

The Sloth Conservation Foundation
Unaudited Financial Statements
31 March 2022

ALEXANDER BURSK LIMITED

Accountants
Parkgates
Bury New Road
Prestwich
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Lancashire
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The Sloth Conservation Foundation

Financial Statements

Year ended 31 March 2022

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The Sloth Conservation Foundation

Trustees' Annual Report

Year ended 31 March 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name The Sloth Conservation Foundation

Charity registration number 1170992

Principal office Bank Vale Barn
Bank Vale Road
Hayfield
High Peak
SK22 2EZ
England

The trustees Suzanne Eszterhas
Charlie Amesbury
Nichola Shaw

Accountants B. Fine FCA
Alexander Bursk Ltd.
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The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Structure, governance and management

Governing document

The governing document is The Sloth Conservation Foundation CIO (Charitable Incorporated Organisation) Constitution (Foundation Structure) who's Only Voting Members Are its Trustees. This was adopted on 20th June 2016 and became recognised by the Charity Commission when the Charitable Incorporated Organisation was registered on 5th January 2017.

Appointment of Trustees

The governing documents define the ongoing arrangements for Trustees to run The Sloth Conservation Foundation CIO. There can be a minimum of three and maximum of 12 charity Trustees, all serving for a minimum of three years. The Trustees have the power to elect new Trustees with regard to the skills, knowledge and experience needed for the effective administration of the CIO. The appointment of new Trustees, as well as major decisions about the CIO's activities, are all decided at a meeting of the charity Trustees or by resolution in writing or electronic form agreed by all the charity Trustees. This may comprise either a single document or several documents containing the text of the resolution in like form to each of which one or more charity Trustees has signified their agreement.

All Trustees were briefed on the role of Trustees of The Sloth Conservation Foundation CIO, given copies of the governing documents, and referred to the detail on the Charity Commission website related to becoming a trustee and to the guidance on public benefit. New trustees undergo an orientation day to brief them on: their legal obligations under charity law, the Charity Commission guidance on public benefit, and inform them of the decision-making processes, the business plan and recent financial performance of the charity.

Organisation

The Trustees work entirely on a voluntary basis and hold regular quarterly meetings during the year to make decisions and review SloCo's progress. The Trustees set the overall strategy for the charity, and work with the Executive Director to develop policies and monitor business activities. The Executive Director is responsible for the day-to-day running of the charity.

At the end of the report period, the charity had 3 full-time employees and 12 contracted workers, all based in Costa Rica. SloCo is committed to paying staff fairly and in a way that reflects the skills and experience needed to deliver the charities objectives. Pay bands and salaries are continually reviewed against a number of other charities.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Objectives and activities

Objectives

The objectives of The Sloth Conservation Foundation are:

- (a) To promote, for the benefit of the public, the conservation of all sloth species through the protection and improvement of the physical and natural environment.
- (b) To advance the education of the public, through the implementation of local and international education programs, in the conservation of sloths and the protection and improvement of the rainforest environment that the sloths require.

Activities

The period of this report constitutes SloCo's fifth operational year, and what a year it has been! When we started out on this journey it was with nothing more than a dream and some dogged determination, but step by step, day by day, we have grown, and we are very proud of the young, dynamic, and determined organisation that we have become today.

This past year has been one of challenges and changes, but also of great achievements and progress. We believe that there's always something to be gleaned from every experience, good and bad - and we had plenty of both! As life returned to something close to "normal" this year, we were happy to get back to doing what we do best. We expanded our team, grew our projects, and ventured into new areas.

Unfortunately, what we didn't see lurking around the corner was a resurgence of the COVID-19 pandemic and a looming global recession that would see us once again struggling to generate enough funding to keep moving forwards. Despite the hard times, we pride ourselves on our adaptability and our flexibility in the face of adversity. If there is one thing that the COVID 19 pandemic taught us, then it is resilience. We do what we can with what we have, and we continue fighting - no matter what.

It can feel frustrating and demoralising at times, but what fills our hearts with hope and joy is the unwavering support that we continue to receive from all corners of the globe - despite the economic struggles and cost of living crisis hanging over us all. The achievements highlighted in this report reflect the collective impact that we have all made together over the last year. It is a testament to the hard work and commitment of our team, volunteers, partners, and supporters. As in previous years, the primary methods of fundraising were through the sale of symbolic sloth adoptions, merchandise, and individual donations. The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when making decisions during the report period.

