ashamed to help with household chores, and my wife is pleased with the change."

This shift in mindset is also translating into tangible support for women's involvement in conservation action.

> "I have changed the narrative that the women can't... I encouraged one woman to travel to Naivasha to train on rhino protocol and another to attend to attend a conservancy annual meeting. The women were afraid to travel alone but the two did when I encouraged and supported them.
>
> Conservancy manager

By removing barriers to women's participation and encouraging collective reflection and action, the project is building stronger, more representative conservancy governance – and with it, deeper commitment to conservation outcomes.

The pilot is already influencing Fauna & Flora's work elsewhere, with tools and learning products in development to support other practitioners to apply gender-transformative approaches in their own contexts.

© Veronicah Lekopole

A group of community champions from Sera Wildlife Conservancy

5. Fauna & Flora flourishes

To have maximum impact, we must ensure that Fauna & Flora is a dynamic and resilient organisation, built on effective, expert, diverse and motivated staff with effective systems to support their work.

As we aim to double our impact by 2030, we continue to ensure our funding keeps pace with our ambition, prioritising funding sources that gives us greater flexibility in how we work. In raising our profile, we will ensure more people know us as an organisation and are able to support our work to drive the change we want to see.

2024 highlights

Fundraising

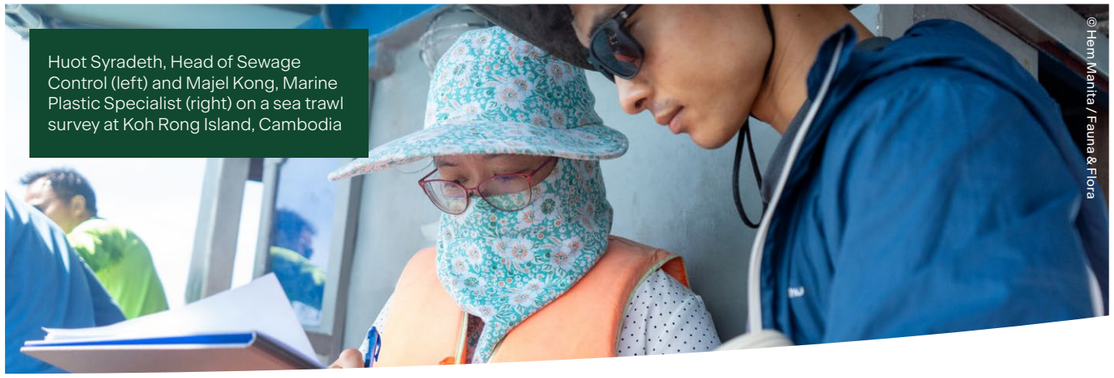
- **In 2024 we undertook an extensive audit of our fundraising activities**, with a purpose to ascertain key opportunities for growth, especially for unrestricted income. The process involved working with consultants from Daryl Upsall International over a number of months, looking at both the internal and external situation. A key recommendation from the audit was to continue our focus on high value fundraising, across trusts and foundations, statutory and individual giving. In addition, we are looking to develop our corporate engagement activities to include more direct fundraising. Further, the audit identified a number of areas for improvement across our systems and processes, such as the need for an integrated Customer Relationship Management system – which we are now working to implement.

- **A specific recommendation from the audit was to refresh our 'Conservation Circle'** which has been a focus of our major donor giving since 2007. A refresh will be launched in 2025. Alongside this we are implementing a more strategic approach to high value fundraising approaches.

- **In a year defined by environmental urgency, we continue to build momentum** with trust and foundation funders who are embracing key principles of trust-based philanthropy – providing strategic, multi-year, flexible support and streamlining application and reporting requirements. This approach not only reflects a growing sector-wide shift in how impact is supported and measured, but also enables Fauna & Flora to remain agile and focused on long-term outcomes for our sites and partners. Donors include (but are not limited to) Arcadia, Postcode Green Trust – thanks to funds raised by players of the People's Postcode Lottery, Lucille Foundation, Esmee Fairbairn Foundation, Rufford Foundation, Cartier for Nature, William Grant Foundation, and two anonymous US-based donors. We also embarked on two new partnerships with Tierra Pura Foundation and the Hans Wilsdorf Foundation, who are demonstrating this approach. We are immensely thankful for these investments and proud to be working alongside donors who see collaboration and trust not just as values, but as strategies for lasting conservation impact.

- **2024 also saw targeted growth in funding to our marine programme.** Thanks to the support of key donors, including (but not limited to) the Paul M Angell Family Foundation, Rainforest Trust, Oceans 5, and the Nando & Elsa Peretti Foundation, we have been able to expand our efforts across multiple seascapes to protect marine habitats and species, and support the communities that depend on them. Support from these donors has also enabled us to deliver capacity-building workshops with local partners in Honduras and Nicaragua – strengthening the foundations for lasting, locally led marine conservation. Institutional funding for our marine programming continues to grow. In 2024 we secured funding from the UK government's OCEAN fund to scale responsible fisheries and resilient livelihoods efforts across 21 coastal communities in Honduras and begin tackling the insidious threat to ocean and human health of untreated wastewater. In São Tomé and Príncipe, Blue Action Fund provided crucial follow-on funding to support the implementation and expansion of the country's first marine protected area network.

- **In January 2024, Fauna & Flora launched a five-year project** to support government and local partners implement the Massif du Ziama Biosphere Reserve general management plan in Guinea. This project is made possible by investment from the Government of France via Agence française de développement; our first award from this partner.



Huot Syradeth, Head of Sewage Control (left) and Majel Kong, Marine Plastic Specialist (right) on a sea trawl survey at Koh Rong Island, Cambodia

© Hem Manita / Fauna & Flora

- **2024 was another successful year for fundraising appeals.** Our Koh Kong appeal in September raised over £450,000, making it our most successful appeal to date (excluding land purchase appeals). The campaign focused on securing funds to protect vulnerable species in the region and to equip front-line teams with essential resources.

- **The year also featured a smaller, yet impactful, digital appeal** that raised urgent funds for a project to reintroduce Przewalski's horse in Kazakhstan. In collaboration with several partners, we successfully secured the necessary funding and gained valuable insights into how to effectively engage our supporter base with lesser-known species and projects. In total, we raised over £50,000.

- **It was also a year in which two new regular giving initiatives came into their own.** The 'Sponsor a Pangolin' product was launched across digital channels, successfully recruiting 2,500 new regular donors. This test of developing our own sponsorship product – an approach proven across conservation and animal-focused charities, has been extremely successful, and has raised in excess of £140,000 to date. Secondly, the year saw significant growth in our face-to-face fundraising efforts, supported by increased investment in this area. Fundraisers representing Fauna & Flora attended selected events, engaging directly with the public to share our mission and recruit new members. Over the course of the year, we exhibited at high-profile events such as New Scientist Live, the Hampton Court Garden Festival, and the Hay Festival. This fundraising channel, already a mainstay for many of the UK's larger charities, has performed exceptionally well, with over 1,800 new members signed up. It is now emerging as one of our primary regular giving streams.

People & systems

- **In 2024 we focused on developing a new approach to reviewing performance across the organisation,** which will be rolled out globally in 2025. This builds on work in done in 2023, when we implemented a job evaluation and grading system and transitioned our staff to new and competitive pay structures. This is a great step forward for Fauna & Flora and will ensure that everyone's performance is reviewed regularly and consistently across the organisation.

- **In 2024, we invested in a dedicated safeguarding role** and have since made significant strides in strengthening our safeguarding practices, particularly in light of the unique and challenging environments in which we operate. This work has included updates to our policies, processes, and reporting measures, as well as expanding awareness-raising initiatives across the organisation and with our partners. There has also been a strong drive to set up multiple safeguarding focal points in each country of operation, complemented by a training initiative to upskill staff in safeguarding to help increase awareness of safeguarding and reporting processes. These developments reflect our ongoing commitment to fostering a safe and supportive environment for everyone we work with.

- **We expanded our work to support employee well-being**, embedding inner development practices that strengthen resilience, collaboration, and compassion – recognising their direct value in enhancing our conservation effectiveness. We introduced well-being and inner development training to our teams in Indonesia, Vietnam and Cambodia, and in October hosted our first annual Well-being Week, offering a hybrid programme of online and in-person events centred on environmental connection, mindfulness, and community building to foster emotional, mental and social health across our global teams. We also engaged with OpenUp, a mental health online platform providing resources in multiple languages, giving our people access to online counselling facilities and a range of programmes, courses and resources.

A pregnant saiga in Ural, May 2019

© Albert Salemgareyev / Altyn Dala

Altyn Dala's Earthshot Moment

Altyn Dala – meaning Golden Steppe – began in 2005 as a bold response to the dramatic decline of the saiga antelope in Kazakhstan. Since then, the Altyn Dala Conservation Initiative, has grown into one of the world's largest and most visionary landscape restoration initiatives, covering over 750,000 square kilometres of steppe, desert, and wetlands.

Together, we have helped to engineer the comeback of the once critically endangered saiga antelope, whose numbers have surged from fewer than 40,000 in 2005 to more than 2.8 million in 2024. Beyond saiga, Altyn Dala partners are also working to revive other threatened steppe species, including the steppe eagle, sociable lapwing, kulan (wild ass), and Przewalski's horse, which made its return to Kazakhstan in 2024 after two centuries of absence, marking a major milestone in steppe ecosystem restoration. Bred through ex situ conservation, the horses will help revive native grasslands alongside species like kulan and saiga.

In November 2024, this long-standing partnership in which Fauna & Flora is a core member – was announced as the winner of the Protect and Restore Nature category at The Earthshot Prize. Launched by our patron Prince William and long-standing vice-president Sir David Attenborough, The Earthshot Prize is a global environmental award that aims to catalyse innovative solutions to the planet's biggest challenges.

> "We celebrate the incredible honour it is to have our work recognised by The Earthshot Prize. At Fauna & Flora, the coming years will see us focused on strengthening the capacity of locally led monitoring teams and national government bodies to prevent, detect and respond to wildlife crime in Kazakhstan, and ensure hard-won conservation gains are sustained and built upon.
>
> **David Gill** Director of Operations, Eurasia, Fauna & Flora

The initiative is a collaboration between the Association for the Conservation of Biodiversity of Kazakhstan (ACBK), the Ministry of Ecology and Natural Resources of Kazakhstan, Fauna & Flora, the Frankfurt Zoological Society, and the Royal Society for the Protection of Birds (RSPB). Altyn Dala's success reflects our vision for the future of conservation – collaborative in spirit and rooted in local leadership.

Plans for the future

Fauna & Flora enters 2025 with clarity of purpose and determination to rise to the moment.

Around the world, nature continues to face accelerating pressure. At the same time, global headwinds from shifting geopolitical dynamics to financial uncertainty are making the path ahead more complex. Yet in the face of these challenges, our belief in the power of locally rooted, globally connected conservation is stronger than ever.

We continue to focus on building a solid organisational foundation, and resilience across our partnerships, and our conservation impact. That means considering and advancing practical and strategic adjustments to ensure operational efficiencies, mitigate any shortfall in funding, and optimise our fundraising function. It means thinking carefully about how we amplify what's already working, while making space for innovation and new ideas. And it means holding fast to the principles that have always guided us: long-term partnerships, community leadership, building trust and practical, local knowledge and science-informed action on the ground.

Strengthening our financial foundations is a priority, but so too is ensuring that those resources are used wisely supporting the people, species and places where conservation makes the greatest difference.

As ever, our commitment to local leadership runs deep. In 2025, we are putting even greater emphasis on enabling and elevating the voices of those at the frontlines of conservation ensuring they are seen, heard and supported, not only in their communities but in global decision-making spaces as well.

We will also continue to evolve how we communicate our story to the world, and expand our reach. Through innovative partnerships and wider collaboration across sectors, geographies, and disciplines where we are seeking to turn local success into systemic change. We are harnessing the power of storytelling to inspire new audiences, and the potential of technology to unlock new solutions. All of this supports our broader ambition: to increase the scale and impact of our work, while staying true to the values and approach that define us.

We know the challenges are many. There is much to do. But we also know that when communities, partners, and organisations like ours work together, guided by trust, grounded in evidence and local knowledge, and driven by a shared purpose, lasting change is possible.

As we look to the year ahead, we remain energised by our mission, and committed to building a growing network of people, organisations, businesses and donors who share our commitment to a thriving planet to help support our vital work.

© Donovan Aguirre / FUPNAPIB

Local university students measuring the large leaves of the rare *Magnolia atlantida* tree in Pico Bonito National Park, northern Honduras

Structure, governance and management

© Jeremy Holden / Fauna & Flora

Fisherman fishing in a canoe, Indawgyi Lake, Myanmar

Our structure

Fauna & Flora is headquartered in the United Kingdom and is also registered, and has a network of branch offices, in the following locations:

- **Asia-Pacific** Cambodia, Indonesia, Myanmar and Vietnam
- **Africa** DR Congo, Guinea, Kenya, Liberia, Mozambique, South Sudan and Uganda
- **Americas & Caribbean** Antigua and Barbuda, Belize, Ecuador and Nicaragua
- **Eurasia** Cabo Verde, Georgia, Kyrgyzstan, Romania and Tajikistan

In addition to these branches, which form part of the Charity, Fauna & Flora has related organisations in Australia, Belize (until June 2024), Mozambique, Romania, South Africa and the United States of America.

Further information on these related parties can be found in Note 21 to the Financial Statements.

How we are governed

Fauna & Flora was established under a Memorandum of Association, which sets out its objects and powers, and is governed under its Articles of Association.

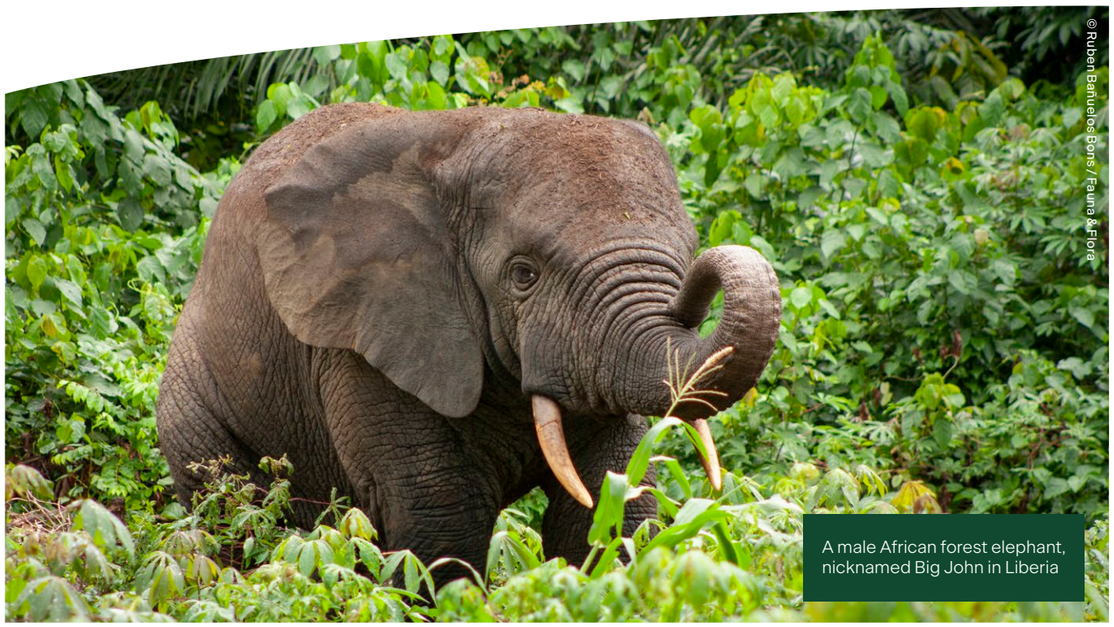
The Board of Trustees, or 'Council', is the governing body of the organisation and has legal, financial and managerial responsibility for the Charity. The Members of Council are directors for the purpose of company law and trustees for the purpose of charity law.

The company is limited by guarantee; therefore, no member of the Board of Trustees has any beneficial interest in the company.

Trustee recruitment, induction and training

Members of Council are elected by the membership of the organisation at the Annual General Meeting (AGM) and ordinarily serve a four-year term but can be re-elected for a further term. The Articles of Association provide for any five members in writing or for the existing trustees by resolution, to nominate any member of Fauna & Flora for election or re-election as a trustee.

Council has adopted formal procedures for the recruitment, selection and induction of new trustees and has constituted a Nominations & Governance Committee to support Council in the implementation of these procedures. The Committee reviews the structure, size, effectiveness and composition (including the skills, knowledge, experience and diversity) of Council and makes recommendations to the trustees with regard to any changes to these.



© Ruben Bartuelos Bons / Fauna & Flora

A male African forest elephant, nicknamed Big John in Liberia

The Committee reviews all nominations and applications for officers and ordinary members of Council (as well as for other honorary appointments) and puts forward recommendations to Council on suitable nominees. Newly appointed trustees undergo an induction programme, which includes guidance on their role and responsibilities and the opportunity to visit Fauna & Flora's headquarters to spend time with staff, ensuring that Council members have the information and tools they need to fulfil their legal obligations and to play an effective role within the governing body.

How we are managed

Council is responsible for establishing the strategy, policy and control framework of the organisation, which is achieved via quarterly meetings and via formal delegations to its subcommittees, the Officers of Council and to the Senior Leadership Team (SLT). Council has established two further subcommittees, all the acts and proceedings of which are fully and promptly reported to the full Council, which sets the terms of reference and membership of each committee.

The Audit & Risk Committee meets three times a year and is responsible for engaging with the external audit provision, participating in planning the nature and scope of the audit and receiving and reviewing the Annual Report & Accounts, along with the associated Audit Findings Report. The Committee's role is to provide critical challenge, and its remit includes reviewing internal control and risk management systems and receiving reports on such from the management of the organisation.

The People & Remuneration Committee supports the organisation in the delivery of its People Strategy, which includes reviewing and agreeing the remuneration and benefits of the CEO and SLT members, as well as the overall remuneration policy for Fauna & Flora employees. In addition, the Committee is responsible for agreeing any significant changes in employee benefits or benefit providers.

The Charity Governance Code

Council believes that Fauna & Flora is best placed to fulfil its purpose and mission if it has an effective board and high standards of governance, with practices and thinking which reflect the Code's seven principles.

Principle 2 of the Code calls for charities to be headed by a board that provides strategic leadership in line with the charity's aims, one which can adopt an appropriate strategy for effectively delivering on those aims and sets the tone for the charity in terms of its vision, values and reputation. It advocates having a Chair to lead the board, taking prime responsibility for ensuring it has agreed priorities, appropriate structures, processes and a productive culture, so it can both govern well and add value to the charity.

In 2023, having embarked on a new strategy, refreshed our brand and welcomed a new CEO, a search was initiated for a new Chair of Trustees to lead the organisation in realising its ambitions to 2030. At the same time, a successor was sought for the current Treasurer, who were reaching the end of their second term of office. Terms of Reference and application packs for each role were agreed and the positions advertised widely, with the recruitment processes being supported by two external charity specialist search firms. A Selection Committee was formed, and following a rigorous short-listing and interview process, Council met in February to approve the appointments of its new Chair and Treasurer. These appointments were ratified by the AGM in September 2024.

Principle 5 on Board Effectiveness recognises the need for the board to work as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. It recommends that the Chair, working with board members and staff, plans the board's programme of work and its meetings, making sure trustees have the necessary information, time and space to explore key issues and reach well-considered decisions, so that board time is well-used.

Principle 5 also recommends that the board review its own performance, and that an external evaluation of board effectiveness is carried out every three years. In 2024, an external provider was engaged to conduct such a review, with all members of the trustee body participating in this process. One outcome of the review was a decision by Council to phase out the Executive Committee, comprised of the Officers only, and to increase full board meetings from two to four per year instead, providing trustees with more time and space to use their experience and knowledge to strategise and to explore key issues. The review also prompted further empowerment of the Council subcommittees, with new names and expanded remits for the Nominations & Governance and People & Remuneration Committees.

Trustee duties in relation to Section 172(1) of the Companies Act

The Board of Trustees is aware of its duty under section 172 to act in the way it considers, in good faith, to be most likely to promote the successful achievement of Fauna & Flora's charitable objectives.

Below is a summary of the ways in which the trustees, as the company directors, consider that they have fulfilled their obligations under section 172, having had regard to the following (amongst other matters) in doing so:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

Decision-making

Newly appointed trustees are briefed on their responsibilities, including their duty to act in the Charity's best interests and to use reasonable skill and care to make balanced and informed decisions they believe will best enable Fauna & Flora to fulfil its purpose and mission. When doing so they take account not only of current factors but also of any likely consequences and potential impacts their decisions may have on Fauna & Flora's success, both now and in the future.

One of the aims of the 2024 review of board effectiveness was to look at the effectiveness of Council as an oversight and decision-making body. Meetings of the full board now take place quarterly, thereby increasing opportunities for trustee engagement in discussion and decision-making on how to deliver on Fauna & Flora's Strategy to 2030. The structure, remit and composition of the Council subcommittees was also reviewed, with the remit of the Remuneration Committee expanded to cover strategic People issues and some governance decisions delegated to an expanded Nominations & Governance Committee.

Stakeholder engagement

Employees

Fauna & Flora recognises that our employees are our most valuable assets and fundamental to our success. Attracting, nurturing and retaining high-performing and motivated people is key to achieving our mission. We aim to support our workforce in finding a fulfilling, long-term career at Fauna & Flora by investing in training and development, allowing our people to work flexibly, helping them to improve their mental resilience, promoting clear internal communications, and fostering an inclusive 'One Fauna & Flora' culture.

Partners

Fauna & Flora has a long and successful history of building effective partnerships with others, from local NGOs and community groups to national government and multilateral agencies, international NGOs and large corporates. We we ensure conservation is in local hands, and we continue to lead the field due to our long-term approach to partnership. All over the world, we work on the ground with local partners and communities. By aligning our technical skills and experience with their expertise and their local and traditional knowledge, we each play to our strengths for maximum conservation impact. We support our partners as needed, to help them develop the skill sets, resourcing and confidence required to develop their programmes and Institutions. Our ambition is that our partners' operations are both sustainable and effective, and that they are in turn able to share that expertise with others.

As well as working with local partners we also recognise the importance of partnering with others both within and outside our sector to improve conservation knowledge and practices, and to influence decisions that affect the places we work and people we work with. A key part of our approach is centred on ensuring that the knowledge and voices of those spearheading conservation locally are heard on the global stage.

For more information on Fauna & Flora's work with partners and on influencing others please see our reporting on Objectives 2, 3 and 4 earlier in this report.

Donors, members and supporters

At Fauna & Flora, we are fortunate to have supportive and long-standing relationships with our major donors and to have members and supporters who provide valued and steadfast support, responding positively to our campaigns and appeals and engaging with us through our online communications, as well as both hybrid and in person events. We report regularly to our donors, members and supporters, providing updates on the impact we are having so they can see what their support is helping to achieve. Our AGM provides an opportunity for members to engage with trustees and our SLT and to provide us with their thoughts and feedback via a live Q&A session.

Suppliers and other stakeholders

In keeping with Fauna & Flora's values we act with integrity in all our internal and external relationships. This includes our business relationships with suppliers, which we foster through long-term arrangements where appropriate (for example with our key professional advisers). Our collaboration with partners in the Cambridge Conservation Initiative continues to flourish, with our global headquarters at The David Attenborough Building part of a vibrant hub representing the world's largest cluster of conservation organisations, researchers, policymakers and practitioners.

Community and the environment

At Fauna & Flora, we want to see a world where nature comes first and we live sustainably within its limits, a world where nature is valued for its impact on our health, well-being, livelihoods and survival. Therefore, as we undertake our day-to-day activities we aim to minimise as far as possible any negative impact we may have on the environment, by reducing emissions, waste and resource use, without compromising our ability to address our purpose and mission.

For further details please see the section on our environmental policy.

Reference and administrative details

Status

Fauna & Flora International (Fauna & Flora) is a company limited by guarantee, incorporated in January 1992, Registered Company Number 2677068. It was originally established in 1903 and was registered with the Charity Commission in May 1992, Registered Charity Number 1011102.

Registered office

Fauna & Flora's registered and principal office is at The David Attenborough Building, Pembroke Street, Cambridge, CB2 3QZ.

Patron

HRH The Prince of Wales

President

HRH Princess Laurentien of the Netherlands

Vice-president

Sir David Attenborough OM FRS

Nature Champions Network

Anders Johansson
Andrew Sykes
Antonio Versace
Blaine T. Phillips
Charlene de Carvalho-Heineken
Charles Whitbread
Dr Adrian Wilson
Dr Claudio Segré
Dr Lee Durrell
Dr Lisbet Rausing
Georgina Bloomberg
Giles Clark
Jon L. Stryker
Justin Mundy LVO
Lindsay Bury
Nigel Winser
Professor Sir Roy Anderson FRS FMedSci
Rove McManus
Rt Hon. Mark Simmonds
Sir Gareth Rhys Williams CB
Sir Stephen Fry
The Rt Hon. Baroness Young of Old Scone
The Rt Hon. the Lord Randall of Uxbridge
Tim Jarvis AM
Victoria Stack

Board of Trustees

The trustees who served during the year and at the date of this report were as follows:

Officers of Council

Stephen Fitzgerald AO	Chair *(appointed 17th September 2024)*
Annette Lanjouw	Vice Chair *(retired 17th September 2024)*
David Gibson	Vice Chair
Paul Baldwin	Treasurer *(stood down 13th February 2024)*
Martin Tyler	Treasurer *(appointed 17th September 2024)*

Ordinary members of Council

Jeffrey Blumberg
Anna Gavazzi
Hernán González Merlani
Abshiro Halake
Tony Juniper CBE
Christine Lloyd
Miguel Nogales
Richard Plackett *(retired 17th September 2024)*
Dr Liz Rogers
Hugh Sloane
Tola St. Matthew-Daniel
Kimberly Stewart
Hugo van Vredenburch *(stood down 18th May 2024)*
Dominic Waughray *(appointed 17th September 2024)*
Professor Joanne Webster FLS FRSB

Senior Leadership Team

Kristian Teleki	Chief Executive Officer
Svetlana Ignatieva	Chief Operating Officer and Company Secretary
Joanna Elliott	Global Director of Conservation
Dr. Abigail Entwistle	Senior Conservation Director
Paul Hotham	Senior Conservation Director
Nicola Frost	Chief of Staff
Jonny Wright	Senior Director, Communications & Fundraising *(until 19th July 2024)*
David Hillyard	Global Director of Fundraising *(from 3rd March 2025)*

Principal professional advisers

Auditors	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Solicitors	Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
Investment Managers	BlackRock, 12 Throgmorton Avenue, Drapers Gardens, London, EC2N 2DL
Bankers	Barclays Bank, Mortlock House, Vision Park, Histon, Cambridge, CB24 9DE
Insurance Brokers	Gallagher, 25 Walbrook, London, England EC4N 8AF

A white-bellied pangolin in its habitat

Key policies and statements

Public benefit

The Strategic Report demonstrates the scope of the activities undertaken by Fauna & Flora in 2024 in furtherance of its charitable purposes for the public benefit.

- Fauna & Flora promotes the conservation of the environment, benefiting the public through our shared purpose of protecting the biodiversity of life on Earth, for the survival of the planet and its people. We advance the awareness and education of all sectors of society worldwide in conservation and the protection of biodiversity by promoting or conducting training programmes and research and by publishing knowledge acquired as a result of such research; as well as undertaking and engaging in other informative activities including exhibitions, lectures, conferences and seminars.

- In exercising its powers and duties in furtherance of the Charity's Objectives, the Board of Trustees has complied with its duty, under Section 17 of the Charities Act 2011, to show due regard for the Charity Commission's general guidance on public benefit. In addition, whilst setting the organisation's annual objectives and planning its activities, both in the short and the longer term, the trustees have also demonstrated due regard for any specific guidance from the Commission relating to the conservation of the environment for the public benefit.

Reserves policy

Fauna & Flora is committed to maintaining a level of reserves appropriate to the identified operating needs, taking into account financial impact of risk, working capital requirements, future income sources and organisational plans and commitments. Fauna & Flora's policy is to hold 6–18 months of budgeted, recurring, unrestricted expenditure, with the target unrestricted reserve level of 10 months, whilst also taking into account the total expenditure (restricted and unrestricted) of the organisation as a whole.

The Covid-19 pandemic brought into focus the need to maintain an adequate level of reserves in order to protect the organisation from financial shocks. In setting a policy of 6-18 months with a target of 10 months, Fauna & Flora trustees have considered the cost base and risk profile of the organisation and the impact of a sudden drop in income, and believe that the policy is appropriate to allow Fauna & Flora to continue its operations while simultaneously working to rebuild its reserves. Fauna & Flora's current reserves position is outlined in the Financial Review on page 47.

Our reserves fall into three types:

Restricted reserves
Restricted reserves reflect the balance of unspent restricted funding (e.g. grants, donations) that have been received by Fauna & Flora (often in advance) for a specific charitable purpose or project. They are not available for general purposes and can only be spent according to funder terms and conditions.

Endowment reserves
Endowment funds must be spent in accordance with funder stipulations, and are held separately within Fauna & Flora's reserves because the capital amounts must be maintained. Further details on Fauna & Flora's endowments are given in Note 12 of the financial statements.

Unrestricted reserves
Unrestricted reserves are net assets around which no donor conditionality exists, which may be spent to further Fauna & Flora's charitable objectives in accordance with internal decisions made by Fauna & Flora's management and Council. Designated reserves are created from time to time when the trustees identify organisational priorities. These reserves form part of total unrestricted reserves as they represent internally earmarked funds. Currently these funds have been designated for investment in initiatives to help minimise the environmental impact of Fauna & Flora's activities.

Investment policy

Fauna & Flora's investment policy outlines how Fauna & Flora will manage its reserves, with reference to the purposes for which the funds have been raised.

Fauna & Flora is responsible for the safekeeping and investment of restricted reserves prior to their being required for project expenditure. As such, the main investment priority is capital preservation, with the funds held either on deposit with major banks or in suitable money market funds. Unrestricted reserves are held for general expenditure and to meet unforeseen requirements. As these funds may need to be available at short notice, they are regarded as short-term funds for investment purposes, with capital preservation and liquidity as the main focus. Fauna &

Flora keeps sufficient funds to enable efficient cash flow on deposit with major banks or money market funds. Any excess funds may be held in short-dated bond funds and equities.

Endowment funds are long-term funds designed to produce an income in line with donor stipulations.

As such, these funds are invested in a portfolio of equities, bonds and other securities with the aim of preserving the value of the funds' capital in real terms and providing a growing income stream. The portfolios are invested over the long term with approximately 70% in equities and 30% in bonds and other securities. Wherever practical, Fauna & Flora will choose investment opportunities that align with Fauna & Flora's mission.

Fauna & Flora has appointed investment managers who will manage the applicable funds in accordance with the investment policy approved for those funds.

Grant-making policy

Fauna & Flora makes grants to strategic and implementing partners, and in 2024 we disbursed over £9.4 million in grant funding (2023: £7.1m), in addition we transferred an investment of £4.1m of land in Boden Creek, Belize to a local partner organisation for £nil consideration. All our grant funds are disbursed with clear criteria and application processes, including conducting due diligence based on materiality criteria, and use formal review and clearly defined decision-making. All grants are made based on written grant agreements that incorporate requirements on reporting and financial oversight. Donor conditions are passed on to the recipient in the sub-grant agreement, as necessary.

Fauna & Flora staff also reviewed over 560 grant applications for external grants funds using criteria developed and agreed with the donors. Through this, we influenced the allocation of an additional £34.3 million of conservation grant funds.

© Jo Davenport / Fauna & Flora

Jeanne Aradjabu Pendeza, DRC ranger, at the IRC World Ranger Congress 2024

Environmental policy

All of our activities are designed to address threats to the world's habitats and species and to have a positive impact on biodiversity. We are therefore committed to minimising our environmental impact wherever we can, while ensuring we are able to deliver on our wider environmental goals.

Our Green Group continues to embed the organisation's environmental policy and encourage best practice. As a result, in 2024 we received an NUS Green Impact Scheme gold award for the third year running.

Fauna & Flora's environmental policy was updated in September 2024. The key updates were an increased emphasis on tracking our carbon footprint, encouraging staff to follow the carbon management framework when considering the need to travel for business purposes, and encouraging staff to adhere to the sustainable food procurement guidelines.

To quantify and manage Fauna & Flora's carbon footprint, we established a 2019 baseline for emissions related to our Cambridge office and organisation-wide flights. We continue to track carbon on a regular basis, following the most commonly used accounting and reporting standard: the Greenhouse Gas Protocol. Our carbon management framework guides staff in decision-making to minimise the carbon intensity of our operations, while our expenses and travel policies provide clear guidance to improve information collected about flights.

In line with the sustainable food procurement guidelines, Fauna & Flora has continued to provide 100% vegetarian catering at UK events, including Council lunches and staff events, which have been positively received. The internal Green Fund has been used to support three staff members to make more sustainable choices, by reimbursing the difference in cost between train and air travel within Europe. Reflecting changing commuting habits, we have maintained the hybrid-working policy that we initiated during the pandemic. This offers staff more flexibility on home working and also means a reduction in emissions associated with commuting to an office (although we do not track this, nor any increase in home energy bills associated with working from home). Fauna & Flora has also embraced communications technology in order to reduce our carbon footprint from both commuting and overseas travel.

Energy and emissions report (SECR)

As detailed above, over the last three years we have actively promoted energy efficiency and low carbon choices. Our actions are in line with the carbon reduction and energy efficiency targets set out in the Sustainability Action Plan for the David Attenborough Building, where our headquarters is located. We are working closely with building management to understand the increases in energy use and put in place appropriate measures in line with our shared goals to reduce consumption within the building.

	2019	2020	2021	2022	2023	2024
Gas (kWh)	107,079	94,175	88,310	95,765	99,230	110,067
Electricity (kWh)	55,057	35,865	36,565	43,138	41,484	41,874
Total UK energy use (kWh)[1]	**162,136**	**130,040**	**124,875**	**138,903**	**140,714**	**151,941**
Gas (tonnes CO2e)	19.7	17.3	16.2	17.5	18.2	20.1
Electricity (tonnes CO2e)	14.1	8.4	7.8	8.3	8.6	8.7
Total associated GHG emissions (tonnes CO2e)[2]	**33.8**	**25.7**	**24.0**	**25.8**	**26.8**	**28.8**
Intensity ratio = Emissions per office floor space (tonnes CO2e per m2)	**0.046**	**0.035**	**0.032**	**0.035**	**0.036**	**0.039**

1. The total UK energy use covers gas and electricity consumption of the Fauna & Flora office in our global headquarters, The David Attenborough Building (DAB). Global data is not yet available, therefore we have agreed a stepwise process for assessing our carbon footprint that prioritises the UK operation, before a gradual roll out to country offices. Please note that there is a discrepancy between data captured before and after October 2024 with a factor of ca 11.19 between the old and new data. While this discrepancy is being investigated by the university, the data captured as part of this report post October 2024 has been converted by the factor of 11.19 to keep it in line with the scale of data reported in previous years. There were also a number of gaps in the gas data provided, which were filled using data from previous years, this therefore represents estimated rather than actual overall gas usage. Also note that two gas-fired hot water boilers failed and were replaced with electric boilers in July 2024, gas data therefore includes gas consumption by the water boilers up to June 2024 and the electricity data doesn't include the new hot water boilers. Once the data is available these tables will be updated accordingly.

Energy consumption in 2020–2021 was also affected by the pandemic and increased home working since then. Also note that the DAB's electricity supply is a combination of 20% renewable electricity purchased from UK-based wind farms via a Power Purchase Agreement, and nuclear power which, under carbon accounting guidance, can be reported as zero carbon. Thus, the DAB's electricity supply can be considered carbon neutral. For transparency, the emissions figures provided represent the hypothetical carbon footprint that the electricity usage would have represented if electricity had been bought from the UK grid (aka location-based emissions).

2. Associated greenhouse gas (GHG) emissions have been calculated using DEFRA conversion factors, following the widely recognised independent standard, the GHG Reporting Protocol – Corporate Standard.

Remuneration policy

Fauna & Flora recognises its responsibility to spend funds wisely and intelligently in line with its status as a Charity and the expectations of the public and those that support its work. In parallel, it recognises its responsibility to ensure that it attracts and retains excellent people with the appropriate level of skills and experience to achieve its mission. To this end, at all levels of the organisation, it aims to ensure that pay is appropriate to the skills required and responsibilities involved and is set through a fair, objective and systematic process. It carries out external benchmarking with the aim of ensuring that pay is as competitive as possible and aligns with the charity sector, whilst at the same time ensuring that pay levels remain affordable and sustainable and that we are managing our charitable resources appropriately.

Safeguarding policy

Fauna & Flora recognises its responsibility to protect all individuals, particularly children and adults at risk, from any harm caused by coming into contact with the organisation and its activities. This includes harm arising from the conduct of staff or personnel associated with Fauna & Flora, and/or the design and implementation of our programmes. Fauna & Flora strives to protect all individuals through proactive and reactive safeguarding measures and processes and is committed to addressing safeguarding through the four pillars of preparation, prevention, response and support. Our Safeguarding Policy sets out our responsibilities and those of our staff and associates in relation to safeguarding. It is a zero-tolerance policy, meaning all proportionate and appropriate measures will be taken to prevent an incident, and to respond effectively if one arises. We are committed to acting on every safeguarding allegation and expect our partners to do the same.

In 2024, the appointment of a dedicated Safeguarding Manager enabled a review of our safeguarding practices, with our Safeguarding Policy being updated to reflect recent developments in guidance and best practice, and a new Safeguarding Framework created, setting out organisational safeguarding processes and procedures. We are also working with our partners, offering support and training to enable them to strengthen their safeguarding practices.

Going concern

Going concern remains an increased risk area for many organisations, particularly in light of sustained economic pressures, including inflation, cost of living challenges, and rising global geopolitical instability.

Trustees are required make a determination of Fauna & Flora's ability to continue as a going concern for a minimum of 12 months following the date of signing of this report. For trustees to make this determination, we have reviewed our actual results from previous years together with our current budget and have updated the projection figures and assumptions therein, taking a conservative approach. The results of this exercise indicate that Fauna & Flora has sufficient reserves to continue to deliver its strategic objectives by the end of that period, and will still maintain an adequate level of unrestricted reserves by the end of it. The trustees therefore have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, and are not aware of any other material uncertainties which may adversely affect the organisation.

Accordingly, the financial statements continue to be prepared on the going concern basis.

Ministry of Environment ranger installing acoustic monitoring device, Cambodia

© Phyroum Choum / Fauna & Flora

Fundraising

© Hem Mantra / Fauna & Flora

Koh Tang, Cambodia

The Trustees have reviewed Fauna & Flora's fundraising activities in light of the Charities (Protection and Social Investment) Act 2016 and the related guidance published by the Charity Commission. The following summary outlines Fauna & Flora's approach towards developing and monitoring its fundraising activities.

Fauna & Flora is a membership organisation and uses the membership offer as well as a broader regular giving proposition to cement long-term relationships with donors. Fauna & Flora's direct marketing activities are carried out in partnership with specialist agencies, who provide creative and media buying services, enabling us to develop supporter recruitment materials and to place our fundraising campaigns across a variety of offline and online channels, including private site fundraising, direct response television, telemarketing and social media advertising.

We have a well-established major-giving programme, with approaches typically made in person by senior staff or trustees. Fauna & Flora also hosts events throughout the year, typically targeted at stewarding and soliciting funding from major donors and prospects.

Fauna & Flora has paid the applicable levy to register with the Fundraising Regulator and displays the Regulator's badge on all appropriate fundraising materials. Fauna & Flora complies with the terms and conditions of its registration, and follows the guidance and recommendations from the Regulator, as well as the standards contained in the Code of Fundraising Practice to ensure that our fundraising activities are fair, transparent and honest.

We are signed up to the Fundraising Preference Service, which is run by the Fundraising Regulator, and enables members of the public to manage the direct marketing communications they receive from charities. In 2024, via this service, Fauna & Flora received and actioned seven requests to be removed from marketing and fundraising campaigns.

Fauna & Flora does not routinely outsource its fundraising activities. However, we work with commercial participators and outsource activity if an opportunity is identified that we cannot fulfil ourselves. Examples of this include face-to-face fundraising and our online shop.

All such new opportunities are assessed against Fauna & Flora's fundraising strategy and the Fundraising Regulator's guidance and with due consideration given to Fauna & Flora's reputation. We have developed a commercial participator agreement template and all such arrangements are monitored to ensure continued compliance with the legal requirements.

In 2024, we received approximately 30 complaints relating to supporters' interactions with our response handling agency. None of these complaints stemmed from dissatisfaction with call handlers; rather, they were all related to supporters not being able to get through to a call handler to make a donation.

In each of these cases, the supporter either got through to our main office line and a donation was taken, or we subsequently contacted the supporter, apologised for any inconvenience caused, and a donation was taken. We would then follow up with our response-handling agency to investigate why supporters could not get through. In the overwhelming majority of cases, this was due to congestion on the response-handling line, i.e. too many people trying to contact us at the same time.

We regularly monitor our response handing agency and telephone agencies, which allows us to monitor their performance closely and respond quickly if and when any issues do arise. In addition to this, we receive regular updates from them regarding any questions or queries they receive from our supporters which need to be followed-up by Fauna & Flora staff.

Our agencies also follow a set of guidelines to determine supporter vulnerability; if a supporter is deemed to be vulnerable, a case is raised with Fauna & Flora which will investigate the matter. This may result in a donation being declined and further action being taken.

Fauna & Flora regularly reviews its Privacy Statement and updates it when necessary. Our Fundraising Promise makes it clear what personal data is collected, how it is processed and how an individual can get in touch with Fauna & Flora to change their preferences. All of Fauna & Flora's communications include easy mechanisms for unsubscribing or updating contact preferences and we ensure that our database is updated accordingly.

Principal risks

© Chu Xuan Canh / Fauna & Flora

A red shanked douc hanging from a tree, Vietnam

The trustees have established a framework for identifying and controlling the major risks to which the Charity is exposed.

Risk management strategy

The trustees have a risk-management strategy that comprises:

- A rolling review of the risks the Charity faces, or which may arise, both at a macro level and also operationally as tracked in the Institutional Risk Register. This is complemented by regular discussion of risk by the Audit & Risk Committee and at board level.
- Systems and procedures to mitigate against those risks and their potential impacts should they materialise as well as processes that allow us to identify and manage specific risks, like those in relation to overseas travel.
- A risk-tracking tool that enables regular and comprehensive assessment of individual projects across our portfolio against a series of six risk categories (financial; human rights & social safeguards; health, safety & security; partner; other delivery risks; and impact).
- Regular review of our insurance cover to assess whether it adequately addresses the risks and potential liabilities we face, extending cover if new risks are identified.

Key risks

The key risks faced by the Charity, along with the steps taken to mitigate these risks, have been identified as follows:

Financial environment

An unpredictable economic outlook, escalating trade tensions, financial market adjustments and downward forecasts for global growth, combined with geopolitical instability and ongoing cost of living pressures, pose a range of risks. We mitigate against these uncertainties through careful financial monitoring and management, future scenario planning, diversification of sources of income and by reviewing our discretionary spending. These additional pressures require prudent and agile management of our financial resources and reserves, striking a balance between long-term sustainability and the need to invest in the organisation to support the achievement of our objectives.

Funding landscape

Changes to the 2025 funding landscape, particularly in regard to US government funding, but also the potential for overseas spending reductions by other governments, are altering the future landscape for statutory funding. Our immediate aim has been to mitigate the extent of our financial exposure this year by taking early action where the loss of US government funding has been confirmed. We are fundraising for near-term project funding gaps and planning practical contingency measures should these become necessary. Separately, we have undertaken a strategic portfolio review, assessing the alignment, efficiency and impact of our global project portfolio to see if and where adjustments could be made. To support organisational resilience, we have also identified the need to adjust towards a future funding model with a balanced mix of income across corporate, trusts & foundations, individuals and statutory streams. The removal of US government funds necessitates and accelerates this move.

Recruitment and retention

Our people are critical to the delivery of our strategy, but attracting and retaining our talented workforce can be challenging in an increasingly competitive global labour market. Recognising this risk, we have introduced a fair, equitable and transparent global job evaluation & pay structure with the objective of (a) providing clarity around career progression, and (b) paying our people competitively for our sector, while at the same time managing our charitable resources appropriately by ensuring pay levels remain affordable and sustainable.

Financial management, compliance and resilience of in-country partners

This is an inherent risk, particularly where funding is sub-granted from government or multilateral donors, where funding from Fauna & Flora represents a significant element of funding portfolios, and/or where local partners have limited access to international fundraising markets. We identify risks through partner due diligence and, where possible, invest in supporting our partners by strengthening their financial management to meet donor compliance requirements, and building their capacity and resilience more generally. We achieve this through grants, direct technical support, and mentoring, and through the Conservation for Capacity website, a free online resource and e-learning hub designed to promote self-led organisational development.

Reputational risks

Fauna & Flora's excellent reputation is dependent on continuing to demonstrate significant conservation added value, which requires all internal decision-making systems from programme design to monitoring and evaluation to be functioning well. We continue to invest in sound governance and control processes and to conduct robust due diligence on our institutional relationships, with a particular emphasis on careful selection of partners. To mitigate the reputational risk associated with a greater external profile and potential media interest, we have crisis communications procedures in place designed to help us prevent, prepare for, and respond to crises including (but not limited to) negative press coverage.

Negative social impacts

Fauna & Flora takes a holistic, people-centred approach to biodiversity conservation recognising that, in many of the places in which we work, people live and rely on the environment for food, fuel, shelter, and income. With sustainable management of natural resources inextricably linked to people's rights to secure their livelihoods and live in dignity, we promote conservation approaches that are co-designed and led by Indigenous Peoples and local communities. Our Social Safeguards Framework guides our engagement with local communities, safeguarding their rights to access, use, and manage natural resources, and their rights to access information, participate in decision-making and access justice. Social safeguards help us manage risks and uphold human rights by recognising local communities as allies and partners, supporting us to minimise harms, and to identify, implement, and monitor the effectiveness of measures to avoid them, whilst also maximising positive impacts for people.

Global safety and security

Our staff and operations are inevitably subject to such risks especially given some of the more remote, difficult and insecure locations we work in and travel to (such as Myanmar and Mozambique). Having a specialist Health, Safety & Security Manager in place has strengthened our ability to mitigate these risks through new and updated policies, procedures and risk management measures designed to protect our people and programmes. This includes tracking regional security and political trends for developing situations and monitoring global travel, security and health risks which might affect staff, and having emergency planning and response mechanisms in place. By providing staff with support and training, including hostile environment awareness courses, we aim to embed a culture and practice of safety and security, not only to safeguard them and those that come into contact with our activities but so Fauna & Flora can be prepared for, and respond well to, the safety and security challenges it faces.

© Hem Manita / Fauna & Flora

Chandara Tak and Maria Fernandes run a Sea Turtle Refresher Training, Koh Polou Wai, Cambodia

© Ryan Deboodt / Fauna & Flora

Sunlight penetrating a karst limestone cave, Vietnam

Financial review

© Ryan Deboodt / Fauna & Flora

Trieu Hoang Tuyen, a member of the gibbon monitoring team, observing cao vit gibbons, Vietnam

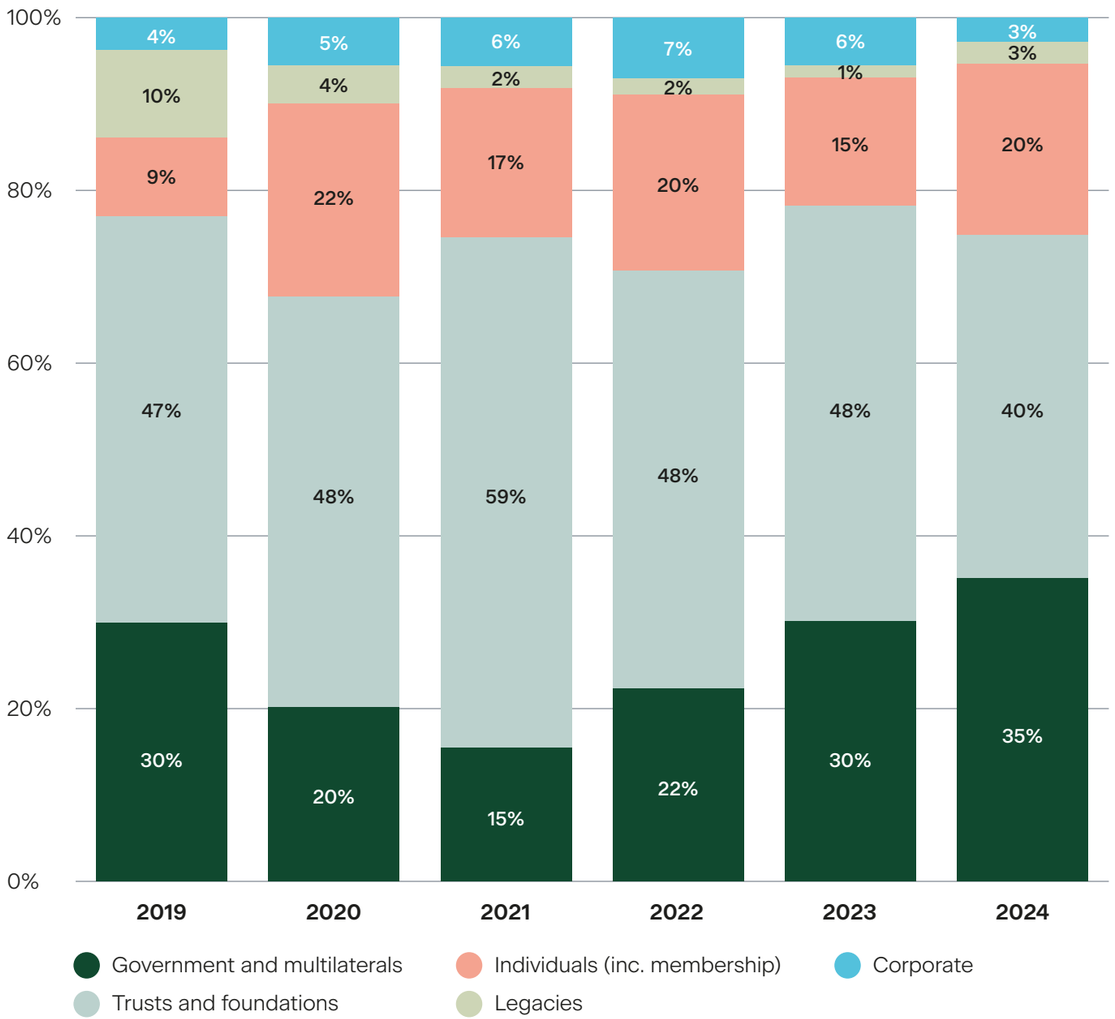
Overall position

This report and the consolidated Financial Statements incorporate the results of Fauna & Flora's UK operations, its overseas branches and controlled subsidiaries and its associated permanent endowment funds.

The net movement in total funds for the period is a decrease of £4.7m (2023: £5.4m decrease), comprising a decrease in restricted funds of £3.3m (2023: £3.1m decrease), an increase of endowment funds of £30k (2023: £6k increase) and a decrease in unrestricted funds of £1.4m (2023: £2.3m decrease). Restricted funds include around £1.9m of capitalised land purchases and the balance predominantly relates to current, active projects and are largely anticipated to be utilised over the course of the next one to four years.

Income

Income generated overall of £44.6m shows an increase of £7.8m (21%) compared with 2023. Trusts & Foundations remain our largest source of income at 40% of total (2023: 48%). Funding from Government and multilateral sources has increased to 35% from 30% of the portfolio in the prior year.



Unrestricted income by type

	2019	2020	2021	2022	2023	2024	2023/2024 Change
Individuals	1,362,427	4,139,416	4,081,322	3,804,560	4,209,676	4,427,691	5%
Trusts and foundations	756,517	859,475	1,821,776	619,169	611,259	2,300,772	276%
Legacies	2,325,653	1,189,313	901,330	601,962	488,377	1,144,756	134%
Other	25,514	34,453	7,412	195,069	624,894	519,840	-17%
Corporate	52,914	196,920	19,806	32,251	82,272	74,611	-9%
Capital campaign	125,000	-	-	-	-	-	0%
	4,648,025	**6,419,577**	**6,831,646**	**5,253,011**	**6,016,478**	**8,467,670**	**41%**

Unrestricted income from Individuals increased by £218k (5%) from 2023, a result of successful campaigns as well as investment in direct supporter recruitment. Income from Trusts & Foundations increased by £1.7m from 2023 due to income of £1.5m from a recurring donor now being classified as unrestricted (a result of a change of wording in the donor's grant agreement). Legacy income increased by £656k (134%), we have a strong Legacy pipeline, although the timing of receipt is difficult to predict. Other income includes income from investments and interest.

Restricted income by type

	2019	2020	2021	2022	2023	2024	2023/2024 Change
Government and multilateral	6,947,640	5,315,100	5,645,650	7,400,676	11,061,076	15,631,498	41%
Trusts and foundations	10,206,257	11,738,061	19,713,173	15,447,495	17,104,561	15,435,474	-10%
Individuals	414,924	1,560,470	2,042,816	2,396,280	238,054	3,470,287	1358%
Corporate	816,097	1,254,924	2,046,255	2,315,213	1,971,917	1,180,871	-40%
Other	178,269	180,828	205,417	352,797	408,069	431,471	6%
Legacies	44,613	-	-	-	-	-	0%
	18,607,800	**20,049,383**	**29,653,311**	**27,912,461**	**30,783,677**	**36,149,601**	**17%**

Restricted income from Individuals includes USD $4m received from a donor in relation to the co-management of Maiko National Park in DRC. Trusts & Foundations restricted income has decreased by £1.7m (10%) from 2023, largely due to the reclassification of £1.5m from one donor as unrestricted, mentioned above. Income from Government & Multilateral sources has increased by £4.6m (41%) from 2023. Government grants tend to be higher value grants and allow us to scale in activity and impacts, however they can be costly in terms of compliance as well as set-up and close-out costs. They may also require co-finance.

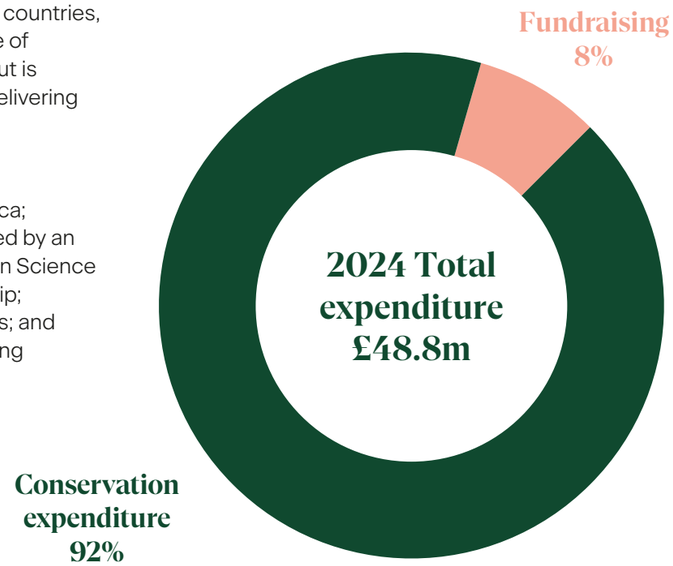
As ever, we are very grateful for all the support we receive from our donors.

Expenditure

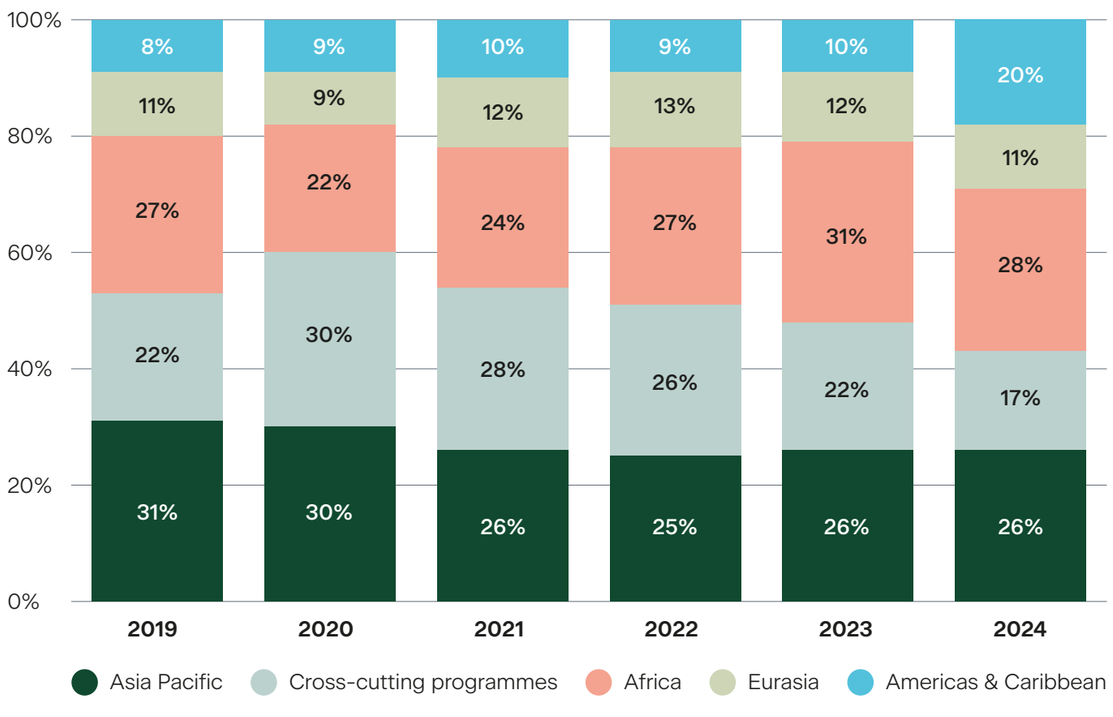
Charitable expenditure across our conservation portfolio has remained consistently high as a proportion of total expenditure (92%) in 2024 (2023: 89%). Charitable expenditure in 2024 includes the successful planned transfer of an investment in land in Belize of £4.1 million to our local partner organisation for £Nil consideration, see page 64.

With over 125 active projects in more than 40 countries, we continue to manage a diverse programme of activity, which presents its own challenges, but is also evidence of our far-reaching impact in delivering tangible biodiversity conservation.

Fauna & Flora operates through four regional Conservation Programmes (Asia-Pacific; Africa; Eurasia; and Americas & Caribbean) supported by an array of cross-cutting initiatives (Conservation Science & Design; Conservation Capacity & Leadership; Business & Nature; Climate & Nature Linkages; and People & Nature), which form our Cross-cutting Programmes division.



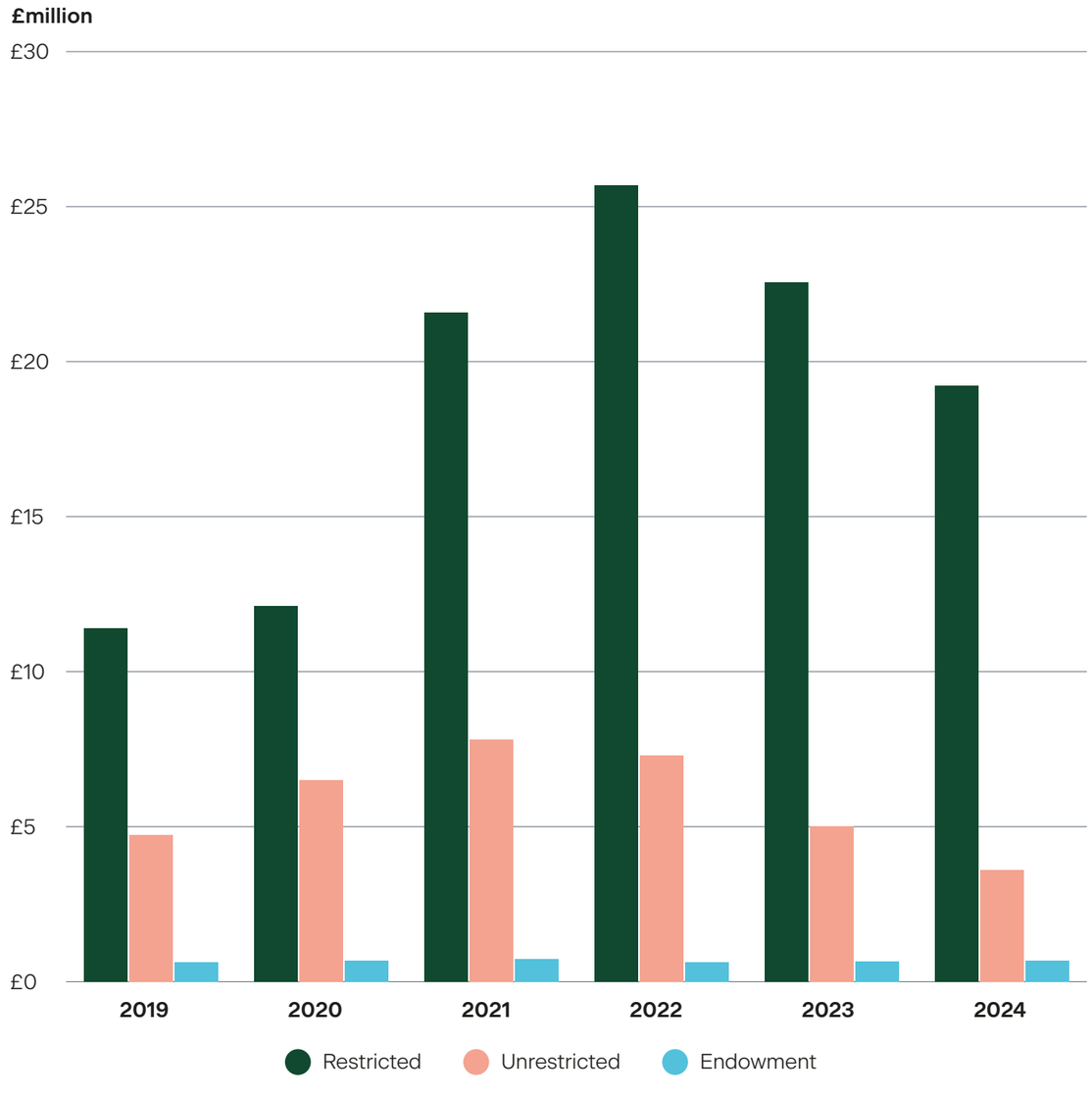
Conservation programme expenditure

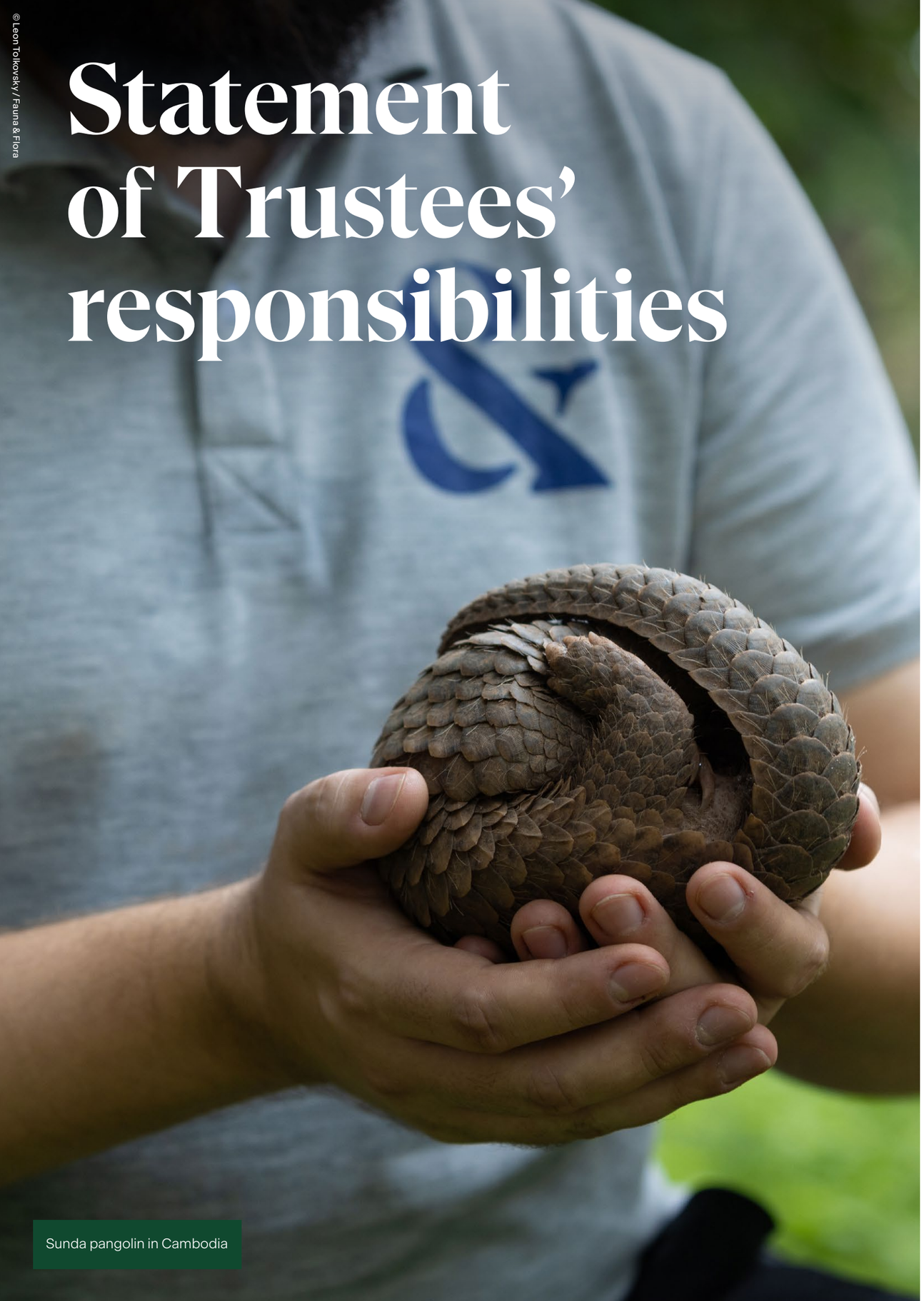


Reserves

The total reserves of the organisation at the end of 2024 were £23.5m (2023: £28.2m). Restricted reserves were £19.2m (2023: £22.6m), these funds comprise balances of unspent restricted funding, funds received in advance, and £1.9m of capitalised land and other programme related investments. Endowment reserves were £674k (2023: £644k), these funds are invested to secure the capital base whilst producing an income stream in support of our gorilla conservation work.

Unrestricted reserves were £3.6m (2023: £5.0m). Free reserves (unrestricted reserves less unrestricted fixed assets of £206k (2023: £267k) were £3.4m (2023: £4.7m). This represents 4.3 months (2023: 5.6 months) of budgeted, recurring core expenditure. This is below our minimum level of 6 months of reserves, a result of our unrestricted fundraising income not growing as much as we'd hoped, combined with the impact of global cost of living increases on our unrestricted cost base. Trustees are concerned about the decline in reserves and, following the changes in USAID funding, a reforecast budget for 2025 was presented to the Board, showing a small unrestricted surplus for the year. The Trustees are focused on fundraising activity and closely monitoring performance with contingency plans being drawn up to address any further decline in unrestricted reserves.





Statement of Trustees' responsibilities

Sunda pangolin in Cambodia

The Trustees (who are also directors of Fauna & Flora International for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditors

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken the necessary steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that you are aware of that information.

The Trustees' Annual Report and the Strategic Report contained therein were approved and authorised for issue by the Board of Trustees on 3rd July 2025 and signed on its behalf by

Stephen Fitzgerald AO

Independent auditors report

Independent auditors report

Opinion

We have audited the consolidated financial statements of Fauna & Flora International ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the charitable company's affairs as at 31 December 2024 and of the group's income and expenditure, for the year 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 group 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 trustee's 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 charitable company's or the group'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their 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 and proper 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 trustees' responsibilities statement set out on page 49, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to

fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation and General Data Protection Regulation (GDPR). We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission, sample testing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

N. Hashemi

Naziar Hashemi
on behalf of
Crowe U.K. LLP, Statutory Auditor
Date: 31 July 2025

Financial statements

© Doug Perrine/ Nature Picture Library

Pacific leatherback sea turtle (Dermochelys coriacea) a critically endangered species, Indonesia

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 December 2024

	Notes	Total Unrestricted £	Restricted £	Total Endowment £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies	3a, 3b	5,143,691	3,470,287	-	8,613,978	4,430,301
Charitable Activities		2,801,232	32,247,843	-	35,049,075	31,333,208
Investments		510,620	185,949	207	696,776	839,573
Other Trading Activities		2,907	-	-	2,907	3,684
Other		9,220	245,522	-	254,742	193,586
Total		**8,467,670**	**36,149,601**	**207**	**44,617,478**	**36,800,352**
Expenditure on:						
Raising funds		4,023,620	-	-	4,023,620	4,587,721
Charitable Activities		5,760,890	38,916,640	-	44,677,530	37,228,986
Jointly Controlled Operations expenditure	20	56,723	-	-	56,723	58,348
Total	4a, 6a, 6b	**9,841,233**	**38,916,640**	**-**	**48,757,873**	**41,875,055**
Net gains/(losses) on investments		3,766	-	29,538	33,304	9,006
Net income/(expenditure)		**(1,369,797)**	**(2,767,039)**	**29,745**	**(4,107,091)**	**(5,065,697)**
Transfers between funds		98,429	(98,429)	-	-	-
Other Recognised Gains and Losses						
Realised foreign exchange gains/(losses)		(113,232)	(56,238)	-	(169,470)	3,277
Unrealised foreign exchange gains/(losses)		(8,437)	(435,650)	-	(444,087)	(322,764)
Profit/(losses) on disposal of tangible fixed assets		(1,507)	31,859	-	30,352	(19,580)
Other gains/(losses)	4b	(123,176)	(460,029)	-	(583,205)	(339,067)
Net movement in Funds		**(1,394,544)**	**(3,325,497)**	**29,745**	**(4,690,296)**	**(5,404,764)**
Total funds brought forward		5,009,677	22,562,230	644,459	28,216,366	33,621,130
	12	**3,615,133**	**19,236,733**	**674,204**	**23,526,070**	**28,216,366**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

In 2023, unrestricted voluntary income was £4,192,667 (the remainder was restricted). In 2023, unrestricted charitable activities income was £1,195,654 (the remainder was restricted). In 2023, unrestricted investment income was £618,913 and endowment investment income was £196 (the remainder was restricted). In 2023, unrestricted income from other trading activities was £3,264 (the remainder was restricted). In 2023, unrestricted income from other sources was £5,981 (the remainder was restricted).

In 2023, unrestricted charitable activities expenditure was £4,273,574 (the remainder was restricted). In 2023, all expenditure on raising funds was unrestricted. In 2023, all expenditure on jointly controlled operations was unrestricted.

In 2023, unrestricted net gains on investments were £3,412 and endowment fund net gains were £5,594. In 2023, restricted to unrestricted transfers were £1,041,626 and unrestricted other losses were £434,604 (the remainder was restricted).

Consolidated Balance Sheet

For the year ended 31 December 2024

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed Assets					
Tangible assets	7a	1,725,285	1,897,476	528,854	693,959
Intangible assets	7b	129,388	173,333	129,388	173,333
Investments	8	13,788,831	20,932,378	13,788,831	20,932,378
Total fixed assets		15,643,504	23,003,187	14,447,073	21,799,670
Current Assets					
Debtors	9	4,858,722	4,433,281	5,897,545	4,830,107
Cash at bank and in hand		6,533,474	8,892,352	5,214,775	7,922,239
Total current assets		11,392,196	13,325,633	11,112,320	12,752,346
Creditors: amounts falling due within one year	10	(3,270,974)	(8,094,768)	(3,243,679)	(8,070,353)
Net Current Assets		8,121,222	5,230,865	7,868,641	4,681,993
Provisions for liabilities	11	(238,656)	(17,686)	(238,656)	(17,686)
Net assets		**23,526,070**	**28,216,366**	**22,077,058**	**26,463,977**
The funds of the charity					
Income Funds					
Unrestricted funds	12	3,560,818	4,954,408	1,705,659	2,975,869
Designated funds		54,315	55,269	54,315	55,270
		3,615,133	5,009,677	1,759,974	3,031,139
Restricted funds	12	19,236,733	22,562,230	19,642,880	22,788,379
		22,851,866	27,571,907	21,402,854	25,819,518
Capital Funds					
Permanent endowment funds	12	674,204	644,459	674,204	644,459
Total Charity Funds		**23,526,070**	**28,216,366**	**22,077,058**	**26,463,977**

The (deficit) in respect of the parent charity only was (£4,386,921) (2023: £4,761,966).

The attached notes form part of these financial statements.

Approved by the board of Trustees and authorised for issue on 3rd July 2025 and signed on its behalf by:

Chair: Stephen Fitzgerald AO

Treasurer: Martin Tyler

Consolidated Cash Flow Statement

For the year ended 31 December 2024

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash flows from operating activities	16	(6,347,758)	416,527	(6,692,019)	1,464,886
Cash flows from investing activities	16	696,776	839,573	691,294	833,878
Cash flows from financing activities	16	(6,713)	(409,804)	(6,713)	(388,634)
		(5,657,695)	**846,296**	**(6,007,438)**	**1,910,130**
Reconciliation of Net Cash Flow to Movements in Net Funds					
Increase/(decrease) in cash in the year		(5,657,695)	846,296	(6,007,438)	1,910,130
Cash and cash equivalents at the beginning of the reporting period		24,019,077	23,951,529	23,048,964	21,813,541
Change in cash and cash equivalents due to exchange rate movements		484,241	(778,748)	485,398	(674,707)
Cash and cash equivalents at the end of the reporting period		**18,845,623**	**24,019,077**	**17,526,924**	**23,048,964**
Analysis of cash and cash equivalents					
Cash at bank and in hand		6,533,474	8,892,352	5,214,775	7,922,239
Deposit accounts		12,312,149	15,126,725	12,312,149	15,126,725
		18,845,623	**24,019,077**	**17,526,924**	**23,048,964**

The attached notes form part of these financial statements.

