



# ANNUAL REPORT

YEAR ENDED  
30 JUNE 2023

Charity  
Registration  
Number:  
1173105



Cover image: A saffron sea cucumber (*Cladodactyla crocea*) feeding on the suspended matter from the rich coastal waters near the Murrel River mouth, Falkland Islands © Ewan Trégarot

Inside cover: Common Sea Star (*Anasterias antarctica*) and Giant Kelp (*Macrocystis pyrifera*) © Shallow Marine Surveys Group

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# TRUSTEES REPORT

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 July 2022 to 30 June 2023. The Trustees confirm that the annual report and the financial statements of the Group and the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements. The trustees have had due regard to the Charity Commission's guidance on public benefit in preparing the annual report.



## CHAIRMAN'S FOREWORD

What impact can a small, independent Research Institute, based in one of the UK's Overseas Territories have?

SAERI's answer: Significant impact, every year!

This year has been no exception.

Our projects continue to deliver world-class outputs and publications for leading academic journals.

Our recent Defra-funded Darwin Plus project which tracked some of the Falkland Islands' key marine higher predators received the highest project rating from the funder. Even more importantly some of the outputs discovered new facts which, in turn, led to Government rethinking elements of national policy. I am not a scientist, but it is no less of a joy to see how SAERI is able to provide policy makers with evidence-based recommendations for marine management, with the environment at its heart. The team collected data for the first time on globally important breeding colonies with the aim of improving not only the quality but the quantity of information for decision-makers. My congratulations to our Deputy Director of Science Dr Al Baylis and his team for the huge success this project has enjoyed.

Our international reach continues to grow – being invited onto three multi-national large consortia spanning three geographical areas. Through these consortia we continue our close partnerships in Namibia, the EU and the Caribbean. Also in the Caribbean, we continue to support establishment of the Mid-Atlantic Research Institute (MAERI), and our strong history of working with the Turks and Caicos Islands Government goes from strength to strength.

The Project Manager for our Marine and Coastal Co-ordination project, Dr Narissa Bax, ensured SAERI representation at three international events with a SAERI affiliation. SAERI was a sponsor of the 8th International Symposium on Deep-Sea Corals (ISDSC-8 – Scotland) and the CoastCarb general assembly (Chile) where the general assembly has included Dr Bax in their working programmes. We were represented at the COP 27 in Egypt where she attended multiple presentations, plenaries, and stakeholder meetings and spoke during three

panel discussions on topics ranging from the deep sea to blue carbon and the importance of seafloor mapping to progress global knowledge and conservation efforts.

Our international collaborations extend to hosting symposia such as the Austral Earth Observation Alliance as well as Masters and PhD sessions promoting science as an area of study amongst the Overseas Territories.

Yet in all this international reach our Falklands roots continue to form the foundation of our efforts. The close relationships with the Falkland Islands Government and the Government of South Georgia and the South Sandwich Islands remain strong and Stanley in East Falkland remains our home. Members of our team accompanied a delegation from the Falkland Islands Government to North America, as well as attending events with the Government to celebrate the 40-year anniversary of the end to the Falklands War. We are developing science collaborations to provide our extensive expertise in supporting the Islands' environmental plan. With collectively more than 60 years' of marine and fisheries experience we will be rolling out partnership support for Falklands' fisheries management, all to ensure a sustainable fishery as a key economic driver for the Islands.

With all this activity and more, we passed the mid-point of our 5-year plan during this year and the Board reviewed our progress. We had intentionally set some ambitious targets and we have made great progress towards achieving these. We dreamed big and thanks to the team at SAERI, past and present, those dreams are becoming reality. It is an exciting time to work with us. As ever, I thank my Board colleagues for continuing to volunteer their time to support this important Institute. I thank Paul, our Chief Executive, for his tireless and visionary leadership. And this Annual Report and Accounts rely on the excellent work of our Director of Resources, Teresa Bowers, and Tracy Satherley, our Honorary Treasurer. My thanks to them both.

I can't wait to see what next year will bring.

**Peter Judge MBE**  
Chairman of the Board





## CHIEF EXECUTIVE'S STATEMENT

As CEO it is always a pleasure to reflect on the year's achievements. November 2022 saw SAERI celebrate its 10th year since its formation by Falkland Islands Government (FIG) and five years as an independent research institute. The occasion was marked by a reception held at Government House hosted by Falkland Islands Governor, Alison Blake CMG. The occasion also included a number of staff activities including a sunset cruise to Berkeley Sound and Port William.

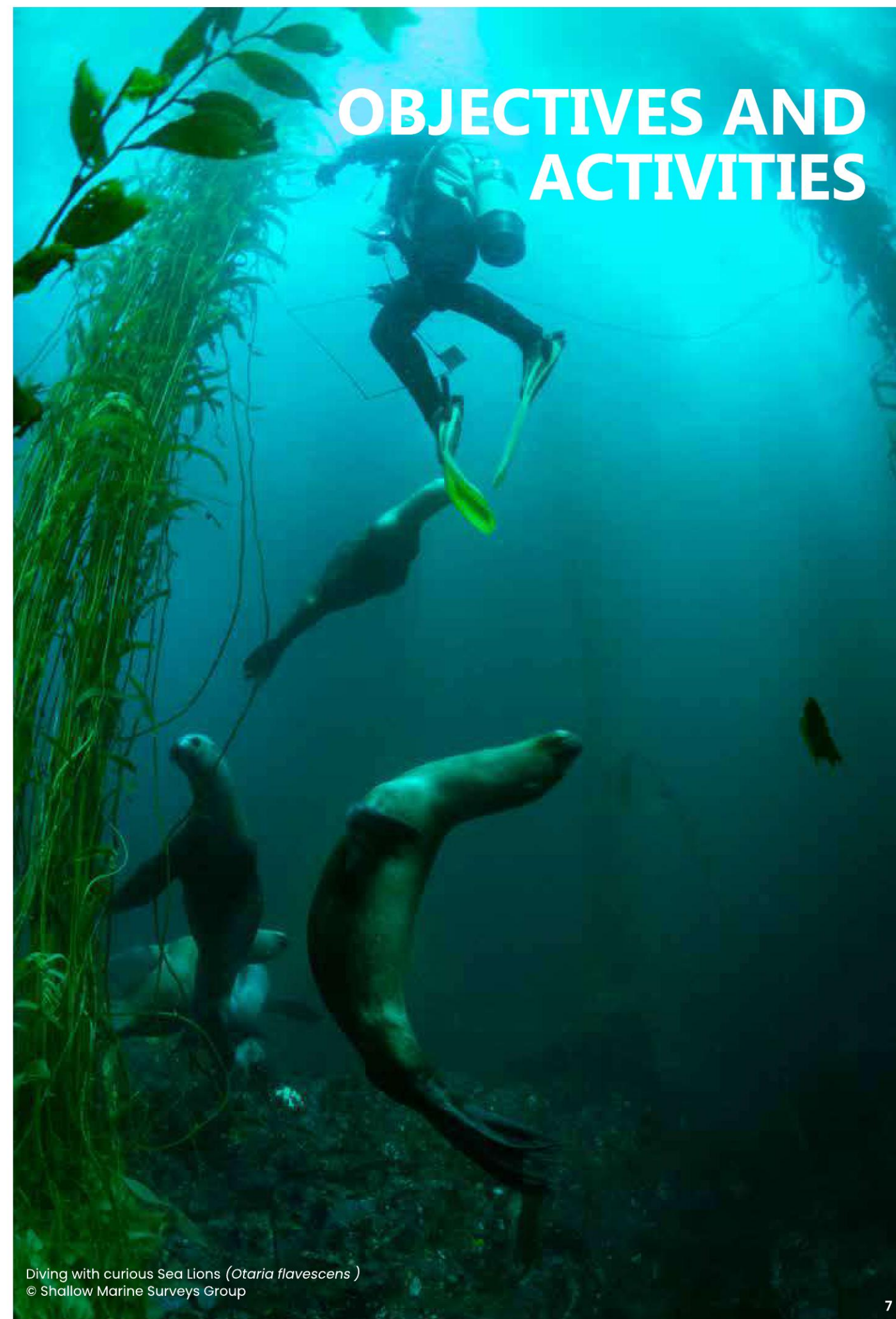
SAERI has grown to become a truly international research institute operating across the United Kingdom Overseas Territories (UKOTs) in the South Atlantic, Caribbean and other countries and operating from its base in the Falkland Islands. I invite you to review our international performance section further down for more detail on our activities across the UKOTs and beyond.

Our science output increases year on year and our diverse range of peer reviewed papers report on ground breaking research that inform governments, industry and NGOs alike. Our science is used in an applied way to enhance environmental management, conservation management and decision making. This is something we are very proud of and we continually strive to build on.

Steering our development and performance as a research institute is a detailed and ambitious 5-year strategy. This is delivered iteratively through annual business plans. Our performance is reviewed regularly and a mid-term review workshop is planned for the new financial year to measure our performance against targets set within the strategy. Sticking to our targets pays performance and growth dividends. This financial year saw projects across 5 countries, we developed new partnerships, participated in an impressive number of international events and attracted a good number of new PhD students. Our subsidiary, SAERI (Falklands) Ltd (SFL), continues to supply, an ever-increasing source of unrestricted funding which gives SAERI the latitude to pursue its charitable objects.

**Dr Paul Brickle**  
Chief Executive Officer

# OBJECTIVES AND ACTIVITIES



Diving with curious Sea Lions (*Otaria flavescens*)  
© Shallow Marine Surveys Group



## PURPOSE AND ACTIVITIES OF THE ORGANISATION

The South Atlantic Environmental Research Institute (SAERI) is an environmental research institute operating from the Falkland Islands throughout the United Kingdom Overseas Territories and beyond, and whose objects are, as set out in its governing document for public benefit:

- » The advancement of education and research
- » The advancement of environmental protection or improvement; and
- » The promotion of sustainable development, in particular (but not exclusively) by:
  - ◊ The advancement of environmental protection or improvement; and
  - ◊ The advancement of education and research;

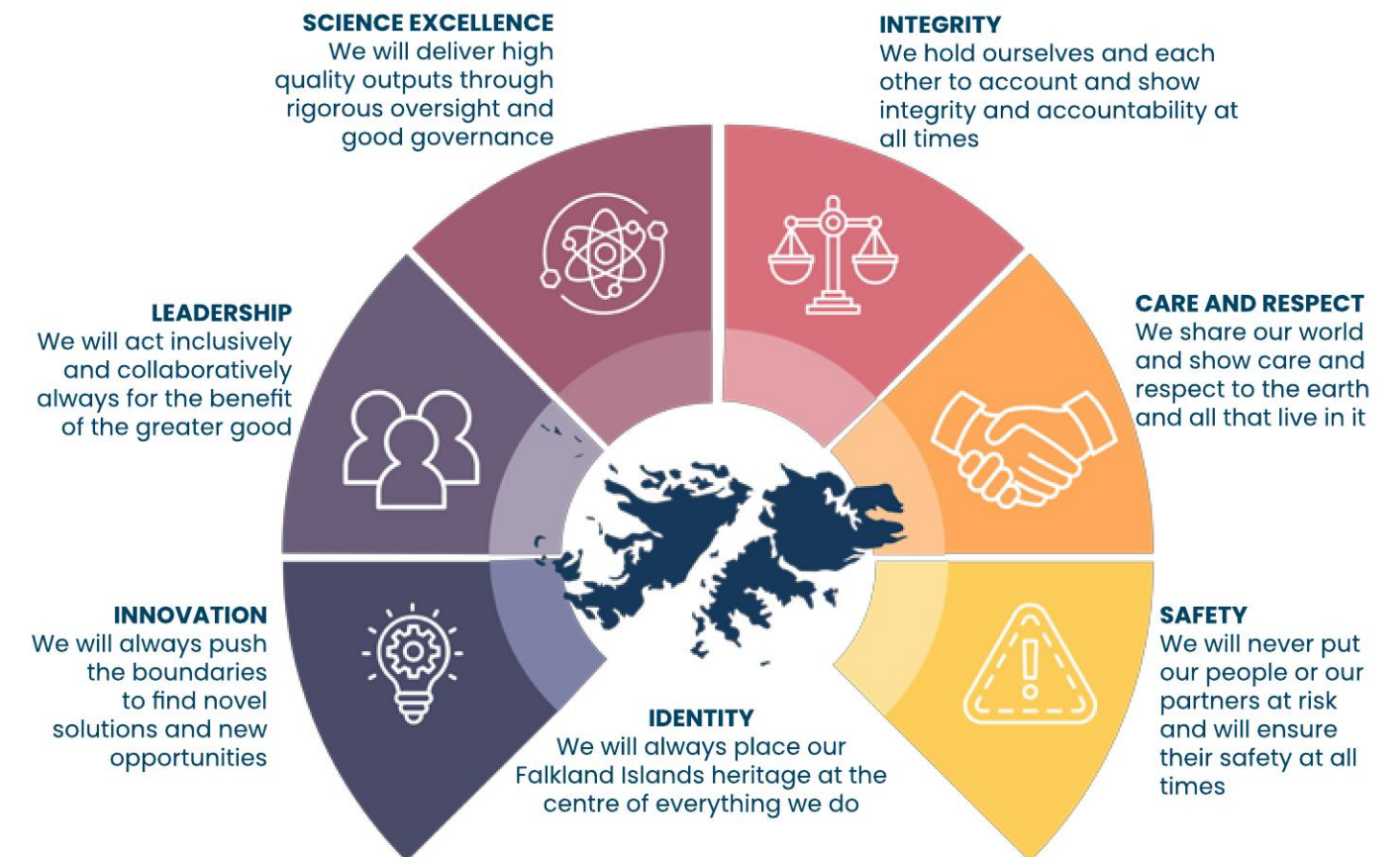
Particularly (but not exclusively) in relation to the environmental of the Falklands Islands and the South Atlantic region. Where sustainable development means “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”.

SAERI employs highly skilled individuals to deliver, and support those who deliver, answers to environmental research questions, grounded in science excellence, to inform decision-makers in the regions in which we operate on environmental matters of national and global significance.

SAERI is an institute founded out of a Falkland Islands’ Government (FIG) initiative to increase the environmental science footprint and activity in the Falkland Islands, to bring science and scientists alike to the Islands from the world over, and to provide robust, evidence-based information to inform policy in critical areas of environmental science. We deliver against our objects through the implementation of internationally and locally-based projects through our three key focal areas.