Contribution made by volunteers

During the report period, the activities of the organisation were carried out by a mixture of volunteers, contracted employees, and hired professional services. A total of 14 volunteers donated their time to assist in the physical completion of tasks on a day-to-day basis in Costa Rica, the United States, and the United Kingdom. Volunteer work included planting trees, coordinating community events, tracking sloths post-release, collecting observational data on sloth behaviour, creating online content, marketing, accounting, and merchandise fulfilment.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance

During the report period a strong focus was put on growing, strengthening, and engaging our global sloth community. Compared to the previous year, website traffic increased from 250,000 visits to 1.1 million visits (a 340% increase). Despite the financial instability and uncertainty generated by the COVID-19 pandemic and looming global recession, we were able to still generate an income of £286,186 to support our conservation projects. This was helped by the development of a VIP membership program to encourage reoccurring monthly donations, and by setting ourselves up to receive cryptocurrency donations. We also substantially increased our social media following and online community engagement throughout the year, which in turn generated additional income via social media 'donate' buttons.

With this increase in financial stability, we were able to hit new records with our conservation efforts, host the first ever International Sloth Festival for the local South Caribbean community and purchase a new car to help increase the productivity of our field teams. We were also delighted to be able to get the sloth listed as a new national symbol of Costa Rica this year which will benefit in-country conservation efforts as well as provide sloths with more legal protection.

Below is an overview of the primary project work carried out by the charity during the report period, and a summary of the main highlights.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

PROJECTS

Connected Gardens

Loss of habitat through the unsustainable development and urbanisation of the rainforest is the biggest threat to the conservation sloths in Costa Rica. Electrocutions on power lines, attacks from domestic dogs, genetic isolation, road traffic collisions and human exploitation can all be traced back to the encroachment of humans into the sloth's habitat.

Reducing these threats requires long-term, community-based conservation solutions that provide sustainable ways in which humans and sloths can coexist peacefully. The 'Connected Gardens Project' empowers community members in Costa Rica to ensure that every single property in a given area maintains canopy connectivity with neighbouring properties. This network of 'connected gardens' provides a safe route of passage for sloths and other arboreal animals and increases habitat availability in disturbed areas.

During the report period, 84 key areas for reforestation were identified and property surveys were carried out at each location to determine the most appropriate course of action. 2210 trees (encompassing 70 different species) were grown from seeds in the SloCo forest nursery and planted in these target areas to restore the lost canopy connectivity and provide safe habitat for wildlife. These trees were planted over an area of 87 km² to create biological corridors that now connect 160 different forest fragments in the South Caribbean.

In 2021 we also collaborated with other local organisations to begin reforesting the main beaches in the South Caribbean. Protecting and reforesting the coastal zone is very important to prevent beach erosion, a problem that is getting worse in this area due to global warming and stronger tropical storms. Species such as sea almonds and palm trees provide food and shelter to two-fingered sloths.

Sloth Crossing Wildlife Bridges

Without a natural or artificial canopy bridge, the only way for a sloth to move from tree to tree is by crawling on the ground. This takes a lot of time and energy and leaves them very vulnerable to traffic collisions, dog attacks and human disturbance. By installing Sloth Crossing wildlife bridges, SloCo is restoring habitat connectivity and enabling sloths and other arboreal wildlife to safely navigate the places that humans share with them.

This was a big year for our Sloth Crossing project: we installed our 100th bridge! During the report period we installed 71 bridges connecting 112 different habitat fragments and utilizing 1175 meters of rope.

We also began work with the local government for permits to install sloth crossings in the coastal zone. As part of our Connected Shores initiative, we installed 25 bridges in what is called the Maritime-Terrestrial Zone, a strip of endangered jungle near the waterline that is most sensitive to traffic and erosion. One of our sloth crossings has proven particularly successful after we installed and then retrieved a camera trap from one of the bridge anchor points. In only a few weeks this camera took over 6000 photos of sloths, monkeys, and kinkajous using the bridge!

