

Charity number: 1189626

BE THE EARTH FOUNDATION

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

BAGINSKY COHEN

CHARTERED ACCOUNTANTS

BE THE EARTH FOUNDATION

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BE THE EARTH FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

S TABATZNIK, Chair (appointed 16 May 2019)

R STRENGEROWSKI (appointed 16 May 2019)

A MYERS (appointed 5 October 2020)

Charity registered number

1189626

Principal address

7 CAVENDISH SQUARE
LONDON
W1G 0PE

Accountants

BAGINSKY COHEN
CHARTERED ACCOUNTANTS
930 HIGH ROAD
LONDON
N12 9RT

Website

www.betheearth.foundation

BE THE EARTH FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the financial statements of Be The Earth Foundation for the year 1 January 2020 to 31 December 2020.

OBJECTIVES AND ACTIVITIES

Overview

Be The Earth (BTE) is a UK based foundation that combines impact investing and philanthropy for a world that nurtures all beings. BTE provides funding and opportunities for people, programmes and places that are creating resilient solutions for our regenerative future. BTE is focused on earth protection, regenerative agriculture and wellbeing, with **food systems** as a central theme holding it all together.

BTE supports initiatives that promote a mindset of collaboration and abundance, and fight against the exploitation that is driving ecological collapse. Working with a system of trust-based relationships that move away from bureaucratic philanthropy models, BTE focuses on strengthening relationships of co-responsibility and interdependence. Our goal is to create and connect a synergistic ecosystem of relationships focused on protecting and restoring local, regenerative food systems that perceive the healing of our human health and our planet's health as one.

We work in unison with our subsidiary Be The Earth Investments Limited which is a social enterprise that provides flexible funding and investment to Impact focused businesses. Using a circular financing model, all profits are reinvested, allocated to philanthropic partnerships or to leveraging non-financial resources of our network of key collaborators: farmers, activists, women, entrepreneurs, indigenous people and funders.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.



Strategies for achieving objectives

Be the Earth Foundation works with an emergent strategy under a systemic change approach. That means we are responsive to the unpredictability of life while at the same time, continue to be oriented by the clear intention to accelerate regenerative and local ecosystems that nurture all beings.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

All of BTE's actions are based on the premise of **creating opportunities for collaboration** that promote shared benefits to all involved, from an ecosystem perspective. Our focus is to connect relevant stakeholders that have a shared vision of a regenerative future and further their collaboration, their motivation and their capacity to ignite positive change.

Our strategy during the year of 2020 was based on three pillars: Our principles, Who we work with and How we do it.

Our Principles

The starting point of our strategy is the conceptual understanding of the food and living systems we believe in advancing. To understand this system we are a part of, we use a set of principles. We have mapped out themes, which we believe from our experience, create the backbone for a resilient food system. They are:

Ancient Knowledge: the recognition and honouring of ancestral wisdom as guidance for modern practices. Indigenous people, spiritual guides, xamans, elders and women are examples of groups that hold ancient knowledge and are keepers of forms of living in harmony with earth.

Community Building: the acknowledgment of interdependence and the important role of the collective in human development. Agroecology is an example of an agricultural approach that values the role of communitarian life.

Regenerative Practices: the gradual adoption of practices that point to a culture of non violence and permanence, with unconditional willingness to abandon exploitative practices. Localisation, permaculture, agroforestry, biomimicry are examples of regenerative practices in the food sector.

Alternative Economies: an awareness that there are alternatives to the current economic system that is not valuing and sustaining all life. Care economy, ecology economy, gift economy, localisation are examples of different pathways to our current challenges.

Diversity: the understanding that, according to the laws of nature that we are a part of, resilient systems are made from combinations of different, diverse, plural elements that work in synergistic relation with life itself. Either humans, other-than-humans, ideas, approaches, natural resources: life thrives on diversity.