## SAERI GROUP VALUES

Delivering high-quality, rigorous science to support evidence-based management



Golden sunrise in Stanley, Falkland Islands © Amy Constantine



## SAERI'S STRATEGY

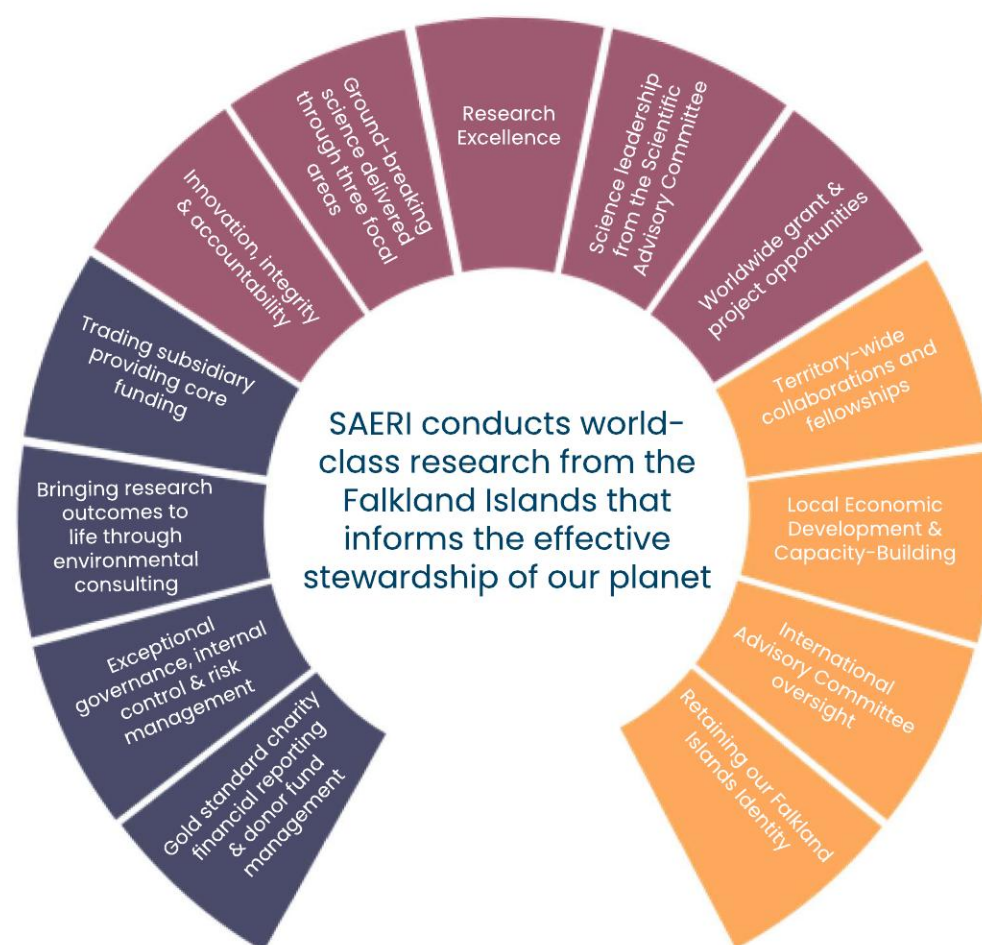
This year straddled the halfway mark in our five-year strategy to establish our vision to

'Deliver world-class environmental research from the Falkland Islands that informs the effective stewardship of our planet'

By

'Growing a sustainable environmental research and teaching institute in the Falkland Islands through partnership working, to build capacity and inform the delivery of global environmental stewardship'

Underpinning our 5-year objectives, our Business Plan sets out the direction of travel, refreshed annually in a cumulative response to achieving our overarching aims and objectives. In the Falkland Islands this specifically aligns with the Falkland Islands Government's (FIG) Environment Strategy. As a key strategic partner, we aim to assist FIG achieve their Environment Strategy where practicable.



### SAERI Value Analysis

	Science & environmental value
	Financial & governance value
	Regional & international value

## ACHIEVEMENTS AND PERFORMANCE



Fan nudibranch (*Flabellina falklandica*) © Shallow Marine Surveys Group



## INTRODUCTION

This year saw SAERI celebrate its 10th year in existence since it was officially 'opened' by HRH the Duke of Kent on 17 November 2012. The year also marks our 5 year anniversary as an Independent Research Institute. We celebrated this with our UK-based Directors joining the staff in the Falkland Islands on an away-day to celebrate, as well as an event at Government House where stakeholders and friends of SAERI who were instrumental in our journey, as well as staff and colleagues, joined the Governor to celebrate. The absence of our Trustees was sorely felt, but distance and prior commitments were sadly not aligned. Our journey over the past 5 years of independence has seen us building our delivery model, expanding into other territories and

countries and establishing strong relationships both at home and abroad. The funding we have received from the John Ellerman Foundation has contributed extensively to the transition into our next phase – one of growth and storytelling. It has provided us with the opportunity to develop and refine our brand, recreate our marketing and communications offering, as well as streamline our internal processes to be more outward-facing. To support this transition, there was a slight realignment of our leadership with the creation of two Director roles along with a subsequent tweaking of job descriptions to ensure the focus remains on growth.



## OUR SCIENCE THIS YEAR - Review

Climate change resilience, adaptation and mitigation are now central to many UKOTs environmental strategies and environmental policies – a reflection of climate change impacts are already being felt. This is no more clearly evident than in the Falkland Islands, where an unprecedented drying in recent years has seen growing concerns around water security, livelihoods and indeed the health of peatlands and the biodiversity it sustains.

Although small island territories and nations may lack the capacity to tackle climate change at a global level, they can locally mitigate and adapt by understanding risks and impacts to natural systems. This year SAERI has continued to develop and implement innovative research across UKOTs, but with a particular emphasis on climate change adaptation and mitigation. The challenge faced by all UKOTs in mainstreaming mitigation and adaptation strategies into policy and management, is often a lack of baseline data. Hence, many of the projects SAERI has been developing involve addressing key knowledge gaps and establishing baselines, that help us develop strategies for dealing with change. For example, the groundbreaking research on climate resilience in the Falkland Islands fisheries and wider marine ecosystem – a project led by Dr Jesse van der Grient. A new UK DEFRA funded project that will bring together data and tools that can be used by landowners to understand climate related risk and potential solutions. And our continued work on Marine Managed Areas – and in particular understanding Blue Carbon potential. All SAERI projects share a common theme – building capacity within and across

UKOTs and highlight SAERI's commitment to working closely with the community, industry and governments alike, to provide robust data to inform decision making, management and conservation.

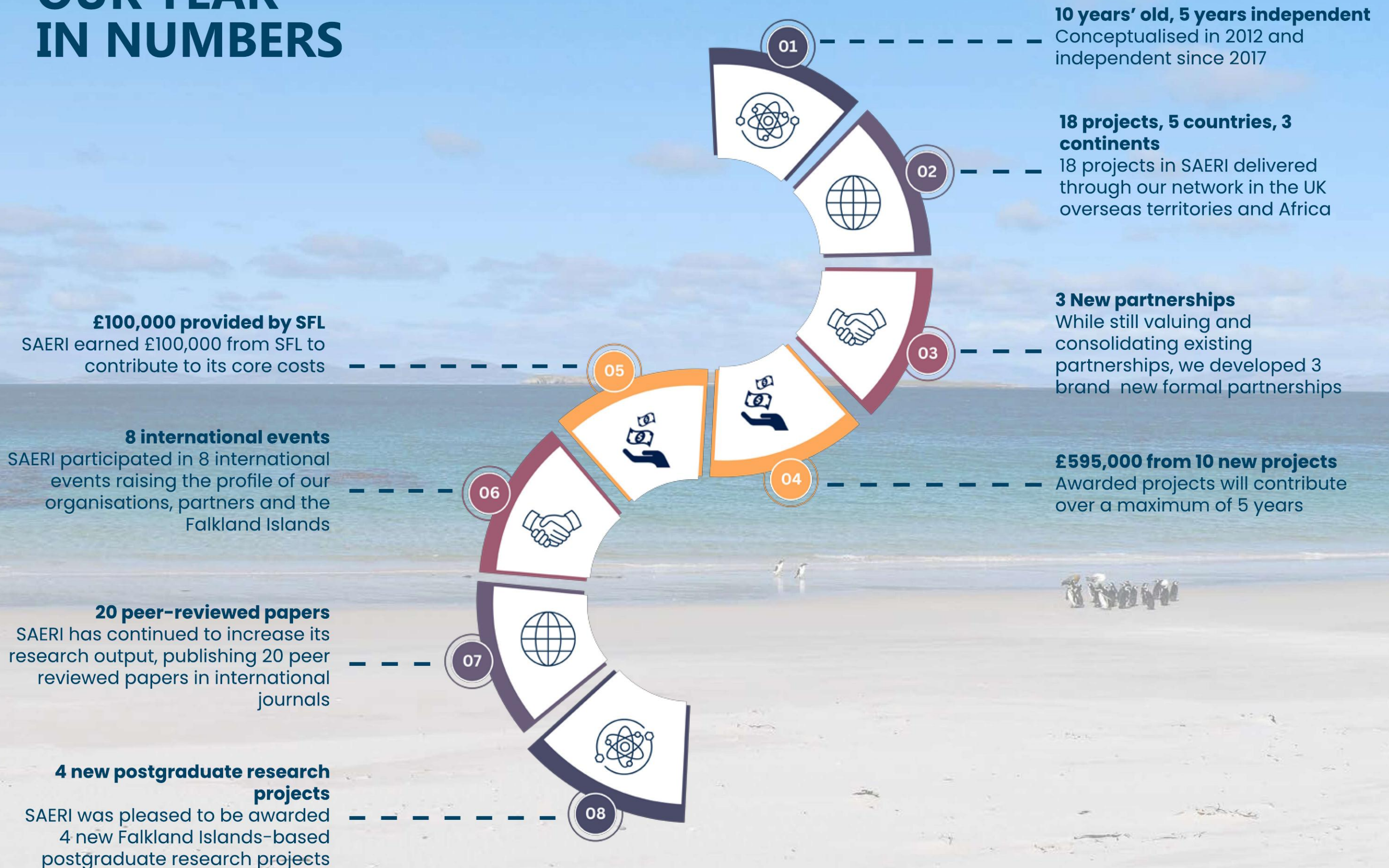
We have also welcomed several new SAERI postgraduate students, who have initiated novel and exciting research, including the temporal dynamics plankton, the ecology of Falkland Islands steamer ducks and foraging behaviour of imperial shags. These projects all provide important information on little studied ecosystems and species, and highlight the opportunity for scientific discovery in the Falkland Islands.

Finally, our publications highlight the breadth and impact of our research across UKOTs and beyond, with over 18 peer reviewed papers in 2022, publications by our talented team of scientists continue to increase year on year. It is after all, vital that our often-ground-breaking science is made available to the wider scientific community and decision makers.

**Dr Alistair Baylis**  
Deputy Director – Science



# OUR YEAR IN NUMBERS





## PERFORMANCE AGAINST BUSINESS PLAN

SAERI has an ambitious 5-year strategy that is delivered iteratively through its annual business plans. Within the strategy and business plan there are five headline categories that articulate our performance targets.

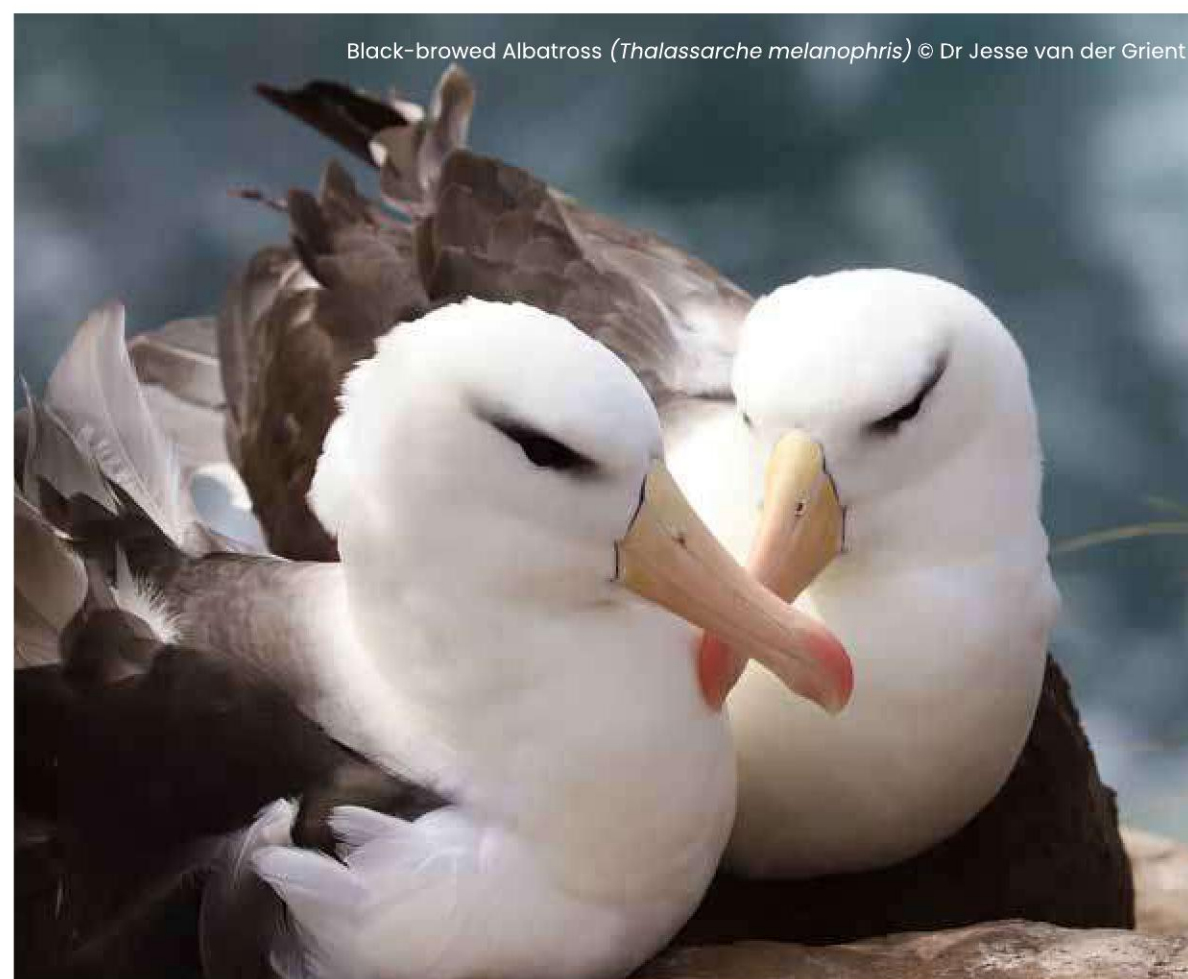
### Category 1: Pathways to impact

Delivering purposeful, high-quality science lies at the centre of SAERI's scientific and academic research projects and activities. Key to the Institute's success and sustainability is how it increases the chance of our science reaching key stakeholders, to enable or effect positive change/understanding of the environment to improve economies and society through quality science delivery, evidence and communication.

#### 5-year strategic aims for creating Pathways to Impact

Being renowned experts on matters of environmental stewardship in the South Atlantic region and beyond, by

- » Making significant contributions to environmental knowledge.
- » Providing significant economic impact in the Falkland Islands
- » Having a global reach of networks presence and activities.



