



UNAUDITED
TRUSTEES' REPORT & FINANCIAL STATEMENTS
for the year ended 31 December 2022

Company registered number: CE008680 | Charity registered number: 1168977

CONTENTS

Reference and administrative details of the charity, its trustees and advisers	2
Trustees' report	3 - 17
Independent examiner's report	18
Statement of financial activities	20
Balance sheet	21
Cash Flow statement	23
Notes to the financial statements	24 - 34

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Reference and administrative details of the Charity, its Trustees and Advisers
for the year ended 31 December 2022

Trustees	Lewis Pugh Roxanna Samii David Becker Tessa Graham Stuart Makin Dermot McDonogh (appointed 12 May 2022)
Charity registered number	1168977
Registered office	10 Nursery Gardens Tring Herts HP23 5HZ
Senior management team	David Bush, Chief of Staff Jacqui L'Ange, Head Writer Sally Burns, Partnership Manager
Chief executive officer	Lewis Pugh
Accountants and Independent Examiner	MHA Chartered Accountants 6 th Floor 2 London Wall Place EC2Y 5AU
Bankers	Barclays Bank 50 Jewry Street Winchester Hants SO23 8RG Standard Bank of South Africa Shop 178 – 182 4 Dryer Street Claremont Cape Town 7708 South Africa

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees' Annual Report and Financial Statements for the period 01/01/2022 to 31/12/2022

Lewis Pugh Foundation

Charity Number: 1168977

Charity's principal address: 10 Nursery Gardens, Tring, Herts HP23 5HZ

Objectives and Activities

Summary of the purposes of the charity as set out in its governing document

The purpose of the Lewis Pugh Foundation (LPF) is to promote the conservation, protection and improvement of the physical and ecological environment, particularly the marine environment, for the benefit of the public and the planet. This includes promoting the creation of Marine Protected Areas (MPAs) and the conservation of marine ecosystems and the species dependent on them. LPF also provides education and disseminates information about the marine environment and the importance of its conservation.

Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts

During 2022, the LPF engaged in several ocean conservation projects.

The main feature was the Red Sea Expedition and Campaign. This centred on a swim from Saudi Arabia to Egypt, which formed part of our Coral Campaign in the run up to COP27 in Sharm el-Sheikh, Egypt.

The premise was to bring to the world's attention, through visuals and storytelling, a pioneering swim by Lewis Pugh across the Red Sea, which is home to some of the world's most precious coral.

Previously we have focused on the Polar Regions as key indicators of climate change, but we also recognise the vital role that coral reefs play in ocean health and biodiversity – and these too are critically at risk from rising ocean temperatures, acidification and pollution. Like the Polar Regions, coral reefs are at critical tipping points: If we heat our planet by more than 2°C, 99% of coral reefs will die.

We are currently on track for at least 2.6°C increase.

Lewis's swim across the Red Sea was timed for the lead up to COP27, to highlight the fragility of the world's coral reefs, and amplify the call of our key partner, the Hurghada Environmental Protection and Conservation Association (HEPCA), for the declaration of the Great Fringing Reef Marine Protected Area (MPA) in the Red Sea.

In addition, the platform created by the media coverage, was used as a vehicle to message on LPF's key ocean advocacy themes.

LPF was also involved in a number of other campaigns in 2022. During the summer, LPF represented Britain's kelp forests as part of the Queens' Green Canopy (QGC). Lewis was also made an Ambassador of the QGC.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Through the year, the Foundation continued to grow its outreach campaigns, educate the public, and convene experts in the field.

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit

The Trustees confirm that they have given regard to the Charity Commission's general guidance on public benefit. LPF's objectives and activities, which focus on the preservation of our oceans and the marine environment, are for the benefit of every person on earth, and for the good of the planet as a whole.

Contribution made by volunteers

Though key professionals were paid, LPF has been assisted throughout the year by the generous help of volunteers. The Trustees wish to express their gratitude to these volunteers without whom the crucial work of LPF could not have been carried out.

Achievements and Performance against Objectives

Summary of the main achievements of the charity, the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole

The Lewis Pugh Foundation's mission is to ensure environmental justice for the oceans. We do this by increasing public awareness of the most pressing issues facing our oceans, and then build critical political support to ensure the necessary policy change to protect our oceans. LPF's key focus is increasing the number and scope of Marine Protected Areas (MPAs).

Without intervention, far-flung wilderness areas are out of sight and out of mind. We strive to keep the protection of the Polar Regions, and other key ocean tipping points, at the forefront of decision-makers' attention.

We also believe that, without serious policy change to address the broader climate emergency, oceans will be under critical stress regardless of their protection status. LPF believes it must address climate change as part of a strategy to protect our oceans for future generations.

It is imperative that everyone understands – from high-level decision makers to the general public – that everything is connected.

LPF brings this message from remote regions back to global centres, which bear responsibility for the Climate Crisis.

We also educate the public about the fact that what happens in our oceans has a direct consequence on their lives. This is not only true for people who rely on the oceans directly for subsistence or livelihood, or for those who may be adversely affected by sea-level rise; healthy oceans affect every person on the planet, and are crucial for mitigating against the effects of global warming.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

We work with governments, international organizations, environmental NGOs, scientists and political influencers to amplify our message. Our access to key decision makers enables us to keep ocean issues on the political agenda.