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements. Fauna & Flora meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

a) Basis of accounting
The financial statements are prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with the 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 effective 1 January 2015 (The FRS 102 Charities SORP) and the Companies Act 2006.

b) Basis of consolidation
The consolidated financial statements comprise a consolidation of the financial statements of Fauna & Flora International and its fully owned subsidiaries, Fauna & Flora International Australia (Ltd), Fauna & Flora International USA Inc., Fauna & Flora International (South Africa), Fauna & Flora International S.R.L. and Fauna and Flora Foundation, and its share of its jointly controlled operations (the Caribbean Alliance) with Re:Wild.

c) Significant estimates or judgements
In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The investment in Boden Creek Land and Cattle Ltd in Belize by Fauna & Flora International has been accounted for as a programme related investment in the charity only balance sheet, rather than as an investment in a subsidiary. The purchase of the share capital of the company was completed in order to achieve ownership of the land owned by the company. The company has no other assets or liabilities. As such on a substance over form basis, the investment has been accounted for as a programme related investment rather than an investment in a subsidiary in the charity only balance sheet. This land was acquired for conservation purposes and during the year was successfully transferred to our local partner organisation in Belize as planned, making the intended exit from the project. This disposal has been accounted for as charitable expenditure.

d) Fund accounting
General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of Fauna & Flora's designated funds is set out in the Reserves Policy within the Trustees' Report. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Permanent endowments are funds which are permanently restricted, details of which are set out in Note 12 of the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

e) Income
All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income, that receipt is probable and the amount can be quantified with reasonable accuracy. Income from donations is accounted for when received and legacy income is included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grant income is recognised when all three recognition criteria are met (entitlement, probability and measurability). Income from performance related grants and contracts is included in the accounts to the extent that entitlement has been earned through performance of the contract.

f) Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Project activity costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and oversight delivered from UK contracted staff. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are indirect costs related to the overall management and facilities of the organisation, Trustee administration of the charity and compliance with constitutional and statutory requirements.

g) Pension Contributions
The charitable company contributes to individual personal pensions for staff; contributions are charged to the profit and loss account as they become payable.

h) Finance and operating leases
Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

i) Foreign Exchange
Assets and liabilities denominated in foreign currencies are translated into sterling on the balance sheet at the rates of exchange ruling at the year-end. Unrealised gains and losses on re-translation of monetary assets are shown as income or expenditure in line with FRS 102. Unrealised gains and losses of non-monetary assets are dealt with as part of the deficit or surplus on ordinary activities for the financial year. Gains and losses related to restricted projects cannot be allocated to specific projects. Therefore, these are accumulated in a foreign exchange revaluation fund and grouped with restricted reserves, as shown in Note 12. These are then allocated to the relevant projects as they are completed.

j) Tangible Assets
Tangible assets are shown at cost less depreciation. Assets in use in the organisation are capitalised where the value of an individual item is greater than £3,000 and the asset has a long-term useful life. When items of portable equipment are acquired, such items that fall below this threshold may be capitalised. Where items are acquired from funding from restricted grants, these items will be treated in accordance with the grant requirements and therefore may well be fully expensed in the year of acquisition, rather than capitalised.

Depreciation is provided so as to write off the cost of tangible assets over their estimated useful lives at the following annual rates:

Fixtures and fittings	20 – 25% straight line
IT equipment	33% straight line
Software	20% straight line
Land & buildings *(buildings only, land not depreciated)*	5% straight line
Vehicles	20% straight line

k) Investments
Investments are stated at market value at the balance sheet date. The Consolidated Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year

l) Debtors
Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

m) Cash at bank and in hand
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions
Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Deferred income
Deferred income relates to performance related grant and contract income where the conditions of the grant have not yet been met and therefore the Charity is not entitled to the income until a future period.

p) Financial instruments
The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and comprise cash and bank and in hand, short term cash deposits together with trade and other debtors excluding prepayments. Financial liabilities held at transaction value comprise the short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

q) Going concern
The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

2. Company Status

The company is limited by guarantee, not having share capital, and is also a registered charity; it is not liable to corporation tax. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the limited liability company.

3a) Donations and legacies

	2024	2023
	£	£
Individuals	7,469,222	3,941,924
Legacies	1,144,756	488,377
	8,613,978	**4,430,301**

3b) Income

	Restricted	Unrestricted	Endowment	Total 2024	Total 2023
	£	£	£	£	£
Income Source					
Government & Multilateral	15,631,498	-	-	15,631,498	11,061,076
Trusts & Foundations	15,435,474	2,300,772	-	17,736,246	17,715,820
Corporate	1,180,871	74,610	-	1,255,481	2,054,189
Individuals	3,470,287	5,143,691	-	8,613,978	4,430,301
Membership	-	425,850	-	425,850	502,123
Investment	185,949	510,620	207	696,776	839,573
Other	245,522	12,127	-	257,649	197,270
Total	**36,149,601**	**8,467,670**	**207**	**44,617,478**	**36,800,352**

4a) Expenditure

	2024	2023
	£	£
Expenditure includes:		
Auditors' remuneration – statutory audits	80,377	65,685
Auditors' remuneration – grant audits and other	132,995	87,523
Depreciation	253,203	220,454
Operating leases: land and buildings	237,977	235,748

4b) Other gains/losses

	2024	2023
	£	£
Other gains/losses includes:		
Realised foreign exchange gains/(losses)	(169,470)	3,277
Unrealised foreign exchange gains/(losses)	(444,087)	(322,764)
Gains/(losses) on disposal of tangible fixed assets	30,352	(19,580)
	(583,205)	**(339,067)**

5. Employee Information

5a) Staff costs:

	2024	2023
	£	£
Wages and salaries	16,938,826	14,252,780
Social security costs	1,749,258	1,528,187
Pension costs	790,822	789,466
	19,478,906	**16,570,433**

Included in the above is £119,508 relating to termination payments for 16 individuals in 2024, the majority of which relate to project closures (2023: £1,795).

5b)

	2024	2023
The average number of persons, analysed by function, employed during the year was:		
Project management	577	537
Fundraising	24	26
Administration	41	35
	642	**598**

5c)

	2024	2023
Employees whose emoluments for the year were £60,000 or more are shown in the following bands:		
£60,001 – £70,000	10	8
£70,001 – £80,000	13	3
£80,001 – £90,000	5	4
£90,001 – £100,000	3	3
£100,001 – £110,000	3	4
£130,001 – £140,000	1	0
£140,001 – £150,000	2	3
£150,001 – £160,000	1	0
£170,001 – £180,000	1	0

The pension contributions to pension schemes for the higher paid staff were £166,824 (2023: £126,580).

The total value of salary and benefits received by key management personnel in 2024 was £968,346 (2023: £943,984).

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties unless formal approval has been received from the Charity Commission.

In 2024, £7,013 (2023: £19,214) was reimbursed to, or paid on behalf of Trustees in respect of travel and subsistence during the year.

6a) Analysis of Total Expenditure

	Staff costs	Other costs	Support costs	Total 2024	Total 2023
	£	£	£	£	£
Conservation Programme Area					
Africa	3,809,874	6,355,754	779,879	10,945,507	9,733,697
Asia Pacific	5,499,658	4,572,178	89,029	10,160,865	8,130,632
Americas & Caribbean	1,295,345	6,206,576	288,969	7,790,890	3,003,689
Eurasia	1,525,136	2,439,740	216,547	4,181,423	3,659,576
Cross-cutting Programmes	4,631,039	1,890,237	175,442	6,696,718	7,025,930
Other (incl Foreign Exchange) Revaluation	-	(178,602)	-	(178,602)	886,183
Programme Activities	16,761,052	21,285,883	1,549,866	39,596,801	32,439,707
Fundraising costs	1,540,626	-	2,482,994	4,023,620	4,587,721
Support & administration costs	3,232,882	-	1,904,570	5,137,452	4,847,627
Total costs	**21,534,560**	**21,285,883**	**5,937,430**	**48,757,873**	**41,875,055**

The foreign exchange (gain)/loss is the revaluation of monetary assets arising from the organisation operating internationally.

Included in Other costs of Programmatic Activities is £9.4m (2023: £7.1m) of funds sub-granted to third parties and £4.1m of land in Belize transferred to our local partner organisation.

6b) Analysis of Support Costs

	Programme activities	Fundraising costs	Governance costs	Operations & Total 2024	Total 2023
	£	£	£	£	£
Office rent & services	98,229	890	571,107	670,226	668,533
Equipment Acquisition & Maintenance	33,214	246	8,893	42,353	77,026
Grants	763,591	-	-	763,591	67,720
Conference attendance & event costs	28,916	69,510	32,537	130,963	177,537
Printing, publications and media costs	8,002	783,878	74,949	866,829	1,755,791
Bank charges and interest	18,920	224,159	12,103	255,182	176,256
Depreciation	12,153	15,717	28,710	56,580	37,549
IT, telephony & office supplies	112,741	270,210	469,317	852,268	764,544
Travel & Subsistence	235,252	45,965	134,428	415,645	488,922
Audit, Legal & Professional fees	138,817	1,035,876	507,483	1,682,176	1,484,387
Bad and doubtful debts	54,125	-	-	54,125	-
Other costs	45,906	36,543	65,043	147,492	193,177
Total support costs	**1,549,866**	**2,482,994**	**1,904,570**	**5,937,430**	**5,891,442**

7a) Tangible Fixed Assets (all group fixed assets are attributable to the charity, excluding the land & buildings)

	Fixtures & Fittings	IT Equipment	Land & Buildings	Vehicles	Total
	£	£	£	£	£
Cost:					
At 1 January 2024	48,461	93,548	1,176,733	1,334,486	2,653,228
Additions	-	3,848	-	41,780	45,628
Disposals	-	-	-	(33,940)	(33,940)
At 31 December 2024	**48,461**	**97,396**	**1,176,733**	**1,342,326**	**2,664,916**
Depreciation:					
At 1 January 2024	23,583	24,960	-	707,209	755,752
Charge for year	9,473	11,669	-	188,116	209,258
On disposals	-	-	-	(25,379)	(25,379)
At 31 December 2024	**33,056**	**36,629**	**-**	**869,946**	**939,631**
Net book value:					
At 31 December 2024	**15,405**	**60,767**	**1,176,733**	**472,380**	**1,725,285**
At 31 December 2023	24,878	68,588	1,176,733	627,277	1,897,476

7b) Intangible Fixed Assets (all group intangible fixed assets are attributable to the charity)

	Software	Total
	£	£
Cost:		
At 1 January 2024	566,340	566,340
Additions	-	-
Disposals	-	-
At 31 December 2024	**566,340**	**566,340**
Depreciation:		
At 1 January 2024	393,007	393,007
Charge for year	43,945	43,945
On disposals	-	-
At 31 December 2024	**436,952**	**436,952**
Net book value:		
At 31 December 2024	**129,388**	**129,388**
At 31 December 2023	173,333	173,333

8. Fixed Asset Investments (all group fixed assets investments are attributable to the charity)

	2024	2023
	£	£
Movement during the year		
Market value as at 1 January	20,932,378	23,005,425
Net gains/(losses) during the year	33,304	9,006
Foreign exchange gains/(losses) during the year	(212,092)	(867,927)
Capital invested/(withdrawn) during the year	(2,855,785)	(1,214,126)
Transfer of land held as investment	(4,108,974)	-
Total investments	**13,788,831**	**20,932,378**
Investments are represented by:		
Fixed interest securities & equity shares	703,971	670,668
Cash deposit funds	12,312,149	15,126,725
Programme related investments	772,711	5,134,985
Total Investments held in the UK	**13,788,831**	**20,932,378**

The historic cost of investments as at 31 December 2024 was £13,684,859 (2023: £20,892,437).

Programme related investments consists of land held in Ecuador with the intention of transferring it to a local organisation capable of preserving its conservation value.

Transfer of land held as investment represents the successful planned transfer of the land held at Boden Creek in Belize to our local partner organisation for nil consideration. The land had been held as a programme related investment with a book value of £4,108,974 and the loss on transfer is included in restricted Programme Other costs.

9. Debtors

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade debtors	3,337,391	3,846,209	3,281,407	3,804,000
Amounts due from subsidiaries	-	-	1,094,807	522,250
Prepayments and accrued income	1,521,331	587,072	1,521,331	503,857
	4,858,722	**4,433,281**	**5,897,545**	**4,830,107**

All the above amounts fall due within one year.

10. Creditors

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade creditors	1,183,502	863,839	1,180,188	858,057
Tax and social security	993,470	976,484	972,720	968,176
Accruals and deferred income	1,090,200	6,250,782	1,086,969	6,240,457
Other creditors	3,802	3,663	3,802	3,663
	3,270,974	**8,094,768**	**3,243,679**	**8,070,353**

Accruals and deferred income includes the following:

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Deferred income at 1st January	5,814,857	-	5,814,857	-
Income deferred in year	-	5,814,857	-	5,814,857
Amounts released from previous years	(5,814,857)	-	(5,814,857)	-
Deferred Income at 31st December	-	5,814,857	-	5,814,857

Deferred income in 2023 related to the timing of receipts of grants received relating to future periods.

11. Provisions (all provisions are attributable to the charity)

	At 01/01/2024	Provisions created / (released)	Provisions utilised	At 31/12/2024
	£	£	£	£
Project expenditure repayable	-	220,970	-	220,970
Land taxes payable	17,686	-	-	17,686
	17,686	**220,970**	**-**	**238,656**

Provision has been made in prior year for land tax in Ecuador that may be payable by Fauna & Flora.

Project expenditure repayable relates to projects where the respective donors have disallowed costs that were deemed not in accordance with grant terms & conditions.

12. Group Reconciliation of Funds

	Balance b/fwd	Income	Expenditure	Other gains/ (losses)	Transfers between funds	Balance c/fwd
	£	£	£	£	£	£
Unrestricted						
General unrestricted funds	4,954,408	8,467,670	(9,841,233)	(119,410)	99,383	3,560,818
Designated funds	55,269	-	-	-	(954)	54,315
Total unrestricted funds	**5,009,677**	**8,467,670**	**(9,841,233)**	**(119,410)**	**98,429**	**3,615,133**
Endowment funds						
Rothiemurchus Bequest Fund	33,807	207	-	1,825	-	35,839
Whitley Animal Protection Trust	610,652	-	-	27,713	-	638,365
Total endowment funds	**644,459**	**207**	**-**	**29,538**	**-**	**674,204**
Restricted funds						
Africa	2,503,413	12,027,556	(10,479,661)	(121,961)	1,257,516	5,186,863
Americas & Caribbean	6,276,200	2,273,688	(7,319,901)	(17,004)	625,555	1,838,538
Asia-Pacific	5,340,168	9,366,066	(11,002,269)	(9,724)	1,193,736	4,887,977
Conservation Capacity and Leadership	1,814,367	1,467,515	(2,134,069)	196,870	(9,066)	1,335,617
Cross-cutting Programmes Development	454,775	110,613	(144,490)	(105)	-	420,793
Conservation Science and Design	1,693,423	6,215,206	(2,923,661)	(76,746)	(3,476,319)	1,431,903
Climate & Nature Linkages	53,517	1,184,944	(279,032)	-	-	959,429
Eurasia	2,979,346	2,225,274	(3,852,121)	3,508	380,801	1,736,808
Business & Nature	171,081	802,944	(827,097)	783	-	147,711
People & Nature	28,155	169,155	(132,941)	-	-	64,369
Regional Programmes Development	120,366	-	-	-	(70,652)	49,714
Other (incl Foreign Exchange) Revaluation	1,127,419	306,640	178,602	(435,650)	-	1,177,011
Total restricted funds	**22,562,230**	**36,149,601**	**(38,916,640)**	**(460,029)**	**(98,429)**	**19,236,733**
Total Funds	**28,216,366**	**44,617,478**	**(48,757,873)**	**(549,901)**	**-**	**23,526,070**

The Rothiemurchus bequest stipulates that the Charity should:

i. Hold the bequest and pay or apply part of the income thereof each year in assisting not more than one conservation project consistent with the aims of the Charity

ii. Accumulate for as long as possible at least one quarter of the income, which should be added to the capital of the bequest.

The Whitley Animal Protection Trust M.G.P Fund represents a capital donation from the Whitley Animal Protection Trust, which stipulated that the capital should be invested and the income used for the protection of the mountain gorilla. Provision is made to maintain the relative value of the capital and to provide regular guaranteed income for the IGCP.

The restricted funds of the charity comprise unexpended balances on income given to specific purposes. In accordance with Fauna & Flora's income recognition policy as outlined in Note 1 to the accounts, restricted funds in deficit have arisen where Fauna & Flora is not sufficiently entitled to recognise income against ongoing work that is funded in arrears.

Other gains/(losses) and Transfers between funds includes internal grants transferred from our Halcyon Land & Sea, Species and other internal portfolio funds to field based projects.

Included in the above are amounts for grants received from Fondation Segré (2024: £47,796, 2023: £144,453), the Endangered Landscapes Programme (2024: £267,118, 2023: £435,737), and Defra, UK Government: Darwin Initiative (2024: £3,425,237, 2023: £3,684,626), Darwin Plus (2024: £81,907, 2023: £202,319), Illegal Wildlife Trade Challenge Fund (2024: £353,802, 2023: £309,776), and income received of £1,347,945 (2023: £nil) and expenditure of £1,866,887 (2023: £13,115) in relation to the Biodiverse Landscapes Fund (BLF). Also in relation to the BLF is match funding received of £67,296 (2023: £nil) and related expenditure of £324 (2023: £nil).

13. Analysis of Net Assets between Funds

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	76,175		1,649,110		1,725,285
Intangible Assets	129,388				129,388
Investments	5,340,335		7,774,292	674,204	13,788,831
Net current assets	(1,746,424)	54,315	9,813,331	-	8,121,222
Provisions	(238,656)				(238,656)
	3,560,818	**54,315**	**19,236,733**	**674,204**	**23,526,070**

Prior Year Funds Analysis Statement

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	93,466	-	1,804,010	-	1,897,476
Intangible Assets	173,333	-	-	-	173,333
Investments	5,066,149	-	15,221,770	644,459	20,932,378
Net current assets	(360,854)	55,269	5,536,450	-	5,230,865
Provisions	(17,686)	-	-	-	(17,686)
	4,954,408	**55,269**	**22,562,230**	**644,459**	**28,216,366**

14. Operating Lease Commitments

	2024	2023
	£	£
Annual commitments are as follows:		
Land and buildings:		
Not later than one year	210,558	217,804
Later than one year and not later than five years	120	142,609
Later than five years	-	-
	210,678	**360,413**
Other operating leases:		
Not later than one year	95,649	73,520
Later than one year and not later than five years	-	62,811
Later than five years	-	-
	95,649	**136,331**

15. Related Party Transactions and Ultimate Controlling Party

The company is under the control of the Board of Trustees. There is no ultimate controlling party.

Fauna & Flora received grant funding from The Marcela Trust in 2023. A member of Fauna & Flora's SLT is a Trustee of the Trust.

Fauna & Flora provides grant funding to Principe Foundation (São Tomé and Príncipe) and Ol Pejeta Conservancy. A member of Fauna & Flora's SLT is also a director of each of these organisations. Fauna & Flora also provides grants to The Mount Kenya Trust which has a mutual Trustee. Fauna & Flora provides grant funding to Chuilexi Conservação e Investimentos Limitada and Luambeze Investimentos Limitada, both of which are subsidiaries of Fauna & Flora. Refer to Note 21 for details of Fauna & Flora's subsidiaries and jointly controlled operations. Fauna & Flora has paid and received reimbursement of expenditure from Ol Pejeta Ranching Ltd and ProPark Foundation. A member of Fauna & Flora's SLT is also a director of these organisations.

	2024	2023
	£	£
Grants received from related parties		
The Marcela Trust	-	430,000
Grants made to related parties		
Ol Pejeta Conservancy	307,412	-
Chuilexi Conservacio e Investimentos Limitada	987,781	1,143,042
Luambeze Investimentos Limitada	243,879	331,207
Principe Foundation	186,657	295,903
The Mount Kenya Trust	70,528	114,214
Donations received from		
Trustees & Related parties	301,253	74,503
Expenditure paid on behalf of related parties		
ProPark Foundation	1,652	-
Ol Pejeta Ranching Ltd	1,217	-
Reimbursement of expenditure from related parties		
ProPark Foundation	511	416
Amounts owing (to)/from subsidiary undertakings		
Fauna & Flora International Australia	15,246	18,316
Fauna & Flora International South Africa	36,041	36,572
Fauna & Flora International USA Inc	1,043,520	467,362

16. Cash Flow Information

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
a) Reconciliations of changes in resources to net inflow from operating activities				
Net incoming resources	(4,690,296)	(5,404,764)	(4,386,921)	(4,761,966)
Depreciation charge	253,203	220,454	246,118	215,127
(Gain)/loss on disposal of tangible and intangible fixed assets	(30,353)	19,580	(30,353)	19,580
Investment income (shown separately in (b) below)	(696,776)	(839,573)	(691,294)	(833,878)
(Increase)/decrease in debtors	(425,441)	(825,393)	(1,067,435)	(319,269)
Increase/(decrease) in creditors	(4,602,819)	6,208,331	(4,605,697)	6,211,433
Change in fixed asset investments valuation	(33,304)	(9,006)	(33,304)	(9,006)
Transfer of Land held as investment to partner	4,108,974	-	4,108,974	-
Unrealised foreign exchange gains/(losses) on non-monetary assets	253,294	268,149	253,301	268,149
Unrealised foreign exchange gains/(losses) on monetary assets	(484,240)	778,749	(485,408)	674,716
Net cash inflow/(outflow) from operating activities	**(6,347,758)**	**416,527**	**(6,692,019)**	**1,464,886**
	-	-	-	-
b) Gross cash flows				
Returns on investment and servicing of finance:				
Investment income received	**696,776**	**839,573**	**691,294**	**833,878**
Capital expenditure and financial investment:				
Payment to acquire tangible and intangible fixed assets	(45,628)	(409,804)	(45,628)	(388,634)
Receipts from sale of tangible and intangible fixed assets	38,915	-	38,915	-
	(6,713)	**(409,804)**	**(6,713)**	**(388,634)**

17. Summary income and expenditure account for the year ending 31 December 2024

	All income funds 2024	All income funds 2023
	£	£
Income	43,920,702	35,960,779
Gains/(losses) on investments		
Interest and investment income	696,569	839,377
Gross income in the reporting period	**44,617,271**	**36,800,156**
Expenditure	49,084,109	41,990,256
Interest payable		-
Depreciation and charges for impairment of fixed assets	253,203	220,454
Total expenditure in the reporting period	**49,337,312**	**42,210,710**
Net income (expenditure) before tax for the reporting period	(4,720,041)	(5,410,554)
Tax payable		-
Net income (expenditure) for the financial year	**(4,720,041)**	**(5,410,554)**

The summary income and expenditure account is a Companies Act and FRS102 requirement and is derived from the corresponding figures in the SOFA with the exclusion of endowment funds.

18. Charity Statement of Financial Activities

	Total Unrestricted £	Restricted £	Total Endowment £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and legacies	4,671,319	207,575	-	4,878,894	4,090,731
Charitable Activities	2,271,995	35,415,747	-	37,687,742	31,205,020
Investments	505,138	185,949	207	691,294	833,878
Other Trading Activities	2,907	-	-	2,907	3,684
Other	9,220	243,355	-	252,575	193,327
Total	**7,460,579**	**36,052,626**	**207**	**43,513,412**	**36,326,640**
Expenditure on:					
Raising funds	3,186,172	-	-	3,186,172	3,935,730
Charitable Activities	5,533,031	38,746,573	-	44,279,604	36,858,696
Total	**8,719,203**	**38,746,573**	**-**	**47,465,776**	**40,794,426**
Net gains/(losses) on investments	3,766	-	29,538	33,304	9,006
Net income/(expenditure)	**(1,254,858)**	**(2,693,947)**	**29,745**	**(3,919,060)**	**(4,458,780)**
Transfers between funds	98,429	(98,429)	-	-	(12,211)
Other Recognised Gains and Losses					
Other gains/(losses)	(114,738)	(353,121)	-	(467,859)	(290,975)
Net movement in Funds	**(1,271,167)**	**(3,145,497)**	**29,745**	**(4,386,919)**	**(4,761,966)**
Total funds brought forward	3,031,141	22,788,377	644,459	26,463,977	31,225,943
Total funds carried forward	**1,759,974**	**19,642,880**	**674,204**	**22,077,058**	**26,463,977**

19. Prior year Group Reconciliation of Funds Statement

	Balance b/fwd £	Income £	Expenditure £	Other gains/ (losses) £	Transfers between funds £	Balance c/fwd £
Unrestricted						
General unrestricted funds	7,246,862	6,016,479	(8,919,643)	(431,192)	1,041,902	4,954,408
Designated funds	55,545	-	-	-	(276)	55,269
Total unrestricted funds	**7,302,407**	**6,016,479**	**(8,919,643)**	**(431,192)**	**1,041,626**	**5,009,677**
Endowment funds						
Rothiemurchus Bequest Fund	34,059	196	-	(448)	-	33,807
Whitley Animal Protection Trust	604,610	-	-	6,042	-	610,652
Total endowment funds	**638,669**	**196**	**-**	**5,594**	**-**	**644,459**
Restricted funds						
Africa	3,707,201	5,955,903	(9,532,223)	14,511	2,358,022	2,503,414
Americas & Caribbean	6,302,956	1,601,286	(2,575,413)	9,203	938,168	6,276,200
Asia-Pacific	5,449,171	7,982,086	(8,923,127)	7,020	825,018	5,340,168
Conservation Capacity and Leadership	2,353,738	1,972,976	(2,475,431)	829	(37,746)	1,814,366
Cross-cutting Programmes Development	427,106	102,577	(74,909)	1	-	454,775
Conservation Science and Design	2,770,545	6,156,615	(3,285,205)	366,364	(4,314,895)	1,693,424
Climate & Nature Linkages	69,633	20,548	(38,192)	1,528	-	53,517
Eurasia	2,494,564	3,397,511	(3,389,633)	(8,660)	485,564	2,979,346
Business & Nature	5,470	1,382,938	(1,215,612)	(1,715)	-	171,081
People & Nature	3,555	185,657	(161,057)	-	-	28,155
Regional Programmes Development	-	1,500,000	(398,427)	-	(981,208)	120,365
Other (incl Foreign Exchange) Revaluation	2,096,115	525,580	(886,183)	(293,544)	(314,549)	1,127,419
Total restricted funds	**25,680,054**	**30,783,677**	**(32,955,412)**	**95,537**	**(1,041,626)**	**22,562,230**
Total Funds	**33,621,130**	**36,800,352**	**(41,875,055)**	**(330,061)**	**-**	**28,216,366**

20. Post Balance Sheet Events

In late January 2025, the United States Government began taking a number of actions to implement a variety of Executive Orders impacting their funding of foreign aid. Fauna & Flora had 13 active grants with budgeted expenditure of USD $3.0m in 2025, all of which were put under Stop Work Orders. Subsequently, all 7 of our USAID funded grants have been terminated and an Illegal Wildlife Trade grant has been resumed. At the time of signing, the remaining 5 grants, funded by the US Fish and Wildlife Service remain suspended. In total, around 7% of Fauna & Flora's 2025 budget was funded from US Government sources. A reforecast exercise was undertaken following the news in January and, thanks to the support of existing and new donors, we still expect to end the year in line with our original budget.

In February 2025, the UK Prime Minister announced that the UK Overseas Development Aid (ODA) budget would be reduced from 0.5 to 0.3 of GNI by 2027. This change is not expected to be fully introduced until 2026/27 and information is not yet available on where reductions will be made within the ODA portfolio. In the meantime, Fauna & Flora is reviewing its UK and overseas Government-funded portfolio to identify areas of risk and mitigation.

21. Subsidiaries and Jointly Controlled Operations

Fauna & Flora has five wholly owned subsidiary undertakings. One registered in Australia, two registered in Romania, one registered in South Africa and one registered in the USA.

Fauna & Flora holds a 75% controlling interest in Luambeze Investimentos Limitada (Luambeze), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Fauna & Flora holds a 55% controlling interest in Chuilexi Conservação e Investimentos Limitada (Chuilexi), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Entity	Fauna & Flora International Australia (Ltd)	Fauna & Flora International USA Inc.	Fauna & Flora International (South Africa)	Fauna & Flora International S.R.L	Fauna & Flora International Foundation	Chuilexi Conservação e Investimentos	Luambeze Investimentos, Limitada
Country of Registration	Australia	USA	South Africa	Romania	Romania	Mozambique	Mozambique
Registration Number	ABN: 75 132 715 783 CAN: 132715783	81-3967095	2014/ 099386/08	33448761	1299/221/2024	100321041	100014343
Registered Address	c/o Purpose Accounting, 583 Elizabeth Street, REDFERN NSW 2016	c/o Corporation Trust Center, 1209 Orange St, Wilmington, New Castle Country, Delaware, USA	43 Fish Eagle Place, Fish Eagle Place, Kommetjie, 7975, South Africa	STR. 1 Decembrie Nr. 14 330025 Deva, Romania		c/o MozConsult Rua Beijo da Mulata nº 188, Sommerschield II, Maputo, Moçambique	
Percentage Ownership / Control	100%	100%	100%	100%	100%	55%	75%
	£	**£**	**£**	**£**	**£**	**£**	**£**
Total Income	103,108	6,898,762	3,526	278,632	62,456	-	-
Costs	(85,971)	(6,041,987)	(3,024)	(298,101)	(63,794)	(1,212,134)	(300,147)
Net gains/(losses) on investments	-	-	-	-	-	-	-
Other gains/ (losses)	(12,574)	6,079	(111)	-	-	-	-
Surplus / (deficit) for the year	4,563	862,854	391	(19,469)	(1,338)	(1,212,134)	(300,147)
Retained surplus brought forward	165,521	360,367	7,661	1,240,988	-	(5,580,180)	(2,667,144)
Retained surplus carried forward	**170,084**	**1,223,221**	**8,052**	**1,221,519**	**(1,338)**	**(6,792,314)**	**(2,967,291)**
Gross assets at 31 December 2024	188,127	2,271,473	44,854	1,217,906	21,284	637,694	376,534
Gross liabilities at 31 December 2024	(18,043)	(1,048,252)	(36,802)	(2,143)	(16,866)	(290,425)	(228,905)
Reserves at 31 December 2024	**170,084**	**1,223,221**	**8,052**	**1,215,763**	**4,418**	**347,269**	**147,629**

The Caribbean Alliance is a jointly controlled operation between Fauna & Flora and Re:Wild. The jointly controlled operation was created in 2021.

The net expenditure of £56,723 (2023: £58,348) shown in the Statement of Financial Activities represents Fauna & Flora's share of the net expenditure of the jointly controlled operation for 2024.

© Alex Cubas / Fauna & Flora

Maria Fernanda Flores and Swampy the Utila Spiny-Tailed Iguana. Maria Fernanda Flores is an ecologist and conservationist based in Honduras

Thank you

We wish to thank every one of our supporters. Your generosity and trust in our mission means that we can confidently commit to long-term conservation, and effective, sustainable solutions. From all of our staff and partners working around the world, thank you.

Together we can save nature.

© Vasco Pissarra / Fundação Príncipe

Green turtle hatchling,
São Tomé and Príncipe

> “I am proud to have been a member of Fauna & Flora since the late 1950s. This admirable organisation has kept its objectives clear and focused, and has achieved marvellous things for conservation throughout its history.
>
> Sir David Attenborough OM FRS

Fauna & Flora
Saving Nature Together

Front cover image: Utila spiny-tailed iguana, Honduras

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Registered Charity Number 1011102.
A Company Limited by Guarantee
in England & Wales, Number 2677068

A registered 501(c) (3) non-profit organization;
EIN #81-3967095

Registered as a charity with the Australian
Charities and Not-for-Profits Commission,
Australian Business Number (ABN) 75 132 715 783

FAUNA & FLORA INTERNATIONAL

England & Wales - Charity number 1011102

Accounts

Fauna & Flora

Saving Nature Together

Annual Report & Accounts 2023

Message from the Chair

As I write this, I am just beginning my journey as Fauna & Flora's new Chair of Council, taking over from my predecessor Dr Liz Rogers. I would like to thank Liz for her excellent work and dedication as interim Chair, and am honoured to be taking on this important role for such a prestigious organisation.

2023 was a year of change for Fauna & Flora. We embarked on a new strategy that will steer our approach through to 2030. We refreshed our brand to better communicate our ambitions and direction of travel. And we welcomed on board our new Chief Executive, Kristian Teleki.

Our new strategy is our response to the scale of the crisis that our natural world faces. It builds on the knowledge we have amassed over our long history and is informed by local knowledge and scientific rigour.

It is an evolution of our approach. Most importantly, it puts our local partner-led approach front and centre, recognising this as critical to achieving real and sustainable impact at a global scale.

If we are going to halt - and reverse - the degradation of our natural world and tackle the climate crisis head on, we need to rapidly and radically increase the funding available to those who are tackling nature loss on the ground.

But to achieve this, conservation organisations need to demonstrate that they can deliver a good return on investment in the form of real-world benefits for nature.

Fauna & Flora is a leader in this arena. Not only do we track our impact through a rigorous annual reporting process, our whole approach is geared towards fostering a global group of thriving partners and enhancing collaboration across a wider network of people and organisations. We want to inspire positive change and see all sectors of society working together to restore the health of our planet.

I know that Kristian shares my determination to ensure that Fauna & Flora maximises its impact at such a critical juncture, and he recently shared with me a particularly encouraging observation made by Rocio Moreno from Fundação Maio Biodiversidade (FMB), our partner in Cabo Verde: "It's clear how fragile NGOs are; things change quickly, and we're firefighting. Fauna & Flora has been great to me as Director of FMB. You've never said 'no', but 'we'll find a way'."

This, to me, seems to encapsulate Fauna & Flora's spirit perfectly.

I look forward to working with Kristian and the entire team to expand what we do and increase the impact we have for nature and people around the world.

Stephen Fitzgerald AO

Read our **Conservation Impact Report**

Read our **Strategy to 2030**

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Cover image: Green turtle hatchlings. © Vasco Pissarra / Fundação Príncipe

Strategic report

Our purpose and mission

Our shared purpose is to protect the diversity of life on Earth, for the survival of the planet and its people.

We work closely with local conservation partners around the world to save nature, together. We harness this collective expertise to inspire positive change globally.

Fauna & Flora staff take a break during a biomonitoring patrol to admire the view across Southern National Park, South Sudan.
© Justin Purefoy / Fauna & Flora

Our approach

1. Impact on the ground

Our work is rooted in conservation at the local level, where we collaborate with in-country partners to protect and restore nature on the ground.

2. Strong partners

We support our partners as they grow, helping them to flourish and increase their own impact.

3. Decisions for nature

By promoting better policy and practice, we create a healthy canopy that fuels a flourishing global conservation programme and community.

4. Seeding better conservation

We spread our ideas far and wide, contributing to a growing global conservation community taking action for nature around the world.

5. A flourishing organisation

A strong and resilient organisation – built on expert, diverse and motivated staff, and engaged supporters – forms the bedrock of all our work.

How we work

We support, sustain and strengthen local nature conservation action. For the survival of species and habitats, the planet and people.

Around the world, we work on the ground with local partners and communities. By aligning our technical skills and experience with their expertise and their local and traditional knowledge, we each play to our strengths for maximum conservation impact.

We influence businesses and governments to make informed decisions that benefit nature by addressing issues that affect our sites and improving global policies and practices. We also ensure that the voices of those spearheading conservation on the ground are heard.

We innovate, test new approaches, share skills and accelerate learning in support of the evolution of the wider conservation community. We aim to embrace new sectors and communities in order to make a greater contribution to conservation, diversifying the skills that can help solve the crisis before us.

We tackle the biodiversity and climate crisis as one. Our projects are integrated, effective and sustainable so that – working with our partners – we can deliver the best outcomes for climate, food security, livelihoods and health, as well as for nature.

Our objectives

Fauna & Flora is committed to achieving the following charitable objectives:

- To conserve the environment by protecting biodiversity for the benefit of the public through globally applicable solutions that are effective locally.
- To advance the awareness and education of all sectors of society around the world in the conservation and protection of biodiversity.

To achieve our mission and charitable objectives, our Strategy to 2030 sets out our ambition to double our impact by focusing on five areas:

1 Impact on the ground

Protect and ensure the recovery of nature on the ground, working with in-country partners.

2 Strong partners

Support our partners to increase their own impact.

3 Decisions for nature

Influence wider policies and practices that affect the places where we work, but also have wider national and international impacts. Ensuring nature is prioritised and championing globally important issues overlooked by others.

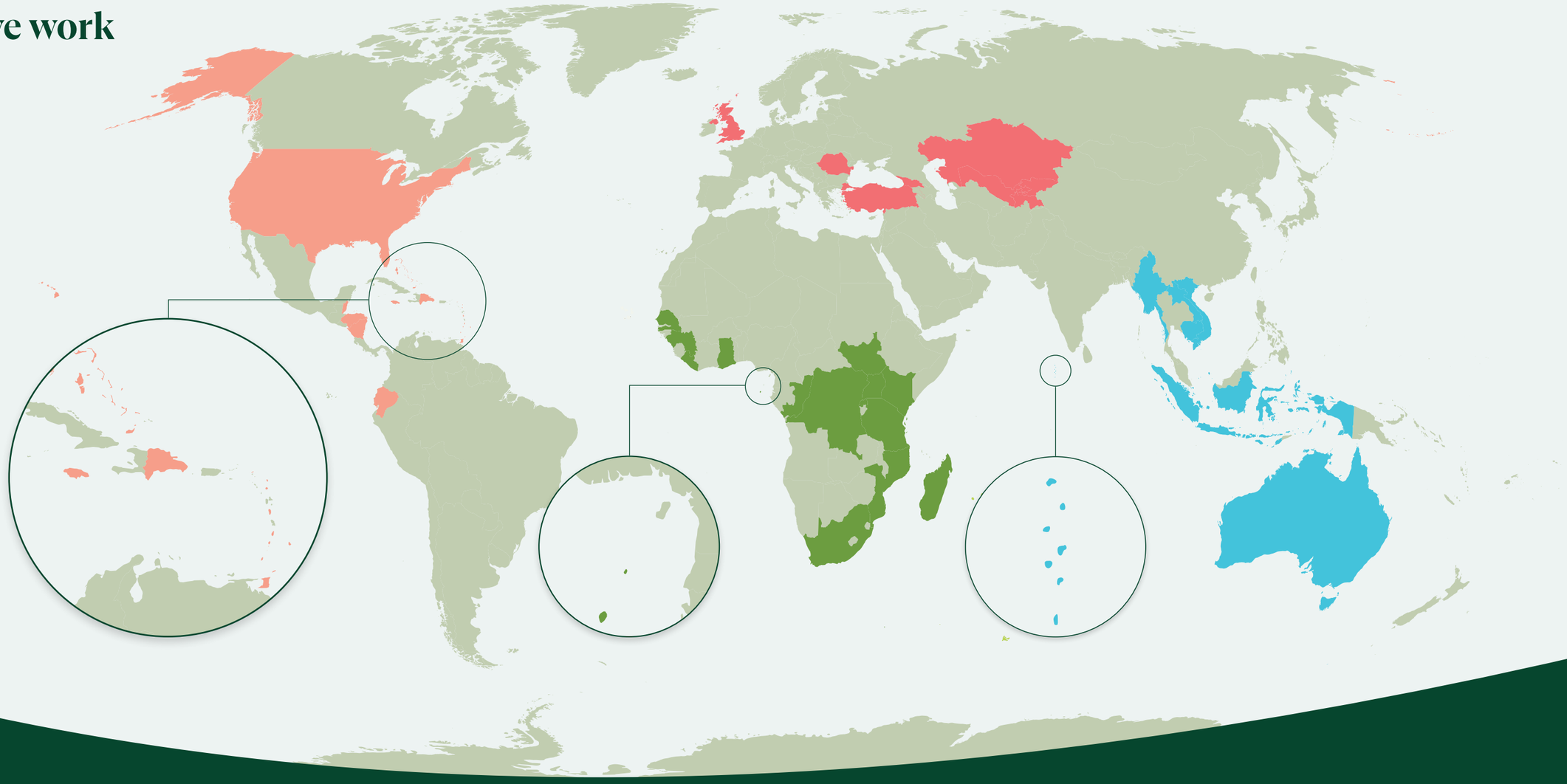
4 Seeding better conservation

Ensure that we contribute our learning, innovation and voices to global efforts for change, and support others to do the same. This includes bringing unexpected skills and sectors into conservation, and helping to better align local experience to global ambitions.

5 A flourishing organisation

Underpin these objectives by ensuring that Fauna & Flora is a dynamic and resilient organisation, built on effective, expert, diverse and motivated staff, and engaged supporters.

Where we work



Fauna & Flora has over 120 projects† in more than 40 countries around the globe.

Americas & Caribbean

Anguilla
Antigua and Barbuda
Bahamas
Barbados
Belize
Dominica
Dominican Republic
Ecuador
Grenada
Honduras
Jamaica
Nicaragua
Saint Lucia
St Vincent and The Grenadines
Trinidad and Tobago
United States of America*

Africa

Cabo Verde
Congo-Brazzaville
Democratic Republic of Congo
Ghana
Guinea
Kenya
Liberia
Madagascar
Mozambique
Rwanda
São Tomé and Príncipe
Senegal
South Africa
South Sudan
Tanzania
Uganda

Eurasia

Georgia
Kazakhstan
Kyrgyzstan
Romania
Tajikistan
Türkiye
United Kingdom**
Uzbekistan

Asia-Pacific

Australia*
Cambodia
Indonesia
Lao PDR
Maldives
Myanmar
Vietnam

* Administrative hub ** Headquarters

†. For the purposes of this report, a project is defined as a set of activities leading towards a meaningful conservation outcome. The conservation result that a project works towards might be a specific biodiversity target, such as the conservation of a site or a species, or it might be creating a specific set of enabling conditions for delivering better conservation - for example by changing the behaviour of a particular group to address a specific issue. A project may encompass multiple sites and/or species and employ multiple conservation approaches. A project might be delivered by Fauna & Flora directly, or in collaboration with partners and other organisations.

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2023 highlights

Pages 12 to 21 aim to provide a representative sample of Fauna & Flora's achievements in 2023. These examples serve to illustrate how our work with partners is contributing to our organisational objectives.

For a more comprehensive account of our activities and impact over the last year, take a look at our 2023 Conservation Impact Report: www.fauna-flora.org/conservation-impact

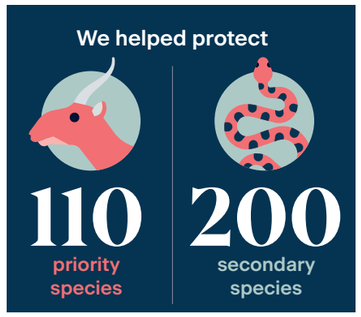
1. Impact on the ground

Working on the ground, in partnership

People living closest to nature can be our biggest allies in protecting and recovering nature. So we work with local organisations and alongside local communities to protect and recover habitats and species around the world. By 2030 we aim to have doubled our impact on the ground – ensuring far more land and sea is secured and recovered for biodiversity, for climate security and for people.

We design and put in place holistic projects to ensure that places, species and people all thrive as a result of our work. We support people living locally to be active participants, partners and leaders in conservation and sustainable natural resource management and help ensure that they are properly resourced.

2023 highlights



Our work with partners included:

Supporting on-the-ground conservation across more than
12.8 million ha

Restoring habitat in at least
36 sites

Direct conservation activities at
111 marine and coastal sites

Carrying out
245
biodiversity surveys
within our field projects

Growing and/or planting over
435,000
tree seedlings, including over
31,000
from threatened species

Protecting and releasing over
15,000
turtle hatchlings

Engaging with over
4,500
people from 475 communities to inform conservation actions

Supporting sustainable livelihood activities that directly benefited almost
14,000
people

Engaging with over
190
communities on local planning or governance

Adapting to a changing climate in Nicaragua

The remarkable island of Ometepe in Lake Nicaragua consists of two volcanoes – one dormant and forested, the other active – joined together by a low strip of land. Designated as a UNESCO Biosphere Reserve, the island harbours the largest remaining population of the endangered yellow-naped parrot and is home to 170 bird species.

Ometepe is also home to 40,000-plus inhabitants, more than half of whom rely on small-scale subsistence farming. Increased demand for new farmland, unsustainable tourism development and climate change pose growing threats to Ometepe's globally important wildlife, and to the forest and freshwater ecosystems that underpin local livelihoods.

In collaboration with government agencies and local community cooperative Biometepe, Fauna & Flora works with islanders to promote grassroots participation in biodiversity conservation, and to support more climate-resilient and sustainable use of natural resources. Alongside our partners, we have helped to put together an island-wide Climate Adaptation Plan and a programme to trial climate adaptation measures on a series of demonstration farms. We have also engaged islanders in reforestation and yellow-naped parrot protection efforts.

In 2023, we delivered training in agroecology practices – a holistic approach that applies ecological and social principles to sustainable agriculture – to more than 450 farmers across ten farming communities. 95% of the farmers interviewed in our agricultural practices survey reported that the agroecological practices (including the use of living fences, diversified and phased planting, and not clearing or burning standing forest) applied on their farms were contributing to a reduction in their vulnerability to the effects of climate change and economic shock.

Ometepe has developed into a model for sustainable, climate-resilient development and biodiversity conservation. In conjunction with government agencies and other partners across Nicaragua, Fauna & Flora is rolling out this successful agroecology blueprint to farmers and communities nationwide, for the collective benefit of the country's people, nature and climate.

> "Forestry has really protected me against natural disasters. Because the strong winds don't destroy my plants anymore. Even when there was a hurricane, the storm didn't have as much impact on my farm compared to my neighbours, who don't have as much forest protection.

Narcisa Morales - Farmer, Ometepe.

Heyssell Zacarias Montano (farmer) and Nums Argüello (Biometepe field technician for agroecology) sampling tomato crop.

2. Strong partners

Supporting in-country partners

We work together with our partners to save nature on the ground, but we also want to see them thriving, growing and increasing their own impact, in line with locally determined agendas.

So a key priority for us is to help our core partners meet their own defined priorities. This includes supporting them to develop the skill sets, resources and confidence they need to grow sustainable programmes and institutions. In turn, they are then able to share that expertise with others.

2023 highlights

We worked with

397

in-country organisations, of which

67

were core partners

We delivered conservation skills training to over

1,500

staff

from partner and in-country organisations

We disbursed

£7.1m

in conservation grant funding

Over two thirds

of field-based projects worked with a core partner

Of the

67 core partners

we worked with:

57 received organisational development support

50 received training and/or mentoring on conservation skills

47 received resources including financial support or equipment

51 of our core partners

were national or local NGOs or community-based organisations, while

16

were government agencies

Supporting partners to build resilience

Small organisations are often stretched for time and money, so they struggle to build the systems and structures needed to pay the bills on time and to work efficiently. At Fauna & Flora, we want to break this cycle. So, we accompany and support partners over time as they strengthen their organisations.

In 2021 Fauna & Flora launched the Conservation Resilience Fund to support our in-country partners – who are working on the front line of conservation – to anticipate and adapt to increasingly challenging circumstances and crises. Over three years, the Fund provided sub-grants, mentoring, technical assistance and training to 37 local partner organisations.

Our partner Fundación Cuero y Salado (FUCSA), with whom we have worked since 2011, was selected to receive a Resilience Fund grant in 2023. FUCSA is the NGO co-manager of Cuero y Salado Wildlife Refuge – a marine protected area (MPA) and Ramsar wetland in Honduras. FUCSA works closely with communities within and around the MPA on participatory governance and to conserve key species and habitats including Antillean manatees, mangroves, inundated forests and the estuary.

FUCSA was selected for the Resilience Fund grant because increasing organisational strength and resilience was identified as a clear priority by its staff, and because they demonstrated readiness to engage effectively at all levels of the organisation.

Through a participatory process, Fauna & Flora supported FUCSA to assess the organisation's resilience and priorities, forming the basis for an updated three-year strategic plan and risk register. As a result of this grant, FUCSA anticipates that its governance and organisational functioning will be stronger, financial operations will be more effective and visibility will increase through better use of social media. Already, FUCSA has seen its efficiency and team capacity increase, enhancing conservation efforts.

> "Resilience is more than just taking care of our day-to-day business; it is about investing time and resources in strategic actions that can have an impact over time.

Ana Paz - Executive Director, FUCSA

FUCSA team – Ana Paz, Karla Mendoza, Jairo Garcia, Andrea Castro – at the strategy development workshop.

© Florencia Chiapero / Fauna & Flora

3. Decisions for nature

Influencing wider policies and practices

Decisions made by governments, international bodies and businesses can help or hinder nature. We aim to influence laws and policies that have a direct impact on the sites where we work, and ensure that the knowledge and information we and our partners hold can be used to influence key global decisions.

We are also working to find credible, practical and effective ways to get more finance invested into nature conservation and climate change work in a way that benefits people and planet. We strive to find solutions that ensure this finance reaches those taking action on the ground.

2023 highlights

We influenced the development of at least

93 policies

170

The number of companies–ranging from local to global–that we worked with directly

We engaged with

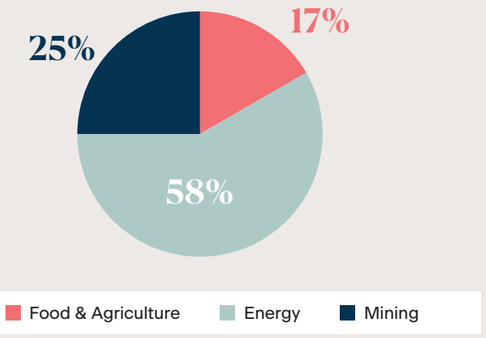
150 government agencies

on policy issues

14

projects incorporated conservation finance mechanisms, such as REDD+ and biodiversity credits

Our 12 in-depth business engagements ranged across a number of sectors:



We contributed to the development of at least

36

laws, regulations or government-level strategic plans

Plastic pellets are a common sight on beaches around the world.

© Tanya Cox / Fauna & Flora

Catalysing European Union policy development to prevent plastic pellet pollution

Amongst sand and pebbles, small pieces of plastic are now a common sight on beaches. These lentil-sized pieces of plastic – called pellets – are melted together to create almost all plastic items used day-to-day. However, due to spillages occurring on land and at sea, these pellets are found washed up on coastlines across the world.

By weight, plastic pellets are estimated to be the second largest direct source of microplastic marine pollution; it is estimated that billions of individual pellets enter the ocean every year.

Although they are only tiny, plastic pellets are causing huge harm to marine wildlife and habitats — smothering seagrass meadows and filling the stomachs of seabirds and seals, fish and turtles, meaning many starve to death.

We're working with partners to campaign for the European Union to develop robust legislation based on a supply chain approach. Through our advocacy work on pellets — from co-organising a panel event at the European Parliament, to providing technical support to the European Commission — we have seen increased awareness and engagement in addressing supply chain pellet loss.

This culminated with the release of the European Commission's proposal of measures to prevent plastic pellet pollution, in October 2023. Tireless support and advice to the Commission in the lead up to this proposal established Fauna & Flora as their 'go to' advisor for all issues pertaining to pellet pollution. The proposal marks a momentous step towards putting an end to this form of pollution and demonstrates the impact of advocating for nature.

If adopted by the European Union this will be the first pellet legislation in the world, paving the way for further global policy developments.

> "It is clear that voluntary action alone is insufficient to drive the systemic change needed to eliminate this form of pollution, both on land and at sea. We need an urgent move towards regulation that mandates the implementation and maintenance of pellet loss prevention measures across the supply chain and at all stages of the life cycle.

Tanya Cox – Senior Technical Specialist, Marine Plastics, Fauna & Flora

4. Seeding better conservation

Innovating, sharing and contributing to global efforts

Fauna & Flora is part of a wider and growing community carrying out conservation around the world. To achieve rapid and lasting success we, as a community, need to share lessons, innovations and successes with each other.

Fauna & Flora contributes to this in a number of ways, including:

- Participating in collaborations, both within and outside our sector.
- Supporting training and skills transfer for a broad range of organisations and individuals.
- Innovating and testing new approaches and tools for tackling biodiversity loss.
- Promoting the uptake of new technological tools.
- Supporting better conservation decision making, including improving the links between local realities and global discourse.
- Actively sharing lessons learned, and promoting the leadership of our in-country partners to show how much can be learned globally from local knowledge and action.

Seeding better conservation is woven throughout our programmes. Below is a selection of highlights from 2023 that serve to illustrate the range, scale and impact of this work.

2023 highlights

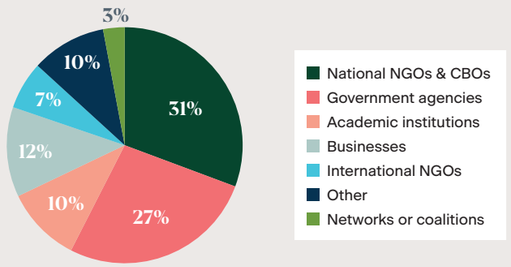
The *Capacity for Conservation* website reached over

3,000

people

We worked with a total of

779 organisations



Research from at least

49 projects

was used to influence wider decisions

17
teams comprising
74
conservationists received grants through the Conservation Leadership Programme

23
students from
18
countries passed the Cambridge MPhil in Conservation Leadership, which we help to deliver

12
participants from
8
countries joined our Conservation Management and Leadership training course

As a result of our work, at least

25
articles were published in peer-reviewed journals and over
66
in grey literature

Inspiring the next generation of East African women in conservation technology

Technology has huge potential to contribute to conservation impact, but women are underrepresented as practitioners. In East Africa, for example, access to the knowledge and experience required to deploy tech tools is very limited. WILDLABS and Fauna & Flora launched the Women in Conservation Technology (WiCT) Programme in 2022 to create a regional support network for East African women working in this field.

The first cohort of conservationists from Kenya has already begun working on seed-funded projects to apply the skills learned last year. In 2023, alongside Grumeti Fund, WILDLABS and ConTech Africa, we delivered a workshop for a second cohort — this time from Tanzania — training exceptional early-career women in the use of a diversity of hardware, software and data management tools for wildlife monitoring, protection and resource management.

Sarah Maagi, a member of the 2023 cohort, shares how she is using the skills developed during the programme in her current work:

"As an early-career conservationist with a keen interest in utilising Geographic Information Systems for monitoring wildlife, the WiCT programme has served as a pivotal platform for my professional development. Since completing the programme, I have successfully secured an internship with the Grumeti Fund, where I have been applying the skills acquired during the training to address real-life conservation challenges in the field.

"The resources provided during the programme, coupled with the network I built, have been instrumental in enabling me to undertake these projects. The ongoing mentorship and coaching have not only bolstered my confidence but have also honed my spatial analysis skills. I am deeply appreciative of the WiCT programme for affording me the opportunity to learn from experienced professionals and for introducing me to the realm of conservation technology."

Step by step, country by country, we are realising our vision of a self-supporting network of women working in conservation technology across East Africa.

> "The ongoing mentorship and coaching have not only bolstered my confidence but have also honed my spatial analysis skills.
>
> **Sarah Maagi, 2023 member of the WILDLABS Women in Conservation Technology programme**

© Stephanie O'Donnell

Sarah Maagi learning how to set up a camera trap.

5. Fauna & Flora flourishes

To have maximum impact, we must ensure that Fauna & Flora is a dynamic and resilient organisation, built on effective, expert, diverse and motivated staff, and backed by engaged supporters.

We are working to ensure that our organisation – including our management and governance – better reflects the international nature of our work. That our systems help us work effectively and that we use what we learn along the way to improve. That our funding keeps pace with our ambition. That we attract, support and retain the best people. And that we are known and trusted by potential supporters as well as those who can help us drive forward the changes we want to see.

2023 highlights

People and systems

To help us attract and retain the best people, we invested significantly in employee remuneration in 2023. First, we applied full cost-of-living awards across the organisation. We then implemented a job evaluation and grading system and carried out a global benchmarking exercise; this led to the introduction of new and competitive pay structures in all our countries of operation. Finally, we transitioned everyone to our new pay structures.

Working in the conservation sector can take a toll on mental health, so – to ensure our staff flourish – we have invested further in global wellbeing. Having sought funding to specifically support this work, we have recruited a dedicated Wellbeing & Equality Diversity and Inclusion (EDI) role, and launched a wider range of initiatives – such as live-translated wellbeing masterclasses and increased focus on mindful leadership and ways of working in order to enhance resilience, creativity and compassion. We have also provided direct support to local and regional partners and emerging leaders, including practical workshops on developing personal resilience and preventing burnout in conservation leadership.

> “In 2023 we ran a series of workshops for Fauna & Flora partners and staff on personal resilience, and coping with ecological anxiety and grief. During one of these, the sense of relief from everyone made me realise we were addressing a desperate need within the conservation community for this kind of support. To then see that relief turn to hope really brought home to me the value of this work.

Monique Rodgers - Wellbeing & EDI Officer, Fauna & Flora

We regularly review, and are systematically working through, our equality, diversity and inclusion priorities. We hold ourselves publicly accountable on our progress and share learning with other conservation organisations, including through the Diverse Sustainability Initiative. We value the increasing diversity of our workforce, with 16% of UK employees identifying as racially diverse compared to 4.8% in the wider conservation sector.

2023 also saw us bring together over 40 of our leaders from 17 countries for our first ever leadership summit. This provided space to deepen cross-organisational trust and collaboration, to agree strategic priorities, to share and learn from each other and to work together on key challenges.

Fundraising

To achieve our conservation ambitions, it is vital that we grow our income to meet the resource needs of the organisation. 2023 was a challenging year for fundraising due to the ongoing global economic turbulence; however, despite this, we achieved some notable results:

- Our 2023 pangolin fundraising appeal was our most successful ever. This has raised £488k to date from 11,145 donations. This appeal was launched in April 2023 across our main marketing channels: warm direct mail, digital, press and cold direct mail. Not only did this appeal raise the most in income, it generated the highest ever number of single donations to one campaign, including 3,500 donations from new donors.
- 2023 also saw the successful roll-out of two new marketing channels, the aforementioned cold direct mail (sending our appeal to lists of prospective donors) and private-site fundraising (recruiting regular donors at events and specific locations). We also tested a new fundraising product – a prize draw – which was launched at the Chelsea Flower Show and raised over £31k for the chance to win a trip to Rwanda and see mountain gorillas.
- The Trusts & Foundations team secured a number of renewed commitments – and brought on board new donors – that are modelling many of the key trust-based philanthropy principles, including greater flexibility in their giving and reduced reporting requirements. By following these principles, these donors help to underpin our organisational success, and enable the space for strategic investment to maximise impact. Donors include (but are not limited to) Arcadia, Postcode Green Trust – thanks to funds raised by players of People’s Postcode Lottery, The Schroder Foundation, Lucille Foundation, and Cartier For Nature.
- We secured US$1.5m from Margaret A. Cargill Philanthropies, which is one of the first of their institutional capacity grants to be focused on locally led climate adaptation.
- We embarked upon a new ‘People and Nature Partnership’ with Nando & Elsa Peretti Foundation, securing an initial commitment of EUR€3.0m for six key areas of work over the next three years.
- We secured US$15.0m from the Legacy Landscapes Fund, including US$10.0m from public donors and US$5.0m philanthropic co-financing from Arcadia, supporting the West Papua Regional Natural Resources Conservation Department (BBKSDA) to designate and manage a Biosphere Reserve in the Tambrauw Mountains Landscape of Southwest/West Papua Provinces in Indonesia, involving local and indigenous people.
- We secured £12.3m, subsequently increased to £14.3m, from the UK Department for Environment and Rural Affairs (Defra) Biodiverse Landscapes Fund for the Lower Mekong Landscape, which covers over one million hectares across Cambodia, Laos and Vietnam. This programme is designed to deliver lasting landscape protection, restoration and sustainable management, maintaining and ultimately improving the quality of the ecosystem and better safeguarding its biodiversity.

Bringing a rare glimpse of the endangered mountain gorilla’s habitat to RHS Chelsea Flower Show

Tracing a rough track through a succession of lush and changing landscapes, Fauna & Flora’s garden at the RHS Chelsea Flower Show gave visitors an entrancing insight into the experience of an ecotourist on a gorilla trek. Funded by Project Giving Back, the garden exhibited the success of our mountain gorilla conservation work, raised the profile of Fauna & Flora and showcased our new brand.

Fauna & Flora’s Garden featured in online, print and broadcast media coverage with a combined estimated reach of over 1.4 billion people. Broadcast highlights included a BBC Look East feature which went into depth on Fauna & Flora’s work, featuring our gorilla expert Angelique Todd. We also reached a range of target audiences through print media, including British Vogue and The Financial Times. Collaborating with celebrities, we created videos to share on our social channels; notable successes include a video of Dame Judi Dench praising our garden, which has been viewed over 47,000 times on Instagram.

Feedback was overwhelmingly positive – with over 22,000 leaflets handed out to visitors and two ‘After Hours’ drinks receptions held at the garden for our closest supporters, both of which required a waiting list.

Although boosting the profile of Fauna & Flora with Chelsea visitors was our main focus (as on-site fundraising activities are not permitted), we still raised over £30k in online donations, £60k from donor events and a further £90k pledged, including a legacy.

Fauna & Flora first began working with mountain gorillas in 1978 after a plea from vice-president Sir David Attenborough. Since then, numbers have increased from just a few hundred to over 1,000 today – a testament to the hard work and collaborative efforts of all those working to save these incredible primates.

Our garden was designed by Jilayne Rickards and landscaped by Tecwyn Evans, of Living Landscapes.

Dame Joanna Lumley visiting the Fauna & Flora garden at RHS Chelsea Garden Show.

Plans for the future

We enter the second year of our refreshed conservation strategy with huge optimism and ambition.

The evidence we collect from our projects, together with the feedback we get from our in-country partners and from wider conversations, confirms that the way Fauna & Flora operates is both necessary and effective.

In 2024 we will continue to consolidate and deepen our strong and diverse programme of work on the ground, which is delivered together with in-country partners and communities. We will roll out a number of new and exciting initiatives, including a tri-country project between Cambodia, Vietnam and Laos. We will also place a particular emphasis on profiling the scope and impact of work across a series of key African landscapes, showcasing how our community-centred approach provides wider benefits for nature, people and climate.

Our new strategy puts our in-country partnerships at the heart of how we work. During 2024 we will continue to develop our internal capacity for partner engagement, including embedding lessons learned about effective partnership management. We will continue to support our core partners to meet their own needs – be it helping them to access resources, offering skills and experience from our staff (to complement their own expertise), helping with their organisational development and direct fundraising, and ensuring that their knowledge and experience is sought and heard as part of global discussions. And together, we will advocate for the changes and systems that are needed to increase the accessibility and flow of funding for our partners and locally led conservation.

2024 brings some important global policy moments, including the first major global biodiversity meeting following the adoption of the Global Biodiversity Framework and key meetings to develop a new Global Plastics Treaty. We will be active across a range of global policy arenas, advocating for greater recognition of the role that local communities and organisations play in achieving global conservation results, and for the adoption of effective local approaches (such as non-state conservation areas). We will also use our expertise and influence to improve the flow of finance to local actors and to ensure that carbon and nature markets have integrity and deliver real impact on the ground.

We will also continue to explore a series of new engagements with the corporate sector. These entail promoting positive leadership for nature across a range of sectors; crafting bespoke solutions that help businesses understand their risks and responsibilities around nature; and developing evidence-based and tangible mitigation pathways.

We will also continue to support the wider conservation community and share lessons across our networks. We will do this through key collaborations such as the Conservation Leadership Programme and WILDLABS; through tools such as the *Capacity for Conservation* website; by publishing *Oryx—The International Journal of Conservation;* and through our input to teaching programmes such as the Cambridge MPhil in Conservation Leadership. We are also exploring a number of exciting new initiatives that will see us convene challenging discussions about new and emerging issues in conservation.

And, of course, we continue to develop and improve our own organisation. In 2024, this will include further developing our plan to 2030, taking into account the ever-changing global picture as well as new opportunities. We continue to invest in internal systems – particularly relating to employee experience and progression – and focus on driving greater organisational effectiveness and impact. We will also continue to increase our profile and visibility among target audiences, recognising that we have deep expertise to share and need to be much better known to increase the scale and impact of our work.

The last few years have been marked by a succession of economic shocks, which have created a challenging environment across the charitable sector. A major focus for 2024 is on bolstering our unrestricted income, and reviewing our funding model to increase financial resilience, while maximising effective on-the ground actions.

By prioritising efforts to strengthen our organisation, we will create a solid foundation that enables us to deepen the impact of our existing work and provides a springboard for engaging new partners and expanding our activities to new sites. This builds towards our plans to at least double our impact by 2030.

Structure, governance & management

Head Warden Sim Khmao and team at Chhay Reap, Cambodia.

© Hem Manita / Fauna & Flora

© Stephanie Foote / Fauna & Flora

Our structure

Fauna & Flora is headquartered in the United Kingdom and is also registered, and has a network of branch offices, in the following locations:

Asia-Pacific – Cambodia, Indonesia, Myanmar and Vietnam

Africa – DR Congo, Guinea, Kenya, Liberia, Mozambique, South Sudan and Uganda

Americas & Caribbean – Antigua and Barbuda, Belize, Ecuador and Nicaragua

Eurasia – Cabo Verde, Georgia, Kyrgyzstan, Romania and Tajikistan

In addition to these branches, which form part of the Charity, Fauna & Flora has related organisations in Australia, Belize, Mozambique, Romania, South Africa and the United States of America.

Further information on these related parties can be found in Note 15 to the Financial Statements.

How we are governed

Fauna & Flora was established under a Memorandum of Association, which sets out its objects and powers, and is governed under its Articles of Association. The Board of Trustees, or 'Council', is the governing body of the organisation and has legal, financial and managerial responsibility for the Charity. The Members of Council are directors for the purpose of company law and trustees for the purpose of charity law.

The company is limited by guarantee; therefore, no member of the Board of Trustees has any beneficial interest in the company.

Trustee recruitment, induction and training

Members of Council are elected by the membership of the organisation at the Annual General Meeting (AGM) and ordinarily serve a four-year term but can be re-elected for a further term. The Articles of Association provide for any five members in writing or for the existing trustees by resolution, to nominate any member of Fauna & Flora for election or re-election as a trustee.

Council has adopted formal procedures for the recruitment, selection and induction of new trustees and has constituted a Nominations Committee to support Council in the implementation of these procedures. The Nominations Committee reviews the structure, size, effectiveness and composition (including the skills, knowledge, experience and diversity) of Council and makes recommendations to the trustees with regard to any changes to these.

The Committee reviews all nominations and applications for officers and ordinary members of Council (as well as for other honorary appointments) and puts forward recommendations to Council on suitable nominees. Newly appointed trustees undergo an induction programme, which includes guidance on their role and responsibilities and the opportunity to visit Fauna & Flora's headquarters to spend time with staff, ensuring that Council members have the information and tools they need to fulfil their legal obligations and to play an effective role within the governing body.

How we are managed

Council is responsible for establishing the strategy, policy and control framework of the organisation, which is achieved via twice-yearly full-day meetings and via formal delegations to its subcommittees, the Officers of Council and to the Senior Leadership Team (SLT). Council has established three further subcommittees, all the acts and proceedings of which are fully and promptly reported to the full Council, which sets the terms of reference and membership of each committee.

The Executive Committee, comprising the Officers of Council, has regular supervision of Fauna & Flora's management and operations.

The Committee holds bi-monthly meetings with the SLT in attendance, while the day-to-day operations of the Charity are the responsibility of the chief executive officer (CEO), the SLT and other staff.

The Audit & Risk Committee meets three times a year and is responsible for engaging with the external audit provision, participating in planning the nature and scope of the audit and receiving and reviewing the Annual Report & Accounts, along with the associated Audit Findings Report. The Committee's role is to provide critical challenge and its remit includes reviewing internal control and risk management systems and receiving reports on such from the management of the organisation.

The Remuneration Committee meets annually to review and agree the remuneration and benefits of the CEO and SLT members, as well as to review and agree the overall remuneration policy for Fauna & Flora employees. In addition, the Committee is responsible for agreeing any significant changes in employee benefits or benefit providers.

The Charity Governance Code

Council believes it is best placed to provide effective, strategic leadership and to support the achievement of Fauna & Flora's objectives if it adopts high standards of governance, with practices and thinking that reflect the Code's seven principles. Principle 4 of the Code advocates that the Board has informed, rigorous and timely decision-making processes, and that effective delegation, control, risk assessment and management systems are in place.

To achieve this, Council is provided with all the necessary information to enable effective decision-making at its meetings, with adequate time allowed for discussion and for trustees' questions to be addressed before decisions are made. While its terms of reference reflect matters reserved to the Board, Council collectively exercises its powers of delegation via its various subcommittees, its Officers and the SLT. In addition, a key internal control document, the Global Delegations of Authority, sets out detailed approval procedures reflecting operational processes, financial authority levels and authorised signatories to ensure consistent and accountable decision-making across the organisation.

While Council has delegated review of internal control and risk management systems to its Audit & Risk Committee, it retains overall responsibility for risk management and for the effectiveness of the Charity's approach to risk. Council therefore reviews both the Institutional Risk Register and a comprehensive assessment of individual project risk on at least an annual basis. By discussing and deciding on the level of risk it is prepared to accept, Council can inform its strategic decision-making – properly weighing risks against opportunities to further the Charity's purpose and mission, with appropriate controls in place to mitigate and manage those risks.

Trustee duties in relation to Section 172(1) of the Companies Act

The Board of Trustees is aware of its duty under section 172 to act in the way it considers, in good faith, to be most likely to promote the successful achievement of Fauna & Flora's charitable objectives.

Below is a summary of the ways in which the trustees, as the company directors, consider that they have fulfilled their obligations under section 172, having had regard to the following (amongst other matters) in doing so:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company

Decision-making

Newly appointed trustees are briefed on their responsibilities, including their duty to act in the Charity's best interests and to use reasonable skill and care to make balanced and informed decisions they believe will best enable Fauna & Flora to fulfil its purpose and mission. When doing so they take account not only of current factors but also of any likely consequences and potential impacts their decisions may have on Fauna & Flora's success, both now and in the future. This comes to the fore during Fauna & Flora's strategic planning process when careful analysis of the changing external operating environment helps to shape the trustees' decision-making on where Fauna & Flora's efforts should be focused and what resources will be needed to deliver its strategy.

In 2023, a key area of trustees' decision-making involved the adoption of a new Strategy to 2030, which – together with a refreshed brand – will enable Fauna & Flora to achieve greater, demonstrable and lasting impact.

Stakeholder engagement

Employees

Fauna & Flora recognises that our employees are our most valuable assets and are fundamental to our success. Attracting, nurturing and retaining high-performing and motivated people is key to achieving our mission. We aim to support our workforce in finding a fulfilling, long-term career at Fauna & Flora by investing in training and development, allowing our people to work flexibly, helping them to improve their mental resilience, promoting clear internal communications, and fostering an inclusive 'One Fauna & Flora' culture.

Partners

Fauna & Flora has a long and successful history of building effective partnerships with others, from local NGOs and community groups to national government and multilateral agencies, international NGOs and large corporates. We pioneered putting conservation in local hands, and we continue to lead the field due to our long-term approach to partnership. All over the world, we work on the ground with local partners and communities. By aligning our technical skills and experience with their expertise and their local and traditional knowledge, we each play to our strengths for maximum conservation impact. We support our partners as needed, to help them develop the skill sets, resourcing and confidence required to develop their programmes and institutions. Our ambition is that our partners' operations are both sustainable and effective, and that they are in turn able to share that expertise with others.

As well as working with local partners, we recognise the importance of partnering with others both within and outside our sector to improve conservation knowledge and practices, and to influence decisions that affect the places we work and people we work with. A key part of our approach is centred on ensuring that the knowledge and voices of those spearheading conservation locally are heard on the global stage.

For more information on Fauna & Flora's work with partners and on influencing others please see our reporting on Objectives 2, 3 and 4 earlier in this report.

Donors, members and supporters

At Fauna & Flora, we are fortunate to have supportive and long-standing relationships with our major donors. We also benefit from members and supporters who provide valued and steadfast support, responding positively to our campaigns and appeals and engaging with us through our online communications, as well as both hybrid and in person events. We report regularly to our donors, members and supporters, providing updates on the impact we are having so they can see what we are achieving with their support. Our AGM provides an opportunity for members to engage with trustees and our SLT and to provide us with their thoughts and feedback via a live Q&A session.

Suppliers and other stakeholders

In keeping with Fauna & Flora's values we act with integrity in all our internal and external relationships. This includes our business relationships with suppliers, which we foster through long-term arrangements where appropriate (for example with key professional advisers such as our auditors and insurers). Our collaboration with partners in the Cambridge Conservation Initiative continues to flourish, with our global headquarters at The David Attenborough Building part of a vibrant hub representing the world's largest cluster of conservation organisations, researchers, policy-makers and practitioners.

Community and the environment

At Fauna & Flora, we want to see a world where nature comes first and we live sustainably within its limits, a world where nature is valued for its impact on our health, wellbeing, livelihoods and survival. Therefore, as we undertake our day-to-day activities we aim to minimise as far as possible any negative impact we may have on the environment, by reducing emissions, waste and resource use, without compromising our ability to address our purpose and mission. For further details please see the section on our environmental policy.

Below: Shepherd Silviu Zapodean is one of many who have received electric fences and guard dogs to protect livestock from large carnivores as part of the Life Connect Carpathians project in Romania.

© Daniel Mihăeș / Fauna & Flora

Reference and administrative details

Status

Fauna & Flora International (Fauna & Flora) is a company limited by guarantee, incorporated in January 1992, Registered Company Number 2677068. It was originally established in 1903 and was registered with the Charity Commission in May 1992, Registered Charity Number 1011102.

Registered office

Fauna & Flora's registered and principal office is at The David Attenborough Building, Pembroke Street, Cambridge, CB2 3QZ.

Patron

HRH The Prince of Wales

President

HRH Princess Laurentien of the Netherlands

Vice-Presidents

Baroness Valerie Amos LG CH PC
Professor Sir Roy Anderson FRS FMedSci
Sir David Attenborough OM FRS
Georgina Bloomberg
The Lord Browne of Madingley FR Eng
Lindsay Bury
Dee Caffari
Charlene de Carvalho-Heineken
Giles Clark
Viscount Philippe de Spoelberch
Dame Judi Dench CH
Dr Lee Durrell
Hugh Fearnley-Whittingstall
Rupert Goodman
Edward Hoare
Tim Jarvis AM
Anders Johansson
Rove McManus
Justin Mundy LVO
Blaine T. Phillips
The Rt. Hon. the Lord Randall of Uxbridge
Sir Gareth Rhys Williams CB
Dr Lisbet Rausing
Dr Claudio Segré
The Rt. Hon Mark Simmonds
Victoria Stack
Jon L Stryker
Andrew Sykes
Edward van Cutsem
Antonio Versace
Richard Walker OBE
Charles Whitbread DL
Dr Adrian Wilson
Nigel Winser
The Rt. Hon Baroness Young of Old Scone
Jochen Zeitz

Board of Trustees

The trustees who served during the year and at the date of this report were as follows:

Officers of Council

Stephen Fitzgerald AO	Chair *(co-opted 13th February 2024)*
Dr Liz Rogers	Chair *(stood down 13th February 2024)*
Annette Lanjouw	Vice Chair
David Gibson	Vice Chair
Martin Tyler	Treasurer *(co-opted 13th February 2024)*
Paul Baldwin	Treasurer *(stood down 13th February 2024)*

Ordinary members of Council

Jeffrey Blumberg
Anna Gavazzi
Hernán González Merlani *(appointed 5th October 2023)*
Abshiro Halake
Tony Juniper CBE
Benjamin Khalili *(stood down 23rd November 2023)*
Christine Lloyd *(appointed 5th October 2023)*
Miguel Nogales
Richard Plackett
Dr Liz Rogers *(from 13th February 2024)*
Hugh Sloane
Tola St. Matthew-Daniel *(appointed 5th October 2023)*
Kimberly Stewart
Hugo van Vredenburch *(stood down 18th May 2024)*
Richard Walker OBE *(stood down 13th July 2023)*
Dominic Waughray *(co-opted 21st December 2023)*
Professor Joanne Webster FLS FRSB

Senior leadership team

Kristian Teleki	Chief Executive Officer *(from 26 June 2023)*
Mark Rose	Chief Executive Officer *(until 30 June 2023)*
Svetlana Ignatieva	Chief Operating Officer and Company Secretary
Joanna Elliott	Global Director of Conservation
Jonny Wright	Senior Director, Communications & Fundraising
Dr. Abigail Entwistle	Senior Conservation Director
Paul Hotham	Senior Conservation Director
Nicola Frost	Chief of Staff *(from 8 April 2024)*

Principal professional advisers

Auditors	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Solicitors	Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
Investment Managers	BlackRock, 12 Throgmorton Avenue, Drapers Gardens, London, EC2N 2DL
Bankers	Barclays Bank, Mortlock House, Vision Park, Histon, Cambridge, CB24 9DE
Insurance Brokers	Sutton Winson, Greenacre Court, Station Road, Burgess Hill, RH15 9DS

Key policies and statements

Public benefit

The Strategic Report demonstrates the scope of the activities undertaken by Fauna & Flora in 2023 in furtherance of its charitable purposes for the public benefit.