Sloth School

The well-being of humans and the natural world is inextricably linked. To ensure that wildlife and healthy ecosystems exist in abundance for future generations, children need to be involved from an early age. SloCo's Education Outreach program engages and empowers children to be stewards of their environment by increasing their understanding of sloths and how to address the threats they face.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

In 2020 we had to rely on virtual lessons for our Sloth School, and just when we thought the children were going back to the classroom, 2021 sent us back online due to a resurgence of the COVID-19 pandemic in Costa Rica. Despite this, we taught 4516 hours of Sloth School lessons during the report period and reached over 2900 children this year. Our educational program is wide, encompassing all ages. Our lessons reach all levels of school and include lectures in public libraries, universities, zoos, and any other institution that request them. The lessons are taught in Spanish, English, and in the indigenous language of Bribri (when possible). Participating countries include primarily Costa Rica, the United States, the United Kingdom, and Canada. This year our colleagues of Omuta City Zoo in Japan also provided several sloth lessons and materials to the local schools, and SloCo even made it to the front page of the main newspaper! Our educational booklet for eight to eleven-year-olds (currently in Spanish, English, and Japanese) is being translated this year to German and Italian by collaborators from those countries and we are excited to expand our lessons to those countries as well.

The Sloth Friendly Network

The Sloth Friendly Network (SFN) is the first sloth accreditation program to help concerned travellers make informed choices by highlighting local businesses that have been doing their upmost to help wildlife in the area. Through the Sloth Friendly Network, we can ensure that every single property in a given area maintains canopy connectivity with neighbouring properties. This network provides a safe route of passage for sloths and other arboreal animals and increases habitat availability in disturbed areas. Property owners benefit through an increased presence of wildlife on their land, which in turn attracts more visitors.

We provide community members with everything that they need to make their business as sloth friendly as possible for free. Through our Connected Gardens project, we provide and plant native trees, build and install Sloth Crossing wildlife bridges, and we provide all educational materials needed to teach guests about the ways they can help to protect sloths.

All accredited businesses receive a framed SFN accreditation certificate, educational materials and sloth-themed giveaways for their guests and promotion on our website and in the 'Slowly Planet' - the ultimate travel guide for sloth-friendly tourism in Costa Rica. During the report period we were able to accredit the 50 new local businesses in Costa Rica and reached 15,000 tourists through our responsible tourism awareness campaigns.

Saving sloths by helping dogs

Domestic and stray dog attacks are now the second leading cause of death for sloths in Costa Rica. The chances of a sloth encountering a dog are high due to the sheer number of dogs roaming around and the fact that human development is breaking up the sloth's habitat. Incorrect beliefs about the castration and sterilization of animals, coupled with irresponsible ownership and abandonment, has led to a large number of stray and feral dogs roaming the streets.

The 'Oh My Dog' project aims to reduce the number of dog attacks on wildlife in Costa Rica via a three-pronged approach:

1. Reduce the need for arboreal animals to travel on the ground. This is achieved by planting trees in target areas and installing wildlife canopy bridges to connect habitat fragments. We work with private property owners whose dogs have been known to attack wildlife in the garden, as well as with the government of Costa Rica to make urban areas safer for sloths.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

2. Reduce the number of dogs roaming around unsupervised. We aim to fund the sterilization and rehoming of all stray dogs in the South Caribbean region of Costa Rica, and during the report period we spayed and neutered 120 stray dogs. We also held 4 castration clinics for indigenous communities in low-income areas who have limited access to veterinary care for their pets. Through these clinics we castrated an additional 270 dogs.

3. Community education to encourage responsible dog ownership. During the report period we organised three Oh My Dog Academy workshops which are free dog training courses for communities in the South Caribbean. Professional dog trainers were brought into the community and 65 dogs with a history of aggression towards wildlife were trained to not attack sloths on the ground.

The Urban Sloth Project

It is common in the South Caribbean of Costa Rica to find sloths in the most unexpected places: fences, powerlines, rooftops, cabinets, warehouses, kitchens, and even underneath restaurant tables. Habitat loss is the most obvious reason why sloths are living in these places, but since urban development is not going to stop, it is imperative for us to find new and better ways to coexist with the sloths and wildlife that are living in our spaces. We launched the Urban Sloth Project (USP) in November of 2020 as part of our research efforts to study the impact of habitat disturbance on the lives of the wild sloths. This project aims to compare the behaviour of sloths living in highly urbanized areas with those sloths living in healthier environments (protected primary rainforests). For example, we will be comparing how much time these sloths spend in different behaviours, what tree species they are using for food and shelter, how far they are having to move to find food and how much time they are spending on the ground vs in the canopy.