The Red Sea Swim

In 2022 LPF looked toward the COP27 conference in Sharm el-Sheikh, Egypt, to highlight the interconnectedness of the oceans and the Climate Crisis.

LPF sees coral reefs, like our melting polar ice sheets, as a ground zero of the Climate Crisis. Highlighting the precarious existence of coral reefs against the backdrop of a warming planet was a priority in 2022.

The coral reefs immediately adjacent to Sharm el-Sheikh provided the perfect reference point. Coral reefs support 25% of all ocean life and are the most economically valuable ecosystem on Earth. They are also the most biologically diverse.

Scientists predict that, if we heat our planet by more than 2°C, 99% of coral reefs will die. We are currently on track for at least a 2.6°C increase.

If we lose our coral reefs, we will not just drive many thousands of species into extinction, we will lose an entire ecosystem on which we depend. This would be unprecedented in human history.

During October, Lewis Pugh swam across the Red Sea to deliver this message.

The campaign started in early October in Riyadh, Saudi Arabia. Through LPF's relationship with the UFKFCDO, the British Embassy in Riyadh kindly hosted an event on the coral reefs of the Red Sea. It was well attended by local dignitaries, and the diplomatic and ocean science community. As Saudi Arabia has the longest coastline in the Red Sea, LPF believes that obtaining this country's commitment to protect Red Sea reefs is vital.

The Swim

Lewis left Tiran Island, Saudi Arabia, on 11 October and completed the 123km swim 16 days later when he reached Hurghada, Egypt, on 26 October. He swam between six and 12 kilometres per day. The swim took Lewis over some of the world's most famous coral reefs, notably at Ras Mohammed National Park, at the southernmost point of the Sinai Peninsula. He also swam past Sharm el-Sheikh, where he would later return for the COP conference.

The most challenging part of the swim – besides the heat and the warm waters – was crossing the shipping lanes of the Gulf of Suez, when sea conditions became very challenging, with high winds and adverse currents.

Lewis was accompanied at various stages by local swimmers from Saudi Arabia and Egypt.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Saudi humanitarian and open-water swimmer Dr [Mariam Saleh Bin Laden](#) became the first woman to swim from Saudi Arabia to Egypt across the 9km Straits of Tiran when she joined this leg of our expedition. The media attention that accompanied her achievement was significant. Egyptian swimmer Dr Mostafa Zaki also joined the team and paced Lewis through most of the swim.

Towards the end of the swim we discovered that the Greenpeace ship Rainbow Warrior was in the vicinity, and the support boat made a short detour to rendezvous with the Greenpeace ship so that Lewis could engage with the crew.

At the finale in Hurghada a media event, organised by HEPCA, was well attended by Egyptian media. There was also an event in Cairo, hosted by the British Embassy, with local media attending.

In the week following the swim, Lewis engaged in further media outreach in London, involving print, radio and television interviews.

Partners and training

During the swim, LPF worked closely with the UN, UNEP, UNFCCC, COP27, the Ocean Agency and the Hurghada Environmental Protection and Conservation Association (HEPCA).

Swimming in warmer water presented new challenges for Lewis, who had to train to cover longer distances without overheating.

As part of Lewis's training regime for The Red Sea Expedition, it was therefore imperative to undertake overseas training camps to ensure that he was in the best possible condition in order to undertake a challenging and potentially dangerous multi-day swim.

Some of the locations were chosen to acclimatise Lewis, as best as we could, to the water conditions he would expect in the Red Sea.

Obtaining permissions from local authorities was a challenge, and there was uncertainty as to whether we would be able to do the swim at all, right up until the final hours.

LPF partnered with HEPCA, in calling for the Great Fringing Reef of the Egyptian Red Sea to be declared a multiple-use protected area. There is clear scientific evidence that the Great Fringing Reef, which is characterised by high resilience and tolerance to climate change, could be the last refuge for coral reefs worldwide. The Egyptian government has since committed to protecting 2000km of Red Sea reefs in the Great Fringing Reef MPA.

Sharm el-Sheikh – COP27

LPF recognises that the COP system of annual conferences are one of the key reference points for progress in climate mitigation action. The salient purpose in participating in the conference was to bring the powerful narrative and visuals of the Coral Swim, as expressed via Lewis's storytelling ability, to decision makers, delegates and media.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

LPF believes that it is imperative to bring up-to-date reporting from the 'ground zeroes of the climate crisis' to such events.

LPF participated in a number of planning meetings with COP27, UNEP and UNFCCC in the months prior to the UN Climate Conference.

During COP, Lewis engaged in a number of events and engagements.

Media Coverage

Media coverage was extensive with a reach of over 2.8 billion through 671 pieces of coverage in the weeks directly following the swim. This included 24 interviews, 81 consumer publications, 441 regional and 18 trade publications, including BBC, CNN and Bloomberg Green. Lewis was interviewed on *Channel 5 News*, *BBC 4 World at 1*, *Good Morning Britain*, *The Daily Climate Show* and in *The Times*. He was also featured in *Arab News*, *Egypt Independent*, *Pakistan Observer* and *ABC International*.