Fauna & Flora promotes the conservation of the environment, benefiting the public through our shared purpose of protecting the biodiversity of life on Earth, for the survival of the planet and its people. We advance the awareness and education of all sectors of society worldwide in conservation and the protection of biodiversity by promoting or conducting training programmes and research and by publishing knowledge acquired as a result of such research; as well as undertaking and engaging in other informative activities including exhibitions, lectures, conferences and seminars.

In exercising its powers and duties in furtherance of the Charity's Objectives, the Board of Trustees has complied with its duty, under Section 17 of the Charities Act 2011, to show due regard for the Charity Commission's general guidance on public benefit. In addition, whilst setting the organisation's annual objectives and planning its activities, both in the short and the longer term, the trustees have also demonstrated due regard for any specific guidance from the Commission relating to the conservation of the environment for the public benefit.

Reserves policy

Fauna & Flora is committed to maintaining a level of reserves appropriate to the identified operating needs, taking into account financial impact of risk, working capital requirements, future income sources and organisational plans and commitments. Fauna & Flora's policy is to hold 6-18 months of budgeted, recurring, unrestricted expenditure, with the target unrestricted reserve level of 10 months, whilst also taking into account the total expenditure (restricted and unrestricted) of the organisation as a whole.

The Covid-19 pandemic brought into focus the need to maintain an adequate level of reserves in order to protect the organisation from financial shocks.

In setting a policy of 6-18 months with a target of 10 months, Fauna & Flora trustees have considered the cost base and risk profile of the organisation and the impact of a sudden drop in income, and believe that the policy is appropriate to allow Fauna & Flora to continue its operations while simultaneously working to rebuild its reserves. Fauna & Flora's current reserves position is outlined in the Financial Review on page 42.

Our reserves fall into three types:

Restricted reserves

Restricted reserves reflect the balance of unspent restricted funding (e.g. grants, donations) that have been received by Fauna & Flora (often in advance) for a specific charitable purpose or project. They are not available for general purposes and can only be spent according to funder terms and conditions.

Endowment reserves

Endowment funds must be spent in accordance with funder stipulations, and are held separately within Fauna & Flora's reserves because the capital amounts must be maintained. Further details on Fauna & Flora's endowments are given in note 12 of the financial statements.

Unrestricted reserves

Unrestricted reserves are net assets around which no donor conditionality exists, which may be spent to further Fauna & Flora's charitable objectives in accordance with internal decisions made by Fauna & Flora's management and Council. Designated reserves are created from time to time when the trustees identify organisational priorities. These reserves form part of total unrestricted reserves as they represent internally earmarked funds. Currently these funds have been designated for investment in initiatives to help minimise the environmental impact of Fauna & Flora's activities.

Investment policy

Fauna & Flora's investment policy outlines how Fauna & Flora will manage its reserves, with reference to the purposes for which the funds have been raised.

Fauna & Flora is responsible for the safekeeping and investment of restricted reserves prior to their being required for project expenditure. As such, the main investment priority is capital preservation, with the funds held either on deposit with major banks or in suitable money market funds. Unrestricted reserves are held for general expenditure and to meet unforeseen requirements. As these funds may need to be available at short notice, they are regarded as short-term funds for investment purposes, with capital preservation and liquidity as the main focus. Fauna & Flora keeps sufficient funds to enable efficient cash flow on deposit with major banks or money market funds. Any excess funds may be held in short-dated bond funds and equities.

Endowment funds are long-term funds designed to produce an income in line with donor stipulations.

As such, these funds are invested in a portfolio of equities, bonds and other securities with the aim of preserving the value of the funds' capital in real terms and providing a growing income stream. The portfolios are invested over the long term with approximately 70% in equities and 30% in bonds and other securities. Wherever practical, Fauna & Flora will choose investment opportunities that align with Fauna & Flora's mission.

Fauna & Flora has appointed investment managers who will manage the applicable funds in accordance with the investment policy approved for those funds.

Grant-making policy

Fauna & Flora makes grants to strategic and implementing partners, and in 2023 we disbursed over £7.1 million in grant funding (2022: £6.2m). All our grant funds are disbursed with clear criteria and application processes, including conducting due diligence based on materiality criteria, and use formal review and clearly defined decision-making. All grants are made based on written grant agreements that incorporate requirements on reporting and financial oversight. Donor conditions are passed on to the recipient in the sub-grant agreement, as necessary.

Fauna & Flora staff also reviewed almost 600 grant applications for external grants funds using criteria developed and agreed with the donors. Through this, we influenced the allocation of an additional £32.1 million of conservation grant funds.

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Environmental policy

All of our activities are designed to address threats to the world's habitats and species and to have a positive impact on biodiversity. We are therefore committed to minimising our environmental impact wherever we can, while ensuring we are able to deliver on our wider environmental goals.

Our Green Group continues to embed the organisation's environmental policy (currently being updated) and encourage best practice. As a result, in 2023 we received an NUS Green Impact Scheme gold award for the second year running.

To quantify and manage Fauna & Flora's carbon footprint, we established a 2019 baseline for emissions related to our Cambridge office and organisation-wide flights. We have completed an audit of flights every year (except 2020 when traveling was minimal due to the Covid19 pandemic), following the most commonly used accounting and reporting standard: the Greenhouse Gas Protocol. In parallel, our expenses and travel policies have been adjusted to improve information collected about flights, allowing us to track carbon on a regular basis. Our first carbon management framework was adopted in 2023; this outlines our organisational approach to maximising conservation impact while minimising the carbon intensity of our operations, and also provides guidelines for staff. We raised internal awareness about this throughout 2023, and developed an infographic to aid decision making.

In line with the sustainable food procurement guidelines, Fauna & Flora has begun providing 100% vegetarian catering at UK events, including Council lunches and staff events, which have been positively received. The internal Green Fund has been used to support staff to make more sustainable choices, e.g. by reimbursing the difference in cost between train and air travel within Europe and cutting-down on single-use plastic waste in Guinea. Reflecting changing commuting habits, we have maintained the hybrid-working policy that we initiated during the pandemic. This offers staff more flexibility on home working and also means a reduction in emissions associated with commuting to an office (although we do not track this, nor any increase in home energy bills associated with working from home). Fauna & Flora has also embraced communications technology in order to reduce our carbon footprint from both commuting and overseas travel.

Energy and emissions report (SECR)

As detailed above, over the last three years we have actively promoted energy efficiency and low-carbon choices. Our actions are in line with the carbon reduction and energy efficiency targets set out in the Sustainability Action Plan for the David Attenborough Building, where our headquarters is located.

	2019	2020	2021	2022	2023
Gas (kWh)	107,078	94,175	88,310	95,765	99,230
Electricity (kWh)	55,057	35,865	36,565	43,138	41,484
Total UK energy use (kWh)[1]	**162,135**	**130,041**	**124,875**	**138,902**	**140,714**
Gas (tonnes CO2e)	19.7	17.3	16.2	17.5	18.2
Electricity (tonnes CO2e)	14.1	8.4	7.8	8.3	8.6
Total associated GHG emissions (tonnes CO2e)[2]	**33.8**	**25.7**	**23.2**	**25.8**	**26.7**
Intensity ratio = Emissions per office floor space (tonnes CO2e per m²)	**0.046**	**0.035**	**0.032**	**0.035**	**0.036**

1. The total UK energy use covers gas and electricity consumption of the Fauna & Flora office in our global headquarters, The David Attenborough Building (DAB). Global data is not yet available, therefore we have agreed a stepwise process for assessing our carbon footprint that prioritises the UK operation, before a gradual roll out to country offices. Please note that 2023 gas data contained gaps between May and December which were estimated using 2022 data for the affected meters. Electricity submeters were not recording between 21/05/2023 and 15/08/2023 thus missing data were estimated by using previous and subsequent similar days from the same year. Energy consumption in 2020-2021 was also affected by the pandemic and increased home working since then. Also note that the DAB's electricity supply is a combination of 17% renewable electricity purchased from UK-based wind farms via a Power Purchase Agreement, and nuclear power which, under carbon accounting guidance, can be reported as zero carbon. Thus, the DAB's electricity supply can be considered carbon neutral. For transparency, the emissions figures provided represent the hypothetical carbon footprint that the electricity usage would have represented if electricity had been bought from the UK grid (aka location-based emissions).

2. Associated greenhouse gas (GHG) emissions have been calculated using DEFRA conversion factors, following the widely recognised independent standard, the GHG Reporting Protocol – Corporate Standard.

Remuneration policy

Fauna & Flora recognises its responsibility to spend funds wisely and intelligently in line with its status as a Charity and the expectations of the public and those that support its work. In parallel, it recognises its responsibility to ensure that it attracts and retains excellent people with the appropriate level of skills and experience to achieve its mission. To this end, at all levels of the organisation, it aims to ensure that pay is fair and appropriate to the skills required and responsibilities involved. It carries out external benchmarking, with the aim of ensuring that pay is competitive within the charitable sector, within the context of affordability.

Safeguarding policy

Fauna & Flora recognises its responsibility to protect people, particularly children and vulnerable adults, from any harm that may be caused by coming into contact with the organisation. This includes harm arising from the conduct of staff or personnel associated with Fauna & Flora, and/or the design and implementation of our programmes and activities. We are committed to addressing safeguarding throughout our work, through the three pillars of prevention, reporting and response. Our Safeguarding Policy & Procedure sets out responsibilities in relation to safeguarding and how a safeguarding concern should be reported. It is a zero-tolerance policy meaning all proportionate and appropriate measures will be taken to prevent an incident, and to respond effectively if an incident arises, with Fauna & Flora committed to acting on every safeguarding allegation and expecting our partners to do the same.

Going concern

Going concern remains an increased risk area for all organisations, particularly in light of continued economic challenges, the cost of living and the effects of geopolitical instability.

Trustees are required make a determination of Fauna & Flora's ability to continue as a going concern for a minimum of 12 months following the date of signing of this report. For trustees to make this determination, we have reviewed our actual results from previous years together with our current budget and have updated the projection figures and assumptions therein, taking a conservative approach. The results of this exercise indicate that Fauna & Flora has sufficient reserves to continue to deliver its strategic objectives by the end of that period, and will still maintain an adequate level of unrestricted reserves by the end of it.

The trustees therefore have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on a going concern basis.

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Fundraising

The Trustees have reviewed Fauna & Flora's fundraising activities in light of the Charities (Protection and Social Investment) Act 2016 and the related guidance published by the Charity Commission. The following summary outlines Fauna & Flora's approach towards developing and monitoring its fundraising activities.

Fauna & Flora is a membership organisation and uses the membership offer as well as a broader regular giving proposition to cement long-term relationships with donors. Fauna & Flora's direct marketing activities are carried out in partnership with specialist agencies, who provide creative and media buying services, enabling us to develop supporter recruitment materials and to place our fundraising campaigns across a variety of offline and online channels, including private site fundraising, direct response television, telemarketing and social media advertising.

Fauna & Flora has a well-established major-giving programme, with approaches typically made in person by senior staff or trustees. Fauna & Flora also hosts events throughout the year, typically targeted at stewarding and soliciting funding from major donors and prospects.

Fauna & Flora occasionally works with commercial participators. All such new opportunities are assessed against Fauna & Flora's fundraising strategy and the Fundraising Regulator's guidance and with due consideration given to Fauna & Flora's reputation. We have developed a commercial participator agreement template and all such arrangements are monitored to ensure continued compliance with the legal requirements.

Fauna & Flora has paid the applicable levy to register with the Fundraising Regulator and displays the Regulator's badge on all appropriate fundraising materials. Fauna & Flora complies with the terms and conditions of its registration, and follows the guidance and recommendations from the Regulator, as well as the standards contained in the Code of Fundraising Practice to ensure that our fundraising activities are fair, transparent and honest.

Fauna & Flora is also signed up to the Fundraising Preference Service, which is run by the Fundraising Regulator, and enables members of the public to manage the direct marketing communications they receive from charities. In 2023, Fauna & Flora received 13 requests to be removed from marketing and fundraising campaigns.

In 2023, as we increased our reach and grew our donor and supporter base, we received approximately 50 complaints relating to difficulties in donating as a result of website issues or failures with our response handling agencies. These include complaints about being 'upsold' (meaning that the call handler asks whether the potential donor would like to give an increased monthly gift) or dissatisfaction with the call handler.

In each case we listen back to the call, and provide feedback to the agency concerned if we feel a telephone responder has not met Fauna & Flora's expectations during the conversation, or carry out an investigation with the response handling agency to ascertain the issue. In over 95% of cases the call was deemed to have met best practice standards, and no further action was needed.

We regularly monitor our telephone agencies, which includes weekly reports that highlight instances when supporters raise questions or complaints. These reports, along with training of call centre staff, enable us to continually assess their performance and ensure a high level of supporter care is achieved.

Our agencies also follow a set of guidelines to determine supporter vulnerability; if a supporter is deemed to be vulnerable, a case is raised with Fauna & Flora and we will investigate the matter. This may result in a donation being declined and further action being taken.

Fauna & Flora regularly reviews its Privacy Statement and updates it when necessary. Our Fundraising Promise makes it clear what personal data is collected, how it is processed and how an individual can get in touch with Fauna & Flora to change their preferences. All of Fauna & Flora's communications include easy mechanisms for unsubscribing or updating contact preferences and we ensure that our database is updated accordingly.

Principal risks

The trustees have established a framework for identifying and controlling the major risks to which the Charity is exposed.

The trustees have a risk-management strategy that comprises:

- A rolling review of the risks the Charity faces, or which may arise, tracked in the Institutional Risk Register. This is complemented by regular discussion of risk by the Executive and Audit & Risk Committees.
- Systems and procedures to manage and mitigate against those risks and their potential impacts should they materialise.
- Processes that allow us to identify and manage specific risks. For example, we have due diligence processes in place to assure us that the charity's funds, assets or reputation at not at undue risk (by ensuring we know where our funds come from, who the people and organisations we are working with are, and that we can verify the end use of those funds).
- A risk-tracking tool that enables regular and comprehensive assessment of individual projects across our portfolio against a series of six risk categories (financial; human rights & social safeguards; health, safety & security; partner; other delivery risks; and impact).
- Regular review of our insurance cover to assess whether it adequately addresses the risks and potential liabilities we face, extending cover if new risks are identified.

The key risks faced by the Charity, along with the steps taken to mitigate these risks, have been identified as follows:

Financial environment

The cost of living, economic slow-down, and geopolitical instability pose a continuing range of risks, which we mitigate through careful financial monitoring and management, future scenario planning, diversification of sources of income and by reviewing our non-essential spending. These additional pressures require prudent and agile management of our financial resources and reserves, striking a balance between long-term sustainability and the need to invest in the organisation to support the achievement of our objectives.

Recruitment and retention

Our people are critical to the delivery of our strategy, but attracting and retaining our talented workforce can be challenging in an increasingly competitive global labour market. Recognising this risk, we have introduced a fair, equitable and transparent global job evaluation & pay structure with the objective of (a) providing clarity around career progression, and (b) paying our people as competitively as possible for our sector, while at the same time managing our charitable resources appropriately by ensuring pay levels remain affordable and sustainable.

Financial management, compliance and resilience of in-country partners

This is an inherent risk, particularly where funding is sub-granted from government or multilateral donors, where funding from Fauna & Flora represents a significant element of funding portfolios, and/or where local partners have limited access to international fundraising markets. We identify risks through partner due diligence and invest in supporting our partners to build their capacity and resilience, including through our Conservation Resilience Fund. This fund aims to help core partner organisations develop stronger operational models to better anticipate, cope with and adapt to increasingly challenging circumstances and crises. We achieve this through grants, direct technical support from Fauna & Flora experts and peer-to-peer exchange visits.

Reputational risks

Fauna & Flora's excellent reputation is dependent on continuing to demonstrate significant conservation added value, which requires all internal decision-making systems from programme design to monitoring and evaluation to be functioning well. We continue to invest in sound governance and control processes and to conduct robust due diligence on our institutional relationships, with a particular emphasis on careful selection of partners. To mitigate the reputational risk associated with a greater external profile and potential media interest, in autumn 2023 we reviewed our crisis communications procedures and are currently implementing the findings to help us prevent, prepare for, and respond to crises including (but not limited to) negative press coverage.

Negative social impacts

Because our work very often takes place alongside people – including those who may be vulnerable and marginalised – we are extremely conscious of the risk of causing negative social impacts, including breaches of human rights, through the delivery of our conservation programmes. Fauna & Flora has adopted a suite of social safeguard policies and procedures to guide our engagement with local communities and other stakeholders in the areas where we work, to safeguard their rights to access, use and manage natural resources, and their rights to access information, participate in decision-making and access justice. Social safeguards help us to manage risks and uphold human rights by recognising local communities as allies and partners in our conservation activities. They help us to minimise harms, and to identify, implement and monitor the effectiveness of our measures to avoid harm, while also maximising positive impacts for people.

© Camilla Rhodes / Fauna & Flora

Global safety and security

Our staff and operations are inevitably subject to such risks especially given some of the more remote, difficult and insecure locations we work in and travel to (such as Myanmar and Mozambique). The appointment of a specialist International Health, Safety & Security Manager has strengthened our ability to mitigate these risks through new and updated policies, procedures and risk management measures designed to protect our people and programmes. These include tracking regional security and political trends for developing situations, monitoring global travel, security and health risks which might affect staff, and having emergency planning and response mechanisms in place. By providing staff with support and training, including hostile environment awareness courses, we aim to embed a culture and practice of safety and security, not only to safeguard them and those that come into contact with our activities but so Fauna & Flora can be prepared for, and respond well to, the safety and security challenges it faces.

© Sun Xiaodong / WildChina / Fauna & Flora

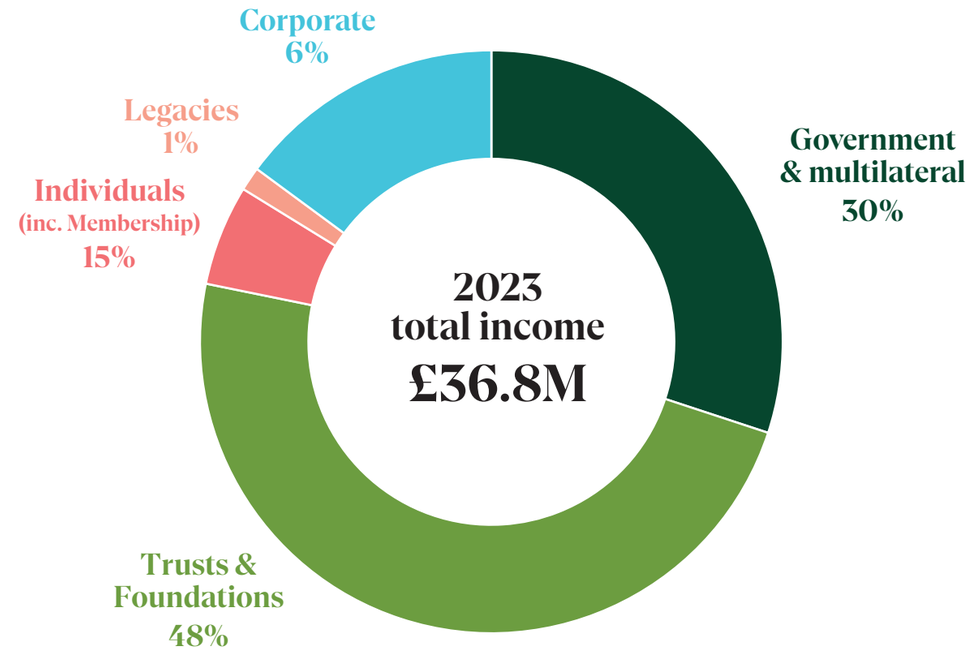
Financial Review

Overall Position

This report and the consolidated Financial Statements incorporate the results of Fauna & Flora's UK operations, its overseas branches and controlled subsidiaries and its associated permanent endowment funds.

The net movement in total funds for the period is a decrease of £5.4m (2022: £3.5m increase), comprising a decrease in restricted funds of £3.1m (2022: £4.1m increase), an increase of endowment funds of £6k (2022: £86k decrease) and a decrease in unrestricted funds of £2.3m (2022: £520k decrease). Restricted funds include around £6.4m of capitalised land purchases and the balance predominantly relates to current, active projects and are largely anticipated to be utilised over the course of the next one to four years.

Income:



Income generated overall of £36.8m shows an increase of £3.6m (11%) compared with 2022. Trusts & Foundations remain our largest source of income at 48% of total (2022: 49%). Funding from Government and multilateral sources has increased to 30% from 22% of the portfolio in the prior year.

Unrestricted income by type

	2019	2020	2021	2022	2023	2022/2023 Change
Individuals	1,362,427	4,139,416	4,081,322	3,804,560	4,209,676	11%
Trusts & Foundations	756,517	859,475	1,821,776	619,169	611,259	-1%
Legacies	2,325,653	1,189,313	901,330	601,962	488,377	-19%
Other	25,514	34,453	7,412	195,069	624,894	220%
Corporate	52,914	196,920	19,806	32,251	82,272	155%
Capital Campaign	125,000	-	-	-	-	0%
	4,648,025	**6,419,577**	**6,831,646**	**5,253,011**	**6,016,478**	**15%**

Unrestricted income from Individuals increased by £405k (11%) from 2022, a result of successful campaigns as well as investment in direct supporter recruitment. Income from Trusts & Foundations remained in line with 2022, while Legacy income decreased by £114k (19%). We have a strong Legacy pipeline of £1.4m, although the timing of receipt is difficult to predict. Other income includes income from investments and interest.

Restricted income by type

	2019	2020	2021	2022	2023	2022/2023 Change
Trusts & Foundations	10,206,257	11,738,061	19,713,173	15,447,495	17,104,561	11%
Government & Multilateral	6,947,640	5,315,100	5,645,650	7,400,676	11,061,076	49%
Corporate	816,097	1,254,924	2,046,255	2,315,213	1,971,917	-15%
Individuals	414,924	1,560,470	2,042,816	2,396,280	238,054	-90%
Other	178,269	180,828	205,417	352,797	408,069	16%
Legacies	44,613	-	-	-	-	0%
	18,607,800	**20,049,383**	**29,653,311**	**27,912,461**	**30,783,678**	**10%**

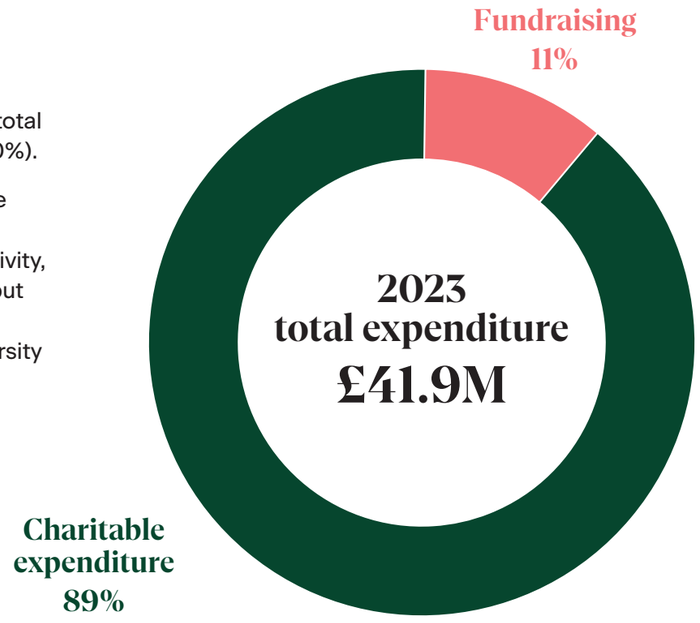
Trusts & Foundations restricted income has increased by £1.7m (11%) from 2022, a mix of renewed support from existing, long-term donors as well as income received from new sources during the year. Income from Government & Multilateral sources has increased by £3.6m (49%) from 2022. Government grants tend to be higher value grants and allow us to scale in activity and impacts, however they can be costly in terms of compliance as well as set-up and close-out costs. They may also require co-finance.

As ever, we are very grateful for all the support we receive from our donors.

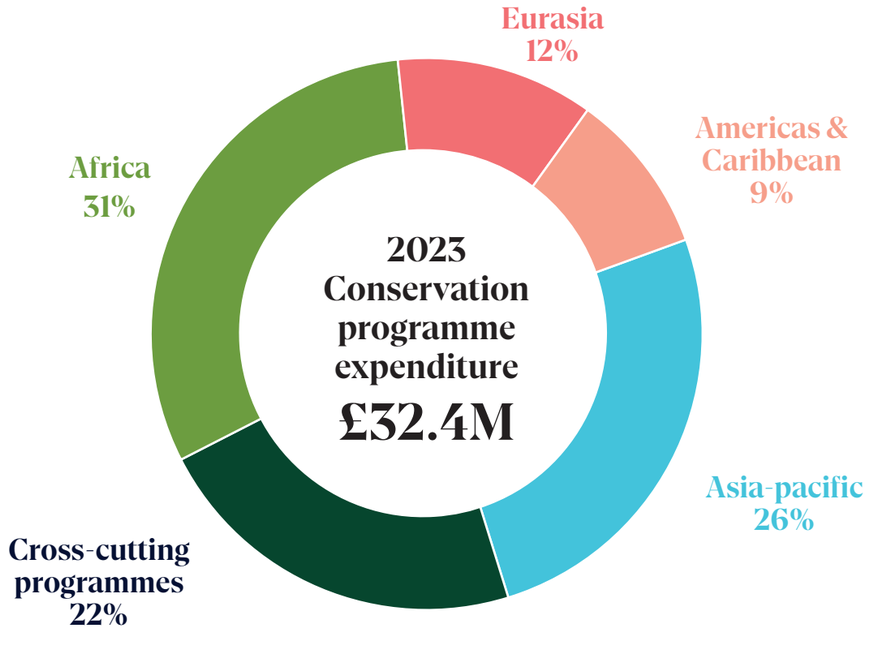
Expenditure

Charitable expenditure across our conservation portfolio has remained consistently high as a proportion of total expenditure (89%) in 2023 (2022: 90%).

With over 120 active projects in more than 40 countries, we continue to manage a diverse programme of activity, which presents its own challenges, but is also evidence of our far-reaching impact in delivering tangible biodiversity conservation.



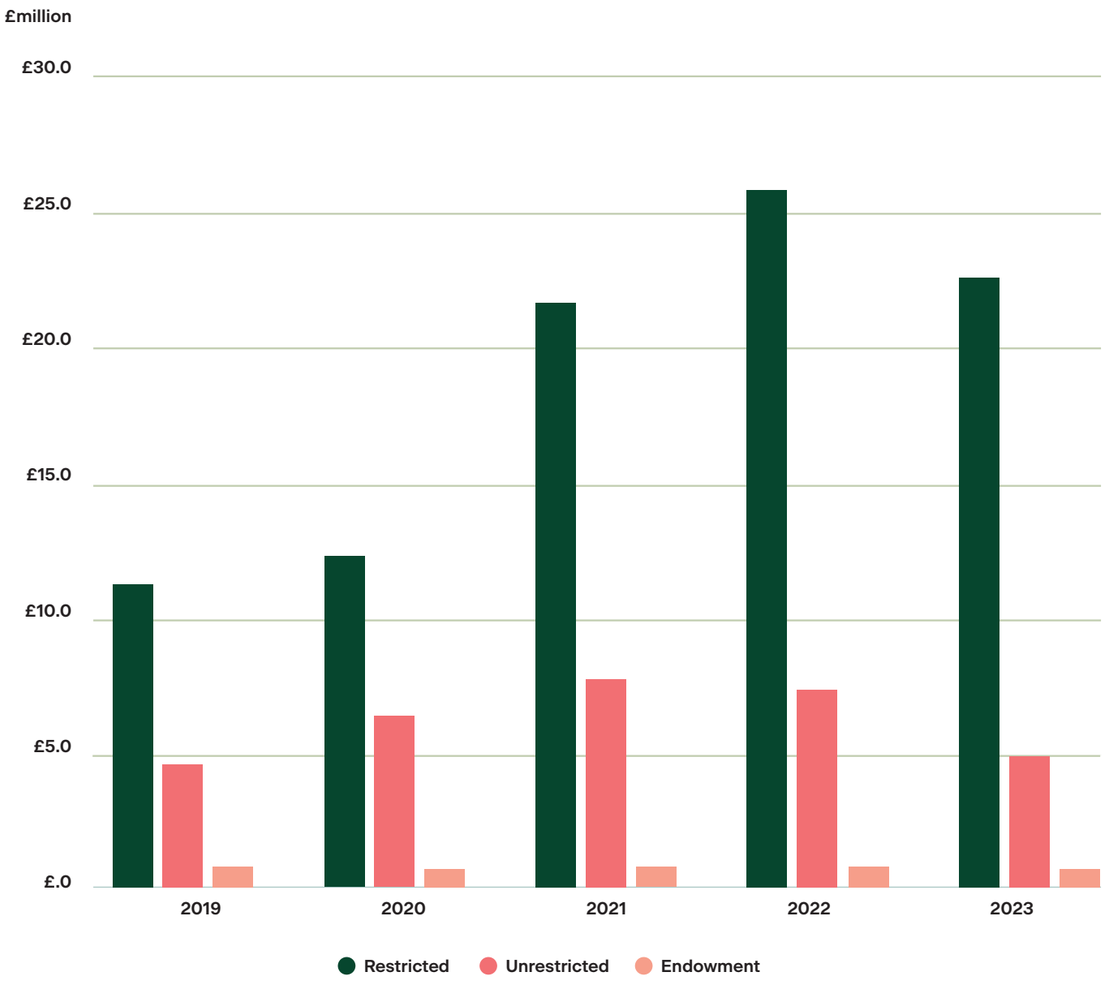
Fauna & Flora operates through four regional Conservation Programmes (Asia-Pacific (2022: 25%); Africa (2022: 27%); Eurasia (2022: 13%); and Americas & Caribbean (2022: 9%)) supported by an array of cross-cutting initiatives (Conservation Science & Design; Conservation Capacity & Leadership; Business & Nature; Climate & Nature Linkages; and People & Nature), which form our Cross-cutting Programmes division (2022: 26%).



Reserves

The total reserves of the organisation at the end of 2023 were £28.2m (2022: £33.6m). Restricted reserves were £22.6m (2022: £25.7m), these funds comprise balances of unspent restricted funding, funds received in advance, and £6.4m of capitalised land and other programme related investments. Endowment reserves were £644k (2022: £639k), these funds are invested to secure the capital base whilst producing an income stream in support of our gorilla conservation work.

Unrestricted reserves were £5.0m (2022: £7.3m). Free reserves (unrestricted reserves less unrestricted fixed assets of £267k (2022: £161k) are £4.7m (2022: £7.1m). This represents 5.6 months (2022: 7.9 months) of budgeted, recurring core expenditure. This is slightly below our minimum level of 6 months of reserves, a result of our unrestricted fundraising income not growing as much as we'd anticipated, combined with the impact of global cost of living increases on our unrestricted cost base. Trustees are paying close attention to the overall financial position and are seeking to bring reserves back in line with the policy range in the medium term, acknowledging that the short term will be challenging.



Statement of Trustees' Responsibilities

The Trustees (who are also directors of Fauna & Flora International for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditors

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken the necessary steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that you are aware of that information.

The Trustees' Annual Report and the Strategic Report contained therein were approved and authorised for issue by the Board of Trustees on 27th June 2024 and signed on its behalf by

Stephen Fitzgerald AO

Independent Auditor's Report to the Members of Fauna & Flora International

Opinion

We have audited the consolidated financial statements of Fauna & Flora International ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the charitable company's affairs as at 31 December 2023 and of the group's income and expenditure, for the year 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 group 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 trustee's 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 charitable company's or the group'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their 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 and proper 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 trustees' responsibilities statement set out on page 43, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation and General Data Protection Regulation (GDPR). We also considered compliance with local legislation for the group's overseas operating segments.

Independent Auditor's Report to the Members of Fauna & Flora International

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission, sample testing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
on behalf of
Crowe U.K. LLP, Statutory
Auditor Date: 7th August 2024

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Financial Statements

Asprete scientific fishing survey.

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 December 2023

	Notes	Unrestricted £	Restricted £	Endowment Funds £	2023 Total £	2022 Total £
Income and endowments from:						
Donations and legacies	3a, 3b	4,192,667	237,634	-	4,430,301	6,270,380
Charitable Activities		1,195,654	30,137,554	-	31,333,208	26,344,992
Investments		618,913	220,464	196	839,573	300,823
Other Trading Activities		3,264	420	-	3,684	2,234
Other		5,981	187,605	-	193,586	247,264
Total		**6,016,479**	**30,783,677**	**196**	**36,800,352**	**33,165,693**
Expenditure on:						
Raising funds		4,587,721	-	-	4,587,721	3,161,365
Charitable activities		4,273,574	32,955,412	-	37,228,986	27,187,044
Jointly controlled operations expenditure	21	58,348	-	-	58,348	55,019
Total	4a, 6a, 6b	**8,919,643**	**32,955,412**	**-**	**41,875,055**	**30,403,428**
Net gains/(losses) on investments		3,412	-	5,594	9,006	(113,318)
Net income/(expenditure)		**(2,899,752)**	**(2,171,735)**	**5,790**	**(5,065,697)**	**2,648,947**
Transfers between funds	12	1,041,626	(1,041,626)	-	-	-
Other Recognised Gains and Losses						
Realised foreign exchange gains/(losses)		(395,530)	398,807	-	3,277	32,814
Unrealised foreign exchange gains/(losses)		(34,996)	(287,768)	-	(322,764)	786,844
Profit/(losses) on disposal of tangible fixed assets		(4,078)	(15,502)	-	(19,580)	11,178
Other gains/(losses)	4b	(434,604)	95,537	-	(339,067)	830,836
Net movement in Funds		**(2,292,730)**	**(3,117,824)**	**5,790**	**(5,404,764)**	**3,479,783**
Total funds brought forward		7,302,407	25,680,054	638,669	33,621,130	30,141,347
	12	**5,009,677**	**22,562,230**	**644,459**	**28,216,366**	**33,621,130**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

In 2022, unrestricted voluntary income was £3,874,100 (the remainder was restricted). In 2022, unrestricted charitable activities income was £1,181,608 (the remainder was restricted). In 2022, unrestricted investment income was £194,613 and endowment investment income was £221 (the remainder was restricted). In 2022, all income from other trading activities was unrestricted. In 2022, all income from other sources was restricted.

In 2022, unrestricted charitable activities expenditure was £3,454,325 (the remainder was restricted). In 2022, all expenditure on raising funds was unrestricted. In 2022, all expenditure on jointly controlled operations was unrestricted.

In 2022, unrestricted net losses on investments were £4,357 and endowment fund net losses were £86,442 (the remainder was restricted). In 2022, unrestricted transfers were £755,425 (the remainder was restricted) and unrestricted other losses were £146,959 (the remainder was restricted).

Consolidated Balance Sheet

For the year ended 31 December 2023

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed Assets					
Tangible assets	7a	1,897,476	1,855,772	693,959	668,101
Intangible assets	7b	173,333	45,713	173,333	45,713
Investments	8	20,932,378	23,005,425	20,932,378	23,005,425
Total fixed assets		23,003,187	24,906,910	21,799,670	23,719,239
Current Assets					
Debtors	9	4,433,281	3,607,886	4,830,107	4,510,838
Cash at bank and in hand		8,892,352	7,010,457	7,922,239	4,872,469
Total current assets		13,325,633	10,618,343	12,752,346	9,383,307
Creditors: amounts falling due within one year	10	(8,094,768)	(1,886,437)	(8,070,353)	(1,858,920)
Net Current Assets		5,230,865	8,731,906	4,681,993	7,524,387
Provisions for liabilities	11	(17,686)	(17,686)	(17,686)	(17,686)
Total net assets		**28,216,366**	**33,621,130**	**26,463,977**	**31,225,940**
The funds of the charity					
Income funds					
Unrestricted funds	12	4,954,408	7,246,862	2,975,869	5,096,876
Designated funds	12	55,269	55,545	55,270	55,545
		5,009,677	7,302,407	3,031,139	5,152,421
Restricted funds	12	22,562,230	25,680,054	22,788,379	25,434,850
		27,571,907	32,982,461	25,819,518	30,587,271
Capital Funds					
Permanent endowment funds	12	644,459	638,669	644,459	638,669
Total Charity Funds		**28,216,366**	**33,621,130**	**26,463,977**	**31,225,940**

The (deficit)/surplus in respect of the parent charity only was (£4,761,966) (2022: £3,968,665)

The attached notes form part of these financial statements

Approved by the Board of Trustees and authorised for issue on 27th June 2024 and signed on its behalf by

Chair: Stephen Fitzgerald AO

Treasurer: Martin Tyler

Consolidated Cash Flow Statement

For the year ended 31 December 2023

Statement of cash flows	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash flows from operating activities	16	416,527	201,004	1,464,886	(418,882)
Cash flows from investing activities	16	839,573	300,823	833,878	297,756
Cash flows from financing activities	16	(409,804)	(863,234)	(388,634)	(863,234)
		846,296	**(361,407)**	**1,910,130**	**(984,360)**
Reconciliation of Net Cash Flow to Movements in Net Funds					
Increase/(decrease) in cash in the year		846,296	(361,407)	1,910,130	(984,360)
Cash and cash equivalents at the beginning of the reporting period		23,951,529	22,322,117	21,813,541	20,945,382
Change in cash and cash equivalents due to exchange rate movements		(778,748)	1,990,819	(674,707)	1,852,519
Cash and cash equivalents at the end of the reporting period		**24,019,077**	**23,951,529**	**23,048,964**	**21,813,541**

Analysis of cash and cash equivalents	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash at bank and in hand	8,892,352	7,010,457	7,922,239	4,872,469
Deposit accounts	15,126,725	16,941,072	15,126,725	16,941,072
	24,019,077	**23,951,529**	**23,048,964**	**21,813,541**

The attached notes form part of these financial statements.

1 Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements. Fauna & Flora meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with the 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 effective 1 January 2015 (The FRS 102 Charities SORP) and the Companies Act 2006.

b) Basis of consolidation

The consolidated financial statements comprise a consolidation of the financial statements of Fauna & Flora International and its fully owned subsidiaries, Fauna & Flora International Australia (Ltd), Fauna & Flora International USA Inc., Fauna & Flora International (South Africa), Fauna & Flora International S.R.L. and Boden Creek Land and Cattle Ltd, and its share of its jointly controlled operations (the Caribbean Alliance) with Re:Wild.

c) Significant estimates or judgements

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The investment in Boden Creek Land and Cattle Ltd by Fauna & Flora International has been accounted for as a programme related investment in the charity only balance sheet, rather than as an investment in a subsidiary. The purchase of the share capital of the company was completed in order to achieve ownership of the land owned by the company. The company has no other assets or liabilities. As such on a substance over form basis, the investment has been accounted for as a programme related investment rather than an investment in a subsidiary in the charity only balance sheet.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of Fauna & Flora's designated funds is set out in the Reserves Policy within the Trustees' Report. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Permanent endowments are funds which are permanently restricted, details of which are set out in note 12 of the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

e) Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income, that receipt is probable and the amount can be quantified with reasonable accuracy. Income from donations is accounted for when received and legacy income is included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grant income is recognised when all three recognition criteria are met (entitlement, probability and measurability). Income from performance related grants and contracts is included in the accounts to the extent that entitlement has been earned through performance of the contract.

f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Project activity costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and oversight delivered from UK contracted staff. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are indirect costs related to the overall management and facilities of the organisation, Trustee administration of the charity and compliance with constitutional and statutory requirements.

g) Pension Contributions

The charitable company contributes to individual personal pensions for staff; contributions are charged to the profit and loss account as they become payable.

h) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

i) Foreign Exchange

Assets and liabilities denominated in foreign currencies are translated into sterling on the balance sheet at the rates of exchange ruling at the year-end. Unrealised gains and losses on re-translation of monetary assets are shown as income or expenditure in line with FRS 102. Unrealised gains and losses of non-monetary assets are dealt with as part of the deficit or surplus on ordinary activities for the financial year. Gains and losses related to restricted projects cannot be allocated to specific projects. Therefore, these are accumulated in a foreign exchange revaluation fund and grouped with restricted reserves, as shown in note 12. These are then allocated to the relevant projects as they are completed.

j) Tangible Assets

Tangible assets are shown at cost less depreciation. Assets in use in the organisation are capitalised where the value of an individual item is greater than £3,000 and the asset has a long-term useful life. When items of portable equipment are acquired, such items that fall below this threshold may be capitalised. Where items are acquired from funding from restricted grants, these items will be treated in accordance with the grant requirements and therefore may well be fully expensed in the year of acquisition, rather than capitalised.

Depreciation is provided so as to write off the cost of tangible assets over their estimated useful lives at the following annual rates:

Fixtures and fittings	20 - 25% straight line
IT equipment	33% straight line
Software	20% straight line
Land & buildings *(buildings only, land not depreciated)*	5% straight line
Vehicles	20% straight line

k) Investments

Listed investments are included at the mid-market price as shown in the Stock Exchange Daily Official List as at close of business at the year end. The SOFA includes the net unrealised gains and losses arising on revaluations and realised gains and losses on disposals throughout the year.

l) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Deferred income

Deferred income relates to performance related grant and contract income where the conditions of the grant have not yet been met and therefore the Charity is not entitled to the income until a future period.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and comprise cash and bank and in hand, short term cash deposits together with trade and other debtors excluding prepayments. Financial liabilities held at transaction value comprise the short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

q) Going concern

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

2 Company Status

The company is limited by guarantee, not having share capital, and is also a registered charity; it is not liable to corporation tax. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the limited liability company.

3a Donations and legacies

	2023	2022
	£	£
Individuals	3,941,924	5,668,418
Legacies	488,377	601,962
	4,430,301	**6,270,380**

3b Income

	Restricted	Unrestricted	Endowment	2023 Total	2022 Total
	£	£	£	£	£
Income Source					
Government & Multilateral	11,061,076	-	-	11,061,076	7,400,676
Trusts & Foundations	17,104,561	611,259	-	17,715,820	16,066,664
Corporate	1,971,917	82,272	-	2,054,189	2,347,464
Individuals	238,054	4,195,931	-	4,433,985	6,272,614
Membership	-	502,123	-	502,123	530,188
Investment	220,464	618,913	196	839,573	300,823
Other	187,605	5,981	-	193,586	247,264
Total	**30,783,677**	**6,016,479**	**196**	**36,800,352**	**33,165,693**

4a Expenditure

	2023	2022
	£	£
Expenditure includes:		
Auditors' remuneration - audit	65,685	62,958
Auditors' remuneration - other	87,523	42,976
Depreciation	220,454	209,256
Operating leases: land and buildings	235,748	229,526

4b Other gains/(losses)

	2023	2022
	£	£
Other gains/losses includes:		
Realised foreign exchange gains/(losses)	3,277	32,814
Unrealised foreign exchange gains/(losses)	(322,764)	786,844
Gains/(losses) on disposal of tangible fixed assets	(19,580)	11,178
	(339,067)	830,836

5 Employee information

5a Staff costs

	2023	2022
	£	£
Wages and salaries	14,252,780	11,574,711
Social security costs	1,528,187	1,161,693
Pension costs	789,466	600,606
	16,570,433	**13,337,010**

Included in the above is £1,795 relating to termination payments in 2023 (2022: £378,672).

5b

	2023	2022
The average number of persons, analysed by function, employed during the year was:		
Project management	567	455
Fundraising	26	21
Administration	35	29
	628	**505**

5c

	2023	2022
Employees whose emoluments for the year were £60,000 or more are shown in the following bands:		
£60,001 - £70,000	8	4
£70,001 - £80,000	3	5
£80,001 - £90,000	4	3
£90,001 - £100,000	3	4
£100,001 - £110,000	4	0
£120,001 - £130,000	0	1
£130,001 - £140,000	0	1
£140,001 - £150,000	3	0
£450,001 - £460,000	0	1

The pension contributions to pension schemes for the higher paid staff were £126,580 (2022: £87,420).

The total value of salary and benefits received by key management personnel in 2023 was £943,984 (2022: £1,183,356).

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties unless formal approval has been received from the Charity Commission. In 2023, £19,214 (2022: £6,629) was reimbursed to, or paid on behalf of Trustees in respect of travel and subsistence during the year.

6a Analysis of Total Expenditure

	Staff costs	Other costs	Support costs	Total 2023	Total 2022
	£	£	£	£	£
Conservation Programme Area					
Africa	3,212,163	6,318,951	202,583	9,733,697	6,514,457
Asia Pacific	4,045,921	3,941,820	142,891	8,130,632	6,046,437
Americas & Caribbean	1,027,154	1,794,116	182,419	3,003,689	2,315,216
Eurasia	1,299,755	2,223,307	136,514	3,659,576	3,097,775
Cross-cutting Programmes	4,547,571	2,235,044	243,315	7,025,930	6,402,060
Other (incl. Foreign exchange (gain)/loss)	-	886,183	-	886,183	(1,396,356)
Programmatic Activities	**14,132,564**	**17,399,421**	**907,722**	**32,439,707**	**22,979,589**
Fundraising costs	1,517,914	-	3,069,807	4,587,721	3,161,365
Support & administration costs	2,933,714	-	1,913,913	4,847,627	4,262,474
Total costs	**18,584,192**	**17,399,421**	**5,891,442**	**41,875,055**	**30,403,428**

The foreign exchange (gain)/loss is the revaluation of monetary assets arising from the organisation operating internationally.

Included in Other costs of Programmatic Activities is £7.1m (2022: £6.2m) of funds sub-granted to third parties.

6b Analysis of Support Costs

	Programme Activities	Fundraising costs	Operations & Governance costs	Total 2023	Total 2022
	£	£	£	£	£
Office rent & services	75,768	-	592,765	668,533	607,534
Equipment Acquisition & Maintenance	72,591	91	4,344	77,026	42,800
Grants	62,720	-	5,000	67,720	255,455
Conference attendance & event costs	23,729	113,333	40,475	177,537	110,548
Printing, publications and media costs	5,323	1,667,344	83,124	1,755,791	1,249,383
Bank charges and interest	30,851	134,285	11,120	176,256	97,999
Depreciation	9,233	7,203	21,113	37,549	77,400
IT, telephony & office supplies	114,187	266,385	383,972	764,544	448,723
Travel & Subsistence	213,834	117,403	157,685	488,922	479,908
Audit, Legal & Professional fees	212,029	728,165	544,193	1,484,387	1,517,261
Other costs	87,457	35,598	70,122	193,177	76,624
Total support costs	**907,722**	**3,069,807**	**1,913,913**	**5,891,442**	**4,963,635**

7a Tangible Fixed Assets (all group fixed assets are attributable to the charity, excluding the land & buildings)

	Fixtures & Fittings	IT Equipment	Land & Buildings	Vehicles	Total
	£	£	£	£	£
Cost:					
At 1 January 2023	48,461	93,548	1,192,695	1,086,296	2,421,000
Additions	-	-	-	250,250	250,250
Disposals	-	-	(15,962)	(2,060)	(18,022)
At 31 December 2023	**48,461**	**93,548**	**1,176,733**	**1,334,486**	**2,653,228**
Depreciation					
At 1 January 2022	14,110	12,594	958	537,566	565,228
Charge for year	9,473	12,366	532	170,227	192,598
On disposals	-	-	(1,490)	(584)	(2,074)
At 31 December 2023	**23,583**	**24,960**	**-**	**707,209**	**755,752**
Net book value:					
At 31 December 2023	**24,878**	**68,588**	**1,176,733**	**627,277**	**1,897,476**
At 31 December 2022	34,351	80,954	1,191,737	548,730	1,855,772

7b Intangible Fixed Assets (all group intangible fixed assets are attributable to the charity)

	Software	Total
	£	£
Cost:		
At 1 January 2023	568,464	568,464
Additions	159,554	159,554
Disposals	(161,678)	(161,678)
At 31 December 2023	**566,340**	**566,340**
Depreciation		
At 1 January 2023	522,751	522,751
Charge for year	27,856	27,856
On disposals	(157,600)	(157,600)
At 31 December 2023	**393,007**	**393,007**
Net book value:		
At 31 December 2023	**173,333**	**173,333**
At 31 December 2022	45,713	45,713

8 Fixed Asset Investments (all group fixed assets are attributable to the charity)

	2023	2022
	£	£
Movement during the year		
Market value as at 1 January	23,005,425	20,490,551
Net gains/(losses) during the year	9,006	(113,318)
Foreign exchange gains/(losses) during the year	(867,927)	2,072,757
Capital invested/(withdrawn) during the year	(1,214,126)	555,435
Total Investments	**20,932,378**	**23,005,425**

Investments are represented by:	2023	2022
	£	£
Fixed interest securities & equity shares	670,668	661,662
Cash deposit funds	15,126,725	16,941,072
Programme related investments	5,134,985	5,402,691
Total Investments held in the UK	**20,932,378**	**23,005,425**

The historic cost of investments as at 31 December 2023 was £20,892,437 (2022: £22,943,763).

Programme related investments consists of land held in Ecuador and in Belize with the intention of transferring it to a local organisation capable of preserving its conservation value.

After the period end programme related investments included in the above totalling £4,375,118 were transferred to a partner for nil consideration.

9 Debtors

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Trade debtors	3,846,209	2,647,623	3,804,000	2,451,444
Amounts due from subsidiaries	-	-	522,250	1,136,730
Prepayments and accrued income	587,072	960,263	503,857	922,664
	4,433,281	**3,607,886**	**4,830,107**	**4,510,838**

All the above amounts fall due within one year.

10 Creditors

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Trade creditors	863,839	298,770	858,057	287,764
Amounts due to subsidiaries	-	-	-	664
Tax and social security	976,484	790,216	968,176	783,522
Accruals and deferred income	6,250,782	792,317	6,240,457	781,836
Other creditors	3,663	5,134	3,663	5,134
	8,094,768	1,886,437	8,070,353	1,858,920

Accruals and deferred income includes the following:

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Deferred income at 1st January	-	4,790	-	4,790
Income deferred in year	5,814,857	-	5,814,857	-
Amounts released from previous years	-	(4,790)	-	(4,790)
Deferred Income at 31st December	5,814,857	-	5,814,857	-

11 Provisions (all provisions are attributable to the charity)

	At 01/01/2023	Provisions created / (released)	Provisions utilised	At 31/12/2023
	£	£	£	£
Land taxes payable	17,686	-	-	17,686
	17,686	-	-	17,686

Provision has been made in a prior year for land tax in Ecuador that may be payable by Fauna & Flora.

12 Reconciliation of funds

	Balance b/fwd	Income	Expenditure	Other gains/ (losses)	Movements between funds	Balance c/fwd
	£	£	£	£	£	£
Unrestricted						
General unrestricted funds	7,246,862	6,016,479	(8,919,643)	(431,192)	1,041,902	4,954,408
Designated funds	55,545	-	-	-	(276)	55,269
Total unrestricted funds	**7,302,407**	**6,016,479**	**(8,919,643)**	**(431,192)**	**1,041,626**	**5,009,677**
Endowment funds						
Rothiemurchus Bequest Fund	34,059	196	-	(448)	-	33,807
Whitley Animal Protection Trust	604,610	-	-	6,042	-	610,652
Total endowment funds	**638,669**	**196**	**-**	**5,594**	**-**	**644,459**
Restricted funds						
Africa	3,707,201	5,955,903	(9,532,223)	14,511	2,358,022	2,503,414
Americas & Caribbean	6,302,956	1,601,286	(2,575,413)	9,203	938,168	6,276,200
Asia-Pacific	5,449,171	7,982,086	(8,923,127)	7,020	825,018	5,340,168
Conservation Capacity and Leadership	2,353,738	1,972,976	(2,475,431)	829	(37,746)	1,814,366
Cross-cutting Programmes Development	427,106	102,577	(74,909)	1	-	454,775
Conservation Science and Design	2,770,545	6,156,615	(3,285,205)	366,364	(4,314,895)	1,693,424
Climate & Nature Linkages	69,633	20,548	(38,192)	1,528	-	53,517
Eurasia	2,494,564	3,397,511	(3,389,633)	(8,660)	485,564	2,979,346
Business & Nature	5,470	1,382,938	(1,215,612)	(1,715)	-	171,081
People & Nature	3,555	185,657	(161,057)	-	-	28,155
Regional Programmes Development	-	1,500,000	(398,427)	-	(981,208)	120,365
Other (incl Foreign Exchange) Revaluation	2,096,115	525,580	(886,183)	(293,544)	(314,549)	1,127,419
Total restricted funds	**25,680,054**	**30,783,677**	**(32,955,412)**	**95,537**	**(1,041,626)**	**22,562,230**
Total Funds	**33,621,130**	**36,800,352**	**(41,875,055)**	**(330,061)**	**-**	**28,216,366**

The Rothiemurchus bequest stipulates that the Charity should:

i. Hold the bequest and pay or apply part of the income thereof each year in assisting not more than one conservation project consistent with the aims of the Charity

ii. Accumulate for as long as possible at least one quarter of the income, which should be added to the capital of the bequest.

The Whitley Animal Protection Trust M.G.P Fund represents a capital donation from the Whitley Animal Protection Trust, which stipulated that the capital should be invested and the income used for the protection of the mountain gorilla. Provision is made to maintain the relative value of the capital and to provide regular guaranteed income for the IGCP.

The restricted funds of the charity comprise unexpended balances on income given to specific purposes. In accordance with Fauna & Flora's income recognition policy as outlined in Note 1 to the accounts, restricted funds in deficit have arisen where Fauna & Flora is not sufficiently entitled to recognise income against ongoing work that is funded in arrears.

Transfers & Other gains and losses includes internal grants transferred from our Halcyon Land & Sea, Species and other internal portfolio funds to field based projects.

Included in the above are amounts for grants received from Fondation Segré (2023: £144,453, 2022: £176,868), the Endangered Landscapes Programme (2023: £435,737, 2022: £362,269), and Defra, UK Government: Darwin Initiative (2023: £3,684,626, 2022: £2,009,027), Darwin Plus (2023: £202,319, 2022: £146,817), Illegal Wildlife Trade Challenge Fund (2023: £309,776, 2022: £609,630), and income received of £nil and expenditure of £13,115 in relation to the Biodiverse Landscapes Fund (BLF).

13 Analysis of Net Assets between Funds

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	93,466	-	1,804,010	-	1,897,476
Intangible Fixed Assets	173,333	-	-	-	173,333
Investments	5,066,149	-	15,221,770	644,459	20,932,378
Net current assets	(360,854)	55,269	5,536,450	-	5,230,865
Provisions	(17,686)	-	-	-	(17,686)
	4,954,408	55,269	22,562,230	644,459	28,216,366

14 Operating Lease Commitments

	2023	2022
Annual commitments are as follows:	£	£
Land and buildings:		
Not later than one year	217,804	208,471
Later than one year and not later than five years	142,609	267,858
Later than five years	-	-
	360,413	476,329
Other operating leases:		
Not later than one year	73,520	71,874
Later than one year and not later than five years	62,811	122,960
Later than five years	-	-
	136,331	194,834

15 Related Party Transactions and Ultimate Controlling Party

The company is under the control of the Board of Trustees. There is no ultimate controlling party.

Fauna & Flora received grant funding from The Marcela Trust. An immediate member of family of one of Fauna & Flora's Senior Leadership Team (SLT) members and a member of Fauna & Flora's SLT are Trustees of the Trust.

Fauna & Flora provides grant funding to Principe Foundation (São Tomé and Príncipe) and ProPark Foundation (Romania). A member of Fauna & Flora's SLT is also a director of each of these organisations. Fauna & Flora also provides grants to The Mount Kenya Trust which has a mutual Trustee. Fauna & Flora provides grant funding to Chuilexi Conservação e Investimentos Limitada and Luambeze Investimentos Limitada, both of which are subsidiaries of Fauna & Flora. Refer to note 21 for details of Fauna & Flora's subsidiaries and jointly controlled operations. Fauna & Flora has paid and received reimbursement of expenditure from Ol Pejeta Ranching Ltd and ProPark Foundation. A member of Fauna & Flora's SLT is also a director of these organisations.

Fauna & Flora pays licence fees to OMC Investments Ltd in relation to Fauna & Flora's London office. An immediate member of family of one of Fauna & Flora's SLT members is a director of OMC Investments Ltd. The licence agreement terms are equivalent to those that prevail in arm's length transactions and the licence fees paid are at open market rates.

	2023	2022
	£	£
Grants received from related parties		
The Marcela Trust	430,000	150,000
Grants made to related parties		
Chuilexi Conservação Investimentos Limitada	1,143,042	1,192,285
Luambeze Investimentos Limitada	331,207	236,447
Príncipe Foundation	295,903	133,879
ProPark Foundation	-	1,000
The Mount Kenya Trust	114,214	-
Donations received from		
Trustees & Related parties	74,503	74,770
Reimbursement of expenditure from related parties		
ProPark Foundation	416	-
Lease & service fees		
OMC Investments Ltd	51,300	52,741
Amounts owing from subsidiary undertakings		
Fauna & Flora International Australia	18,316	(664)
Fauna & Flora International South Africa	36,572	41,544
Fauna & Flora International USA Inc	467,362	1,095,186

16 Cash Flow Information

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
a) Reconciliations of changes in resources to net inflow from operating activities				
Net incoming resources	(5,404,764)	3,479,781	(4,761,966)	3,968,665
Depreciation charge	220,454	209,255	215,127	206,401
(Gain)/loss on disposal of tangible and intangible fixed assets	19,580	-	19,580	-
Investment income (shown separately in (b) below)	(839,573)	(300,823)	(833,878)	(297,756)
(Increase)/decrease in debtors	(825,393)	(1,064,301)	(319,269)	(2,302,476)
Increase/(decrease) in creditors	6,208,331	289,002	6,211,433	279,899
Change in fixed asset investments valuation	(9,006)	90,799	(9,006)	90,799
Unrealised foreign exchange gains/(losses) on non-monetary assets	268,149	(650,193)	268,149	(511,898)
Unrealised foreign exchange gains/(losses) on monetary assets	778,749	(1,852,516)	674,716	(1,852,516)
Net cash inflow/(outflow) from operating activities	416,527	201,004	1,464,886	(418,882)
a) Gross cash flows				
Returns on investment and servicing of finance:				
Investment income received	839,573	300,823	833,878	297,756
Capital expenditure and financial investment:				
Payment to acquire tangible and intangible fixed assets	(409,804)	(433,220)	(388,634)	(433,220)
Payments to acquire fixed asset investments	-	(430,014)	-	(430,014)
	(409,804)	(863,234)	(388,634)	(863,234)

17 Summary income and expenditure account for the year ending 31 December 2023

	All income funds 2023	All income funds 2022
	£	£
Income	35,960,779	32,864,870
Gains/(losses) on investments	-	-
Interest and investment income	839,377	300,602
Gross income in the reporting period	**36,800,156**	**33,165,472**
Expenditure	41,990,256	29,390,212
Interest payable	-	-
Depreciation and charges for impairment of fixed assets	220,454	209,256
Total expenditure in the reporting period	**42,210,710**	**29,599,468**
Net income (expenditure) before tax for the reporting period	(5,410,554)	3,566,004
Tax payable	-	-
Net income (expenditure) for the financial year	**(5,410,554)**	**3,566,004**

The summary income and expenditure account is a Companies Act and FRS102 requirement and is derived from the corresponding figures in the SOFA with the exclusion of endowment funds.

18 Charity Statement of Financial Activities

	Unrestricted	Restricted	Endowment	Total 2023	Total 2022
	£	£	£	£	£
Income and endowments from:					
Donations and legacies	3,884,091	206,640	-	4,090,731	5,826,407
Charitable Activities	757,903	30,447,117	-	31,205,020	26,626,417
Investments	613,218	220,464	196	833,878	297,756
Other Trading Activities	3,264	420	-	3,684	2,234
Other	5,981	187,346	-	193,327	229,897
Total	**5,264,457**	**31,061,987**	**196**	**36,326,640**	**32,982,711**
Expenditure on:					
Raising funds	3,935,730	-	-	3,935,730	2,722,807
Charitable Activities	4,096,405	32,762,291	-	36,858,696	26,847,772
Total	**8,032,135**	**32,762,291**	**-**	**40,794,426**	**29,570,579**
Net gains/(losses) on investments	3,412	-	5,594	9,006	(90,799)
Net income/(expenditure)	**(2,764,266)**	**(1,700,304)**	**5,790**	**(4,458,780)**	**3,321,333**
Transfers between funds	1,041,626	(1,053,837)	-	(12,211)	(29,891)
Other gains/(losses)	(398,643)	107,668	-	(290,975)	677,223
Net movement in Funds	**(2,121,283)**	**(2,646,473)**	**5,790**	**(4,761,966)**	**3,968,665**
Total funds brought forward	5,152,422	25,434,850	638,668	31,225,940	27,257,275
Total funds carried forward	**3,031,139**	**22,788,377**	**644,458**	**26,463,974**	**31,225,940**

19 Prior Year Reconciliation of Funds Statement

	Balance b/fwd £	Income £	Expenditure £	Other gains/ (losses) £	Movements between funds £	Balance c/fwd £
Unrestricted						
General unrestricted funds	7,765,576	5,253,011	(6,670,709)	142,602	756,382	7,246,862
Designated funds	56,502	-	-	-	(957)	55,545
Total unrestricted funds	**7,822,078**	**5,253,011**	**(6,670,709)**	**142,602**	**755,425**	**7,302,407**
Endowment funds						
Rothiemurchus Bequest Fund	37,993	221	-	(4,155)	-	34,059
Whitley Animal Protection Trust	686,897	-	-	(82,287)	-	604,610
Total endowment funds	**724,890**	**221**	-	**(86,442)**	-	**638,669**
Restricted funds						
Africa	4,046,491	3,362,897	(6,190,034)	(55,347)	2,543,194	3,707,201
Americas & Caribbean	6,282,891	1,420,098	(2,039,134)	(9,502)	648,603	6,302,956
Asia-Pacific	4,392,089	6,557,986	(6,567,573)	1,308	1,065,361	5,449,171
Conservation Capacity and Leadership	1,917,110	3,089,150	(2,630,740)	(2,294)	(19,488)	2,353,738
Cross-cutting Programmes Development	419,148	79,941	(71,647)	(336)	-	427,106
Conservation Science and Design	2,184,724	7,703,614	(3,114,266)	1,964	(4,005,491)	2,770,545
Climate & Nature Linkages	162,189	33,178	(112,781)	(12,953)	-	69,633
Eurasia	2,407,092	2,404,916	(2,734,801)	15,697	401,660	2,494,564
Business & Nature	205,076	1,231,735	(1,447,528)	384	15,803	5,470
People & Nature	56,413	72,787	(125,640)	(5)	-	3,555
Regional Programmes Development	-	1,500,000	(94,933)	-	(1,405,067)	-
Other (incl Foreign Exchange) Revaluation	(478,844)	456,159	1,396,358	722,442	-	2,096,115
Total restricted funds	**21,594,379**	**27,912,461**	**(23,732,719)**	**661,358**	**(755,425)**	**25,680,054**
Total Funds	**30,141,347**	**33,165,693**	**(30,403,428)**	**717,518**	**-**	**33,621,130**

20 Prior Year Funds Analysis Statement

	General Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible Fixed Assets	115,305	-	1,740,467	-	1,855,772
Intangible Assets	45,713	-	-	-	45,713
Investments	4,821,104	-	17,545,652	638,669	23,005,425
Net current assets	2,282,426	55,545	6,393,935	-	8,731,906
Provisions	(17,686)	-	-	-	(17,686)
	7,246,862	55,545	25,680,054	638,669	33,621,130

21 Subsidiaries and Jointly Controlled Operations

Fauna & Flora has five wholly owned subsidiary undertakings. One registered in Australia, one registered in Belize, one registered in Romania, one registered in South Africa and one registered in the USA.

Fauna & Flora holds a 75% controlling interest in Luambeze Investimentos Limitada (Luambeze), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Fauna & Flora holds a 55% controlling interest in Chuilexi Conservação e Investimentos Limitada (Chuilexi), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Entity	Fauna & Flora International Australia (Ltd)	Fauna & Flora International USA Inc.	Fauna & Flora International (South Africa)	Fauna & Flora International S.R.L	Boden Creek Land and Cattle Ltd	Chuilexi Conservação e Investimentos	Luambeze Investment, Limitada
Country of Registration	Australia	USA	South Africa	Romania	Belize	Mozambique	Mozambique
Registration No.	ABN: 75 132 715 783 CAN: 132715783	81-3967095	2014/099386 /08	33448761	17633	100321041	100014343
Registered Address	c/o Purpose Accounting, 583 Elizabeth Street, Redfern NSW 2016	c/o Corporation Trust Centre, 1209 Orange St, Wilmington, New Castle County, Delaware USA	43 Fish Eagle Place, Fish Eagle Place, Kommetjie, 7975, South Africa	STR. 1 Decembrie Nr. 14 330025 Deva, Romania	c/o Reyes Retreage LLP & Loyal Offshore Ltd, 122 Eve Street, P.O. Box 2205, Belize City, Belize	c/o MozConsult Rua Beijo da Mulata nº 188, Sommerschield II, Maputo, Moçambique	
Percentage Ownership / Control	100%	100%	100%	100%	100%	55%	75%
	£	£	£	£	£	£	£
Total Income	123,002	1,034,016	3,310	291,141	-	-	-
Costs	(117,297)	(1,555,518)	(1,279)	(345,349)	-	(1,031,561)	(402,944)
Net gains/(losses) on investments	-	-	-	-	-	-	-
Other gains/(losses)	(8,539)	(45,908)	(745)	-	-	-	-
Surplus / (deficit) for the year	(2,834)	(567,410)	1,286	(54,208)	-	(1,031,561)	(402,944)
Retained surplus brought forward	168,355	927,778	6,376	1,295,196	3,746,023	(4,555,765)	(2,264,200)
Retained surplus carried forward	165,521	360,368	7,662	1,240,988	3,746,023	(5,587,326)	(2,667,144)
Gross assets at 31 December 2023	186,606	847,363	44,234	1,243,006	3,746,023	665,170	422,549
Gross liabilities at 31 December 2023	(21,085)	(486,995)	(36,572)	(2,018)	-	(6,252,250)	(3,089,693)
Reserves at 31 December 2023	165,521	360,368	7,662	1,240,988	3,746,023	(5,587,080)	(2,667,144)

The Caribbean Alliance is a jointly controlled operation between Fauna & Flora and Re:Wild. The jointly controlled operation was created in 2021. The net expenditure of £58,348 (2022: £55,019) shown in the Statement of Financial Activities represents Fauna & Flora's share of the net expenditure of the jointly controlled operation for 2023.

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www.fauna-flora.org

Fauna & Flora
Saving Nature Together

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Registered Charity Number 1011102.
A Company Limited by Guarantee in England & Wales, Number 2677068

A registered 501(c) (3) non-profit organization;
EIN #81-3967095

Registered as a charity with the Australian Charities and Not-for-Profits Commission, Australian Business Number (ABN) 75 132 715 783

FAUNA & FLORA INTERNATIONAL

England & Wales - Charity number 1011102

Accounts

Annual Report & Accounts 2022

Fauna & Flora

Saving Nature Together

Hirwa family of mountain gorillas in Volcanoes National Park, Rwanda.

© Steph Baker / Fauna & Flora

A school of bigeye trevallies.

© Zafer Kizilkaya

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Cover image: A delacour's langur with young © Nguyen Truong Sinh

Message from the Chair

In 2022, the dual shocks of the war in Ukraine and the rapidly escalating cost-of-living crisis underlined the need to ensure diverse and resilient income streams to support Fauna & Flora's ambitious growth plans, which are central to our recently refreshed strategy.

That strategy reflects the need to increase the scale and visibility of our work, but places renewed emphasis on the approach that is the very essence of Fauna & Flora, which is locally led conservation, driven by our in-country partners, working together with our own experts to address the interconnected challenges of biodiversity loss, climate change and human well-being.

Despite the considerable challenges that we faced in 2022 – and will continue to face – the year was marked by some notable conservation achievements.

Fauna & Flora's work with critically endangered reptiles featured prominently among our 2022 success stories. A survey revealed that the population of the diminutive Union Island gecko, once the most heavily trafficked reptile in the Caribbean, has risen to around 18,000 – an 80% increase.

The year also saw the biggest ever release of captive-bred Siamese crocodiles into the wild, a massive boost to the survival chances of a reptile that was feared extinct until its rediscovery by a Fauna & Flora-led survey team.

Among other notable milestones, Príncipe announced the creation of six new marine protected areas – the first for the island – which will enhance local livelihoods, promote sustainable fishing practices and benefit a diversity of threatened marine species from sharks to sea turtles.

A series of surveys in Romania's Vâlsan River found record numbers of the asprete, a critically endangered fish that is a crucial flagship for its threatened freshwater habitat, which Fauna & Flora and our in-country partners are working to safeguard.

In partnership with WILDLABS and Ol Pejeta Conservancy in Kenya, Fauna & Flora launched the Women in Conservation Technology Programme, which promotes gender equality by supporting East African women in the field of conservation technology, in order to advance and strengthen conservation impact.

A new report published by Fauna & Flora helped shine a spotlight on plastic pellet pollution, and media coverage was complemented by a social media campaign that reached 16 million, creating an invaluable base of support for future action, including raising awareness with the UK government.

For Fauna & Flora, 2022 also marked the end of an era. After an incredible 30 years at the helm, Mark Rose announced that he would be standing down as CEO of Fauna & Flora in June 2023. When Mark took over in 1993, the Fauna & Flora Preservation Society – as it was then known – was housed in a basement of the Royal Geographical Society in London, with a handful of staff, a couple of projects and very little money. Today, Fauna & Flora is a global force in conservation and one of the most respected organisations in the field, working at over 300 project sites in around 40 countries with over 400 partners.

During Mark's tenure, many of Fauna & Flora's target species have been brought back from the brink. The population of the Antiguan racer, once the world's rarest snake, has risen from 50 to 1,100. Mountain gorillas are off the critical list. Kazakhstan's saiga antelope population stands at 1.32 million, up from 20,000 in the 1990s. Cao vit gibbon numbers have more than doubled, and the last remaining viable Tonkin snub-nosed monkey population has trebled.

Over 50 million hectares of vital habitat have been protected, thanks in no small part to the Arcadia Fund and other crucial donors whose support Mark has been responsible for securing. Fauna & Flora's marine programme, formally launched a decade ago, is thriving, but alert to the dangers of deep-sea mining. Conservation management has been resurrected in post-conflict areas such as Liberia and South Sudan, a new generation of scientists has been nurtured and biodiversity was embedded in some key company actions.

I would join everyone associated with Fauna & Flora in thanking Mark for all that he has done for the organisation over the past three decades. And I would also like to thank all our supporters for putting their faith in Fauna & Flora and helping to make us one of the most effective conservation organisations in the world, and one in which Mark – and all of us – can take tremendous pride. We move forward with our new CEO Kristian Teleki, who also has an impressive career in conservation coming most recently from leading the Ocean Programme at the World Resources Institute and with an ambition to build on Mark's incredible legacy to make an even bigger conservation impact. Your continued support will be even more vital in enabling us to save nature together.

Liz Rogers

Rosewood tree, Belize.

© Maximiliano Caal

Our shared purpose is to protect the diversity of life on Earth, for the survival of the planet and its people.

Strategic Report

Our objectives and aims

Fauna & Flora is committed to achieving the following charitable objectives:

- To conserve the environment by protecting biodiversity for the benefit of the public through globally applicable solutions that are effective locally.
- To advance the awareness and education of all sectors of society around the world in the conservation and protection of biodiversity.

In order to achieve our vision and mission, Fauna & Flora focuses on a core set of ambitions as set out in our five-year strategy, which covers the 2019-2023 business period:

Conserving threatened habitats and species:

1 Ambition one: Thriving species

2 Ambition two: Resilient Ecosystems

Empowering organisations and individuals to lead innovative conservation action:

3 Ambition three: Locally led conservation

Shaping decisions within society to benefit biodiversity:

4 Ambition four: Influencing others

Investing in Fauna & Flora's effectiveness:

5 Ambition five: Increasing visibility

6 Ambition six: Investing in our people

7 Ambition seven: Securing the resources we need

How we work

Fauna & Flora's mission is to work closely with local conservation partners around the world to save nature, together. We harness this collective expertise to inspire positive change globally. In working to achieve our mission, we ensure that all our projects adhere to a set of core principles. We deliver collaborative projects on the ground to benefit both species and the habitats they depend on, and which drive climate benefits. We work with partners ranging from local community organisations and NGOs to small-scale enterprises, larger businesses and government agencies to develop locally owned and sustainable conservation programmes. We believe this approach is more likely to result in appropriate solutions, elicit local support and ensure long-term effectiveness.

We respect and promote human rights and cultural values, as well as supporting governance systems that benefit both people and biodiversity.

We see conservation as a social process, with people at its heart, and we actively engage with the communities who live closest to threatened species and habitats, seeking to enhance human well-being and coexistence with nature.
We work more widely to influence decisions for nature, both by governments and business, and will champion emerging issues and challenge threats to the sites where we work.

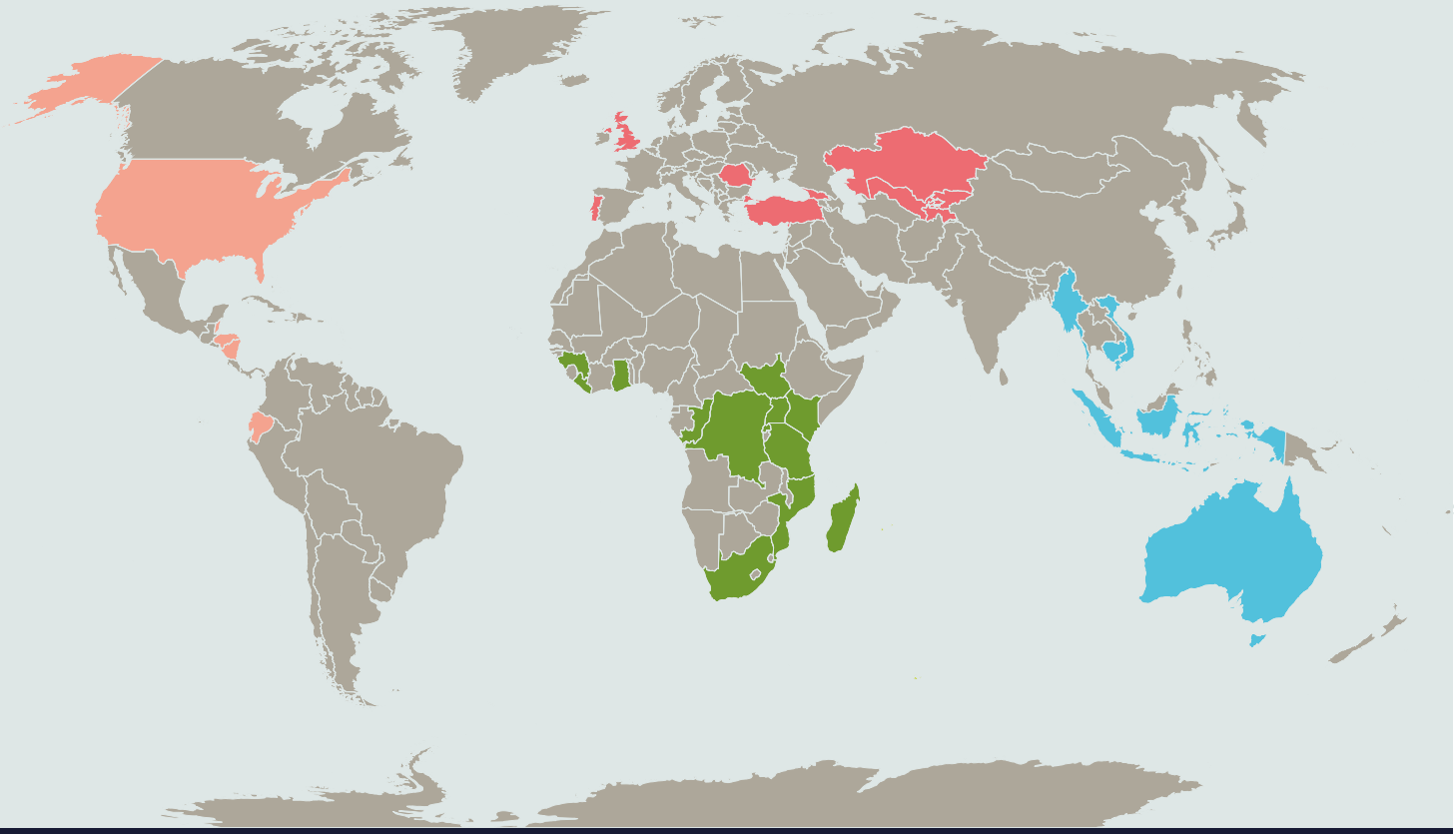
Our conservation practices are evidence-informed, taking into account both robust science and traditional knowledge. We aim to ensure that all project decisions are underpinned by the best available information and to monitor our impact rigorously, sharing what Fauna & Flora and our partners have learned, in order to improve practice and help guide future conservation innovation.