Who we work with

The second pillar of our strategy is a constantly improving set of criteria for decision making regarding the initiatives, groups, organisations, individuals or projects we support. Informed by the key themes that circle our system, we choose to prioritise those who:

- Have synergies with our broader ecosystem
- Have inspiring people dedicating their time and knowledge
- Are Women- led
- Are Indigenous - led
- Are Underfunded
- Are open to collaboration
- Have potential of becoming self-sustainable

How we do it

In order to manifest our principles into action and create partnerships with aligned stakeholders that advance our goal as a foundation, BTE has created the PPPP framework, which stands for People, Places, Programmes, and Pollination. As follows:

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020



These are the individuals and organisations that are the drivers of planetary regeneration through connecting, creating and collaborating with the human and non-human world. We have identified that Farmers, Women, Indigenous Peoples, Activists, Wealth Holders and Entrepreneurs (along with the organisations they build and represent) are the key stakeholder groups of the movement we want to strengthen.

How do we invest in People?

- **Unrestricted Grant Making**
- **Funding Longer Term Collaboration**
- **Pool-Funding, Match-Funding and Co-funding**

We look for opportunities to engage in collaborative longer term actions and at the same time respond to emergence, within a relational and trust-based approach. BTE offers unrestricted grants to groups and individuals with a proven track record of working towards regeneration. We focus on those who the current capitalist model (and thus traditional philanthropy) fails to support. In addition, we actively look to widen and strengthen the broader regenerative, food and farming movement with longer term support, focusing on resilience building and self sustainability for the individuals and organisations we work with. We also actively take part in pool-funding networks with allied funders, which allows us to share knowledge and learn from each other.



These are land-based living examples of how we envision a regenerative future. They are the embodiment of the healthy ecosystems we want to scale: where knowledge is shared, and all life can thrive. Expanding our reality and adapting to current times, we also value online platforms' imperative role in inspiring and building capacity for change.

How do we invest in Places?

- **Funding land-based learning experiences**
- **Subsidising retreats in nature**
- **Funding wellbeing and alternative learning platforms online**

BTE funds experiences that have potential to reconnect human and nature, either from an inner development perspective or focusing outwards with actual and profound interaction with the natural world. This happens through subsidising retreats in nature, land-based education and also alternative learning online platforms.



These are tailored-made journeys, bound to time, of holistic development for relevant people and their communities that together can generate positive outcomes for the planet.

How do we invest in Programmes?

- Team time and experience invested
- Bursaries to Fellows
- Capacity Building
- Community Building

We create and manage our own programmes, in collaboration with experienced mentors and practitioners working with shared values of trust, feminine governance and regenerative practices. Selected fellows are primarily women that are working first and foremost in the realm of ancestral knowledge, community building, food and farming and wellbeing. Programmes at BTE combine financial support, spiritual development, on-land experiences and capacity and relationship building. Fellows are accompanied by BTE's team through the entire programme, holding space and creating the needed structure for advancing women-led resilient activism towards regeneration. All BTE programmes have a creative commons methodology and aim to inspire the wider network of funders to experiment with trust-based philanthropy.



This is the intentional posture of connection that has the potential to unlock systemic change. We run pollination actions to creatively respond to the needs of the ecosystem (People, Programmes and Places), under a reciprocity and generosity paradigm. With pollination, we create pathways to leverage impact, add value and further the foundation's mission and vision.

How do we invest in Pollination?

- Comms campaigns
- Bursaries and Scholarships

We proactively create collaboration opportunities that further relationships within the network mostly with alternative education and communication tools. We offer bursaries and scholarships to trainings, workshops, courses, mentorships and other experiences that have the potential to advance intelligence and information towards regeneration first and foremost in the realm of food systems. We actively invest in amplifying the voice of the broader movement for regeneration by funding communications and awareness campaigns but also by encouraging and supporting partners, fellows and grantees to take lead on the narrative or their own stories. Our reporting system is based on storytelling, inviting reflection and potentially offering inspiration to a wider audience.

Activities undertaken to achieve objectives in 2020

Pandemic times have proven that the ability to adapt, based on a holistic perspective of the world and systemic behaviour, is as important as our discipline to plan and execute towards a linear evolution. This context reinforces that even though we have clear goals and processes to reach them, we need to be prepared to respond to life and its unpredictable emerging needs.