Other Events and Campaigns

Queens Green Canopy

The Queen's Green Canopy (QGC) is a unique tree planting initiative created to mark the late Queen Majesty Elizabeth's Platinum Jubilee in 2022. Lewis was invited to be an ambassador for the QGC and to include the offshore kelp forests in the green canopy initiative.

In September, the Plymouth kelp forest was dedicated to Her Majesty Queen Elizabeth as part of The Queen's Green Canopy. (It stands as the last official dedication during her lifetime.) As QGC Ambassador, Lewis led wild swimmers in a swimming relay in the waters surrounding Plymouth Sound, the UK's first National Marine Park, ahead of an unveiling ceremony.

Prior to these events, LPF produced a video celebrating the UK's kelp forests. The video featured Lewis swimming above and through the kelp forest canopy. His message was centred around a celebration of the hidden wonders of kelp forests, which bring as many carbon-sequestering benefits as their land-based cousins to combat global warming. Kelp forests also protect coastlines by acting as buffers, and they are vital nurseries for ocean fauna. On the understanding that we protect what we know and love, Lewis urged viewers to explore these valuable ecosystems wherever possible, and to help protect them.

Lewis also contributed an editorial piece for a glossy hardcover book celebrating the QGC.

World Oceans Day – June 8th

LPF followed up on the success of last year's World Oceans Day short video with another message – this time focussing on coral as a lead up to the Red Sea/Coral Swim later in the year.

The video was translated into all five major languages of the UN and shared with our major partners for 2022, including UN, UNEP, UNFCCC, COP27 and QGC, who posted on their channels.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

As UN Patron of the Oceans, Lewis went to New York to address the UN where he attended and spoke at several events around World Ocean Day.

He also attended and spoke at a platinum jubilee celebration event for Her Majesty Queen Elizabeth II, hosted by the UKFCDO in New York.

UN Environment Programme (UNEP)

The LPF continues its strong relationship with UN Environment, for which Lewis is UN Patron of the Oceans.

LPF makes a yearly donation of branding space, including its most valuable space on Lewis's swimming cap, to UNEP.

This year (2023) will mark the 10-year anniversary of Lewis's appointment as UNEP Patron of Oceans.

The 30x30 Campaign

In 2022, LPF continued the objectives of its 30x30 campaign: to urge nations to fully protect 30% of the world's oceans by 2030.

Our campaigns under the 30x30 umbrella have included: Antarctica 2020 (ongoing), The Long Swim (2018 - directly after which the UK became the first major economy to commit to protecting 30% of its oceans by 2030), The Commonwealth Campaign, Arctic Decade, and various other direct engagements.

As of May 2023, 132 nations had committed to 30x30, with 64 still to sign on.

At the end of 2022, the COP15 (Biodiversity Conference) called for the protection of 30% of the world's land and oceans.

In January 2023, the High Seas Treaty was signed committing to protect 30% of international waters. In the forthcoming year LPF will continue to push for rapid ratification of this agreement, and monitor progress with regards to its enforcement.

Antarctica 2020 Campaign

The goal of the Antarctica 2020 campaign is to establish a network of large MPAs around Antarctica. The first of these was the Ross Sea Marine Protected Area, established in 2016.

The Foundation believes that a network of MPAs, providing a ring of protection around Antarctica, would be the best way to safeguard one of the world's most important ocean wildernesses. It would also help mitigate against the worst aspects of climate change. Vibrant ecosystems are not only better able to cope with change than depleted ones, but healthy oceans provide vital carbon sinks. The Southern Ocean around Antarctica is the greatest and most influential of these. This is why it is so important that people understand that their own future is dependent on the protection of Antarctica and its ocean.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Furthermore, LPF believes that in order to have a realistic chance of securing 30x30, it is imperative to have an immediate and significant increase in Southern Ocean protection.

In the short term, LPF's goal is to help finalise the three current MPA proposals tabled with the Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR). Together, these MPAs, in the East Antarctica, Weddell Sea and the Antarctic Peninsula, would cover an area twice the size of Western Europe.

Under international law, 25 nations plus the EU all have to agree in order for areas in Antarctica to be protected. So far, they have all agreed, with the exception of Russia and China. Russian and Chinese support and cooperation are therefore key to finalizing what would amount to being the largest single conservation act in history.

LPF's last expedition to Antarctica was in 2020, during which Lewis swam in supra-glacial and sub-glacial rivers giving viewers across the world an understanding of the scale of change in our Polar Regions.

The main strategy of the campaign was to herald the start of the 200-year anniversary of the discovery of Antarctica by Russian Admiral Bellingshausen, and to use this as a means of garnering widespread interest and support for Antarctic protection in Russia. In particular, we wanted to foster an appetite for, and build support for, Antarctic Ocean protection within key Russian political circles.

The Foundation also wanted to show global audiences the pressing reality of ice-melt on the East Antarctica Ice Sheet.

Another aim of the expedition was to encourage further ocean protection by the UK in its Overseas Territories in the Southern Ocean. In particular, we aimed to highlight the need to complete the full protection of the waters around South Georgia & the South Sandwich Islands. Currently, only 23% are protected and the increase would amount to a further 1 million km².