A diver carries out a marine ecosystem asessment in the Mergui Archipelago, Myanmar.

© Michelangelo Pignani/Fauna & Flora

Where we work

Fauna & Flora has over 120 projects† in around 40 countries across the globe.



Americas & Caribbean

Anguilla
Antigua and Barbuda
Barbados
Belize
Dominica
Ecuador
Honduras
Nicaragua
Saint Lucia
St Vincent & The Grenadines
United States of America*

Africa

Cabo Verde
Congo-Brazzaville
Democratic Republic of Congo
Ghana
Guinea
Kenya
Liberia
Madagascar
Mozambique
Rwanda
São Tomé & Príncipe
South Africa
South Sudan
Tanzania
Uganda

Eurasia

Georgia
Kazakhstan
Kyrgyzstan
Portugal
Romania
Tajikistan
Türkiye
United Kingdom**

Asia-Pacific

Australia*
Cambodia
Indonesia
Myanmar
Vietnam

* Administrative hub ** Headquarters

†. A project is defined as a set of activities leading towards a meaningful conservation outcome. The conservation result that a project works towards might be a specific biodiversity target, such as the conservation of a site or a species, or it might be creating a specific set of enabling conditions for delivering better conservation - for example by changing the behaviour of a particular group to address a specific issue. A project may encompass multiple sites and/or species and employ multiple conservation approaches. A project might be delivered by Fauna & Flora directly, or in collaboration with partners and other organisations.

© Juan Pablo Moreiras / Fauna & Flora

2022 highlights

What follows is a representative cross-section of Fauna & Flora's achievements during the latest reporting year, which serves to illustrate how specific activities have contributed to our conservation ambitions and organisational objectives.

A more comprehensive account of our activities and their impact over the preceding 12 months can be found in our 2022 Conservation Impact Report, which is available on our website.

Researchers pause on their homeward journey to admire the spectacular sunset.

Ambition one: Thriving species

Securing populations of threatened species

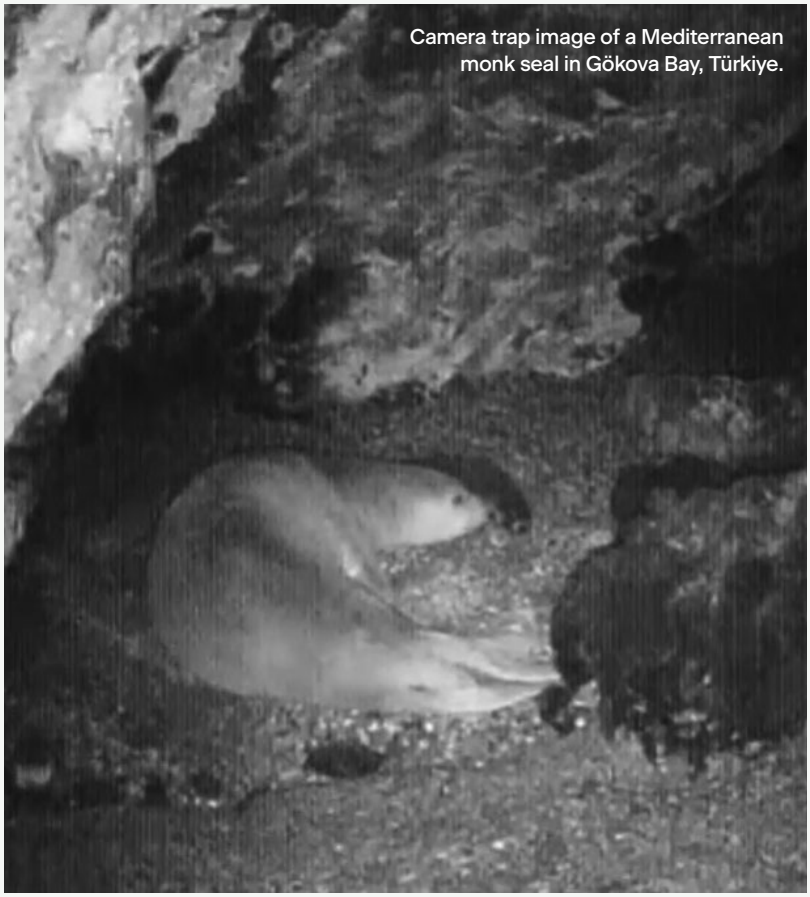
Fauna & Flora has a long and distinguished track record in bringing endangered species back from the brink, either by protecting their habitat or through direct interventions such as combating illegal wildlife trade.

Species benefiting from our work in 2022 included widely known species such as green turtles, gorillas, pangolins, and both Asian and African elephants, as well as less familiar species including saiga, the critically endangered asprete, and an array of rare reptiles.

"A Mediterranean monk seal and her pup were captured on a camera trap in Türkiye, where our partner Akdeniz Koruma Derneği has installed cave monitoring systems to check on the activity of these endangered pinnipeds. With only 600-700 Mediterranean monk seals remaining worldwide, it's uplifting to see evidence of the species breeding in a project area and shows conservation efforts are paying off."

2022 at a glance

- **We worked with 109 priority species, and at least 193 further species benefited from our work.**
- **Fifty-eight of our projects had a specific focus on priority species conservation.**
- **Over 14,000 turtle hatchlings were protected and released.**
- **Over 179,000 tree seedlings were grown or planted including over 18,000 from threatened species.**
- **Action plans were produced for 20 species.**
- **Forty-three of our projects undertook activities to address illegal wildlife trade.**



Camera trap image of a Mediterranean monk seal in Gökova Bay, Türkiye.

© Akdeniz Koruma Derneği

Case studies

Gecko good news

Union Island gecko.

© Jacob Bock / Fauna & Flora

By 2017, the Union Island gecko was officially the most heavily trafficked reptile in the region. A survey conducted the following year found that the wild population had shrunk to just 20% of its former size, largely as a result of poaching and collectors destroying its fragile habitat.

A species recovery plan, developed with local residents in 2016, has guided a range of conservation efforts including anti-poaching patrols and camera surveillance, to protect this tiny reptile. The latest survey in 2022 revealed the gecko's population has now grown from 10,000 in 2018 to around 18,000 – a heartening 80% increase. Thanks to the hard work and commitment of the local community, national government and a coalition of local and international conservation organisations (including Fauna & Flora), the Union Island gecko is making a big comeback. Despite this good news, the species remains firmly on the critical list and eternal vigilance is key if we are to secure its future.

Siamese crocodiles get a boost

The Siamese crocodile is one of the world's rarest reptiles, having disappeared from 99% of its former range. Fauna & Flora is working closely with the Cambodian government and local communities to safeguard the remaining wild crocodiles and their habitat.

In 2022, Fauna & Flora and partners completed the biggest ever release of captive-bred Siamese crocodiles into the wild. A total of 35 crocodiles were released, and three of the largest were fitted with satellite tags in addition to acoustic tags, which will enable the team to continue collecting vital data. This represents a massive boost to the survival chances of a critically endangered reptile that was feared extinct until its rediscovery by a Fauna & Flora-led survey team over two decades ago.

Siamese crocodile release, Chhay Reap, Cambodia.

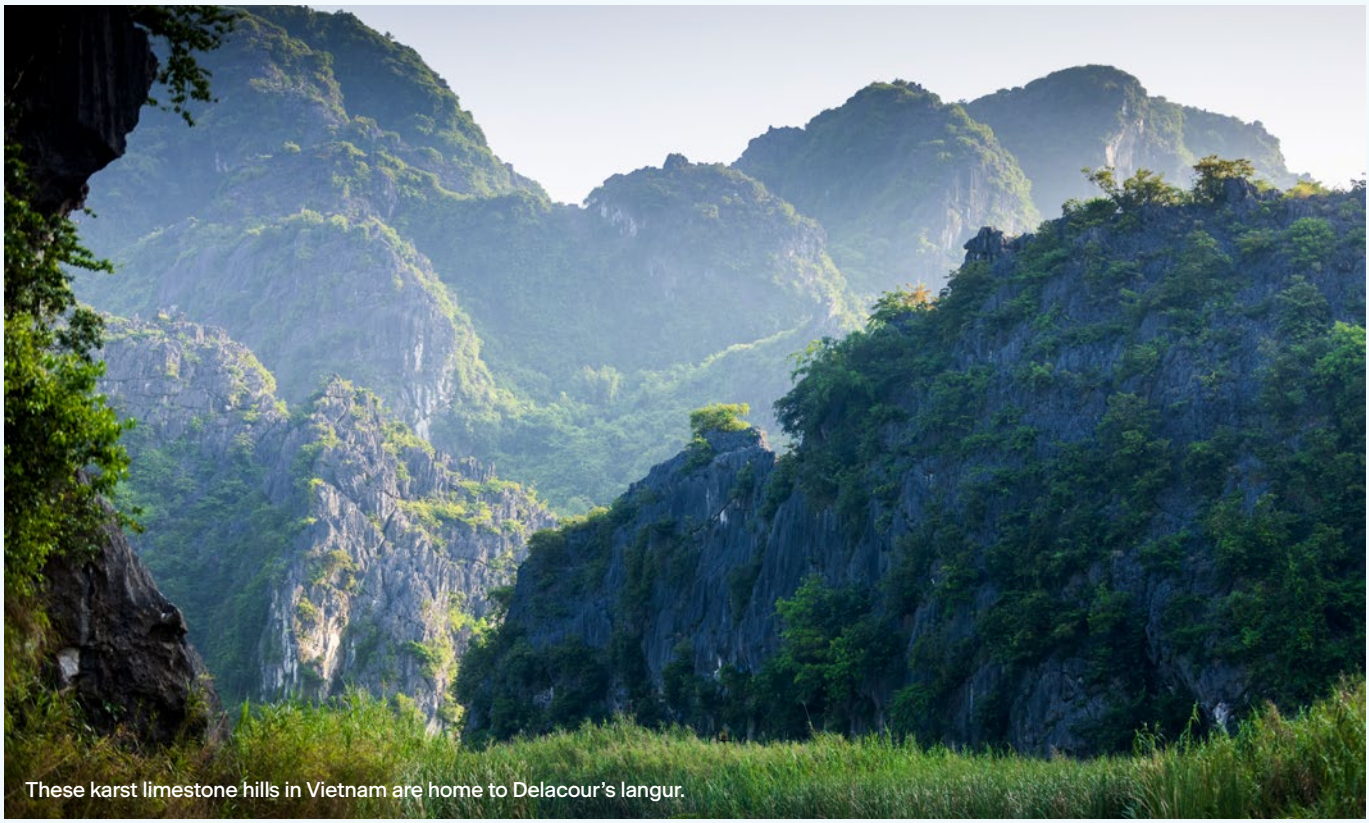
© Jeremy Holden / Fauna & Flora

Ambition two: Resilient ecosystems

Conserving threatened habitats

Our project locations around the world encompass temperate and tropical forest, grasslands and deserts, limestone caves, agricultural landscapes, wildflower meadows, wetlands and marine habitats.

Area-based conservation, both terrestrial and marine, has always been a cornerstone of Fauna & Flora's work, helping to secure safe havens for species, maintain ecosystem health and mitigate the effects of climate change. In 2022 we safeguarded key areas of natural habitat both by ensuring more effective management of existing protected areas and by bringing new areas under protection or sustainable management.



© Steph Baker / Fauna & Flora

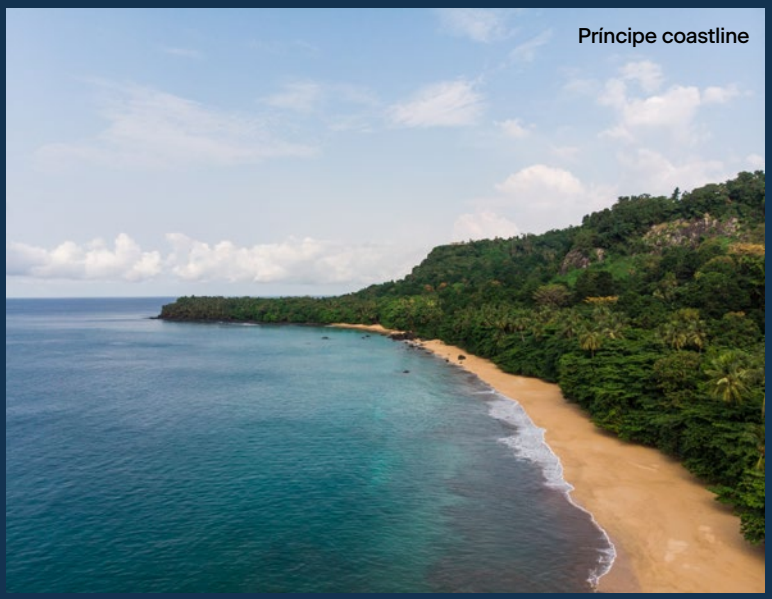
These karst limestone hills in Vietnam are home to Delacour's langur.

2022 at a glance

- We influenced conservation across 55 million hectares of important habitat, including over 11.5 million hectares where we worked directly on the ground.
- This included over 6,000 hectares that we helped to bring under conservation management for the first time (by supporting the creation of new reserves or community management areas).
- Across our portfolio of projects, we supported active management and/or protection of threatened habitats by:
  - Supporting on-the-ground protection in at least 116 sites.
  - Helping to produce 40 site-management plans.
  - Helping to restore habitat at 29 sites.
  - Helping to carry out invasive species control at 15 sites.

Case studies

Hope for Príncipe's unique coastal waters



Príncipe coastline

© Dário Pequeno Paraíso

São Tomé and Príncipe is a marine biodiversity hotspot, and its coastal waters support high numbers of reef fish, turtles and mollusc species that are unique to the area. Overfishing and destructive fishing practices are contributing to declining fish stocks and degradation of marine ecosystems, which poses serious threats to fishing communities who rely on marine resources. Fauna & Flora is working with partners Fundação Príncipe, Oikos and MARAPA to engage with local stakeholders (including government, fishers and fish traders) to promote sustainable use of marine resources around the islands.

In 2022, after several years of consultation, the Regional Government of Príncipe made a commitment towards creating the island's first Marine Protected Areas (MPAs), approving 6 new MPAs at their Regional Assembly (30 km^2). If implemented well, it's hoped that these will enhance local livelihoods, ensuring coastal communities can participate in the management of the MPAs and help promote sustainable fishing practices. The new MPAs will protect key areas including the waters around the most significant sea turtle nesting beach of the island plus habitats such as rocky reefs and rhodolith beds which are important for marine biodiversity.

Survey success for a Romanian rarity

Trio of scientists combing a stretch of the Vâlsan River during the asprete survey.

© Alex Găvan

A series of surveys led by the Alex Găvan Foundation in 2022, in partnership with Fauna & Flora, recorded unprecedented numbers of the critically endangered asprete in Romania's Vâlsan River. The Vâlsan River is the last remaining refuge of the asprete, and threats to this habitat are numerous. It was feared this little-known fish was at grave risk of extinction until its existence was reconfirmed in 2020. Survey teams covered 21 separate stretches of the river and recorded 58 individuals in 14 transects, a huge boost for the species. These findings, which also included juvenile fish (hinting at a reproducing population), highlight the urgent need for protection of the Vâlsan, which Fauna & Flora and our in-country partners are working to safeguard.

Ambition three: Locally led conservation

Working in partnership

Putting communities at the heart of conservation

Developing conservation leaders

We believe that local people and organisations, equipped with the requisite skills, tools and resources, are best placed to conserve the biodiversity on their doorsteps.

In 2022 we supported a range of partners in locally led conservation activities, worked hand in hand with communities to ensure local ownership and nurtured emerging conservation leaders across the globe.

2022 at a glance

- **We disbursed over £6.2 million in conservation grant funding and influenced the distribution of over £35 million in additional conservation funding through direct support given to five external grant providers.**
- **Over 360 organisations received some form of direct capacity development support.**
- **Of these organisations at least 17 went on to secure their own funds independently of Fauna & Flora in 2022**
- **Over 5,900 individuals received conservation training, including partner staff, students and members of local communities.**
- **We supported the establishment of five new organisations, and supported or established at least 72 community-based organisations.**

In 2022, the WILDLABS and Fauna & Flora Women in Conservation Technology Programme was launched with the goal of supporting East African women in the field of conservation technology. Fifteen early-career Kenyan conservationists participated in a six-month training course and received an introduction to a wide range of key conservation technology tools, with mentoring from female leaders in the Kenyan conservation technology field. Ongoing support to participants included seed funding to launch projects applying conservation technology.

Janet Kavutha sets up a camera trap as part of the Women in Conservation Technology programme, Kenya.

© Stephanie O'Donnell

Case studies

Seeding success for the Honduran rosewood

Ya'axché began life as a handful of environmentally conscious Mayan community members and, with support from Fauna & Flora, has grown into a nationally recognised leader in conservation, with 32 local people engaged as staff. Ya'axché now influences the conservation management of an area exceeding one million hectares, from the Maya mountains in the west of Belize to the Caribbean Sea.

Rosewood germination box.

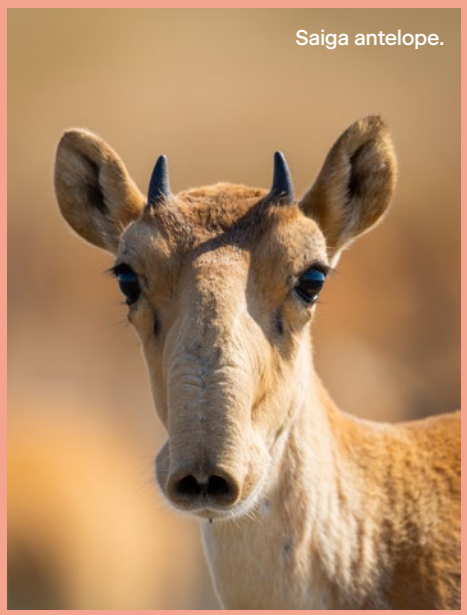
© Ya'axché Conservation Trust

One of their most recent successes has been a long time in the making. In 2022, after ten years of trying, Ya'axché managed to collect viable seed and germinate seedlings from the critically endangered native Honduran rosewood, *Dalbergia stevensonii.* This is a huge breakthrough, since rosewood is one of the world's most heavily trafficked wild products and is extremely slow-growing. Thanks to joint patrolling by Ya'axché and the Forest Department, there has been no rosewood logging since 2016 at the two main sites managed by Ya'axché. But, increasing the population of these threatened trees is crucial to their survival. Fauna & Flora has been working with Ya'axché to propagate rosewood seedlings for several years, and persistent seed monitoring in 2022 finally paid off. The 330 precious seedlings were planted within the 14,500 ha Maya Mountain North Reserve, with the hopes it will help restore the wild population to its former glory.

Accolades for saiga conservation partnership

The Altyn Dala Conservation Initiative, a ground-breaking landscape restoration initiative composed of local and international partners working to restore degraded saiga habitat in Kazakhstan, was recognised in 2022 as one of ten UN World Restoration Flagship projects. This award goes to the best examples of large-scale and long-term ecosystem restoration around the globe.

The conservation efforts and initiatives of our in-country partner Association for the Conservation of Biodiversity of Kazakhstan (ACBK), alongside the government of Kazakhstan, Fauna & Flora, Frankfurt Zoological Society and RSPB, have been pivotal to the success of this visionary project, which spans 75 million hectares of Kazakh steppe and desert. This locally-led success story has now seen saiga numbers increase from fewer than 40,000 individuals in 2005 to 1.9 million antelope in Kazakhstan today.



Saiga antelope.

© rostovdriver / Adobe Stock

Ambition 4: Influencing others

Supporting governments to protect biodiversity

Embedding biodiversity in private-sector decision making

Awareness, education and outreach activities

Encouraging behaviour and decision-making that benefit biodiversity is a crucial facet of our efforts to engender support for conservation initiatives across a range of audiences.

In 2022 we worked with governments to strengthen policy, regulatory frameworks and enforcement, engaged with key business sectors to help reduce their environmental impacts, and disseminated conservation messages to communities at our project sites worldwide.

Cardamom forest gecko in Samlaut, Cambodia.

© Jeremy Holden / Fauna & Flora

2022 at a glance

- **We engaged with policy-makers in 57 of our projects.**
- **We contributed to the development of at least 11 conservation laws, regulations or government-level strategic plans.**
- **We engaged with the corporate sector in over 50 projects.**
- **We engaged with or supported over 450 communities through our work.**
- **Our sustainable livelihood activities directly benefited over 9,000 people.**
- **Our awareness or outreach activities reached almost 200 communities and over 12,600 community members.**
- **More than 18,000 children from over 120 schools were reached through education and awareness activities.**

Case studies

Putting an end to plastic pellet pollution

Plastic pellets on a beach in Norfolk, UK.

© Ed Marshall

In 2022, Fauna & Flora published a new report titled 'Stemming the tide: putting an end to plastic pellet pollution' to shine a spotlight on plastic pellets, otherwise known as nurdles. Plastic pellets affect wildlife and coastal communities around the world. In the report, Fauna & Flora called for a series of complementary measures to bring about a systemic change in the way pellets are handled and transported on land and at sea, to ultimately achieve the goal of zero pellet loss. The report will be a useful reference tool for policymakers who are considering the most effective interventions to stop pellet pollution on a national, regional and international basis.

Speaking up for threatened species at CITES

In November 2022, a delegation of five Fauna & Flora colleagues attended the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) COP. CITES is an international agreement that regulates international trade in wild animal and plant species. Fauna & Flora provided technical input to government delegations on decisions for Asian elephants, saiga, pangolins and Siamese crocodiles.

We co-organised two side events to help raise awareness among delegates. Our presentation on the illegal trade of Caribbean reptiles was well-received and our event on addressing pangolin trafficking in Africa featured our work to develop a national action plan to protect pangolins in Kenya.

A rescued white-bellied tree pangolin being monitored before release.

© Ellie Stones

Ambition five:

Increasing visibility

Our 2019-2023 strategy places an emphasis on raising Fauna & Flora's public profile in order to grow our influence, impact and income.

2022 was a year in which we continued to build our visibility by both exploring new topics and maximising core subject areas to wider external audiences.

Our work included

- **Highlighting the problem of plastic pellets – known as 'nurdles' – polluting marine environments. Media coverage included a *Sky News* feature and an article in *The Express* newspaper with a video produced by the team viewed 22,000 times on the *Sky News* website. The media coverage was complemented by a social media campaign #NurdleAction which reached 16 million, creating an invaluable base of support for future action.**
- **Sharing the success of our work to protect the diminutive Union Island gecko, which gave a helpful boost to our media and social media profile in November, with highlights including *BBC News Online* and *New Scientist*.**
- **Using the gecko coverage as an ideal platform from which to build our visibility in the lead up to the climate change talks at COP 27 and the following COP 15 on biodiversity, for which we secured over 10,000 engagements and 50 pieces of media coverage.**

Head Warden, Sim Khmao, being interviewed about Fauna & Flora's Siamese crocodile conservation work.

© Pablo Sinovas / Fauna & Flora International

- **Growing our total social media audience by 17% and increasing engagement rates, with the greatest growth seen on LinkedIn. A focus on keywords that raise the likelihood of people finding our work through search engines has seen progress from which we will build.**
- **Supporting the wider organisation by producing engaging and targeted content to help deliver results. This included film and photo work about the Annamites that helped us secure a £15 million Biodiverse Landscapes Fund grant.**
- **Beginning the process of reviewing and refreshing our brand strategy (including research and analysis) to ensure that the way we present ourselves reflects our new conservation strategy and enables us to resonate with target audiences and achieve organisational objectives.**

Ambition six:

Investing in our people

Fauna & Flora's employees are the lifeblood of the organisation, and our strategy has the clear ambition of investing in our people to ensure a motivated, talented, committed and secure workforce who are collectively achieving even greater conservation impact.

Çağdaş Yaşar and Tunca Olguner from Akdeniz Koruma Derneği join Fauna & Flora's Harriet Branson for GIS training in Turkey.

© Kieran Murray / Fauna & Flora

We have more than doubled the number of people working at Fauna & Flora over the previous business planning period. Our People/HR team now supports more than 500 colleagues across 20 jurisdictions, and we have focused on the following priorities throughout 2022:

2022 at a glance

- **Remote working during the pandemic led us to rethink the workplace. Recognising some of the benefits of remote working on individual wellbeing, as well as the need to provide a more flexible offering to attract and retain talent, we adopted a new hybrid working policy. This aims to strike a balance between providing more flexibility while also retaining key in-person collaboration and interaction.**
- **We implemented global cost-of-living awards in line with local rates of inflation, supporting our people at a particularly financially-challenging time as well as helping toward competitiveness of our remuneration in the sector.**
- **We continued to embed mindfulness and mindful ways of working at Fauna & Flora, running regular guided mindfulness drop-in sessions and webinars on well-being issues and delivering in-depth mindfulness programmes to more teams.**
- **We carried out significant work with country programmes to support compliance and started to increase HR resources in-country to support our operations. We progressed our safeguarding work, with a continued focus on raising awareness and internal capacity-building, and established Safeguarding Focal Points across the organisation.**
- **We continued to support staff development through the Professional Development Programme. The number of courses available on Mangrove, our e-learning platform, increased to 146, with 75% of staff completing at least one course in 2022. Thirty-six live courses were delivered, and every team engaged with the programme in some form. To encourage learning from one another and strengthen connections between teams, 17 staff were supported to take part in exchange visits and six tricks of the trade webinars took place, showcasing talent and passion from across the organisation.**
- **We continued to progress against priorities identified by our equality, diversity and inclusion working group. We participated in the first RACE Report, designed to encourage UK environmental charities to tackle the ongoing lack of racial diversity in their workforce. We supported eight paid internships to provide opportunity and experience for those interested in a career in the environment sector, and we supported the set-up of affinity groups, where staff from under-represented groups can come together confidentially and share insights, experiences, and support one another.**

Ambition seven:

Securing the resources we need

Ensuring diverse and resilient income streams to support our ambitious growth plans is central to Fauna & Flora's business plan, and the ongoing turbulent external factors continue to highlight the importance of this approach as any long-term stability becomes less certain.

2022 unrestricted income took a significant hit with the dual shocks of the war in Ukraine and the rapidly escalating cost-of-living crisis. The war in Ukraine diverted charitable giving across the UK for much of Quarter 2 and the knock-on effects of the war on the global economy, including spiralling inflation reduced response rates across most of our public-facing fundraising channels.

Unlike recent years, 2022 did not bring in any significant out-of-budget boosts to income – restricted or unrestricted – and was not an extraordinary legacy income year.

While unrestricted income in 2022 was significantly under both budget and the previous year, restricted income exceeded budget, demonstrating the ongoing appeal of Fauna & Flora's conservation programmes to funders globally.

2022 at a glance

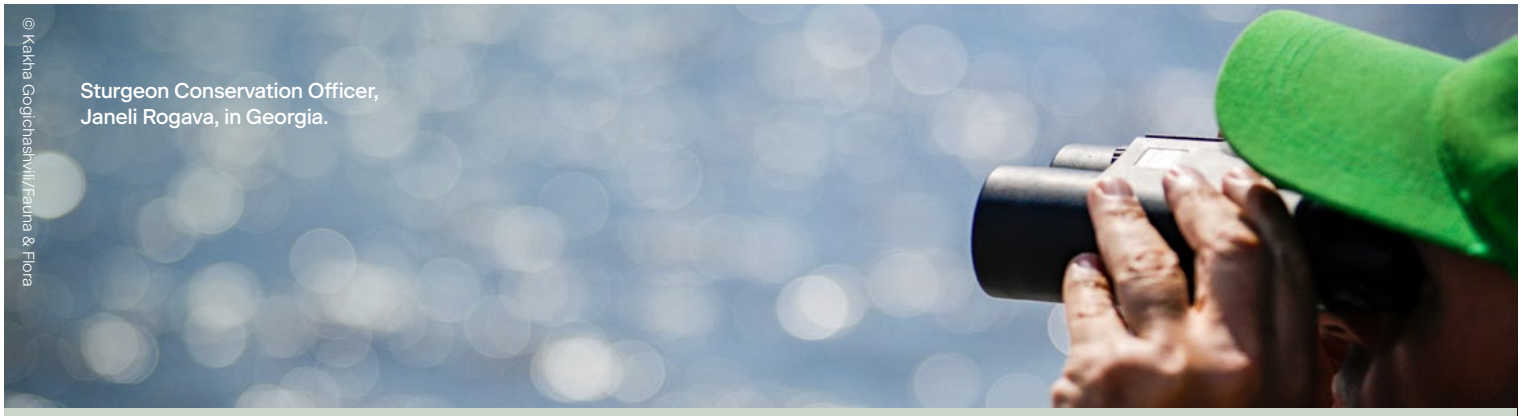
- **Total income reached just over £33.1m. This was a £3.3m decrease on 2021, however included in 2021 income was a one-off donation of £3.7m for the purchase of land in Belize.**
- **Unrestricted income was just over £5.2m (£2.3 down on budget and £1.6m down on 2021).**
- **Income from digital sources exceeded £1.7m, primarily from email, social media advertising and income through our website. Regular donor numbers increased as well to nearly 19,000 (up from 15,000 at the end of 2021).**
- **Funding received from government and multilateral sources was £7.4m in 2022 (2021: £5.6m). This represents 22% of total income in 2022, in line with organisational targets.**
- **Total income from trusts and foundations was £16.1m. Unrestricted income from trusts and foundation was £619k. Over 110 foundations gave to Fauna & Flora, including several new donors.**
- **Unrestricted income from Major Donors was just over £900k (£1.1m down on budget).**

Drosera rotundifolia flowers in Cambodia's Cardamom mountains.

© Jeremy Holden / Fauna & Flora International

© Chris Loades / Fauna & Flora

Kyrgyzstan's forests are vital for local livelihoods.



© Kakha Gogichashvili/Fauna & Flora

Sturgeon Conservation Officer, Janeli Rogava, in Georgia.

Plans for the future

There is a renewed sense of urgency surrounding the interconnected biodiversity and climate crises. But we need to harness this moment to ensure that the right decisions are taken – both for nature and for humanity.

During 2022 we refreshed and renewed our strategy, taking time to consider how the world was changing, our position within the wider conservation landscape and how Fauna & Flora could deliver most impact. We will be launching a new strategy at the start of 2023, taking us up to 2030.

This strategy responds to the growing recognition of the centrality of nature to human and planetary survival, and the links between the intertwined biodiversity and climate crises. We saw the increasing global ambition on nature and climate after the pandemic being quashed by the economic impact of the conflict in Ukraine and the increased swing to a focus on energy security rather than transition. In this context we see a need to increase the scale and visibility of our work, and to do more to contribute our voice – and that of our partners – to ensure nature is put at the heart of decision making going forwards.

There is an increasing recognition of the importance of local leadership of conservation efforts, and of the power of supporting and empowering the existing knowledge and experience of communities (including Indigenous People) who live alongside nature. Fauna & Flora has a track record of developing authentic and long-term partnerships with in-country organisations, and championing their growth as conservation leaders. We have put our work with local partner organisations and local communities at the heart of our new strategy. We firmly believe that conservation is all about people, and we want to ensure that we promote integrated approaches that deliver mutual benefits for people, nature and the climate. We seek to identify local organisations and agencies working to deliver real impact for high biodiversity sites, and partner with them to scale up projects that deliver to their agenda and that contribute to wider global biodiversity goals, including those under the new Global Biodiversity Framework agreed in December 2022. As well as delivering impact for species, climate and people on the ground, we aim to support the growth and resilience of partner organisations, so they can lead and scale up their conservation efforts into the future, as a key part of sustaining long-term impact from our work.

We aim to do more to engage with the policy environments affecting project sites and partners, ensuring we ground our policy engagement with the issues we see at our sites – so our engagements with national governments, international policy and corporates all reinforce our on-the-ground impact. We also want to ensure that the depth of understanding of the realities of on-the-ground conservation, and the implications of wider policy contexts for effective delivery, can be lifted up to international arenas to drive better decision making. To this end we aim to do more to create a platform so the voices of our in-country partners can be heard, and to address underlying systemic challenges that prevent conservation funding flowing effectively to the grass roots.

Fauna & Flora collaborates across a wide and diverse network. We plan to do more to make this work tangible and drive impact through actively sharing learning, expertise and innovation across the wider conservation community, with an emphasis on enabling in-country organisations, empowered communities and unusual sectors to access new conservation tools and techniques.

And, underpinning all our conservation impact, we will continue to focus on and invest in the growth of our own organisation, ensuring that all our staff – our most important asset – are well supported as they do their incredibly important work for the health of nature and the planet.

Water droplets on a leaf.

© Stephanie Foote/Fauna & Flora

Structure, governance and management

Our structure

Fauna & Flora is headquartered in the United Kingdom and is also registered, and has a network of branch offices, in the following locations where its four regional conservation programmes operate: Asia-Pacific (Cambodia, Indonesia, Myanmar and Vietnam), Africa (DR Congo, Guinea, Kenya, Liberia, Mozambique, South Sudan and Uganda), Americas & Caribbean (Antigua and Barbuda, Belize, Ecuador and Nicaragua), and Eurasia (Georgia, Kyrgyzstan, Romania and Tajikistan).

In addition to these branches, which form part of the Charity, Fauna & Flora has related organisations in Australia, Belize, Mozambique, Romania, South Africa and the United States of America.

Further information on these related parties can be found in Note 15 to the Financial Statements.

How we are governed

Fauna & Flora was established under a Memorandum of Association, which sets out its objects and powers, and is governed under its Articles of Association. The Board of Trustees, or 'Council', is the governing body of the organisation and has legal, financial and managerial responsibility for the Charity. The Members of Council are directors for the purpose of company law and trustees for the purpose of charity law. The company is limited by guarantee; therefore no member of the Board of Trustees has any beneficial interest in the company.

Trustee recruitment, induction and training

Members of Council are elected by the membership of the organisation at the Annual General Meeting and ordinarily serve a four-year term but can be re- elected for a further term. The Articles of Association provide for any five members in writing or for the existing trustees by resolution, to nominate any member of Fauna & Flora for election or re-election as a trustee.

Council has adopted formal procedures for the recruitment, selection and induction of new trustees and has constituted a Nominations Committee to support Council in the implementation of these procedures. The Nominations Committee reviews the structure, size, effectiveness and composition (including the skills, knowledge, experience and diversity) of Council and makes recommendations to the trustees with regard to any changes to these.

The Committee reviews all nominations and applications for officers and ordinary members of Council (as well as for other honorary appointments) and puts forward recommendations to Council on suitable nominees. Newly appointed trustees undergo an induction programme, which includes guidance on their role and responsibilities and the opportunity to visit Fauna & Flora's headquarters to spend time with staff, ensuring that Council members have the information and tools they need to fulfil their legal obligations and to play an effective role within the governing body.

© Albert Salemgareyev / ACBK

Representatives from The Association for the Conservation of Biodiversity of Kazakhstan (ACBK) and the Kazakh government release a collared saiga.

Karst limestone hills and wetlands.

© Steph Baker/Fauna & Flora

How we are managed

Council is responsible for establishing the strategy, policy and control framework of the organisation, which is achieved via twice-yearly full-day meetings and via formal delegations to its subcommittees, the officers of Council and to the Senior Leadership Team (SLT) of the organisation. To this end Council has established three further subcommittees, all the acts and proceedings of which are fully and promptly reported to the full Council, which sets the terms of reference and membership of each committee.

An Executive Committee, comprising the officers of Council has regular supervision of Fauna & Flora's management and operations. The Committee holds monthly meetings with the SLT in attendance, whilst the day-to-day operations of the Charity are the responsibility of the Chief Executive Officer (CEO), the SLT and other staff.

The Audit & Risk Committee meets three times a year and is responsible for engaging with the external audit provision, participating in the planning of the nature and scope of the audit and receiving and reviewing the Annual Report and Accounts, along with the associated Audit Findings Report. The Committee's role is to provide critical challenge and its remit includes review of internal control and risk management systems and receiving reports on such from the management of the organisation.

The Remuneration Committee meets annually to review and agree the remuneration and benefits of the CEO and SLT members, as well as to review and agree the overall remuneration policy for Fauna & Flora employees. In addition, the Committee is responsible for agreeing any significant changes in employee benefits or benefit providers.

The Charity Governance Code

Council believes that Fauna & Flora is best placed to achieve its mission and objectives if it has high standards of governance, with practices and thinking which reflect the Code's seven principles, and that by adopting these it can provide effective, strategic leadership which supports fulfilment of the Charity's vision.

Principle 7 of the Code on Openness and Accountability advocates that the board leads the organisation in being transparent and accountable and that the charity is open in its work. This applies not only to building the public's trust that the charity is delivering public benefit but to making accountability real through genuine and open two-way communication and consultation with all stakeholders; with the Code identifying staff as being a key group amongst these. As with the recent review and development of the organisation's new strategy and brand, Council have therefore sought to ensure transparency by consulting with staff and keeping them informed throughout the process of recruiting and selecting a new CEO which began in late 2022.

The Chair of Trustees, who led the process, wrote initially to all staff directly to set out what this process would entail and to emphasise the importance of staying connected and in communication during the recruitment and transition period. Stakeholder input was sought, including from staff, before the role was advertised with the Chair appearing personally to update the virtual global Town Hall staff meetings on progress. The final selection stages included a staff discussion forum with each short-listed candidate and input from SLT and the outgoing CEO before the appointment was unanimously approved by Council. When announcing the appointment of the new CEO, the Chair thanked staff for their valued engagement and input into the recruitment and selection process.

White rhino, Kenya.

© Tanguy Nicolas/Fauna & Flora

Trustee duties in relation to Section 172 of the Companies Act

The Board of Trustees is aware of its duty under section 172 to act in the way it considers, in good faith, to be most likely to promote the successful achievement of Fauna & Flora's charitable purposes.

Below is a summary of the ways in which the trustees, as the company directors, consider that they have fulfilled their obligations under section 172, having had regard to the following (amongst other matters) in doing so:

- the likely consequences of any decision in the long term
- the interests of the company's employees[1]
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a high reputation for high standards of business conduct, and
- the need to act fairly as between members of the company

Decision making

Newly appointed trustees are briefed on their responsibilities, including their duty to act in the Charity's best interests and to use reasonable skill and care to make balanced and informed decisions they believe will best enable Fauna & Flora to fulfil its mission and ambitions. When doing so they take account not only of current factors but also of any likely consequences and potential impacts their decisions may have on Fauna & Flora 's success, both now and in the future. This comes to the fore during Fauna & Flora's regular strategic planning process when careful analysis of the changing external operating environment, including any trends and likely future shocks that might affect our work, helps to shape the trustees' decision-making on where our efforts should be focused and what resources will be needed to deliver the strategy, so that Fauna & Flora can achieve greater, demonstrable and lasting impact.

In 2022, a key area of trustees' decision-making involved continued management of the range of risks presented to our people, partners, programmes and finances, so that the impacts of these on Fauna & Flora's delivery and sustainability, both in the short and longer term, could be limited wherever possible. For further information please see the key risks section later in this report.

1. As FFI has fewer than 250 UK employees we are not required to include a statement in relation to this. However, please see information earlier in this report under Ambition 6: Investing in our people.

Stakeholder engagement

Partners

Fauna & Flora has a long and successful history of building effective partnerships with others, from individuals and local community groups to national government and multilateral agencies, international NGOs and large corporates. The more organisations and individuals that can be empowered to achieve their own conservation goals, the greater the chance there is of Fauna & Flora's vision of effective, locally driven conservation being realised. Fauna & Flora's existing approach of working with local partners is more relevant than ever, with our new high level strategy to 2030 anticipating more conservation delivery being led on the ground by local partner institutions. We respect and support these in-country actors, providing technical resource, mentoring support in organisation development and access to funding where needed. We aspire to, and will strive for, equitable partnerships, investing in our relationships with core partners and harnessing the skills of each. Fauna & Flora commits to partners and places long-term, seeing long-term partnerships with local organisations as vital to cementing ongoing benefits for nature. We enable our partners to scale their projects and grow their remit and impact; evolving these partnerships over time and maintaining close (but different) relationships even when partners become more independent.

As well as working with local partners we also recognise the necessity to do more to influence wider decision making, working internationally on issues that others don't, or collaboratively as part of coalitions – and, where appropriate, supporting our local partners to engage in national policy processes and lifting their voices to international arenas. We do this in the belief that the fate of species and ecosystems is influenced not only by those living closest to them, but also by the decisions of businesses, people and policy-makers further afield. For more information on Fauna & Flora's work with partners and on influencing others please see our reporting on Ambitions Three and Four earlier in this report.

Donors, members and supporters

Fauna & Flora is fortunate to have supportive and long-standing relationships with our major donors and to have members and supporters who provide valued and steadfast support, responding positively to our campaigns and appeals and engaging with us through our digital communications and online, hybrid and in person events. We report regularly to our donors, members and supporters, providing updates on the impact we are having so they can see what their support is helping to achieve. In 2022 we held our 118th AGM as a virtual event for the third year running, enabling increased participation and the opportunity for members to actively engage with trustees and our senior leadership team and to provide us with their thoughts and feedback via a live Q&A session.

Suppliers and other stakeholders

In keeping with Fauna & Flora's values we act with integrity in all our internal and external relationships, including our business ones with our suppliers, which we foster through long-term arrangements where appropriate. Likewise, the organisation benefits from having developed long-standing relationships with key professional advisers such as our auditors and insurers. Our collaboration with our partners in the Cambridge Conservation Initiative (CCI) continues to flourish; with our global headquarters at The David Attenborough Building being part of a vibrant hub representing the world's largest cluster of conservation organisations, researchers, policy makers and practitioners.

Community and the environment

As a conservation organisation our core business is addressing threats to the world's habitats and species, protecting the environment and biodiversity and benefiting the communities in which we work. As we undertake our day-to-day activities we aim to minimise as far as possible the negative impact that Fauna & Flora has on the environment, aiming to do this by reducing the resources we use, the waste we produce and the emissions we generate, without compromising our ability to address our mission and aims. For further details please see the section on our Environmental Policy.

Reference and administrative details

Status

Fauna & Flora International (Fauna & Flora) is a company limited by guarantee, incorporated in January 1992, Registered Company Number 2677068. It was originally established in 1903 and was registered with the Charity Commission in May 1992, Registered Charity Number 1011102.

Registered office

Fauna & Flora's registered and principal office is at The David Attenborough Building, Pembroke Street, Cambridge, CB2 3QZ.

Patron

HRH The Prince of Wales

President

HRH Princess Laurentien of the Netherlands

Vice-Presidents

Baroness Valerie Amos LG CH PC

Professor Sir Roy Anderson FRS FMedSci

Sir David Attenborough OM FRS

Hon Najib Balala

The Lord Browne of Madingley FR Eng

Lindsay Bury

Dee Caffari

Charlene de Carvalho-Heineken

Giles Clark

Viscount Philippe de Spoelberch

Dame Judi Dench CH

Dr Lee Durrell

Hugh Fearnley-Whittingstall

Stephen Fry

Rupert Goodman

Edward Hoare

Tim Jarvis AM

Anders Johansson

The Lady Emma Kitchener LVO

Rove McManus

Justin Mundy LVO

Blaine T. Phillips

The Rt. Hon. the Lord Randall of Uxbridge

Sir Gareth Rhys Williams

Dr Lisbet Rausing

Dr Claudio Segré

The Rt. Hon Mark Simmonds

Victoria Stack

Jon L Stryker

Andrew Sykes

Edward van Cutsem

Antonio Versace

Charles Whitbread DL

Dr Adrian Wilson

Nigel Winser

James Wong

The Rt. Hon Baroness Young of Old Scone

Jochen Zeitz

Board of Trustees

The trustees who served during the year and at the date of this report were as follows:

Executive committee

Dr Liz Rogers	Chair *(appointed 13th September 2022)*
Hugo van Vredenburch	Chair *(stood down 13th September 2022)*
Annette Lanjouw	Vice Chair
David Gibson	Vice Chair *(co-opted 14th March 2023)*
Paul Baldwin	Treasurer

Ordinary members of council

Jeffrey Blumberg

Anna Gavazzi

Senator Abshiro Halake

Tony Juniper CBE *(co-opted 20th January 2023)*

Benjamin Khalili

Miguel Nogales *(co-opted 28th October 2022)*

Richard Plackett

Hugh Sloane

Kimberly Stewart

Hugo van Vredenburch *(from 13th September 2022)*

Diana van de Kamp *(retired 13th September 2022)*

Richard Walker OBE

Professor Joanne Webster FLS FRSB

Senior leadership team

Mark Rose	Chief Executive Officer *(until 30 June 2023)*
Kristian Teleki	Chief Executive Officer *(from 26 June 2023)*
Svetlana Ignatieva	Chief Operating Officer and Company Secretary
Joanna Elliott	Global Director of Conservation
Jonny Wright	Senior Director, Communications & Fundraising
Dr. Abigail Entwistle	Senior Conservation Director
Paul Hotham	Senior Conservation Director

Principal professional advisers

Auditors	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Solicitors	Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
Investment Managers	BlackRock, 12 Throgmorton Avenue, Drapers Gardens, London, EC2N 2DL
Bankers	Barclays Bank, Mortlock House, Vision Park, Histon, Cambridge, CB24 9DE
Insurance Brokers	Sutton Winson, Greenacre Court, Station Road, Burgess Hill, RH15 9DS

Key Policies & Statements

Public benefit

The Strategic Report demonstrates the scope of the activities undertaken by Fauna & Flora in 2022 in furtherance of its charitable purposes for the public benefit.

- Fauna & Flora promotes the conservation of the environment and the education of all sectors of society in the protection of biodiversity. We strive for a sustainable future for the planet and act to conserve threatened species and ecosystems worldwide for the benefit of the public. We promote or conduct training programmes and research and publish knowledge acquired as a result of such research, as well as undertaking and engaging in other informative activities including exhibitions, lectures, conferences and seminars.
- In exercising its powers and duties in furtherance of the Charity's Objectives, the Board of Trustees has complied with its duty, under Section 17 of the Charities Act 2011, to show due regard for the Charity Commission's general guidance on public benefit. In addition, whilst setting the organisation's annual objectives and planning its activities, both in the short and the longer term, the Trustees have also demonstrated due regard for the Commission's specific guidance relating to the conservation of the environment for the public benefit.

Wild tulip, Kyrgyzstan.

© Bret Wilson

Lioness and cubs.

© kcapaldo / Adobe Stock

Reserves Policy

Fauna & Flora is committed to maintaining a level of reserves appropriate to the identified operating needs, taking into account financial impact of risk, working capital requirements, future income sources and organisational plans and commitments. Fauna & Flora's policy is to hold 6-18 months of budgeted, recurring, unrestricted expenditure, with the target unrestricted reserve level of 12 months, whilst also taking into account the total expenditure (restricted and unrestricted) of the organisation as a whole.

The Covid-19 pandemic brought into focus the need to maintain an adequate level of reserves in order to protect the organisation from financial shocks. In setting a policy of 6-18 months with a target of 12 months, Fauna & Flora Trustees have considered the cost base and risk profile of the organisation and the impact of a sudden drop in income, and believe that the policy is appropriate to allow Fauna & Flora to continue its operations while simultaneously working to rebuild its reserves. Fauna & Flora's current reserves position is outlined in the Financial Review on page 43.

Our reserves fall into three types.

Restricted reserves

Restricted reserves reflect the balance of unspent restricted funding (e.g. grants, donations) that have been received by Fauna & Flora (often in advance) for a specific charitable purpose or project. They are not available for general purposes and can only be spent according to funder terms and conditions.

Endowment reserves

Endowment funds must be spent in accordance with funder stipulations, and are held separately within Fauna & Flora's reserves because the capital amounts must be maintained. Further details on Fauna & Flora's endowments are given in note 12 of the financial statements.

Unrestricted reserves

Unrestricted reserves are net assets around which no donor conditionality exists, which may be spent to further Fauna & Flora's charitable objectives in accordance with internal decisions made by Fauna & Flora's management and Council. Designated reserves are created from time to time when the Trustees identify organisational priorities. These reserves form part of total unrestricted reserves as they represent internally earmarked funds. Currently these funds have been designated for investment in initiatives to help minimise the environmental impact of Fauna & Flora's activities.

Investment Policy

Fauna & Flora's Investment Policy outlines how Fauna & Flora will manage its reserves, with reference to the purposes for which the funds have been raised.

Fauna & Flora is responsible for the safekeeping and investment of restricted reserves prior to their being required for project expenditure. As such, the main investment priority is capital preservation, with the funds held either on deposit with major banks or in suitable money market funds. Unrestricted reserves are held for general expenditure and to meet unforeseen requirements. As these funds may need to be available at short notice, they are regarded as short-term funds for investment purposes, with capital preservation and liquidity as the main focus. Fauna & Flora keeps a sufficient amount of funds to enable efficient cash flow on deposit with major banks or money market funds. Any excess funds may be held in short-dated bond funds and equities.

The endowment funds are long-term funds designed to produce an income in line with donor stipulations.

As such, these funds are invested in a portfolio of equities, bonds and other securities with the aim of preserving the value of the funds' capital in real terms and providing a growing income stream. The portfolios are invested over the long term approximately 70% in equities and 30% in bonds and other securities. Wherever practical, Fauna & Flora will choose investment opportunities that align with Fauna & Flora's mission.

Fauna & Flora has appointed investment managers who will manage the applicable funds in accordance with the Investment Policy approved for those funds.

Grant-making Policy

Fauna & Flora makes grants to strategic and implementing partners and in 2022 we disbursed over £6.2 million in grant funding (2021: £5.0m). All our grant funds are disbursed with clear criteria and application processes, including conducting due diligence based on materiality criteria, and use formal review and clearly defined decision-making. All grants are made based on written grant agreements, and incorporating requirements on reporting and financial oversight. Donor conditions are passed on to the recipient in the sub-grant agreement, as necessary. Fauna & Flora staff also reviewed almost 600 grant applications for external grants funds using criteria developed and agreed with the donors, and through this, influenced the allocation of an additional £35 million of conservation grant funds.

Tamar Edisherashvili, Sturgeon Researcher.

© Kakha Gogichashvili / Fauna & Flora

Environmental Policy

All of Fauna & Flora's activities are designed to address threats to the world's habitats and species and to have a positive impact on biodiversity. As an organisation focused on protecting the environment, we are committed to minimizing our environmental impact wherever we can, whilst ensuring we are able to deliver the wider environmental goals within our mission.

Our Green Group continues to work on internal initiatives to embed the organisation's Environmental Policy and to encourage best practice, resulting in achievement of a bronze award in 2019, a silver in 2020 and a gold in 2022 from the NUS Green Impact Scheme. Particularly commended was the scaling of green practices in the building and continued efforts to reduce energy consumption.

To quantify and manage Fauna & Flora's carbon footprint, we established a 2019 baseline for emissions related to our Cambridge office and organisation-wide flights. We then completed an audit of 2021 and 2022 flights, following the most commonly used accounting and reporting standard: the Greenhouse Gas Protocol. In parallel, our expenses and travel policies have been adjusted to improve information collected about flights, allowing us to track carbon on a regular basis. Our first carbon management framework was finalised in 2022 outlining our organisational approach to maximising conservation impact while minimising the carbon intensity of our operations; and providing guidelines for our staff.

We have also finalised guidance on the sustainable procurement of food and drink at events we hosted; and the internal Green Fund helped the Guinea Team to cut down on single-use plastic water bottles and disposable batteries through the procurement of water dispensers, reusable water bottles and rechargeable batteries. Since the pandemic commuting habits have changed, people come in the office less often, and this is now embedded in our new Hybrid Working Policy. Home working reduces the emissions associated with commuting to an office (although we do not track this, nor any increase in home energy bills associated with working from home). Fauna & Flora has embraced communications technology in order to reduce our carbon footprint from both commuting and overseas travel.

Energy and emissions report (SECR)

As detailed above, in the last three years we significantly reduced our energy consumption, and took various actions to promote energy efficiency and low-carbon choices. Our actions are in line with the carbon reduction and energy efficiency targets set out in the Sustainability Action Plan for the David Attenborough Building, where our headquarters is located.

	2019 (Jan-Dec)	2020 (Jan-Dec)	2021 (Jan-Dec)	2022 (Jan-Dec)
Gas (kWh)	107,078.4	94,175.3	88,310.4	95,764.9
Electricity (kWh)	55,056.5	35,865.4	36,564.7	43,137.5
Total UK energy use (kWh)[1]	**162,134.9**	**130,040.7**	**124,875.1**	**138,902.4**
Gas (tonnes CO2e)[3]	19.7	17.3	16.2	17.5
Electricity (tonnes CO2e)	14.1	8.4	7.8	8.3
Total associated GHG emissions (tonnes CO2e)[2,3]	**33.8**	**25.7**	**23.2**	**25.8**
Intensity ratioEmissions per office floor space (tonnes CO2e per m²)[3]	**0.046**	**0.035**	**0.032**	**0.035**

1. The total UK energy use covers gas and electricity consumption of the Fauna & Flora office in our global headquarters, The David Attenborough Building. Global data is not yet available, therefore we have agreed a stepwise process for our carbon footprint assessment that prioritises the UK operation, before a gradual roll out to country offices. Please note that two electricity submeters were not recording between 08/02/21 and 13/10/21, but based on a new methodology we have filled the gaps and provided a more accurate estimate for 2021. Energy consumption in 2020-2021 was also affected by the pandemic and increased home working.
2. Associated greenhouse gas (GHG) emissions have been calculated using DEFRA conversion factors, following the widely recognized independent standard, the GHG Reporting Protocol – Corporate Standard. Please note that due to a conversion factor error the 2021 gas data have been updated.

Remuneration Policy

Fauna & Flora recognises its responsibility to expend funds wisely and intelligently in line with its status as a charity and the expectations of the public and those that support its work. In parallel, it recognises its responsibility to ensure that it attracts and retains excellent people with the appropriate level of skills and experience to achieve its mission. To this end, at all levels of the organisation, it aims to ensure that pay is fair and appropriate to the skills required and responsibilities involved. It carries out external benchmarking, with the aim of ensuring that pay is competitive within the charitable sector, within the context of affordability.

Going concern

Going concern remains an increased risk area for all organisations, particularly in light of the continued effects of the global pandemic, rising inflation and cost of living, slowing down of the economy and geopolitical instability.

Trustees are required make a determination of Fauna & Flora's ability to continue as a going concern for a minimum of 12 months following the date of signing of this report. In order for Trustees to make this determination, we have reviewed our actual results from previous years, together with our current budget and have updated the projection figures and assumptions therein, taking a conservative approach. The results of this exercise indicate that Fauna & Flora has sufficient reserves to continue to deliver its strategic objectives by the end of that period, and will still maintain an adequate level of unrestricted reserves by the end of it. The Trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and are not aware of any other material uncertainties which may adversely affect the organisation.

Accordingly, the financial statements continue to be prepared on the going concern basis.

© Ed Marshall

Atlantic grey seal in Norfolk, UK.

Janet Kavutha (centre) and fellow Women in Conservation Technology participants.

Fundraising

The Trustees have reviewed Fauna & Flora's fundraising activities in light of the Charities (Protection and Social Investment) Act 2016 and the related guidance published by the Charity Commission. The following summary outlines Fauna & Flora's approach towards developing and monitoring its fundraising activities.

Fauna & Flora is a membership organisation and uses the membership offer as well as a broader regular giving proposition to cement long-term relationships with donors. Fauna & Flora's direct marketing activities are carried out in partnership with specialist agencies, who provide creative and media buying services, enabling us to develop supporter recruitment materials and to place our fundraising campaigns across a variety of offline and online channels, including direct response television and press advertisements in targeted newspapers and social media.

Fauna & Flora has a well-established major-giving programme, with approaches typically made in person by senior staff or trustees. Fauna & Flora also hosts events throughout the year, typically targeted at stewarding and soliciting funding from major donors and prospects.

Fauna & Flora has paid the applicable levy to register with the Fundraising Regulator and displays the Regulator's badge on all appropriate fundraising materials. Fauna & Flora complies with the terms and conditions of its registration, and follows the guidance and recommendations from the Regulator, as well as the standards contained in the Code of Fundraising Practice to ensure that our fundraising activities are fair, transparent and honest.

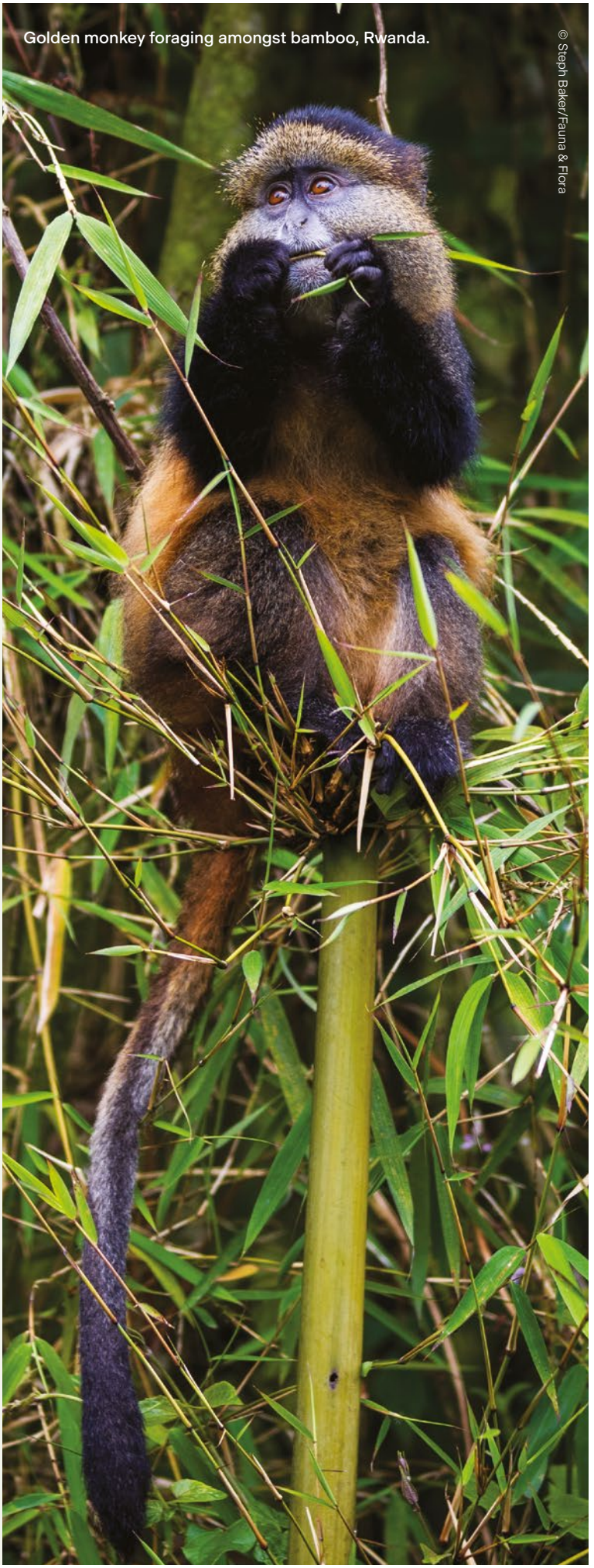
Fauna & Flora does not routinely outsource its fundraising activities. However, we occasionally work with commercial participators. All such new opportunities are assessed against Fauna & Flora's fundraising strategy and the Fundraising Regulator's guidance and with due consideration given to Fauna & Flora's reputation. We have developed a commercial participator agreement template and all such arrangements are monitored to ensure continued compliance with the legal requirements.

In 2022, we received approximately 25 complaints relating to our response handling and telephone fundraising agencies. This is where our agencies respond to calls from people who have seen our direct response television and press adverts, or who have received an appeal mailing from us. Complaints usually relate to people being 'upsold' (meaning that the call handler asks whether the potential donor would like to give an increased monthly gift) or dissatisfaction with the call handler. In each case we listen back to the call, and feedback to the agency concerned if we feel a telephone responder has not met Fauna & Flora's expectations during the conversation. In over 95% of cases the call was deemed to have met best practice standards, and no further action was needed.

We regularly monitor our telephone agencies, which includes weekly reports that highlight instances when supporters raise questions or complaints. These reports, along with training of call centre staff, enable us to continually assess their performance and ensure a high level of supporter care is achieved.

Our agencies also follow a set of guidelines to determine supporter vulnerability; if a supporter is deemed to be vulnerable, a case is raised with Fauna & Flora which will investigate the matter. This may result in a donation being declined and further action being taken. We are currently reviewing our contracted call handling agencies to ensure we are working with agencies that will provide the best experience for Fauna & Flora's supporters.

Fauna & Flora regularly reviews its Privacy Statement and updates it when necessary. Our Fundraising Promise makes it clear what personal data is collected, how it is processed and how an individual can get in touch with Fauna & Flora to change their preferences. All of Fauna & Flora's communications include easy mechanisms for unsubscribing or updating contact preferences and we ensure that our database is updated accordingly.



Golden monkey foraging amongst bamboo, Rwanda.

© Steph Baker/Fauna & Flora

Principal Risks

The Trustees have established a framework for the identification and control of the major risks to which the Charity is exposed.

The trustees have a risk-management strategy which comprises:

- A rolling review of the risks the Charity faces or which may arise, tracked in the Institutional Risk Register, complemented by regular discussion of risk by the Executive and Audit & Risk Committees.
- The establishment of systems and procedures to mitigate against those risks and their potential impacts should they materialise, identified from an operational review and as part of the Business Plan.
- The implementation of processes designed to underpin our ability to identify and manage specific risks, for example those relating to International Health, Safety & Security (IHSS); with 2022 seeing the appointment of a specialist IHSS Manager to oversee emergency planning & response mechanisms relating to such risks.
- A portfolio risk-tracking tool enabling regular and comprehensive assessment of individual project risk against a series of six risk categories (financial, social (human rights and social safeguards), health, safety & security, partner, other delivery risks and impact).
- Regular review of our insurance cover to assess whether it adequately addresses the risks and potential liabilities we face, extending cover if new risks are identified.

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Woman weaving baskets and place mats at an arts cooperative near Volcanoes National Park, Rwanda.

The key risks faced by the Charity, along with the steps taken to mitigate these risks, have been identified as follows:

Financial environment – rising inflation and cost of living, slowing down of the economy, and geopolitical instability pose a continuing range of risks. We are mitigating these risks through careful financial monitoring and management, and future scenario planning, along with diversifying our income sources and reviewing our non-essential spending. While our reserves are healthy and in line with our policy, these additional pressures will require prudent and agile management of our financial resources and reserves.

Recruitment and Retention – our people are critical to the delivery of our strategy and business plan, but attracting and retaining our talented workforce is becoming more challenging in light of the increasingly competitive global labour markets. We recognise that our people often work under immense pressure, in both conservation delivery and enabling functions and we are addressing this with recruitment and selection procedures designed to reach a wider and more diverse talent pool and paid internships to improve access to career opportunities in our sector. We aim to support our workforce in finding a fulfilling, long-term career at Fauna & Flora by investing in training and development, allowing our people to work flexibly and helping them to improve their mental resilience, promoting clear internal communications, and fostering an inclusive 'One Fauna & Flora' culture.

Financial management, compliance and resilience of in-country partners – an inherent risk, particularly where funding is sub-granted from government or multilateral donors, where funding from Fauna & Flora represents a significant element of funding portfolios, and/or where local partners have limited access to international fundraising markets. We identify risks through partner due diligence and invest in supporting our partners to build their capacity and resilience, including through our Conservation Resilience Fund. This fund also focuses on supporting partners to develop conservation enterprise schemes, allowing them to find new income streams that will provide greater financial security and, in turn, mitigate the risk to continued, sustainable delivery of our conservation programmes worldwide.

Reputational risks – Fauna & Flora's excellent reputation is dependent on continuing to demonstrate significant conservation added value, which requires all internal decision-making systems from programme design to monitoring and evaluation to be functioning well. We continue to invest in sound governance and control processes and to conduct robust due diligence on our institutional relationships, with a particular emphasis on careful selection of partners. To mitigate the reputational risk associated with a greater external profile and potential media interest, our Communications Plan includes enhanced training for staff and investment in crisis and reputation management protocols and systems to help us prevent, prepare for, and respond to crises including (but not limited to) negative press coverage.

Global safety and security – our staff and operations are inevitably subject to such risks especially given some of the more remote, difficult and insecure locations we work in and travel to, such as Myanmar and Mozambique. We seek to protect our people and programmes by monitoring global travel, security and health risks that have the potential to affect them. We also track regional security and political trends for developing situations and put in place policies, procedures and risk management measures designed to safeguard our staff and those who come into contact with our activities; strengthening and institutionalising a culture and practice of safety and security so that Fauna & Flora is well prepared for, and can respond well to, the safety and security challenges it faces.

Negative social impacts – inherent in the delivery of our conservation programmes is the risk of causing negative social impacts, including breaches of human rights. Fauna & Flora has adopted a suite of social safeguard policies and procedures to mitigate these risks and ensure that our projects and partners fully respect and uphold Indigenous Peoples' and local communities' rights as well as enhancing the equitable outcomes of our projects. Fauna & Flora's social safeguards are being shared and developed with peers and partners, helping us to live up to best practice in implementing rights-based approaches, preventing harm and addressing and effectively mitigating any negative social impacts of our work.

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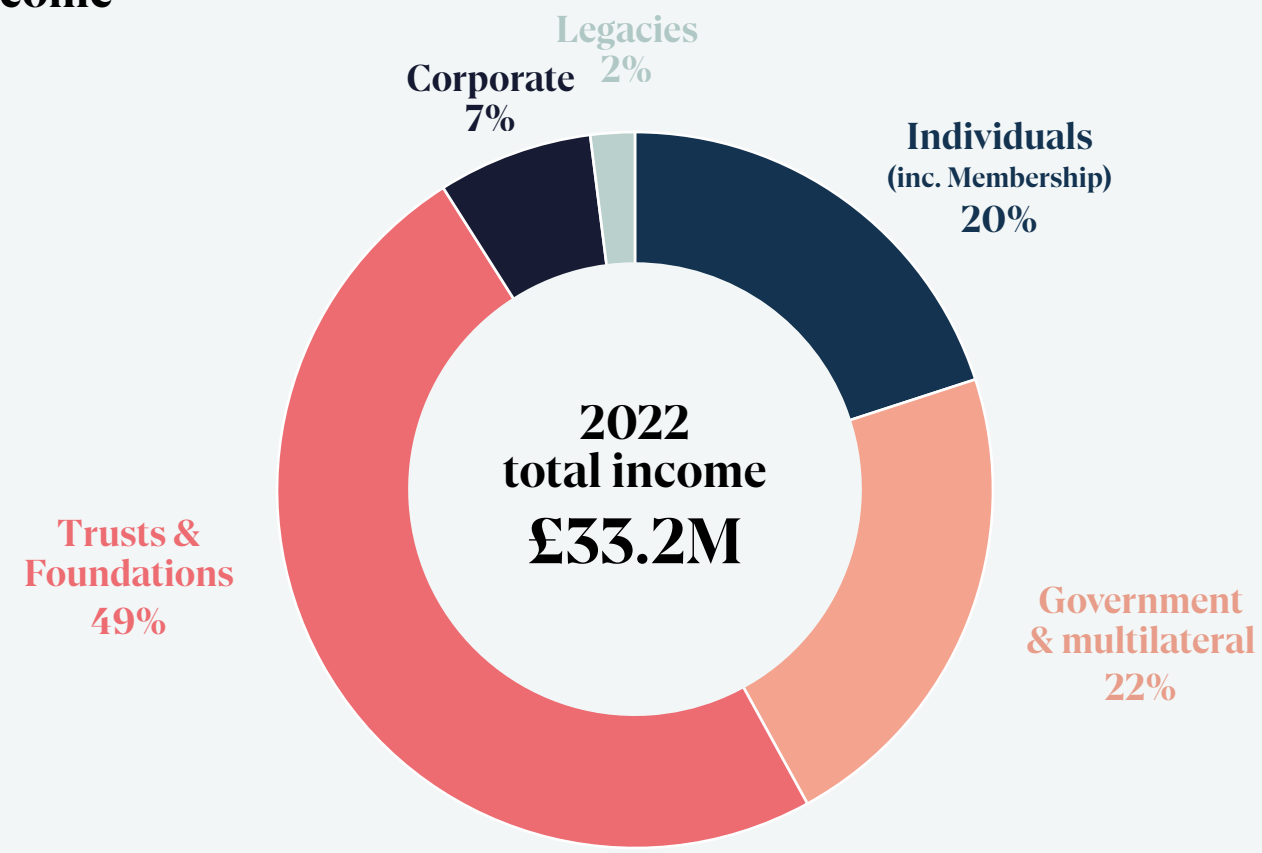
Financial Review

Overall Position

This report and the consolidated Financial Statements incorporate the results of Fauna & Flora's UK operations, its overseas branches and controlled subsidiaries and its associated permanent endowment funds.

The net movement in total funds for the period is an increase of £3.5m (2021: £10.9m increase), comprising an increase in restricted funds of £4.1m (2021: £9.5m increase), a decrease of endowment funds of £86k (2021: £57k increase) and a decrease in unrestricted funds of £520k (2021: £1.3m increase). Restricted funds includes around £6.4m of capitalised land purchases and the balance predominantly relates to current, active projects and are largely anticipated to be utilised over the course of the next one to four years.

Income



Income generated overall of £33.2m shows a decrease of £3.3mm (9%) compared with 2021. 2021 income included a one-off grant of £3.7m for the purchase of Boden Creek in Belize. Trusts & Foundations remain our largest source of income, although this has decreased from 59% of total income in 2021. Funding from Government and multilateral sources has increased from 16% in the prior year.

Unrestricted income by type

	2017	2018	2019	2020	2021	2022	2021/2022 Change
Individuals	1,241,392	1,276,626	1,362,427	4,139,416	4,081,322	3,804,560	-7%
Trusts & Foundations	1,063,758	521,424	756,517	859,475	1,821,776	619,169	-66%
Legacies	790,779	73,885	2,325,653	1,189,313	901,330	601,962	-33%
Other	7,999	38,704	25,514	34,453	7,412	195,069	2532%
Corporate	55,939	167,038	52,914	196,920	19,806	32,251	63%
Capital Campaign	2,487,505	500,000	125,000	-	-	-	0%
	5,647,372	**2,577,677**	**4,648,025**	**6,419,577**	**6,831,646**	**5,253,011**	**-23%**

Unrestricted income from Trusts & Foundations reduced by £1.2m (66%) from 2021, which included a £1.3m (€1.5m) grant from the Dutch Postcode Lottery. Income from Individuals reduced by £277k (7%) from 2021, largely as a result of a challenging fundraising environment due to the impacts of the war in Ukraine as well as the cost-of-living crisis.

Restricted income by type

	2017	2018	2019	2020	2021	2022	2021/2022 Change
Trusts & Foundations	11,152,475	10,266,072	10,206,257	11,738,061	19,713,173	15,432,208	**-22%**
Government & Multilateral	4,274,240	4,457,350	6,947,640	5,315,100	5,645,650	7,400,676	**31%**
Corporate	1,881,587	1,068,003	816,097	1,254,924	2,046,255	2,315,213	**13%**
Individuals	173,979	294,112	414,924	1,560,470	2,042,816	2,396,280	**17%**
Other	30,595	117,772	178,269	180,828	205,417	352,797	**72%**
Legacies	25,000	318,444	44,613	-	-	-	**0%**
	17,537,876	**16,521,752**	**18,607,800**	**20,049,383**	**29,653,311**	**27,897,174**	**-6%**

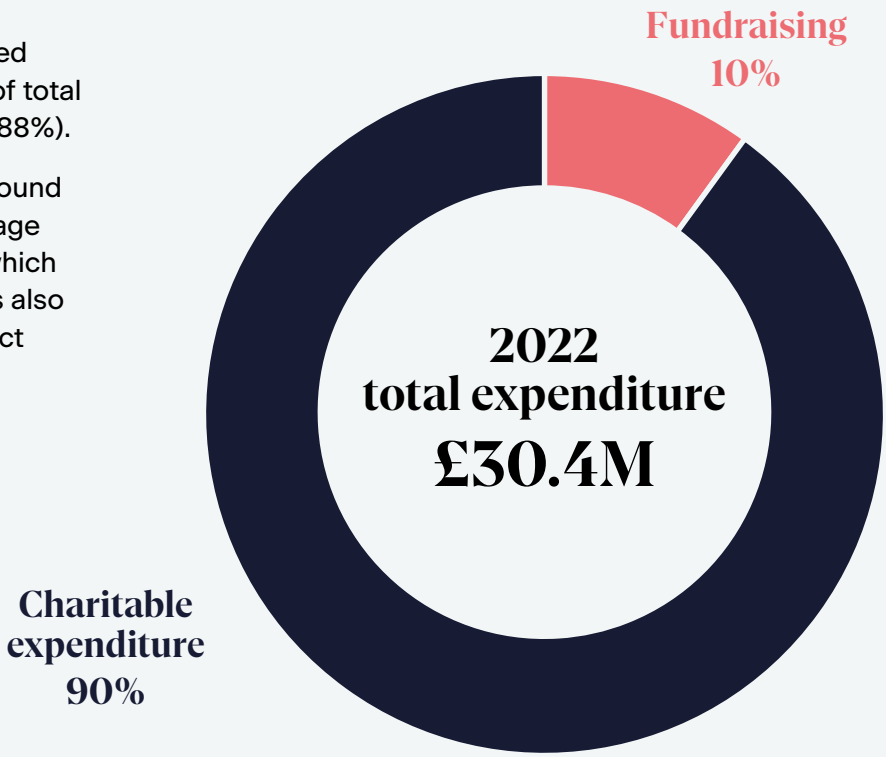
Restricted income from Trusts & Foundations has decreased by £4.2m (22%) in 2022. In 2021, income from Trusts & Foundations included a one-off grant of £3.7m for the purchase of Boden Creek in Belize. Income from Government & Multilateral donors increased by £1.8m (31%) in 2022. Government grants tend to be higher value grants and allow us to scale in activity and impacts, however they can be costly in terms of compliance as well as set-up and close-out costs. They may also require co-finance.