Black-browed Albatross (*Thalassarche melanophris*) © Dr Jesse van der Grient

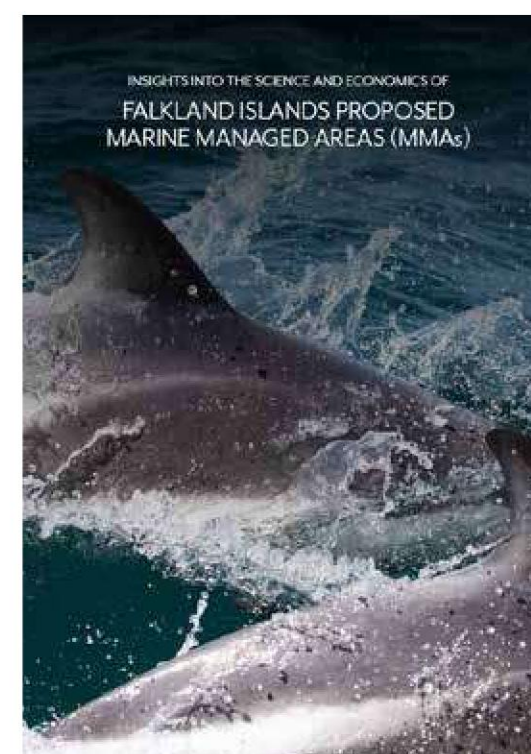
### Delivery of Impact this year

#### Case Study: MMAs – a paradigm shift

It was always SAERI's vision to enable, through empirical evidence, the creation of a network of marine protected areas in the Falkland Islands to protect and show recognition for its incredible biodiversity, abundance and wilderness areas. The Falkland Islands hosts diverse and ecologically important inshore ecosystems, offshore areas of high productivity and biodiversity, and globally important populations of marine higher predators intertwined with important biological connections to Southern Ocean and Patagonian ecosystems. In nearshore waters pristine kelp forests, which are recognised as structurally complex habitats, provide important ecosystem services including blue carbon stores and nurseries for commercially important fish and squid species. The vision had to start with evidence to ensure that all stakeholders understood the value of these areas in terms of nature but also the ecosystem services that provide to the community.

SAERI started this journey with collaborators in 2014 (Falkland Islands Government, Shallow Marine Surveys Group and British Antarctic Survey). The aim initially was to map how humans, biodiversity (coastal, pelagic and benthic) and higher predators utilise the seascape in the Falkland Islands EEZ. This evidence is key to stakeholder buy-in. Once this process was complete, a series of projects led to the creation of proposed Marine Managed Areas (pMMAs). The network of pMMAs has been consulted upon which included an accompanying Technical Document produced by SAERI. Falkland Islands Government is on track to deliver these ambitions, including the recent on-boarding of additional specialist expertise to support the development of fine-scaled policy and policy instruments (e.g. legislation) for MMAs. This includes a framework for future designations.

This is an example of how programmatic planning and a variety of funding opportunities can lead to long-term environmental progress and management and help protect UKOT biodiversity and livelihoods. SAERI, with partners, is proud to have been able to make such a paradigm shift in marine conservation management in the Falkland Islands and South Atlantic.





## Category 2: Science, Research and Quality Assurance

As a science institute, our reputation is based on the research we do and the quality of the outputs generated. Quality Assurance in Research (QAR) comprises all the techniques, systems and resources that are deployed to give assurance about the care and control with which research has been conducted.

### 5-year strategic aims for all aspects of the science we do

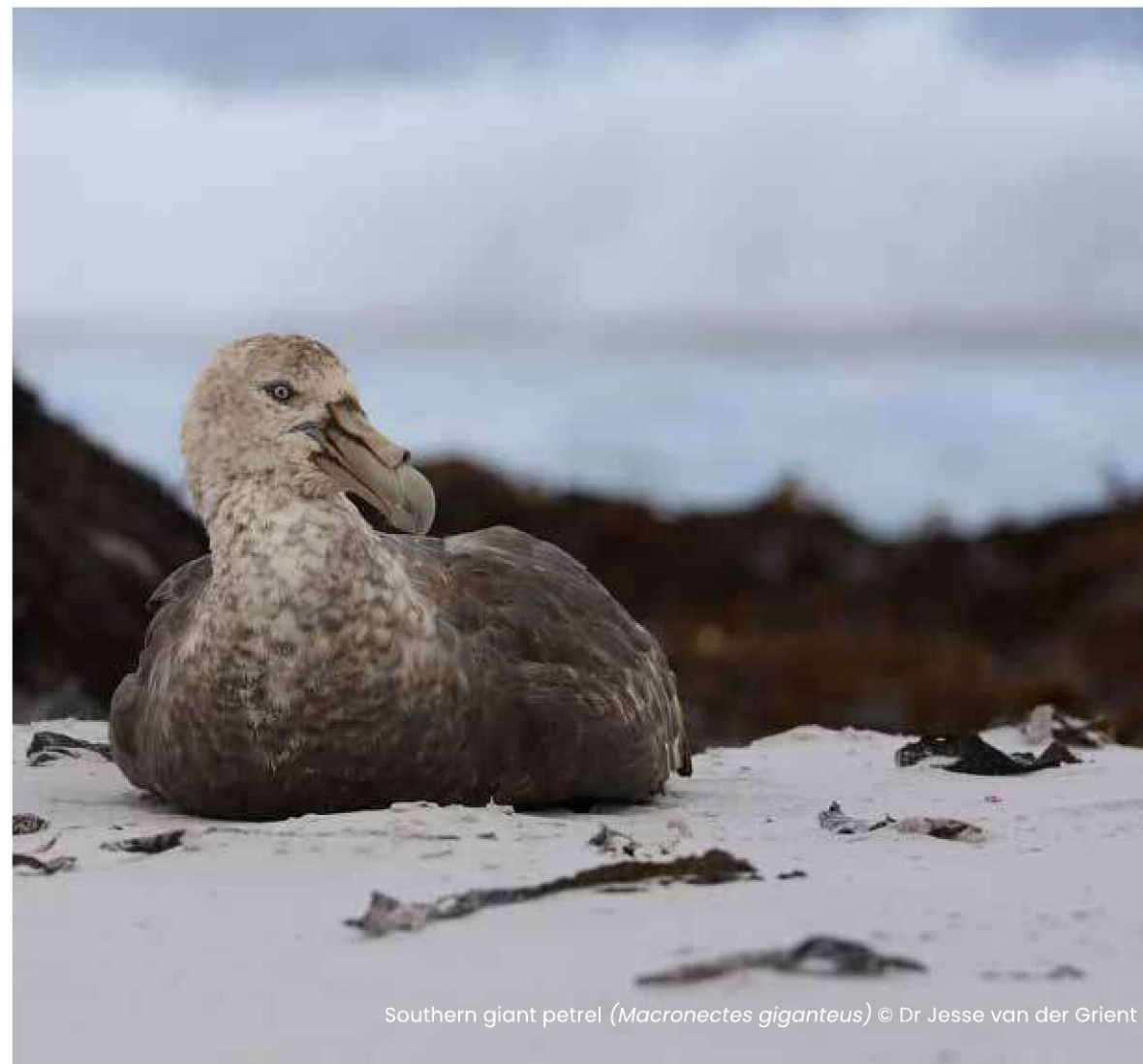
- » The establishment of three self-sustaining focal areas of science delivery and ensure the science that we do is strategically driven with rigorous oversight.
- » Aim for a minimum success rate for our grant applications organisation-wide.
- » Ensure that cross-cutting functions are designed with capacity and redundancy to cater for growth.
- » Collaborate across internal functions and external territories.

## Science excellence

Every year our scientists aim to collectively increase our peer-reviewed publications presence in high-impact scientific journals. This year we achieved a 50% increase over last year. We were recognised externally at three international events: the 8th International symposium on Deep Sea Corals, the CoastCarb General Assembly and COP 27. Our newly-formed Science Advisory Committee has made great strides in providing crucial insights and guidance in how we measure our science outputs going forward and with the approved Terms of Reference, we look forward to expanding our science remit, footprint and output.



The imperial shag or imperial cormorant (*Leucocarbo atriceps*) © Dr Megan Tierney



Southern giant petrel (*Macronectes giganteus*) © Dr Jesse van der Grient

### Case Study – Research informing policy

As you will have read overleaf, MMAs is a term that includes MPAs, but creates a broader remit to balance socio-economic and environmental objectives for marine management. Our Darwin Plus MMA project, concluded in March 2021, delivered policy recommendations for designating Falkland Island MMAs. However, this project also identified some significant data gaps for several globally significant Marine Higher Predator populations breeding in the Falkland Islands (seabirds, seals and cetaceans). This project addressed these data gaps through an intensive field programme, which identified priority at-sea areas to feed into MMA categorisation, management and monitoring.

Incredibly, we managed to track over 200 individuals from 5 species in 5 breeding colonies, which, when combined with existing tracking data, gave us the most comprehensive seabird and seal tracking dataset available for the Patagonian Shelf. We were able to incorporate these data into our webGIS pages, and through the collection, collation and analysis of these data were able to develop predictive habitat models for each species.

There were a number of key findings stemming from the project. These include a very large area – much of the Patagonian Shelf around the Falkland Islands – is important foraging area for seabirds and seals. This reflects the long distances seabirds and seals travel during foraging trips (which can sometimes be greater than 1,000 km), combined with the very large populations of seabirds and seals that breed in the Falkland Islands, which in turn creates large areas that are hotspots of activity. However, MMAs are demonstrably important to seabirds and seals. Most obviously, they act as a seaward extension of globally important breeding colonies on land, around which animals are known to congregate. They encompass the foraging areas of many species and play a key role in supporting and maintaining important seabird and seal prey, to name but a few benefits. MMAs represent a hugely important step toward Ecosystem Based Management of our marine environment.



### Category 3: Size and performance

In order to design our roadmap, we needed to be clear on what it would take for us to be a leading scientific institute. Understanding our Size and Performance translates into metrics for our Annual Business Plan which will see us achieving the delivery of our objectives over the course of and by the end of the 5 year period. Size is important as there needs to be critical mass to deliver impact, enough to buffer leaner years, yet not too much to be bureaucratic and inflexible.

The 5-year goals include trebling our annual revenues from the start of the 5 year period, 9 months' operating reserves, continued good governance and financial management, be a service provider to OT governments and local organisations and have SAERI core costs covered by SFL.

### Category 4: Business Plan and Reputation

SAERI's Annual Business Plan takes these Strategic Objectives, their strategies and activities and allows us to create bite-sized delivery which will culminate in the overall delivery of the 5 year plan. Within this delivery we are better able to set performance metrics and ensure that everybody in the organisation knows how they are contributing to the achievement of the goals. Our Annual Business Plan also keeps us nimble in changing circumstances, facilitating quick responses to unplanned events.

Our strategic aims include SMART performance indicators and metrics, excellent governance and financial performance including audit, ensuring we tailor our communications to be effective amongst stakeholders, scientists and the general community and ensuring our reputation as a world-class institute is established, built and maintained.

### Category 5: SAERI (Falklands) Ltd (SFL)

SFL is a 100% owned subsidiary of SAERI and exists to undertake commercial work so as to not only provide a platform for SAERI's research outputs to be applied in real-time, but also to donate profits to SAERI as a means of sustainable financing for core costs whilst also fulfilling SAERI's Pathways to Impact objectives. SAERI's strategic vision for its subsidiary are to have much, if not all, of its core costs covered through donations and recoveries, apply science outputs to client projects and use SAERI specialist resources – people and equipment – wherever possible. There is a strong desire to uplift the local community through capacity building to work with us on our projects where feasible, and to position SAERI and SFL as small-island specialists in environmental stewardship.



Tall Grass in seed on Bleaker Island  
© Heather Mathews



A Gentoo penguin (*Pygoscelis papua*) at golden hour  
© Dr Jesse van der Grient

### Cross cutting Data Science

The Data Centre underwent a rebrand and is now the Environmental Data Solutions Centre providing support to the Falkland Islands Government and other Falkland Island organisations and international projects. Services provided to FIG included the development of a marine accident reporting database, maritime authority weather analysis and risk mapping, mapping for the department of agriculture, imagery processing for the department of natural resources, UAV mapping for the planning department. In addition, training courses were delivered to FIG staff in data management and QGIS.

Support to other projects in the Falkland Islands included:

- » CV19RR02: Establishing wildlife health and disease monitoring in the Falkland Islands. A map of wildlife disease WebGIS page was created as part of Darwin Project and it is hoped this will be adopted by the Wildlife Disease meeting group.
- » DPLUS139: Improving Falklands marine management effectiveness for marine higher predators. A WebGIS map has been created for this project and has recently been updated with new data.
- » DPLUS168: Understanding increased FI seal bycatch to inform bycatch Action Plan.

The EDS Centre also provided services across other UKOTs including:

- » St. Helena Data Portal: With funding from the JNCC, SFL was contracted to develop the St. Helena data portal based on the FIG data portal model. This strengthens the shared technical tools, skills and expertise within the region.
- » TCI Data Portal: Support for the data portal has been provided in late 2022, to help the Government maintain security certificates to keep the portal running. Metadata from projects has also been uploaded to the portal whilst the TCI Government assigns a data manager.

The EDS Centre also hosts a knowledge exchange platform to share ideas and expertise between GIS practitioners in the areas where we have projects. This is done virtually and there are monthly meetings which provide opportunities for more in depth discussions.



Imperial comorants amongst Black-browed albatross  
© Dr Alistair Baylis





## OUR INTERNATIONAL PERFORMANCE THIS YEAR – Review

This year has been a busy one for SAERI's International programme. We work across the South Atlantic, Southern Africa, the Caribbean and South America with our partners and this year our international project portfolio includes projects that had started in previous years.

We were also proud to have been invited to partner on three new consortium projects that began in 2023:

- » *NIMPA+* which is led by the NNF and funded by the Blue Action Fund focusing on strengthening management of the Namibian Islands Marine Protected Area (NIMPA).
- » *SELINA (Science for Evidence-based and sustainable decisions about Natural capital)* which is funded by the European Commission and led by the University of Hannover.
- » *EMODnet, (European Marine Observation and Data Network)* an EU funded marine habitat classification project led by the JNCC. SAERI provided the Caribbean expertise with our partners in Anguilla at the Department of Natural Resources and the Anguilla Community college.

In addition to our projects, this year we were invited to join 2 new networks: the UNESCO chair (led by the University of Azores), and the academic council of Island Innovation. It will be a pleasure to work with these new initiatives into the future.