Though the post-expedition campaign led to widespread media attention, particularly in Russia, and to Lewis visiting the Kremlin for high-level meetings, the Covid pandemic effectively cut short further engagement. Since then, there has been no progress in the yearly CCAMLR meetings, and the war in Ukraine has halted further engagement with Russia.

There is little that was not affected by Russia's war on Ukraine, and our Antarctica 2020 Campaign was no exception. As communications with Russia became more sensitive and difficult, LPF decided on a strategic shift to concentrate on advocacy with China, the other key nation with the ability to unlock Antarctic protection. With this aim we are in the process of developing an education-orientated strategy aimed at encouraging broad public interest in Antarctic issues and protection on Chinese-language social media.

LPF remains committed to continue working with the Antarctica 2020 group to find methods to secure the protections needed for maritime Antarctica.

LPF continues to call for the UK to provide full protection for the waters around South Georgia & the South Sandwich Islands.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Long Swim

As we approach the five-year anniversary of The Long Swim, its significance both for our organisation and for ocean protection becomes more apparent, not least because it marked the moment where our call for 30% of the world's ocean to be protected gained traction.

Our 30x30 campaign was launched as part of our two-month Long Swim expedition in 2018 when Lewis Pugh became the first person to swim the entire 328-mile length of the English Channel, from Land's End to Dover.

Lewis reached Dover at the end of August 2018 and was met on the beach by Environment Minister Michael Gove. One month later, the UK became the first major economy to pledge its support for 30% of the world's oceans to be protected by 2030, and promised to encourage other nations to do the same.

One year later, in September 2019, the UK helped launch the Global Ocean Alliance, a coalition of like-minded countries committed to 30x30. At the time of writing this report (early 2023) more than 128 nations had committed to 30x30. In December 2022, at the COP15 Biodiversity Conference, it was agreed the 30% of the world's land and waters should be protected. The High Seas Treaty, signed in March 2023, made our aim to safeguard 30% of the world's oceans a tangible reality, as it paved the way for proper protection in international waters.

This success is tempered with our disappointment with the lack of meaningful progress for highly protected marine areas in the UK's home waters.

Lewis Pugh continues to make numerous speeches centred on The Long Swim and 30x30, and this is amplified by consistent messaging by LPF on its social channels.

LPF remains committed to persuading the remaining 66 nations to sign on to 30x30, and to holding governments to account on fulfilling their commitments. We will continue to call for full and proper protection wherever possible, and to help turn pledges into actions by 2030.

Arctic Decade

The Arctic Decade campaign builds on the awareness created with Lewis's iconic North Pole swim in 2007, by continuing to educate the public on the urgent need to protect the Arctic. By 2030 the Arctic Ocean is predicted to be largely ice-free in the summer months.

The next decade will be critical to how the region is managed.

By their very nature, wilderness areas are remote and out of sight – and therefore too often out of mind. LPF's aim is to remind the public that what happens in Polar Regions affects every single one of us. Educating the public about the melting of polar ice sheets keeps this at the forefront of public consciousness.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

As part of our campaign LPF covered the melting of the ice sheet in Antarctica and its parallel in the Arctic, and in August 2021 Lewis Pugh swam across the world's fastest moving glacier, Greenland's Ilulissat Icefjord. Ilulissat is the fastest and largest glacier (by discharge) in Greenland, and as such is a critical Ground Zero of the Climate Crisis: if the entire Greenland Ice Sheet were to melt it would lead to a global sea level rise of over seven meters. (To put that into context, one billion people live less than 10 metres above sea level, and around 230 million within one metre.)

Lewis completed the 7.8km swim across the width of the Ilulissat Icefjord in 14 sessions over 12 days – the first time anyone had undertaken a multi-staged swim in the Arctic.

LPF highlighted the extent of supra-glacial lakes on the Greenland ice-sheet, mirroring the narrative from the previous expedition in Antarctica. During COP26, Lewis engaged in a number of events, speeches and engagements.

From the poles to the tropics

LPF believes that what is happening in the Arctic and the Antarctic will determine the future of our planet. The Polar Regions are feeling the effects of the Climate Crisis more dramatically than anywhere else. Unless we take urgent action to decrease global temperatures, low-lying islands and coastal cities will, quite literally, drown.

However, warming seas now affect every corner of our planet, and the other 'ground zero' for warming seas is in tropical waters. These effects are most vividly demonstrated by coral bleaching events, which indicate the sudden death of these vital ocean ecosystems – which is why we expanded our focus to include coral in 2022.

Outreach and Education

One of LPF's strong points, as identified during the strategic review process (see below), has been its convening role in bringing people and groups together around ocean conservation issues to build synergies, cross-fertilise ideas, and foster a sense of belonging to a global movement. The Foundation believes that it is only by coordinating our efforts, and those of people working in diverse (and often isolated) fields of ocean conservation, that we can truly address the challenges our planet faces.

In 2022, LPF continued its outreach with campaigns to educate the public by celebrating key scientists, artists and activists working in ocean conservation, specifically around coral and kelp.

In May and September respectively, LPF launched its **Voices for Kelp** and **Coral Champions** series, celebrating and connecting the people who go beyond the numbers and make a significant difference on the ground and in the water. These series honoured people who recognise how vital these nurseries of the seas are to marine biodiversity. We regularly update these, and continue to highlight the work of our champions.