As ever, we are very grateful for all the support we receive from our donors.

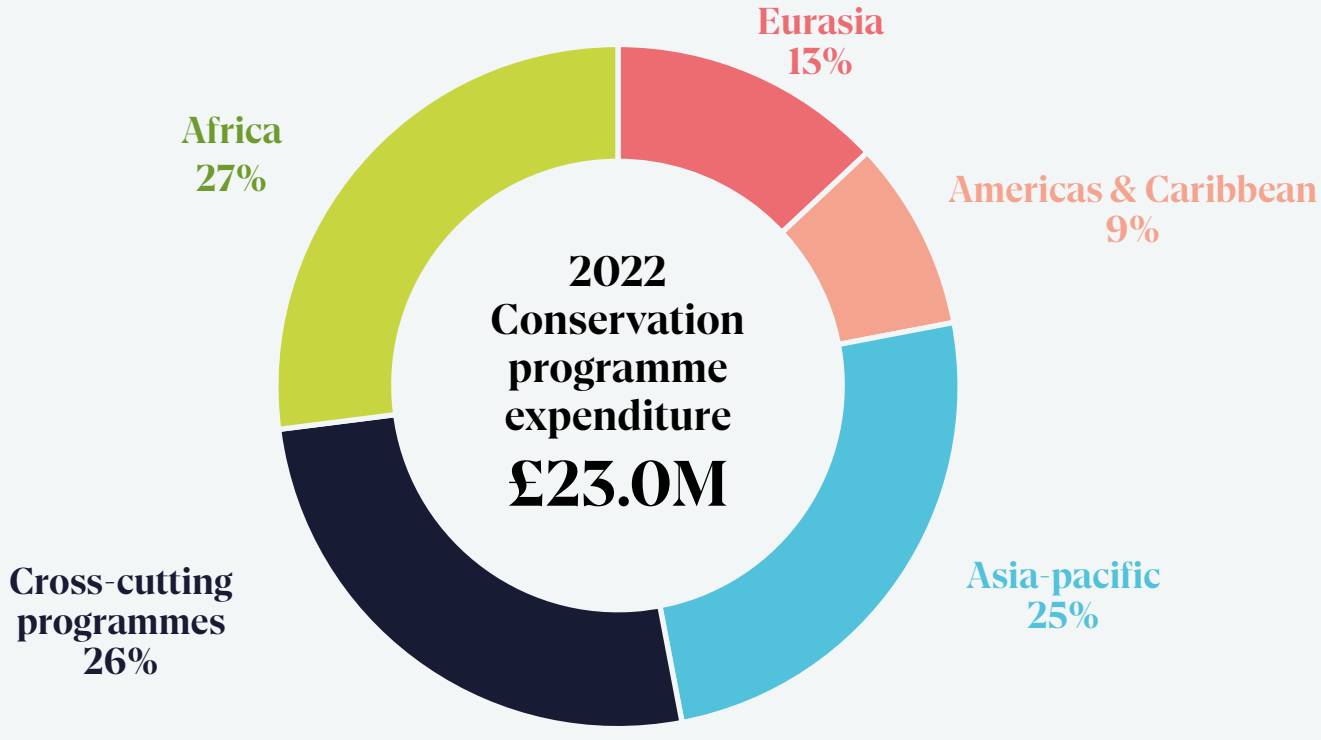
Expenditure

Charitable expenditure across our conservation portfolio has remained consistently high as a proportion of total expenditure (90%) in 2022 (2021: 88%).

With over 120 active projects in around 40 countries, we continue to manage a diverse programme of activity, which presents its own challenges, but is also evidence of our far-reaching impact in delivering tangible biodiversity conservation.



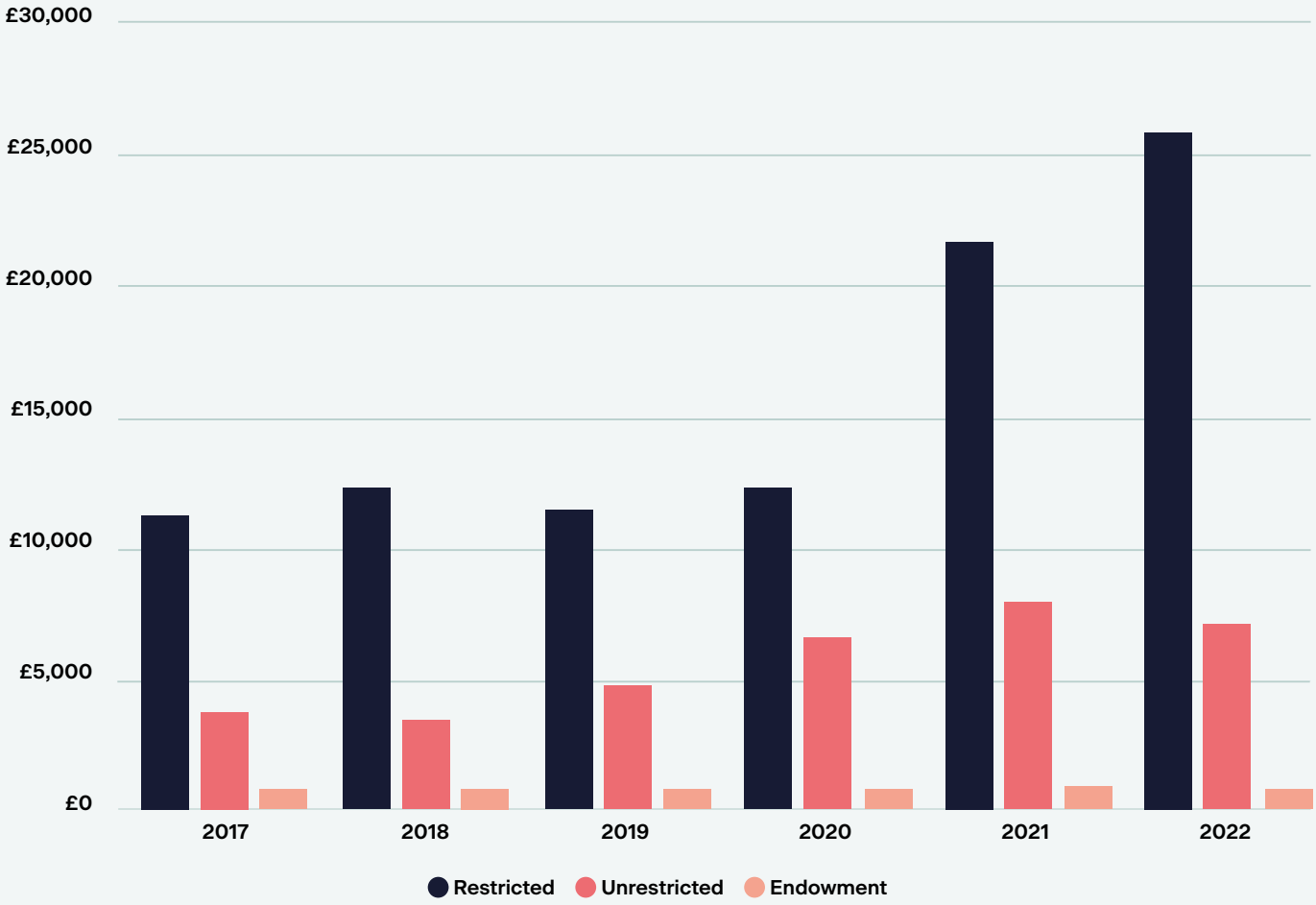
Fauna & Flora operates through four regional Conservation Programmes (Asia-Pacific (2021: 26%); Africa (2021: 24%); Eurasia (2021: 12%); and Americas & Caribbean (2021: 10%)) supported by an array of cross-cutting initiatives (Conservation Science & Design; Conservation Capacity & Leadership; Corporate Sustainability; Climate & Nature Linkages; and Sustainable Agriculture & Enterprise), which form our Cross-cutting Programmes division (2021: 28%).



Reserves

The total reserves of the organisation at the end of 2022 were £33.6m (2021: 30.1m). Restricted reserves were £25.7m (2021: $21.6m), these funds comprise balances of unspent restricted funding, funds received in advance, and £6.4m of capitalised land and other programme related investments. Endowment reserves were £639k (2021: £725k), these funds are invested to secure the capital base whilst producing an income stream in support of our gorilla conservation work.

Unrestricted reserves were £7.3m (2021: £7.8m). Free reserves (unrestricted reserves less unrestricted fixed assets of £161k (2021: £179k) are £7.1m (2021: £7.6m). This represents 7.9 months[1] (2021: 9.6 months) of budgeted, recurring core expenditure. As outlined in our reserves policy on page 31, we aim to hold unrestricted reserves of 6-18 months.



1. Unrestricted free reserves represents 11.5 months (2021: 13.4 months) of committed, recurring expenditure when measured using 2022 core expenditure levels as outlined in Note 6a.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Fauna & Flora International for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditors

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken the necessary steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that you are aware of that information.

The Trustees' Annual Report and the Strategic Report contained therein were approved and authorised for issue by the Board of Trustees on 29th June 2023 and signed on its behalf by

Liz Rogers, Chair

Independent Auditor's Report to the Members of Fauna & Flora International

Opinion

We have audited the consolidated financial statements of Fauna & Flora International ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the charitable company's affairs as at 31 December 2022 and of the group's income and expenditure, for the year 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 group 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 trustee's 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 charitable company's or the group'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their 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 and proper 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 trustees' responsibilities statement set out on page 48, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation and General Data Protection Regulation (GDPR). We also considered compliance with local legislation for the group's overseas operating segments.

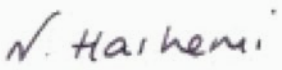
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission, sample testing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Naziar Hashemi
Senior Statutory Auditor
on behalf of
Crowe U.K. LLP, Statutory Auditor, London
Date: 11th August 2023

A white-bellied tree pangolin in its habitat.

© Ellie Stones

Financial Statements

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 December 2022

	Notes				2022	2021
		Unrestricted	Restricted	Endowment Funds	Total	Total
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	3a, 3b	3,874,100	2,396,280	-	6,270,380	6,334,452
Charitable Activities		1,181,608	25,163,384	-	26,344,992	29,807,934
Investments		194,613	105,989	221	300,823	24,122
Other Trading Activities		2,234	-	-	2,234	131,507
Other		456	246,808	-	247,264	187,111
Total		**5,253,011**	**27,912,461**	**221**	**33,165,693**	**36,485,126**
Expenditure on:						
Raising funds		3,161,365	-	-	3,161,365	3,165,103
Charitable activities		3,454,325	23,732,719	-	27,187,044	22,395,108
Jointly controlled operations expenditure	21	55,019	-	-	55,019	35,730
Total	4a, 6a, 6b	**6,670,709**	**23,732,719**	**-**	**30,403,428**	**25,595,941**
Net gains/(losses) on investments		(4,357)	(22,519)	(86,442)	(113,318)	61,175
Net income		**(1,422,055)**	**4,157,223**	**(86,221)**	**2,648,947**	**10,950,360**
Transfers between funds	12	755,425	(755,425)	-	-	-
Other gains/(losses)	4b	146,959	683,877	-	830,836	(94,559)
Net movement in funds		**(519,671)**	**4,085,675**	**(86,221)**	**3,479,783**	**10,855,801**
Reconciliation of funds:						
Total funds brought forward		7,822,078	21,594,379	724,890	30,141,347	19,285,546
Total funds carried forward	12	**7,302,407**	**25,680,054**	**638,669**	**33,621,130**	**30,141,347**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

In 2021, unrestricted voluntary income was £4,291,636 (the remainder was restricted). In 2021, unrestricted charitable activities income was £2,402,811 (the remainder was restricted). In 2021, unrestricted investment income was £5,692 and endowment investment income was £149 (the remainder was restricted). In 2021, all income from other trading activities was unrestricted. In 2021, all income from other sources was restricted.

In 2021, unrestricted charitable activities expenditure was £2,594,970 (the remainder was restricted). In 2021, all expenditure on raising funds was unrestricted. In 2021, all expenditure on jointly controlled operations was unrestricted.

In 2021, unrestricted net gains on investments were £3,873 (the remainder was gains on endowment fund investments). In 2021, unrestricted transfers were £308,493 (the remainder was restricted) and unrestricted other losses were (£26,952) (the remainder was restricted).

Consolidated Balance Sheet

For the year ended 31 December 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed Assets					
Tangible assets	7a	1,855,772	1,562,801	668,101	372,273
Intangible assets	7b	45,713	114,720	45,713	114,720
Investments	8	23,005,425	20,490,551	23,005,425	20,490,551
Total fixed assets		24,906,910	22,168,072	23,719,239	20,977,544
Current Assets					
Debtors	9	3,607,886	2,543,585	4,510,838	2,208,363
Cash at bank and in hand		7,010,457	7,044,811	4,872,469	5,668,075
Total current assets		10,618,343	9,588,396	9,383,307	7,876,438
Creditors: amounts falling due within one year	10	(1,886,437)	(1,597,435)	(1,858,920)	(1,579,021)
Net Current Assets		8,731,906	7,990,961	7,524,387	6,297,417
Provisions for liabilities	11	(17,686)	(17,686)	(17,686)	(17,686)
Total net assets		**33,621,130**	**30,141,347**	**31,225,940**	**27,257,275**
The funds of the charity					
Income funds					
Unrestricted funds	12	7,246,862	7,765,576	5,096,876	5,715,377
Designated funds	12	55,545	56,502	55,545	56,502
		7,302,407	7,822,078	5,152,421	5,771,879
Restricted funds	12	25,680,054	21,594,379	25,434,850	20,760,506
		32,982,461	29,416,457	30,587,271	26,532,385
Capital Funds					
Permanent endowment funds	12	638,669	724,890	638,669	724,890
Total Charity Funds		**33,621,130**	**30,141,347**	**31,225,940**	**27,257,275**

The surplus in respect of the parent charity only was £3,968,665 (2021: £9,954,394).

The attached notes form part of these financial statements.

Approved by the Board of Trustees and authorised for issue on 29th June 2023 and signed on its behalf by

Chair: Liz Rogers

Treasurer: Paul Baldwin

Consolidated Cash Flow Statement

For the year ended 31 December 2022

Statement of cash flows	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Cash flows from operating activities	16	201,004	10,562,479	(418,882)	9,973,285
Cash flows from investing activities	16	300,823	24,122	297,756	22,226
Cash flows from financing activities	16	(863,234)	(3,886,452)	(863,234)	(3,872,182)
		(361,407)	**6,700,149**	**(984,360)**	**6,123,329**
Reconciliation of Net Cash Flow to Movements in Net Funds					
Increase/(decrease) in cash in the year		(361,407)	6,700,149	(984,360)	6,123,329
Cash and cash equivalents at the beginning of the reporting period		22,322,117	15,793,394	20,945,382	14,974,534
Change in cash and cash equivalents due to exchange rate movements		1,990,819	(171,426)	1,852,519	(152,482)
Cash and cash equivalents at the end of the reporting period		**23,951,529**	**22,322,117**	**21,813,541**	**20,945,381**

Analysis of cash and cash equivalents	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash at bank and in hand	7,010,457	7,044,811	4,872,469	5,668,075
Deposit accounts	16,941,072	15,277,306	16,941,072	15,277,306
	23,951,529	**22,322,117**	**21,813,541**	**20,945,381**

The attached notes form part of these financial statements.

Notes

1 Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements. Fauna & Flora meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with the 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 effective 1 January 2015 (The FRS 102 Charities SORP) and the Companies Act 2006.

b) Basis of consolidation

The consolidated financial statements comprise a consolidation of the financial statements of Fauna & Flora International and its fully owned subsidiaries, Fauna & Flora International Australia (Ltd), Fauna & Flora International USA Inc., Fauna & Flora International (South Africa), Fauna & Flora International S.R.L. and Boden Creek Land and Cattle Ltd, and its share of its jointly controlled operations (the Carribean Alliance) with Re:Wild.

c) Significant estimates or judgements

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The investment in Boden Creek Land and Cattle Ltd by Fauna & Flora International has been accounted for as a programme related investment in the charity only balance sheet, rather than as an investment in a subsidiary. The purchase of the share capital of the company was completed in order to achieve ownership of the land owned by the company. The company has no other assets or liabilities. As such on a substance over form basis, the investment has been accounted for as a programme related investment rather than an investment in a subsidiary in the charity only balance sheet.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of Fauna & Flora's designated funds is set out in the Reserves Policy within the Trustees' Report. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Permanent endowments are funds which are permanently restricted, details of which are set out in note 12 of the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

e) Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income, that receipt is probable and the amount can be quantified with reasonable accuracy. Income from donations is accounted for when received and legacy income is included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grant income is recognised when all three recognition criteria are met (entitlement, probability and measurability). Income from performance related grants and contracts is included in the accounts to the extent that entitlement has been earned through performance of the contract.

Legacies are recognised at the earlier of the settlement of the estate or the receipt of payment.

f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Project activity costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and oversight delivered from UK contracted staff. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are indirect costs related to the overall management and facilities of the organisation, Trustee administration of the charity and compliance with constitutional and statutory requirements.

g) Pension Contributions

The charitable company contributes to individual personal pensions for staff; contributions are charged to the profit and loss account as they become payable.

h) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

i) Foreign Exchange

Assets and liabilities denominated in foreign currencies are translated into sterling on the balance sheet at the rates of exchange ruling at the year-end. Unrealised gains and losses on re-translation of monetary assets are shown as income or expenditure in line with FRS 102. Unrealised gains and losses of non-monetary assets are dealt with as part of the deficit or surplus on ordinary activities for the financial year. Gains and losses related to restricted projects cannot be allocated to specific projects. Therefore, these are accumulated in a foreign exchange revaluation fund and grouped with restricted reserves, as shown in note 12. These are then allocated to the relevant projects as they are completed.

j) Tangible Assets

Tangible assets are shown at cost less depreciation. Assets in use in the organisation are capitalised where the value of an individual item is greater than £3,000 and the asset has a long-term useful life. When items of portable equipment are acquired, such items that fall below this threshold may be capitalised. Where items are acquired from funding from restricted grants, these items will be treated in accordance with the grant requirements and therefore may well be fully expensed in the year of acquisition, rather than capitalised.

Depreciation is provided so as to write off the cost of tangible assets over their estimated useful lives at the following annual rates:

Fixtures and fittings	20 - 25% straight line
IT equipment	33% straight line
Software	20% straight line
Land & buildings *(buildings only, land not depreciated)*	5% straight line
Vehicles	20% straight line

k) Investments

Listed investments are included at the mid-market price as shown in the Stock Exchange Daily Official List as at close of business at the year end. The SOFA includes the net unrealised gains and losses arising on revaluations and realised gains and losses on disposals throughout the year.

l) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Deferred income

Deferred income relates to performance related grant and contract income where the conditions of the grant have not yet been met and therefore the Charity is not entitled to the income until a future period.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and comprise cash and bank and in hand, short term cash deposits together with trade and other debtors excluding prepayments. Financial liabilities held at transaction value comprise the short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

q) Going concern

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

2 Company Status

The company is limited by guarantee, not having share capital, and is also a registered charity; it is not liable to corporation tax. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the limited liability company.

3a Donations and legacies

	2022	2021
	£	£
Individuals	5,668,418	5,433,122
Legacies	601,962	901,330
	6,270,380	**6,334,452**

3b Income

	Restricted	Unrestricted	Endowment	2022 Total	2021 Total
	£	£	£	£	£
Income Source					
Government & Multilateral	7,400,676	-	-	7,400,676	5,647,370
Trusts & Foundations	15,447,495	619,169	-	16,066,664	21,534,969
Corporate	2,315,213	32,251	-	2,347,464	2,066,061
Individuals	2,396,280	3,876,334	-	6,272,614	6,465,959
Membership	-	530,188	-	530,188	559,534
Investment	105,989	194,613	221	300,823	24,122
Other	246,808	456	-	247,264	187,111
Total	**27,912,461**	**5,253,011**	**221**	**33,165,693**	**36,485,126**

In 2021, Income from Trusts & Foundations included a one-off donation of £3.7m (US $4.9m) for the purchase of Boden Creek in Belize.

4a Expenditure

	2022	2021
	£	£
Expenditure includes:		
Auditors' remuneration - audit	62,958	52,855
Auditors' remuneration - other	42,976	76,691
Depreciation	209,256	169,954
Operating leases: land and buildings	229,526	449,851

4b Other gains/(losses)

	2022	2021
	£	£
Other gains/losses includes:		
Realised foreign exchange gains/(losses)	32,814	14,091
Unrealised foreign exchange gains/(losses)	786,844	(108,650)
Gains/(losses) on disposal of tangible fixed assets	11,178	-
	830,836	(94,559)

5 Employee information

5a Staff costs

	2022	2021
	£	£
Wages and salaries	11,574,711	9,536,309
Social security costs	1,161,693	958,882
Pension costs	600,606	529,902
	13,337,010	**11,025,093**

Included in the above is £378,672 relating to termination payments in 2022 (2021: £29,612).

5b

	2022	2021
The average number of persons, analysed by function, employed during the year was:		
Project management	455	432
Fundraising	21	21
Administration	29	26
	505	**479**

5c

	2022	2021
Employees whose emoluments for the year were £60,000 or more are shown in the following bands:		
£60,001 - £70,000	4	5
£70,001 - £80,000	5	2
£80,001 - £90,000	3	2
£90,001 - £100,000	4	1
£100,001 - £110,000	0	2
£110,001 - £120,000	0	1
£120,001 - £130,000	1	1
£130,001 - £140,000	1	0
£150,001 - £160,000	0	1
£450,001 - £460,000	1	0

The pension contributions to pension schemes for the higher paid staff were £87,420 (2021: £86,632).

The total value of salary and benefits received by key management personnel in 2022 was £1,183,356 (2021: £861,700).

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties unless formal approval has been received from the Charity Commission. In 2022, £6,629 (2021: £4,076) was reimbursed to, or paid on behalf of Trustees in respect of travel and subsistence during the year.

6a Analysis of Total Expenditure

	Staff costs	Other costs	Support costs	Total 2022	Total 2021
	£	£	£	£	£
Conservation Programme Area					
Africa	2,149,386	4,087,569	277,502	6,514,457	4,548,071
Asia Pacific	3,148,709	2,758,075	139,653	6,046,437	4,810,506
Americas & Caribbean	711,274	1,408,444	195,498	2,315,216	1,825,381
Eurasia	1,134,281	1,837,148	126,346	3,097,775	2,164,900
Cross-cutting Programmes	3,705,790	2,481,530	214,740	6,402,060	5,243,610
Other (incl. Foreign exchange (gain)/loss)	-	(1,396,356)	-	(1,396,356)	152,480
Programmatic Activities	**10,849,440**	**11,176,410**	**953,739**	**22,979,589**	**18,744,948**
Fundraising costs	1,157,098	-	2,004,267	3,161,365	3,165,103
Support & administration costs	2,256,845	-	2,005,629	4,262,474	3,685,890
Total costs	**14,263,383**	**11,176,410**	**4,963,635**	**30,403,428**	**25,595,941**

The foreign exchange (gain)/loss is the revaluation of monetary assets arising from the organisation operating internationally.

6b Analysis of Support Costs

	Programme Activities	Fundraising costs	Operations & Governance costs	Total 2022	Total 2021
	£	£	£	£	£
Office rent & services	88,510	-	519,024	607,534	513,611
Equipment acquisition & maintenance	33,451	454	8,895	42,800	48,193
Grants	222,955	32,500	-	255,455	49,088
Conference attendance & event costs	9,963	33,022	67,563	110,548	83,538
Printing, publications and media costs	787	1,223,210	25,386	1,249,383	1,552,325
Bank charges and interest	13,174	74,040	10,785	97,999	115,007
Depreciation	6,763	28,073	42,564	77,400	70,320
IT, telephony & office supplies	105,859	116,684	226,180	448,723	412,599
Travel & Subsistence	214,380	62,554	202,974	479,908	142,938
Audit, Legal & Professional fees	219,241	407,122	890,898	1,517,261	1,232,962
Other costs	38,656	26,608	11,360	76,624	127,483
Total support costs	**953,739**	**2,004,267**	**2,005,629**	**4,963,635**	**4,348,064**

7a Tangible Fixed Assets (all group fixed assets are attributable to the charity, excluding the land & buildings)

	Fixtures & Fittings	IT Equipment	Land & Buildings	Vehicles	Total
	£	£	£	£	£
Cost:					
At 1 January 2022	35,900	88,124	1,192,695	729,746	2,046,465
Additions	12,561	55,013	-	362,515	430,089
Disposals	-	(49,589)	-	(5,965)	(55,554)
At 31 December 2022	**48,461**	**93,548**	**1,192,695**	**1,086,296**	**2,421,000**
Depreciation					
At 1 January 2022	5,622	53,653	319	424,070	483,664
Charge for year	8,488	8,530	639	119,461	137,118
On disposals	-	(49,589)	-	(5,965)	(55,554)
At 31 December 2022	**14,110**	**12,594**	**958**	**537,566**	**565,228**
Net book value:					
At 31 December 2022	**34,351**	**80,954**	**1,191,737**	**548,730**	**1,855,772**
At 31 December 2021	30,278	34,471	1,192,376	305,676	1,562,801

7b Intangible Fixed Assets (all group intangible fixed assets are attributable to the charity)

	Software	Total
	£	£
Cost:		
At 1 January 2022	565,333	565,333
Additions	3,131	3,131
Disposals	-	-
At 31 December 2022	**568,464**	**568,464**
Depreciation		
At 1 January 2022	450,613	450,613
Charge for year	72,138	72,138
On disposals	-	-
At 31 December 2022	**522,751**	**522,751**
Net book value:		
At 31 December 2022	**45,713**	**45,713**
At 31 December 2021	114,720	114,720

8 Fixed Asset Investments (all group fixed assets are attributable to the charity)

	2022	2021
	£	£
Movement during the year		
Market value as at 1 January	20,490,551	12,547,574
Net gains/(losses) during the year	(113,318)	61,175
Foreign exchange gains/(losses) during the year	2,072,757	135,004
Capital invested/(withdrawn) during the year	555,435	7,746,798
Total Investments	**23,005,425**	**20,490,551**

Investments are represented by:	2022	2021
	£	£
Fixed interest securities & equity shares	661,662	752,461
Cash deposit funds	16,941,072	15,277,306
Programme related investments	5,402,691	4,460,784
Total Investments held in the UK	**23,005,425**	**20,490,551**

The historic cost of investments as at 31 December 2022 was £22,943,763 (2021: £20,338,091).

Programme related investments consists of land held in Ecuador and in Belize with the intention of transferring it to a local organisation capable of preserving its conservation value.

9 Debtors

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Trade debtors	2,647,623	1,402,085	2,451,444	1,320,629
Amounts due from subsidiaries	-	-	1,136,730	511,717
Prepayments and accrued income	960,263	1,141,500	922,664	376,017
	3,607,886	**2,543,585**	**4,510,838**	**2,208,363**

All the above amounts fall due within one year.

10 Creditors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	298,770	450,900	287,764	453,181
Amounts due to subsidiaries	-	-	664	-
Tax and social security	790,216	641,071	783,522	633,779
Accruals and deferred income	792,317	505,464	781,836	492,061
Other creditors	5,134	-	5,134	-
	1,886,437	1,597,435	1,858,920	1,579,021

Accruals and deferred income includes the following:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income at 1st January	4,790	65,823	4,790	65,823
Income deferred in year	-	4,790	-	4,790
Amounts released from previous years	(4,790)	(65,823)	(4,790)	(65,823)
Deferred Income at 31st December	-	4,790	-	4,790

11 Provisions (all provisions are attributable to the charity)

	At 01/01/2022 £	Provisions created / (released) £	Provisions utilised £	At 31/12/2022 £
Land taxes payable	17,686	-	-	17,686
	17,686	-	-	17,686

Provision has been made in a prior year for land tax in Ecuador that may be payable by Fauna & Flora.

12 Reconciliation of funds

	Balance b/fwd	Income	Expenditure	Other gains/ (losses)	Movements between funds	Balance c/fwd
	£	£	£	£	£	£
Unrestricted						
General unrestricted funds	7,765,576	5,253,011	(6,670,709)	142,602	756,382	7,246,862
Designated funds	56,502	-	-	-	(957)	55,545
Total unrestricted funds	**7,822,078**	**5,253,011**	**(6,670,709)**	**142,602**	**755,425**	**7,302,407**
Endowment funds						
Rothiemurchus Bequest Fund	37,993	221	-	(4,155)	-	34,059
Whitley Animal Protection Trust	686,897	-	-	(82,287)	-	604,610
Total endowment funds	**724,890**	**221**	**-**	**(86,442)**	**-**	**638,669**
Restricted funds						
Africa	4,046,491	3,362,897	(6,190,034)	(55,347)	2,543,194	3,707,201
Americas & Caribbean	6,282,891	1,420,098	(2,039,134)	(9,502)	648,603	6,302,956
Asia-Pacific	4,392,089	6,557,986	(6,567,573)	1,308	1,065,361	5,449,171
Conservation Capacity and Leadership	1,917,110	3,089,150	(2,630,740)	(2,294)	(19,488)	2,353,738
Cross-cutting Programmes Development	419,148	79,941	(71,647)	(336)	-	427,106
Conservation Science and Design	2,184,724	7,703,614	(3,114,266)	1,964	(4,005,491)	2,770,545
Climate & Nature Linkages	162,189	33,178	(112,781)	(12,953)	-	69,633
Eurasia	2,407,092	2,404,916	(2,734,801)	15,697	401,660	2,494,564
Corporate Sustainability	205,076	1,231,735	(1,447,528)	384	15,803	5,470
Sustainable Agriculture & Enterprise	56,413	72,787	(125,640)	(5)	-	3,555
Regional Programmes Development	-	1,500,000	(94,933)	-	(1,405,067)	-
Other (incl Foreign Exchange) Revaluation	(478,844)	456,159	1,396,358	722,442	-	2,096,115
Total restricted funds	**21,594,379**	**27,912,461**	**(23,732,719)**	**661,358**	**(755,425)**	**25,680,054**
Total Funds	**30,141,347**	**33,165,693**	**(30,403,428)**	**717,518**	**-**	**33,621,130**

The Rothiemurchus bequest stipulates that the Charity should:

i. Hold the bequest and pay or apply part of the income thereof each year in assisting not more than one conservation project consistent with the aims of the Charity.

ii. Accumulate for as long as possible at least one quarter of the income, which should be added to the capital of the bequest.

The Whitley Animal Protection Trust M.G.P Fund represents a capital donation from the Whitley Animal Protection Trust, which stipulated that the capital should be invested and the income used for the protection of the mountain gorilla. Provision is made to maintain the relative value of the capital and to provide regular guaranteed income for the IGCP.

The restricted funds of the charity comprise unexpended balances on income given to specific purposes. In accordance with Fauna & Flora's income recognition policy as outlined in Note 1 to the accounts, restricted funds in deficit have arisen where Fauna & Flora is not sufficiently entitled to recognise income against ongoing work that is funded in arrears.

Transfers & Other gains and losses includes internal grants transferred from our Halcyon Land & Sea, Species and other internal portfolio funds to field based projects.

Included in the above are amounts for grants received from Fondation Segré (2022: £176,868, 2021: £71,528), the Endangered Landscapes Programme (2022: £362,269, £2021: £678,850), and Defra, UK Government: Darwin Initiative (2022: £2,009,027, 2021: £1,126,449), Darwin Plus (2022: £146,817, 2021: £93,735), and Illegal Wildlife Trade Challenge Fund (2022: £609,630, 2021: £672,819)."

13 Analysis of Net Assets between Funds

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	115,305	-	1,740,467	-	1,855,772
Intangible Fixed Assets	45,713	-	-	-	45,713
Investments	4,821,104	-	17,545,652	638,669	23,005,425
Net current assets	2,282,426	55,545	6,393,935	-	8,731,906
Provisions	(17,686)	-	-	-	(17,686)
	7,246,862	55,545	25,680,054	638,669	33,621,130

14 Operating Lease Commitments

	2022	2021
Annual commitments are as follows:	£	£
Land and buildings:		
Not later than one year	208,471	200,829
Later than one year and not later than five years	267,858	355,893
Later than five years	-	-
	476,329	556,722
Other operating leases:		
Not later than one year	71,874	61,801
Later than one year and not later than five years	122,960	181,638
Later than five years	-	-
	194,834	243,439

15 Related Party Transactions and Ultimate Controlling Party

The company is under the control of the Board of Trustees. There is no ultimate controlling party.

Fauna & Flora received grant funding from The Marcela Trust. An immediate family member of one of Fauna & Flora's Senior Leadership Team (SLT) members and a member of Fauna & Flora's SLT are Trustees of the Trust.

Fauna & Flora provides grant funding to the Príncipe Foundation (São Tomé and Príncipe) and ProPark Foundation (Romania). A member of Fauna & Flora's SLT is also a director of each of these organisations. Fauna & Flora provides grant funding to Chuilexi Conservação e Investimentos Limitada and Luambeze Investimentos Limitada, both of which are subsidiaries of Fauna & Flora. Refer to note 21 for details of Fauna & Flora's subsidiaries and jointly controlled operations.

Fauna & Flora pays licence fees to OMC Investments Ltd in relation to Fauna & Flora's London office. An immediate family member of one of Fauna & Flora's SLT members is a director of OMC Investments Ltd. The licence agreement terms are equivalent to those that prevail in arm's length transactions and the licence fees paid are at open market rates.

	2022	2021
	£	£
Grants received from related parties		
The Marcela Trust	150,000	-
Grants made to related parties		
Chuilexi Conservação Investimentos Limitada	1,192,285	625,515
Luambeze Investimentos Limitada	236,447	267,814
Príncipe Foundation	133,879	133,174
ProPark Foundation	1,000	22,468
Donations received from		
Trustees & Related parties	74,770	867,115
Lease & service fees		
OMC Investments Ltd	52,741	43,756
Amounts owing from subsidiary undertakings		
Fauna & Flora International Australia	(664)	-
Fauna & Flora International South Africa	41,544	39,987
Fauna & Flora International USA Inc	1,095,186	471,730

16 Cash Flow Information

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
a) Reconciliations of changes in resources to net inflow from operating activities				
Net incoming resources	3,479,781	10,855,801	3,968,665	9,954,394
Depreciation charge	209,255	169,954	206,401	169,481
Investment income (shown separately in (b) below)	(300,823)	(24,122)	(297,756)	(22,226)
(Increase)/decrease in debtors	(1,064,301)	(705,621)	(2,302,476)	(368,759)
Increase/(decrease) in creditors	289,002	223,515	279,899	216,387
Change in fixed asset investments valuation	90,799	(61,175)	90,799	(61,175)
Unrealised foreign exchange gains/(losses) on non-monetary assets	(650,193)	(48,353)	(511,898)	(67,297)
Unrealised foreign exchange gains/(losses) on monetary assets	(1,852,516)	152,480	(1,852,516)	152,480
Net cash inflow/(outflow) from operating activities	201,004	10,562,479	(418,882)	9,973,285
a) Gross cash flows				
Returns on investment and servicing of finance:				
Investment income received	300,823	24,122	297,756	22,226
Capital expenditure and financial investment:				
Payment to acquire tangible and intangible fixed assets	(433,220)	(206,515)	(433,220)	(192,245)
Payments to acquire fixed asset investments	(430,014)	(3,679,937)	(430,014)	(3,679,937)
	(863,234)	(3,886,452)	(863,234)	(3,872,182)

17 Summary income and expenditure account for the year ending 31 December 2022

	All income funds 2022 £	All income funds 2021 £
Income	32,864,870	36,461,004
Gains/(losses) on investments	-	-
Interest and investment income	300,602	23,973
Gross income in the reporting period	**33,165,472**	**36,484,977**
Expenditure	29,390,212	25,516,673
Interest payable	-	-
Depreciation and charges for impairment of fixed assets	209,256	169,954
Total expenditure in the reporting period	**29,599,468**	**25,686,627**
Net income (expenditure) before tax for the reporting period	3,566,004	10,798,350
Tax payable	-	-
Net income (expenditure) for the financial year	**3,566,004**	**10,798,350**

The summary income and expenditure account is a Companies Act and FRS102 requirement and is derived from the corresponding figures in the SOFA with the exclusion of endowment funds.

18 Charity Statement of Financial Activities

	Unrestricted £	Restricted £	Endowment £	2022 Total £	2021 Total £
Income and endowments from:					
Donations and legacies	3,528,148	2,298,259	-	5,826,407	5,251,264
Charitable Activities	755,020	25,871,397	-	26,626,417	29,503,493
Investments	191,546	105,989	221	297,756	22,226
Other Trading Activities	2,234	-	-	2,234	131,507
Other	456	229,441	-	229,897	176,103
Total	**4,477,404**	**28,505,086**	**221**	**32,982,711**	**35,084,593**
Expenditure on:					
Raising funds	2,722,807	-	-	2,722,807	2,792,076
Charitable Activities	3,208,066	23,639,706	-	26,847,772	22,254,301
Total	**5,930,873**	**23,639,706**	**-**	**29,570,579**	**25,046,377**
Net gains/(losses) on investments	(4,357)	-	(86,442)	(90,799)	61,175
Net income/(expenditure)	**(1,457,826)**	**4,865,380**	**(86,221)**	**3,321,333**	**10,099,391**
Transfers between funds	755,425	(785,316)	-	(29,891)	-
Other gains/(losses)	82,943	594,280	-	677,223	(144,997)
Net movement in Funds	**(619,458)**	**4,674,344**	**(86,221)**	**3,968,665**	**9,954,394**
Total funds brought forward	5,771,879	20,760,506	724,890	27,257,275	17,302,881
Total funds carried forward	**5,152,421**	**25,434,850**	**638,669**	**31,225,940**	**27,257,275**

19 Prior year Reconciliation of Funds Statement

	Balance b/fwd £	Income £	Expenditure £	Other gains/ (losses) £	Movements between funds £	Balance c/fwd £
Unrestricted						
General unrestricted funds	6,444,319	6,831,646	(5,795,803)	(23,079)	308,493	7,765,576
Designated funds	56,502	-	-	-	-	56,502
Total unrestricted funds	**6,500,821**	**6,831,646**	**(5,795,803)**	**(23,079)**	**308,493**	**7,822,078**
Endowment funds						
Rothiemurchus Bequest Fund	34,748	149	-	3,096	-	37,993
Whitley Animal Protection Trust	632,691	-	-	54,206	-	686,897
Total endowment funds	**667,439**	**149**	**-**	**57,302**	**-**	**724,890**
Restricted funds						
Africa	2,482,127	4,785,672	(4,107,088)	(29,714)	915,494	4,046,491
Americas & Caribbean	2,438,768	4,949,670	(1,745,207)	56,662	582,998	6,282,891
Asia-Pacific	1,950,565	6,165,598	(5,217,017)	15,668	1,477,275	4,392,089
Conservation Capacity and Leadership	371,660	3,589,139	(1,999,319)	930	(45,300)	1,917,110
Cross-cutting Programmes Development	403,696	48,432	(83,293)	151	50,162	419,148
Conservation Science and Design	2,405,566	6,500,788	(2,925,698)	(656)	(3,795,276)	2,184,724
Climate & Nature Linkages	240,708	25	(205,515)	(12,359)	139,330	162,189
Eurasia	1,942,299	2,012,556	(1,896,490)	(3,652)	352,379	2,407,092
Extractives & Development Infrastructure	103,731	1,541,442	(1,456,419)	1,877	14,445	205,076
Sustainable Agriculture & Enterprise	8,015	60,009	(11,611)	-	-	56,413
Other (incl Foreign Exchange) Revaluation	(229,849)	-	(152,481)	(96,514)	-	(478,844)
Total restricted funds	**12,117,286**	**29,653,331**	**(19,800,138)**	**(67,607)**	**(308,493)**	**21,594,379**
Total Funds	**19,285,546**	**36,485,126**	**(25,595,941)**	**(33,384)**	**-**	**30,141,347**

20 Prior Year Funds Analysis Statement

	General Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible Fixed Assets	64,749	-	1,498,052	-	1,562,801
Intangible Assets	114,720	-	-	-	114,720
Investments	2,726,322	-	17,171,664	592,565	20,490,551
Net current assets	4,877,471	56,502	2,924,663	132,325	7,990,961
Provisions	(17,686)	-	-	-	(17,686)
	7,765,576	56,502	21,594,379	724,890	30,141,347

21 Subsidiaries and Jointly Controlled Operations

Fauna & Flora has five wholly owned subsidiary undertakings. One registered in Australia, one registered in Belize, one registered in Romania, one registered in South Africa and one registered in the United States of America.

Fauna & Flora holds a 75% controlling interest in Luambeze Investimentos Limitada (Luambeze), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Fauna & Flora holds a 55% controlling interest in Chuilexi Conservação e Investimentos Limitada (Chuilexi), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Entity	Fauna & Flora International Australia (Ltd)	Fauna & Flora International USA Inc.	Fauna & Flora International (South Africa)	Fauna & Flora International S.R.L	Boden Creek Land and Cattle Ltd	Chuilexi Conservação e Investimentos	Luambeze Investment, Limitada
Country of Registration	Australia	USA	South Africa	Romania	Belize	Mozambique	Mozambique
Registration No.	ABN: 75 132 715 783 CAN: 132715783	81-3967095	2014/099386 /08	33448761	17633	100321041	100014343
Registered Address	c/o Purpose Accounting, 583 Elizabeth Street, Redfern NSW 2016	c/o Corporation Trust Centre, 1209 Orange St, Wilmington, New Castle County, Delaware USA	43 Fish Eagle Place, Fish Eagle Place, Kommetjie, 7975, South Africa	STR. 1 Decembrie Nr. 14 330025 Deva, Romania	c/o Reyes Retreage LLP & Loyal Offshore Ltd, 122 Eve Street, P.O. Box 2205, Belize City, Belize	c/o MozConsult Rua Beijo da Mulata nº 188, Sommerschield II, Maputo, Moçambique	
Percentage Ownership / Control	100%	100%	100%	100%	100%	55%	75%
	£	£	£	£	£	£	£
Total Income	104,613	1,304,332	2,375	302,321	-	-	-
Costs	(109,112)	(1,969,689)	(1,726)	(278,959)	-	(985,116)	(270,832)
Net gains/(losses) on investments	-	(22,519)	-	-	-	-	-
Other gains/(losses)	8,000	171,162	268	52	-	-	-
Surplus / (deficit) for the year	3,501	(516,714)	917	23,414	-	(985,116)	(270,832)
Retained surplus brought forward	164,854	1,444,492	5,459	1,271,783	3,746,023	(3,570,649)	(1,993,368)
Retained surplus carried forward	168,355	927,778	6,376	1,295,197	3,746,023	(4,555,765)	(2,264,200)
Gross assets at 31 December 2022	171,032	2,047,353	47,919	1,296,310	3,746,023	1,138,370	353,899
Gross liabilities at 31 December 2022	(2,677)	(1,119,576)	(41,544)	(1,114)	-	(5,693,875)	(2,617,868)
Reserves at 31 December 2022	168,355	927,777	6,375	1,295,196	3,746,023	(4,555,505)	(2,263,969)

The Caribbean Alliance is a jointly controlled operation between Fauna & Flora International and Re:Wild. The jointly controlled operation was created in 2021. The net expenditure of £55,019 (2021: £35,730) shown in the Statement of Financial Activities represents Fauna & Flora International's share of the net expenditure of the jointly controlled operation for 2022.

Giraffe in Kenya.

© Juan Pablo Moreiras / Fauna & Flora

Garnet pitta - a specialist of lowland forests.

© Bjorn Olesen

Fauna & Flora

Saving Nature Together

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Email: info@fauna-flora.org

Registered Charity Number 1011102. A Company Limited by Guarantee in England & Wales, Number 2677068.

www.fauna-flora.org

FAUNA & FLORA INTERNATIONAL

England & Wales - Charity number 1011102

Accounts

FAUNA & FLORA INTERNATIONAL

Annual Report and Accounts 2021

Preying mantis *(Tropidomantis tenera)* in Cambodia. © Jeremy Holden/FFI

Coral reef teeming with life, Myanmar. © Michelangelo Fontani/FFI

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Cover image: Blue orchid *(Dendrobium azureum)*, endemic to Raja Ampat. © Yanuar Ishaq Dc/FFI

Message from the Chair

The last two years have shown us what it looks like when life as we know it gets turned completely upside down. Alongside the shocking loss of life that has touched too many families, the costs of the pandemic – both financial and emotional – have been enormous.

But another set of crises is knocking urgently on the door. Globally, species and ecosystems are experiencing precipitous declines, which is fuelling – and is being fuelled by – climate change. Unless urgent action is taken, we face an even more profound catastrophe than the one we have just experienced.

And that is where the conservation community comes in. Organisations like Fauna & Flora International (FFI) and the many partners we work with around the world are holding back the tide of extinctions and advocating for change on a global scale that will allow us to create a new and more healthy way of living on our planet.

We are making good progress and can see the impact of FFI's work across a broad spectrum of species, landscapes and issues worldwide.

Some of the world's most endangered species are starting to show signs of recovery thanks to these efforts. The critically endangered saiga antelope, for example, is beginning to rebound following a tumultuous few decades that saw poaching and successive disease epidemics drive this species to the very precipice of extinction. These tentative first steps on the road to recovery are thanks to the Herculean efforts of the Kazakh government, FFI and other partners in the Altyn Dala Conservation Initiative.

As rewarding as it is to see individual species beginning to flourish, FFI also works hard to protect and restore ecosystems. This is complex and multifaceted work that encompasses everything from helping to establish community and state protected areas to tackling the underlying threats to these ecosystems. And perhaps nowhere is the impact of this approach more visible than in the Caribbean, where FFI and partners have been working for over 20 years to remove invasive species and restore islands to their former glory.

At a glance, these two examples of FFI's work might appear very different. Saiga are mammals that roam vast plains in Eurasia, whereas our work in the Caribbean focuses on small – sometimes tiny – island habitats and benefits reptiles and seabirds most of all.

However, looks can be deceiving.

Underlying each of these programmes is the same ethos: partnership. We work with a vast array of people and organisations to achieve our aims – from the communities living alongside the species and areas we seek to conserve, to local organisations and emerging conservation leaders, to governments at all levels, to the private sector.

In the case of our work in the Caribbean, 2021 saw the formation of a new alliance as FFI joined forces with Re:wild to raise the profile of this region as one of the most biologically diverse – and threatened – parts of the world and pool our complementary skills and knowledge to increase the scale and impact of conservation action in the Caribbean.

FFI's work is also underpinned by our incredible supporters and donors, without whom these successes would not be possible. FFI's income in 2021 was our highest ever, with significant growth in both restricted and unrestricted funding; however, with the global picture looking increasingly turbulent, we must remain focused on securing the income we need to grow our conservation programmes and ensure financial stability for the organisation.

As I write this, FFI is in the process of reviewing its conservation strategy. This is an exercise we carry out periodically, but is all the more vital in our rapidly changing world. Given the urgency of our mission, and the seriousness of the twin climate and biodiversity crises, it is imperative that we continually re-evaluate how to maximise our effectiveness.

It is becoming ever clearer that the conservation community needs to work together to achieve systemic change at national and international levels, and that a significant scaling up of funding is required. At FFI, we believe we have a key role to play here by helping to ensure that local voices are heard on the global stage, and that nature is put at the heart of decision making – with solutions that are locally driven and adequately financed.

The challenges we face are immense, but the strength of the communities we work with, our partners, our staff, our supporters and the wider conservation network gives us real grounds for optimism.

Hugo van Vredenburch

Magnificent frigatebird, Redonda. © Ed Marshall/FFI

Established well over a century ago, Fauna & Flora International (FFI) was the world's first international wildlife conservation organisation.

Our mission is to conserve threatened species and ecosystems worldwide.

Strategic Report

Our objectives and aims

FFI is committed to achieving the following charitable objectives:

- To conserve the environment by protecting biodiversity for the benefit of the public through globally applicable solutions that are effective locally.
- To advance the awareness and education of all sectors of society around the world in the conservation and protection of biodiversity.

In order to achieve our vision and mission, FFI focuses on a core set of ambitions as set out in our latest five-year strategy, which covers the 2019-2023 business period:

Conserving threatened habitats and species:

1 **AMBITION ONE: THRIVING SPECIES**

2 **AMBITION TWO: RESILIENT ECOSYSTEMS**

Empowering organisations and individuals to lead innovative conservation action:

3 **AMBITION THREE: LOCALLY LED CONSERVATION**

Shaping decisions within society to benefit biodiversity:

4 **AMBITION FOUR: INFLUENCING OTHERS**

Investing in FFI's effectiveness:

5 **AMBITION FIVE: INCREASING VISIBILITY**

6 **AMBITION SIX: INVESTING IN OUR PEOPLE**

7 **AMBITION SEVEN: SECURING THE RESOURCES WE NEED**

How we work

In working to realise FFI's vision of a sustainable future for the planet where biodiversity is conserved effectively by the people who live closest to it, supported by the global community, we ensure that all our projects adhere to a set of core principles.

We work with partners ranging from local community organisations and NGOs to small-scale enterprises, larger businesses and government agencies to develop locally owned and sustainable conservation programmes. We believe this approach is more likely to result in appropriate solutions, elicit local support and ensure long-term effectiveness.

Our conservation solutions seek to enhance human well-being. We respect and promote human rights and cultural values, as well as supporting governance systems that benefit both people and biodiversity. We see conservation as a social process, with people at its heart, and we actively engage with the communities (including Indigenous Peoples) who live closest to threatened species and habitats.

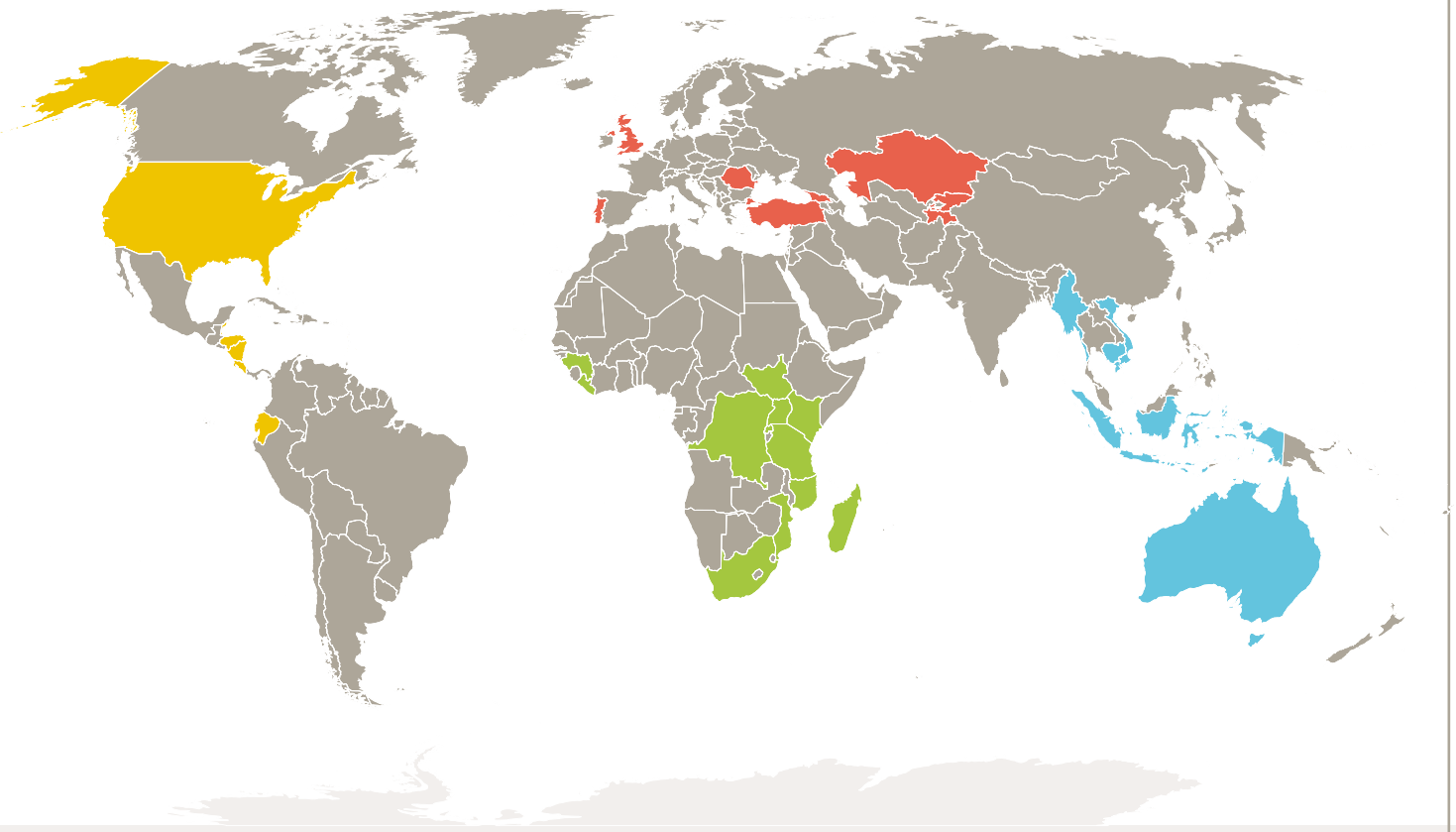
By working with communities to develop sustainable livelihoods and appropriate governance mechanisms alongside practical solutions to conservation problems, we help to ensure local support for – and ownership of – conservation activities, thereby increasing the probability of long-term success.

Our conservation practices are rooted in robust science. We aim to ensure that all project decisions are underpinned by the best available information, including up-to-date research – whether generated by ourselves or others – and to monitor our impact rigorously, sharing what FFI and our partners have learned, in order to improve practice and help guide future research.

Setting up a camera trap deep inside Virachey National Park, Cambodia. © Jeremy Holden/FFI

Where we work

Fauna & Flora International has over 120 projects in about 40 countries around the world.



AMERICAS & CARIBBEAN

Anguilla
Antigua and Barbuda
Barbados
Belize
Costa Rica
Dominica
Ecuador
Honduras
Nicaragua
Saint Lucia
St Vincent & The Grenadines
United States of America †

AFRICA

Cape Verde
Democratic Republic of Congo
Guinea
Kenya
Liberia
Madagascar
Mozambique
Rwanda
São Tomé & Príncipe
South Africa
South Sudan
Tanzania
Uganda

EURASIA

Georgia
Kazakhstan
Kyrgyzstan
Portugal
Romania
Tajikistan
Turkey
United Kingdom*

ASIA-PACIFIC

Australia †
Cambodia
Indonesia
Myanmar
Vietnam

* Headquarters † Administrative hub

Chinese water dragon (*Physignathus cocincinus*), Cambodia. © Jeremy Holden/FFI

2021 Highlights

What follows is a representative cross-section of FFI's achievements during the latest reporting year, which serves to illustrate how specific activities have contributed to our conservation ambitions and organisational objectives.

A more comprehensive account of our activities and their impact over the preceding 12 months can be found in our 2021 Conservation Report, which is available on our website.

AMBITION 1: THRIVING SPECIES

Securing populations of threatened species

FFI has a long and distinguished track record in bringing endangered species back from the brink, either by protecting their habitat or through direct interventions such as combating illegal wildlife trade.

Species benefiting from our work in 2021 included widely known species such as eastern gorillas, sea turtles, brown bears, and both black and white rhinos, as well as less familiar species including the Obô snail, the yellow-naped parrot, five species of sturgeon, and a wide array of primates in Vietnam.

2021 at a glance

- **Fifty-one of our projects had a specific focus on priority species conservation.**
- **Almost 13,000 turtle hatchlings were protected and released.**
- **Action plans were produced for 12 species.**
- **Forty-one of our projects undertook activities to address illegal wildlife trade.**

A previously unrecorded family of eight African forest elephants – including three calves – was captured on camera traps in Guinea's Ziama Massif, suggesting that the efforts of FFI and our partner Centre Forestier N'Zérékoré to protect the forest habitat of this critically endangered species are helping to ensure its survival.

Group of elephants photographed using a camera trap, Guinea © FFI

CASE STUDIES

Saiga antelope. © Rostovdriver/AdobeStock

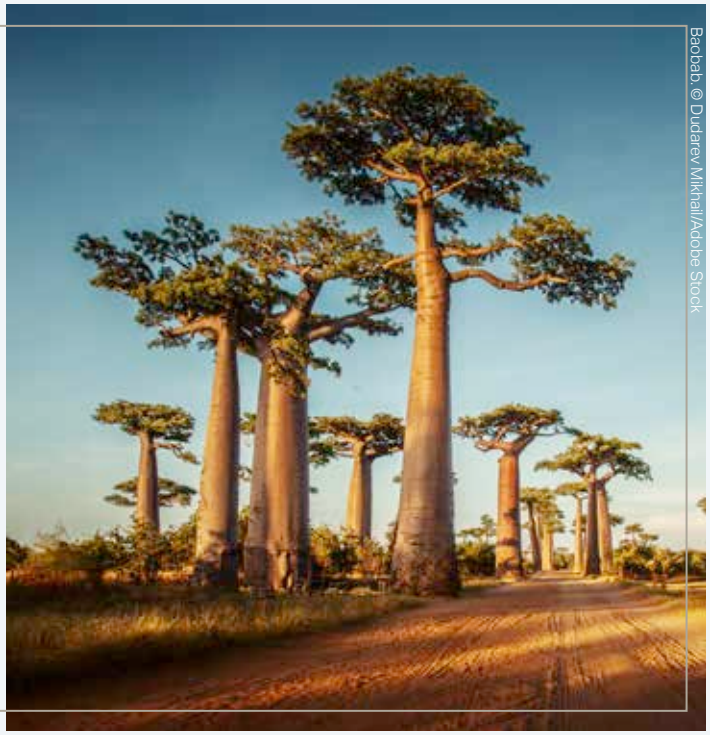
SIGNS OF HOPE FOR SAIGA

The saiga has experienced a dramatic few decades, with intensive poaching, habitat loss and disease pushing the number of these unusual antelopes to the very brink of extinction. The latest chapter in the saiga's tale appears to be a more uplifting one, however. After a survey hiatus caused by the Covid-19 pandemic, researchers took to the skies once again in 2021 to carry out an aerial saiga census. They recorded a veritable population boom, with an estimated 842,000 saiga now present in Kazakhstan – over half a million higher than the number recorded in 2019.

The saiga's recovery is thanks to government efforts, which have been supported by the Altyn Dala Conservation Initiative, which FFI supports. But saiga are by no means out of danger yet. Despite the recent good news, they remain critically endangered and in need of strong conservation action. FFI continues to support our partners in-country to put saiga firmly back on the path to recovery.

REPORT HIGHLIGHTS THE NEED TO CONSERVE THREATENED TREES

In 2021, FFI and Botanic Gardens Conservation International (BGCI) launched a new report, *Securing a Future for the World's Threatened Trees – A Global Challenge,* and called for a global scaling-up of conservation action to safeguard the world's threatened trees.
The report can be used to guide and plan tree conservation action. It sets out tried-and-tested approaches from across the Global Trees Campaign partnership, with the aim of inspiring new players to engage in this work and grow the global tree conservation taskforce.


Baobab. © Dudarev Mikhail/Adobe Stock

AMBITION 2: RESILIENT ECOSYSTEMS

Conserving threatened habitats

Our project locations around the world encompass temperate and tropical forest, grasslands and deserts, limestone caves, agricultural landscapes, wildflower meadows, wetlands and marine habitats.

Area-based conservation, both terrestrial and marine, has always been a cornerstone of FFI's work, helping to secure safe havens for species, maintain ecosystem health and mitigate the effects of climate change. In 2021 we safeguarded key areas of natural habitat both by ensuring more effective management of existing protected areas and by bringing new areas under protection or sustainable management.

2021 at a glance

- **We influenced conservation across over 52 million hectares of important habitat, including over 11.3 million hectares where we worked directly on the ground.**
- **This included over 310,000 hectares that we helped to bring under conservation management for the first time (by supporting the creation of new reserves or community management areas).**
- **Across our portfolio of projects, we supported active management and/or protection of threatened habitats by:**
  - **Supporting on-the-ground enforcement or protection in at least 118 sites.**
  - **Helping to produce 36 site-management plans.**
  - **Helping to restore habitat at 20 sites.**
  - **Helping to carry out invasive species control at 13 sites.**

South Pemba - Pemba Marine project area © Tanguy Nicolas/FFI

Marine surveys around Tanzania's Pemba Island – which have been carried out over a number of years – have revealed an increase in the number of juvenile fish (particularly parrotfish and butterflyfish) and some invertebrates (including sea cucumbers and starfish) since FFI and partners established a community-led temporary fisheries closure in Kukuu, within the Pemba Channel Conservation Area.

CASE STUDIES

A NEW PROTECTED AREA FOR SOUTH SUDAN

Giant pangolin photographed with camera trap. © FFI

The future of globally important wildlife – including endangered chimpanzees and pangolins – looks a little brighter after over 17,000 hectares of severely threatened forest habitat in an ecologically unique region of South Sudan were granted formal protection in 2021.

The regazettement of Bangangai Game Reserve will ensure that this unhailed haven of biodiversity is brought under more effective management at what is a crucial juncture for the country's impressive but imperilled natural wonders. The new reserve is already benefiting from the engagement of the surrounding communities, who have shown real commitment to conservation and support for sustainable resource use, even in the face of a socio-economic crisis.

Operating against a historical backdrop of civil unrest and conflict, FFI has succeeded in creating an inclusive model of protected area management that brings together government and community interests, supporting the development of resilient livelihood activities and enhancing social cohesion while simultaneously safeguarding South Sudan's incredibly rich wildlife.

Sombrero Island, Anguilla © Farah Mukhida / Anguilla National Trust

CARIBBEAN SUCCESS

Following an intensive and challenging eight-week mission, Anguilla's most remote offshore island, Sombrero, has been successfully cleared of invasive house mice. Six Anguilla National Trust staff members and twelve volunteers from Anguilla were trained in mouse eradication as well as monitoring and biosecurity protocols to ensure the island remains rodent-free. An action plan to restore the island's vegetation was also developed and we have begun trialling the growth of nine native plant species from seed on the island, with Anguilla National Trust staff members given additional training in vegetation restoration and monitoring protocols.

AMBITION 3: LOCALLY LED CONSERVATION

Working in partnership

Putting communities at the heart of conservation

Developing conservation leaders

We believe that local people and organisations, equipped with the requisite skills, tools and resources, are best placed to conserve the biodiversity on their doorsteps.

In 2021 we supported a range of partners in locally led conservation activities, worked hand in hand with communities to ensure local ownership and nurtured emerging conservation leaders across the globe.

2021 at a glance

- **We disbursed over £5.0 million in conservation grant funding and influenced the distribution of over £23 million in conservation**
- **Over 250 partner organisations received some form of direct capacity development support.**
- **Over 4,700 individuals received conservation training, including partner staff, students and members of local communities.**
- **We supported the establishment of four new organisations, and supported or established at least 71 community-based organisations.**
- **We helped at least 33 organisations to source their own funds independently of direct support from FFI.**

A team of Conservation Leadership Programme alumni has helped save possibly the last remaining population of velvet scoter ducks in the Caucasus. The team reported a complete cessation of egg collecting, a 39% increase in the number of females building nests, and an 800% increase in the number of successful fledglings.

CLP researcher with velvet scoter duck © Nika Paposhvili

CASE STUDIES

FFI LAUNCHES NEW CONSERVATION RESILIENCE FUND

In 2020, FFI launched a Partner Crisis Support Fund to help our partners weather the Covid-19 pandemic. That fund (which was made possible thanks to the generosity of Arcadia – a charitable fund of Lisbet Rausing and Peter Baldwin) provided 37 FFI partners with emergency funding, making a huge difference for organisations whose ability to continue their vital conservation work was severely affected by the pandemic.

Workshop in Union Island. © Laura Owens/FFI

Building on the success of this approach, in 2021 FFI established a new Conservation Resilience Fund to support conservation partner organisations around the world. The new fund, which is underpinned by a multi-year commitment from Arcadia, recognises that shocks to our natural, economic and social systems – such as future pandemics and the impacts of climate change – are increasingly the norm. As threats evolve and intensify, so must the work and resilience of our partners.

BOOSTING MARINE CONSERVATION IN CAMBODIA

Despite the ongoing challenges presented by Covid-19, FFI's Cambodia team continued to work effectively with communities and partners to carry forward the marine conservation work taking place on the archipelagos of Koh Rong and Koh Sdach, Koh Kong and Kep and Kampot. One significant success was that, following an extensive consultation process chaired by the Cambodian Fisheries Administration with support from FFI, in 2021, the Koh Sdach commune voted to proceed with the establishment of a new Marine Fisheries Management Area by an overwhelming majority. This allows communities to take the lead in managing their marine resources to drive better protection.

Community Fishery team leader, Cambodia. © Andy Ball / FFI

AMBITION 4: INFLUENCING OTHERS

Supporting governments to protect biodiversity

Embedding biodiversity in private-sector decision making

Awareness, education and outreach activities

Encouraging behaviour and decision-making that benefit biodiversity is a crucial facet of our efforts to engender support for conservation initiatives across a range of audiences.

In 2021 we worked with governments to strengthen policy, regulatory frameworks and enforcement, engaged with key business sectors to help reduce their environmental impacts, and disseminated the conservation message to communities at our project sites worldwide.

2021 at a glance

- **We engaged with policy-makers in almost 60 of our projects.**
- **We contributed to the development of at least 14 conservation laws, regulations or government-level strategic plans.**
- **We engaged with the corporate sector in almost 50 projects.**
- **Our awareness or outreach activities reached at least 70 communities and over 4,000 community members.**
- **Nearly 11,000 children from almost 90 schools were reached through education and awareness activities.**
- **Our sustainable livelihood activities directly benefited over 13,800 people.**
- **We engaged with or supported over 580 communities through our work.**

FFI's team in Nicaragua has been drawing on behavioural science to target its 'Son Nicas' campaign messaging more effectively at consumers of turtle eggs. In 2021, the campaign in included embedding key messages into radio sports commentary and TV cookery programmes.

Hawksbill turtle release, Nicaragua. © Marvin Torres

CASE STUDIES

PROTECTING THE OCEAN FLOOR

Deep sea octopus. © NOAA Office of Ocean Exploration and Research

In 2020, FFI raised the alarm about the risks posed by deep-sea mining with the publication of the first comprehensive assessment of the potential impacts of mining the deep seabed for minerals. In 2021, we built on this work, co-sponsoring a motion at the IUCN World Conservation Congress that called for a ban on deep-seabed mining and for a reform of the International Seabed Authority and associated governing policy and practices.

The motion passed with a strong majority from both government and civil society members, and subsequently we have seen a sharp fall in investment in one of the key companies promoting deep sea mining, despite their narrative that this is a necessary evil to supply metals for energy decarbonisation pathways.

Encouragingly, key corporations and finance institutions are increasingly coming out in opposition to deep sea mining. This marks an important step towards ensuring a global moratorium on deep-sea mining, and our work continues through our participation in the Deep Sea Conservation Coalition.

Fishing catch including non-target species. © Zafer Kizilkaya

FINDING NEW SOLUTIONS TO AN AGE-OLD PROBLEM

In 2021, FFI published a new report titled *Bottom Trawling: New perspectives on an old fishing practice*. The report was created in collaboration with world-leading fisheries scientists and ocean experts and calls for constructive pathways forward to tackle the impacts of bottom trawling. The hope is that, if all parties can work together more constructively, we can inject new ideas and new ambitions into the polarising debate about bottom trawling and transform the way we catch seafood to ensure a healthy seabed while respecting the rights of both those working in the fishing industry and those affected by it.

AMBITION 5:

Increasing visibility

Our latest five-year strategy places an increased emphasis on raising FFI's public profile in order to grow our influence, impact and income.

In 2021, we built on the success of FFI's *Our One Home* campaign through clearer messaging and the creation of new materials, and called for action at the long-anticipated COP26 climate summit in Glasgow.

2021 at a glance

- **We developed FFI's 'Five Breakthroughs for Nature' – a clear suite of messaging that articulates the urgency of the nature crisis and calls for action on five priority areas:**
  1. **Put nature at the heart of decision making**
  2. **Invest $500bn/year to protect and restore nature**
  3. **Ensure solutions are locally driven**
  4. **Safeguard nature for climate stability and human health**
  5. **Make tech work for nature**

  As part of this work, we created a brochure (available in English, French and Spanish) and a standalone website: www.ouronehome.org

  The Five Breakthroughs messaging and materials are providing a valuable framework for communications, allowing us to achieve cut through by using clearer, bolder and more consistent language.

- **November 2021 saw the long-delayed COP26 climate summit take place in Glasgow. Through careful planning and preparation, FFI delegates joined the summit armed with four key asks that reflected the areas we wished to see progress on. These asks were underpinned by the latest climate science and insights from our field programmes, and strengthened by our Five Breakthroughs language.**

  We supported this advocacy work with a sustained publicity campaign that combined planned media outreach before, during and after the event with reactive commentary to the media. This was complemented with activity on our social media channels and our website, with our vice-presidents lending valuable weight to the campaign.

COP26, Glasgow © Annamarie Jehoczky/FFI

"Our publicity activity around COP26 achieved coverage in leading media outlets including BBC News online, Yahoo News, the Independent, EuroNews and edie. Not only did this increase awareness about key advocacy topics, it also promoted FFI as relevant experts on this critical topic."

AMBITION 6:

Investing in our people

FFI's employees are the lifeblood of the organisation, and our strategy has the clear ambition of investing in our people to ensure a motivated, talented, committed and secure workforce who are collectively achieving even greater conservation impact.

Siamese crocodile release, Cambodia © Jeremy Holden/FFI

In 2021, the health, safety and well-being of our employees around the globe remained a key priority as we continued to support them through the pandemic.

2021 at a glance

- **Employees continued to work flexibly and we supported hybrid working arrangements to meet their needs.**
  We furthered our work to embed mindfulness and mindful ways of working at FFI, including offering regular guided mindfulness drop-in sessions for everyone and developing a global network of Mindfulness Champions.
- **We strengthened our focus on safeguarding, developing our internal expertise and supplementing this with specialist consultancy support. We assessed employee understanding of safeguarding, implemented mandatory training, and reviewed our policy and processes against sector standards and best practice with the aim of embedding and managing safeguarding across FFI.**
- **We launched FFI's new online learning management system: *FFI Mangrove*. This platform currently hosts over 120 e-learning courses which can be accessed by staff at any time, from any country (many of which are available in up to 100 languages). Over 300 FFI staff have logged on to date, accessing bespoke content ranging from whistleblowing, IT security and active listening, to specialist courses such as conducting seahorse surveys.**
- **Taking forward priorities identified by our Equality, Diversity and Inclusion working group, we reviewed our recruitment and selection procedures to identify where we may be creating barriers to diversity and inclusion, developing a new Recruitment and Selection Policy & Procedure that embeds equality, diversity and inclusion principles throughout, widening the range of advertising media that we use to reach a more diverse talent pool and introducing paid internships to improve access to employment opportunities.**

AMBITION 7:

Securing the resources we need

Ensuring diverse and resilient income streams to support our ambitious growth plans is central to FFI's business plan, and the ongoing turbulent external factors continue to highlight the importance of this approach as any long-term stability becomes less certain.

Income in 2021 was our highest ever, with significant growth in both restricted and unrestricted funding. Our planned ongoing investment in unrestricted income generation continued to pay off; meanwhile the year was characterised by some significant restricted grants from new donors and increased support from existing funders.

2021 at a glance

- **Total income reached £36.5m (a £10.0m increase on 2020). Included in this was a £3.7m (US$4.9m) donation for the purchase of Boden Creek in Belize and £1m from the UK People's Postcode Lottery (PPL), which is flexible funding.**
- **Unrestricted income was over £6.8m. Supporter Marketing activities also brought in new donors to support our work with species such as pangolins and Vietnamese primates and in landscapes as diverse as Mozambique's Chuilexi Conservancy and Belize's Maya Golden Landscape.**
- **Income from digital sources grew significantly, primarily from email, social media advertising and income through our website. Donor numbers increased significantly as well, with over 15,000 regular donors (up from 9,000 at the end of 2020) and over 80,000 one-off donations (31,000 in 2020).**
- **Income received from government and multilateral sources was £5.6m in 2021, compared with £5.3m in 2020. This represents 16% of FFI's total income in 2021, in line with organisational targets. FFI is also sharing our on-the-ground experience with funders to support the design and focus of their funding programmes, and thus help achieve conservation impact beyond our projects.**
- **Total income from trusts and foundations was £21.5m. Over 130 foundations gave to FFI, including several new donors. A number made significant contributions towards the purchase of Boden Creek, while the Bezos Earth Fund pledged US$5.0m for our work in the Congo Basin. We also received €1.5m in unrestricted funding from the Dutch Postcode Lottery.**
- **Unrestricted income from major donors exceeded £1.2m, including a boost of US $450k from our growing fundraising operation in the US and a very successful fundraising dinner in London in November that raised over £500k.**

"Income in 2021 was our highest ever, with significant growth in both restricted and unrestricted funding."

Nodding sage (*Salvia nutans*) in Romania. © ADEPT

Plans for the future

Magnificent frigatebird fledgling in nest, Redonda. © Ed Marshall / FFI

There is a renewed sense of urgency surrounding the interconnected biodiversity and climate crises. But we need to harness this moment to ensure that the right decisions are taken – both for nature and for humanity.

There is an increasing recognition among governments that nature is absolutely central to human welfare and well-being, and a greater understanding of the economic, social and political costs of failing to act. The resulting uplift in ambition and commitments has been heartening; however, there is a long way to go before these ambitions turn into action and results. Adding to an already complicated global picture, the recent Russian invasion of Ukraine is forcing us to reconsider the geopolitical map and get to grips with the far-reaching repercussions that this war will have.

We are already seeing the impact of the invasion on global economies, on standards of living, and on energy security policies, and anticipate additional challenges such as increased pressure on natural habitats arising from food security concerns. Furthermore, changes in energy policy could make it more difficult than ever to meet vital global commitments on climate change under the Paris Agreement.