We hosted a successful international online symposium in October with our Austral Earth Observation (AEOA) partners from South America and the United Kingdom and we continue to support our sister institutes:

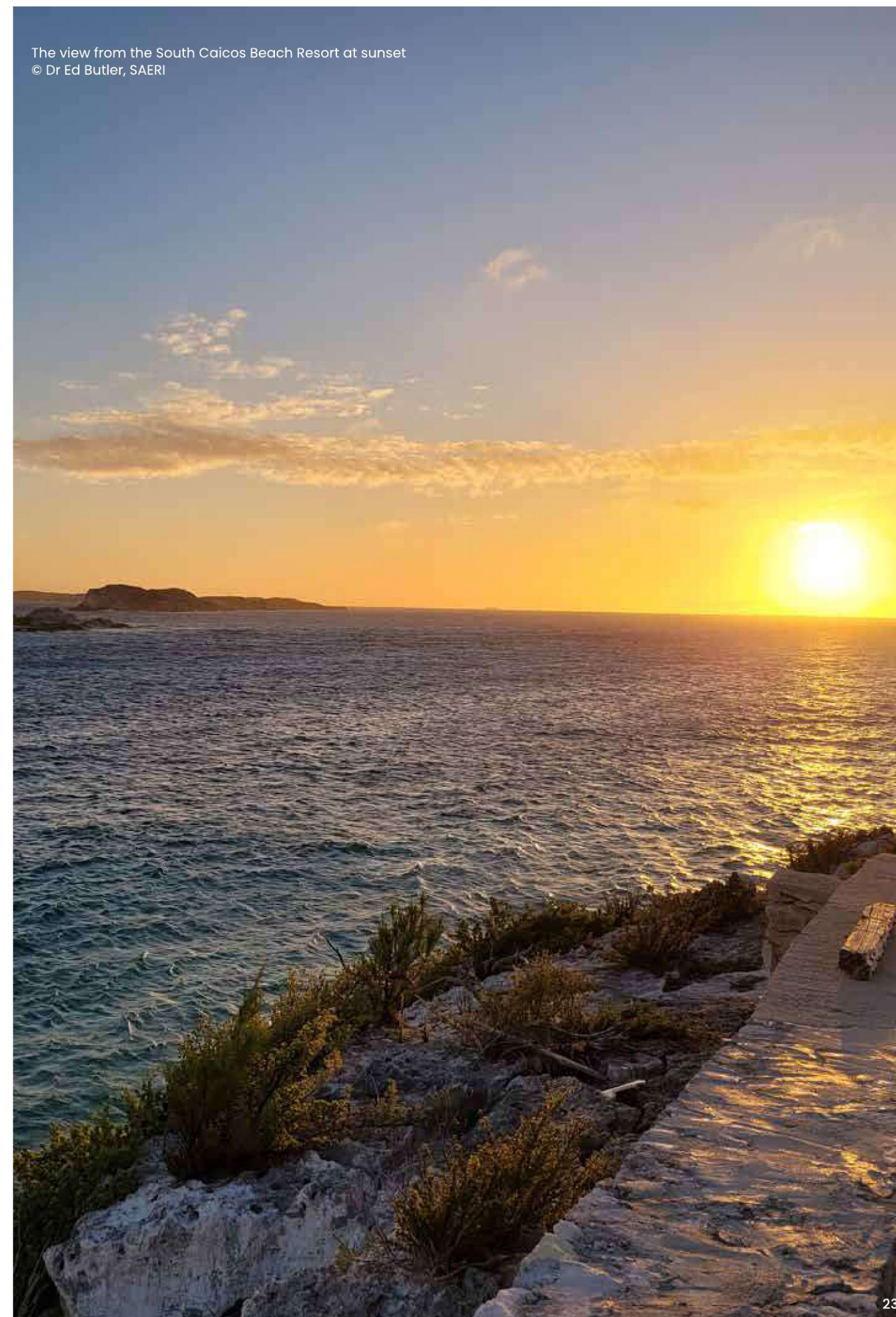
- » The St. Helena Research Institute (SHRI) through our role as an advisory member of the St. Helena Research Institute Council, attending monthly meetings and providing scientific advice and input.
- » The Mid Atlantic Environmental Research Institute (MAERI), by facilitating a partner workshop to develop an action plan for the growth and development

This year we signed new Memoranda of Understanding with the St. Helena Government, the Turks and Caicos Islands Government and MAERI partners (the Anguilla Community College, the Government of Anguilla Department of Natural Resources and the JNCC) to provide longer-term frameworks for our collaborations. We also established new relationships with partners in countries where we have not previously worked (Mozambique and Angola) and submitted joint project proposals. Although these were unsuccessful we will continue to work together to fund the work that has been identified as a priority.

SAERI has been represented internationally at various events, such as a Falklands 40th Anniversary event in Belfast, project launches and wrap-ups in Hannover and the Azores, and accompanied a Falkland Islands Government delegation to the USA and Canada.

**Tara Pelembe**  
Director - International

The view from the South Caicos Beach Resort at sunset  
© Dr Ed Butler, SAERI





## SAERI Performance outturn 22-23

SAERI's performance framework is centred around deliverables in line with five Headline Categories. Each Headline Category has overarching 5-year targets broken down into 23 Objectives. The Executive Leadership Team develops the annual KPIs in line with the direction set by the Chief Executive Officer and is approved by the Board. Our framework also encompasses the delivery of financial, people and risk management within the governance arrangements.

We use a 4-level Progress Indicator system to evaluate the year's performance broken down into Green (achieved), Amber Green (largely achieved), Amber Red (some achieved and cascaded to the next year) and Red (a little progress or not achieved and cascaded to the next year).

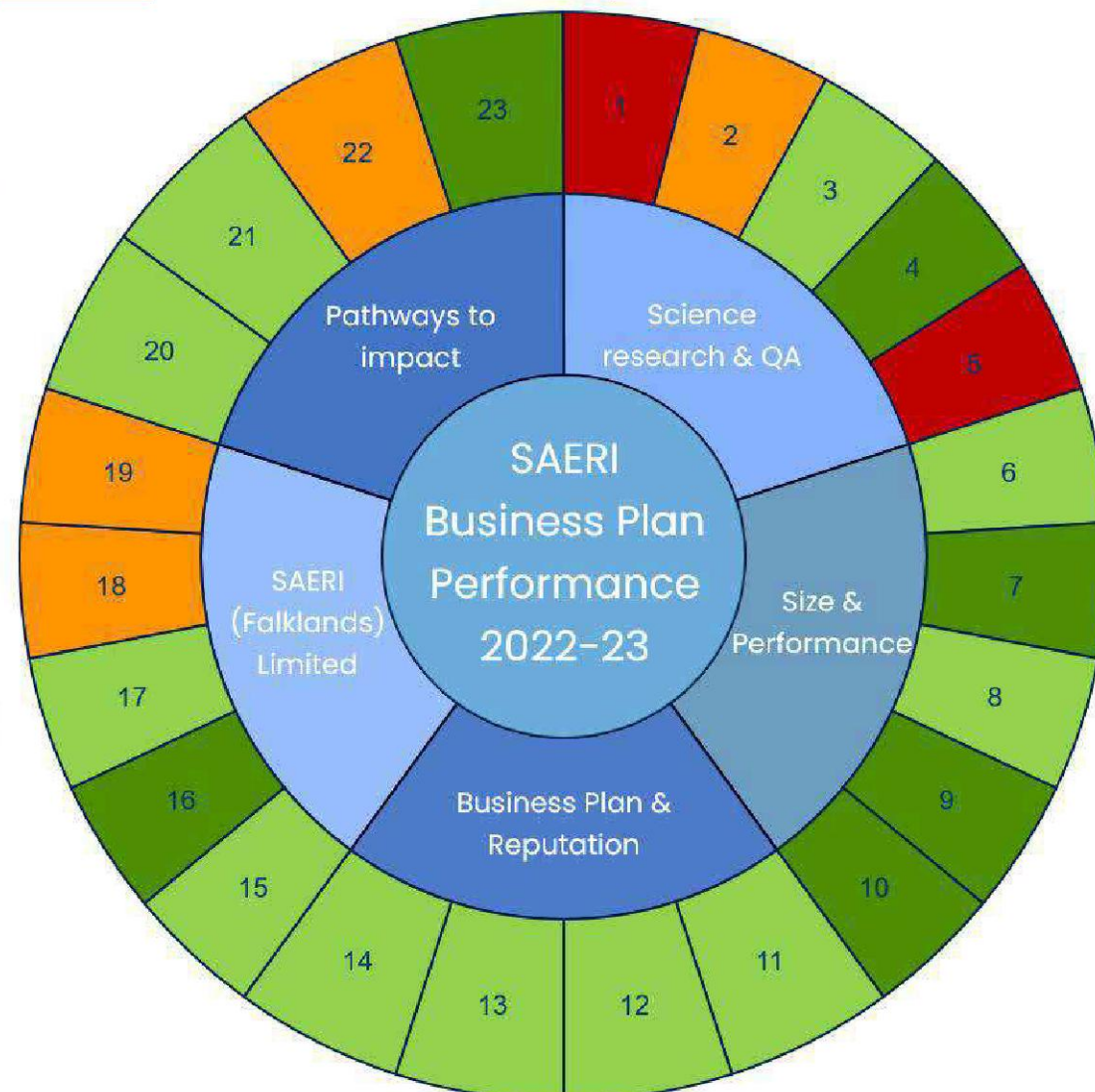
In a year of growth where we have achieved a >£400,000 increase in charity revenues, we are delighted to have fully achieved 11 of our 23 indicators, with a further 6 largely achieved. The areas requiring more support have become critical delivery factors for the coming financial year.

We report our progress to the Board on a quarterly basis.

### Performance Legend

Middle Circle SAERI's 5 Headline Categories of delivery  
Outer Circle 2022-23 achievements to Business Plan

Achieved  
Largely achieved - to run into 2023-24  
Partially achieved- cascaded to 2023-24  
Not achieved - Foundations laid for future delivery



## Performance Analysis

2022-23 Performance Indicator	Our Performance in more detail	PI
<b>Pathways to Impact</b>	<b>Key Highlights</b>	
Sucesses	SAERI website redesigned in-house, published and functioning	20
	Exceeded target of Peer reviewed papers submitted for publishing	20
	Exceeded target of new PhD students	21
	International Committee established and functioning	21
Cascaded to 2023-24	Donor diversification	23
	Ambassador and Fellows programme roll-out	23
	International portfolio and SFL business diversification	24/23
<b>Science Research &amp; QA</b>	<b>Key Highlights</b>	
Sucesses	Science Advisory Committee formed and functioning	2
	Data Centre strategy refresh and rebrand	3
	Grant application success rate exceeded target	3
	Strong presence in UKOTs	4
Cascaded to 2023-24	Plan, funding and implementation of Focal Areas	1
	Science Strategy rollout	2
	Strategic international base outside the Falkland Islands	5
<b>Size &amp; Performance</b>	<b>Key highlights</b>	
Sucesses	Solid financial management	8
	Unqualified Audit	8
	High Quality project management with minimum A+ review	8
	Annual staff policy review	8
	Support delivery through SFL with staff and other resources	8
	On track with increased revenues	6
Cascaded to 2023-24	Funding strategy	9
	Increased service contracts with government(s)	9
	Roll out of Focal Areas	6/7
	Strategic diversification of offering	9
	Continuous increase in core costs covered by SFL	10
<b>Business Plan &amp; Reputation</b>	<b>Key Highlights</b>	
Sucesses	Annual business planning cycle, measurement & reporting	11
	Minimum break-even budget annually	11
	High compliance at board level, any challenges successfully managed	12
	Roll out of Communications Plan	13
	In-house marketing material designed, including the Annual Report	14
Cascaded to 2023-24	Public Relations roll out	13/14
<b>SAERI (Falklands) Limited</b>	<b>Key Highlights</b>	
Sucesses	Increased donations and recharges to SAERI	15
	Use SAERI resources to maximise donations	16/17
	New website designed	19
	Finalisation of strategic plan	19
Cascaded to 2023-24	Expansion of Suite of Services	18/19

### Legend of Progress Indicators

Science research & QA	1 Established Focal Areas	SAERI (Falklands) Limited	15 Cover core costs at SAERI
	2 Strategic science and rigorous oversight		16 Bridge gap between science and application
	3 Cross cutting functions fully resourced		17 Specialist resource through SAERI
	4 Increased footprint across the territories		18 Local capacity building
	5 Increased collaboration through partnerships		19 Expanded suite of services
Size & Performance	6 £3,000,000 in group turnover	Pathways to impact	20 Renowned experts in environmental stewardship
	7 11 tenured and 30 project staff		21 Contribution to environmental knowledge
	8 Good governance, financial management, structure		22 Economic impact in the Falkland Islands
	9 Service provider of choice with key partners		23 Global reach
	10 Core costs covered by SFL		
Business Plan & Reputation	11 Annual business plan with SMART objectives		
	12 Exceptional board performance		
	13 Strong communication		
	14 Build and enhance reputation impact		



# REVIEW OF FINANCIAL PERFORMANCE



A curious Southern Sea Lion (*Otaria flavescens*)  
© Ewan Trégarot



## REVIEW OF FINANCIAL PERFORMANCE

This year we have outdone ourselves. Through a mixture of our pipeline coming to fruition and the strong relationships formed with our CEO, we have been fortunate to see a significant upturn in revenues in the charity, largely driven by a mixture of post-doctoral and postgraduate research projects both nationally and internationally. We continually put efforts into the diversification of our funding streams, with this year looking at North America, however, the UK Government and its Agencies remain principals in our funding portfolio. One of our priorities this year is to finalise a funding and donor strategy which will dovetail into the overarching strategic plan. The tables below detail our income analysis.

SAERI (Falklands) Limited's performance has normalised after 2021-22, yet continues to yield ever-increasing benefits for the charity, through its donations and recharges as you will see on the next page.

The recently-approved Reserves Policy now provides us with clear goals for our operating reserves. With our desire to have a minimum of 6 months' reserves in unrestricted funds, at the end of the financial year we were halfway to our minimum target. This remains work in progress and one of our key areas of focus into the future. We also keep a keen eye on the economic environment, and with challenges such as cost of living and increases in expenditures we successfully navigate those challenges to remain relevant and in a strong financial position.

Lastly, a reiteration of our gratitude to the continued support from the Falkland Islands Government, not only through the subvention process, but also their continued presence on our Board and their ongoing engagement and acknowledgement of SAERI and SFL and the contribution to the Falkland Islands that we offer.