In recognition of the vital role rivers play in ocean health, as well as climate change and biodiversity, LPF Champions series is being extended in 2023 to include **River Warriors**.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

In August 2022 LPF also launched a regular newsletter to build its community, keep them up to date on swims and campaigns, and bring up-to-the minute conservation information to our readership via the ocean bulletin.

Strategic Appraisal

In 2022, LPF undertook a wide-scale strategic review, kindly facilitated by Accenture.

A number of key outcomes from this strategic appraisal were put into effect, after a thorough process of identifying the foundation's key processes and differentiators.

A five-year road map was produced, in terms of how to best secure our key outcome targets, and how best to build the capacity increases needed to achieve this.

Funding

During 2022, the majority of LPF's funding was sourced from three broad categories. Corporate donations accounted for 38%, while 30% was from corporate partnerships, and 30% from lump sum donations from individuals.

As part of the five-year strategy, the Foundation is looking to build a higher share of support from large philanthropic foundations.

In 2023, LPF registered a US entity, which will become a 501c3 tax-exempt organization, and help finance an ongoing expedition and campaign in USA.

Awards

- PR Moment Awards 2022
- Not For Profit Campaign of the Year (For Greenland to Glasgow)

Future Plans - 2023

Our 30x30 campaign will continue to be the main focus of the Foundation for the foreseeable future. Protecting large tracts of ocean will be our key policy objective through all of our individual campaigns.

In conjunction with this, LPF will continue to campaign for action on climate change as this has a critical relationship with ocean protection (and vice versa). As ocean advocates we cannot ignore the effects of a changing climate on the health of our oceans.

In 2023, LPF will expand its scope to include inland waters, which are key to the overall water cycle.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Hudson River Swim

LPF will embark on a major swim along one river that will symbolically connect all the world's rivers (and by association, oceans): The Hudson.

Lewis will embark on the swim in August, starting at the Hudson's source at Lake Tear in the Clouds and swimming down its entire length to where it meets the sea at Manhattan. The swim will finish in September to coincide with the UN General Assembly and New York Climate Week. Throughout the swim LPF will be engaging with River activists, not only along the Hudson route but also on major rivers around the world.

LPF will continue to educate the public on the three problems that damage our oceans – pollution, over-fishing and climate change – and what people can do to mitigate their impact.



TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Financial Review

Review of charity's financial position at the end of the period

During this period, the LPF received £411,120 in donations on an unrestricted basis, and £Nil on a restricted basis (in 2021, £275,756 of unrestricted donations were received, and £170,025 of restricted donations). In addition, £179,736 of unrestricted trading activities income was recognised, resulting in **total income for the year of £590,856 (2021: £620,781)**.

Expenditure totalled £570,936 and as of December 31st 2022, the LPF had unrestricted funds of £200,717 funds, and £Nil restricted funds.

Statement explaining the policy for holding reserves stating why they are held

I was agreed at the AGM in December to keep the Foundation's reserves at £50,000. However, as the charity grows and matures, the trustees will periodically reflect on the need for the reserves to represent the changing size of the organization., and this number will be reviewed in 2023.

Reserves are held for a number of reasons, including mitigating dips in income streams and the risks of cost of closure, as well as to cover working capital requirements.

The carried over reserve at year end of £200,717 was much higher than the reserve policy. This was partly due to anticipated increases in LPF capacity at the start of 2023 as well as to cover increases in projects and expeditions through the next year. It is anticipated that reserve levels will not be as high at the end of 2023, however the reserve policy will be kept under constant review as the charity grows.

Charity's principal source of funds

The Lewis Pugh Foundation's funding for this period derived from sponsors and donors. The Lewis Pugh Foundation did not undertake any fund-raising from the general public.

Trustees: Related party transactions, remuneration and expenses

The Foundation have received the following related party transactions from the following Trustees.

- Lewis Pugh
 - Lewis is paid a yearly salary because of his full time working capacity at the Foundation. However, Lewis continues to donate his time and services above and beyond that reflected by this remuneration.
- David Becker
 - In past years, David donated his legal services to the Foundation. However, as the charity has grown, the amount of work asked of David has increased heavily. It has been agreed that David charges the Foundation a deeply discounted 'not-for-profit' rate for his legal services, though there were no charged services in 2022.

There were no expenses directly incurred from the Trustees' performance of their duties.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Principle risks and uncertainties

Security of revenue streams

- As the charity grows, and particularly with the backdrop of macro-economic uncertainty, the trustees recognise the importance securing ongoing income.
- The Foundation looks to make long lasting relationships with our funders and supporters.
- We encourage and aim to secure multi-year funding commitments.
- The funding team meets once a week to assess the charity's broad strategy, both in maintaining our current funders and searching for new revenue streams.
- The Foundation has appointed a trustee who focuses on developing new income sources.
- The Foundation recognises the need to widen its funding base and secure a higher percentage of its funding base from philanthropic foundations.