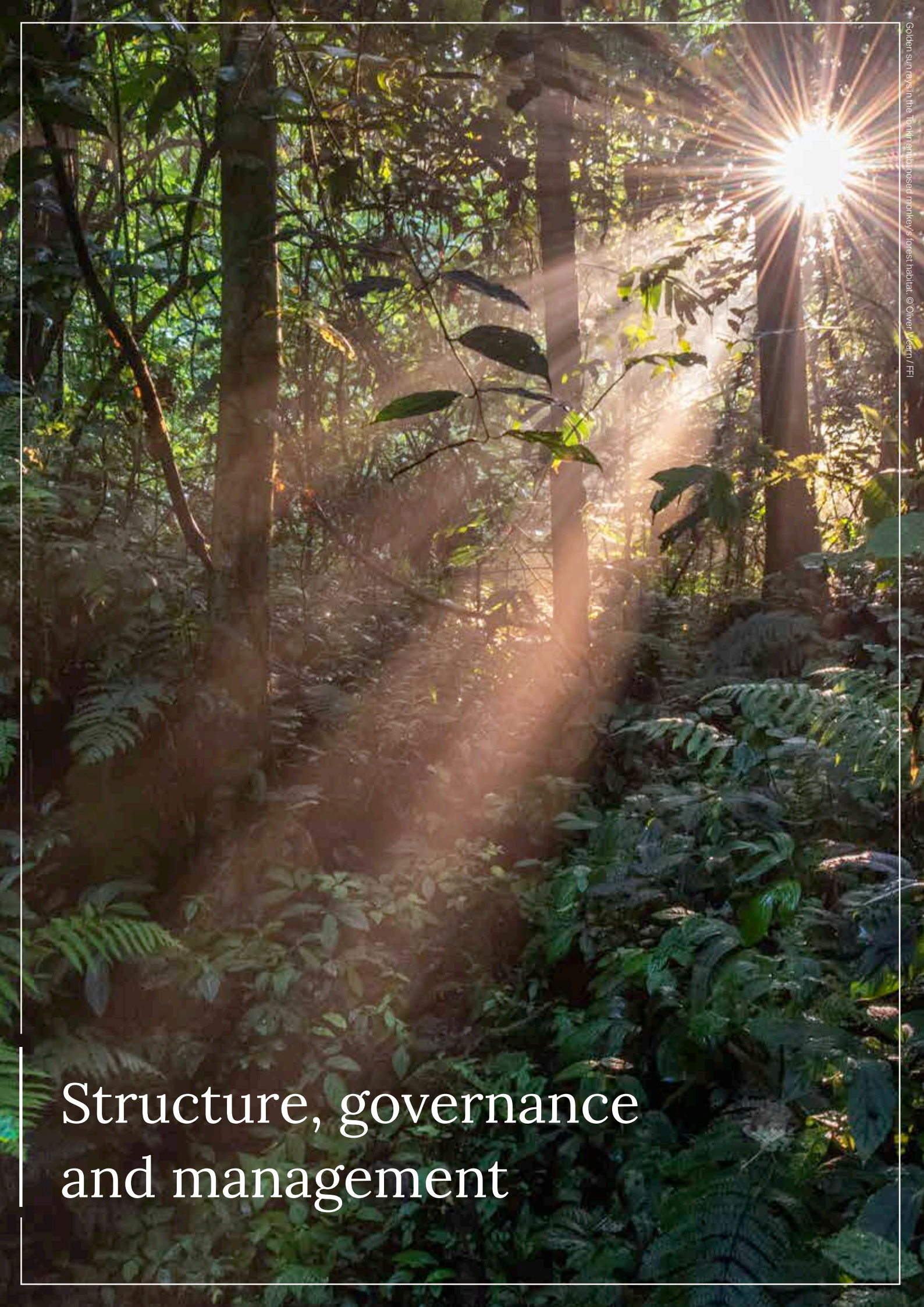
In parallel we are seeing changing narratives – a rise in citizen action (particularly among the young) in response to the threats we face if we destabilise the natural balance of our world, and an increasing tensions between the urgency to secure nature and the need to respect Indigenous and local community rights, along with increasing interrogation of the role that international NGOs should play.

Against this backdrop of great uncertainty and complexity, FFI is currently undertaking a review of its strategy, to ensure that our work remains relevant and effective in a rapidly changing world. The review is pointing to new areas of focus as well as highlighting where FFI's greatest strengths lie and allowing us to think creatively about how to build on these to maximise our conservation impact.

As an organisation, FFI draws strength and immense insight from our huge network of partners and collaborators around the world. The local communities and organisations with whom we work understand the picture on the ground, the challenges they face and – more often than not – how best to address these challenges. However, many of the threats to nature felt locally are the result of larger scale national or global drivers, which need to be addressed through mechanisms operating at wider scales. FFI's job is help achieve effective and lasting conservation on the ground, while building and improving bridges between local conservation and global debates, and helping to drive changes at larger scales.

We have a long history of working with a range of different partners to achieve shared conservation goals; however, the strategy review has made it clear that we can further scale up our impact by harnessing this local knowledge to improve global action.

2021 saw a significant investment in our global policy work, bringing in new expertise and perspective, and we anticipate that this area of work will grow. We will continue to use our knowledge and expertise to drive change in key corporate sectors. But, at the heart of all of this, we will continue to work with local, on-the-ground conservationists to protect and restore nature, help them build strong and stable organisations, and ensure that their contributions, voices and lessons are better recognised within policy processes and decision-making at all levels.



Golden sun rays in the Tonkin snub-nosed monkey's forest habitat. © Oliver Weeks / FFI

Structure, governance and management

Our structure

FFI is headquartered in the United Kingdom and is also registered, and has a network of branch offices, in the following locations where its four regional conservation programmes operate: Asia-Pacific (Cambodia, Indonesia, Myanmar and Vietnam), Africa (DR Congo, Guinea, Kenya, Liberia, Mozambique, South Sudan and Uganda), Americas & Caribbean (Antigua and Barbuda, Belize, Ecuador and Nicaragua), and Eurasia (Georgia, Kyrgyzstan, Romania and Tajikistan).

In addition to these branches, which form part of the Charity, FFI has related organisations in Australia, Belize, Mozambique, Romania, South Africa and the United States of America.

Further information on these related parties can be found in Note 15 to the Financial Statements.

How we are governed

FFI was established under a Memorandum of Association, which sets out its objects and powers, and is governed under its Articles of Association. The Board of Trustees, or 'Council', is the governing body of the organisation and has legal, financial and managerial responsibility for the Charity. The Members of Council are directors for the purpose of company law and trustees for the purpose of charity law. The company is limited by guarantee; therefore no member of the Board of Trustees has any beneficial interest in the company.

Trustee recruitment, induction and training

Members of Council are elected by the membership of the organisation at the Annual General Meeting and ordinarily serve a four-year term but can be re-elected for a further term. The Articles of Association provide for any five members in writing or for the existing trustees by resolution, to nominate any member of FFI for election or re-election as a trustee.

Council has adopted formal procedures for the recruitment, selection and induction of new trustees and has constituted a Nominations Committee to support Council in the implementation of these procedures. The Nominations Committee reviews the structure, size, effectiveness and composition (including the skills, knowledge, experience and diversity) of Council and makes recommendations to the trustees with regard to any changes to these.

The Committee reviews all nominations and applications for officers and ordinary members of Council (as well as for other honorary appointments) and puts forward recommendations to Council on suitable nominees. Newly appointed trustees undergo an induction programme, which includes guidance on their role and responsibilities and the opportunity to visit FFI's headquarters to spend time with staff, ensuring that Council members have the information and tools they need to fulfil their legal obligations and to play an effective role within the governing body.

An impressive rainforest extension, Corcovado National Park. © Juan Pablo Moreiras/FFI

Rioni River, Georgia © FFI

How we are managed

Council is responsible for establishing the strategy, policy and control framework of the organisation, which is achieved via twice-yearly full-day meetings and via formal delegations to its subcommittees, the officers of Council and to the Senior Management Team (SMT) of the organisation. To this end Council has established three further subcommittees, all the acts and proceedings of which are fully and promptly reported to the full Council, which sets the terms of reference and membership of each committee.

An Executive Committee, comprising the officers of Council and one other trustee, has regular supervision of FFI's management and operations. The Committee holds monthly meetings with the SMT in attendance, whilst the day-to-day operations of the Charity are the responsibility of the Chief Executive Officer (CEO), the SMT and other staff.

The Audit & Risk Committee meets three times a year and is responsible for engaging with the external audit provision, participating in the planning of the nature and scope of the audit and receiving and reviewing the Annual Report and Accounts, along with the associated Audit Findings Report. The Audit & Risk Committee's remit also includes the review of internal control and risk management systems and receiving reports on such from the management of the organisation.

The Remuneration Committee meets annually to review and agree the remuneration and benefits of the CEO and SMT members, as well as to review and agree the overall remuneration policy for FFI employees. In addition, the Committee is responsible for agreeing any significant changes in employee benefits or benefit providers.

The Charity Governance Code

Council believes that FFI is best placed to achieve its mission and objectives if it has high standards of governance, with practices and thinking which reflect the Code's seven principles, and that by adopting these it can provide effective, strategic leadership which supports fulfilment of the Charity's vision.

Principle 1 of the Code advocates that the board is clear about the charity's aims and makes sure that these are being delivered effectively and sustainably and that it focus on strategy, performance and assurance as its core role. Council has a responsibility to understand the environment in which FFI operates so it can stay relevant and to lead on developing, and agreeing, a strategy aimed at achieving our charitable purposes. In line with this, FFI began a light-touch "strategy review" in late 2021 to consider the fitness of our existing five-year strategy in light of seismic external changes as well as internal shifts in positioning and delivery since that plan began in 2019.

Through a series of external and internal consultations, web-based research and Council and SMT-level discussions and workshops, the review examined the changing environmental, social and political contexts for conservation as well as the current opportunities, risks and priorities for impact, both long and short-term. The review highlighted a number of critical trends that will shape our future operating context and gave us the opportunity to check that our mission-level priorities and ways of working are in tune with these wider contextual changes. The result is a refreshed and reframed strategy that is future-focused and has a "clarity of purpose" designed to concentrate our efforts more carefully and to guide trustees and SMT in their decision-making.

White Cay iguana © Jenny Daltry/FFI/Rewild

Trustee duties in relation to Section 172 of the Companies Act

The Board of Trustees is aware of its duty under section 172 to act in the way it considers, in good faith, to be most likely to promote the successful achievement of FFI's charitable purposes.

Below is a summary of the ways in which the trustees, as the company directors, consider that they have fulfilled their obligations under section 172, having had regard to the following (amongst other matters) in doing so:

- the likely consequences of any decision in the long term
- the interests of the company's employees[1]
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a high reputation for high standards of business conduct, and
- the need to act fairly as between members of the company

DECISION MAKING

Newly appointed trustees are briefed on their responsibilities, including their duty to act in the Charity's best interests and to use reasonable skill and care to make balanced and informed decisions they believe will best enable FFI to fulfil its mission and ambitions. When doing so they take account not only of current factors but also of any likely consequences and potential impacts their decisions may have on FFI's success, both now and in the future. This comes to the fore during FFI's regular strategic planning process when careful analysis of the changing external operating environment, including any trends and likely future shocks that might affect our work, helps to shape the trustees' decision-making on where our efforts should be focused and what resources will be needed to deliver the strategy, so that FFI can achieve greater, demonstrable and lasting impact.

In 2021, a key area of trustees' decision-making involved continued management of the range of risks presented to our people, partners, programmes and finances, so that the impacts of these on FFI's delivery and sustainability, both in the short and longer term, could be limited wherever possible. For further information please see the key risks section later in this report.

1. As FFI has fewer than 250 UK employees we are not required to include a statement in relation to this. However, please see information earlier in this report under Ambition 6: Investing in our people.

STAKEHOLDER ENGAGEMENT

Partners

FFI has a long and successful history of building effective partnerships with others, from individuals and local community groups to national government and multilateral agencies, international NGOs and large corporates. The more organisations and individuals that can be empowered to achieve their own conservation goals, the greater the chance there is of FFI's vision of effective, locally driven conservation being realised. We prioritise activity in areas where local partners have requested FFI engagement, where we see a need that is not being addressed and where we believe we can add value. We see that investing in and building the capacity of these local partners is key for the sustainability of local conservation, and we aim for them to become independent of FFI in the future while staying engaged as part of our wider network. The importance of our ongoing support to partners was brought into sharp relief in 2020, when the Partner Crisis Support Fund (launched in response to the impacts of the pandemic) provided 37 partners with emergency funding to continue their vital conservation work. 2021 saw the establishment of a new Conservation Resilience Fund that will continue to allow us to help partner organisations plan for and respond to ongoing shocks to our natural, economic and social systems, thus building their resilience for the long term.

We also recognise the necessity to do more to influence wider decision making, working internationally on issues that others don't, or collaboratively as part of coalitions – and, where appropriate, supporting local partners to engage in national policy processes. We do this in the belief that the fate of species and ecosystems is influenced not only by those living closest to them, but also by the decisions of businesses, people and policy-makers further afield. For more information on FFI's work with partners and on influencing others please see our reporting on Ambitions Three and Four earlier in this report.

Donors, members and supporters

FFI is fortunate to have supportive and long-standing relationships with our major donors, with whom we have engaged over the last two years to discuss the impacts of the pandemic on our project delivery, agreeing flexibility and new timeframes if necessary when work has been disrupted. Throughout this period our members and supporters have also provided valued and steadfast support, responding positively to our campaigns and appeals and engaging with us through our increased digital communications and online events, including our second virtual AGM. Attendance for this event continued to be higher than previous in-person versions, validating the decision of the trustees to adopt a virtual format, so increasing engagement with our membership going forward.

Suppliers and other stakeholders

In keeping with FFI's values we act with integrity in all our internal and external relationships, including our business ones with our suppliers, which we foster through long-term arrangements where appropriate. This period saw continued increased engagement with some key professional advisers such as our insurers, where our long-standing relationships have been an advantage during the pandemic. Our collaboration with other members of the Cambridge Conservation Initiative (CCI) continues to flourish with this year seeing ongoing collective decision-making around the operation of CCI's base at the David Attenborough Building to promote and protect the health and safety and well-being of employees of all the organisations involved.

COMMUNITY AND THE ENVIRONMENT

As a conservation organisation our core business is addressing threats to the world's habitats and species, protecting the environment and biodiversity and benefiting the communities in which we work. As we undertake our day-to-day activities we aim to minimise as far as possible the negative impact that FFI has on the environment, aiming to do this by reducing the resources we use, the waste we produce and the emissions we generate, without compromising our ability to address our mission and aims. For further details please see the section on our Environmental Policy.

Reference and administrative details

Status

Fauna & Flora International (FFI) is a company limited by guarantee, incorporated in January 1992, Registered Company Number 2677068. It was originally established in 1903 and was registered with the Charity Commission in May 1992, Registered Charity Number 1011102.

Registered office

FFI's registered and principal office is at The David Attenborough Building, Pembroke Street, Cambridge, CB2 3QZ.

Patron

HRH The Duke of Cambridge

President

HRH Princess Laurentien of the Netherlands

Vice-Presidents

Baroness Valerie Amos LG CH PC

Professor Sir Roy Anderson FRS FMedSci

Sir David Attenborough OM FRS

The Lord Browne of Madingley FR Eng

Lindsay Bury

Dee Caffari

Charlene de Carvalho-Heineken

Field Marshal Sir John Chapple GCB CBE DL *(passed away 22nd March 2022)*

Giles Clark

Viscount Philippe de Spoelberch

Dame Judi Dench CH

Dr Lee Durrell

Hugh Fearnley-Whittingstall

Stephen Fry

Rupert Goodman

Edward Hoare

Tim Jarvis

Anders Johansson

The Lady Emma Kitchener LVO

Rove McManus

Justin Mundy LVO

Blaine T. Phillips

The Rt. Hon. the Lord Randall of Uxbridge

Sir Gareth Rhys Williams

Dr Lisbet Rausing

Dr Claudio Segré

The Rt. Hon Mark Simmonds

Victoria Stack

Jon L Stryker

Andrew Sykes

Edward van Cutsem

Antonio Versace

Charles Whitbread DL

Dr Adrian Wilson

James Wong

The Rt. Hon Baroness Young of Old Scone

Jochen Zeitz

Board of Trustees

The trustees who served during the year and at the date of this report were as follows:

EXECUTIVE COMMITTEE

Hugo van Vredenburch	Chair
Annette Lanjouw	Vice Chair
Paul Baldwin	Treasurer
Dr Liz Rogers	Vice Chair elect *(appointed to Council 29th September 2021)*

ORDINARY MEMBERS OF COUNCIL

Jeffrey Blumberg

Anna Gavazzi

David Gibson

Senator Abshiro Halake *(appointed 29th September 2021)*

Andrew Joy *(retired 29th September 2021)*

Benjamin Khalili

Dr Sandra Knapp *(retired 29th September 2021)*

Richard Plackett

Hugh Sloane *(appointed 29th September 2021)*

Kimberly Stewart

Diana van de Kamp

Richard Walker OBE

Professor Joanne Webster FLS FRSB *(appointed 29th September 2021)*

SENIOR MANAGEMENT TEAM

Mark Rose	Chief Executive Officer
Svetlana Ignatieva	Chief Operating Officer and Company Secretary
Joanna Elliott	Senior Conservation Director, Cross-cutting Programmes
Jonny Wright	Senior Director, Communications & Fundraising
Dr. Abigail Entwistle	Acting Senior Director, Conservation Science & Design *(temporary appointment from October 2021)*
Paul Hotham	Acting Senior Conservation Director, Regional Programmes *(temporary appointment from October 2021)*

PRINCIPAL PROFESSIONAL ADVISERS

Auditors	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Solicitors	Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
Investment Managers	BlackRock, 12 Throgmorton Avenue, Drapers Gardens, London, EC2N 2DL
Bankers	Barclays Bank, Mortlock House, Vision Park, Histon, Cambridge, CB24 9DE
Insurance Brokers	Sutton Winson, Greenacre Court, Station Road, Burgess Hill, RH15 9DS

Key Policies & Statements

Public benefit

The Strategic Report demonstrates the scope of the activities undertaken by FFI in 2021 in furtherance of its charitable purposes for the public benefit.

- FFI promotes the conservation of the environment and the education of all sectors of society in the protection of biodiversity. We strive for a sustainable future for the planet for the benefit of the public and act to conserve threatened species and ecosystems whilst taking account of human needs. We promote or conduct training programmes and research and publish knowledge acquired as a result of such research, as well as undertaking and engaging in other informative activities including exhibitions, lectures, conferences and seminars.
- In exercising its powers and duties in furtherance of the Charity's Objectives, the Board of Trustees has complied with its duty, under Section 17 of the Charities Act 2011, to show due regard for the Charity Commission's general guidance on public benefit. In addition, whilst setting the organisation's annual objectives and planning its activities, both in the short and the longer term, the Trustees have also demonstrated due regard for the Commission's specific guidance relating to the conservation of the environment for the public benefit.

White rhino, Kenya © Camila Iturra/FFI

Macaque monkey © Juan Pablo Moreiras/FFI

Reserves Policy

FFI is committed to maintaining a level of reserves appropriate to the identified operating needs, taking into account financial impact of risk, working capital requirements, future income sources and organisational plans and commitments. FFI's policy is to hold 6-18 months of budgeted, recurring, unrestricted expenditure, with the target unrestricted reserve level of 12 months, whilst also taking into account the total expenditure (restricted and unrestricted) of the organisation as a whole.

The Covid-19 pandemic brought into focus the need to maintain an adequate level of reserves in order to protect the organisation from financial shocks. In setting a policy of 6-18 months with a target of 12 months, FFI's Trustees have considered the cost base and risk profile of the organisation and the impact of a sudden drop in income, and believe that the policy is appropriate to allow FFI to continue its operations while simultaneously working to rebuild its reserves. FFI's current reserves position is outlined in the Financial Review on page 43.

Our reserves fall into three types.

RESTRICTED RESERVES

Restricted reserves reflect the balance of unspent restricted funding (e.g. grants, donations) that have been received by FFI (often in advance) for a specific charitable purpose or project. They are not available for general purposes and can only be spent according to funder terms and conditions.

ENDOWMENT RESERVES

Endowment funds must be spent in accordance with funder stipulations, and are held separately within FFI's reserves because the capital amounts must be maintained. Further details on FFI's endowments are given in note 12 of the financial statements.

UNRESTRICTED RESERVES

Unrestricted reserves are net assets around which no donor conditionality exists, which may be spent to further FFI's charitable objectives in accordance with internal decisions made by FFI's management and Council. Designated reserves are created from time to time when the Trustees identify organisational priorities. These reserves form part of total unrestricted reserves as they represent internally earmarked funds. Currently these funds have been designated for investment in initiatives to help minimise the environmental impact of FFI's activities.

Investment Policy

FFI's Investment Policy outlines how FFI will manage its reserves, with reference to the purposes for which the funds have been raised.

FFI is responsible for the safekeeping and investment of restricted reserves prior to their being required for project expenditure. As such, the main investment priority is capital preservation, with the funds held either on deposit with major banks or in suitable money market funds. Unrestricted reserves are held for general expenditure and to meet unforeseen requirements. As these funds may need to be available at short notice, they are regarded as short-term funds for investment purposes, with capital preservation and liquidity as the main focus. FFI keeps a sufficient amount of funds to enable efficient cash flow on deposit with major banks or money market funds. Any excess funds may be held in short-dated bond funds and equities.

The endowment funds are long-term funds designed to produce an income in line with donor stipulations. As such, these funds are invested in a portfolio of equities, bonds and other securities with the aim of preserving the value of the funds' capital in real terms and providing a growing income stream. The portfolios are invested over the long term approximately 70% in equities and 30% in bonds and other securities. Wherever practical, FFI will choose investment opportunities that align with FFI's mission.

FFI has appointed investment managers who will manage the applicable funds in accordance with the Investment Policy approved for those funds.

Anemone fish in Myanmar. © Michelangelo Pignani/FFI

Grant-making Policy

FFI makes grants to strategic and implementing partners and in 2021 we disbursed over £5.0 million in grant funding (2020: £5.4m). All our grant funds are disbursed with clear criteria and application processes, including conducting due diligence based on materiality criteria, and use formal review and clearly defined decision-making. All grants are made based on written grant agreements, and incorporating requirements on reporting and financial oversight. Donor conditions are passed on to the recipient in the sub-grant agreement, as necessary.

FFI staff also reviewed over 600 grant applications for external grants funds using criteria developed and agreed with the donors and, through this, influenced the allocation of an additional £8 million of conservation grant funds.

Environmental Policy

All of FFI's activities are designed to address threats to the world's habitats and species and to have a positive impact on biodiversity. As an organisation focused on protecting the environment, we are committed to minimising our environmental impact wherever we can, taking into account the need to deliver the wider environmental goals within our mission.

Our Green Group continues to work on internal initiatives to embed the organisation's Environmental Policy and to encourage best practice, resulting in achievement of a Gold award for the 2020-2021 Green Impact year from the NUS Green Impact Scheme. Particularly commended was the significant reduction in energy consumption and the sharing of good practice and new green ideas.

To quantify and manage FFI's carbon footprint, we established a 2019 baseline for emissions related to our Cambridge office and organisation-wide flights. We then completed an audit of 2021 flights, following the most commonly used accounting and reporting standard: the Greenhouse Gas Protocol. In parallel, our expenses and travel policies have been adjusted to improve information collected about flights, allowing us to track carbon on a more regular basis. We conducted desk research to determine an appropriate carbon reduction target that aligns with best practice within the sector, and we aim to develop an implementation plan in 2022.

We have also developed guidance on the sustainable procurement of food and drink at FFI-hosted events; this includes purchasing locally sourced products with minimal packaging, and encourages sustainably harvested protein options. We expect the trend for increased home working by FFI staff to continue as we navigate through the pandemic, and this is now embedded in our new Hybrid Working Policy. Home working reduces the emissions associated with commuting to an office (although we do not track this, nor any increase in home energy bills associated with working from home). FFI has embraced communications technology in order to reduce our carbon footprint from both commuting and overseas travel.

ENERGY AND EMISSIONS REPORT (SECR)

As detailed above, in the last three years we significantly reduced our energy consumption, and took various actions to promote energy efficiency and low-carbon choices. Our actions are in line with the carbon reduction and energy efficiency targets set out in the Sustainability Action Plan for the David Attenborough Building, where our headquarters is located.

	2019 (Jan-Dec)	2020 (Jan-Dec)	2021 (Jan-Dec)
Gas (kWh)	107,078.4	94,175.3	88,310.4
Electricity (kWh)	55,056.5	35,865.4	24,683.2
Total UK energy use (kWh)[1]	**162,134.9**	**130,040.7**	**112,993.6**
Gas (tonnes CO2e) [3]	19.7	17.3	17.9
Electricity (tonnes CO2e)	14.1	8.4	5.2
Total associated GHG emissions (tonnes CO2e) [2,3]	**33.8**	**25.7**	**23.2**
Intensity ratio Emissions per office floor space (tonnes CO2e per m²) [3]	**0.046**	**0.035**	**0.031**

1. The total UK energy use covers gas and electricity consumption of the FFI office in our global headquarters, The David Attenborough Building. Global data is not yet available, therefore we have agreed a step-by-step process for our carbon footprint assessment that prioritises the UK operation, before a gradual roll out to country offices. Please note that two FFI electricity submeters were not recording between 08/02/21 and 13/10/21. The 2021 data is therefore less accurate. Energy consumption in 2020-2021 was also affected by the pandemic and increased home working.

2. Associated greenhouse gas (GHG) emissions have been calculated using DEFRA conversion factors, following the widely recognised independent standard, the GHG Reporting Protocol - Corporate Standard. Please note that due to a calculation error the 2019 and 2020 electricity data have been updated.

3. Please note that due to a calculation error in the gas consumption related GHG emissions, the 2019 and 2020 data have been updated.

Remuneration Policy

FFI recognises its responsibility to expend funds wisely and intelligently in line with its status as a charity and the expectations of the public and those that support its work. In parallel, it recognises its responsibility to ensure that it attracts and retains excellent people with the appropriate level of skills and experience to achieve its mission. To this end, at all levels of the organisation, it aims to ensure that pay is fair and appropriate to the skills required and responsibilities involved. It carries out external benchmarking, with the aim of ensuring that pay is competitive within the charitable sector, within the context of affordability.

Going concern

Going concern remains an increased risk area for all organisations, particularly in light of the continued effects of the global pandemic, rising inflation and cost of living, slowing down of the economy and geopolitical instability.

Trustees are required make a determination of FFI's ability to continue as a going concern for a minimum of 12 months following the date of signing of this report. In order for Trustees to make this determination, we have reviewed our actual results from previous years, together with our current budget and have updated the projection figures and assumptions therein, taking a conservative approach. The results of this exercise indicate that FFI has sufficient reserves to continue to deliver its strategic objectives by the end of that period, and will still maintain an adequate level of unrestricted reserves by the end of it.

The Trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Tonkin snub-nosed monkey © Oliver Wearn/FFI

Fundraising

The Trustees have reviewed FFI's fundraising activities in light of the Charities (Protection and Social Investment) Act 2016 and the related guidance published by the Charity Commission. The following summary outlines FFI's approach towards developing and monitoring its fundraising activities.

FFI is a membership organisation and uses the membership offer as well as a broader regular giving proposition to cement long-term relationships with donors. FFI's direct marketing activities are carried out in partnership with creative agencies, who provide design and copywriting services for our printed appeals that are sent to our existing supporter base, and for our supporter recruitment activity, which includes direct response television (DRTV) adverts, inserts and advertisements placed in targeted newspapers and magazines. We also work with media-buying agencies, which are tasked with proposing and purchasing the media space for us to reach new audiences and recruit new supporters, and this includes booking space with TV channels and in the publications in which we wish to advertise.

We now have a significant portfolio of digital fundraising activities, including our weekly e-newsletter and social media ads, which focus on the recruitment of new supporters and generate a healthy return on our investment. FFI has a well-established major-giving programme, with approaches typically made in person by senior staff or trustees. FFI also hosts events throughout the year, typically targeted at stewarding and soliciting funding from mid-to-major donors and prospects.

FFI has paid the applicable levy to register with the Fundraising Regulator and displays the Regulator's badge on all appropriate fundraising materials. FFI complies with the terms and conditions of its registration, the recommendations made by the Regulator and standards contained in the Code of Fundraising Practice to ensure that our fundraising activities are fair, transparent and honest. The fundraising team constantly monitors its performance against objectives, particularly for unrestricted income.

FFI does not routinely outsource its fundraising activities. However, we occasionally work with commercial participators. All new opportunities are assessed against FFI's fundraising strategy and the Fundraising Regulator guidance and with consideration for FFI's reputation. We have developed a commercial participator agreement template and all such arrangements are monitored to ensure continued compliance with the legal requirements.

In 2021, FFI received approximately 30 complaints relating to our telephone fundraising. This is where our telephone handling agencies respond to calls from people who have seen our direct response television and press adverts, or who have received an appeal mailing from us. Complaints usually relate to people being 'upsold' (meaning that the call handler asks whether the potential donor would like to give an increased monthly gift). In each case we listen back to the call, and feed back if we feel a fundraiser has not met FFI's expectations during the conversation. In 90% of cases the calls were fine, and no further action was needed. With over 3,500 regular donors and members recruited via this channel in 2021, the proportion of complaints was very low.

FFI regularly monitors our telephone agencies, which includes weekly reports that highlight instances when supporters raise questions or complaints. These reports, along with training of call centre staff, enable us to continually assess their performance and ensure a high level of supporter care is achieved.

Kadhamzah Creek Akyaka Mugla Turkey © Zafer Kizilkaya

Our agencies also follow a set of guidelines to determine supporter vulnerability; if a supporter is deemed to be vulnerable, a case is raised with FFI which will investigate the matter. This may result in a donation being declined and further action being taken. We are currently reviewing our contracted call handling agencies to ensure we are working with agencies that will provide the best experience for FFI's supporters.

FFI regularly reviews its Privacy Statement and updates it when necessary. Our Fundraising Promise makes it clear what personal data is collected, how it is processed and how an individual can get in touch with FFI to change their preferences. All of FFI's communications include easy mechanisms for unsubscribing or updating contact preferences and we ensure that our database is updated accordingly.

Principal Risks

The Trustees have established a framework for the identification and control of the major risks to which the Charity is exposed.

The Trustees have a risk-management strategy which comprises:

- A rolling review of the risks the Charity faces or which may arise, tracked in the Risk Register, complemented by regular discussion of risk by the Executive Committee and Audit & Risk Committee (the latter having been renamed to reflect an increased focus on risk management in recent years).
- The establishment of systems and procedures to mitigate against those risks and their potential impacts should they materialise, identified from an operational review and as part of the Business Plan.
- The implementation of processes designed to underpin our ability to identify and manage specific risks. For example In 2021, recognising that our employees are our most valuable assets and fundamental to successfully achieving our mission, we updated our policy and procedures relating to recruitment and selection so we attract high-performing and motivated people from a wide and diverse talent pool, appointing candidates on merit alone, following a fair, systematic and transparent process.
- A portfolio risk-tracking tool enabling regular and comprehensive assessment of three types of risk: financial, delivery and conservation impact, across portfolios of projects.
- Regular review of our insurance cover to assess whether it adequately addresses the risks and potential liabilities we face, extending cover if new risks are identified.

Wetland in the Térraba-Sierpe delta, Costa Rica. © Juan Pablo Moreiras/FFI

The key risks faced by the Charity, along with the steps taken to mitigate these risks, have been identified as follows:

FINANCIAL ENVIRONMENT – the continued effects of the global pandemic, rising inflation and cost of living, slowing down of the economy, and geopolitical instability are posing a range of new, unforeseen risks. We are mitigating these risks through careful financial monitoring and management, and future scenario planning, along with diversifying our income sources and reviewing our non-essential spending. While our reserves are healthy and in line with our policy, these additional pressures will require prudent and agile management of our financial resources and reserves.

RECRUITMENT AND RETENTION – our people are critical to the delivery of our strategy, but attracting and retaining our talented workforce is becoming more challenging in the aftermath of Brexit and in light of the increasingly competitive global labour markets. We recognise that our people often work under immense pressure, in both conservation delivery and enabling functions. Our new recruitment and selection procedures are designed to reach a wider and more diverse talent pool, while paid internships improve access to career opportunities in our sector. We aim to support our workforce in finding a fulfilling, long-term career at FFI by investing in training and development, allowing our people to work flexibly and helping them to improve their mental resilience, promoting clear internal communications, and fostering an inclusive 'OneFFI' culture.

FINANCIAL MANAGEMENT, COMPLIANCE AND RESILIENCE OF IN-COUNTRY PARTNERS - an inherent risk, particularly where funding is sub-granted from government or multilateral donors, where funding from FFI represents a significant element of funding portfolios, and/or where local partners have limited access to international fundraising markets. We identify risks through partner due diligence and invest in supporting our partners to build their capacity and resilience, including through the new Conservation Resilience Fund. This fund will also focus on supporting partners to develop conservation enterprise schemes, allowing them to find new income streams that will provide greater financial security and, in turn, mitigate the risk to continued, sustainable delivery of our conservation programmes worldwide.

REPUTATIONAL RISKS – FFI's excellent reputation is dependent on continuing to demonstrate significant conservation added value, which requires all internal decision-making systems from programme design to monitoring and evaluation to be functioning well. We continue to invest in sound governance and control processes and to conduct robust due diligence on our institutional relationships, with a particular emphasis on careful selection of partners. To mitigate the reputational risk associated with a greater external profile and potential media interest, our Communications Plan includes enhanced training for staff and investment in crisis and reputation management protocols and systems to help us prevent, prepare for, and respond to crises including (but not limited to) negative press coverage.

GLOBAL SAFETY AND SECURITY – our staff and operations are inevitably subject to such risks especially given some of the more remote, difficult and insecure locations we work in and travel to, such as Myanmar and Mozambique. We seek to protect our people and programmes by monitoring global travel, security and health risks that have the potential to affect them. We also track regional security and political trends for developing situations and put in place policies, procedures and risk management measures designed to safeguard our staff and those who come into contact with our activities and to strengthen and institutionalise a culture and practice of safety and security so that FFI is well prepared for, and can respond well to, the safety and security challenges it faces.

NEGATIVE SOCIAL IMPACTS - inherent in the delivery of our conservation programmes is the risk of causing negative social impacts, including breaches of human rights. FFI has adopted a suite of social safeguard policies and procedures to mitigate these risks and ensure that our projects and partners fully respect and uphold Indigenous Peoples' and local communities' rights as well as enhancing the equitable outcomes of our projects. FFI's social safeguards are being shared and developed with peers and partners, helping us to live up to best practice in implementing rights-based approaches, preventing harm and addressing and effectively mitigating any negative social impacts of our work.

Financial Review

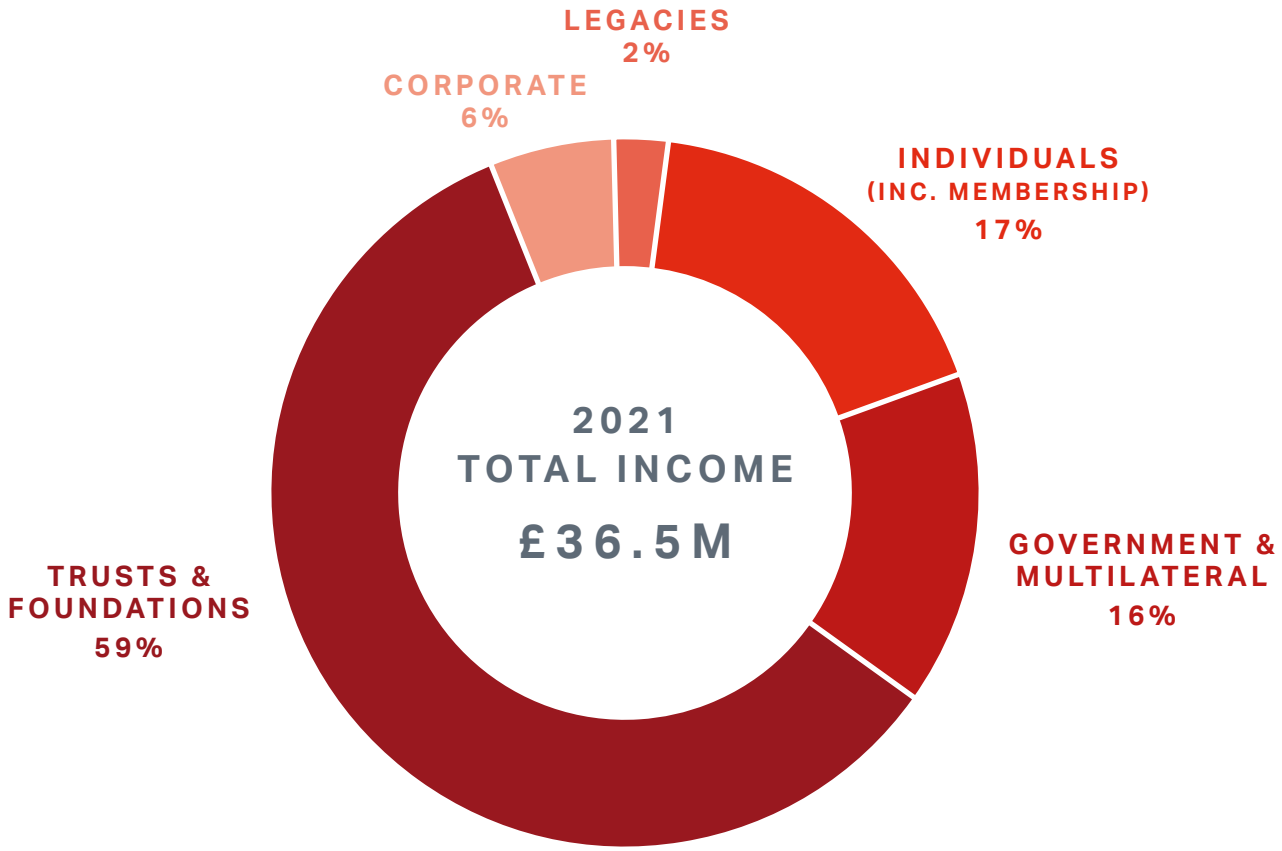
African elephant, Kenya. © Camila Iturra/FFI

Overall Position

This report and the consolidated Financial Statements incorporate the results of FFI's UK operations, its overseas branches and controlled subsidiaries and its associated permanent endowment funds.

The net movement in total funds for the period is an increase of £10.9m (2020: £2.5m increase), comprising an increase in restricted funds of £9.5m (2020: £706k increase), an increase of endowment funds of £57k (2020: £45k increase) and an increase in unrestricted funds of £1.3m (2020: £1.8m increase). Restricted funds predominantly relate to current, active projects and are largely anticipated to be utilised over the course of the next one to four years.

Income



Income generated overall of £36.5m shows an increase of £10.0m (38%) compared with 2020. This represents the highest level of income FFI has ever received, with significant growth in both restricted and unrestricted funding. Included in this is a one-off grant of £3.7m for the purchase of Boden Creek in Belize.

UNRESTRICTED INCOME BY TYPE

	2016	2017	2018	2019	2020	2021	2020/2021 Change
Individuals	1,309,006	1,241,392	1,276,626	1,362,427	4,139,416	4,081,322	-1%
Trusts & Foundations	144,834	1,063,758	521,424	756,517	859,475	1,821,776	112%
Legacies	256,176	790,779	73,885	2,325,653	1,189,313	901,330	-24%
Corporate	20,689	55,939	167,038	52,914	196,920	19,806	-90%
Other	17,253	7,999	38,704	25,514	34,453	7,412	-78%
Capital Campaign	10,417	2,487,505	500,000	125,000	-	-	0%
	1,758,375	**5,647,372**	**2,577,677**	**4,648,025**	**6,419,577**	**6,831,646**	**6%**

Unrestricted income from Trusts & Foundations increased by £960k (112%) from 2020, including a £1.3m (€1.5m) grant from the Dutch Postcode Lottery. Income from Individuals has remained the same as in 2020, however 2020 Individual income included £2.0m received by FFI as a Promoting Society of the People's Postcode Lottery. In 2021, we saw an increase in online and other individual donations.

RESTRICTED INCOME BY TYPE

	2016	2017	2018	2019	2020	2021	2020/2021 Change
Trusts & Foundations	9,259,111	11,152,475	10,266,072	10,206,257	11,738,061	19,713,173	68%
Government & Multilateral	2,877,498	4,274,240	4,457,350	6,947,640	5,315,100	5,645,650	6%
Corporate	1,403,693	1,881,587	1,068,003	816,097	1,254,924	2,046,255	63%
Individuals	460,966	173,979	294,112	414,924	1,560,470	2,042,816	31%
Other	23,047	30,595	117,772	178,269	180,828	205,417	14%
Legacies	-	25,000	318,444	44,613	-	-	0%
	14,024,315	**17,537,876**	**16,521,752**	**18,607,800**	**20,049,383**	**29,653,311**	**48%**

Restricted income from Trusts & Foundations has increased by £8.0m (68%) in 2021. We received increased income from both new and long-standing donors, in addition to the previously mentioned grant for the purchase of Boden Creek in Belize. The increase in Corporate income relates to the expansion of existing relationships. The increase in Individual income relates primarily to funding received in support of a partner organisation in Kenya.

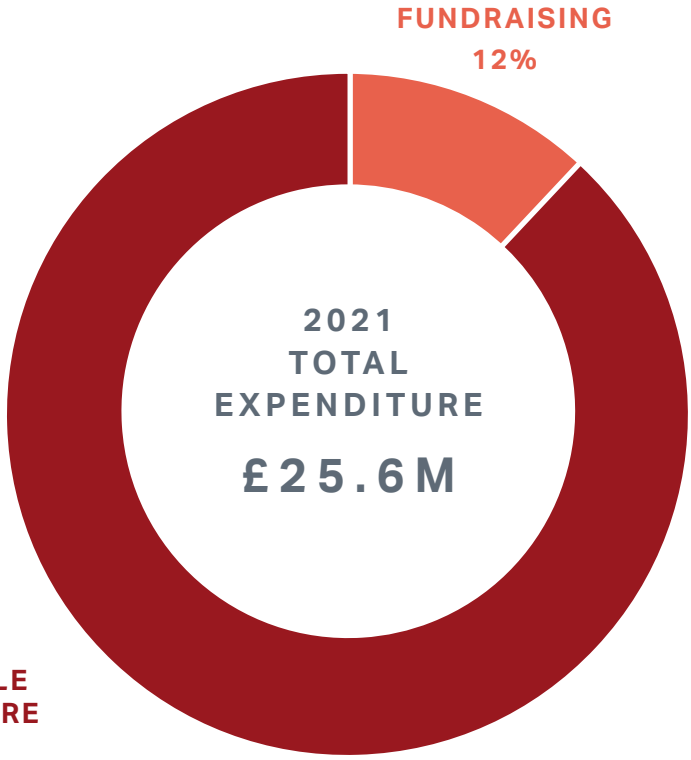
As ever, we are very grateful for all the support we receive from our donors.

Expenditure

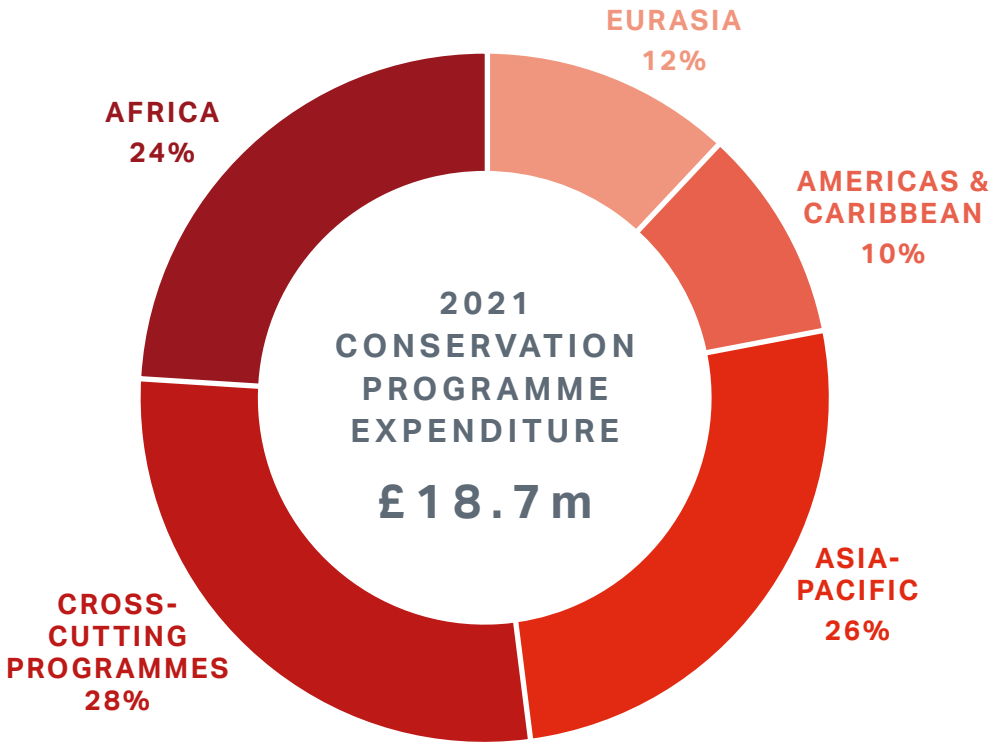
Charitable expenditure across our conservation portfolio has remained consistently high as a proportion of total expenditure (88%) in 2021 (2020: 92%).

In accordance with our strategic plan, FFI has invested in fundraising capacity and the diversification of our income streams, resulting in fundraising expenditure increasing to 12% of total expenditure (2020: 8%).

With over 120 active projects in over 40 countries, we continue to manage a diverse programme of activity, which presents its own challenges, but is also evidence of our far-reaching impact in delivering tangible biodiversity conservation.



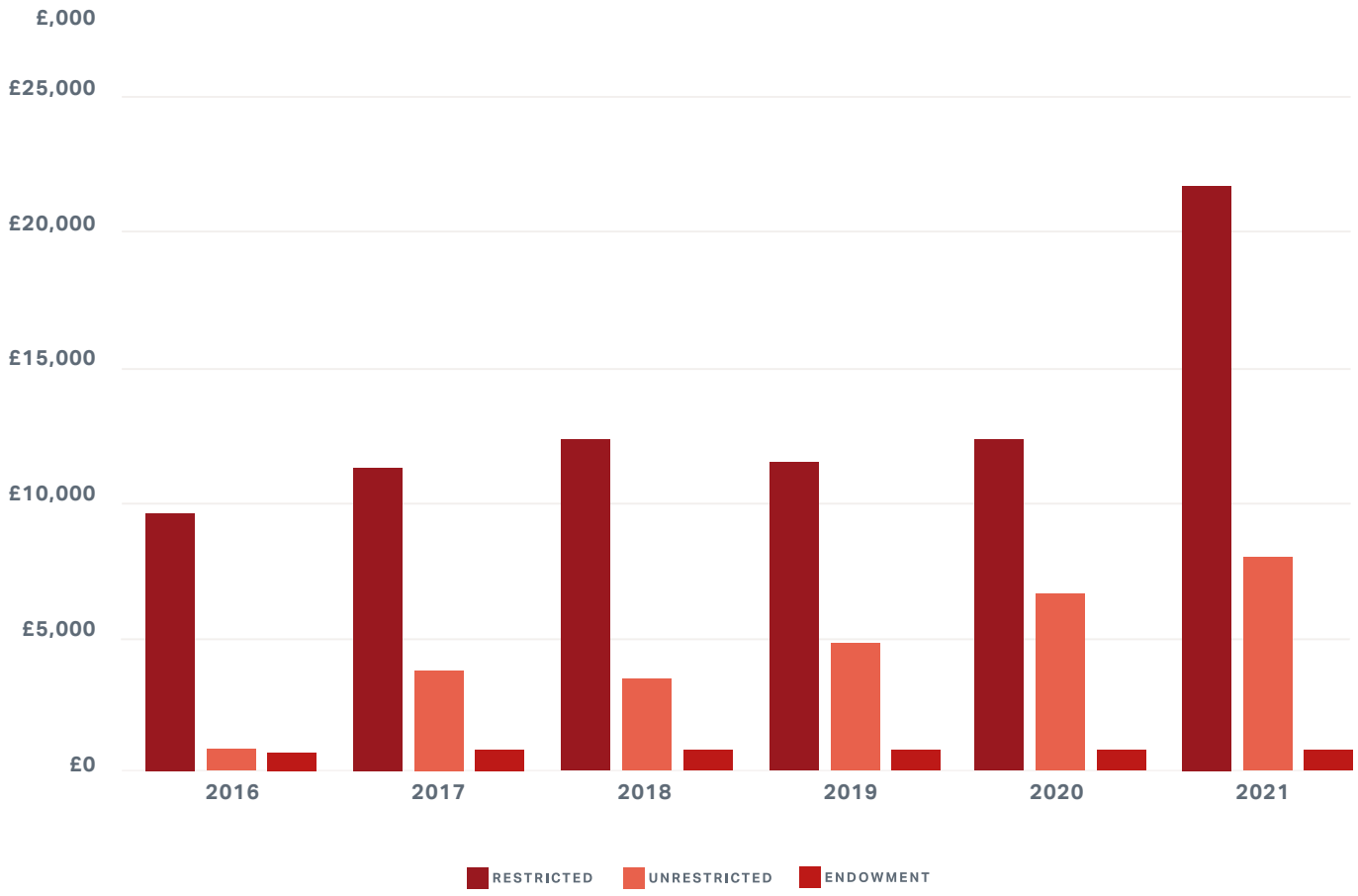
Conservation programme expenditure in 2021 was £18.7m (2020: £19.1m). The Covid-19 pandemic continued to impact levels of expenditure in 2021, while expenditure in 2020 included funds dispersed to partners via our Partner Crisis Support Fund.



FFI operates through four regional Conservation Programmes (Asia-Pacific (2020: 30%); Africa (2020: 22%); Eurasia (2020: 9%); and Americas & Caribbean (2020: 9%)) supported by an array of cross-cutting initiatives (Conservation Science & Design; Conservation Capacity & Leadership; Extractives & Development Infrastructure; Climate & Nature Linkages; and Sustainable Agriculture & Enterprise), which form our Cross-cutting Programmes division (2020: 30%).

Reserves

The total reserves of the organisation at the end of 2021 were £30.1m (2020: 19.3m). Restricted reserves were £21.6m (2020: £12.1m), these funds comprise balances of unspent restricted funding, funds received in advance, and £6.4m of capitalised land and other programme related investments. Endowment reserves were £725k (2020: £667k), these funds are invested to secure the capital base whilst producing an income stream in support of our gorilla conservation work. Unrestricted reserves were £7.8m (2020: £6.5m), a welcome increase to help FFI's financial resilience during periods of instability. Free reserves (unrestricted reserves less unrestricted fixed assets of £179k (2020: £181k) are £7.6m (2020: £6.3m). This represents 9.6 months[1] (2020: 9.0 months) of budgeted, recurring core expenditure. As outlined in our reserves policy on page 31, we aim to hold unrestricted reserves of 6-18 months.



1. Unrestricted free reserves represents 13.4 months (2020: 15.3 months) of committed, recurring expenditure when measured using 2021 core expenditure levels as outlined in Note 6a.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Fauna & Flora International for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken the necessary steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that you are aware of that information.

The Trustees' Annual Report and the Strategic Report contained therein were approved and authorised for issue by the Board of Trustees on 6th July 2022 and signed on its behalf by

Hugo van Vredenburch, Chair

Independent Auditor's Report to the Members of Fauna & Flora International

Opinion

We have audited the consolidated financial statements of Fauna & Flora International ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the charitable company's affairs as at 31 December 2021 and of the group's income and expenditure, for the year 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 group 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 trustee's 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 charitable company's or the group'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.

Independent Auditor's Report to the Members of Fauna & Flora International

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their 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 and proper 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.

Independent Auditor's Report to the Members of Fauna & Flora International

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 44, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation and General Data Protection Regulation (GDPR). We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission, sample testing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

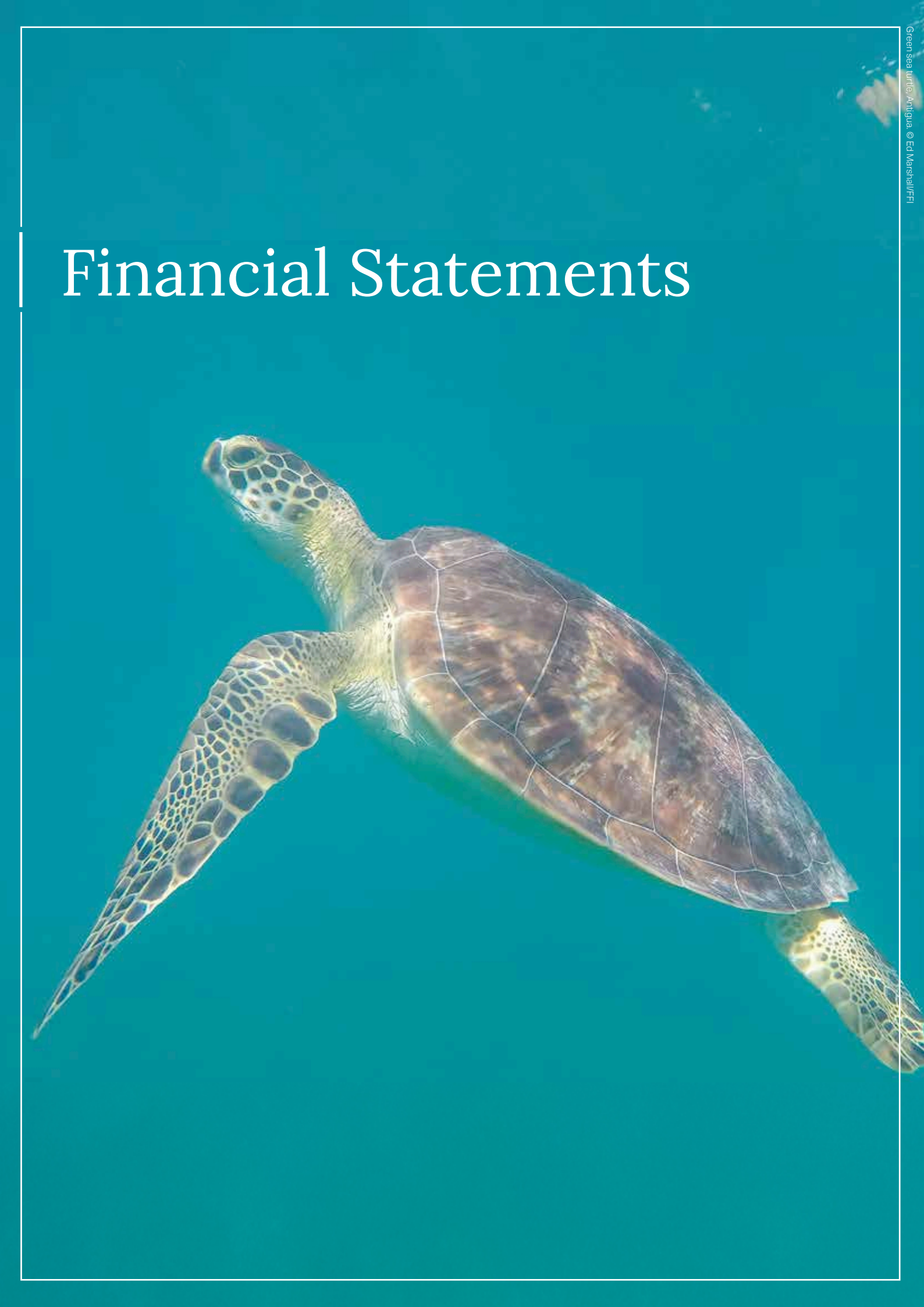
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report 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.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London U.K.

Date 5 August 2022

Financial Statements



Green sea turtle, Antigua. © Ed Marshall/FFI

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 December 2021

	Notes	Unrestricted	Restricted	Endowment Funds	2021 Total	2020 Total
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	3a, 3b	4,291,636	2,042,816	-	6,334,452	4,434,249
Charitable Activities		2,402,811	27,405,123	-	29,807,934	19,795,324
Investments		5,692	18,281	149	24,122	73,716
Other Trading Activities		131,507	-	-	131,507	2,033,187
Other		-	187,111	-	187,111	132,643
Total		**6,831,646**	**29,653,331**	**149**	**36,485,126**	**26,469,119**
Expenditure on:						
Raising funds		3,165,103	-	-	3,165,103	1,902,804
Charitable activities		2,594,970	19,800,138	-	22,395,108	22,140,114
Jointly controlled operations expenditure	22	35,730	-	-	35,730	-
Total	4a, 6a, 6b	**5,795,803**	**19,800,138**	**-**	**25,595,941**	**24,042,918**
Net gains/(losses) on investments		3,873	-	57,302	61,175	46,304
Net income		**1,039,716**	**9,853,193**	**57,451**	**10,950,360**	**2,472,505**
Transfers between funds	12	308,493	(308,493)	-	-	-
Other gains/(losses)	4b	(26,952)	(67,607)	-	(94,559)	56,813
Net movement in funds		**1,321,257**	**9,477,093**	**57,451**	**10,855,801**	**2,529,318**
Reconciliation of funds:						
Total funds brought forward		6,500,821	12,117,286	667,439	19,285,546	16,756,228
Total funds carried forward	12	**7,822,078**	**21,594,379**	**724,890**	**30,141,347**	**19,285,546**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

In 2020, unrestricted voluntary income was £2,874,366 (the remainder was restricted). In 2020, unrestricted charitable activities income was £1,487,238 (the remainder was restricted). In 2020, unrestricted investment income was £14,277 and endowment investment income was £159 (the remainder was restricted). In 2020, unrestricted income from other trading activities was £2,032,601 (the remainder was restricted). In 2020, unrestricted income from other sources was £11,095 (the remainder was restricted).

In 2020, unrestricted charitable activities expenditure was £2,384,124 (the remainder was restricted). In 2020, all expenditure on raising funds was unrestricted. In 2020, unrestricted other losses were £330,533 (the remainder was restricted). In 2020, unrestricted transfers were £25,000, with the remainder restricted.

In 2020, unrestricted other losses were £330,533 and restricted other gains were £387,346.

Consolidated Balance Sheet

For the year ended 31 December 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed Assets					
Tangible assets	7a	1,562,801	1,495,328	372,273	318,597
Intangible assets	7b	114,720	145,632	114,720	145,632
Investments	8	20,490,551	12,547,574	20,490,551	12,547,574
Total fixed assets		22,168,072	14,188,534	20,977,544	13,011,803
Current Assets					
Debtors	9	2,543,585	1,837,964	2,208,363	1,839,604
Cash at bank and in hand		7,044,811	4,650,654	5,668,075	3,831,794
Total current assets		9,588,396	6,488,618	7,876,438	5,671,398
Liabilities					
Creditors: amounts falling due within one year	10	(1,597,435)	(1,373,920)	(1,579,021)	(1,362,634)
Net Current Assets		7,990,961	5,114,698	6,297,417	4,308,764
Provisions for liabilities	11	(17,686)	(17,686)	(17,686)	(17,686)
Total net assets		**30,141,347**	**19,285,546**	**27,257,275**	**17,302,881**
The funds of the charity					
Income funds					
Unrestricted funds	12	7,765,576	6,444,319	5,715,377	4,630,668
Designated funds	12	56,502	56,502	56,502	56,502
		7,822,078	6,500,821	5,771,879	4,687,170
Restricted funds	12	21,594,379	12,117,286	20,760,506	11,948,272
		29,416,457	18,618,107	26,532,385	16,635,442
Capital Funds					
Permanent endowment funds	12	724,890	667,439	724,890	667,439
Total Charity Funds		**30,141,347**	**19,285,546**	**27,257,275**	**17,302,881**

The surplus in respect of the parent charity only was £9,954,394 (2020: £2,140,004).

The attached notes form part of these financial statements.

Approved by the Board of Trustees an authorised for issue on 6th July 2022 and signed on its behalf by

Chair: Hugo van Vredenburch

Treasurer: Paul Baldwin

Consolidated Cash Flow Statement

For the year ended 31 December 2021

Statement of cash flows	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash flows from operating activities	16	10,562,479	3,384,387	9,973,285	3,196,401
Cash flows from investing activities	16	24,122	87,094	22,226	83,663
Cash flows from financing activities	16	(3,886,452)	(159,548)	(3,872,182)	(159,548)
		6,700,149	**3,311,933**	**6,123,329**	**3,120,516**
Reconciliation of Net Cash Flow to Movements in Net Funds					
Increase/(decrease) in cash in the year		6,700,149	3,311,933	6,123,329	3,120,516
Cash and cash equivalents at the beginning of the reporting period		15,793,394	12,777,873	14,974,534	12,147,823
Change in cash and cash equivalents due to exchange rate movements		(171,426)	(296,412)	(152,482)	(293,805)
Cash and cash equivalents at the end of the reporting period		**22,322,117**	**15,793,394**	**20,945,381**	**14,974,534**

Analysis of cash and cash equivalents	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash at bank and in hand	7,044,811	4,650,654	5,668,075	3,831,794
Deposit accounts	15,277,306	11,142,740	15,277,306	11,142,740
	22,322,117	**15,793,394**	**20,945,381**	**14,974,534**

The attached notes form part of these financial statements.

Notes

1 Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements. FFI meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with the 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 effective 1 January 2015 (The FRS 102 Charities SORP) and the Companies Act 2006.

b) Basis of consolidation

The consolidated financial statements comprise a consolidation of the financial statements of Fauna & Flora International and its fully owned subsidiaries, Fauna & Flora International Australia (Ltd), Fauna & Flora International USA Inc., Fauna & Flora International (South Africa), Fauna & Flora International S.R.L. and Boden Creek Land and Cattle Ltd, and its share of its jointly controlled operations (the Carribean Alliance) with Re:Wild.

c) Significant estimates or judgements

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The investment in Boden Creek Land and Cattle Ltd by Fauna & Flora International has been accounted for as a programme related investment in the charity only balance sheet, rather than as an investment in a subsidiary. The purchase of the share capital of the company was completed in order to achieve ownership of the land owned by the company. The company has no other assets or liabilities. As such on a susbtance over form basis, the investment has been accounted for as a programme related investment rather than an investment in subsidary in the charity only balance sheet.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of FFI's designated funds is set out in the Reserves Policy within the Trustees' Report. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Permanent endowments are funds which are permanently restricted, details of which are set out in note 12 of the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

e) Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income, that receipt is probable and the amount can be quantified with reasonable accuracy. Income from donations is accounted for when received and legacy income is included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grant income is recognised when all three recognition criteria are met (entitlement, probability and measurability). Income from performance related grants and contracts is included in the accounts to the extent that entitlement has been earned through performance of the contract.

f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Project activity costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and oversight delivered from UK contracted staff. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are indirect costs related to the overall management and facilities of the organisation, Trustee administration of the charity and compliance with constitutional and statutory requirements.

g) Pension Contributions

The charitable company contributes to individual personal pensions for staff; contributions are charged to the profit and loss account as they become payable.

h) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance lease are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

i) Foreign Exchange

Assets and liabilities denominated in foreign currencies are translated into sterling on the balance sheet at the rates of exchange ruling at the year-end. Unrealised gains and losses on re-translation of monetary assets are shown as income or expenditure in line with FRS 102. Unrealised gains and losses of non-monetary assets are dealt with as part of the deficit or surplus on ordinary activities for the financial year. Gains and losses related to restricted projects cannot be allocated to specific projects. Therefore, these are accumulated in a foreign exchange revaluation fund and grouped with restricted reserves, as shown in note 12. These are then allocated to the relevant projects as they are completed.

j) Tangible Assets

Tangible assets are shown at cost less depreciation. Assets in use in the organisation are capitalised where the value of an individual item is greater than £3,000 and the asset has a long-term useful life. When items of portable equipment are acquired, such items that fall below this threshold may be capitalised. Where items are acquired from funding from restricted grants, these items will be treated in accordance with the grant requirements and therefore may well be fully expensed in the year of acquisition, rather than capitalised.

Depreciation is provided so as to write off the cost of tangible assets over their estimated useful lives at the following annual rates:

Fixtures and fittings	20 - 25% straight line
IT equipment	33% straight line
Software	20% straight line
Land & buildings *(buildings only, land not depreciated)*	5% straight line
Vehicles	20% straight line

k) Investments

Listed investments are included at the mid-market price as shown in the Stock Exchange Daily Official List as at close of business at the year end. The SOFA includes the net unrealised gains and losses arising on revaluations and realised gains and losses on disposals throughout the year.

l) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Deferred income

Deferred income relates to performance related grant and contract income where the conditions of the grant have not yet been met and therefore the Charity is not entitled to the income until a future period.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and comprise cash and bank and in hand, short term cash deposits together with trade and other debtors excluding prepayments. Financial liabilities held at transaction value comprise the short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

q) Going concern

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

2 Company Status

The company is limited by guarantee, not having share capital, and is also a registered charity; it is not liable to corporation tax. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the limited liability company.

3a Donations and legacies

	2021	2020
	£	£
Individuals	5,433,122	3,244,936
Legacies	901,330	1,189,313
	6,334,452	**4,434,249**

3b Income

	Restricted	Unrestricted	Endowment	2021 Total	2020 Total
	£	£	£	£	£
Income Source					
Government & Multilateral	5,645,650	1,720	-	5,647,370	5,324,181
Trusts & Foundations	19,713,193	1,821,776	-	21,534,969	12,597,536
Corporate	2,046,255	19,806	-	2,066,061	1,451,844
Individuals	2,042,816	4,423,143	-	6,465,959	6,467,436
Membership	25	559,509	-	559,534	421,763
Investment	18,281	5,692	149	24,122	73,716
Other	187,111	-	-	187,111	132,643
Total	**29,653,331**	**6,831,646**	**149**	**36,485,126**	**26,469,119**

In 2021, income from Trusts & Foundations included a one-off donation of £3.7m (US $4.9m) for the purchase of Boden Creek in Belize.

4a Expenditure

	2021	2020
	£	£
Expenditure includes:		
Auditors' remuneration - audit	52,855	54,295
Auditors' remuneration - other	76,691	46,029
Depreciation	169,954	206,225
Operating leases: land and buildings	449,851	306,629

4b Other gains/(losses)

	2021	2020
	£	£
Other gains/losses includes:		
Realised foreign exchange gains/(losses)	14,091	11,256
Unrealised foreign exchange gains/(losses)	(108,650)	45,557
	(94,559)	56,813

5 EMPLOYEE INFORMATION

5a Staff costs

	2021 £	2020 £
Wages and salaries	9,536,309	8,766,901
Social security costs	958,882	890,696
Pension costs	529,902	474,276
	11,025,093	**10,131,873**

£29,612 was paid out as termination payments in 2021. No termination payments were made in 2020 in the UK.

5b

	2021	2020
The average number of persons, analysed by function, employed during the year was:		
Project management	432	434
Fundraising	21	19
Administration	26	22
	479	**475**

5c

	2021	2020
Employees whose emoluments for the year were £60,000 or more are shown in the following bands:		
£60,001 - £70,000	5	6
£70,001 - £80,000	2	3
£80,001 - £90,000	2	2
£90,001 - £100,000	1	0
£100,001 - £110,000	2	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	1
£150,001 - £160,000	1	1

The pension contributions to pension schemes for the higher paid staff were £86,632 (2020: £96,369)

The total value of salary and benefits received by key management personnel in 2021 was £861,700 (2020: £709,061)

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties unless formal approval has been received from the Charity Commission. In 2021, £4,076 (2020: £292) was reimbursed to, or paid on behalf of Trustees in respect of travel and subsistence during the year.

6a Analysis of Total Expenditure

	Staff costs	Other costs	Support costs	Total 2021	Total 2020
	£	£	£	£	£
Conservation Programme Area					
Africa	1,689,593	2,722,048	136,430	4,548,071	4,138,552
Asia Pacific	2,869,249	1,878,433	62,824	4,810,506	5,628,048
Americas & Caribbean	593,701	1,103,263	128,417	1,825,381	1,738,377
Eurasia	858,587	1,232,947	73,366	2,164,900	1,677,544
Conservation Partnerships	3,035,294	2,089,797	118,519	5,243,610	5,640,535
Foreign exchange (gain)/loss	-	152,480	-	152,480	293,803
Programmatic Activities	**9,046,424**	**9,178,968**	**519,556**	**18,744,948**	**19,116,859**
Core costs					
Fundraising costs	1,074,052	-	2,091,050	3,165,102	1,902,804
Support & administration costs	1,948,433	-	1,737,458	3,685,891	3,023,255
Total costs	**12,068,909**	**9,178,968**	**4,348,064**	**25,595,941**	**24,042,918**

The foreign exchange (gain)/loss is the revaluation of monetary assets arising from the organisation operating internationally.

6b Analysis of Support Costs

	Programme Activities	Fundraising costs	Operations & Governance costs	Total 2021	Total 2020
	£	£	£	£	£
Office rent & services	65,135	24	448,452	513,611	500,842
Equipment acquisition & maintenance	46,110	1,144	939	48,193	41,388
Grants	21,321	6,100	21,667	49,088	598,420
Conference attendance & event costs	1,119	74,150	8,269	83,538	44,286
Printing, publications and media costs	8,204	1,478,596	65,525	1,552,325	603,457
Bank charges and interest	5,580	71,065	38,362	115,007	54,281
Depreciation	3,053	28,073	39,194	70,320	108,785
IT, telephony & office supplies	73,629	93,916	245,054	412,599	323,578
Travel & Subsistence	72,654	16,456	53,828	142,938	117,233
Audit, Legal & Professional fees	177,604	290,492	764,866	1,232,962	764,635
Other costs	45,147	31,034	51,302	127,483	149,576
Total support costs	**519,556**	**2,091,050**	**1,737,458**	**4,348,064**	**3,306,481**

7a Tangible Fixed Assets (all group fixed assets are attributable to the charity, excluding the land & buildings)

	Fixtures & Fittings	IT Equipment	Land & Buildings	Vehicles	Total
	£	£	£	£	£
Cost:					
At 1 January 2021	12,467	76,413	1,176,733	610,337	1,875,950
Additions	23,433	11,711	15,962	119,409	170,515
Disposals	-	-	-	-	-
At 31 December 2021	**35,900**	**88,124**	**1,192,695**	**729,746**	**2,046,465**
Depreciation					
At 1 January 2021	3,179	50,483	-	326,960	380,622
Charge for year	2,443	3,170	319	97,110	103,042
On disposals	-	-	-	-	-
At 31 December 2021	**5,622**	**53,653**	**319**	**424,070**	**483,664**
Net book value:					
At 31 December 2021	**30,278**	**34,471**	**1,192,376**	**305,676**	**1,562,801**
At 31 December 2020	9,288	25,930	1,176,733	283,377	1,495,328

7b Intangible Fixed Assets (all group intangible fixed assets are attributable to the charity)

	Software	Total
	£	£
Cost:		
At 1 January 2021	529,333	529,333
Additions	36,000	36,000
Disposals	-	-
At 31 December 2021	**565,333**	**565,333**
Depreciation		
At 1 January 2021	383,701	383,701
Charge for year	66,912	66,912
On disposals	-	-
At 31 December 2021	**450,613**	**450,613**
Net book value:		
At 31 December 2021	**114,720**	**114,720**
At 31 December 2020	145,632	145,632

8 Fixed Asset Investments (all group fixed assets are attributable to the charity)

	2021	2020
	£	£
Movement during the year		
Market value as at 1 January	12,547,574	10,787,045
Net gains/(losses) during the year	61,175	46,304
Foreign exchange gains/(losses) during the year	135,004	43,841
Capital invested/(withdrawn) during the year	7,746,798	1,670,384
Total Investments	**20,490,551**	**12,547,574**

Investments are represented by:	2021	2020
	£	£
Fixed interest securities & equity shares	752,461	691,286
Cash deposit funds	15,277,306	11,142,740
Programme related investments	4,460,784	713,548
Total Investments held in the UK	**20,490,551**	**12,547,574**

The historic cost of investments as at 31 December 2021 was £20,338,091 (2020: £12,456,288).

Programme related investments consists of land held in Ecuador and in Belize with the intention of transferring it to a local organisation capable of preserving its conservation value.

9 Debtors

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	1,402,085	1,481,687	1,320,629	1,349,671
Amounts due from subsidiaries	-	-	511,717	137,968
Prepayments and accrued income	1,141,500	356,277	376,017	351,965
	2,543,585	**1,837,964**	**2,208,363**	**1,839,604**

All the above amounts fall due within one year.

Income accrued in 2021 has been received in 2022.

10 Creditors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	450,900	432,779	453,181	433,059
Tax and social security	641,071	541,543	633,779	535,886
Accruals and deferred income	505,464	399,598	492,061	393,689
	1,597,435	1,373,920	1,579,021	1,362,634

Accruals and deferred income includes the following:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Deferred income at 1st January	65,823	2,707,365	65,823	2,707,365
Income deferred in year	4,790	65,823	4,790	65,823
Amounts released from previous years	(65,823)	(2,707,365)	(65,823)	(2,707,365)
Deferred Income at 31st December	4,790	65,823	4,790	65,823

11 Provisions (all provisions are attributable to the charity)

	At 01/01/2021 £	Provisions created / (released) £	Provisions utilised £	At 31/12/2021 £
Land taxes payable	17,686	-	-	17,686
	17,686	-	-	17,686

Provision has been made in prior year for land tax in Ecuador that may be payable by FFI.

12 Reconciliation of funds

	Balance b/ fwd	Income	Expenditure	Other gains/ (losses)	Movements between funds	Balance c/fwd
	£	£	£	£	£	£
Unrestricted						
General unrestricted funds	6,444,319	6,831,646	(5,795,803)	(23,079)	308,493	7,765,576
Designated funds	56,502	-	-	-	-	56,502
Total unrestricted funds	**6,500,821**	**6,831,646**	**(5,795,803)**	**(23,079)**	**308,493**	**7,822,078**
Endowment funds						
Rothiemurchus Bequest Fund	34,748	149	-	3,096	-	37,993
Whitley Animal Protection Trust	632,691	-	-	54,206	-	686,897
Total endowment funds	**667,439**	**149**	**-**	**57,302**	**-**	**724,890**
Restricted funds						
Africa	2,482,127	4,785,672	(4,107,088)	(29,714)	915,494	4,046,491
Americas & Caribbean	2,438,768	4,949,670	(1,745,207)	56,662	582,998	6,282,891
Asia-Pacific	1,950,565	6,165,598	(5,217,017)	15,668	1,477,275	4,392,089
Conservation Capacity and Leadership	371,660	3,589,139	(1,999,319)	930	(45,300)	1,917,110
Cross-cutting Programmes Development	403,696	48,432	(83,293)	151	50,162	419,148
Conservation Science and Design	2,405,566	6,500,788	(2,925,698)	(656)	(3,795,276)	2,184,724
Climate & Nature Linkages	240,708	25	(205,515)	(12,359)	139,330	162,189
Eurasia	1,942,299	2,012,556	(1,896,490)	(3,652)	352,379	2,407,092
Extractives & Development Infrastructure	103,731	1,541,442	(1,456,419)	1,877	14,445	205,076
Sustainable Agriculture & Enterprise	8,015	60,009	(11,611)	-	-	56,413
Other (incl Foreign Exchange) Revaluation	(229,849)	-	(152,481)	(96,514)	-	(478,844)
Total restricted funds	**12,117,286**	**29,653,331**	**(19,800,138)**	**(67,607)**	**(308,493)**	**21,594,379**
Total Funds	**19,285,546**	**36,485,126**	**(25,595,941)**	**(33,384)**	**-**	**30,141,347**

The Rothiemurchus bequest stipulates that the Charity should:

i. Hold the bequest and pay or apply part of the income thereof each year in assisting not more than one conservation project consistent with the aims of the Charity

ii. Accumulate for as long as possible at least one quarter of the income, which should be added to the capital of the bequest.

The Whitley Animal Protection Trust M.G.P Fund represents a capital donation from the Whitley Animal Protection Trust, which stipulated that the capital should be invested and the income used for the protection of the mountain gorilla. Provision is made to maintain the relative value of the capital and to provide regular guaranteed income for the IGCP.

The restricted funds of the charity comprise unexpended balances on income given to specific purposes. In accordance with FFI's income recognition policy as outlined in Note 1 to the accounts, restricted funds in deficit have arisen where FFI is not sufficiently entitled to recognise income against ongoing work that is funded in arrears.

Transfers & Other gains and losses includes internal grants transferred from our Halcyon Land & Sea, Species and other internal portfolio funds to field based projects.

Included in the above are amounts for grants received from Fondation Segré (2021: £71,528, 2020: £241,879), the Endangered Landscapes Programme (2021: £678,850, 2020: £104,009), and Defra, UK Government: Darwin Initiative (2021: £1,126,449 , 2020: £1,094,591), Darwin Plus (2021: £93,735, 2020: £101,383), and Illegal Wildlife Trade Challenge Fund (2021: £672,819, 2020: £489,003).