**Teresa Bowers**  
Director of Resources



## INCOME ANALYSIS

Our principal funding comes from the United Kingdom Government through its Darwin Initiative and our funds for 2022-23 were split as follows:

INCOME SPLIT*	£
Falklands Companies	67,271
Falklands Government	48,307
UK Government	598,366
UK Other	272,057
International Government	39,419
International Other	21,703
	1,047,123

INCOME SPLIT PER REGION	£	
Falkland Islands Companies, Trusts	115,578	11%
UK	870,423	83%
RoW	61,122	6%

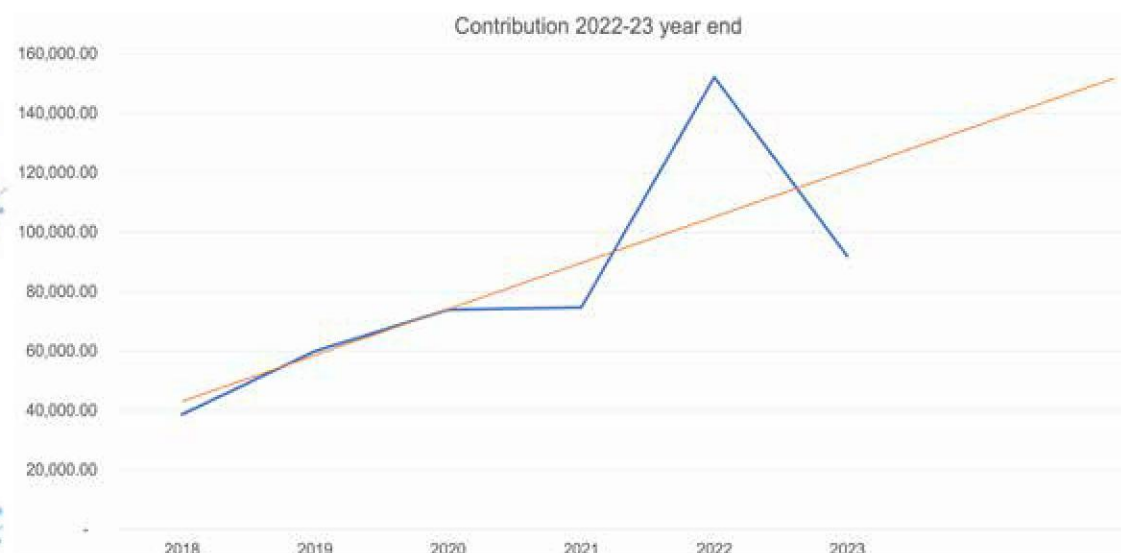
Donations	%	% Group Turnover
FIG	75%	7%
SAERI (Falklands) Limited	25%	

\*Does not include trading subsidiary income or donations

## SAERI (Falklands) Limited

SAERI (Falklands) Limited (SFL) is SAERI's wholly-owned trading arm, registered in the Falkland Islands, which provides environmental consultancy services to the Falkland Islands and beyond. Its relationship with SAERI is governed by an Operating Agreement. Any and all charges from SAERI through to SFL whether they be human or operational resource, are also governed by an internal Recharges Policy which provides clear and consistent guidelines for all transactions at arm's length.

SAERI's trading subsidiary continued on its steady trajectory after the 2021-22 bumper year. Contributions to the charity are composed of donations and recharges according to the policy. The 5-year strategy and business case for permanent resource in the company were initiated.



## ORGANISATIONAL RISK SUMMARY

SAERI holds an organisational risk register, which is updated annually with the Board of Trustees.

The key primary level risks to the long-term success of the organisation managed at Board level were:

		Unmitigated	Mitigated
Financial	Withdrawal or reduction of funds		
	Cancelled or forced reduction in subvention		
	Reduced donations from trading subsidiary		
	Qualified or failed audit		
People	Weakened leadership due to partner attrition		
Reputation	IT failure/misuse		
	Poor Partner performance		
Governance	Challenges from interested parties		

A key and current risk SAERI is facing after the pandemic is to attract new staff into the regions for new projects. We have sought to expand our catchment by investing in other avenues to advertise for staff, as well as redesigning our recruitment advertising. Specific difficulties involve the regions where we operate being far away from most English-speaking countries, as well as the challenges of offering a work-from-home flexibility being so far away. This has meant some delays in being able to start projects, however, this has also been mitigated by no-cost extensions in order to get the right candidates into the roles.

## Reserves policy

The Board of Trustees approved the reserves policy which has a minimum target of 6 months' operating expenditure and a desired target of 9 months' operating expenditure in reserves. The consolidated funds of the charity as at 30 June 2023 amounted to £518,483 (2022-£370,683), of which £310,405 (2022 - £218,668) were restricted and £208,078 (2022 - £152,015) were unrestricted.



## FUTURE PLANS

SAERI finds itself completing year three of its 5-year plan. Critical components for the coming year's focus include:

1. The finalisation, funding and successful recruitment of one Focal Area Lead, who will be responsible for developing the science behind that area and expanding the range of projects that fall within its remit. This will not only provide a broader base for SAERI's science delivery, but will look to provide potential tenure for an Early Career Scientist and enable creativity, breadth of implementation and science excellence emanating from the Falkland Islands.
2. Establishment of another branch in other jurisdictions. This will allow SAERI to expand its remit deeper into UK Overseas Territories and surrounding countries and territories and enable the island expertise we have developed over the past 10 years to be implemented throughout the world.
3. Finalise the SFL strategy to facilitate more consultancy which will translate into greater covering of SAERI core costs. The recruitment of a Senior Environmental Consultant as a full-time resource within SFL will further enable business development, services expansion and more global partnerships.

## GOING CONCERN STATEMENT

SAERI's budgeting policy is to provide the Board with a minimum break-even stand-alone budget. Where we anticipated a small shortfall, we ultimately exceeded this target.

The restructuring of the Darwin Initiative funds have enabled SAERI to apply to additional pots of funding thereby increasing the spread of UK Government funds throughout the projects. In addition, the agreement between the UK government and the EU to continue with access to the Horizon programme will potentially allow for greater funding into the near future either with stand-alone projects or in partnership consortia.

The Trustees believe that SAERI and SFL combined are going concerns on the following basis:

- » Principal funding sources are government-backed (Defra, Falkland Islands Government, South Georgia Government, EU)
- » 10 new projects will bring almost £600,000, with the majority in three years
- » An average of 3 Darwin Plus projects applied for annually
- » Darwin Locals can be applied for twice a year
- » Full-time resource in SFL to bring greater consultancy resulting in greater contributions to core costs
- » Funding strategy to bring diversification of income streams into both SAERI and SFL

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

SAERI is a Charitable Incorporated Organisation (CIO) and its governing document is its Constitution. In the 2022-23 financial year the Constitution was updated to incorporate changes to the retention and term of the Trustees.

SFL's governing document is its Articles of Association. The relationship between SAERI and SFL is governed by an Operating Agreement and recharges made at cost and according to the internal Recharges Policy.

### SAERI's operating structure

SAERI's Board is responsible for ensuring that it fulfils the aims and objectives as set out in its constitution. With a wholly-owned trading subsidiary, SAERI (Falklands) Limited (SFL), it also presides over the SFL governance to ensure it remains in line with the charity's objects.

The main roles of the Board are to:

- » Establish and monitor the SAERI 5-year strategy, and to ensure the SFL strategy remains in support of the charity
- » Approve SAERI's Annual Business Plan which sets the direction each year which sets out SAERI's delivery against the business plan
- » Review SAERI's performance and assurances on governance, internal control and risk management

At 30 June 2023, SAERI had 7 Trustees and one Board Member holding an Observer role from the Falkland Islands Government. Trustees are not remunerated but are reimbursed for reasonable expenses. Conflicts of interests are recorded and managed appropriately as and when they arise.

### Board Committees

The Board is the Audit and Remuneration Committees and SAERI follows a Delegation of Authority as approved by the Trustees.

Two further committees serve the organisation currently comprising Board Members:

1. Science Advisory Committee; and
2. International Advisory Committee.

Whilst currently the members of these committees are Board Members, external members may be appointed in future.

### Appointment and induction of trustees

Trustees serve for 3-year periods and may renew by mutual agreement. All Trustees are furnished with an Induction pack containing information on SAERI as well as the requisite information from the Charity Commission. Trustees are sought through advertising or through recommendation. These are approved at Board Meetings after the submission of a formal application and an informal discussion with the Chair of the Board.

### Evaluation of Board Performance

The Board conducts a bi-annual Board Effectiveness review. The next review is in 2023-2024 financial year.

### SFL

SFL is governed by its own Board of Directors and SAERI Trustees are represented by two Director positions. Directors are not remunerated but are reimbursed for reasonable expenses.

### Policy Statements

SAERI has a full suite of internal policies and procedures including Anti-Bribery and Corruption, Safeguarding, Whistleblowing and Public Interest Disclosure and in 2022-23 revised its Equal Opportunities Policy to be an Equality, Diversity and Inclusion Policy.

### Anti Slavery statement

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. We have a zero-tolerance approach to modern slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships and to developing, implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.



## Statement of Trustees' responsibilities

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).

Charity law requires the Trustees to prepare financial statements for each financial year. Under charity law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and the Group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Trustees are required to:

- » select suitable accounting policies and then apply them consistently;
- » observe the methods and principles in the Charities' SORP 2019 (FRS 102);
- » make judgements and accounting estimates that are reasonable and prudent; and
- » prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Charity and the Group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity and the Group's transactions; to disclose, with reasonable accuracy at any time, the financial position of the Charity and the Group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- » so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- » that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

This report was approved by the Trustees on 26 March 2024 and signed on their behalf by:



Peter Judge MBE  
Chairman

## REFERENCE AND ADMINISTRATIVE DETAILS

**Charity name**  
**South Atlantic Environmental Research  
Institute (SAERI)**

**Charity Registration Number**  
1173105 (England & Wales)

**Registered Office:**  
Falkland House, 14 Broadway  
London  
SW1H 0BH  
United Kingdom

**Administrative Office:**  
Stanley Cottage North, Ross Road  
Stanley  
FIQQ 1ZZ  
Falkland Islands

**Trustees**  
The Trustees listed below were Trustees for the whole year ending 30 June 2023 and at the date this report was approved unless stated otherwise:

Peter Judge MBE – Chair

Stuart Wallace – Vice-Chair  
(retired 30 June 2023)

Professor Richard Sanders

Professor Stuart Piertney

Dr. Teal Riley

Mrs Tracy Satherley

Dr. Paul Brickle  
(stepped down 07 December 2023)

Amanda Curry Brown – FIG Observer

**Executive leadership team**  
Dr. Paul Brickle  
Chief Executive Officer

Teresa Bowers  
Director of Resources

Tara Pelembe  
Director – International

**Science advisory committee**  
Professor Richard Sanders (Trustee)  
Professor Stuart Piertney (Trustee)  
Dr Teal Riley (Trustee)  
Dr Paul Brickle (CEO)  
Dr Alastair Baylis (Deputy Director of Science)

**International advisory committee**  
Peter Judge MBE (Trustee & Chair)  
Professor Richard Sanders (Trustee)  
Amanda Curry-Brown (FIG Observer)  
Tara Pelembe (Director – International)

**Solicitors**  
**Bates Wells LLP**  
10 Queen St Place  
London  
EC4R 1BE  
United Kingdom

**Falklands Legal**  
1 Barrack Street  
Stanley  
FIQQ 1ZZ  
Falkland Islands

**Bankers**  
**HSBC Bank Plc Limited**  
250-251 High Street  
Exeter  
EX4 3PZ  
United Kingdom

**Standard Chartered Bank**  
Stanley Branch  
Stanley  
FIQQ 1ZZ  
Falkland Islands

**Bank of St Helena**  
Jamestown  
St Helena Island

**Wise**  
56 Shoreditch High Street  
London  
E1 6JJ  
United Kingdom

**Auditors**  
PKF Francis Clark  
Centenary House, Peninsula Park  
Rydon Lane  
Exeter  
EX2 7XE  
United Kingdom



# AUDITED FINANCIAL STATEMENTS

## Independent Auditor's Report to the Trustees of South Atlantic Environmental Research Institute

### Opinion

We have audited the financial statements of South Atlantic Environmental Research Institute and its subsidiary (the 'Group') for the year ended 30 June 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Statement of Consolidated Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- » give a true and fair view of the state of the Group's and Charity's affairs as at 30 June 2023 and of its income and expenditure for the year then ended;
- » have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP); and
- » have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## Independent Auditor's Report to the Trustees of South Atlantic Environmental Research Institute - Continued

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

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- » adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- » the financial statements are not in agreement with the accounting records and returns; or
- » certain disclosures of trustees' remuneration specified by law are not made; or
- » we have not obtained all the information and explanations necessary for the purposes of our audit.

### Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 32, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

### Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit planning, we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the industry in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity.

As part of this, we reviewed the Charity's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity Legislation, health and safety regulations and The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

### Our responsibilities for the audit of the financial statements- Continued

We have audited the financial statements We discussed with management and trustees how the compliance with these laws and regulations in monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- » enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries, we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- » reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year, of which there were none.
- » discussed with the Health and Safety Officer if any incidents have been reported during the year under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR").
- » review of the group's GDPR policy and enquiries to the Data Protection Officer as to the occurrence and outcome of any reportable breaches.
- » reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- » reviewed Trustee minutes.

As part of our enquiries, we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none. We evaluated the risk of fraud through management override. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misapplication of grant funding.

In response to the identified risk, as part of our audit work we:

- » audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business of which there were none; and
- » reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material mis-statement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.



## Independent Auditor's Report to the Trustees of South Atlantic Environmental Research Institute - Continued

### Use of our Report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*PKF Francis Clark*

PKF FRANCIS CLARK, Chartered Accountants & Statutory Auditor  
Centenary House,  
Peninsula Park  
Rydon Lane,  
Exeter  
EX2 7XE

Date: 16 April 2024

***PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006***



Ribboned top shell (*Photinastoma taeniatum*)  
© Ameilia Mannering



## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2023

		UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS	TOTAL FUNDS
		2023	2023	2023	2022
NOTE		£	£	£	£
<b>INCOME FROM:</b>					
Donations and legacies	3	124,736	992,805	<b>1,117,541</b>	759,147
Other trading activities	5	214,877	-	<b>214,877</b>	511,983
Other income	6	21,423	40,722	<b>62,145</b>	64,018
<b>Total income</b>		<b>361,036</b>	<b>1,033,527</b>	<b>1,394,563</b>	<b>1,335,148</b>
<b>EXPENDITURE ON:</b>					
Raising funds	4	115,251	-	<b>115,251</b>	373,425
Charitable activities	7	309,001	822,511	<b>1,131,512</b>	960,277
<b>Total expenditure</b>		<b>424,252</b>	<b>822,511</b>	<b>1,246,763</b>	<b>1,333,702</b>
<b>Net income/(expenditure)</b>		<b>(63,216)</b>	<b>211,016</b>	<b>147,800</b>	<b>1,446</b>
Transfers between funds	21	119,279	(119,279)	-	-
<b>Net movement in funds</b>		<b>56,063</b>	<b>91,737</b>	<b>147,800</b>	<b>1,446</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		152,015	218,668	<b>370,683</b>	369,237
Net movement in funds		56,063	91,737	<b>147,800</b>	1,446
<b>Total funds carried forward</b>		<b>208,078</b>	<b>310,405</b>	<b>518,483</b>	<b>370,683</b>

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

The notes on pages 44 to 66 form part of these financial statements.

## CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2023

		2023	2022
	Note	£	£
<b>FIXED ASSETS</b>			
Intangible assets	14	<b>537</b>	537
Tangible assets	15	<b>167,684</b>	150,256
		<b>168,221</b>	150,793
<b>CURRENT ASSETS</b>			
Debtors	18	<b>100,832</b>	154,630
Cash at bank and in hand	25	<b>469,428</b>	309,334
		<b>570,260</b>	463,964
<b>Creditors : amounts falling due within one year</b>	19	<b>(219,998)</b>	(243,808)
<b>Net current assets</b>		<b>350,262</b>	220,156
<b>Total assets less current liabilities</b>		<b>518,483</b>	370,949
Provisions for liabilities	20	-	(266)
<b>Total net assets</b>		<b>518,483</b>	<b>370,683</b>
<b>CHARITY FUNDS</b>			
Restricted funds	21	<b>310,405</b>	218,668
Unrestricted funds	21	<b>208,078</b>	152,015
<b>Total Funds</b>		<b>518,483</b>	<b>370,683</b>

These financial statements were approved by the board of Trustees and authorised for issue on 26 March 2024 and are signed on behalf of the board by:

Peter Judge MBE  
Chairman

The notes on pages 44 to 66 form part of these financial statements.



## CHARITY BALANCE SHEET AS AT 30 JUNE 2023

		2023	2022
	Note	£	£
<b>FIXED ASSETS</b>			
Intangible assets	14	537	537
Tangible assets	15	162,150	138,704
Investments	16	1	1
		<b>162,688</b>	<b>139,242</b>
<b>CURRENT ASSETS</b>			
Debtors	18	48,432	138,105
Cash at bank and in hand		456,409	232,770
		<b>504,841</b>	<b>370,875</b>
<b>Creditors</b> : amounts falling due within one year	19	(183,217)	(176,928)
<b>Net current assets</b>		<b>321,624</b>	<b>193,947</b>
<b>Total assets less current liabilities</b>		<b>484,312</b>	<b>333,189</b>
<b>Total net assets</b>		<b>484,312</b>	<b>333,189</b>
<b>CHARITY FUNDS</b>			
Restricted funds	21	310,405	218,668
Unrestricted funds	21	173,907	114,521
<b>Total charity funds</b>		<b>484,312</b>	<b>333,189</b>

These financial statements were approved by the board of Trustees and authorised for issue on 26 March 2024 and are signed on behalf of the board by:



Peter Judge MBE  
Chairman

The notes on pages 44 to 66 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
	NOTE	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net Cash used in operating activities	24	228,002	107,702
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of tangible fixed assets		(67,908)	(61,084)
<b>Net Cash used in investing activities</b>		<b>(67,908)</b>	<b>(61,084)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>160,094</b>	<b>46,618</b>
Cash and cash equivalents at the beginning of the year		309,334	262,716
<b>Cash and Cash equivalents at the end of the year</b>	25, 26	<b>469,428</b>	<b>309,334</b>

The notes on pages 44 to 66 form part of these financial statements.

Sun halo © Amy Constantine





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1. General Information

South Atlantic Environmental Research Institute is a Charitable Incorporated Organisation, registered with the Charity Commission in England & Wales with a registered number 1173105 on 17 May 2017. Its registered office is Falkland House, 14 Broadway, Westminster, London, SW1H 0BH.

The financial statements are presented in Sterling which is the functional currency of the Group and are rounded to the nearest £.

### 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) (effective 1 January 2019), 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 financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. There are no material uncertainties in relation to going concern.

No separate SOFA has been presented for the Charity alone. The income and expenditure account for the year for the Parent Charity, South Atlantic Environmental Research Institute, was a surplus of £151,123 (2022: deficit of £794).

South Atlantic Environmental Research Institute 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 Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

#### 2.2 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.

Grant income in relation to projects is recognised when the Charity has entitlement, and the terms and conditions of the grant are met. The amount of grant income recognised in the Statement of Financial Activities reflects the approximate stage of completion of the individual projects based on budgeted costs. Income is accrued in line with budgets submitted to funders and deferred where funds are received in advance.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 2. Accounting Policies (continued)

#### 2.3 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

#### 2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

#### 2.5 Intangible assets and amortisation

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

#### 2.6 Tangible fixed assets and depreciation

All assets costing more than £200 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- Plant 10 years straight line, hi-tech equipment 3 years straight line
Motor vehicles	- 10% reducing balance
Office equipment	- 2 years straight line
Computer equipment	- Computer equipment 4 years straight line, lab/research equipment 10 years straight line

#### 2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated Statement of Financial Activities.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 2. Accounting Policies (Continued)

#### 2.7 Investments (continued)

Investments in subsidiaries are valued at cost less provision for impairment.

#### 2.8 Debtors

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

#### 2.9 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.

#### 2.10 Liabilities

Liabilities and provisions 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### 2.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

#### 2.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### 2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

#### 2.14 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.

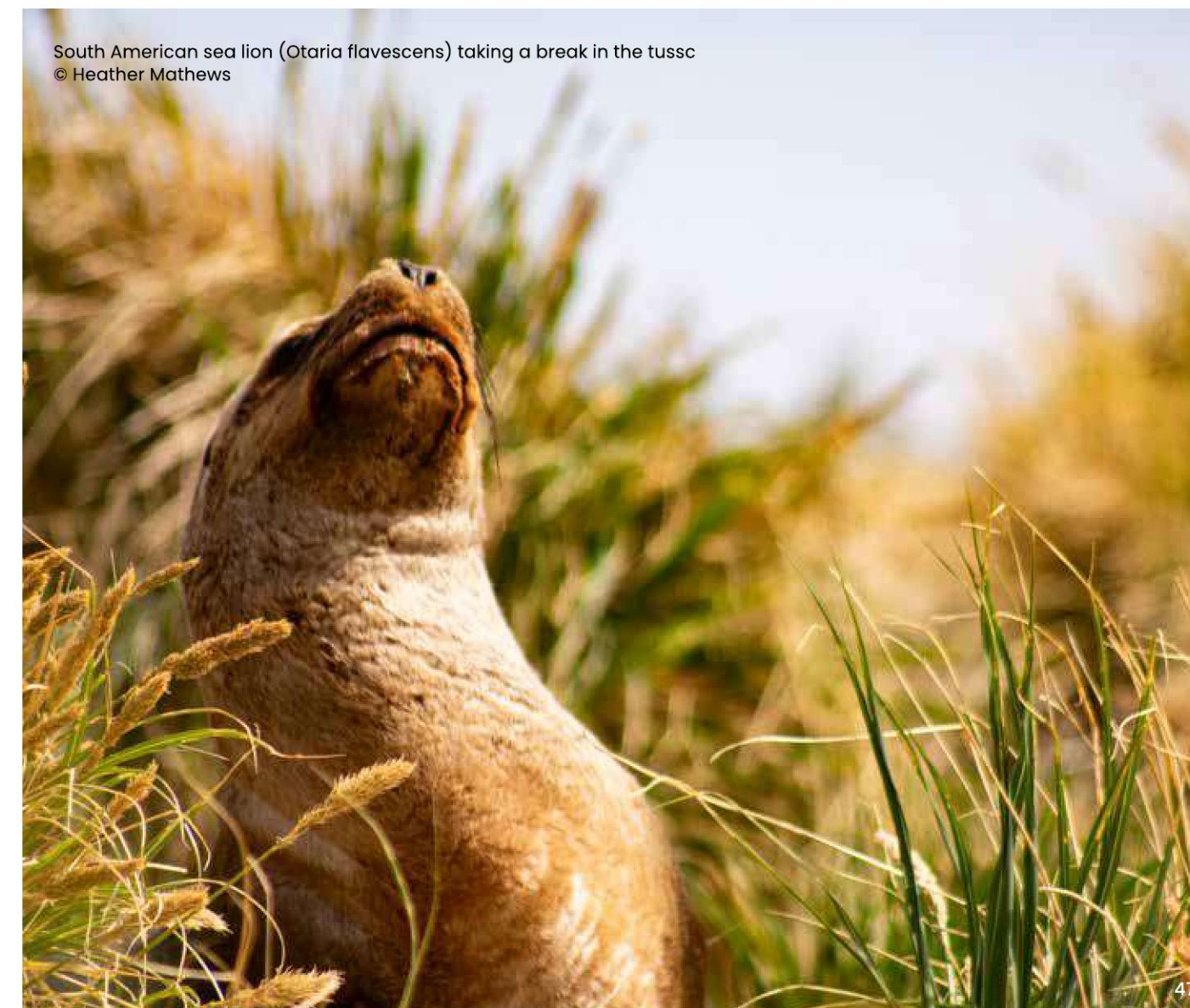
## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 3. Income from donations and legacies

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2023	2022
	£	£	£	£
Donations	90,000	-	90,000	102,971
Grants	34,736	992,805	1,027,541	656,176
<b>Totals 2023</b>	<b>124,736</b>	<b>992,805</b>	<b>1,117,541</b>	<b>759,147</b>

Included in the total income from donations and legacies of £1,117,541 (2022: £759,147) is £124,736 of unrestricted funds (2022: £131,204) and £992,805 of restricted funds (2022: £627,943).

South American sea lion (*Otaria flavescens*) taking a break in the tussock  
© Heather Mathews





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 4. Trading activities

	UNRESTRICTED FUNDS	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2022
	£	£	£
<b>Subsidiary trading income</b>			
SAERI (Falklands) Limited income	214,877	214,877	511,983
<b>Subsidiary trading expenses</b>			
Staff costs	3,043	3,043	45,635
Staff Training	926	926	907
Transport	-	-	29,184
Bank fees	456	456	555
Consulting	206	206	150
Direct Expenses	2,496	2,496	3,394
General Expenses	431	431	657
Travel and subsistence	(390)	(390)	34,185
Telephone and internet	(20)	(20)	155
Printing and stationery	50	50	-
IT software and consumables	18	18	40
Legal expenses	726	726	335
Subscriptions	833	833	508
Insurance	-	-	375
Corporation Tax	(266)	(266)	1,552
Accountancy	1,894	1,894	1,703
Specialist consultants	24,798	24,798	147,761
Project delivery cost	73,812	73,812	94,998
Currency loss/ (gain)	220	220	3,356
Depreciation of tangible fixed assets	6,018	6,018	7,975
	115,251	115,251	373,425
<b>Net Income from Trading activities for 2023</b>	<b>99,626</b>	<b>99,626</b>	<b>138,558</b>

Included in the total net income from trading activities of £99,626 (2022: £138,558) is £99,626 of unrestricted funds (2022: £138,558) and £nil of restricted funds (2022: £nil).

The 2022 statutory accounts and prior periods subsidiary trading expenses included recharged costs to the subsidiary of £89,818 which were not excluded on consolidation in the Group accounts. These have now been removed on consolidation above, and in Notes 6 and 9.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 5. Income from non-charitable trading activities

	UNRESTRICTED FUNDS	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2022
	£	£	£
Charity trading income - domestic	214,877	214,877	511,983
<b>Total 2023</b>	<b>214,877</b>	<b>214,877</b>	<b>511,983</b>

Included in the total income from non-charitable trading activities of £214,877 (2022: £511,983) is £214,877 of unrestricted funds (2022: £511,983) and £nil of restricted funds (2022: £nil).

### 6. Other income

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2023	2022
	£	£	£	£
Recharges	10,896	11,890	22,786	4,280
Other income	10,527	28,832	39,359	59,738
<b>Total 2023</b>	<b>21,423</b>	<b>40,722</b>	<b>62,145</b>	<b>64,018</b>

Included in the total other income resources of £62,145 (2022: £64,018) is £21,423 of unrestricted funds (2022: £40,692) and £40,722 of restricted funds (2022: £23,326).





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 7. Analysis of expenditure by activities

	ACTIVITIES UNDERTAKEN DIRECTLY	SUPPORT COSTS	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2023	2022
	£	£	£	£
<b>Total 2023</b>	<b>630,719</b>	<b>500,793</b>	<b>1,131,512</b>	960,277
Total 2022	525,812	434,465	960,277	

#### 7.1 Analysis of direct costs

	ACTIVITIES	TOTAL	TOTAL
	2023	2023	2022
	£	£	£
Staff Costs	192,379	<b>192,379</b>	214,262
Direct expenses	13,513	<b>13,513</b>	10,241
Project delivery costs	330,668	<b>330,668</b>	233,477
Specialist consultants	46,013	<b>46,013</b>	15,632
Travel and subsistence	2,947	<b>2,947</b>	32,781
IT costs	50	<b>50</b>	2,709
Medical insurance and staff costs	45,149	<b>45,149</b>	16,710
<b>Total 2023</b>	<b>630,719</b>	<b>630,719</b>	525,812
Total 2022	525,812	525,812	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 7.2 Analysis of support costs

	ACTIVITIES	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2022
	£	£	£
Staff costs	320,947	<b>320,947</b>	285,014
Depreciation	44,462	<b>44,462</b>	35,181
Advertising and marketing	2,590	<b>2,590</b>	3,535
Bank fees	931	<b>931</b>	856
Cleaning	2,831	<b>2,831</b>	2,528
Consulting	1,757	<b>1,757</b>	14,717
Entertainment	236	<b>236</b>	13
General expenses	4,611	<b>4,611</b>	3,662
Insurance	35,246	<b>35,246</b>	33,554
IT costs	1,419	<b>1,419</b>	3,248
Other staff costs	4,425	<b>4,425</b>	4,334
Motor vehicle expenses	4,439	<b>4,439</b>	982
Postage, freight and courier	76	<b>76</b>	17
Printing and stationery	727	<b>727</b>	616
Realised currency (gain)/ loss	3,279	<b>3,279</b>	1,722
Rent	8,000	<b>8,000</b>	-
Repairs	6,586	<b>6,586</b>	2,987
Staff training	-	-	120
Subscriptions	7,078	<b>7,078</b>	6,684
Telephone and internet	7,545	<b>7,545</b>	7,639
Travel	13,438	<b>13,438</b>	5,323
Utilities	10,873	<b>10,873</b>	4,201
Asset disposals	-	-	834
Governance costs (see note 8)	19,297	<b>19,297</b>	16,698
<b>Total 2023</b>	<b>500,793</b>	<b>500,793</b>	434,465
Total 2022	434,465	434,465	



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 8. Governance costs

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS	TOTAL FUNDS
	2023	2023	2023	2022
	£	£	£	£
Auditors' remuneration	12,010	-	12,010	10,260
Auditors' non audit costs	5,740	-	5,740	6,178
Board expenses	1,547	-	1,547	260
<b>Total 2023</b>	<b>19,297</b>	<b>-</b>	<b>19,297</b>	<b>16,698</b>

Included in the total governance costs of £19,297 (2022: £16,698) is £19,297 of unrestricted funds (2022: £13,198) and £nil of restricted funds (2022: £3,500).

Board expenses consist of the cost of travel and subsistence for Trustees including accommodation for Trustee meetings.