Operational risks

- The foundation's workforce has a wide geographic base and works from a home-office environment, and communicates on a virtual basis. This helped mitigate the lockdown risks experienced through the Covid Crisis, and reduced fixed overhead costs.
- The Foundation has an organisational risk assessment document, which is reviewed by the Board's risk assessment sub-committee on a half-yearly basis, and signed off at the AGM.
- Expedition risks are also discussed and risk assessments are compiled and distributed for every expedition.
- As part of its long-term plan, the trustees recognise the Foundation's current over-reliance on Lewis Pugh, its figurehead. The medium to long term plan (which was set out in the strategic review in early 2022) is to broaden the scope and opportunities of the charity by securing more funding not directly associated with the Founder, and to widen the Foundation's 'voice' by including other ocean advocates.
- As part of our health and safety and risk remit, the Foundation would be unable to support an expedition if we felt that Lewis was not at optimum condition to undertake an expedition swim.
- Without proper training preparation, there would be potential for long term and permanent injury when undertaking a multi-day swim.
- For this reason, thorough training and preparation is the crucial element in all our risk-assessment plans.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Governance Risks

- An annual review of the regulatory framework is undertaken at the yearly submission to the Charity Commission. This is shared with relevant personnel as well as all trustees.
- Potential risks associated with conflicts of interests are monitored and discussed by trustees.

Structure, Governance and Management

The Lewis Pugh Foundation is a Charitable Incorporated Organisation (CIO), governed by the Charity Commission's Foundation Model Constitution and was established on 31 August 2016.

Trustee recruitment and appointment

New trustees may be appointed by resolution passed at a properly convened meeting of the charity trustees. During 2022 LPF welcomed new trustee Dermot McDonogh.

The original Constitution required there to be a minimum of three and a maximum of five trustees. In December 2020 the Constitution was amended to increase the number of potential trustees to 10.

Trustees serve for a term of three years and may be re-appointed for a further two terms. As part of their induction, trustees are provided with an orientation around the ongoing operation of the LPF, introductions and background material from relevant personnel associated with the LPF, together with a copy of key constitutional documents including the constitution, financial statements and copies of past Trustee Reports and minutes of meetings. They will also be given guidance on their responsibilities from existing trustees, as well as from the trustees' solicitors.

The charity's organisational structure and any wider network with which the charity works

The key partner in all the campaigns undertaken by LPF during 2022 has been the UN Environment Programme (UNEP) through which Lewis Pugh is the UN Patron of the Oceans.

The Royal Commonwealth Society is our key partner in our engagement throughout the Commonwealth.

Our partners in Southern Ocean advocacy are the constituent members of the Antarctica 2020 group.

In addition to the above, LPF works alongside a number of NGOs engaged in ocean conservation – including Great British Oceans, a coalition of six large charities in the UK campaigning for the protection of Britain's Overseas Territories.

In 2022, LPF developed a close relationship with HEPCA to further the goals of the Red Sea Swim. Lewis Pugh is remunerated for his work for the Foundation. The Foundation has a legal right to do so as stipulated in the charity's articles of incorporation. The conflicts of interest that arise from this relationship are recognised and monitored by the Board of Trustees, and is voted on at every AGM.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Names of the charity trustees who manage the charity

Name	Appointed
Lewis Pugh	August 2016 - reappointed October 2019
David Becker	August 2016 - reappointed October 2019
Stuart Makin	February 2017 - reappointed October 2019
Tessa Graham	October 2020
Roxanna Samii	October 2020
Dermot McDonogh	May 2022

The trustees are responsible for the strategic direction of the charity and delegate the day to day running of the charity to the executive team.

Names of senior staff members

Chief of Staff: David Bush

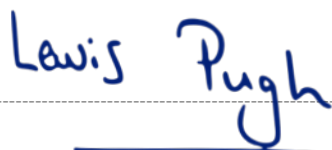
Head Writer: Jacqui L'Ange

Head of Partnerships: Sally Burns

The trustees declare that they have approved the trustees' report above

Signed on behalf of the charity's trustees

Signature:



Full Name: **LEWIS PUGH**

Position: **TRUSTEE**

Date: **12 OCTOBER 2022**

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LEWIS PUGH FOUNDATION (the 'Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2022.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Dated: 25/10/2023

Stuart McKay BSc FCA DChA
MHA, 6th Floor, 2 London Wall Place, London, EC2Y 5AU



STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations	3	411,120	411,120	445,781
Other trading activities	4	179,736	179,736	175,000
Total income		590,856	590,856	620,781
Expenditure on:				
Charitable activities	5	570,936	570,936	471,082
Total expenditure		570,936	570,936	471,082
Net income before taxation		19,920	19,920	149,699
Taxation	12	-	-	(11,354)
Net movement in funds		19,920	19,920	138,345
Reconciliation of funds:				
Total funds brought forward		180,797	180,797	42,452
Net movement in funds		19,920	19,920	138,345
Total funds carried forward		200,717	200,717	180,797

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 34 form part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Current assets			
Debtors	13	4,519	-
Cash at bank and in hand		223,591	224,724
		<u>228,110</u>	<u>224,724</u>
Creditors: amounts falling due within one year	14	(27,393)	(43,927)
Net current assets		<u>200,717</u>	<u>180,797</u>
Total net assets		<u><u>200,717</u></u>	<u><u>180,797</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	200,717	180,797
Total funds		<u><u>200,717</u></u>	<u><u>180,797</u></u>