Over the next 5 years, we will be tracking and monitoring 32 wild sloths as a part of this project, and the results will be used to develop effective conservation strategies that will help humans and sloths to peacefully coexist. For example, we will be able to identify which tree species are most important for sloths living in urban areas, and we can make sure that these species are protected and replenished. We will also be able to identify areas where canopy connectivity needs to be improved to aid sloth dispersal via the installation of wildlife bridges and through targeted reforestation efforts.

Data is collected by visually monitoring sloths with Very High Frequency (VHF) radio collars, and with specially designed sloth backpacks containing micro-data loggers that record over 28 million data points per day. This amount of data is too much for us to analyse ourselves, and so we are collaborating with a team at the Swansea Lab for Animal Movement at Swansea University where the data is being analysed using supercomputers.

During the report period we worked with Costa Rican manufacturers and engineers to develop a unique new design for our sloth backpacks. To protect the delicate equipment inside from humidity and rain, our previous backpacks had to be sealed with contact glue, making them a single-use device because we had to break it open to retrieve the micro loggers. In collaboration with Luis Castillo -- engineer and professor at the University of Costa Rica--we finally developed a reusable and waterproof backpack. The 3D printed designs are also now available for other colleagues and scientists who would like to use them for their own projects!

During the report period we equipped 9 urban sloths with tracking collars, and 6 urban sloths with these new backpacks. SloCo's research team spent a total of 920 hours monitoring urban sloths and collected 2812 data points for this project during the report period.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

Raising awareness

Each year we are reaching more and more people across the globe with our messages about sloths and conservation. In 2020 for International Sloth Day, we were cited by the United Nations and supported by celebrities such as Kristen Bell and Jennifer Lopez. In 2021 our global reach became even more impressive, taking the importance of protecting sloths and their ecosystems messages to an even wider audience. From small blogs to big media, we were cited by 752 websites during the report period, including National Geographic, BBC, Forbes, People, The Guardian, and the Smithsonian Magazine, among others.

We use our social media platforms to share information about sloth biology and ecology, about the threats they face and how to protect them and their habitats, combat misinformation, and to create awareness about the impact of the illegal pet trade and the demand for sloth selfies on the exploitation of wild sloths.

HIGHLIGHTS

Future For Nature Award

The Future For Nature Foundation (FFN) supports promising young conservationists committed to protecting animals and plants in the wild. Each year the FFN Foundation chooses several candidates from a new generation of nature conservationists who are making a difference for the future of our natural world. In February 2022 it was announced that Dr. Rebecca Cliffe (founder and director of SloCo) had been selected as one of the winners of this prestigious award and would receive a 50,000-euro prize which she would be using to further our conservation efforts.

The 1st International Sloth Festival

During the report period we were proud to host the first International Sloth Festival on October 20th--International Sloth Day--with fun and educational activities to raise awareness about sloths! Alongside other local conservation organizations, we had SloCo booths showcasing all our different projects and explaining our conservation efforts in detail. We gave away free saplings for people to plant in their yards, had a Kid's Corner with children's games and activities, face painting, a local artisan market, and more! One of the most popular activities was The Sloth Trail, where we taught children how to be sloth scientists for a day--including using our radio receiver equipment to try to find a hidden toy sloth wearing one of the tracking collars. The Sloth Festival was a great moment for us to open back up to the community of the South Caribbean after almost two years of pandemic isolation. The festival was hosted outdoors so that everyone could get out and safely have fun. The festival also had a virtual side with dozens of online collaborations from artists, journalists, organizations, public figures, and media who hosted events on their platforms to celebrate International Sloth Day with us.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

A new national symbol for Costa Rica

This year the authorities of Costa Rica finally declared the two species of sloth found in the country as the newest national symbols. We have been acting as advisors to the government on this project since 2020, and most of our suggestions were added to the project of declaration, including: "Funding to encourage scientific research." "Power line insulation to prevent electrocutions." "A national database from rescue centers and causes of admissions for sloths with public statistics." "A coordinated, nationwide protocol for the rehabilitation and release of sloths to prevent genetic issues in wild populations." "Addressing the issue of free-roaming dogs and dog attacks on wildlife."

The new status of sloths as national symbols creates awareness with locals and visitors about the importance of protecting the forests. It promotes the creation of new protected and wooded areas, and it generates more tourism with an environmental emphasis. Additionally, this status promotes scientific and medical research, and encourages new reforestation and conservation strategies to be developed alongside state and/or private entities.