13 Analysis of Net Assets between Funds

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	64,749	-	1,498,052	-	1,562,801
Intangible Fixed Assets	114,720	-	-	-	114,720
Investments	2,726,322	-	17,171,664	592,565	20,490,551
Net current assets	4,877,471	56,502	2,924,663	132,325	7,990,961
Provisions	(17,686)	-	-	-	(17,686)
	7,765,576	56,502	21,594,379	724,890	30,141,347

14a Operating Lease Commitments

	2021	2020
Annual commitments are as follows:	£	£
Land and buildings:		
Not later than one year	200,829	160,720
Later than one year and not later than five years	355,893	477,613
Later than five years	-	-
	556,722	638,333
Other operating leases:		
Not later than one year	61,801	69,980
Later than one year and not later than five years	181,638	243,439
Later than five years	-	-
	243,439	313,419

15 Related Party Transactions and Ultimate Controlling Party

The company is under the control of the Board of Trustees. There is no ultimate controlling party.

FFI holds a 51% controlling interest in Luambeze Investimentos Limitada (Luambeze), a limited liability company registered in Mozambique, registration number 100014343. Luambeze operates a conservancy concession within Niassa National Reserve, which it operates in conjunction with Chuilexi (see below) and is 100% funded by FFI. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

FFI holds a 55% controlling interest in Chuilexi Conservação e Investimentos Limitada (Chuilexi), a limited liability company registered in Mozambique, registration number 100321041. Chuilexi operates a conservancy concession within Niassa National Reserve, which it operates in conjunction with Luambeze and is 100% funded by FFI. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

FFI provides grant funding to the Northern Rangelands Trust (Kenya), Ol Pejeta Conservancy (Kenya), Ya'axché Conservation Trust (Belize), Flower Valley Conservation Trust (South Africa), Principe Foundation (São Tomé and Príncipe), ProPark Foundation (Romania), Sustainable Inshores Fisheries Trust (UK) and the International Gorilla Conservation Programme (Rwanda). Members of FFI's Senior Management Team are also directors of each of these organisations and a Trustee of FFI is a director of Ol Pejeta Conservancy. Principe Foundation, ProPark Foundation and Sustainable Inshores Fisheries Trust became related parties during the year due to changes in the FFI Senior Management Team. FFI incurred expenditure on behalf of, and was reimbursed by the East African Wildlife Society (Kenya), Sustainable Inshores Fisheries Trust (UK), Ol Pejeta Ranching Ltd and the International Gorilla Conservation Programme (Rwanda). Members of FFI's Senior Management Team are also directors of these organisations.

CCI Services Ltd was established to manage the facilities and services provided to the Cambridge Conservation Initiative (CCI) partner organisations who occupy the David Attenborough Building. CCI Services Ltd recharges costs to each organisation on a pro rata basis. A member of FFI's Senior Management is a director of CCI Services Ltd. A member of FFI's Senior Management Team is on The Cambridge Conservation Initiative Council, which provided grant funding to FFI. FFI also received funding from the Arcus

Foundation, a Trustee of FFI is a senior employee of the Foundation. FFI received funding from The Mohamed bin Zayed Species Conservation Fund, a Trustee of FFI, who stood down in April 2020 is also a Trustee of the Fund, at which point it ceased to be a related party. FFI received funding from Fondation Segré, a Trustee of FFI, who was appointed in September 2020 is a Director of the Fondation, at which point it became a related party.

FFI pays licence fees to OMC Investments Ltd in relation to FFI's London office. An immediate member of family of one of FFI's Senior Management Team members is a director of OMC Investments Ltd. The licence agreement terms are equivalent to those that prevail in arm's length transactions and the licence fees paid are at open market rates.

	2021 £	2020 £
Grants received from related parties		
Arcus Foundation	447,570	243,028
Cambridge Conservation Initiative Council	35,001	38,685
Fondation Segré	71,528	241,879
The Mohamed bin Zayed Species Conservation Fund	-	9,358
Grants made to related parties		
Ol Pejeta Conservancy	632,217	353,948
Chuilexi Conservação e Investimentos Limitada	625,515	519,340
Luambeze Investimentos Limitada	267,814	252,526
Northern Rangelands Trust	37,646	246,301
International Gorilla Conservation Programme (IGCP)	120,153	178,844
Ya'axché Conservation Trust	92,598	248,666
Flower Valley Conservation Trust	12,955	-
Principe Foundation	133,174	-
ProPark Foundation	22,468	-
Sustainable Inshore Fisheries Trust	18,220	-
Donations received from		
Trustees & Related parties	867,115	350,997
Expenditure paid on behalf of related parties		
East African Wildlife Society	5,454	3,571
Ol Pejeta Ranching Ltd	258	-
Reimbursement of expenditure from related parties		
International Gorilla Conservation Programme (IGCP)	1,784	4,175
East African Wildlife Society	-	590
Ol Pejeta Conservancy	-	53
Sustainable Inshore Fisheries Trust	6,046	-
Lease & service fees		
CCI Services Ltd	114,718	106,866
OMC Investments Ltd	43,756	48,226
Amounts owing from subsidiary undertakings		
Fauna & Flora International Australia	-	110,291
Fauna & Flora International South Africa	51,217	78,187
Fauna & Flora International USA Inc	351,732	165,105
Amounts owing from related parties		
Cambridge Conservation Initiative Council	15,000	18,091
East African Wildlife Society	2,035	590
OMC Investments Ltd	3,843	-
International Gorilla Conservation Programme (IGCP)	-	4,024
Amounts owing to related parties		
International Gorilla Conservation Programme (IGCP)	3,890	4,436
Northern Rangelands Trust	468	-
Ol Pejeta Conservancy	2,618	-

16 Cash Flow Information

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
a) Reconciliations of changes in resources to net inflow from operating activities				
Net incoming resources	10,855,801	2,529,318	9,954,394	2,140,004
Depreciation charge	169,954	206,225	169,481	206,225
Investment income (shown separately in (b) below)	(24,122)	(87,094)	(22,226)	(83,663)
(Increase)/decrease in debtors	(705,621)	2,770,851	(368,759)	2,954,311
Increase/(decrease) in creditors	223,515	(2,313,422)	216,387	(2,296,375)
Change in fixed asset investments valuation	(61,175)	(46,304)	(61,175)	(46,304)
Unrealised foreign exchange gains/(losses) on non-monetary assets	(48,353)	31,010	(67,297)	28,400
Unrealised foreign exchange gains/(losses) on monetary assets	152,480	293,803	152,480	293,803
Net cash inflow/(outflow) from operating activities	10,562,479	3,384,387	9,973,285	3,196,401
a) Gross cash flows				
Returns on investment and servicing of finance:				
Investment income received	24,122	87,094	22,226	83,663
Capital expenditure and financial investment:				
Payment to acquire tangible and intangible fixed assets	(206,515)	(159,548)	(192,245)	(159,548)
Payments to acquire fixed asset investments	(3,679,937)	-	(3,679,937)	-
	(3,886,452)	(159,548)	(3,872,182)	(159,548)

17 Summary income and expenditure account for the year ending 31 December 2021

	All income funds 2021 £	All income funds 2020 £
Income	36,461,004	26,395,403
Gains/(losses) on investments	-	-
Interest and investment income	23,973	73,557
Gross income in the reporting period	**36,484,977**	**26,468,960**
Expenditure	25,516,673	23,777,929
Interest payable	-	-
Depreciation and charges for impairment of fixed assets	169,954	206,225
Total expenditure in the reporting period	**25,686,627**	**23,984,154**
Net income (expenditure) before tax for the reporting period	10,798,350	2,484,806
Tax payable	-	-
Net income (expenditure) for the financial year	**10,798,350**	**2,484,806**

The summary income and expenditure account is a Companies Act and FRS102 requirement and is derived from the corresponding figures in the SOFA with the exclusion of endowment funds.

18 Charity Statement of Financial Activities

	Unrestricted	Restricted	Endowment	2021 Total	2020 Total
	£	£	£	£	£
Income and endowments from:					
Donations and legacies	3,941,445	1,309,819	-	5,251,264	4,383,060
Charitable Activities	2,031,275	27,472,218	-	29,503,493	19,055,132
Investments	3,796	18,281	149	22,226	70,285
Other Trading Activities	131,507	-	-	131,507	2,033,187
Other	-	176,103	-	176,103	121,548
Total	**6,108,023**	**28,976,421**	**149**	**35,084,593**	**25,663,212**
Expenditure on:					
Raising funds	2,792,076	-	-	2,792,076	1,802,510
Charitable Activities	2,384,475	19,869,826	-	22,254,301	21,816,521
Total	**5,176,551**	**19,869,826**	**-**	**25,046,377**	**23,619,031**
Net gains/(losses) on investments	3,873	-	57,302	61,175	46,304
Net income/(expenditure)	**935,345**	**9,106,595**	**57,451**	**10,099,391**	**2,090,485**
Transfers between funds	165,010	(165,010)	-	-	-
Other Recognised Gains and Losses					
Other gains/(losses)	(15,646)	(129,351)	-	(144,997)	49,519
Net movement in Funds	**1,084,709**	**8,812,234**	**57,451**	**9,954,394**	**2,140,004**
Total funds brought forward	4,687,170	11,948,272	667,439	17,302,881	15,162,877
Total funds carried forward	**5,771,879**	**20,760,506**	**724,890**	**27,257,275**	**17,302,881**

19 Prior year Reconciliation of Funds Statement

	Balance b/fwd £	Income £	Expenditure £	Other gains/ (losses) £	Movements between funds £	Balance c/fwd £
Unrestricted						
General unrestricted funds	4,665,252	6,419,577	(4,286,928)	(328,582)	(25,000)	6,444,319
Designated funds	56,502	-	-	-	-	56,502
Total unrestricted funds	**4,721,754**	**6,419,577**	**(4,286,928)**	**(328,582)**	**(25,000)**	**6,500,821**
Endowment funds						
Rothiemurchus Bequest Fund	32,148	159	-	2,441	-	34,748
Whitley Animal Protection Trust	590,779	-	-	41,912	-	632,691
Total endowment funds	**622,927**	**159**	**-**	**44,353**	**-**	**667,439**
Restricted funds						
Africa	883,516	3,709,156	(3,832,848)	(35,842)	1,758,145	2,482,127
Sustainable Agriculture & Enterprise	1,558	6,457	-	-	-	8,015
Americas & Caribbean	1,582,414	1,585,733	(1,558,807)	5,817	823,611	2,438,768
Asia-Pacific	2,668,103	3,914,636	(6,219,375)	60,333	1,526,868	1,950,565
Conservation Capacity and Leadership	238,391	1,600,099	(1,432,087)	(618)	(34,125)	371,660
Climate & Nature Linkages	379,633	716,895	(919,422)	63,602	-	240,708
Cross-cutting Programmes Development	426,615	66,912	(89,831)	-	-	403,696
Conservation Science and Design	3,213,687	6,671,189	(3,168,253)	274,935	(4,585,992)	2,405,566
Eurasia	1,969,762	1,023,467	(1,509,032)	(25,727)	483,829	1,942,299
Extractives & Development Infrastructure	20,998	754,839	(732,532)	7,762	52,664	103,731
Other (incl Foreign Exchange) Revaluation	26,870	-	(293,803)	37,084	-	(229,849)
Total restricted funds	**11,411,547**	**20,049,383**	**(19,755,990)**	**387,346**	**25,000**	**12,117,286**
Total Funds	**16,756,228**	**26,469,119**	**(24,042,918)**	**103,117**	**-**	**19,285,546**

20 Prior Year Funds Analysis Statement

	General Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible Fixed Assets	35,218	-	1,460,110	-	1,495,328
Intangible Assets	145,632	-	-	-	145,632
Investments	2,726,322	-	9,228,687	592,565	12,547,574
Net current assets	3,554,833	56,502	1,428,489	74,874	5,114,698
Provisions	(17,686)	-	-	-	(17,686)
	6,444,319	56,502	12,117,286	667,439	19,285,546

21 People's Postcode Lottery (PPL) Income

	2021 £	2020 £
Ticket Value	-	6,344,424
Prize fund	-	2,537,769
Management fee	-	1,776,439
Net proceed received	-	2,030,216

During the prior year FFI UK received the proceeds of lotteries held by PPL. FFI has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal, and so only net proceeds due to FFI UK are recognised under lottery promotions in the statements of financial activities. The net proceeds received are analysed as shown above.

22 Subsidiaries and Jointly Controlled Operations

FFI has five wholly owned subsidiary undertakings. One registered in Australia, one registered in Belize, one registered in Romania, one registered in South Africa and one registered in the United States of America.

FFI holds a 51% controlling interest in Luambeze Investimentos Limitada (Luambeze), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

FFI holds a 55% controlling interest in Chuilexi Conservação e Investimentos Limitada (Chuilexi), a limited liability company registered in Mozambique. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

Entity	**Fauna & Flora International Australia (Ltd)**	**Fauna & Flora International USA Inc.**	**Fauna & Flora International (South Africa)**	**Fauna & Flora International S.R.L**	**Boden Creek Land and Cattle Ltd**	**Chuilexi Conservação e Investimentos**	**Luambeze Investment, Limitada**
Country of Registration	Australia	USA	South Africa	Romania	Belize	Mozambique	Mozambique
Registration No.	ABN: 75 132 715 783 CAN: 132715783	81-3967095	2014/099386 /08	33448761	17633	100321041	100014343
Registered Address	c/o Purpose Accounting, 583 Elizabeth Street, Redfern NSW 2016	1720 N ST NW FL 4, Washington DC, DC 20036-2907, USA	43 Fish Eagle Place, Fish Eagle Place, Kommetjie, 7975, South Africa	STR. 1 Decembrie Nr. 14 330025 Deva, Romania	c/o Reyes Retreage LLP & Loyal Offshore Ltd, 122 Eve Street, P.O. Box 2205, Belize City, Belize	c/o MozConsult Rua Beijo da Mulata nº 188, Sommerschield II, Maputo, Moçambique	
Percentage Ownership / Control	100%	100%	100%	100%	100%	55%	51%
	£	**£**	**£**	**£**	**£**	**£**	**£**
Total Income	156,276	5,430,663	1,878	265,600	-	-	-
Costs	(154,129)	(4,570,968)	(1,494)	(231,423)	-	(635,578)	(242,830)
Net gains/(losses) on investments	-	-	-	-	-	-	-
Other gains/(losses)	(8,060)	(5,055)	(514)	-	-	-	-
Surplus / (deficit) for the year	(5,913)	854,640	(130)	34,177	-	(635,578)	(242,830)
Retained surplus brought forward	170,767	589,851	5,589	1,237,605	3,746,023	(2,450,093)	(1,719,395)
Retained surplus carried forward	164,854	1,444,491	5,459	1,271,782	3,746,023	(3,085,671)	(1,962,225)
Gross assets at 31 December 2021	167,284	1,922,915	52,216	1,274,304	3,746,023	507,349	427,034
Gross liabilities at 31 December 2021	(2,430)	(478,424)	(46,757)	(2,522)	-	(3,592,789)	(2,389,027)
Reserves at 31 December 2021	164,854	1,444,491	5,459	1,271,782	3,746,023	(3,085,440)	(1,961,993)

The Caribbean Alliance is a jointly controlled operation between Fauna & Flora International and Re:Wild. The jointly controlled operation was created in 2021. The net expenditure of £35,730 shown in the Statement of Financial Activities represents Fauna & Flora International's share of the net expenditure of the jointly controlled operation for 2021.

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FAUNA & FLORA INTERNATIONAL

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Pembroke Street, Cambridge,
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www.fauna-flora.org

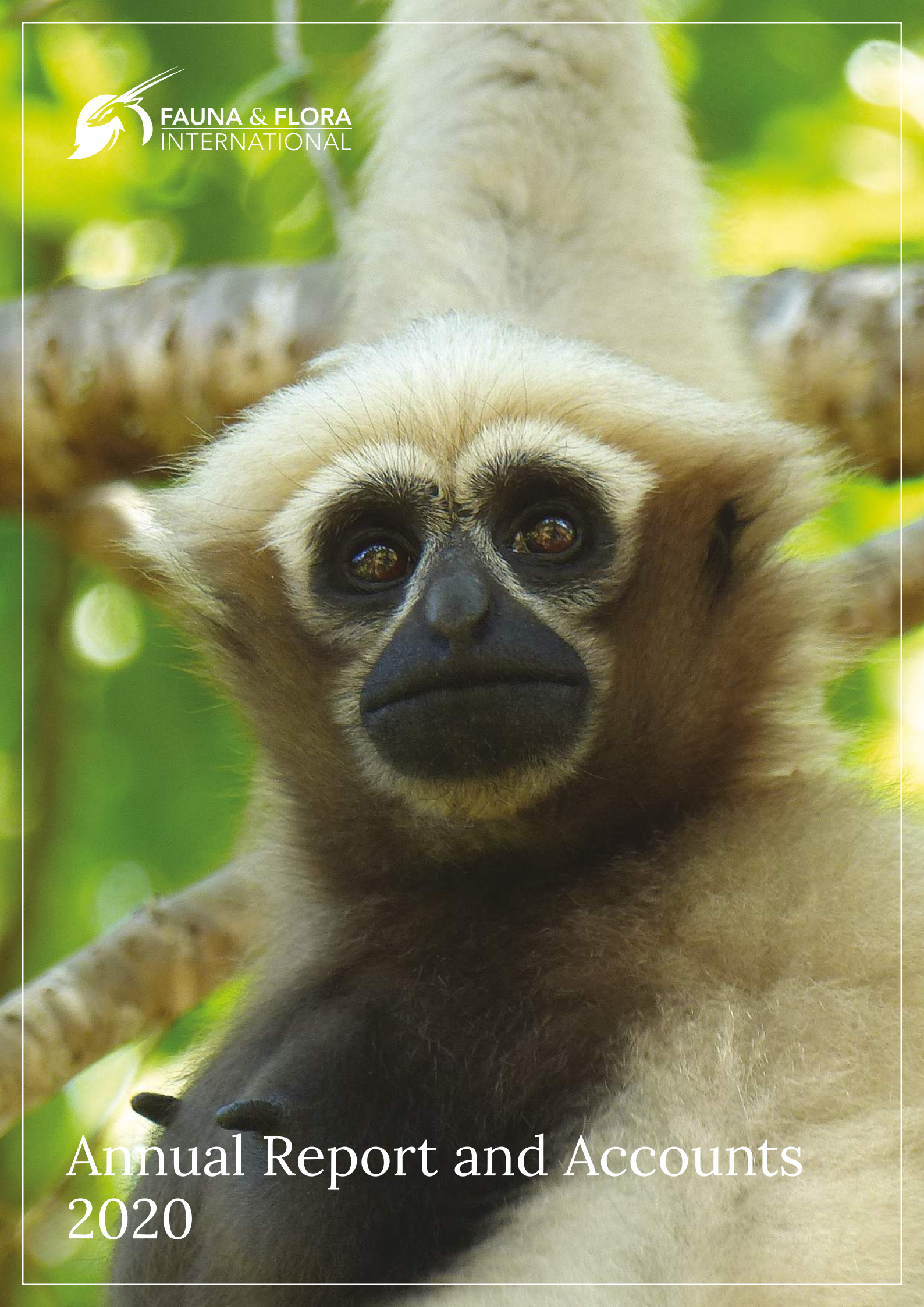
Patron: HRH The Duke of Cambridge
Registered Charity No. 1011102
A Company Limited by Guarantee,
Registered in England and Wales No. 2677068

FAUNA & FLORA INTERNATIONAL

England & Wales - Charity number 1011102

Accounts

FAUNA & FLORA INTERNATIONAL



Annual Report and Accounts 2020

Red-footed booby with nesting material, Redonda. Credit: Jeremy Holden/FFI

Fishers on the island of Maio, Cape Verde. Credit: Jen Wilson/FFI

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Cover image: Eastern hoolock gibbon. Credit: Gurveena Ghataure/FFI

Message from the Chair

As I prepare to fill the formidably large shoes of the outgoing chair Andrew Sykes, who acquitted himself so admirably in this role for over a decade, I would like to join everyone associated with Fauna & Flora International (FFI) in thanking him for all his hard work and sage advice.

It is hard to imagine a more extraordinary and pivotal moment to take over the reins. This is undoubtedly a time of great global uncertainty, but it is also a time of great opportunity, not least for FFI. The Covid-19 pandemic has exposed the need for a radical reappraisal of humankind's priorities and, in particular, of our relationship with nature.

This determination to seize the day was at the forefront of our minds as FFI navigated the often-turbulent waters of 2020. As well as ensuring that our projects and partners – and the species and ecosystems we strive to safeguard – were sufficiently resilient to weather the storm in the short term, FFI also kept one eye firmly on the longer-term future.

It is no secret that building the capacity of our partners is core to FFI's success, but in 2020 this took on an extra dimension. We provided US$1.25 million in emergency support via the newly launched FFI Partner Crisis Support Fund, ensuring that our key in-country partners, particularly in Africa, could continue to operate despite ecotourism and other crucial sources of revenue drying up virtually overnight.

We had clear evidence that our conservation efforts are having a real impact on the survival prospects of some of the world's most critically endangered species: the Siamese crocodile, once believed to be extinct in the wild, is successfully breeding at our project site in Cambodia; the only known habitat of the Myanmar snub-nosed monkey – which an FFI-led team discovered in 2010 – was designated as a national park by the Myanmar government; and FFI's rediscovery of the vanishingly rare ship sturgeon in Georgia's Rioni River offers renewed hope for a fish that was feared irretrievably lost.

There were also notable milestones for our work at landscape or, in this case, seascape level. Thanks to the long-term efforts of FFI and our local partner, Fundação Maio Biodiversidade, on the island of Maio, this neglected marine biodiversity hotspot in the remote archipelago of Cape Verde was officially designated as a UNESCO Biosphere Reserve, and the long-awaited Protected Areas Management Plan for Maio – the first for the country – was finally approved.

Closer to home, FFI's long-standing partner in Turkey, Akdeniz Koruma Derneği, was instrumental in the government's decision to grant official protection to 350 square kilometres of the country's Mediterranean coastline benefiting carbon-storing seagrass meadows, endangered sea turtles and other threatened species including the Mediterranean monk seal.

This impact on the ground was complemented by our efforts to influence government policy and corporate strategy. FFI published a report on the potential environmental impacts of deep-sea mining, shining a spotlight on the serious risks to ocean and planetary health posed by this embryonic industry and calling for a global moratorium.

FFI's *Our One Home* campaign, which called on world leaders attending the UN Summit on Biodiversity to invest US$500 billion in nature annually, was supported by almost 150 conservation groups from more than 50 countries worldwide and reached a worldwide audience of over 930 million.

Despite the constraints imposed by Covid-19, we have maintained our forward momentum, diversified our supporter base and achieved growth in our annual revenue.

As we look to the future, it seems entirely appropriate that we do so under the patronage of HRH The Duke of Cambridge. The latest in a long line of royal patrons from whose support FFI has benefited, Prince William took over this role from his grandmother, Her Majesty The Queen, who had held the position for almost seven decades. We look forward to working closely with Prince William to focus global attention on the urgent need for action at this critical time for our planet.

The fact that FFI came through 2020 in relatively good health is largely due to the multitude of generous donors who made this possible even in the teeth of a worldwide pandemic. That support will be equally vital in the coming months and years as we seek to scale up our programmes and conservation impact across the globe.

Hugo van Vredenburch

Strategic Report

Established well over a century ago, Fauna & Flora International (FFI) was the world's first international wildlife conservation organisation.

Our mission is to conserve threatened species and ecosystems worldwide.

Displaying male agamid lizard in Chimanimani, Mozambique. Credit: Millie Kerr/FFI

Our objectives and aims

FFI is committed to achieving the following charitable objectives:

- To conserve the environment by protecting biodiversity for the benefit of the public through globally applicable solutions that are effective locally.
- To advance the awareness and education of all sectors of society around the world in the conservation and protection of biodiversity.

In order to achieve our vision and mission, FFI focuses on a core set of ambitions as set out in our latest five-year strategy, which covers the 2019-2023 business period:

Conserving threatened habitats and species:

1 **AMBITION ONE: THRIVING SPECIES**

2 **AMBITION TWO: RESILIENT ECOSYSTEMS**

Empowering organisations and individuals to lead innovative conservation action:

3 **AMBITION THREE: LOCALLY LED CONSERVATION**

Shaping decisions within society to benefit biodiversity:

4 **AMBITION FOUR: INFLUENCING OTHERS**

Investing in FFI's effectiveness:

5 **AMBITION FIVE: INCREASING VISIBILITY**

6 **AMBITION SIX: INVESTING IN OUR PEOPLE**

7 **AMBITION SEVEN: SECURING THE RESOURCES WE NEED**

How we work

Wilson's bird of paradise on Waigeo Island, West Papua. Credit: FFI

In working to realise FFI's vision of a sustainable future for the planet where biodiversity is conserved effectively by the people who live closest to it, supported by the global community, we ensure that all our projects adhere to a set of core principles.

We work with partners ranging from local community organisations and NGOs to small-scale enterprises, larger businesses and government agencies to develop locally owned and sustainable conservation programmes. We believe this approach is more likely to result in appropriate solutions, elicit local support and ensure long-term effectiveness.

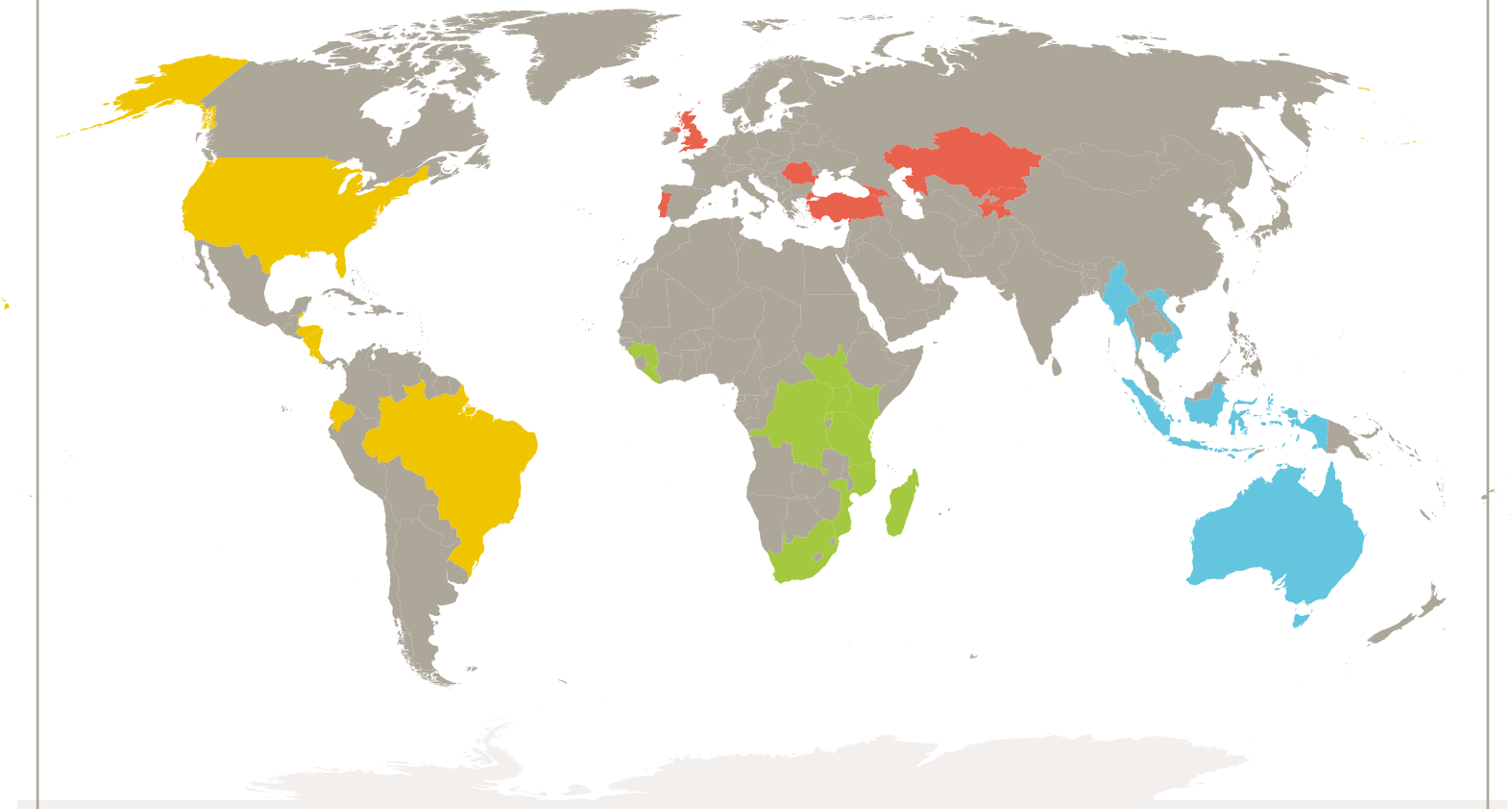
Our conservation solutions seek to enhance human well-being. We respect and promote human rights and cultural values, as well as supporting governance systems that benefit both people and biodiversity. We see conservation as a social process, with people at its heart, and we actively engage with the communities (including Indigenous Peoples) who live closest to threatened species and habitats.

By working with communities to develop sustainable livelihoods and appropriate governance mechanisms alongside practical solutions to conservation problems, we help to ensure local support for – and ownership of – conservation activities, thereby increasing the probability of long-term success.

Our conservation practices are rooted in robust science. We aim to ensure that all project decisions are underpinned by the best available information, including up-to-date research – whether generated by ourselves or others – and to monitor our impact rigorously, sharing what FFI and our partners have learned, in order to improve practice and help guide future research.

Where we work

Fauna & Flora International has nearly 130 projects in over 40 countries around the world.



AMERICAS & CARIBBEAN

Anguilla
Antigua and Barbuda
Barbados
Belize
Brazil
Costa Rica
Dominica
Ecuador
Honduras
Nicaragua
Saint Lucia
St Vincent & The Grenadines
United States of America †

AFRICA

Cape Verde
Democratic Republic of Congo
Guinea
Kenya
Liberia
Madagascar
Mozambique
Rwanda
São Tomé & Príncipe
South Africa
South Sudan
Tanzania
Uganda

EURASIA

Georgia
Kazakhstan
Kyrgyzstan
Portugal
Romania
Tajikistan
Turkey
United Kingdom*

ASIA-PACIFIC

Australia †
Cambodia
Indonesia
Myanmar
Vietnam

* Headquarters † Administrative hub

2020 Highlights

What follows is a representative cross-section of FFI's achievements during the latest reporting year, which serves to illustrate how specific activities have contributed to our conservation ambitions and organisational objectives.

A more comprehensive account of our activities and their impact over the preceding 12 months can be found in our 2020 Conservation Report, which is available on our website.

Popa langur, found in the vicinity of Mount Popa, Myanmar. Credit: Ko Lin/FFI

AMBITION 1: THRIVING SPECIES

Securing populations of threatened species

FFI has a long and distinguished track record in bringing endangered species back from the brink, either by protecting their habitat or through direct interventions such as combating illegal wildlife trade.

Species benefiting from our work in 2020 included charismatic megafauna such as black rhinos, Sumatran tigers and Asian elephants, as well as less familiar species including Caribbean reptiles, critically endangered baobabs from Madagascar and sturgeons in Georgia.

2020 at a glance

- **Fifty-one of our projects had a specific focus on priority species conservation.**
- **Over 1.2 million tree seedlings were grown or planted, over 34,000 of which were from threatened species.**
- **Almost 19,000 turtle hatchlings were protected and released.**
- **Action plans were produced for 27 species.**
- **Forty-one of our projects undertook activities to address illegal wildlife trade.**

Perrier's baobab, Madagascar. Credit: Daudet Andriafidison

Over 2,000 seedlings of the critically endangered Perrier's baobab – down to just 162 mature trees – were planted across two carefully chosen new sites in northern Madagascar to supplement the saplings already established in Loky-Manambato Protected Area as part of our ongoing Global Trees Campaign work.

CASE STUDIES

Captive-bred juvenile Siamese crocodile. Credit: Bianca Roberts/FFI

SIAMESE CROCODILE SUCCESS

Despite the impact of Covid-19 restrictions on monitoring activities, a patrol team in Cambodia discovered a wild Siamese crocodile nest in one of the last known strongholds of this critically endangered species – just three months after ten baby Siamese crocodiles were spotted in the very same wetland – a sure sign that conservation efforts are having a real impact on a species once believed to be extinct in the wild. The captive-breeding programme that complements our fieldwork – and which has seen over one hundred Siamese crocodiles released to date – also continued to yield positive results. A total of 47 healthy hatchlings were born in captivity in 2020. A female Siamese crocodile that was released into the wild in 2018 was also recorded nesting. The finding provides evidence that released Siamese crocodiles are not only surviving in the wild, but are also attempting to breed.

STURGEON DOUBLE DISCOVERY

Two juvenile specimens of the critically endangered ship sturgeon were recorded by FFI in Georgia's Rioni River. This species had not been seen alive in the wild for many years and was feared extinct. The discovery of two juvenile fish in quick succession raises the exciting prospect that this elusive and gravely imperilled species might still be reproducing in the Rioni, one of the last three refuges of Europe's surviving sturgeons. Both fish were accidentally captured by anglers, who immediately contacted FFI's citizen inspectors – drawn from communities along the river – vindicating our efforts to engage with local people and engender support for sturgeon conservation.

Juvenile sturgeon (*Acipenser sp.*) captured in Rioni River, Georgia. Credit: Tamar Edisherashvili/FFI

AMBITION 2: RESILIENT ECOSYSTEMS

Conserving threatened habitats

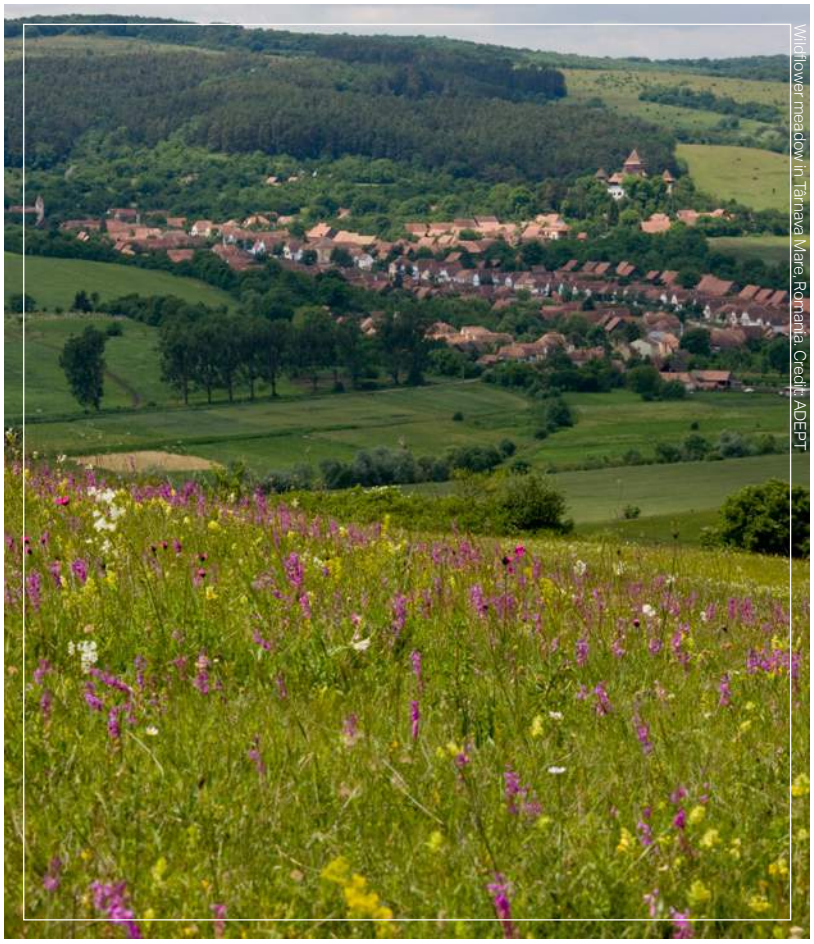
Our project locations around the world encompass temperate and tropical forest, grasslands and deserts, limestone caves, agricultural landscapes, wildflower meadows, wetlands and marine habitats.

Area-based conservation, both terrestrial and marine, has always been a cornerstone of FFI's work, helping to secure safe havens for species, maintain ecosystem health and mitigate the effects of climate change. In 2020 we safeguarded key areas of natural habitat both by ensuring more effective management of existing protected areas and by bringing new areas under protection or sustainable management.

Following the reintroduction of cattle to reinstate sympathetic grassland management – via the purchase of a 60-strong, profit-making herd of Aberdeen Angus – previously degraded pastures in southern Transylvania are regenerating, with the renewed floristic diversity set to benefit a host of insects and other wildlife.

2020 at a glance

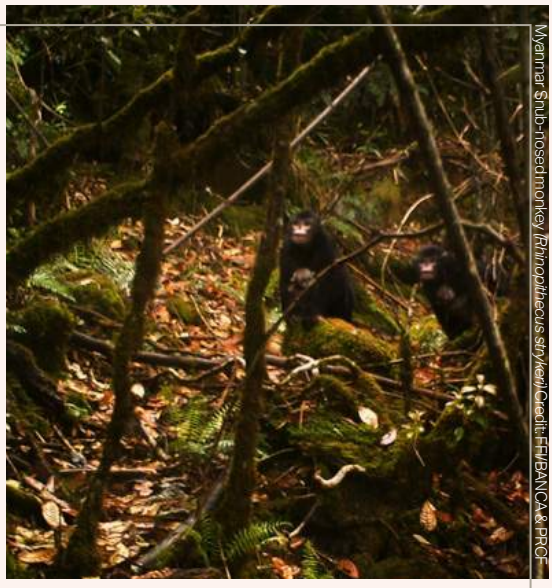
- **We influenced conservation across almost 50 million hectares of important habitat, including over 10.7 million hectares where we worked directly on the ground.**
- **This included over 550,000 hectares that we helped to bring under conservation management for the first time (by supporting the creation of new reserves or community management areas).**
- **Across our portfolio of projects, we supported active management and/or protection of threatened habitats by:**
  - Supporting on-the-ground enforcement or protection in at least 120 sites.
  - Supporting over 800 rangers, including community rangers, across our projects.
  - Helping to produce 53 site-management plans.
  - Helping to restore habitat at 28 sites.
  - Helping to carry out invasive species control at 14 sites.



Wildflower meadow in Târnava Mare, Romania. Credit: ADEPT

CASE STUDIES

NEW PROTECTED AREA FOR MYANMAR



Myanmar Snub-nosed monkey (*Rhinopithecus strykeri*) Credit: FFI/BANCA & PROF

The only known habitat of the critically endangered Myanmar snub-nosed monkey – which an FFI-led team discovered in 2010 – has been declared a protected area by the Myanmar government. Mount Imawbum National Park, as it is now known, harbours the entire population – fewer than 330 individuals – of this distinctive-looking primate, as well as other spectacular species that favour these high-altitude forests, including the red panda, rare orchids and resplendent pheasants. FFI spent over four years consulting with local communities on the protection and management of this important area, and its designation as a 150,000-hectare national park is a milestone for conservation in Myanmar. It will also help strengthen controls on illegal wildlife trade between Myanmar and China, with protection and conservation efforts within the area aided by increased cooperation between law enforcement officials on the border.

Beach at Ribeira Dom João on Maio, Cape Verde. Credit: Jeff Wilson/FFI

PUTTING CAPE VERDE ON THE MAP

The island of Maio in the remote archipelago of Cape Verde, one of the world's neglected marine biodiversity hotspots, achieved two significant conservation milestones in 2020 thanks to the combined efforts of FFI and local partner Fundação Maio Biodiversidade. Maio has been officially designated as a UNESCO Biosphere Reserve, ensuring that the country is now firmly on the conservation map, and the long-awaited Protected Areas Management Plan for Maio – the first for the country – was finally approved. Maio harbours key populations of threatened lemon and nurse sharks, globally important loggerhead turtle nesting sites and myriad migratory birds. The additional protection afforded to Maio's biodiversity once these plans are implemented should help safeguard the island's natural heritage against further habitat destruction, unsustainable development and illegal fishing activities, which pose a threat both to marine life and, ultimately, to local livelihoods.

AMBITION 3: LOCALLY LED CONSERVATION

Working in partnership

Putting communities at the heart of conservation

Developing conservation leaders

We believe that local people and organisations, equipped with the requisite skills, tools and resources, are best placed to conserve the biodiversity on their doorsteps.

In 2020 we supported a range of partners in locally led conservation activities, worked hand in hand with communities to ensure local ownership and nurtured emerging conservation leaders across the globe.

2020 at a glance

- **We disbursed over £5.4 million in conservation grant funding and influenced the distribution of over £8 million in additional funding.**
- **Over 250 partner organisations received some form of direct capacity development support.**
- **Almost 5,000 individuals received conservation training, including partner staff, students and members of local communities.**
- **We supported the establishment of four new organisations, and supported or established at least 139 community-based organisations.**
- **We helped at least 32 organisations to source their own funds independently of direct support from FFI.**

Grey-breasted parakeet chick. Credit: Fábio Nunes

A decade after it appeared doomed to extinction, one of Brazil's most threatened parrots, the grey-breasted parakeet, is officially off the critical list thanks to the single-minded dedication of a team of local conservationists supported by the Conservation Leadership Programme.

CASE STUDIES

MARINE PROTECTION IN TURKEY

Three hundred and fifty square kilometres of Turkey's coastline were brought under environmental protection by the Turkish government in 2020. This new area represents a significant expansion of the marine protected area network along the country's Mediterranean coast – home to seagrass meadows, turtles and other threatened species including the Mediterranean monk seal, sandbar shark and dusky grouper. Since 2012, FFI's long-term partner Akdeniz Koruma Derneği has led conservation efforts in Gökova Bay, the site of Turkey's first and – until now – only actively managed marine protected area. Thanks to its collaborative, community-led approach, fish stocks within Gökova Bay's six No-Fishing Zones have grown, thereby improving small-scale fisher income and increasing availability of prey for monk seals and other predatory marine species. These conservation activities are now being rolled out across the wider seascape, in order to strengthen the entire coastal ecosystem's resilience to current and future threats.

Turkey coastline and islands. Credit: Akdeniz Koruma Derneği

COVID-19 CRISIS FUND FOR PARTNERS

Transporting waterfilters to Ro Bung, Cambodia. Credit: Tim Belgrain/FFI

The Covid-19 pandemic severely affected the income streams of many of our key in-country partners, creating the very real prospect that some of them might not survive without additional – and urgent – support. Our Kenyan conservancy partners, in particular, were hard hit by the abrupt fall in tourism revenue. With this in mind, we launched the FFI Partner Crisis Support Fund, in order to safeguard the future of these essential organisations and their staff, thereby ensuring that decades of conservation achievements were not undermined and undone. The fund helped our key partners to weather the initial storm and will increase their resilience going forward. We channelled US$1.25 million in emergency support to our partners across the globe, benefiting species and habitats as disparate as large carnivores in the Carpathian Mountains, endemic trees in Cape Verde and critically endangered Vietnamese primates.

AMBITION 4: INFLUENCING OTHERS

Supporting governments to protect biodiversity

Embedding biodiversity in private-sector decision making

Awareness, education and outreach activities

Encouraging behaviour and decision-making that benefit biodiversity is a crucial facet of our efforts to engender support for conservation initiatives across a range of audiences.

In 2020 we worked with governments to strengthen policy, regulatory frameworks and enforcement, engaged with key business sectors to help reduce their environmental impacts, and disseminated the conservation message to communities at our project sites worldwide.

2020 at a glance

- **We engaged with policy-makers in over 50 of our projects.**
- **We contributed to the development of at least 24 conservation laws, regulations or government-level strategic plans.**
- **We engaged with the corporate sector in almost 60 projects.**
- **We partnered directly with three multinational businesses and almost 20 national subsidiaries on biodiversity issues.**
- **Our awareness or outreach activities reached at least 180 communities and almost 13,000 community members.**
- **Our sustainable livelihood activities directly benefited over 7,000 people.**
- **We engaged with or supported over 550 communities through our work.**

African forest elephants during their walkabout through Liberia. Credit: FFI

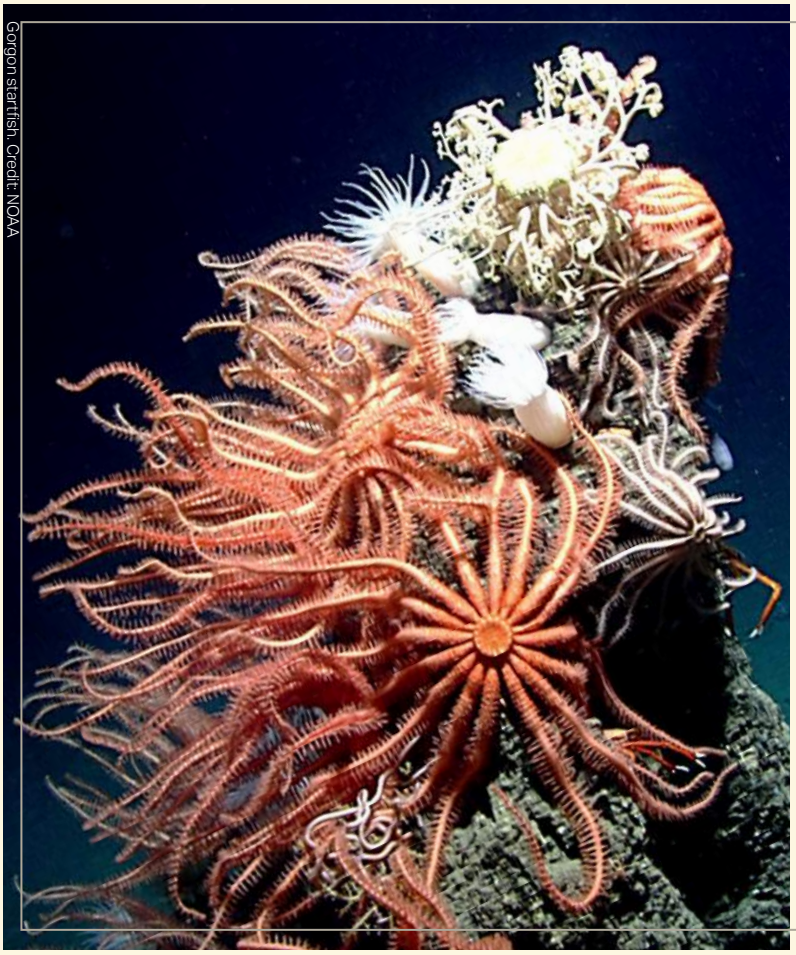
The vital importance of a groundbreaking transboundary agreement brokered by FFI and our local partners was brought into sharp focus when critically endangered African forest elephants were chaperoned safely through Liberia and Côte d'Ivoire after leaving the sanctuary of the Ziama Massif in Guinea.

CASE STUDIES

OUR ONE HOME CAMPAIGN

FFI vice-president Sir David Attenborough. Credit: FFI

FFI launched its *Our One Home* campaign, timed to coincide with the pivotal United Nations Summit on Biodiversity, urging global leaders to put nature at the heart of decision-making and invest massively in the work being done at the conservation coalface. In an open letter addressed to UN Secretary-General António Guterres – signed by almost 150 conservation groups from more than 50 countries worldwide – FFI called on member states to collectively commit an initial $500 billion in funding, rising year on year, to protect the natural world. Endorsed by long-standing FFI vice-president Sir David Attenborough and a plethora of other high-profile supporters, the campaign aimed to give a voice to the communities and organisations working on the conservation front line, who know what it takes to safeguard biodiversity, but who all too often are denied a seat at the table when decisions are made. The accompanying public petition secured almost 80,000 signatures in 2020, a figure that continues to rise.



Gorgon startfish. Credit: NOAA

DEEP-SEA MINING ALERT

FFI published a report on the risks to marine ecosystems posed by deep-sea mining, warning that this activity could cause significant loss of biodiversity, disrupt the ocean's life-support systems and undermine its crucial carbon storage function. The report is the first to assess comprehensively the potential impacts of mining the deep seabed for minerals, which are in increasingly high demand for use in technological appliances and equipment such as mobile phones and car batteries. In light of the report's findings, FFI called for a global moratorium – backed by scientists and prominent figures including Sir David Attenborough – and urged the world's governments to halt plans to mine the deep sea until the environmental risks have been comprehensively investigated and understood.

AMBITION 5:

Increasing visibility

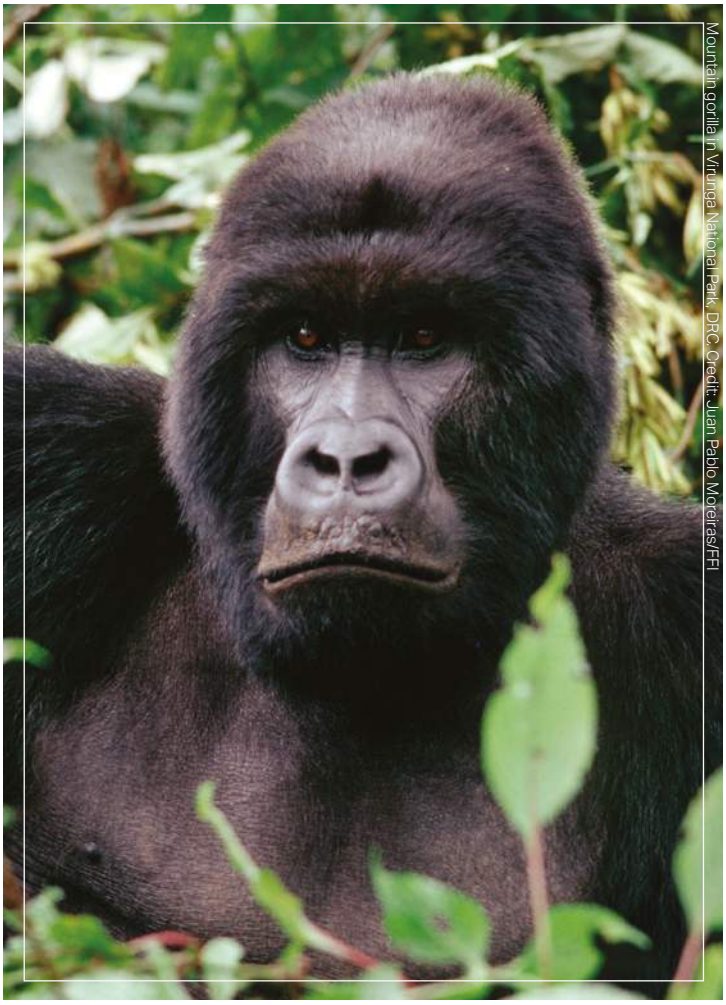
Our latest five-year strategy places an increased emphasis on raising FFI's public profile in order to grow our influence, impact and income.

In 2020 we strengthened our communications team, engaged the services of a PR agency and, in the teeth of the Covid-19 pandemic, devised and launched the most ambitious campaign in FFI's recent history.

The launch of the *Our One Home* campaign, urging world leaders to invest an initial US$500 bn in nature and channel that funding to local conservation initiatives, secured over 230 pieces of coverage across 32 countries and reached an audience of over 930 million via broadcast, print and online media.

2020 at a glance

- **We reached over seven million people on FFI's social media channels, more than double the previous year. Among the highlights, our reach on Facebook tripled, Twitter impressions increased by over one million and our Instagram following rose by 250%, the result of a more strategic and tailored approach to content across these three platforms.**
- **We recruited a digital communications specialist to drive growth and engagement, invested in the FFI website to improve its underlying structure and enhance user experience, and used website data to better understand our audiences and tailor content accordingly. Visitor numbers rose to more than 1.1 million, an increase of 63%.**
- **We achieved significant media coverage around key FFI campaigns, programme activities and news stories, including national and international newspaper articles, online publications, radio broadcasts and TV interviews.**



Mountain gorilla in Virunga National Park, DRC. Credit: Juan Pablo Moreiras/FFI

AMBITION 6:

Investing in our people

FFI's employees are the lifeblood of the organisation, and our 2019-2023 strategy has the clear ambition of investing in our people to ensure a motivated, talented, committed and secure workforce who are collectively achieving even greater conservation impact.

In 2020, our primary concern was the health, safety and well-being of FFI employees throughout the globe, and we made it an absolute priority to support them in overcoming the personal and professional challenges presented by the Covid-19 pandemic.

Female citizen inspectors by Rioni River, Georgia. Credit: FFI

2020 at a glance

- **We actively engaged with our people to understand their needs, priorities and perspectives in the context of Covid-19 and shaped our work and policies accordingly. We provided flexibility in working patterns, including the opportunity to furlough for UK staff with caring responsibilities.**
- **The current situation has significantly challenged people's perceptions of flexible and remote working and we will continue to review our practices and embed the benefits of new ways of working, including hybrid arrangements.**
- **One beneficial aspect of FFI's professional development programme moving online due to the pandemic was that it enabled a higher proportion of regionally based people to engage in training. Over 200 FFI employees received targeted training in areas identified as priorities for their continued development.**
- **Following a successful pilot that introduced the mindfulness concept to leaders within FFI, we secured an 18-month grant to continue this work across FFI globally. The programme will be introduced within the context of our global values to support our people in cultivating habits and behaviours that improve focus, resilience, compassion and creativity.**
- **We established an Equality, Diversity & Inclusion Working Group to help identify, develop and implement initiatives to improve diversity and inclusion at FFI. The aim is to give voice to, and learn from, those with insight and experience on diversity and inclusion within FFI. Almost 20% of UK employees are directly engaged in this work, and are actively taking forward identified priorities.**

AMBITION 7:

Securing the resources we need

Ensuring diverse and resilient income streams to support our ambitious growth plans is central to FFI's success, and the sudden advent of a global pandemic in 2020 highlighted the utmost importance of this aspect of our work.

Our initial response to Covid-19 was to ensure prudent financial management and excellent donor relationship management. Worst-case financial scenarios involving six months of income loss due to programme lockdown were planned for and all restricted donors within the 2020 budget were contacted with requests for flexibility and understanding.

Cape pangolin. Credit: Adobe Stock

2020 at a glance

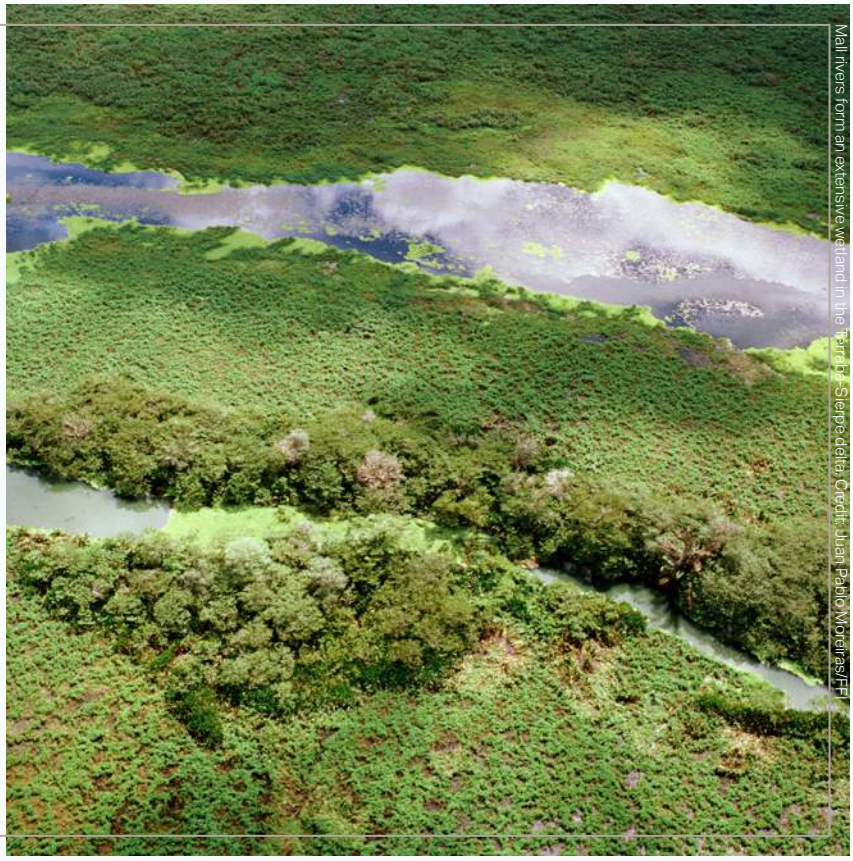
- **Total income was £26.5m (a 14% increase on 2019) and the proportion of unrestricted funds rose to 24% (£6.4m), ahead of our 20% target.**
- **The new channels launched to develop a more diverse set of income streams exceeded their targets and gave us flexibility to invest further in fundraising and emerging restricted opportunities.**
- **We received cash donations from over 31,000 donors (up from 10,500 in 2019). Regular donors (including members) totalled just under 9,000 (compared with under 3,000 in 2019) and we have well over 189,000 email subscribers, many of whom we are successfully converting into donors.**
- **Direct response television and digital marketing (mainly social media advertising) enabled us to reach a growing number of people spending more time at home. Our digital marketing programme reached the significant milestone of £1m income – one year ahead of target. We recruited over 2,000 new regular donors via direct response television, trialled as a means to diversify our supporter recruitment programme.**
- **We channelled US$1.25m in emergency support to our key partners across the globe through the rapidly established Partner Crisis Support Fund, helping them to survive Covid-induced financial setbacks.**
- **Despite lockdown constraints hampering our plans to develop new networks and pipelines of high-value donors, we secured significant donations from new donors and grew funding from existing ones.**
- **Funding from government and multilateral sources exceeded £9m, and the pipeline for 2021 is already strong, a significant success given the impact of Covid-19.**

CASE STUDIES

NEW CHANNELS

The decision to explore new avenues for developing a more diverse set of income streams reaped rich rewards. The combined income from email appeals, social media advertising and the promotion of website donations resulted in the digital marketing programme hitting the £1 million milestone one year ahead of target.

Meanwhile, our piloting of direct response television as a potential means of widening our supporter recruitment net brought in more than 2,000 new regular donors.



Mali rivers form an extensive wetland in the Inner Niger Delta. Credit: Juan Pablo Moreiras/FFI

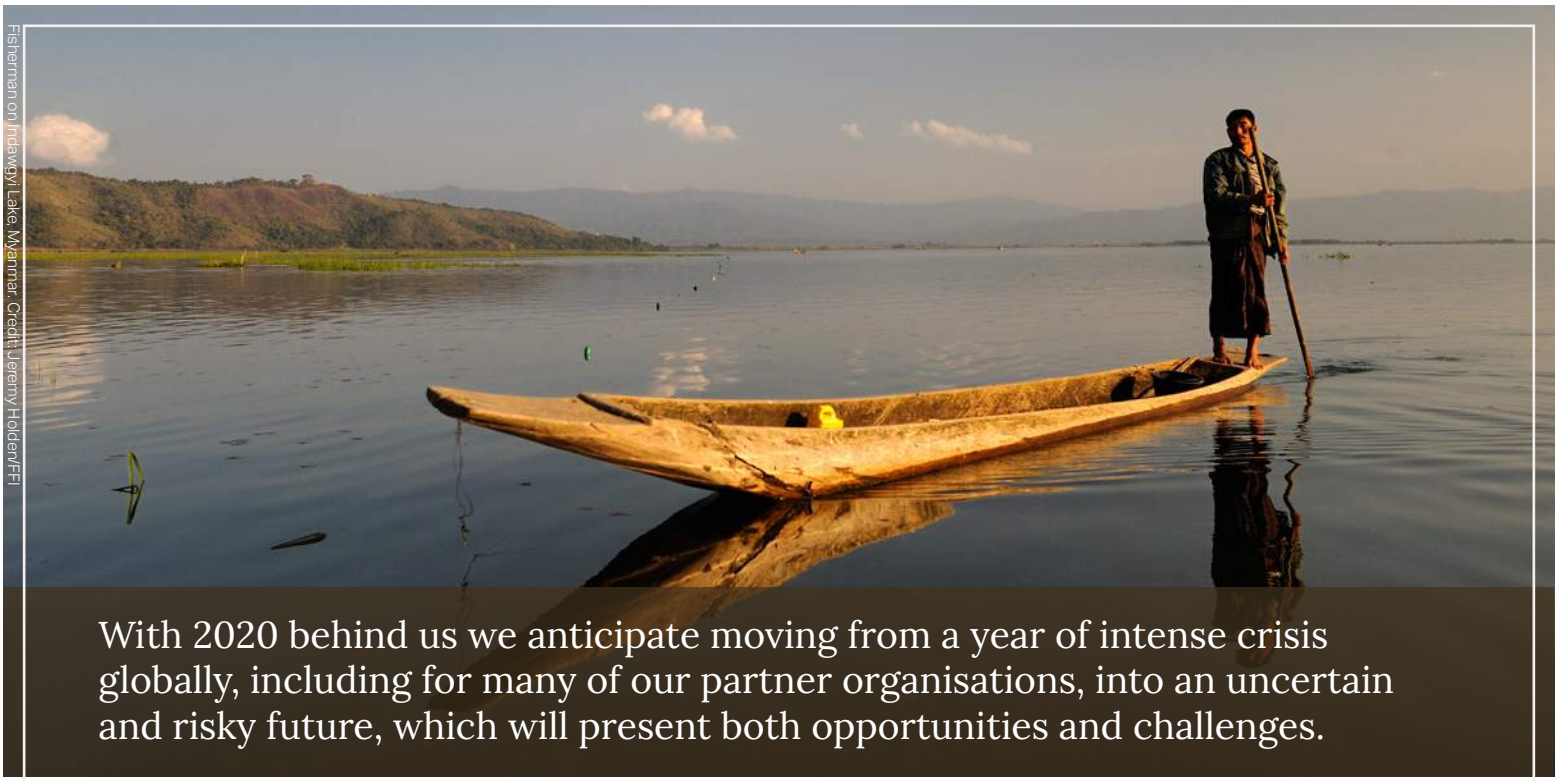
Man observing spider on a web. Credit: Juan Pablo Moreiras/FFI

SUPPORT NETWORK

Minimising the impact of Covid-19 on the health, safety and well-being of everyone at FFI was an absolute priority for the organisation in 2020.

We quickly and carefully assessed the needs, priorities and perspectives of our people across all our countries of operation via a number of organisation-wide consultations and surveys, which helped to inform how we adapted our working practices and policies. In the face of severe challenges, we have succeeded in supporting our people through a turbulent 2020, reinforcing the sense of belonging that is central to the 'One FFI' message.

Plans for the future



Fisherman on Indawgyi Lake, Myanmar. Credit: Jeremy Holden/FFI.

With 2020 behind us we anticipate moving from a year of intense crisis globally, including for many of our partner organisations, into an uncertain and risky future, which will present both opportunities and challenges.

In terms of opportunities, 2020 saw a rapid growth in awareness of the extent of the nature-climate crisis and of the risks to humanity of failing to tackle it. Policy frameworks are now shifting at global and national levels, with the prospects in 2021 for Paris-aligned climate mechanisms with teeth alongside legislative shifts such as the ambitions in the UK Environment Bill. Philanthropic and private sector investment in nature is increasing, though still falling well short of what is necessary, a point emphasised in FFI's *Our One Home* campaign. And, crucially, this funding is not yet reaching local level initiatives – which work best for people and nature – at the scale needed, a situation we will be pushing hard to rectify in 2021. Having launched a rapid and effective FFI Partner Crisis Support Fund to provide emergency support for our partner organisations in 2020, we are now shifting to focus on a Resilience Fund in 2021 and beyond, to support partners in achieving the financial and operational resilience they need to succeed in a changing global landscape.

The challenges are significant; the pandemic still rages in parts of the world and, until the vaccine programme is global and variant-proof, risks to people and health systems will remain.

The economic consequences of the pandemic have largely yet to bite, with the unprecedented scale of public sector debt a potential drag on the scale of investment needed in nature-positive and climate-positive action.

Despite our awareness of risks and challenges, FFI remains strong, ambitious and optimistic as we face the future.

In 2021 we will continue to scale up our conservation impact across a large portfolio of habitat- and species-focused projects in some of the most important, challenging – and neglected – landscapes and seascapes in the world. We will focus on building resilience – in nature and in our partner institutions – to risks that range from climate change to financial stress. We will embrace and encourage innovation across our global conservation programme, which will include integrating new technologies, developing sustainable financing mechanisms, promoting nature-based solutions to climate change and adopting new ways of learning. And we are focused on building out our 'One FFI' approach – to ensure that our people feel valued and connected and are better able to work together and share learning.

Structure, governance and management

Clownfish and sea anemones, Koh Rong, Cambodia. Credit: Matt Glue/FFI

Union Island gecko. Credit: Jeremy Holden/FFI

Our structure

FFI is headquartered in the United Kingdom and is also registered, and has a network of branch offices, in the following locations where its four regional conservation programmes operate: Asia-Pacific (Cambodia, Indonesia, Myanmar and Vietnam), Africa (DR Congo, Guinea, Kenya, Liberia, Mozambique, South Sudan and Uganda), Americas & Caribbean (Antigua and Barbuda, Belize, Ecuador and Nicaragua), and Eurasia (Georgia, Kyrgyzstan, Romania and Tajikistan).

In addition to these branches, which form part of the Charity, FFI has related organisations in Australia, Mozambique, Romania, South Africa and the United States of America.

Further information on these related parties can be found in Note 15 to the Financial Statements.

How we are governed

FFI was established under a Memorandum of Association, which sets out its objects and powers, and is governed under its Articles of Association. The Board of Trustees, or 'Council', is the governing body of the organisation and has legal, financial and managerial responsibility for the Charity. The Members of Council are directors for the purpose of company law and trustees for the purpose of charity law. The company is limited by guarantee; therefore no member of the Board of Trustees has any beneficial interest in the company.

Trustee recruitment, induction and training

Members of Council are elected by the membership of the organisation at the Annual General Meeting and ordinarily serve a four-year term but can be re-elected for a further term. The Articles of Association provide for any five members in writing or for the existing trustees by resolution, to nominate any member of FFI for election or re-election as a trustee.

Council has adopted formal procedures for the recruitment, selection and induction of new trustees and has constituted a Nominations Committee to support Council in the implementation of these procedures. The Nominations Committee reviews the structure, size, effectiveness and composition (including the skills, knowledge, experience and diversity) of Council and makes recommendations to the trustees with regard to any changes to these.

The Committee reviews all nominations and applications for officers and ordinary members of Council (as well as for other honorary appointments) and puts forward recommendations to Council on suitable nominees. Newly appointed trustees undergo an induction programme, which includes guidance on their role and responsibilities and the opportunity to visit FFI's headquarters to spend time with staff, ensuring that Council members have the information and tools they need to fulfil their legal obligations and to play an effective role within the governing body.

How we are managed

Council is responsible for establishing the strategy, policy and control framework of the organisation, which is achieved via twice-yearly full-day meetings and via formal delegations to its subcommittees, the officers of Council and to the Senior Management Team (SMT) of the organisation. To this end Council has established three further subcommittees, all the acts and proceedings of which are fully and promptly reported to the full Council, which sets the terms of reference and membership of each committee.

An Executive Committee, comprising the officers of the Charity, has regular supervision of FFI's management and operations. The Committee holds monthly meetings with the SMT in attendance, whilst the day-to-day operations of the Charity are the responsibility of the Chief Executive Officer (CEO), the SMT and other staff.

The Audit Committee meets three times a year and is responsible for engaging with the external audit provision, participating in the planning of the nature and scope of the audit and receiving and reviewing the Annual Report and Accounts, along with the associated Audit Findings Report. The Audit Committee's remit also includes the review of internal control and risk management systems and receiving reports on such from the management of the organisation.

The Remuneration Committee meets annually to review and agree the remuneration and benefits of the CEO and SMT members, as well as to review and agree the overall remuneration policy for FFI employees. In addition, the Committee is responsible for agreeing any significant changes in employee benefits or benefit providers.

The Charity Governance Code

Council believes FFI is best placed to achieve its mission and aims if it has high standards of governance which reflect the Code's seven principles, and that by adopting these in full it can provide effective, strategic leadership and a culture which supports fulfilment of the Charity's vision. Furthermore, FFI is undertaking initiatives which closely align with Principle 3 on Integrity and Principle 6 on Equality, Diversity and Inclusion (EDI), both of which were enhanced in the 'refreshed' Code published in 2020.

Principle 3 calls on trustees to establish the right organisational values and create a supportive culture and behaviours aligned with those values. FFI's new set of five values define us as an organisation and underpin who we are and how we conduct ourselves. The first is 'We Act with Integrity;' following strong principles and being honest and genuine in our interactions. Principle 3 also relates to trustees' responsibilities for safeguarding and promotion of a culture where everyone feels safe and respected. In line with the Code's recommendations, an in-depth review of FFI's safeguarding policies and procedures is under way to ensure they are appropriate and fully reflect our values and best practice.

Principle 6 advocates a clear, agreed and effective approach to supporting EDI throughout the organisation, as well as in the Board's own practices. An EDI Working Group was established in 2020 to give voice to, and learn from, those with greater insight and experience on diversity and inclusion within FFI. Our Nominations Committee is also actively working on improving diversity in our governance structures by attracting trustees with diverse backgrounds, experience and thinking to Council, so broadening and strengthening the leadership of our global organisation.

Little grebes. Credit: © Bjorn Olesen

Trustee duties in relation to Section 172 of the Companies Act

The Board of Trustees is aware of its duty under section 172 to act in the way it considers, in good faith, to be most likely to promote the successful achievement of FFI's charitable purposes.

Below is a summary of the ways in which the trustees, as the company directors, consider that they have fulfilled their obligations under section 172, having had regard to the following (amongst other matters) in doing so:

- the likely consequences of any decision in the long term
- the interests of the company's employees[1]
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a high reputation for high standards of business conduct, and
- the need to act fairly as between members of the company

DECISION MAKING

Newly appointed trustees are briefed on their responsibilities, including their duty to act in the Charity's best interests and to use reasonable skill and care to make balanced and informed decisions they believe will best enable FFI to fulfil its mission and ambitions. When doing so they take account not only of current factors but also of any likely consequences and potential impacts their decisions may have on FFI's success, both now and in the future. This comes to the fore during FFI's five-yearly strategic planning process when careful analysis of the changing external operating environment, including any trends and likely future shocks that might affect our work, helps to shape the trustees' decision-making on where our efforts should be focused and what resources will be needed to deliver the strategy, so that FFI can achieve greater, demonstrable and lasting impact.

In 2020, a key area of trustees' decision-making was managing the range of risks presented to our people, partners, programmes and finances by the pandemic, so that the impacts of these on FFI's delivery and sustainability, both in the short and longer term, could be limited wherever possible. For further information please see the key risks section later in this report.

Rufous-tailed hummingbird, Belize. Credit: Ya'axché Conservation Trust

1. As FFI has fewer than 250 UK employees we are not required to include a statement in relation to this. However, please see information earlier in this report under Ambition 6: Investing in our people.

STAKEHOLDER ENGAGEMENT

Partners

FFI has a long and successful history of building effective partnerships with others, from individuals and local community groups to national government and multilateral agencies, international NGOs and large corporates. The more organisations and individuals that can be empowered to achieve their own conservation goals, the greater the chance of FFI's vision of locally driven conservation being realised. We prioritise activity in areas where local partners have requested FFI engagement, where we see a need that is not being addressed or where we believe we can add value. By investing in and building the capacity of these local partners we aim for them to become independent of FFI in the future, forming a growing network of local organisations and conservation leaders who can effectively restore and conserve species and ecosystems.

We also recognise the value of expanding our influence more widely, engaging in local policy processes so that our projects can achieve positive, equitable outcomes for conservation and engaging in wider policy and decision-making processes where there is an opportunity to influence where others cannot, or where we can add value by aligning with others. We do this in the belief that the fate of species and ecosystems is influenced not only by those living closest to them, but also by the decisions of businesses, people and policy-makers further afield. For more information on FFI's work with partners and on influencing others please see our reporting on Ambitions Three and Four earlier in this report.

In 2020, recognising the serious financial risk faced by some of FFI's key local partners, especially those in countries more dependent on ecotourism for revenue, the trustees enabled the launch of the FFI Partner Crisis Support Fund, with organisations selected to receive funding on the basis of immediate, priority needs and where FFI support was deemed essential to safeguard their future, thereby ensuring that decades of conservation achievements are not undermined and undone.

Donors, members and supporters

FFI is fortunate to have supportive and long-standing relationships with our major donors, with whom we have been able to engage to discuss the impacts of the pandemic on our project delivery, agreeing flexibility and new timeframes if necessary when work has been disrupted. Throughout this period our members and supporters have also provided valued and steadfast support, responding positively to our campaigns and appeals and engaging with us through our increased digital communications and online events, including a very well-attended AGM. As attendance was higher for this event than previous in-person versions, the trustees have decided to continue with a virtual format, so increasing engagement with our membership going forward.

Suppliers and other stakeholders

In keeping with FFI's values we act with integrity in all our internal and external relationships, including our business ones with our suppliers, which we foster through long-term arrangements where appropriate. This period has seen increased engagement with some key professional advisers such as our insurers, where our long-standing relationships have been an advantage during the pandemic.

Our collaboration with other members of the Cambridge Conservation Initiative (CCI) continues to flourish with this year seeing collective decision-making around the operation of CCI's base at the David Attenborough Building to promote and protect the health and safety and well-being of employees of all the organisations involved.

COMMUNITY AND THE ENVIRONMENT

As a conservation organisation our core business is addressing threats to the world's habitats and species, protecting the environment and biodiversity and benefiting the communities in which we work. As we undertake our day-to-day activities we aim to minimise as far as possible the negative impact that FFI has on the environment, aiming to do this by reducing the resources we use, the waste we produce and the emissions we generate, without compromising our ability to address our mission and aims. For further details please see the section on our Environmental Policy.

Reference and administrative details

Status

Fauna & Flora International (FFI) is a company limited by guarantee, incorporated in January 1992, Registered Company Number 2677068. It was originally established in 1903 and was registered with the Charity Commission in May 1992, Registered Charity Number 1011102.

Registered office

FFI's registered and principal office is at The David Attenborough Building, Pembroke Street, Cambridge, CB2 3QZ.