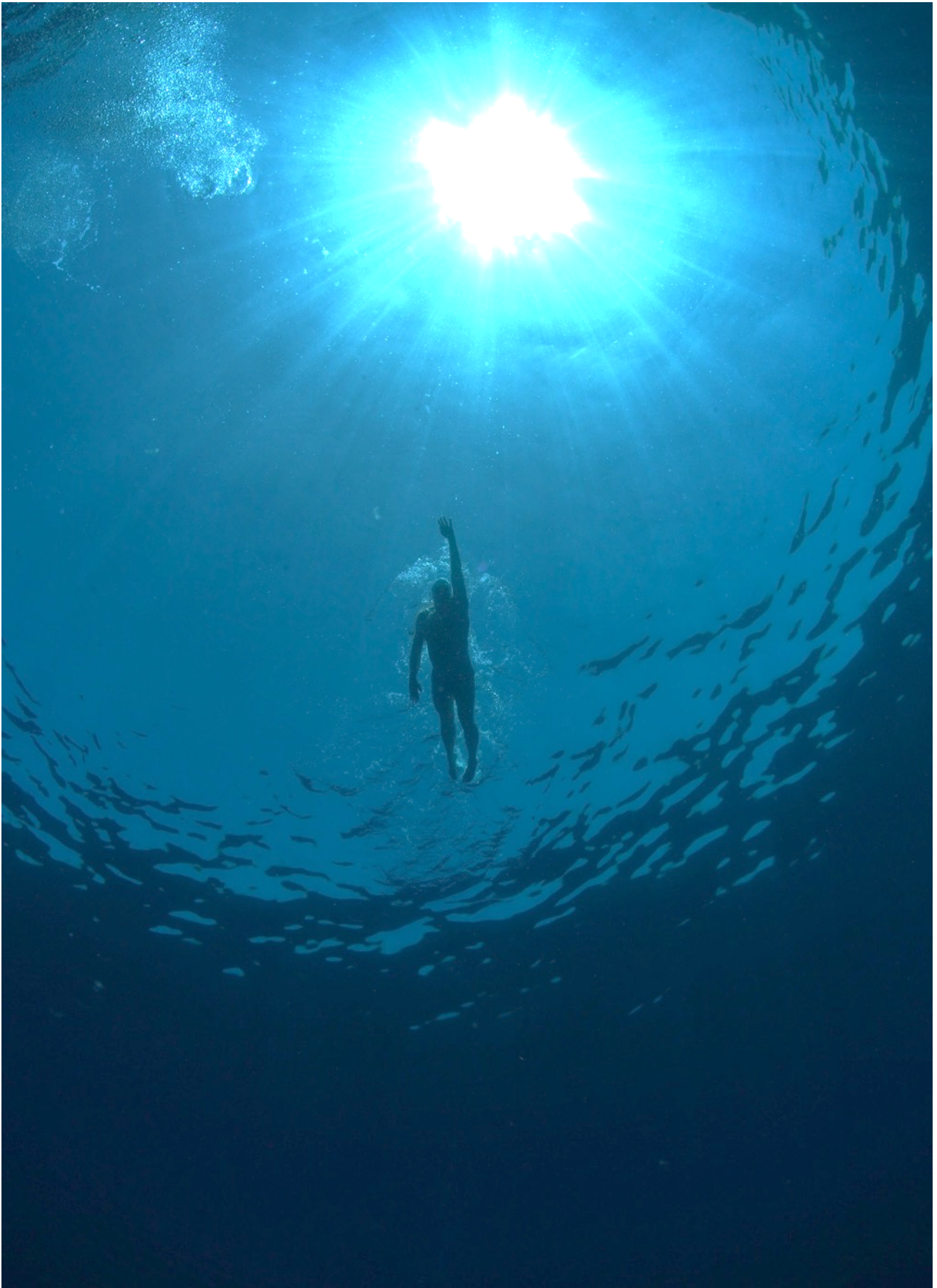
The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Lewis Pugh
Trustee

Date: **12 OCTOBER 2022**

The notes on pages 24 to 34 form part of these financial statements.



**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	17	(1,133)	179,020
Change in cash and cash equivalents in the year		(1,133)	179,020
Cash and cash equivalents at the beginning of the year		224,724	45,704
Cash and cash equivalents at the end of the year	18	223,591	224,724

The notes on pages 24 to 34 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

1. The Lewis Pugh Foundation is a Charitable Incorporated Organisation ("CIO") and is registered with the Charity Commission (Charity Registered Number 1168977) and Registrar of Companies (Company Registered Number CE008680) in England and Wales. The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are detailed in the Trustees Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Lewis Pugh Foundation 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.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.7 Debtors

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

2.8 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Financial instruments

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 13. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 14.