Team Sloth goes to Tortuguero.

In June we had the chance to visit Tortuguero, a small town and a National Park in the North Caribbean of Costa Rica accessible only by water. Tortuguero is renowned as one of the most important turtle nesting sites in the world, and in particular its black sand beaches are a haven for endangered green sea turtles. Unfortunately, this unique ecosystem is now being threatened by an overpopulation of domestic dogs. We went there to organize a castration clinic for 42 dogs in the community, to install sloth crossing wildlife bridges, and to collaborate with the local organizations and the National Park authorities. Due to the ongoing impacts of the COVID-19 pandemic, we unfortunately couldn't host our usual Sloth School events in the local schools, but we delivered education packs to over 50 families in town. We even managed to put together a quick volunteer beach clean-up on our last day.

The Wildlife Conservation Network's Fall Expo.

For the third year running we were delighted to host a booth at the Wildlife Conservation Network's fall expo. This virtual event took place over 2 consecutive weekends in October and offered a brilliant opportunity for Team Sloth to connect with fellow conservationists from around the world.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Achievements and performance *(continued)*

Financial review

During the reporting period, the charity has successfully carried out its operations by raising a total income of £286,186. By comparison, total income for the previous year was £246,680. Restricted funds in the form of grants totalling £14,076 (2021, £7,562) were received from the Charities Aid Foundation America and from Play For Nature. Total expenditure during the report period was £276,796 compared to £212,009 during the previous year. At the end of the year total reserves held were £88,148 (2021, £78,758) being unrestricted reserves of £74,959 (2021, £68,691) and restricted reserves of £13,189 (2021, £10,067)

Reserves policy

The trustees maintain that the charity should carry a general reserve about equal to three months predicted unrestricted fund expenditure to ensure that the launched conservation initiatives are protected against unforeseen shortfalls. Based on expenditure rates during the report period, the general reserves held therefore equated to £50,000. The charity has no fund or subsidiary undertaking that is materially in deficit.

Plans for future years

In the coming year, we intend to continue developing our existing conservation programs in the South Caribbean of Costa Rica. In addition, will be expanding some of our projects into new areas of the country and reaching new people - in particular we plan to install the first Sloth Crossing wildlife bridges on the pacific coast in the towns of Uvita and Ojochal. We are also aiming to further develop our Sloth School program through the formation of a sloth club for local rural, Afro-Caribbean and indigenous children who have otherwise marginalised opportunities to bring traditional environmental stewardship practices into a modern setting.

We will also be beginning the process to become a legally recognised non-profit organisation in Costa Rica, and we hope to take the first steps towards purchasing land to create a protected wildlife reserve in the South Caribbean.

Finally, we plan to use the Future For Nature (FFN) prize fund received in July 2022 to start the Great Sloth Census. This history-making endeavour will be the first-ever accurate method of counting wild sloth populations and measuring their movements and trends. To achieve this, we will be training the first ever sloth detection dog and combining this approach with state-of-the-art thermal drone technology.

We aim to maintain our financial sustainability to achieve these activities in the coming year through the continued engagement of our donors and online community, and by further updating our online symbolic sloth adoption program to offer a greater variety of options. In particular we would like to offer a third tier of adoption for bigger donors.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

Financial review *(continued)*

Risk assessment

The Board of Trustees has conducted its own review of the risks to which the Sloth Conservation Foundation is exposed and systems have been established to mitigate these risks.

Access is restricted relating to financial transactions and Management are in close control of day to day operations and report directly to the Board of Trustees

Staff are made fully aware of Health and Safety risks related to living and working in a rain forest environment.

Trustees' responsibilities statement

The trustees 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).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity 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 applicable 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Sloth Conservation Foundation

Trustees' Annual Report *(continued)*

Year ended 31 March 2022

The trustees' annual report was approved on 21 August 2023 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, reading "Suzanne Eszterhas". The signature is written in a cursive style with a large initial 'S'.

Suzanne Eszterhas
Trustee

The Sloth Conservation Foundation

Independent Examiner's Report to the Trustees of The Sloth Conservation Foundation

Year ended 31 March 2022

I report to the trustees on my examination of the financial statements of The Sloth Conservation Foundation ('the charity') for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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

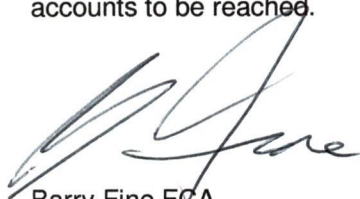
Independent examiner's statement

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 (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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.