### 9. Analysis of expenditure by expenditure type

	STAFF COSTS	DEPRECIATION COSTS	OTHER COSTS	TOTAL	TOTAL
	2023	2023	2023	2023	2022
	£	£	£	£	£
<b>Cost of raising funds</b>					
Expenditure on fundraising trading	3,043	6,018	106,190	115,251	373,425
<b>Total 2023</b>	<b>3,043</b>	<b>6,018</b>	<b>106,190</b>	<b>115,251</b>	<b>373,425</b>
<b>Total 2022</b>	<b>-</b>	<b>7,975</b>	<b>455,268</b>	<b>463,243</b>	
<b>Charitable activities</b>					
Direct costs	513,326	44,462	554,427	1,112,215	940,579
Expenditure on governance	-	-	19,297	19,297	19,698
<b>Total 2023</b>	<b>513,326</b>	<b>44,462</b>	<b>573,724</b>	<b>1,131,512</b>	<b>960,277</b>
<b>Total 2022</b>	<b>544,912</b>	<b>35,181</b>	<b>380,184</b>	<b>960,277</b>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 10. Net income/ (expenditure)

This is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets: - owned by the charitable group	50,480	43,155
Auditor's remuneration - audit	12,010	10,260
	<b>62,490</b>	<b>53,415</b>

### 11. Auditors remuneration

The auditor's remuneration amounts to an auditor fee of £12,010 (2022: £10,260), and other accounting, payroll, and VAT services including preparation of statutory accounts of £2,290 (2022: £6,201).

Gentoo penguins (*Pygoscelis papua*) preening on Yorke Bay, Falkland Islands © Jack Ingledew-Gale





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 12. Staff costs

	GROUP	GROUP	CHARITY	CHARITY
	2023	2022	2023	2022
	£	£	£	£
Wages and salaries	481,510	508,331	478,488	462,940
Social security costs	17,564	12,705	17,574	12,705
Contribution to defined contribution pension schemes	17,295	23,876	17,295	23,632
	516,369	544,912	513,326	499,277

The average number of persons employed by the Charity during the year was as follows:

	GROUP	GROUP
	2023	2022
Employees	12	14

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	GROUP	GROUP
	2023	2022
In the band £60,001- £70,000	1	1

The Board considers that the Trustees, the Chief Executive Officer, the Director of Resources, the Director – International, and the Deputy Director – Science, are the key management personnel of the charity. During the year, the total remuneration of key management personnel, including employers' pension contributions, amounted to £241,885 (2022: £225,511).

No Trustees were paid for their role as a Trustee. However, Paul Brickle, a Trustee, is remunerated in his capacity as Chief Executive Director (note 28).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 13. Trustees' remuneration and expenses

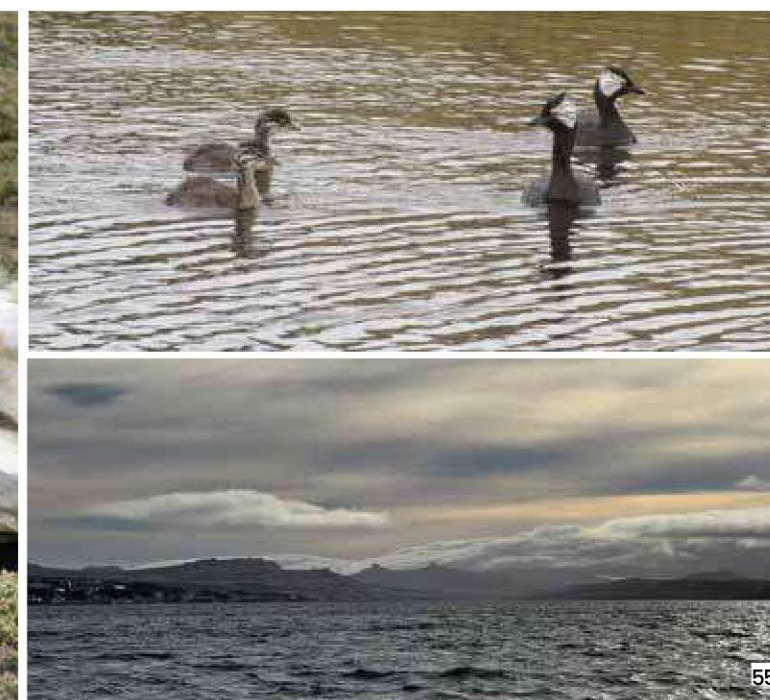
During the year, no Trustees received any remuneration or other benefits in their capacity as Trustees (2022: £nil).

Please refer to note 8 for Board meeting expenditure.

### 14. Intangible assets

#### Group and Charity

	PATENTS
	£
Cost	
At 1 July 2022	537
<b>At 30 June 2023</b>	<b>537</b>
Net book Value	
At 1 July 2022	537
<b>At 30 June 2023</b>	<b>537</b>



Images right:  
Left: Patagonian Fox on Weddell Island,  
Top right : The white-tufted grebe (*Rollandia rolland*) family  
Bottom Right: Fog rolling in over the mountains in Stanley  
© Stephanie Carter, SAERI



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 15. Tangible fixed assets

#### Group

	PLANT & MACHINERY	MOTOR VEHICLES	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	TOTAL
	£	£	£	£	£
<b>Cost or valuation</b>					
As at 1 July 2022	100,782	32,500	3,349	154,597	291,228
Additions	61,815	-	-	6,093	67,908
Disposals	-	-	-	(2,528)	(2,528)
At 30 June 2023	162,597	32,500	3,349	158,162	356,608
<b>Depreciation</b>					
At 1 July 2022	77,500	7,880	3,075	52,517	140,972
Charge for the year	28,975	2,463	274	18,768	50,480
On Disposals	-	-	-	(2,528)	(2,528)
At 30 June 2023	106,475	10,343	3,349	68,757	188,924
<b>Net book Value</b>					
<b>At 30 June 2023</b>	<b>56,122</b>	<b>22,157</b>	<b>-</b>	<b>89,405</b>	<b>167,684</b>
At 30 June 2022	23,282	24,620	274	102,080	150,256

#### Charity

	PLANT & MACHINERY	MOTOR VEHICLES	OFFICE EQUIPMENT	COMPUTER EQUIPMENT	TOTAL
	£	£	£	£	£
<b>Cost or valuation</b>					
As at 1 July 2022	75,782	32,500	3,349	142,998	254,629
Additions	61,815	-	-	6,093	67,908
Disposals	-	-	-	(2,528)	(2,528)
At 30 June 2023	137,597	32,500	3,349	146,563	320,009
<b>Depreciation</b>					
At 1 July 2022	58,411	7,880	3,075	46,559	115,925
Charge for the year	25,856	2,463	274	15,869	44,462
On Disposals	-	-	-	(2,528)	(2,528)
At 30 June 2023	84,267	10,343	3,349	59,900	157,859
<b>Net book Value</b>					
<b>At 30 June 2023</b>	<b>53,330</b>	<b>22,157</b>	<b>-</b>	<b>86,663</b>	<b>162,150</b>
At 30 June 2022	17,371	24,620	274	96,439	138,704

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 16. Fixed asset investments

	INVESTMENTS IN SUBSIDIARY COMPANIES
	£
<b>Charity</b>	
<b>Cost or Valuation</b>	
At 1 July 2022	1
<b>At 30 June 2023</b>	<b>1</b>

### 17. Principle subsidiaries

NAME	REGISTERED OFFICE	PRINCIPLE ACTIVITY	CLASS OF SHARES	HOLDING
SAERI (Falklands) Limited	PO Box 609, Stanley Cottage North Ross Road Falkland Islands Stanley FIQQ 1ZZ	Environmental and consultancy and support	Ordinary	100%

The financial results of the subsidiary for the year were:

	INCOME	EXPENDITURE	DEFICIT	NET ASSETS
Name	£	£	£	£
<b>SAERI (Falklands) Limited 2023</b>	<b>214,877</b>	<b>218,200</b>	<b>(3,323)</b>	<b>34,171</b>
SAERI (Falklands) Limited 2022	511,983	509,741	2,242	34,949



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 18. Debtors

	GROUP	GROUP	CHARITY	CHARITY
	2023	2022	2023	2022
	£	£	£	£
Due within one year				
Trade debtors	55,103	108,263	20,536	108,038
Other debtors	-	128	-	127
Prepayments and accrued income	45,729	46,239	27,896	29,940
	100,832	154,630	48,432	138,105

### 19. Creditors: Amounts falling due within one year

	GROUP	GROUP	CHARITY	CHARITY
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	45,882	124,177	21,881	115,873
Corporation tax	-	993	-	-
Other taxation and social security	-	1,621	-	1,621
Amounts owed to subsidiaries	-	-	4,344	-
Other creditors	13,249	2,639	9,329	2,639
Accruals and deferred income	160,867	114,378	147,663	56,795
	219,998	243,808	183,217	176,928

	GROUP	GROUP	CHARITY	CHARITY
	2023	2022	2023	2022
Deferred income at 1 July 2022	54,375	109,358	19,848	15,000
Movement in the year	55,674	(54,983)	92,512	4,848
	110,049	54,375	107,512	19,848

Deferred income comprises monies received in advance for projects where the costs have not yet been incurred.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 20. Deferred taxation

The deferred tax liability is made up as follows:

#### Group

	2023	2022
	£	£
Opening balance	266	501
Movement in year	(266)	(235)
Closing balance	-	266

#### Charity

	2023	2022
	£	£
Accelerated capital allowances	-	(266)
Closing balance	-	(266)

View from above: over looking central Stanley  
© Jack Ingledew-Gale, SAERI





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 21. Statement of funds

#### Statement of funds – current year

	BALANCE AT 1 JULY 2022	INCOME	EXPENDITURE	TRANSFERS IN/(OUT)	BALANCE AT 30 JUNE 2023
Unrestricted funds	£	£	£	£	£
General Funds	114,521	146,159	(206,052)	119,279	<b>173,907</b>
SAERI (Falklands) Limited	37,494	214,877	(218,200)	-	<b>34,171</b>
	<b>152,015</b>	<b>361,036</b>	<b>(424,252)</b>	<b>119,279</b>	<b>208,078</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

#### Statement of funds – current year – continued

	BALANCE AT 1 JULY 2022	INCOME	EXPENDITURE	TRANSFERS IN/(OUT)	BALANCE AT 30 JUNE 2023
Restricted funds	£	£	£	£	£
VME Post-Doc	40,374	-	(22,851)	(17,523)	-
GAP	9,124	-	(4,800)	(4,324)	-
MSP	4,284	6,800	(8,991)	(503)	<b>1,590</b>
Coastal Mapping	2,166	-	-	-	<b>2,166</b>
Fur Seals Tracking	12,148	5,740	(14,171)	(3,717)	-
TCI	730	-	-	(730)	-
SELINA	-	7,387	(2,043)	(5,344)	-
Illex	-	17,796	(5,918)	-	<b>11,878</b>
Paul Angell	5,912	15,963	(16,351)	(5,524)	-
Ellerman	1,711	55,336	(47,924)	-	<b>9,123</b>
Ellerman Core	-	51,500	(10)	(5,160)	<b>46,330</b>
D+144 Durham	6,175	21,958	(18,806)	503	<b>9,830</b>
GSGSSI Invasives	-	5,808	(5,562)	-	<b>246</b>
GSGSSI Climate Change	-	-	(347)	-	<b>(347)</b>
D+153 TCI Marine Management	16,855	138,138	(146,857)	124	<b>8,260</b>
D+148 CC Fisheries FI	69,769	131,282	(149,607)	(11)	<b>51,433</b>
D+139 Falkland Higher Predators	10,966	38,180	(33,102)	(3,036)	<b>13,008</b>
D+149 GSGSSI Winter Krill	-	7,260	(6,050)	(1,210)	-
D+167	-	6,501	(2,000)	(4,501)	-
D+168 Seal Bycatch	(12,569)	232,369	(136,752)	(548)	<b>82,500</b>
NNF Blue Action Fund NIMPA	-	6,410	(6,948)	538	-
OOH Strathclyde	17,900	106,969	(97,691)	1,624	<b>28,802</b>
Gas Flux DEFRA_FC	-	27,544	(10,639)	(5)	<b>16,900</b>
D+ Wetlands	29,981	27,534	(410)	(57,105)	-
Data Centre miscellaneous	-	-	(149)	149	-
D+ Local GIS	-	-	(137)	(149)	<b>(286)</b>
Carbon Neutral Fishing Patrick Davy Civic Fund	-	11,875	(18,247)	(4)	<b>(6,376)</b>
PhD Students	3,142	74,902	(58,199)	1,801	<b>21,646</b>
JNCC Misc	-	15,000	(4,000)	(11,000)	-
JNCC EMODnet	-	19,275	(3,949)	(1,624)	<b>13,702</b>
Other	-	2,000	-	(2,000)	-
	<b>218,668</b>	<b>1,033,527</b>	<b>(822,511)</b>	<b>(119,279)</b>	<b>310,405</b>
<b>Total of Funds</b>	<b>370,683</b>	<b>1,394,563</b>	<b>(1,246,763)</b>	<b>-</b>	<b>518,483</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 21. Statement of funds – continued

#### Statement of funds – prior year

	BALANCE AT 1 JULY 2021	INCOME	EXPENDITURE	TRANSFERS IN/(OUT)	BALANCE AT 30 JUNE 2022
	£	£	£	£	£
<b>Unrestricted funds</b>					
General Funds	110,966	171,896	(217,200)	48,859	<b>114,521</b>
SAERI (Falklands) Limited	35,252	511,983	(509,741)	-	<b>37,494</b>
	<b>146,218</b>	<b>683,879</b>	<b>(726,941)</b>	<b>48,859</b>	<b>152,015</b>
<b>Restricted funds</b>					
VME Post-Doc	25,482	62,815	(48,706)	783	<b>40,374</b>
GAP	20,808	-	(11,684)	-	<b>9,124</b>
MSP	1,170	6,800	(3,686)	-	<b>4,284</b>
Coastal Mapping	2,166	-	-	-	<b>2,166</b>
Fur Seals Tracking	17,283	-	(19,949)	14,814	<b>12,148</b>
TCI	14,128	42,045	(29,003)	(26,440)	<b>730</b>
Move	6	-	(18)	12	<b>-</b>
Paul Angell	-	14,802	(5,286)	(3,604)	<b>5,912</b>
Ellerman	26,599	11,084	(44,825)	8,853	<b>1,711</b>
D+144 Durham	-	21,990	(6,749)	(9,066)	<b>6,175</b>
GSGSSI Invasives	13,421	11,475	(21,623)	(3,273)	<b>-</b>
D+153 TCI Marine management	-	128,819	(112,177)	213	<b>16,855</b>
D+148 CC Fisheries FI	-	137,183	(67,431)	17	<b>69,769</b>
D+139 Falkland Higher Predators	-	56,253	(34,076)	(11,211)	<b>10,966</b>
D+149 GSGSSI Winter Krill	-	5,040	(4,200)	(840)	<b>-</b>
D+168 Seal Bycatch	-	-	(12,569)	-	<b>(12,569)</b>
OOH Strathclyde	-	79,755	(61,855)	-	<b>17,900</b>
D+ Wetlands	59,189	61,445	(87,653)	(3,000)	<b>29,981</b>
PhD Students	7,775	11,763	(15,490)	(906)	<b>3,142</b>
Consolidated other funds	34,992	-	(19,781)	(15,211)	<b>-</b>
	<b>223,019</b>	<b>651,269</b>	<b>(606,761)</b>	<b>(48,859)</b>	<b>218,668</b>
<b>Total of Funds</b>	<b>369,237</b>	<b>1,335,148</b>	<b>(1,333,702)</b>	<b>-</b>	<b>370,683</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