2.11 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 Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.12 Critical accounting estimates

In the application of the Charity's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 both current and future periods. The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3. Income from donations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations and grants	411,120	-	411,120
	<u>411,120</u>	<u>-</u>	<u>411,120</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations and grants	275,756	170,025	445,781
	<u>275,756</u>	<u>170,025</u>	<u>445,781</u>

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Sponsorship income	175,000	175,000	175,000
Other trading income	4,736	4,736	-
	<u>179,736</u>	<u>179,736</u>	<u>175,000</u>
	<u>179,736</u>	<u>179,736</u>	<u>175,000</u>
<i>Total 2021</i>	<i>175,000</i>	<i>175,000</i>	
	<u>175,000</u>	<u>175,000</u>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

5. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Promotion of the conservation and protection of the environment	512,287	58,649	570,936

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Promotion of the conservation and protection of the environment	430,092	40,990	471,082

6. Analysis of direct costs

	2022 £	2021 £
Consultants	174,658	144,757
Crew	-	17,600
Expedition costs	32,794	2,663
Irrecoverable VAT	19,980	-
Medical / health costs	16,464	17,472
Marketing, brand and communications	101,199	60,180
Photography and visual media	61,913	51,883
Travel and subsistence	105,279	135,537
	512,287	430,092

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

7. Analysis of support costs

	2022 £	2021 £
Bank charges	1,071	826
Bookkeeping and accountancy fees	9,065	2,000
Courier and postage	80	-
Foreign exchange adjustment on bank balances	3,870	3,082
Foreign exchange adjustment on debtors and creditors	3,573	-
General expenses	7,247	3,268
Governance costs	8,843	5,566
IT	2,394	2,090
Legal and professional fees	10,000	9,900
Office costs	1,179	2,249
Subscriptions and software	381	-
Telephone and internet	256	-
Training	10,391	12,009
Website	299	-
	58,649	40,990

8. Governance costs

	2022 £	2021 £
Independent examination	2,410	3,106
VAT advisory services	4,283	2,460
Corporation tax calculation and advisory services	2,150	-
	8,843	5,566

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £2,950 (2021 - £3,240), and an over-accrual of the prior year independent examination fees of £540 (2021 - £134), plus tax advisory services of £6,433 (2021 - £2,460).

10. Staff Costs

No staff have been employed by the Charity in the current or previous year. The Charity utilises consultants, as disclosed in the notes above.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Trustees' remuneration and expenses

The Trustees are considered to be the Key Management Personnel of the Charity.

During the year, no Trustees received any remuneration or other benefits in their capacity as a Trustee (2021 - £NIL).

During 2020, it was proposed and agreed by the Trustees to pay a monthly sum to Lewis Pugh, Founding Trustee, in recognition of Lewis's contribution to the Foundations work. The total remuneration in the current year was £57,436 (2021 - £69,151). In addition, a fee of £11,345 (2021: £Nil) was paid for expedition on-location fees. As noted above, these payments are not a reflection of time spent as a Trustee of the Charity.

During the prior year, it was proposed and agreed by the Trustees to pay David Becker, Trustee, fees for legal advisory services, which were provided on a not-for-profit basis. The total remuneration in the prior year was £9,900 (2022 - £Nil). As noted above, this payment was not a reflection of time spent as a Trustee of the Charity.

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on net income for the year	-	11,354
Taxation on net income	<u>-</u>	<u>11,354</u>

The tax assessed for the year is the same as (2021 - *the same as*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Net income before tax	<u>19,920</u>	<u>149,699</u>
Net income multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%).	3,785	28,443
Effects of:		
Donations exempt from corporation tax	-	(84,698)
Expenses relating to exempt charitable activities	(3,785)	67,609
Total tax charge for the year	<u>-</u>	<u>11,354</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	4,519	-
	<u>4,519</u>	<u>-</u>
	<u><u>4,519</u></u>	<u><u>-</u></u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Corporation tax	11,354	11,354
Other taxation	10,327	29,333
Accruals	5,712	3,240
	<u>27,393</u>	<u>43,927</u>
	<u><u>27,393</u></u>	<u><u>43,927</u></u>

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General funds	<u>180,797</u>	<u>590,856</u>	<u>(570,936)</u>	<u>200,717</u>

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 2021 £
Unrestricted funds				
General funds	<u>42,452</u>	<u>450,756</u>	<u>(312,411)</u>	<u>180,797</u>
Restricted funds				
Charitable Foundation 6	<u>-</u>	<u>170,025</u>	<u>(170,025)</u>	<u>-</u>
Total of funds	<u>42,452</u>	<u>620,781</u>	<u>(482,436)</u>	<u>180,797</u>

Charitable Foundation 6 is a US and UK based charitable organization. Funding was offered to assist with the costs incurred in the Greenland expedition.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	228,110	228,110
Creditors due within one year	(27,393)	(27,393)
Total	200,717	200,717

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	224,724	224,724
Creditors due within one year	(43,927)	(43,927)
Total	180,797	180,797

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	19,920	138,345
Adjustments for:		
(Increase)/ decrease in debtors	(4,519)	-
(Decrease)/ increase in creditors	(16,534)	40,675
Net cash provided by/(used in) operating activities	(1,133)	179,020

18. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	223,591	224,724
Total cash and cash equivalents	223,591	224,724

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

19. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	224,724	(1,133)	223,591
	<u>224,724</u>	<u>(1,133)</u>	<u>223,591</u>

20. Related party transactions

Other than those Trustee and Key Management Personnel transactions detailed in Note 11, there were no other related party transactions during the current or prior period.