BTE's first year was intense and rich as for our learning curve. Much of our efforts concentrated on systematizing and structuring our relationships within the network, as well as an underlying work of mapping and diagnosing what this network is all about. It was the year that we dedicated ourselves to defining and refining our strategy. To that purpose we have undertaken four different and complementary approaches.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

- 1) **Expert Meetings:** over 9 months the BTE team conducted over 40 conversations with inspiring leaders that are actively engaged in advancing planetary regeneration, with the majority in the realm of food. Some of the names included Vandana Shiva, Charles Eisenstein, Aílton Krenak and Jem Bendell. Inspired by their thinking we were able to move ahead into practical and experimental action.
- 2) **Learn By Doing:** this was the experimental project we ran in 2020 to help us explore stakeholders within our ecosystem and understand the different ways to work with partnerships based on trust and shared learning. It included giving grants to three different types of organisations, to figure out the most effective methodology for BTE.
- 3) **Programmes:** In 2020 we kicked off one authorial programme, The Aura Fellowship and one adaptation of an existing programme called Flow Funding, originally created by Marion Weber and revisited by BTE.
- 4) **Pollination activities:** Our first collaboration for advancing knowledge on regenerative practices was to offer bursaries to underfunded activists and workers in the regeneration sector to the Journey Home Course with Advaya.

Social investment policies

BTE has a long term vision to create a sustainable funding model. The goal is to not spend down in the long-term, which means social investments (with potential for financial return) are made to balance out the charitable giving each year. All investments are made from an Impact-first approach and must follow the principles explained above. BTE is open to exploring alternative funding models, including equity, loans, revenue-based financing, and more. All appropriate due diligence must be followed, but we are open to creative solutions for organisations and individuals that do not fit the bill of a typical investment.

The primary themes for social investments are the same as the broader charity, with a key focus on food systems. Due to the nature of the investment space, social investment categories are sometimes explored more broadly to include the following:

- **Food & Farming:** biodynamics, food / micro processing, fungi, local distribution models, local food, nursery and plant suppliers, organics, regenerative and agroecological farming, seed, sustainable forestry
- **Wellbeing:** mind, body, spirit focused on natural health and nutrition
- **Conservation:** protecting large areas of nature and biodiversity
- **Ecotourism:** travel / experiences supporting reconnection with nature
- **Sustainable Housing:** low-impact buildings, resource efficiency, shared living
- **Alternative Learning:** programmes, retreats, schooling, or trainings
- **Alternative Finance:** towards local, decentralised, diversified economic systems

Target groups for investment must meet the following criteria:

- Alignment with our investment strategy and vision
- Small to Mid Size investments - £0.2m to £1m
- Early to mid stage (must be at least post-revenue)
- Primarily based in UK, Brazil, and South Africa
- Secondary interest in Europe, US, and Australia
- Experienced Management team
- Clear opportunity to develop synergistic opportunities with our network
- Proactive and meaningful relationship with CEO/ management

Grant-making policies

BTE believes in distributing funds on a relationship and trust-based approach. That means that after appropriate due diligence that fits our principles, criteria for selection and PPPP framework we entrust our partners with small amounts of financial capital to be used at their discretion. Financial support is combined with further opportunities for training, collaborative learning and shared experiences with the wider network.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Our grants range from £5,000 to £30,000 and BTE's small and dedicated team keeps a close relationship with each one of the partners, focusing on finding opportunities to leverage their achievements, amplifying their messages and building resilience.

BTE believes in the power of storytelling to nurture inner-led change and also the collective narrative for solutions to current crises. This is why our reporting system is designed to offer grantees the opportunities to share their stories, with more of a qualitative approach, nevertheless, a few quantitative metrics.

In addition to that, we keep a strong commitment to showcasing their stories through our own social media platforms and communication channels such as newsletter and website as a form of recognition, inspiration and shared accountability for challenges and successes. With our communication channels we also promote connection between different members of our network, always offering opportunities to inspire and engage.



Partners are encouraged to reflect back on their journeys through storytelling and alternative media, such as videos, photos and audio reports. Image: courtesy of Cozinha Trança Amor.

ACHIEVEMENTS AND PERFORMANCE

Over the course of 2020, Be the Earth developed innumerable relationships with experts, aligned organisations and potential grantees and portfolio companies. Many of the relationships did not turn into funding partnerships. However, there are three (3) different types of partnerships, which included monetary investment and were tracked and reported on. The kick start of the foundation's learning journey with **Learn By Doing**, the set up of two **Programmes** and the early stages of **Pollination** efforts.