Barry Fine FCA
Independent Examiner

Parkgates
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M25 0JW

21 August 2023

The Sloth Conservation Foundation

Statement of Financial Activities

Year ended 31 March 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	110,357	43,907	154,264	246,680
Other trading activities	5	131,922	—	131,922	—
Total income		<u>242,279</u>	<u>43,907</u>	<u>286,186</u>	<u>246,680</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	31,484	—	31,484	30,262
Costs of other trading activities	7	57,303	—	57,303	—
Expenditure on charitable activities	8,9	147,224	40,785	188,009	42,830
Other expenditure	11	—	—	—	138,917
Total expenditure		<u>236,011</u>	<u>40,785</u>	<u>276,796</u>	<u>212,009</u>
Net income and net movement in funds		<u>6,268</u>	<u>3,122</u>	<u>9,390</u>	<u>34,671</u>
Reconciliation of funds					
Total funds brought forward		68,691	10,067	78,758	44,087
Total funds carried forward		<u>74,959</u>	<u>13,189</u>	<u>88,148</u>	<u>78,758</u>

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

The notes on pages 17 to 30 form part of these financial statements.

The Sloth Conservation Foundation

Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	16	15,645	11,768
Current assets			
Stocks	17	1,309	–
Debtors	18	1,345	–
Cash at bank and in hand		80,184	67,646
		<u>82,838</u>	<u>67,646</u>
Creditors: amounts falling due within one year	19	<u>10,335</u>	<u>656</u>
Net current assets		<u>72,503</u>	<u>66,990</u>
Total assets less current liabilities		<u>88,148</u>	<u>78,758</u>
Net assets		<u>88,148</u>	<u>78,758</u>
Funds of the charity			
Restricted funds		13,189	10,067
Unrestricted funds		74,959	68,691
Total charity funds	22	<u>88,148</u>	<u>78,758</u>

These financial statements were approved by the board of trustees and authorised for issue on 21 August 2023, and are signed on behalf of the board by:

Suzanne Eszterhas
Trustee

The notes on pages 17 to 30 form part of these financial statements.

The Sloth Conservation Foundation

Statement of Cash Flows

Year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	9,390	34,671
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	9,594	6,191
Government grant income	—	(5,484)
Accrued expenses	10,000	—
Other operating cash flow adjustment	1	—
<i>Changes in:</i>		
Stocks	(1,309)	—
Trade and other debtors	(1,345)	—
Trade and other creditors	(321)	656
Cash generated from operations	26,010	36,034
Net cash from operating activities	26,010	36,034
Cash flows from investing activities		
Purchase of tangible assets	(13,472)	(1,385)
Net cash used in investing activities	(13,472)	(1,385)
Cash flows from financing activities		
Government grant income	—	5,484
Net cash from financing activities	—	5,484
Net increase in cash and cash equivalents	12,538	40,133
Cash and cash equivalents at beginning of year	67,646	27,513
Cash and cash equivalents at end of year	80,184	67,646

The notes on pages 17 to 30 form part of these financial statements.

The Sloth Conservation Foundation

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is a Charitable Incorporated Organisation. The address of the principal office is Bank Vale Barn, Bank Vale Road, Hayfield, High Peak, SK22 2EZ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue. The charity's operating expenses are flexible and project output can be varied depending on the monthly income received. Occasional monthly overspends are always covered by end of year extra fundraising activities. By matching expenditure to income the charity continues to operate through the current inflationary period.

Judgements and key sources of estimation uncertainty

Depreciation charge is an estimation that is material to this year's accounts an additional vehicle was purchased this year and was depreciated 25% straight line in accordance with the charity's policy.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

The charity's capitalisation policy is to only capitalise an item costing over a £1,000