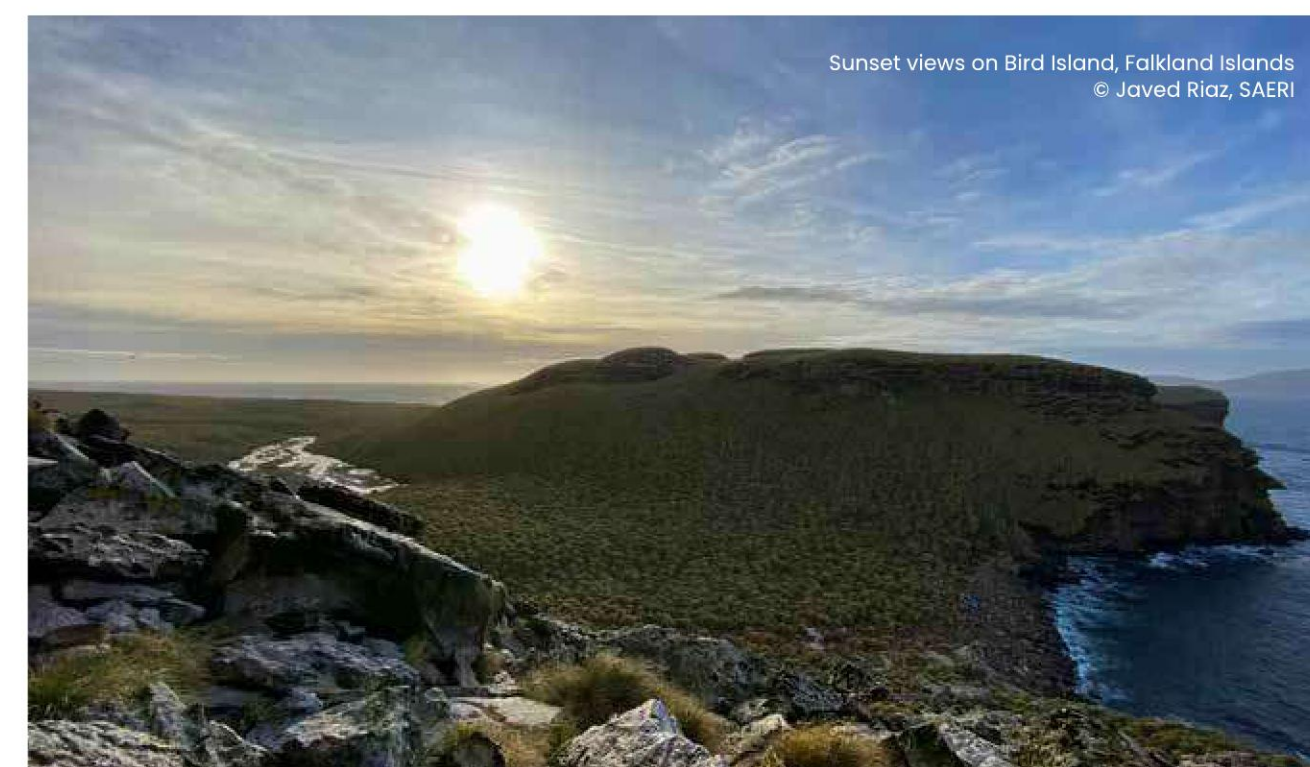
### 22. Summary of Funds

#### Summary of funds – current year

	BALANCE AT 1 JULY 2022	INCOME	EXPENDITURE	TRANSFERS IN/(OUT)	BALANCE AT 30 JUNE 2023
	£	£	£	£	£
General Funds	152,015	361,036	(424,252)	119,279	<b>208,078</b>
Restricted funds	218,668	1,033,527	(822,511)	(119,279)	<b>310,405</b>
	<b>370,683</b>	<b>1,394,563</b>	<b>(1,246,763)</b>	<b>-</b>	<b>518,483</b>

#### Summary of funds – prior year

	BALANCE AT 1 JULY 2021	INCOME	EXPENDITURE	TRANSFERS IN/(OUT)	BALANCE AT 30 JUNE 2022
	£	£	£	£	£
General Funds	146,218	773,697	(816,759)	48,859	152,015
Restricted funds	223,019	651,269	(606,761)	(48,859)	218,668
	<b>369,237</b>	<b>1,424,966</b>	<b>(1,423,520)</b>	<b>-</b>	<b>370,683</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 23. Analysis of net assets between funds

#### Analysis of net assets between funds – current year

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS
	2023	2023	2023
	£	£	£
Tangible fixed assets	91,720	75,964	167,684
Intangible fixed assets	537	-	537
Current assets	199,215	371,045	570,260
Creditors due within one year	(83,394)	(136,604)	(219,998)
Provisions for liabilities and charges	-	-	-
<b>Total 2023</b>	<b>208,078</b>	<b>310,405</b>	<b>518,483</b>

#### Analysis of net assets between funds – prior year

	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL FUNDS
	2022	2022	2022
	£	£	£
Tangible fixed assets	11,552	138,704	150,256
Intangible fixed assets	537	-	537
Current assets	207,072	256,892	463,964
Creditors due within one year	(66,880)	(176,928)	(243,808)
Provisions for liabilities and charges	(266)	-	(266)
<b>Total 2022</b>	<b>152,015</b>	<b>218,668</b>	<b>370,683</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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

	GROUP 2023	GROUP 2022
	£	£
Net income for the year (as per Statement of Financial Activities)	<b>147,800</b>	1,446
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>50,480</b>	43,155
Loss on disposal of fixed assets	-	834
Decrease/(increase) in debtors	<b>53,798</b>	13,672
Increase/(decrease) in creditors	<b>(23,810)</b>	48,830
(Decrease)/increase in provisions (deferred tax)	<b>(266)</b>	(235)
<b>Net cash provided by operating activities</b>	<b>228,002</b>	107,702

### 25. Analysis of cash and cash equivalents

	GROUP 2023	GROUP 2022
	£	£
Cash in hand	<b>469,428</b>	309,334
<b>Total cash and cash equivalents</b>	<b>469,428</b>	309,334

### 26. Analysis of changes in net debt

	AT 1 JULY 2022	CASH FLOWS	AT 30 JUNE 2023
	£	£	£
Cash at bank in hand	309,334	160,094	<b>469,428</b>
	309,334	160,094	<b>469,428</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

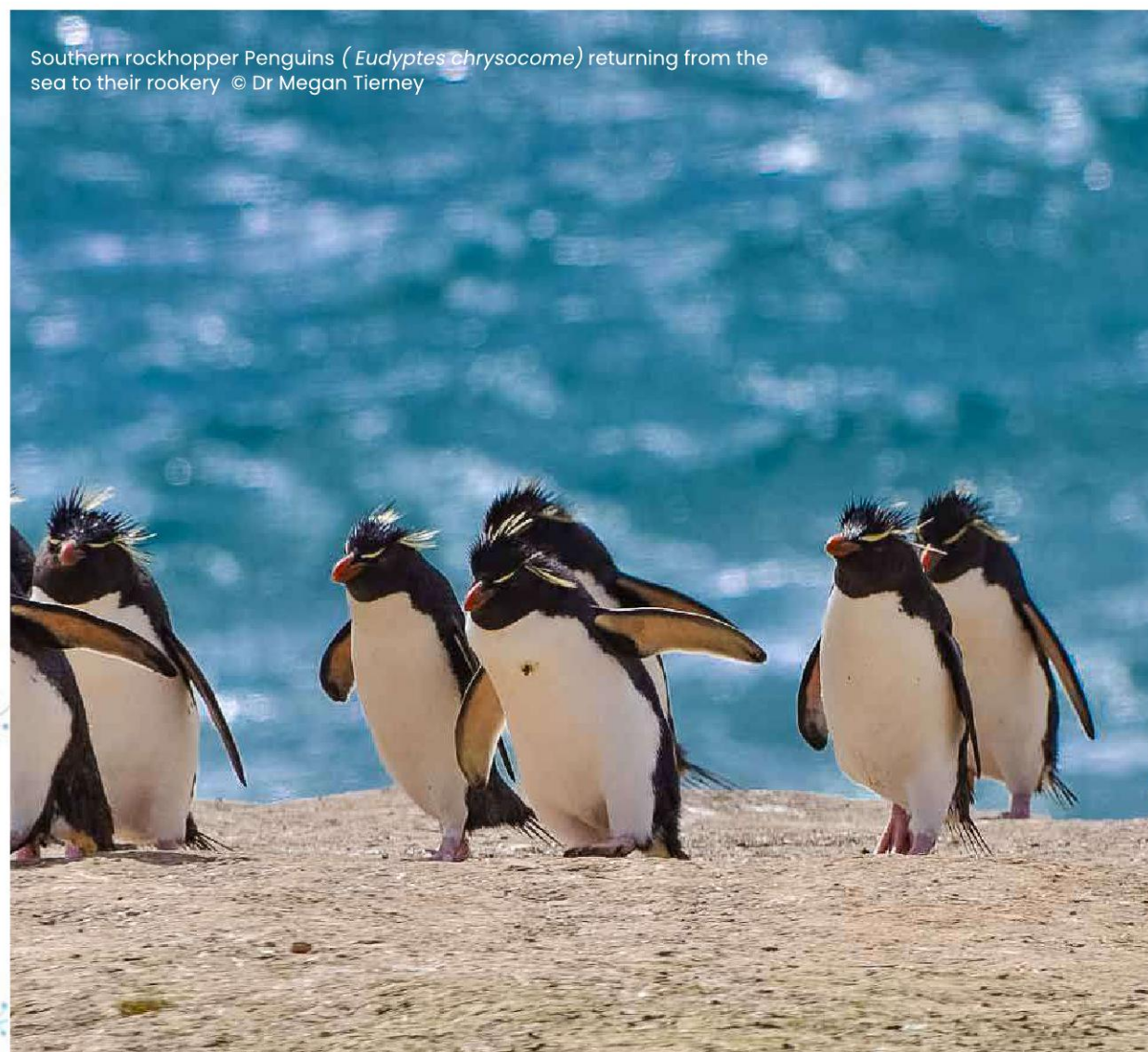
### 27. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £21,091 (2022: £23,876). Contributions totalling £781 (2022: £718) were payable to the fund at the balance sheet date and are included in creditors.

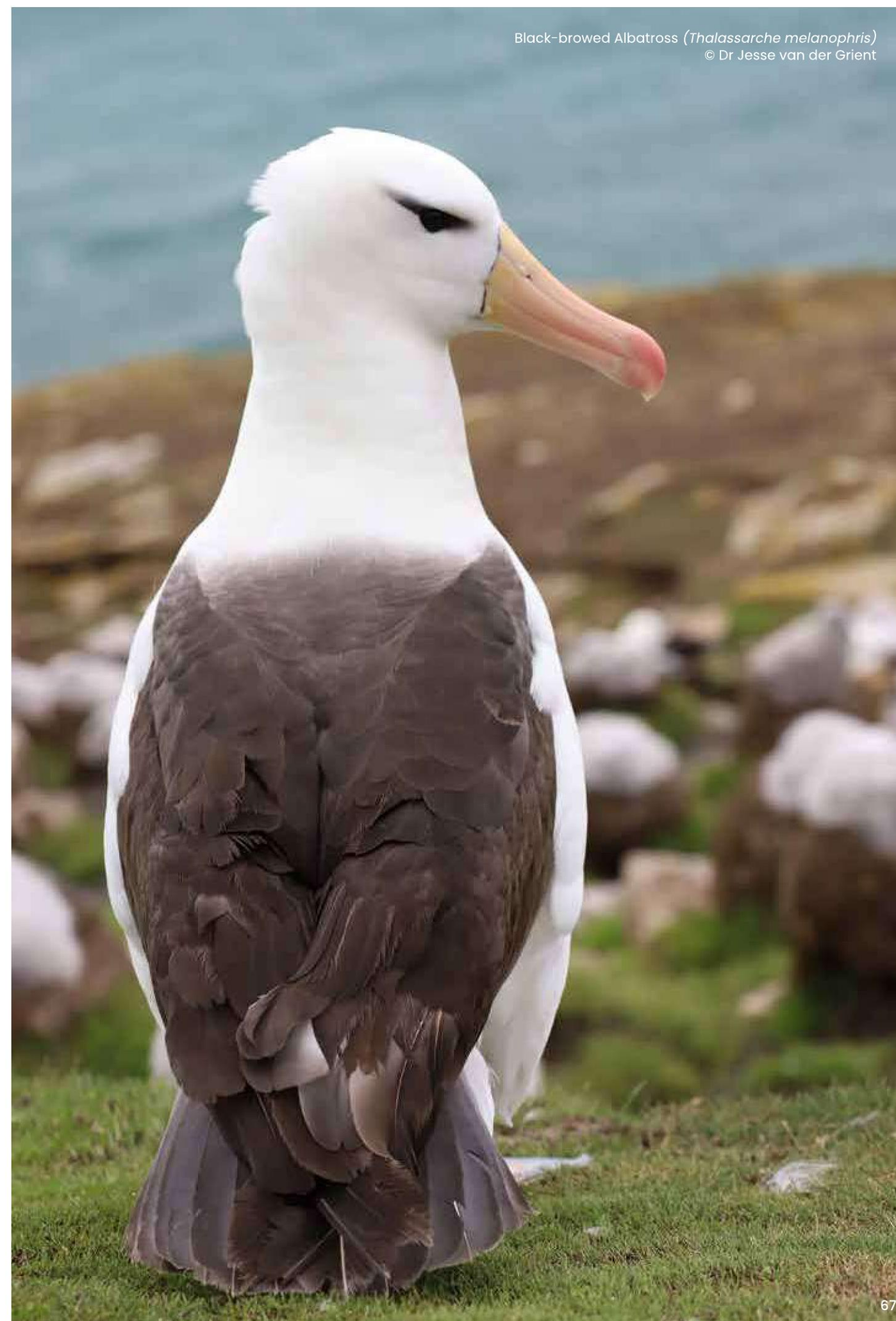
### 28. Related party transactions

During the year, Trustee Dr Paul Brickle was paid £66,009 (2022: £62,601) for his role as Chief Executive Officer and not as a Trustee.

Southern rockhopper Penguins (*Eudyptes chrysocome*) returning from the sea to their rookery © Dr Megan Tierney



Black-browed Albatross (*Thalassarche melanophris*)  
© Dr Jesse van der Grient





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