Learn By Doing

Building on top of the learnings acquired from experts' advice, we have created a project to refine our understanding of the philanthropic sector, its relevant stakeholders and also develop our skills around administration and procedures. Learn By Doing selected partners in three specific groups and offered them unrestricted funding under the condition they would be open for shared learning. The groups were:

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Grassroots organisations

- Path to the Sanctuary
- Casa Botanic
- Anticorpos Agroecológicos
- Familia Chegados

Intermediary organisations

- Real Farming Trust
- Sacred Territories Initiative
- Forest Row Localisation Plan
- Philippi Village
- Starter Culture

Co-Funding with aligned funders

- Seed Sovereignty Programme: Gaia Foundation
- Farming the Future: A Team Foundation
- Indigenous Leaders: Help Refugees
- Comissão Guarani Yvyrupa: Synchronicity Earth
- Small Giants

The process chosen for the shared learning was also based on close relationship and storytelling. BTE's team and the partners kept in touch through the year, exchanging ideas and also learning from challenges. We consider that the main achievement of Learn By Doing was the speed rising curve of apprenticeship for the BTE team and mission as an organisation. Exploring different sectors and understanding their needs when it comes to funding helped us shape our objectives and consolidate the decision making process and budget allocations for the year of 2021.

For instance, it became clear that when working with grassroots organisations more than financial resources are needed, which confirmed our hypothesis that the combination of unrestricted funding with capacity building and more potential of connections with the wider community is a more strategic approach to advance self-sustainability and resilience for the grassroots groups.

Within the intermediary groups, our conclusions point to the importance of their work but at the same time, how BTE as an organisation prefers to work with a more relational approach with organisations that are actually open to collaboration and willing to stay connected, rather than exclusively financial-based mindset, that comes from more traditional philanthropic models.

Within the group of aligned funders the main learnings were exactly in the sense of absorbing their experience and witnessing their processes. These funders generously shared their strategies, opened meetings to our participation and welcomed us into the sector we wish to stay well positioned as collaborators to advance regeneration especially in the food and farming realm.

Nevertheless, achievements of the year of 2020 were not only in the spectrum of learning. With this pilot, we have set up some early stages metrics that can support us and the partners to evaluate our performance and seek for opportunities of improvements. Here are some highlights of the work taken by our partners of Learn By Doing.

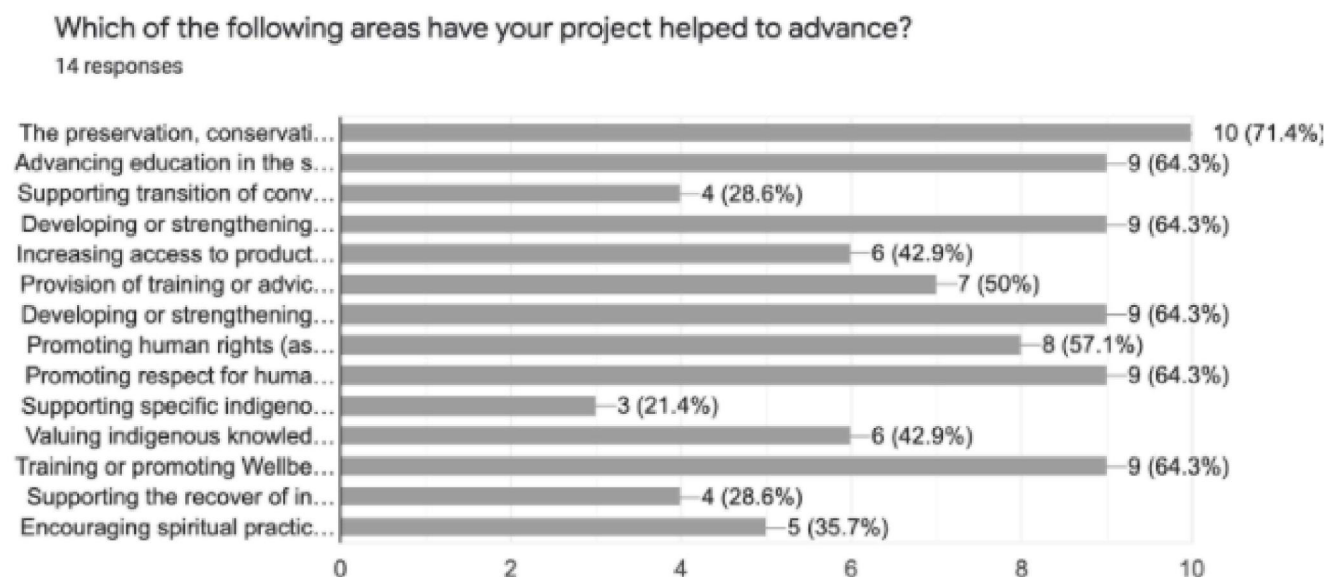
Considering our principles and scope as a charitable foundation, we have measured each of the projects area of action, based on the following general charitable purposes:

- The preservation, conservation and protection of the environment and the prudent use of natural resources;
- Advancing education in the sustainable or regenerative agricultural practices;
- Supporting transition of conventional agriculture to organic or biodynamic;
- Developing or strengthening local food system;
- Increasing access to products and services from local suppliers;

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

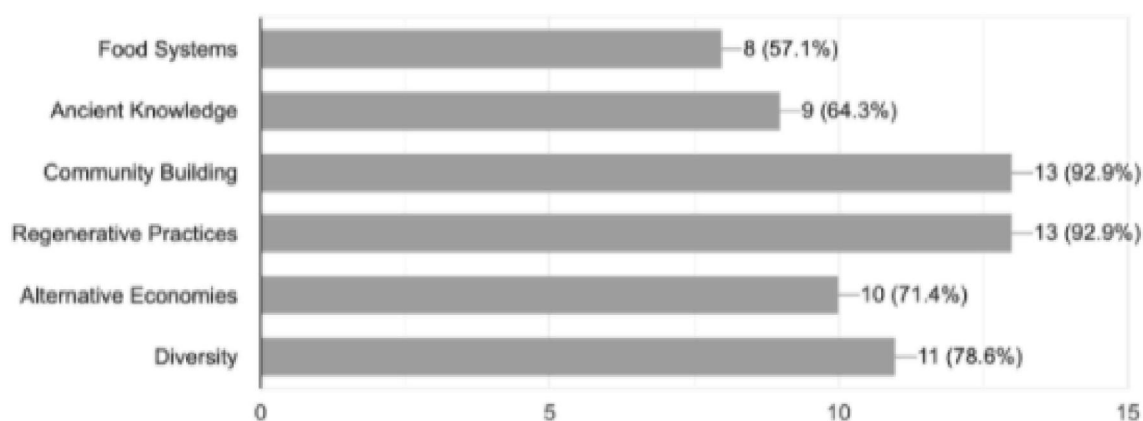
- Provision of training or advice in the adoption of sustainable business practices;
- Developing or strengthening local economies;
- Promoting human rights (as set out in the Universal Declaration of Human Rights and United Nations declarations);
- Promoting respect for human rights among individuals;
- Supporting specific indigenous rights and / or land demarcation;
- Valuing indigenous knowledge and practices;
- Training or promoting Wellbeing practices;
- Supporting the recover of individuals after traumatic experiences;
- Encouraging spiritual practices among individuals or organizations;

The overarching results for the LBD co-hort 2020 considering charitable purposes were:



For the most part, the Learn By Doing Project was a chance to explore, in collaboration with a diverse system of stakeholders, some of our hypotheses. We also investigated how the principles that we had set up manifested in their work. The results informed our decision making process, aiming to find a more balanced result regarding the principles for next year.

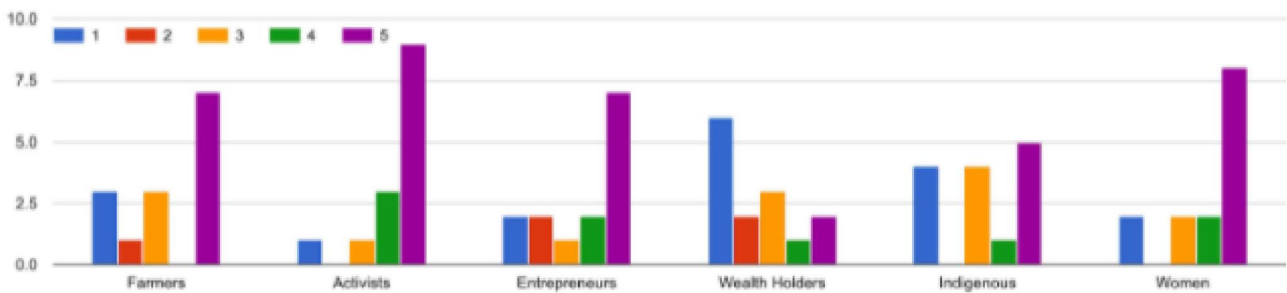
Which of these principles do you consider your work has supported advancing?
14 responses



TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

We also wanted to investigate our hypothesis considering the specific groups of people that are tackling challenges and providing possible solutions for regeneration based on food systems. While this report is being put together, we are also refining the criteria for selection focusing on a commitment of working with people from diverse backgrounds. We believe that these groups can combine different types of resources that range from financial and material resources to knowledge and experience, in a qualitative and quantitative combined approach. Learn By Doing was the project that helped us map these groups and continuously explore their interaction.

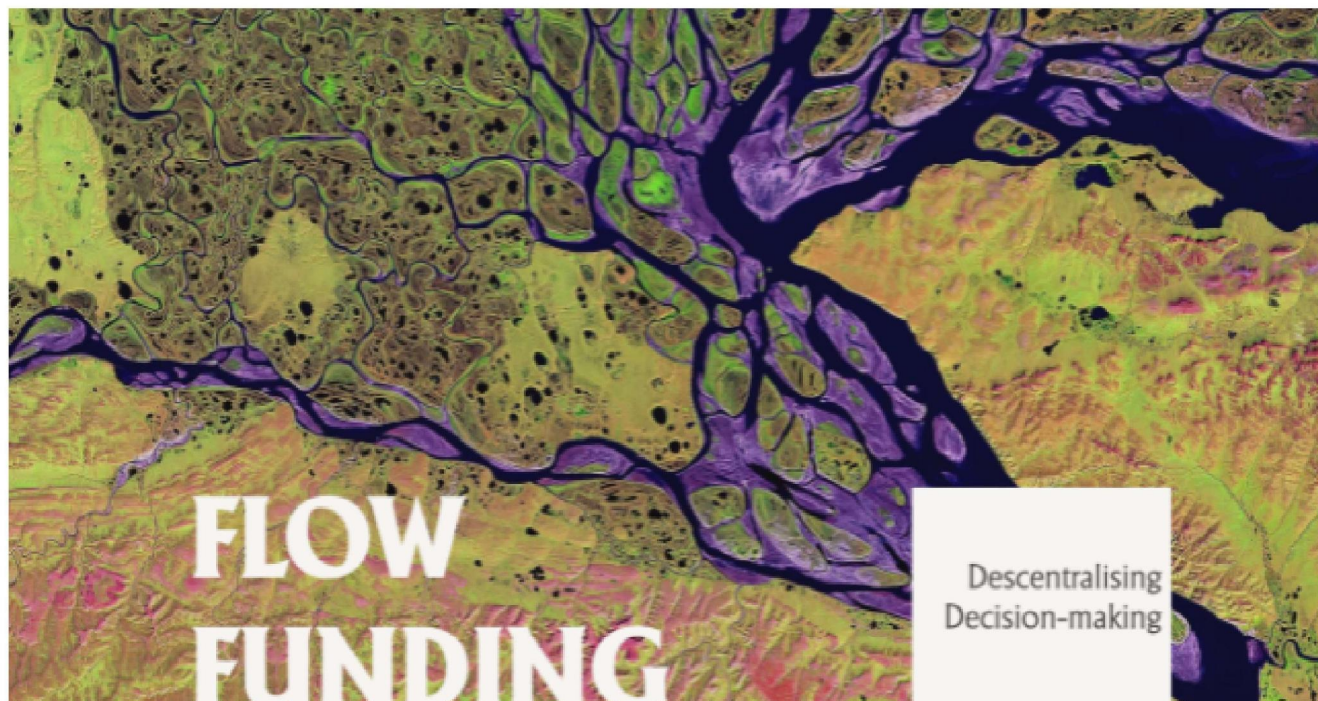
Considering a scale from 1 to 5, how much has your project impacted the following groups:



"We appreciate the fair and humane way we have been treated in our partnership. Thank you for trusting us and the learn-by-doing attitude that helps us design actions as we go through such a difficult time. We benefit from these moments of connecting practical experience and knowledge."