Patron

HRH The Duke of Cambridge

President

HRH Princess Laurentien of the Netherlands

Vice-Presidents

Lisel Alamilla

Baroness Valerie Amos CH

Professor Sir Roy Anderson FRS FMedSci

Sir David Attenborough OM FRS

The Lord Browne of Madingley FR Eng

Lindsay Bury

Dee Caffari

Charlene de Carvalho-Heineken

Field Marshal Sir John Chapple GCB CBE DL

Giles Clark

Viscount Philippe de Spoelberch

Dame Judi Dench

Dr Lee Durrell

Hugh Fearnley-Whittingstall

Dorette Fleischmann
(passed away 6th June 2021)

Stephen Fry

Rupert Goodman

Edward Hoare

Tim Jarvis AM

Anders Johansson

The Lady Emma Kitchener LVO

Rove McManus

Justin Mundy LVO

Blaine T. Phillips

Lord Randall of Uxbridge

Dr Lisbet Rausing

Dr Claudio Segré

Rt Hon Mark Simmonds

Hugh Sloane

Victoria Stack

Jon L Stryker

Andrew Sykes

Antonio Versace

Charles Whitbread DL

Dr Adrian Wilson

James Wong

Baroness Young of Old Scone

Jochen Zeitz

Board of Trustees

The trustees who served during the year and at the date of this report were as follows:

EXECUTIVE COMMITTEE

Hugo van Vredenburch	Chair *(appointed Chair 15th September 2020)*
Andrew Sykes	Chair *(retired as Chair 15th September 2020)*
Annette Lanjouw	Vice Chair *(appointed Vice-Chair 15th September 2020)*
Michael Maunder	Vice Chair *(stood down 30th April 2020)*
Paul Baldwin	Treasurer

ORDINARY MEMBERS OF COUNCIL

Jeffrey Blumberg *(appointed 15th September 2020)*
Anna Gavazzi
David Gibson
Andrew Joy
Benjamin Khalili *(appointed 15th September 2020)*
Dr Sandra Knapp
Richard Plackett
Kimberly Stewart *(appointed 15th September 2020)*
Sir Gareth Rhys Williams *(retired 15th September 2020)*
Edward van Cutsem *(retired 15th September 2020)*
Diana van de Kamp
Professor Bhaskar Vira *(retired 15th September 2020)*
Richard Walker

SENIOR MANAGEMENT TEAM

Mark Rose	Chief Executive Officer
Svetlana Ignatieva	Chief Operating Officer and Company Secretary
Joanna Elliott	Senior Conservation Director, Cross-cutting Programmes
Matthew Walpole	Senior Conservation Director, Regional Programmes *(until 9th April 2021)*
Jonny Wright	Senior Director, Communications & Fundraising

PRINCIPAL PROFESSIONAL ADVISERS

Auditors	Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW
Solicitors	Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
Investment Managers	BlackRock, 12 Throgmorton Avenue, Drapers Gardens, London, EC2N 2DL
Bankers	Barclays Bank, Mortlock House, Vision Park, Histon, Cambridge, CB24 9DE
Insurance Brokers	Sutton Winson, First Floor, Greenacre Court, Station Road, Burgess Hill, RH15 9DS

Key Policies & Statements

Transporting seedlings to Koh Rong, Cambodia for mangrove restoration project. Credit: Jeremy Holden

Public benefit

The Strategic Report demonstrates the scope of the activities undertaken by FFI in 2020 in furtherance of its charitable purposes for the public benefit.

- FFI promotes the conservation of the environment and the education of all sectors of society in the protection of biodiversity. We strive for a sustainable future for the planet for the benefit of the public and act to conserve threatened species and ecosystems whilst taking account of human needs. We promote or conduct training programmes and research and publish knowledge acquired as a result of such research, as well as undertaking and engaging in other informative activities including exhibitions, lectures, conferences and seminars.
- In exercising its powers and duties in furtherance of the Charity's Objectives, the Board of Trustees has complied with its duty, under Section 17 of the Charities Act 2011, to show due regard for the Charity Commission's general guidance on public benefit. In addition, whilst setting the organisation's annual objectives and planning its activities, both in the short and the longer term, the Trustees have also demonstrated due regard for the Commission's specific guidance relating to the conservation of the environment for the public benefit.

Reserves Policy

FFI is committed to maintaining a level of reserves appropriate to the identified operating needs, taking into account financial impact of risk, working capital requirements, future income sources and organisational plans and commitments. FFI's policy is to hold 6-18 months of budgeted, recurring, unrestricted expenditure, with the target unrestricted reserve level of 12 months, whilst also taking into account the total expenditure (restricted and unrestricted) of the organisation as a whole.

The ongoing Covid-19 pandemic has brought into focus the need to maintain an adequate level of reserves in order to protect the organisation from financial shocks. In setting a policy of 6-18 months with a target of 12 months, FFI's Trustees have considered the cost base and risk profile of the organisation and the impact of a sudden drop in income, and believe that the policy is appropriate to allow FFI to continue its operations while simultaneously working to rebuild its reserves. FFI's current reserves position is outlined in the Financial Review on page 43.

Our reserves fall into three types.

RESTRICTED RESERVES

Restricted reserves reflect the balance of unspent restricted funding (e.g. grants, donations) that have been received by FFI (often in advance) for a specific charitable purpose or project. They are not available for general purposes and can only be spent according to funder terms and conditions.

ENDOWMENT RESERVES

Endowment funds must be spent in accordance with funder stipulations, and are held separately within FFI's reserves because the capital amounts must be maintained. Further details on FFI's endowments are given in note 12 of the financial statements.

UNRESTRICTED RESERVES

Unrestricted reserves are net assets around which no donor conditionality exists, which may be spent to further FFI's charitable objectives in accordance with internal decisions made by FFI's management and Council. Designated reserves are created from time to time when the Trustees identify organisational priorities. These reserves form part of total unrestricted reserves as they represent internally earmarked funds. Currently these funds have been designated for investment in initiatives to help minimise the environmental impact of FFI's activities.

Brown booby with newly hatched chick Dog Island, Anguilla. Credit: Richard Brown/FFI/DRP.

Investment Policy

FFI's Investment Policy outlines how FFI will manage its reserves, with reference to the purposes for which the funds have been raised.

FFI is responsible for the safekeeping and investment of restricted reserves prior to their being required for project expenditure. As such, the main investment priority is capital preservation, with the funds held either on deposit with major banks or in suitable money market funds. Unrestricted reserves are held for general expenditure and to meet unforeseen requirements. As these funds may need to be available at short notice, they are regarded as short-term funds for investment purposes, with capital preservation and liquidity as the main focus. FFI keeps a sufficient amount of funds to enable efficient cash flow on deposit with major banks or money market funds. Any excess funds may be held in short-dated bond funds and equities.

The endowment funds are long-term funds designed to produce an income in line with donor stipulations. As such, these funds are invested in a portfolio of equities, bonds and other securities with the aim of preserving the value of the funds' capital in real terms and providing a growing income stream. The portfolios are invested over the long term approximately 70% in equities and 30% in bonds and other securities. Wherever practical, FFI will choose investment opportunities that align with FFI's mission.

FFI has appointed investment managers who will manage the applicable funds in accordance with the Investment Policy approved for those funds.

Walnut harvest in Kyrgyzstan, Credit: Jason Smith

Grant-making Policy

FFI makes grants to strategic and implementing partners and in 2020 we disbursed over £5.4 million in grant funding (2019: £4.3m). All our grant funds are disbursed with clear criteria and application processes, including conducting due diligence based on materiality criteria, and use formal review and clearly defined decision-making. All grants are made based on written grant agreements, and incorporating requirements on reporting and financial oversight. Donor conditions are passed on to the recipient in the sub-grant agreement, as necessary.

FFI staff also reviewed over 600 grant applications for external grants funds using criteria developed and agreed with the donors and, through this, influenced the allocation of an additional £8 million of conservation grant funds.

Environmental Policy

All FFI's activities are designed to address threats to the world's habitats and species and to have a positive impact on biodiversity. FFI is committed to minimising the negative impacts its own operations have on the environment.

Our Green Group continues to work on internal initiatives to embed the organisation's Environmental Policy and to encourage best practice, resulting in achievement of a Silver award for the 2019-20 Green Impact year from the NUS Green Impact Scheme. Particularly commended was the significant reduction in energy consumption, the commitment to encouraging a green mentality within FFI with newsletters, new green ideas, and the establishment of a dedicated Sustainability Working Group in our global headquarters, The David Attenborough Building (DAB), which we occupy alongside our partners in the Cambridge Conservation Initiative.

During 2020 we established procedures to quantify the carbon footprint of FFI – including flight emissions – as well as started data collection and processing, following the most commonly used accounting and reporting standard, the Greenhouse Gas Protocol. The use of new technologies as well as encouraging train travel for shorter trips are just two of the ways in which we aim to reduce emissions from flying.

We will also look to shorten supply chains and buy local when ordering products, especially food and drink for events, and transition to providing alternative proteins.

The coronavirus crisis has created opportunities for high-level change, to which FFI is well-placed to contribute, and at an organisational level FFI is committed to being the change we seek by embedding lower-impact activities into our operations. A trend for increased home working is likely to continue as we navigate through the crisis. FFI has embraced this change and will continue to utilise increasingly user-friendly technology (especially video calls/online meetings) in order to reduce our carbon footprint.

ENERGY AND EMISSIONS REPORT (SECR)

As detailed above, in the years 2019 and 2020 we achieved significant reduction in energy consumption, and took various actions to promote energy efficiency and low-carbon choices. Energy consumption in 2020 was also affected by the lockdown. Our actions are in line with the DAB's "Carbon reduction and energy efficiency" targets set out in its Sustainability Action Plan.

	2019 (Jan-Dec)	2020 (Jan-Dec)
Gas (kWh)	107,078.4	94,175.3
Electricity (kWh)	55,056.5	35,865.4
Total UK energy use (kWh)[1]	162,134.9	130,040.7
Gas (tonnes CO2e)	108.6	95.5
Electricity (tonnes CO2e)	14.1	8.4
Total associated GHG emissions (tonnes CO2e) [2]	122.6	103.8
Intensity ratio Emissions per office floor space (tonnes CO2e per m²)	0.16	0.13

1. The total UK energy use covers gas and electricity consumption of the FFI office in our global headquarters, The David Attenborough Building. Global data is not yet available, therefore we have agreed a step-by-step process for our carbon footprint assessment that prioritises the UK operation, before a gradual roll out to country offices.

2. Associated greenhouse gas (GHG) emissions have been calculated using DEFRA conversion factors, following the widely recognised independent standard, the GHG Reporting Protocol - Corporate Standard.

Common parasol dragonfly, Indonesia. Credit Guruveena Ghataure/FFI

Remuneration Policy

FFI recognises its responsibility to expend funds wisely and intelligently in line with its status as a charity and the expectations of the public and those that support its work. In parallel, it recognises its responsibility to ensure that it attracts and retains excellent people with the appropriate level of skills and experience to achieve its mission. To this end, at all levels of the organisation, it aims to ensure that pay is fair and appropriate to the skills required and responsibilities involved. It carries out external benchmarking, with the aim of ensuring that pay is competitive within the charitable sector, within the context of affordability.

Volunteers and Staff

FFI does not have many opportunities for volunteers, but has developed some opportunities for short-term internships, where young conservationists can gain experience of the sector whilst undertaking research or administrative tasks over a defined period. There are clear management procedures for selection and management of volunteers. We are grateful to those volunteers who gave freely of their time to assist in our work in 2020. Our thanks are also extended to all staff and trustees for the time and effort they have contributed during the year.

Going concern

Going concern has become an increased risk area for all organisations given the current unprecedented environment surrounding Covid-19. Although the full extent of the length and depth of economic downturn in the aftermath of the pandemic is still unknown, FFI's 2020 actuals and 2021 budget figures have exceeded the original projections included in the 2019-2023 Business Plan, which was developed in 2018. In order for Trustees to make a determination of FFI's ability to continue as a going concern, we reviewed and updated the projection figures and assumptions that were included in the Business Plan, taking a conservative approach. The results of this exercise indicate that FFI has sufficient reserves to continue to deliver its strategic objectives throughout the remainder of the Business Plan period, and will still maintain an adequate level of unrestricted reserves by the end of it.

The Trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Fundraising

The Trustees have reviewed FFI's fundraising activities in light of the Charities (Protection and Social Investment) Act 2016 and the related guidance published by the Charity Commission. The following summary outlines FFI's approach towards developing and monitoring its fundraising activities.

FFI is a membership organisation and uses the membership offer as well as a broader regular giving proposition to cement long-term relationships with donors. FFI's direct marketing activities are carried out in partnership with creative agencies, who provide design and copywriting services for our printed appeals that are sent to our existing supporter base, and for our supporter recruitment activity, which includes direct response television (DRTV) adverts, inserts and advertisements placed in targeted newspapers and magazines. We also work with media-buying agencies, which are tasked with proposing and purchasing the media space for us to reach new audiences and recruit new supporters, and this includes booking space with TV channels and in the publications in which we wish to advertise.

We now have a significant portfolio of digital fundraising activities, including our weekly e-newsletter and social media ads, which focus on the recruitment of new supporters and generate a healthy return on our investment. FFI has a well-established major-giving programme, with approaches typically made in person by senior staff or trustees. FFI also hosts events throughout the year, typically targeted at stewarding and soliciting funding from mid-to-major donors and prospects.

FFI has paid the applicable levy to register with the Fundraising Regulator and displays the Regulator's badge on all appropriate fundraising materials. FFI complies with the terms and conditions of its registration, the recommendations made by the Regulator and standards contained in the Code of Fundraising Practice to ensure that our fundraising activities are fair, transparent and honest. The fundraising team constantly monitors its performance against objectives, particularly for unrestricted income.

FFI does not routinely outsource its fundraising activities. However, we occasionally work with commercial participators. All new opportunities are assessed against FFI's fundraising strategy and the Fundraising Regulator guidance and with consideration for FFI's reputation. We have developed a commercial participator agreement template and all such arrangements are monitored to ensure continued compliance with the legal requirements.

FFI received 20 complaints relating to our telephone fundraising. This is where our telephone handling agency responds to calls from people who have seen our direct response television adverts. Complaints usually relate to people being 'upsold' (meaning that the call handler asks whether the potential donor would like to give an increased monthly gift). In each case we listen back to the call, and will feed back if a fundraiser acted in a way FFI would like them not to. In 90% of cases the calls were fine, and no further action was needed. In 2020, we recruited over 1,000 regular donors via this channel and so the proportion of complaints was very low.

FFI regularly monitors our telephone agency, which includes weekly call-monitoring reports that highlight instances when supporters raise questions or complaints, or where we can improve the script. These reports, along with regular training of call centre staff, enable us to continually assess their performance and ensure a high level

Fern species , Pico Bonito National Park, Honduras. Credit Juan Pablo Moreiras/FFI

of supporter care is achieved. Our agency also follows a set of guidelines to determine supporter vulnerability, and if a supporter is deemed to be vulnerable, a case is raised with FFI, who will investigate the matter. This may result in a donation being declined and further action being taken.

FFI also receives a range of supporter failure calls, comments and correspondence – around 200 in total in 2020. These include complaints about website functionality, postal communications and a range of other issues. There has also been an increase in malicious comments, which have caused distress among the fundraising team. As we scale up our activities, it is inevitable that we will receive more critical feedback. We are therefore undertaking a review of our safeguarding procedures, in order to ensure that staff exposed to these adverse communications are protected.

FFI regularly reviews its Privacy Statement and updates it when necessary. Our Fundraising Promise makes it clear what personal data is collected, how it is processed and how an individual can get in touch with FFI to change their preferences. All of FFI's communications include easy mechanisms for unsubscribing or updating contact preferences and we ensure that our database is updated accordingly.

The Covid-19 pandemic had less effect on our fundraising results in 2020 than we might have feared. Where some sources of new income growth were hampered, such as developing new networks of major donors and foundations, other sources were apparently enhanced as we saw above target income from public fundraising activities focused on people spending more time at home and online.

Principal Risks

The Trustees have established a framework for the identification and control of the major risks to which the Charity is exposed.

The Trustees have a risk-management strategy which comprises:

- A rolling review of the risks the Charity might face, tracked in the Risk Register, complemented by regular discussion of risk by the Executive Committee and the Audit Committee.
- The establishment of systems and procedures to mitigate against those risks and their potential impacts should they materialise, identified from an operational review and as part of the Business Plan.
- The implementation of processes designed to underpin our ability to identify and manage specific risks. For example, in 2020 we reviewed our policy and procedures in relation to FFI employees serving as representatives on external boards in order to protect the organisation and our employees from the risk of incurring unexpected responsibilities or legal liability.
- A portfolio risk-tracking tool enabling regular and comprehensive assessment of three types of risk: financial, delivery and conservation impact, across portfolios of projects.
- Regular review of our insurance cover to assess whether it adequately addresses the risks and potential liabilities we face, extending cover if new risks are identified.

Macroalgae survey, Kaş, Antalya, Turkey. Credit: Akdeniz Koruma Derneği

The key risks faced by the Charity, along with the steps taken to mitigate these risks, have been identified as follows:

COVID-19 – The range of risks to which the pandemic has given rise have been managed through: careful monitoring of our finances to take account of various possible outcomes so we could plan for, and mitigate against, the potential impact on our income streams and reserves; maintaining activities and delivery of our projects wherever possible and ensuring we are poised to restart on-the-ground work whenever safe and feasible to do so; agreeing funding flexibility within grant terms with donors and negotiating new delivery timelines if necessary; protecting the health and safety of our staff around the globe by enabling home working, facilitating the repatriation of international staff where appropriate and communicating at all levels to ensure health protection, social distancing and movement restrictions are followed. To support the mental health and well-being of our staff we promoted virtual contact and connectivity across the organisation, advocated flexible working practices to fit with caring responsibilities and introduced a global mindfulness and resilience programme.

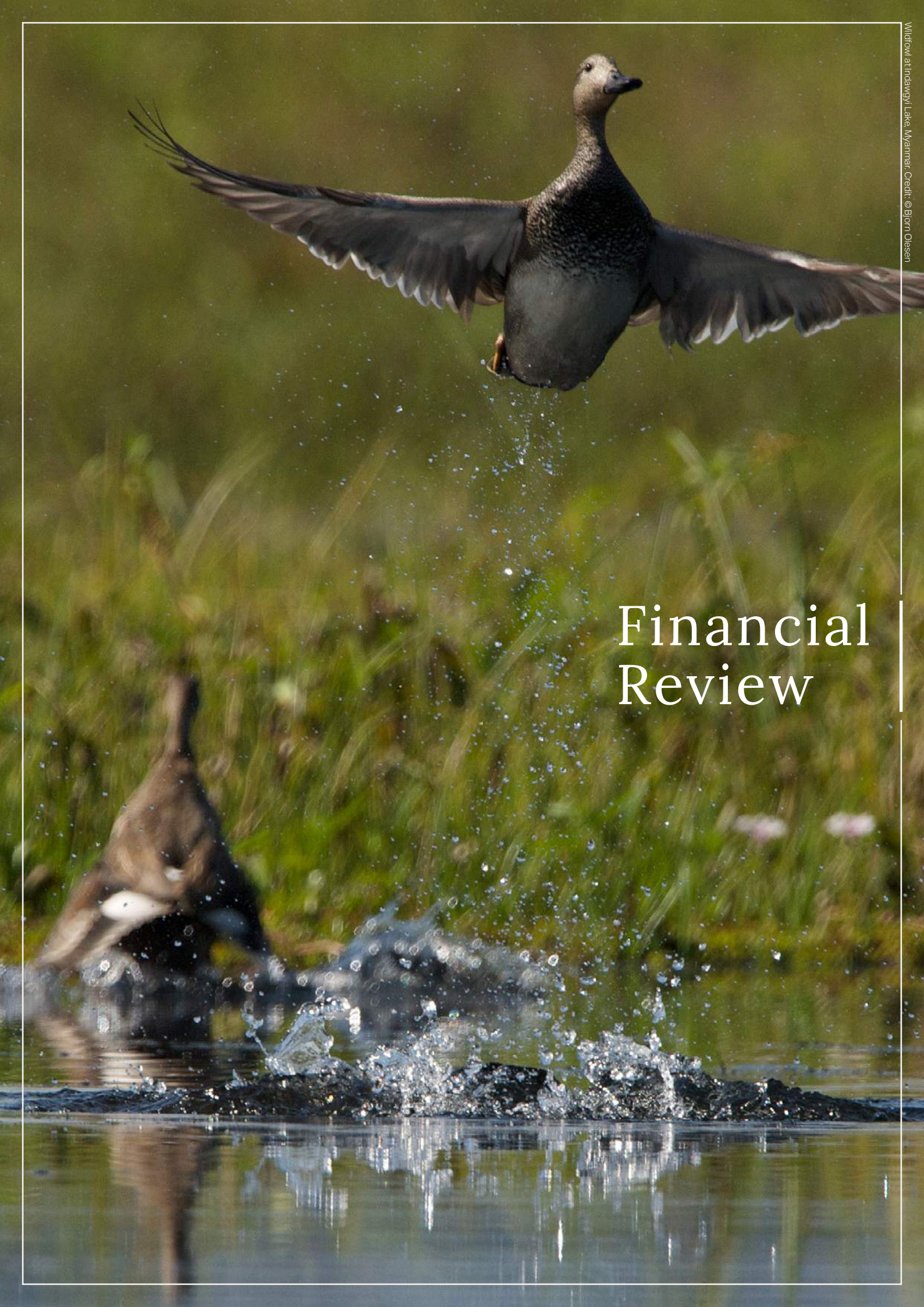
FINANCIAL MANAGEMENT, COMPLIANCE AND VIABILITY OF IN-COUNTRY PARTNERS – An inherent risk, particularly where funding is sub-granted from government/multilateral donors, or where funding from FFI represents a significant element of funding portfolios, and where organisations have little access or exposure to international fundraising markets. Normally managed through partner due diligence to identify financial weaknesses and by investment in capacity building to support local partner resilience. The global pandemic has, however, severely affected the income streams of many of our in-country partners, prompting the launch of the FFI Partner Crisis Support Fund to address this heightened risk to their viability, and in turn mitigate the risk to continued, sustainable delivery of our conservation programmes worldwide.

REGULATORY COMPLIANCE – We ensure the legality of our global operations by complying with statutory requirements in all of the countries where we operate, maintaining current registrations with appropriate authorities and seeking guidance on local legislation from trusted local advisers where necessary. We also adhere to all regulatory alerts and guidance issued by the Charity Commission, including in relation to Safeguarding and as contained in its Protecting Charities From Harm Compliance Toolkit.

COMPLIANCE WITH DONOR TERMS AND CONDITIONS – We mitigate the risk of non-compliance by evaluating the terms and conditions of all donor funding before entering into legal and grant agreements to ensure we can meet the requirements. Our established Good Grant Management training programme supports our project staff to meet their responsibilities whilst our project management system allows us to evaluate new projects and track technical and financial reporting milestones. We aim to only take on grant funding that provides a sufficient contribution to administrative overhead which is necessary to effectively support the donor reporting and compliance obligations.

INTERNAL CONTROLS – We have a comprehensive set of organisational policies and procedures, to which we add as required, and a schedule of delegated authorities to define accountability in decision-making. These are easily accessible to all staff and we monitor their application across the organisation, supporting this with appropriate training. Our accounting and project management system is designed to automate and align our business processes and financial controls, with approvals being obtained online through pre-defined workflows in accordance with the Delegations of Authority, thereby supporting efficient compliance and monitoring.

REPUTATIONAL RISKS – FFI's excellent reputation is dependent on continuing to demonstrate significant conservation added value, which requires all internal decision-making systems from programme design to monitoring and evaluation to be functioning well. We continue to invest in sound governance and control processes and to conduct robust due diligence on our institutional relationships, with a particular emphasis on careful selection of partners. To mitigate the reputational risk associated with a greater external profile and potential media interest our Communications Plan includes enhanced training for staff and investment in crisis and reputation management protocols and systems to help us prevent, prepare for, and respond to crises including (but not limited to) negative press coverage.



Wildfowl at Indawgyi Lake, Myanmar. Credit: © Bjorn Olesen

Financial Review

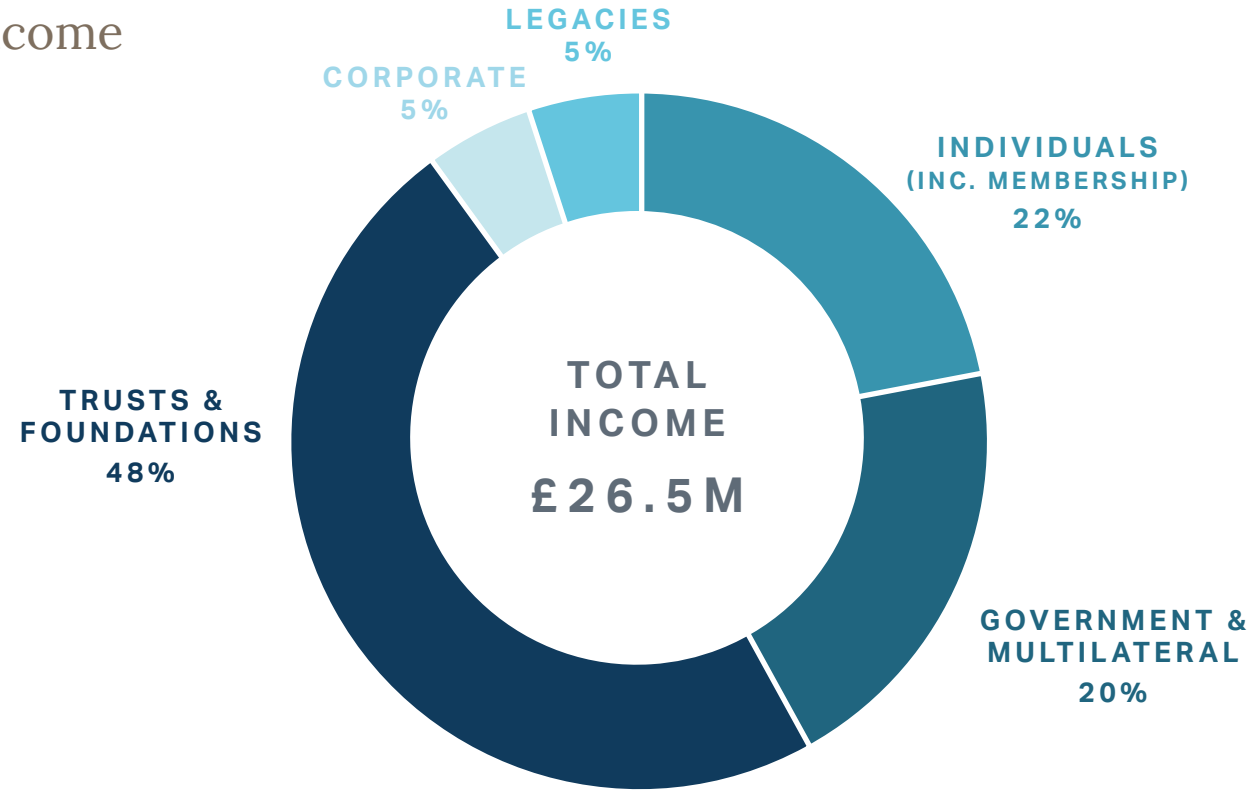
Overall Position

This report and the consolidated Financial Statements incorporate the results of FFI's UK operations, its overseas branches and controlled subsidiaries and its associated permanent endowment funds.

2020 represented the second year of the latest Business Plan which covers the five years from 2019 to 2023. The Business Plan outlines how we intend to deliver our Strategy over the same period, with particular emphasis on the three organisational ambitions, relating to how FFI will seek to increase its income, grow its profile and invest in its people.

The net movement in total funds for the period is an increase of £2.5m (2019: £510k increase), comprising an increase in restricted funds of £706k (2019: £872k decrease), an increase of endowment funds of £45k (2019: £29k increase) and an increase in unrestricted funds of £1.8m (2019: £1.4m increase). All restricted funds held relate to current, active projects and are anticipated to be utilised over the course of the next one to four years.

Income



Income generation overall of £26.5m shows an increase of 14% compared with 2019. This is largely due to the receipt of just over £2m from the proceeds received by FFI as a Promoting Society of People's Postcode Lottery (for more information see note 21 to the accounts).

UNRESTRICTED INCOME BY TYPE

	2016	2017	2018	2019	2020	2019/2020 Change
Trusts & Foundations	144,834	1,063,758	521,424	756,517	859,475	14%
Individuals	1,309,006	1,241,392	1,276,626	1,362,427	4,139,416	204%
Legacies	256,176	790,779	73,885	2,325,653	1,189,313	-49%
Corporate	20,689	55,939	167,038	52,914	196,920	272%
Other	17,253	7,999	38,704	25,514	34,453	35%
Capital Campaign	10,417	2,487,505	500,000	125,000	-	-100%
	1,758,375	**5,647,372**	**2,577,677**	**4,648,025**	**6,419,577**	**38%**

Unrestricted income from Trusts & Foundations has increased in 2020 by 14%, primarily due to an increase in funding from the People's Postcode lottery. Individuals has grown in 2020 by 204%, largely due to the proceeds received by FFI as a Promoting Society of People's Postcode Lottery as well as investment in digital fundraising activities. Corporate income has increased in 2020 by 272%, relating to support received in the USA. Legacy income has decreased from 2019; however, 2019 included a significant legacy of $2.75m, the residual balance of which is included in our 2020 income.

RESTRICTED INCOME BY TYPE

	2016	2017	2018	2019	2020	2019/2020 Change
Trusts & Foundations	9,259,111	11,152,475	10,266,072	10,206,257	11,738,061	15%
Government & Multilateral	2,877,498	4,274,240	4,457,350	6,947,640	5,315,100	-23%
Corporate	1,403,693	1,881,587	1,068,003	816,097	1,254,924	54%
Individuals	460,966	173,979	294,112	414,924	1,560,470	276%
Other	23,047	30,595	117,772	178,269	180,828	1%
Legacies	-	25,000	318,444	44,613	-	-100%
	14,024,315	**17,537,876**	**16,521,752**	**18,607,800**	**20,049,383**	**8%**

Restricted income from Trusts & Foundations has increased in 2020, due to increased support from a long-standing donor. Government & Multilateral funding in 2020 decreased by 23%; however, this is due to some large, multiannual projects finishing. Government & Multilateral funding represented 20% of our overall funding portfolio (30% in 2019), in line with our revised internal target under our new business plan. Government grants allow us to move to scale in activity and impacts but can be costly in terms of compliance and overhead costs as they are set up and closed out. They may also require matched funding.

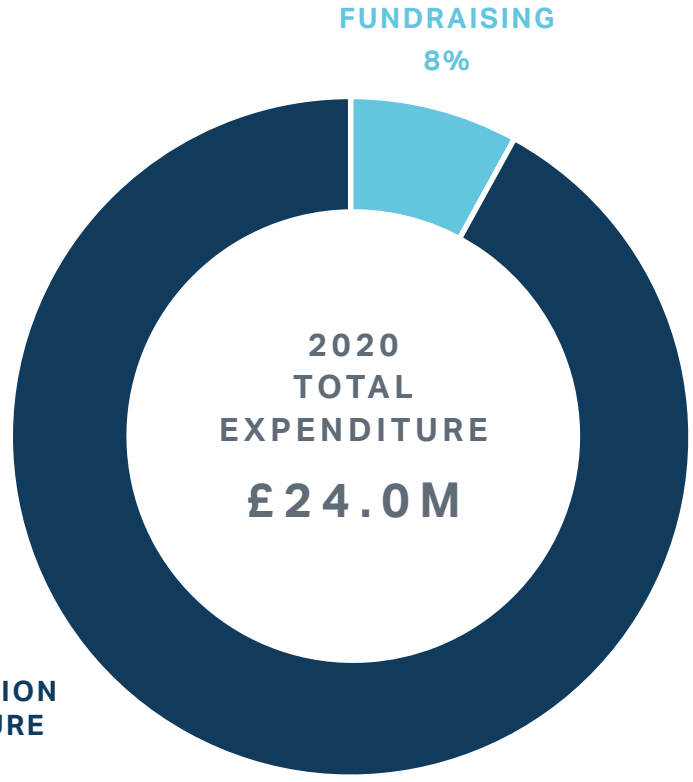
Restricted Individual income has increased by 276% in 2020, due to support received for FFI's Partner Crisis Support Fund, which was launched in response to the Covid-19 pandemic, and support for other projects such as the purchase of Boden Creek in Belize and Chuilexi Conservancy in Mozambique. Restricted Corporate income relating to the technical services that FFI provides to businesses has also increased in 2020.

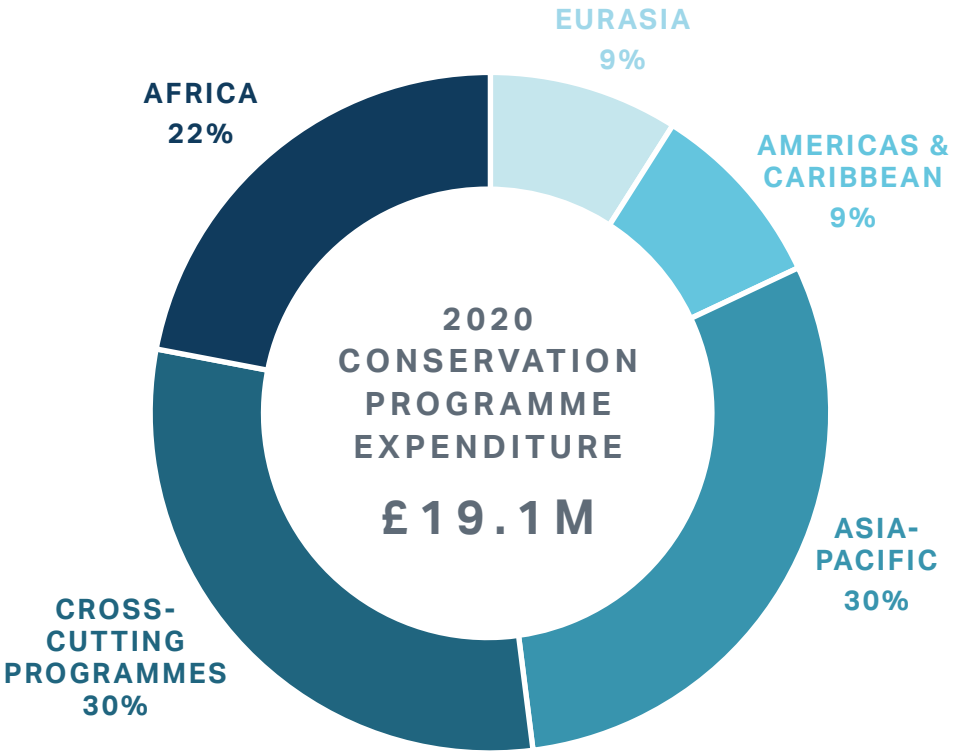
Endowment income (not shown in the tables above), generated through an invested portfolio designed to produce an income stream to support gorilla conservation work and shown as restricted investment income was £17k in 2020 (2019: £22k), with the investments designed to secure the capital base whilst also producing a steady income yield. This portfolio is reviewed from time to time by our investment managers, in conjunction with the Trustees. As always, we are grateful for this continued support from our donors.

Expenditure

Charitable expenditure across our conservation portfolio has remained consistently high as a proportion of total expenditure (92%) in 2020 (2019: 94%).

In accordance with our strategic plan, FFI has invested in fundraising capacity and the diversification of our income streams, resulting in fundraising expenditure increasing to 8% of total expenditure (2019: 6%). With nearly 130 active projects in over 40 countries, we continue to manage a diverse programme of activity, which presents its own challenges, but is also evidence of our far-reaching impact in delivering tangible biodiversity conservation.

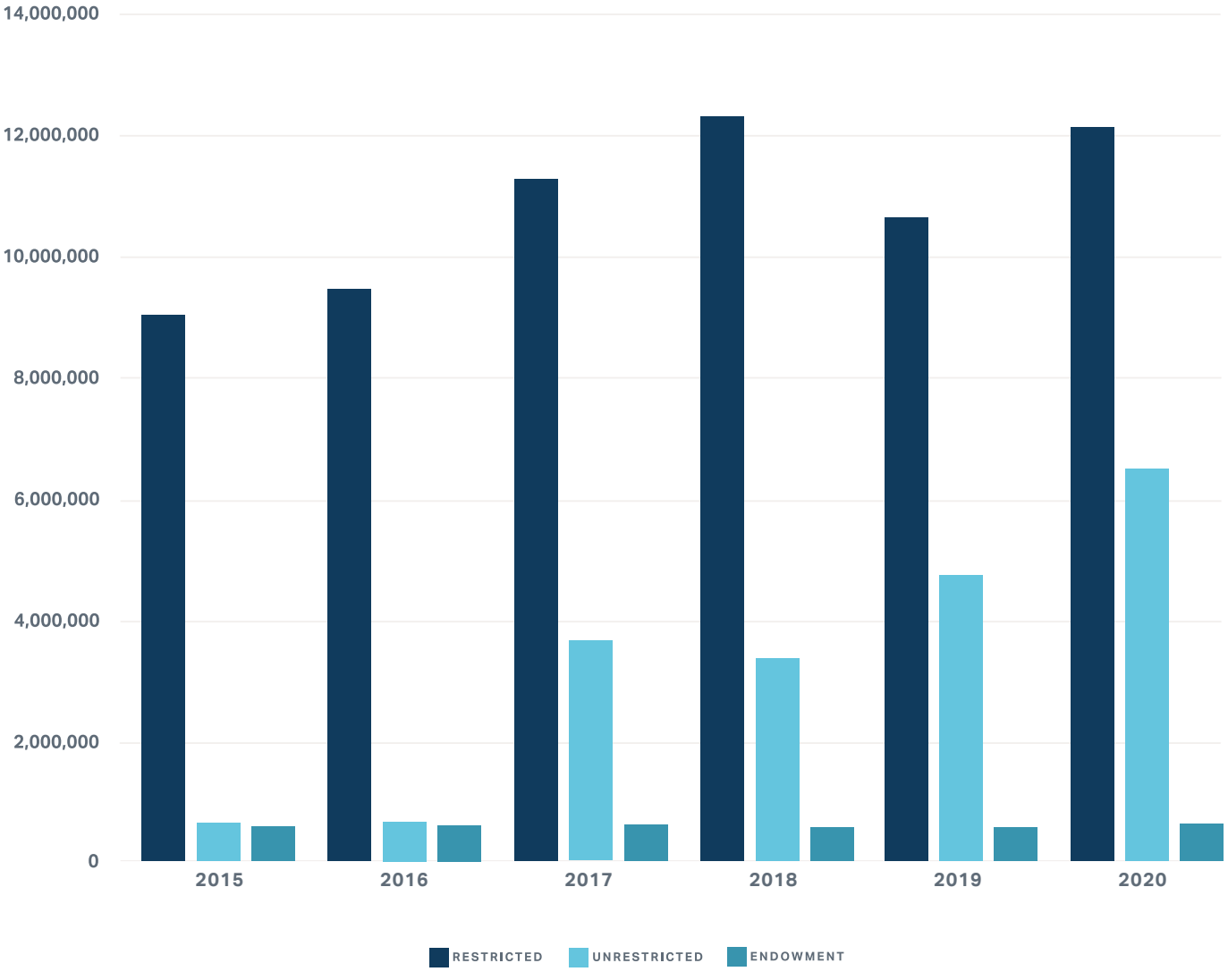




FFI operates through four regional Conservation Programmes (Asia-Pacific; Africa; Eurasia; and the Americas & Caribbean) supported by an array of cross-cutting initiatives (Conservation Science & Design; Conservation Capacity & Leadership; Extractives & Development Infrastructure; Conservation Finance & Enterprise; and Agricultural Landscapes), which form our Cross-cutting Programmes division.

Reserves

The total reserves of the organisation at the end of 2020 are £19.3m (2019: £16.8m)[2]. After taking into account restricted reserves of £12.1m (2019: £11.4m) and endowment funds of £667k (2019: £623k), the unrestricted reserves are £6.5m (2019: £4.7m). Free reserves (unrestricted reserves less unrestricted fixed assets of £181k (2019: £241k)) are £6.3m (2019: £4.5m). This represents 9.0 months (2019: 10.2 months) of budgeted, recurring core expenditure. As outlined in our reserves policy on page 31, we aim to hold unrestricted reserves of 6-18 months.



2 Unrestricted reserves represents 15.3 months (2019: 13.7 months) of committed, recurring expenditure when measured using 2020 core expenditure levels as outlined in Note 6a.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Fauna & Flora International for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 judgments and accounting 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken the necessary steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that you are aware of that information.

The Trustees' Annual Report and the Strategic Report contained therein were approved and authorised for issue by the Board of Trustees on 1st July 2020 and signed on its behalf by

Hugo van Vredenburch, Chair

Independent Auditor's Report to the Members of Fauna & Flora International

Opinion

We have audited the consolidated financial statements of Fauna & Flora International ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated Cash Flow Statement 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 group's and the charitable company's affairs as at 31 December 2020 and of the group's income and expenditure, for the year 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 group 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 trustee's 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 charitable company's or the group'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.

Independent Auditor's Report to the Members of Fauna & Flora International

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their 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 and proper 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.

Independent Auditor's Report to the Members of Fauna & Flora International

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 44, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities.** This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation and General Data Protection Regulation (GDPR). We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates and judgements for biases, reviewing regulatory correspondence with the Charity Commission, sample testing of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing 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, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, 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 non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

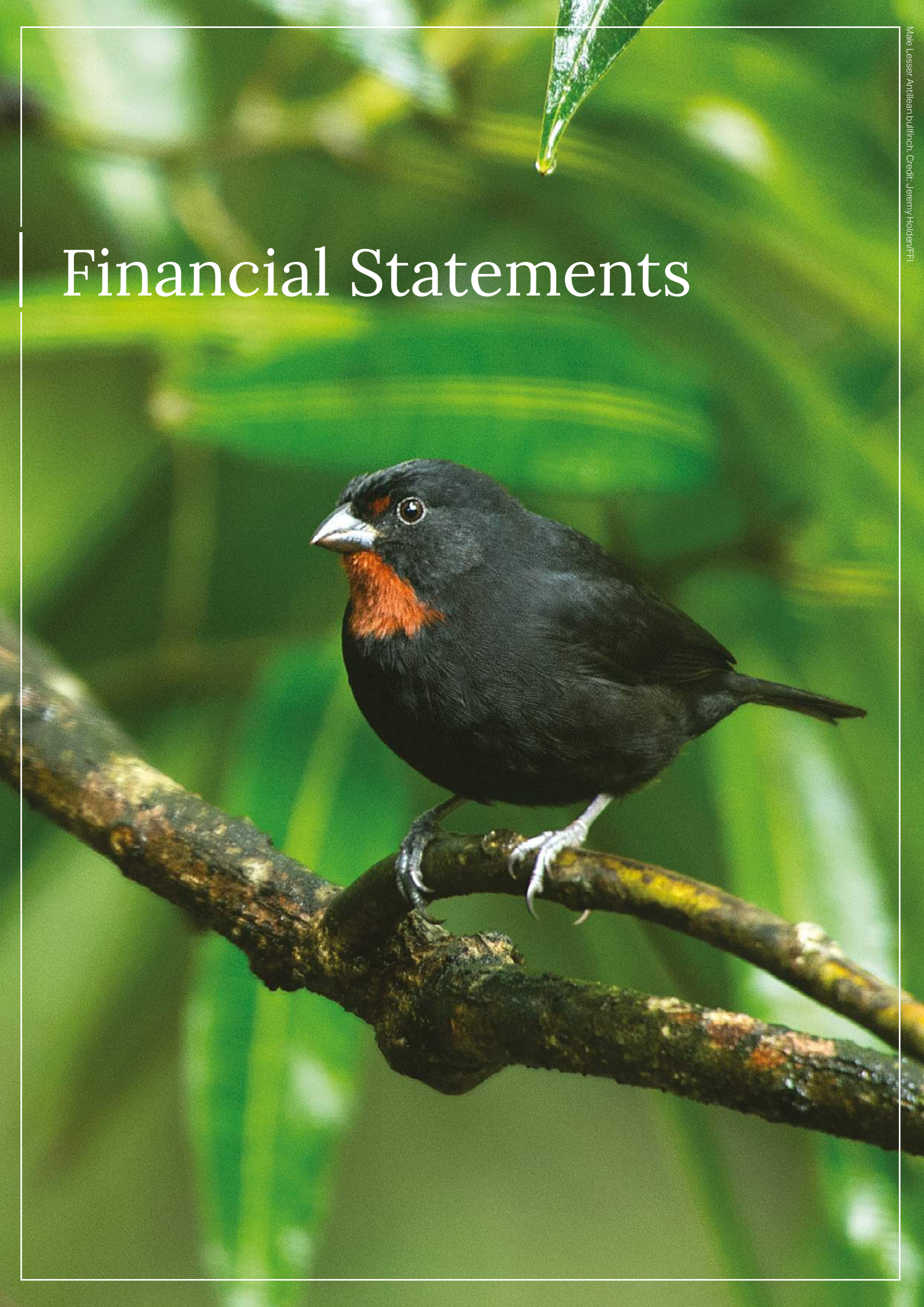
Use of our report

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.

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London U.K.

Date 10th August 2021

Financial Statements



Male Lesser Antillean bullfinch. Credit: Jeremy Holden/FFI

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the year ended 31 December 2020

	Notes	Unrestricted £	Restricted £	Endowment Funds £	2020 Total £	2019 Total £
Income and endowments from:						
Donations and legacies	3a, 3b	2,874,366	1,559,883	-	4,434,249	3,725,021
Charitable Activities		1,487,238	18,308,086	-	19,795,324	19,321,570
Investments		14,277	59,280	159	73,716	204,047
Other Trading Activities	21	2,032,601	586	-	2,033,187	5,451
Other		11,095	121,548	-	132,643	-
Total		**6,419,577**	**20,049,383**	**159**	**26,469,119**	**23,256,089**
Expenditure on:						
Raising funds		1,902,804	-	-	1,902,804	1,320,807
Charitable activities		2,384,124	19,755,990	-	22,140,114	21,412,337
Total	4a, 6a, 6b	**4,286,928**	**19,755,990**	**-**	**24,042,918**	**22,733,144**
Net gains/(losses) on investments		1,951	-	44,353	46,304	33,375
Net income/(expenditure)		**2,134,600**	**293,393**	**44,512**	**2,472,505**	**556,319**
Transfers between funds		(25,000)	25,000	-	-	
Other gains/(losses)	4b	(330,533)	387,346	-	56,813	(46,554)
Net movement in funds		**1,779,067**	**705,739**	**44,512**	**2,529,318**	**509,765**
Reconciliation of funds:						
Total funds brought forward		4,721,754	11,411,547	622,927	16,756,228	16,246,463
Total funds carried forward	12	**6,500,821**	**12,117,286**	**667,439**	**19,285,546**	**16,756,228**

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

In 2019, unrestricted voluntary income was £3,387,168 (the remainder was restricted). In 2019, unrestricted charitable activities income was £1,229,927 (the remainder was restricted). In 2019, unrestricted investment income was £25,514 and endowment investment income was £264 (the remainder was restricted). In 2019, unrestricted income from other trading activities was £5,416 (the remainder was restricted).

In 2019, unrestricted charitable activities expenditure was £1,667,377 and endowment charitable activities expenditure was £126 (the remainder was restricted). In 2019, all expenditure on raising funds was unrestricted. In 2019, unrestricted other losses were £296,693 (the remainder was restricted). In 2019, unrestricted transfers were £14,789, with the remainder restricted.

Consolidated Balance Sheet

For the year ended 31 December 2020

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed Assets					
Tangible assets	7a	1,495,328	1,448,633	318,597	271,900
Intangible assets	7b	145,632	239,004	145,632	239,004
Investments	8	12,547,574	10,787,045	12,547,574	10,787,045
Total fixed assets		14,188,534	12,474,682	13,011,803	11,297,949
Current Assets					
Debtors	9	1,837,964	4,608,815	1,839,604	4,793,915
Cash at bank and in hand		4,650,654	3,377,759	3,831,794	2,747,709
Total current assets		6,488,618	7,986,574	5,671,398	7,541,624
Liabilities					
Creditors falling due within one year	10	(1,373,920)	(3,687,342)	(1,362,634)	(3,659,009)
Net Current Assets		5,114,698	4,299,232	4,308,764	3,882,615
Provisions for liabilities	11	(17,686)	(17,686)	(17,686)	(17,686)
Total net assets		**19,285,546**	**16,756,228**	**17,302,881**	**15,162,877**
The funds of the charity					
Unrestricted Funds					
Unrestricted funds	12	6,444,319	4,665,252	4,630,668	3,246,956
Designated funds		56,502	56,502	56,502	56,502
		6,500,821	4,721,754	4,687,170	3,303,458
Restricted funds	12	12,117,286	11,411,547	11,948,272	11,236,492
		18,618,107	16,133,301	16,635,442	14,539,950
Capital Funds					
Permanent endowment funds	12	667,439	622,927	667,439	622,927
Total Charity Funds		**19,285,546**	**16,756,228**	**17,302,881**	**15,162,877**

The surplus/(deficit) in respect of the parent charity only was £2,140,004 (2019: £409,437)

The attached notes form part of these financial statements.

Approved by the Board of Trustees and authorised for issue on 1 July 2021 and signed on its behalf by

Chair: Hugo van Vredenburch

Treasurer: Paul Baldwin

Consolidated Cash Flow Statement

For the year ended 31 December 2020

Statement of cash flows	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Cash flows from operating activities	16	3,384,387	1,260,506	3,196,401	1,116,211
Cash flows from investing activities	16	87,094	189,938	83,663	184,383
Cash flows from financing activities	16	(159,548)	(184,192)	(159,548)	(184,192)
		3,311,933	**1,266,252**	**3,120,516**	**1,116,402**
Reconciliation of Net Cash Flow to Movements in Net Funds					
Increase/(decrease) in cash in the year		3,311,933	1,266,252	3,120,516	1,116,402
Cash and cash equivalents at the beginning of the reporting period		12,777,873	11,871,861	12,147,823	11,376,394
Change in cash and cash equivalents due to exchange rate movements		(296,412)	(360,240)	(293,805)	(344,973)
Cash and cash equivalents at the end of the reporting period		**15,793,394**	**12,777,873**	**14,974,534**	**12,147,823**

Analysis of cash and cash equivalents	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Cash at bank and in hand	4,650,654	3,377,759	3,831,794	2,747,709
Deposit accounts	11,142,740	9,400,114	11,142,740	9,400,114
	15,793,394	**12,777,873**	**14,974,534**	**12,147,823**

The attached notes form part of these financial statements.

Notes

1 Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements. FFI meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with the 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 effective 1 January 2019 (The FRS 102 Charities SORP) and the Companies Act 2006.

b) Basis of consolidation

The consolidated financial statements comprise a consolidation of the financial statements of Fauna & Flora International and its fully owned subsidiaries, Fauna & Flora International Australia (Ltd), Fauna & Flora International USA Inc., Fauna & Flora International (South Africa) and Fauna & Flora International S.R.L.

c) Significant estimates or judgements

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of FFI's designated funds is set out in the Reserves Policy within the Trustees' Report. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Permanent endowments are funds which are permanently restricted, details of which are set out in note 12 of the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

e) Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is entitled to the income, that receipt is probable and the amount can be quantified with reasonable accuracy. Income from donations is accounted for when received and legacy income is included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

Grant income is recognised when all three recognition criteria are met (entitlement, probability and measurability). Income from performance related grants and contracts is included in the accounts to the extent that entitlement has been earned through performance of the contract.

f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Project activity costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management and oversight delivered from UK contracted staff. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are indirect costs related to the overall management and facilities of the organisation, Trustee administration of the charity and compliance with constitutional and statutory requirements.

g) Pension Contributions

The charitable company contributes to individual personal pensions for staff; contributions are charged to the profit and loss account as they become payable.

h) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance lease are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are written off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

i) Foreign Exchange

Assets and liabilities denominated in foreign currencies are translated into sterling on the balance sheet at the rates of exchange ruling at the year-end. Unrealised gains and losses on re-translation of monetary assets are shown as income or expenditure in line with FRS 102. Unrealised gains and losses of non-monetary assets are dealt with as part of the deficit or surplus on ordinary activities for the financial year. Gains and losses related to restricted projects cannot be allocated to specific projects. Therefore, these are accumulated in a foreign exchange revaluation fund and grouped with restricted reserves, as shown in note 12. These are then allocated to the relevant projects as they are completed.

j) Tangible Assets

Tangible assets are shown at cost less depreciation. Assets in use in the organisation are capitalised where the value of an individual item is greater than £3,000 and the asset has a long-term useful life. When items of portable equipment are acquired, such items that fall below this threshold may be capitalised. Where items are acquired from funding from restricted grants, these items will be treated in accordance with the grant requirements and therefore may well be fully expensed in the year of acquisition, rather than capitalised.

Depreciation is provided so as to write off the cost of tangible assets over their estimated useful lives at the following annual rates:

Fixtures and fittings	20 - 25% straight line
IT equipment	33% straight line
Software	20% straight line
Land & buildings *(buildings only, land not depreciated)*	5% straight line
Vehicles	20% straight line

k) Investments

Listed investments are included at the mid-market price as shown in the Stock Exchange Daily Official List as at close of business at the year end. The SOFA includes the net unrealised gains and losses arising on revaluations and realised gains and losses on disposals throughout the year.

l) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Deferred income

Deferred income relates to performance related grant and contract income where the conditions of the grant have not yet been met and therefore the Charity is not entitled to the income until a future period.

p) Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and comprise cash and bank and in hand, short term cash deposits together with trade and other debtors excluding prepayments. Financial liabilities held at transaction value comprise the short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

q) Going concern

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

2 Company Status

The company is limited by guarantee, not having share capital, and is also a registered charity; it is not liable to corporation tax. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the limited liability company.

3a Donations and legacies

	2020	2019
	£	£
Individuals	3,244,936	1,354,755
Legacies	1,189,313	2,370,266
	4,434,249	**3,725,021**

3b Income

	Restricted	Unrestricted	Endowment	2020 Total	2019 Total
	£	£	£	£	£
Income Source					
Trusts & Foundations	11,738,061	859,475	-	12,597,536	10,962,774
Individuals	1,560,470	4,906,966	-	6,467,436	3,876,430
Government & Multilateral	5,315,100	9,081	-	5,324,181	6,947,640
Corporate	1,254,924	196,920	-	1,451,844	869,011
Membership	-	421,763	-	421,763	396,187
Other	121,548	11,095	-	132,643	-
Investment	59,280	14,277	159	73,716	204,047
Total	**20,049,383**	**6,419,577**	**159**	**26,469,119**	**23,256,089**

4a Expenditure

	2020	2019
	£	£
Expenditure includes:		
Auditors' remuneration - audit	54,295	56,074
Auditors' remuneration - other	46,029	65,447
Depreciation	206,225	182,886
Operating leases: land and buildings	306,629	305,578

4b Other gains/(losses)

	2020	2019
	£	£
Other gains/losses includes:		
Realised foreign exchange gains/(losses)	11,256	54,765
Unrealised foreign exchange gains/(losses)	45,557	(101,319)
	56,813	(46,554)

5 EMPLOYEE INFORMATION

5a Staff costs

	2020 £	2019 £
Wages and salaries	8,766,901	7,837,796
Social security costs	890,696	837,169
Pension costs	474,276	394,641
	10,131,873	**9,069,606**

No redundancy payments were made in 2020 in the UK.

5b

	2020	2019
The average number of persons, analysed by function, employed during the year was:		
Project management	434	330
Fundraising	19	17
Administration	22	19
	475	**366**

5c

	2020	2019
Employees whose emoluments for the year were £60,000 or more are shown in the following bands:		
£60,001 - £70,000	6	5
£70,001 - £80,000	3	2
£80,001 - £90,000	2	1
£100,001 - £110,000	1	2
£110,001 - £120,000	1	1
£120,001 - £130,000	1	-
£140,001 - £150,000	-	1
£150,001 - £160,001	1	-

The pension contributions to pension schemes for the higher paid staff were £96,369 (2019: £73,716).

The total value of salary and benefits received by key management personnel in 2020 was £709,061 (2019: £647,918).

The above numbers do not include Trustees who are not permitted to receive remuneration for their duties unless formal approval has been received from the Charity Commission. In 2020, £292 (2019: £5,110) was reimbursed to, or paid on behalf of Trustees in respect of travel and subsistence during the year.

6a Analysis of Total Expenditure

	Staff costs	Other costs	Support costs	Total 2020	Total 2019
	£	£	£	£	£
Conservation Programme Area					
Africa	1,441,878	2,267,520	429,154	4,138,552	4,999,154
Asia Pacific	2,812,497	2,778,883	36,668	5,628,048	5,730,064
Americas & Caribbean	561,687	1,003,934	172,756	1,738,377	1,486,516
Eurasia	764,383	792,626	120,535	1,677,544	2,079,420
Conservation Partnerships	3,020,961	2,522,502	97,072	5,640,535	3,946,242
Foreign exchange (gain)/loss	-	293,803	-	293,803	344,973
Programmatic Activities	**8,601,406**	**9,659,268**	**856,185**	**19,116,859**	**18,586,369**
Core costs					
Fundraising costs	822,833	-	1,079,971	1,902,804	1,320,807
Support & administration costs	1,652,930	-	1,370,325	3,023,255	2,825,968
Total costs	**11,077,169**	**9,659,268**	**3,306,481**	**24,042,918**	**22,733,144**

The foreign exchange (gain)/loss is the revaluation of monetary assets arising from the organisation operating internationally.

6b Analysis of Support Costs

	Programme Activities	Fundraising costs	Operations & Governance costs	Total 2020	Total 2019
	£	£	£	£	£
Office rent & services	35,946	57	464,839	500,842	518,435
Equipment acquisition & maintenance	37,790	452	3,146	41,388	17,362
Grants	448,420	-	150,000	598,420	427,651
Conference attendance	6,633	3,179	34,474	44,286	115,348
Printing & publications	2,512	573,897	27,048	603,457	397,315
Bank charges and interest	2,244	36,211	15,826	54,281	28,655
Depreciation	415	28,073	80,297	108,785	105,073
IT, telephony & office supplies	41,161	75,208	207,209	323,578	229,407
Travel & Subsistence	37,996	23,669	55,568	117,233	374,474
Audit, Legal & Professional fees	156,027	308,986	299,622	764,635	470,750
Other costs	87,041	30,239	32,296	149,576	53,913
Total support costs	**856,185**	**1,079,971**	**1,370,325**	**3,306,481**	**2,738,383**

7a Tangible Fixed Assets (all group fixed assets are attributable to the charity, excluding the land & buildings)

	Fixtures & Fittings	IT Equipment	Land & Buildings	Vehicles	Total
	£	£	£	£	£
Cost:					
At 1 January 2020	4,239	59,126	1,176,733	495,441	1,735,539
Additions	8,228	26,824	-	114,896	149,948
Disposals	-	(9,537)	-	-	(9,537)
At 31 December 2020	**12,467**	**76,413**	**1,176,733**	**610,337**	**1,875,950**
Depreciation					
At 1 January 2020	2,119	59,126	-	225,661	286,906
Charge for year	1,060	894	-	101,299	103,253
On disposals	-	(9,537)	-	-	(9,537)
At 31 December 2020	**3,179**	**50,483**	**-**	**326,960**	**380,622**
Net book value:					
At 31 December 2020	**9,288**	**25,930**	**1,176,733**	**283,377**	**1,495,328**
At 31 December 2019	2,120	-	1,176,733	269,780	1,448,633

7b Intangible Fixed Assets (all group intangible fixed assets are attributable to the charity)

	Software	Total
	£	£
Cost:		
At 1 January 2020	519,733	519,733
Additions	9,600	9,600
Disposals	-	-
At 31 December 2020	**529,333**	**529,333**
Depreciation		
At 1 January 2020	280,729	280,729
Charge for year	102,972	102,972
On disposals	-	-
At 31 December 2020	**383,701**	**383,701**
Net book value:		
At 31 December 2020	**145,632**	**145,632**
At 31 December 2019	239,004	239,004

8 Fixed Asset Investments (all group fixed assets are attributable to the charity)

	2020	2019
	£	£
Movement during the year		
Market value as at 1 January	10,787,045	7,608,461
Net gains/(losses) during the year	46,304	33,375
Foreign exchange gains/(losses) during the year	43,841	85,305
Capital invested/(withdrawn) during the year	1,670,384	3,059,904
Total Investments at year end	**12,547,574**	**10,787,045**

Investments are represented by:	2020	2019
	£	£
Fixed interest securities & equity shares	691,286	644,983
Cash deposit funds	11,142,740	9,400,114
Programme related investments	713,548	741,948
Total Investments held in the UK	**12,547,574**	**10,787,045**

The historic cost of investments as at 31 December 2020 was £12,456,288 (£2019: £10,742,062).

Programme related investments consists of land held in Ecuador with the intention of transferring it to a local organisation capable of preserving its conservation value.

9 Debtors

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Trade debtors	1,481,687	4,259,727	1,349,671	4,171,506
Amounts due from subsidiaries	-	-	137,968	277,550
Prepayments and accrued income	356,277	349,088	351,965	344,860
	1,837,964	**4,608,815**	**1,839,604**	**4,793,916**

All the above amounts fall due within one year.

10 Creditors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	432,779	357,086	433,059	358,348
Tax and social security	541,543	327,883	535,886	324,239
Accruals and deferred income	399,598	3,002,373	393,689	2,976,422
	1,373,920	3,687,342	1,362,634	3,659,009

Accruals and deferred income includes the following:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Deferred income at 1st January	2,707,365	2,174,429	2,707,365	2,174,429
Income deferred in year	65,823	2,707,365	65,823	2,707,365
Amounts released from previous years	(2,707,365)	(2,174,429)	(2,707,365)	(2,174,429)
Deferred Income at 31st December	65,823	2,707,365	65,823	2,707,365

11 Provisions

	At 01/01/2020 £	Provisions created / (released) £	Provisions utilised £	At 31/12/2020 £
Land taxes payable	17,686	-	-	17,686
	17,686	-	-	17,686

Provision has been made in prior year for land tax in Ecuador that may be payable by FFI.

12 Reconciliation of funds

	Balance b/ fwd	Income	Expenditure	Other gains/ (losses)	Movements between funds	Balance c/fwd
	£	£	£	£	£	£
Unrestricted						
General unrestricted funds	4,665,252	6,419,577	(4,286,928)	(328,582)	(25,000)	6,444,319
Designated funds	56,502	-	-	-	-	56,502
Total unrestricted funds	**4,721,754**	**6,419,577**	**(4,286,928)**	**(328,582)**	**(25,000)**	**6,500,821**
Endowment funds						
Rothiemurchus Bequest Fund	32,148	159	-	2,441	-	34,748
Whitley Animal Protection Trust	590,779	-	-	41,912	-	632,691
Total endowment funds	**622,927**	**159**	**-**	**44,353**	**-**	**667,439**
Restricted funds						
Africa	883,516	3,709,156	(3,832,848)	(35,842)	1,758,145	2,482,127
Agricultural Landscapes	1,558	6,457	-	-	-	8,015
Americas & Caribbean	1,582,414	1,585,733	(1,558,807)	5,817	823,611	2,438,768
Asia-Pacific	2,668,103	3,914,636	(6,219,375)	60,333	1,526,868	1,950,565
Conservation Capacity and Leadership	238,391	1,600,099	(1,432,087)	(618)	(34,125)	371,660
Conservation Finance and Enterprise	379,633	716,895	(919,422)	63,602	-	240,708
Conservation Partnerships Development	426,615	66,912	(89,831)	-	-	403,696
Conservation Science and Design	3,213,687	6,671,189	(3,168,253)	274,935	(4,585,992)	2,405,566
Eurasia	1,969,762	1,023,467	(1,509,032)	(25,727)	483,829	1,942,299
Extractives & Development Infrastructure	20,998	754,839	(732,532)	7,762	52,664	103,731
Other (incl Foreign Exchange) Revaluation	26,870	-	(293,803)	37,084	-	(229,849)
Total restricted funds	**11,411,547**	**20,049,383**	**(19,755,990)**	**387,346**	**25,000**	**12,117,286**
Total Funds	**16,756,228**	**26,469,119**	**(24,042,918)**	**103,117**	**-**	**19,285,546**

The Rothiemurchus bequest stipulates that the Charity should:

i. Hold the bequest and pay or apply part of the income thereof each year in assisting not more than one conservation project consistent with the aims of the Charity

ii. Accumulate for as long as possible at least one quarter of the income, which should be added to the capital of the bequest.

The Whitley Animal Protection Trust M.G.P Fund represents a capital donation from the Whitley Animal Protection Trust, which stipulated that the capital should be invested and the income used for the protection of the mountain gorilla. Provision is made to maintain the relative value of the capital and to provide regular guaranteed income for the IGCP.

The restricted funds of the charity comprise unexpended balances on income given to specific purposes. In accordance with FFI's income recognition policy as outlined in Note 1 to the accounts, restricted funds in deficit have arisen where FFI is not sufficiently entitled to recognise income against ongoing work that is funded in arrears.

Transfers & Other gains and losses includes internal grants transferred from our Halcyon Land & Sea, Species and other internal portfolio funds to field based projects.

Included in the above are amounts for grants received from Fondation Segré (£241,879) and the Endangered Landscapes Programme (£104,009)

13 Analysis of Net Assets between Funds

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	35,218	-	1,460,110	-	1,495,328
Intangible Fixed Assets	145,632	-	-	-	145,632
Investments	2,726,322	-	9,228,687	592,565	12,547,574
Net current assets	3,554,833	56,502	1,428,489	74,874	5,114,698
Provisions	(17,686)	-	-	-	(17,686)
	6,444,319	56,502	12,117,286	667,439	19,285,546

14a Operating Lease Commitments

	2020	2019
Annual commitments are as follows:	£	£
Land and buildings:		
Not later than one year	160,720	164,861
Later than one year and not later than five years	477,613	480,983
Later than five years	-	118,350
	638,333	764,194
Other operating leases:		
Not later than one year	69,980	75,265
Later than one year and not later than five years	243,439	251,749
Later than five years	-	60,432
	313,419	387,446

15 Related Party Transactions and Ultimate Controlling Party

The company is under the control of the Board of Trustees. There is no ultimate controlling party.

FFI holds a 51% controlling interest in Luambeze Investimentos Limitada (Luambeze), a limited liability company registered in Mozambique, registration number 100014343. Luambeze operates a conservancy concession within Niassa National Reserve, which it operates in conjunction with Chuilexi (see below) and is 100% funded by FFI. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

FFI holds a 55% controlling interest in Chuilexi Conservação e Investimentos Limitada (Chuilexi), a limited liability company registered in Mozambique, registration number 100321041. Chuilexi operates a conservancy concession within Niassa National Reserve, which it operates in conjunction with Luambeze and is 100% funded by FFI. The minority interest in this company is immaterial to the Group, so it has not been adjusted for in the consolidated accounts.

FFI provides grant funding to the Northern Rangelands Trust (Kenya), Ol Pejeta Conservancy (Kenya), Ya'axché Conservation Trust (Belize) and the International Gorilla Conservation Programme (Rwanda). Members of FFI's Senior Management Team are also directors of each of these organisations and a Trustee of FFI is a director of Ol Pejeta. A member of FFI's Senior Management Team resigned as a director of the Sustainable Inshore Fisheries Trust in September 2019, at which point it ceased to be a related party. FFI incurred expenditure on behalf of, and was reimbursed by the East African Wildlife Society (Kenya), two members of FFI's Senior Management Team are also directors of this organisation. A Trustee of Cambridge Past, Present and Future was also a member of FFI's Senior Management Team until December 2019, at which point it ceased to be a related party.

CCI Services Ltd was established to manage the facilities and services provided to the Cambridge Conservation Initiative (CCI) partner organisations who occupy the David Attenborough Building. CCI Services Ltd recharges costs to each organisation on a pro rata basis. A member of FFI's Senior Management Team and a Trustee of FFI who resigned in September 2020 are also directors of CCI Services Ltd. A member of FFI's Senior Management Team is on The Cambridge Conservation Initiative Council, which provided grant funding to FFI. FFI also received funding from the Arcus Foundation, a Trustee of FFI is a senior employee of the Foundation. FFI received funding from The Mohamed bin Zayed Species Conservation Fund, a Trustee of FFI, who stood down in April 2020 is also a Trustee of the Fund, at which point it ceased to be a related party. FFI received funding from Fondation Segré, a Trustee of FFI, who was appointed in September 2020 is a Director of the Fondation, at which point it became a related party.

FFI pays licence fees to OMC Investments Ltd in relation to FFI's London office. An immediate member of family of one of FFI's Senior Management Team members is a director of OMC Investments Ltd. The licence agreement terms are equivalent to those that prevail in arm's length transactions and the licence fees paid are at open market rates.

	2020	2019
	£	£
Grants received from related parties - Arcus Foundation		
Arcus Foundation	243,028	583,171
Cambridge Conservation Initiative Council	38,685	4,395
Fondation Segré	241,879	-
The Mohamed bin Zayed Species Conservation Fund	9,358	-
Grants made to related parties		
Ol Pejeta Conservancy	353,948	80,881
Chuilexi Conservação e Investimentos Limitada	519,340	639,909
Luambeze Investimentos Limitada	252,526	309,301
Northern Rangelands Trust	246,301	14,345
International Gorilla Conservation Programme (IGCP)	178,844	252,217
Ya'axché Conservation Trust	248,666	31,465
Sustainable Inshore Fisheries Trust	-	6,500
Donations received from		
- Trustees & Related parties	350,997	53,775
Amounts owing from subsidiary undertakings		
- Fauna & Flora International Australia	110,291	8,184
- Fauna & Flora International South Africa	78,187	77,500
- Fauna & Flora International USA Inc	165,105	191,866
Expenditure paid on behalf of related parties		
- East African Wildlife Society	3,571	2,682
- Cambridge Past, Present and Future	-	130
Reimbursement of expenditure from related parties		
- International Gorilla Conservation Programme (IGCP)	4,175	3,105
- East African Wildlife Society	590	1,843
- Ol Pejeta Conservancy	53	1,112
- Botanic Gardens Conservation International Ltd	-	808
Lease & service fees		
- CCI Services Ltd	106,866	129,653
- OMC Investments Ltd	48,226	16,874

16 Cash Flow Information

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
a) Reconciliations of changes in resources to net inflow from operating activities				
Net incoming resources	2,529,318	509,765	2,140,004	409,438
Depreciation charge	206,225	182,886	206,225	182,886
Investment income (shown separately in (b) below)	(87,094)	(189,938)	(83,663)	(184,383)
(Increase)/decrease in debtors	2,770,851	44,283	2,954,311	35,227
Increase/(decrease) in creditors	(2,313,422)	367,881	(2,296,375)	338,388
Change in fixed asset investments valuation	(46,304)	(33,375)	(46,304)	(33,375)
Unrealised currency revaluation (gain)/loss on non-monetary assets	31,010	23,056	28,400	23,056
Unrealised currency revaluation (gain)/loss on monetary assets	293,803	355,948	293,803	344,974
Net cash inflow/(outflow) from operating activities	3,384,387	1,260,506	3,196,401	1,116,211
a) Gross cash flows				
Returns on investment and servicing of finance:				
Investment income received	87,094	189,938	83,663	184,383
Capital expenditure and financial investment:				
Payment to acquire tangible and intangible fixed assets	(159,548)	(193,840)	(159,548)	(193,840)
Payments to acquire fixed asset investments	-	(600,000)	-	(600,000)
Receipts from sales of fixed asset investments	-	609,648	-	609,648
	(159,548)	(184,192)	(159,548)	(184,192)

17 Summary income and expenditure account for the year ending 31 December 2020

	All income funds 2020 £	All income funds 2019 £
Income	26,395,403	23,052,041
Gains/(losses) on investments	-	-
Interest and investment income	73,557	203,783
Gross income in the reporting period	**26,468,960**	**23,255,824**
Expenditure	23,777,929	22,592,129
Interest payable		-
Depreciation and charges for impairment of fixed assets	206,225	182,886
Total expenditure in the reporting period	**23,984,154**	**22,775,015**
Net income (expenditure) before tax for the reporting period	2,484,806	480,809
Tax payable		-
Net income (expenditure) for the financial year	**2,484,806**	**480,809**

The summary income and expenditure account is a Companies Act and FRS102 requirement and is derived from the corresponding figures in the SOFA with the exclusion of endowment funds.

18 Charity Statement of Financial Activities

	Unrestricted	Restricted	Endowment	2020 Total	2019 Total
	£	£	£	£	£
Income and endowments from:					
Donations and legacies	2,812,067	1,570,993	-	4,383,060	3,769,855
Charitable Activities	904,459	18,150,673	-	19,055,132	18,791,015
Investments	10,846	59,280	159	70,285	198,492
Other Trading Activities	2,032,601	586	-	2,033,187	5,451
Other	-	121,548	-	121,548	-
Total	**5,759,973**	**19,903,080**	**159**	**25,663,212**	**22,764,813**
Expenditure on:					
Raising funds	1,802,510	-	-	1,802,510	1,320,191
Charitable Activities	2,210,532	19,605,989	-	21,816,521	20,998,365
Total	**4,013,042**	**19,605,989**	**-**	**23,619,031**	**22,318,556**
Net gains/(losses) on investments	1,951	-	44,353	46,304	33,374
Net income/(expenditure)	**1,748,882**	**297,091**	**44,512**	**2,090,485**	**479,631**
Transfers between funds	(25,000)	25,000	-	-	-
Other Recognised Gains and Losses					
Other gains/(losses)	(340,170)	389,689	-	49,519	(70,194)
Net movement in Funds	**1,383,712**	**711,780**	**44,512**	**2,140,004**	**409,437**
Total funds brought forward	3,303,458	11,236,492	622,927	15,162,877	14,753,440
Total funds carried forward	**4,687,170**	**11,948,272**	**667,439**	**17,302,881**	**15,162,877**

19 Prior year Reconciliation of Funds Statement

	Balance b/fwd	Income	Expenditure	Other gains/ (losses)	Movements between funds	Balance c/fwd
	£	£	£	£	£	£
Unrestricted						
General unrestricted funds	3,267,795	4,648,025	(2,988,184)	(292,137)	29,753	4,665,252
Designated funds	101,044	-	-	-	(44,542)	56,502
Total unrestricted funds	**3,368,839**	**4,648,025**	**(2,988,184)**	**(292,137)**	**(14,789)**	**4,721,754**
Endowment funds						
Rothiemurchus Bequest Fund	29,804	264	(126)	2,206	-	32,148
Whitley Animal Protection Trust	564,167	-	-	26,612	-	590,779
Total endowment funds	**593,971**	**264**	**(126)**	**28,818**	**-**	**622,927**
Restricted funds						
Africa	705,001	4,125,372	(4,953,345)	(13,891)	1,020,379	883,516
Agricultural Landscapes	19,644	8,091	(26,177)	-	-	1,558
Americas & Caribbean	1,691,284	842,286	(1,545,973)	4,852	589,965	1,582,414
Asia-Pacific	2,990,160	5,278,852	(6,477,583)	31,323	845,351	2,668,103
Conservation Capacity and Leadership	316,844	773,440	(834,766)	2,011	(19,138)	238,391
Conservation Finance and Enterprise	448,223	873,884	(955,919)	13,445	-	379,633
Conservation Partnerships Development	406,164	121,504	(101,053)	-	-	426,615
Conservation Science and Design	3,128,557	4,342,932	(1,711,743)	319,870	(2,865,929)	3,213,687
Eurasia	1,917,965	1,627,858	(2,018,304)	(1,918)	444,161	1,969,762
Extractives & Development Infrastructure	183,650	613,581	(774,998)	(1,235)	-	20,998
Other (incl Foreign Exchange) Revaluation	476,161	-	(344,973)	(104,318)	-	26,870
Total restricted funds	**12,283,653**	**18,607,800**	**(19,744,834)**	**250,139**	**14,789**	**11,411,547**
Total Funds	**16,246,463**	**23,256,089**	**(22,733,144)**	**(13,180)**	**-**	**16,756,228**

20 Prior Year Funds Analysis Statement

	General Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible Fixed Assets	2,119	-	1,446,514	-	1,448,633
Intangible Assets	239,004	-	-	-	239,004
Investments	2,726,322	-	7,468,158	592,565	10,787,045
Net current assets	1,715,493	56,502	2,496,875	30,362	4,299,232
Provisions	(17,686)	-	-	-	(17,686)
	4,665,252	56,502	11,411,547	622,927	16,756,228

21 People's Postcode Lottery (PPL) Income

	2020 £	2019 £
Ticket Value	6,344,424	-
Prize fund	2,537,769	-
Management fee	1,776,439	-
Net proceed received	2,030,216	-

During the year FFI UK received the proceeds of lotteries held by PPL. FFI has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal, and so only net proceeds due to FFI UK are recognised under lottery promotions in the statements of financial activities. The net proceeds received are analysed as shown above.

Clownfish sheltering among sea anemones. Credit: FFI

FAUNA & FLORA INTERNATIONAL

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