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Motor vehicles	-	25% straight line
Equipment	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
General	110,357	—	110,357
Connected gardens	—	2,812	2,812
Save an acre	—	1,489	1,489
Planting trees	—	1,287	1,287
Sponsor sloth crossing	—	10,071	10,071
Sloth crossing bridges	—	4,385	4,385
Dog Sterilization	—	2,003	2,003
Spray and Neuter	—	324	324
Giving Tuesday	—	381	381
Join V I P community	—	5,672	5,672
Scientific research	—	459	459
Education	—	121	121
Powerline insulation	—	827	827
Grants			
CAF America Grants	—	14,076	14,076
Grants receivable	—	—	—
Government grant income	—	—	—
	<u>110,357</u>	<u>43,907</u>	<u>154,264</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
General	230,966	—	230,966
Connected gardens	—	—	—
Save an acre	—	—	—
Planting trees	—	—	—
Sponsor sloth crossing	—	—	—
Sloth crossing bridges	—	—	—
Dog Sterilization	—	—	—
Spray and Neuter	—	—	—
Giving Tuesday	—	—	—
Join V I P community	—	—	—
Scientific research	—	—	—
Education	—	—	—
Powerline insulation	—	—	—
Grants			
CAF America Grants	—	7,562	7,562
Grants receivable	2,668	—	2,668
Government grant income	5,484	—	5,484
	<u>239,118</u>	<u>7,562</u>	<u>246,680</u>

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

5. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Merchandising	25,246	25,246	—	—
Adopt a Sloth virtual and physical	106,289	106,289	—	—
Fundraising events	387	387	—	—
	<u>131,922</u>	<u>131,922</u>	<u>—</u>	<u>—</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Costs of raising donations and legacies				
- Donations	31,193	31,193	30,262	30,262
Sponsorship	291	291	—	—
	<u>31,484</u>	<u>31,484</u>	<u>30,262</u>	<u>30,262</u>

7. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Merchandising	57,177	57,177	—	—
Staging events	126	126	—	—
	<u>57,303</u>	<u>57,303</u>	<u>—</u>	<u>—</u>

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Connected Gardens	40,603	8,422	49,025
Sloth Crossing	4,540	12,930	17,470
Oh my dog	5,335	2,963	8,298
Education	24,871	2,423	27,294
Research	34,939	4,461	39,400
Sloth friends	269	5,237	5,506
Support costs	36,667	4,349	41,016
	<u>147,224</u>	<u>40,785</u>	<u>188,009</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Connected Gardens	20,739	—	20,739
Sloth Crossing	16,498	—	16,498
Oh my dog	5,593	—	5,593
Education	—	—	—
Research	—	—	—
Sloth friends	—	—	—
Support costs	—	—	—
	<u>42,830</u>	<u>—</u>	<u>42,830</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2022 £	Total fund 2021 £
Connected Gardens	49,025	10,470	59,495	20,739
Sloth Crossing	17,470	4,381	21,851	16,498
Oh my dog	8,298	4,474	12,772	5,593
Education	27,294	6,659	33,953	—
Research	39,400	9,164	48,564	—
Sloth friends	5,506	3,868	9,374	—
Governance costs	—	2,000	2,000	—
	<u>146,993</u>	<u>41,016</u>	<u>188,009</u>	<u>42,830</u>

The Sloth Conservation Foundation

Notes to the Financial Statements (continued)

Year ended 31 March 2022

10. Support Costs

	Connected gardens £	Sloth crossing £	Oh my dog £	Education £	Research Sloth friends £	Total 2022 £	Total 2021 £
Premises	193	513	1,170	1,170	657	4,873	-
General office	-	250	-	1,058	-	2,116	-
Human resources	5,754	3,141	2,826	4,180	2,734	21,525	-
Finance costs	227	227	227	-	227	908	-
Governance costs	333	333	333	333	335	2,000	-
Depreciation	4,296	250	251	251	250	9,594	-
	<u>10,803</u>	<u>4,714</u>	<u>4,807</u>	<u>6,992</u>	<u>4,203</u>	<u>41,016</u>	<u>-</u>

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

11. Other expenditure

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Fees	—	—	7,993	7,993
Wages	—	—	35,179	35,179
Contractor	—	—	39,350	39,350
Travel	—	—	10,670	10,670
Professional fees	—	—	5,717	5,717
Rent and Rates	—	—	14,387	14,387
Office supplies	—	—	12,338	12,338
Other	—	—	7,091	7,091
Depreciation	—	—	6,192	6,192
	<u>—</u>	<u>—</u>	<u>138,917</u>	<u>138,917</u>

In the 2021 year the accounts were filed using the Charity Commission Forms and therefore it isn't possible to give the comparative information in the same format.

12. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>9,594</u>	<u>6,191</u>

13. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,000	—
Other financial services	<u>8,000</u>	<u>—</u>
	<u>10,000</u>	<u>—</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022 £	2021 £
Wages and salaries	48,697	34,642
Employer contributions to pension plans	<u>768</u>	<u>537</u>
	<u>49,465</u>	<u>35,179</u>

The average head count of employees during the year was 3 (2021: 3).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

14. Staff costs *(continued)*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £23,808.

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

16. Tangible fixed assets

	Motor vehicles £	Equipment £	Total £
Cost			
At 1 Apr 2021	19,297	4,103	23,400
Additions	13,066	406	13,472
At 31 Mar 2022	32,363	4,509	36,872
Depreciation			
At 1 Apr 2021	9,495	2,138	11,633
Charge for the year	8,091	1,503	9,594
At 31 Mar 2022	17,586	3,641	21,227
Carrying amount			
At 31 Mar 2022	14,777	868	15,645
At 31 Mar 2021	9,802	1,965	11,767

17. Stocks

	2022 £	2021 £
Finished goods and goods for resale	1,309	—

18. Debtors

	2022 £	2021 £
Other debtors	1,345	—

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

19. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	10,000	—
Social security and other taxes	308	338
Other creditors	27	318
	<u>10,335</u>	<u>656</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £768 (2021: £537).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022 £	2021 £
Recognised in income from donations and legacies:		
Government grants income	—	5,484

22. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2021 £	Income £	Expenditure £	At 31 Mar 2022 £
General funds	<u>68,691</u>	<u>242,279</u>	<u>(236,011)</u>	<u>74,959</u>

	At 1 Apr 2020 £	Income £	Expenditure £	At 31 Mar 2021 £
General funds	<u>41,582</u>	<u>239,118</u>	<u>(212,009)</u>	<u>68,691</u>

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

22. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Apr 2021	Income	Expenditure	At 31 Mar 2022
	£	£	£	£
Caf Grant	10,067	14,076	(16,828)	7,315
Connected gardens	—	3,639	(3,639)	—
Sloth crossing includes bridges	—	14,456	(11,358)	3,098
Oh my Dog	—	2,327	(2,327)	—
Education	—	121	(121)	—
Research	—	459	(459)	—
Giving Tuesday	—	381	(381)	—
Join V I P	—	5,672	(5,672)	—
Save an acre	—	1,489	—	1,489
Planting trees	—	1,287	—	1,287
	<u>10,067</u>	<u>43,907</u>	<u>(40,785)</u>	<u>13,189</u>

	At 1 Apr 2020	Income	Expenditure	At 31 Mar 2021
	£	£	£	£
Caf Grant	2,505	7,562	—	10,067
Connected gardens	—	—	—	—
Sloth crossing includes bridges	—	—	—	—
Oh my Dog	—	—	—	—
Education	—	—	—	—
Research	—	—	—	—
Giving Tuesday	—	—	—	—
Join V I P	—	—	—	—
Save an acre	—	—	—	—
Planting trees	—	—	—	—
	<u>2,505</u>	<u>7,562</u>	<u>—</u>	<u>10,067</u>

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

22. Analysis of charitable funds *(continued)*

Caf Grant

Grant for specific in field costs relating to the sloth projects.

Connected Gardens

Funds to be used to ensure specific areas have a connected canopy.

Sloth crossing

To restore canopy connectivity by the use of rope bridges.

Oh my Dog

To reduce feral dog population and to train domestic dogs not to attack sloths.

Education

Funds lessons in environmental stewardship mainly to children.

Research

Funds various projects to learn more on sloths types and habitat and publish data.

Save an acre

Aims to purchase Rain Forest to be able to protect it.

Planting trees

Funds the growing of trees from seedlings. The trees can then be planted in targeted areas to prevent arboreal animals having to travel on the ground.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	15,375	270	15,645
Current assets	69,919	12,919	82,838
Creditors less than 1 year	(10,355)	—	(10,355)
Net assets	74,939	13,189	88,128

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	11,768	—	11,768
Current assets	57,579	10,067	67,646
Creditors less than 1 year	(656)	—	(656)
Net assets	68,691	10,067	78,758

The Sloth Conservation Foundation

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

24. Analysis of changes in net debt

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	<u>67,646</u>	<u>12,538</u>	<u>80,184</u>