Claudia Visoni
Activist for food sovereignty in São Paulo - Brazil

Programmes



Flow Funding is a programme that shares power with experienced activists and visionary leaders who choose from intuition how philanthropic funds should be invested. It was originally created by Marion Weber, the fourth generation of a traditional family of philanthropists, who refuted traditional models and chose to put trust and affection at the centre of all her work.

This approach aims to diminish bureaucracy while decentralising decision making regarding the use of resources, inspiring more wealth holders to value the power of story and human connections. Be The Earth has built upon this extensive legacy and opened its first Flow Funding circle in early 2020.

7 Flow Funders: The first circle of Flow Funding was funded and initiated by Be The Earth in early 2020. Seven Flow Funders were chosen from Brazil, South Africa and the United Kingdom.

42 unrestricted grants: They have distributed U\$ 84,000 in grants, based on their knowledge of strategic areas for change and close connection to communities and their leaders.

8 countries: The Acceptors are based in England, Nepal, Haiti, Namibia, Tanzania, Kenya, South Africa and Brazil.

1500 people directly impacted: The funds covered strategic themes such as food sovereignty, access to water, community organising and protection of forest defenders.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020



Aura Fellowship supports diverse women, whose amazing contributions to Earth and our regenerative future are overlooked by capitalism and thus conventional philanthropy. The Aura Fellowship is a circle of women inspired by the cycles of nature and held for 18 months. Fellows are offered individually tailored and collective mentorship and ongoing support of their midwives. They are also granted a bursary to be used unrestrictedly. Women are selected according to the main intention of each circle. The selection process is itself a journey into self knowledge and developed in oral or digital format guaranteeing accessibility.

During the year of 2020 BTE has set up the structure of the programme, ran the selection process and facilitated the first retreat at an online version due to covid restrictions. Disbursement of funds at this stage were exclusively to cover facilitators costs.

Ten women activists were selected from India, Lebanon, South Africa and Brazil. Their areas of regeneration hail from water, journalism, traditional healing in nature, food and maternal feeding, indigenous forest protection, plant connection, story-telling and community building. The programme is planned to reach its end in October of 2022.

Pollination

During our experience with the Learn By Doing project and some early reflections harvested with the participants of our programmes it became clear that as a foundation, wishing to make the best use of resources into furthering regeneration to advance viable futures centered in planetary and human health as one, a more connective and interactive approach was needed. By the fall of 2020 we started to proactively seek to connect people within our network to opportunities offered by trusted and aligned partners. Our first experience was with the Advaya course "A Journey Home".

A Journey Home was a 9-month online course with leading hearts and minds of our times. It followed a simple structure of monthly themed evening conversations, practical workshops, small groups, 1-1 sessions, individual practices and creative imagination. BTE offered the equivalent of 5 bursaries to this course and shared this invitation widely with our own network. By this experience we learned that a more structured approach was needed when offering bursaries, where the applicants and eventual participants of the course are also bound to offer back some of their learnings to the wider movement. After this pilot we have refined our strategy for pollination including a report made by the individuals in the form of a blog post and content for social media, as a storytelling tool.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020



FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The target minimum Reserve Fund is equal to three months of average costs. This will be calculated each year after approval of the annual budget, and reported to the Trustees. Reserves are intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. If the Reserves are used, they will be replenished within a reasonably short period of time.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Be The Earth Foundation is a registered charity, number 1189626, and is constituted under a Trust deed.

Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 25 October 2021 and signed on their behalf by:



Seth Tabatznik (Oct 26, 2021, 4:53pm)

S TABATZNIK

(Chair of Trustees)

BE THE EARTH FOUNDATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BE THE EARTH FOUNDATION ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2020.

RESPONSIBILITIES AND BASIS OF REPORT

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

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

INDEPENDENT EXAMINER'S STATEMENT

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

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

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

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

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

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

Signed: *Neil Cohen*

Dated: 25 October 2021

N COHEN Neil Cohen (Oct 26, 2021, 4:54pm)

BAGINSKY COHEN
930 HIGH ROAD
LONDON
N12 9RT

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:				
Donations	4	900,000	900,000	-
		<u>900,000</u>	<u>900,000</u>	<u>-</u>
TOTAL INCOME				
EXPENDITURE ON:				
Charitable activities:				
Grant expenditure	5	189,163	189,163	-
Grant related support costs	6	55,094	55,094	7,445
		<u>244,257</u>	<u>244,257</u>	<u>7,445</u>
TOTAL EXPENDITURE				
		<u>655,743</u>	<u>655,743</u>	<u>(7,445)</u>
NET MOVEMENT IN FUNDS				
RECONCILIATION OF FUNDS:				
Total funds brought forward		(7,445)	(7,445)	-
Net movement in funds		655,743	655,743	(7,445)
		<u>648,298</u>	<u>648,298</u>	<u>(7,445)</u>
TOTAL FUNDS CARRIED FORWARD				

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

The notes on pages 20 to 26 form part of these financial statements.

BE THE EARTH FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Investments	10		100,000		-
CURRENT ASSETS					
Debtors	11	321,030		-	
Cash at bank and in hand		229,994		7,570	
		<u>551,024</u>		<u>7,570</u>	
Creditors: amounts falling due within one year	12	(2,726)		(15,015)	
		<u></u>		<u></u>	
NET CURRENT ASSETS / LIABILITIES			548,298		(7,445)
TOTAL NET ASSETS			<u>648,298</u>		<u>(7,445)</u>
CHARITY FUNDS					
Restricted funds	13		-		-
Unrestricted funds	13		648,298		(7,445)
			<u>648,298</u>		<u>(7,445)</u>
TOTAL FUNDS			<u>648,298</u>		<u>(7,445)</u>

The financial statements were approved and authorised for issue by the Trustees on 25 October 2021 and signed on their behalf by:



Seth Tabatznik (Oct 26, 2021, 4:53pm)

S TABATZNIK

(Chair of Trustees)

The notes on pages 20 to 26 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. GENERAL INFORMATION

Be The earth Foundation is an unincorporated Trust registered as a charity in England and Wales. The address of its principal place of business is 7 Cavendish Square, London, W1G 0PE and the nature of its operations are set out in the Trustees' Report.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Be The Earth Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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.

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.4 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 Statement of financial activities.

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

2.5 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.

2.6 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.

2.7 LIABILITIES AND PROVISIONS

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

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

2.8 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.

2.9 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.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

In the application of the Charity's accounting policies, which are described in note 2, management is required to make judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimate and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. INCOME FROM DONATIONS

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	900,000	900,000	-

5. ANALYSIS OF GRANTS

	Grants to Institutions and Individuals 2020 £	Total funds 2020 £	Total funds 2019 £
Flow Funding Programme	54,970	54,970	-
Learn By Doing	130,000	130,000	-
A Journey Home Course Bursaries	3,499	3,499	-
Aura Programme	694	694	-
	189,163	189,163	-

6. ANALYSIS OF SUPPORT COSTS

	Grant Making 2020 £	Governance 2020 £	Total funds 2020 £
Bank charges	122	-	122
Computer expenses	589	633	1,222
Design and branding	-	1,505	1,505
Independent examination	-	1,440	1,440
Legal and professional fees	840	8,682	9,522
Office expenses	145	-	145
Staff costs	29,689	11,449	41,138
	31,385	23,709	55,094

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6. ANALYSIS OF SUPPORT COSTS (CONTINUED)

	Grant Making 2019 £	Governance 2019 £	Total funds 2019 £
Design and branding	46	-	46
Computer expenses	-	2,660	2,660
Legal and professional fees	-	4,739	4,739
	<u>46</u>	<u>7,399</u>	<u>7,445</u>

7. INDEPENDENT EXAMINER'S REMUNERATION

	2020 £	2019 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	1,440	-
Fees payable to the Charity's independent examiner in respect of: All other services not included above	<u>840</u>	<u>-</u>

8. STAFF COSTS

	2020 £	2019 £
Wages and salaries	36,025	-
Social security costs	3,472	-
Contributions to pension scheme	1,641	-
	<u>41,138</u>	<u>-</u>

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

	2020 No.	2019 No.
Administration	<u>2</u>	<u>-</u>

No employee received remuneration amounting to more than £60,000 in either year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

10. FIXED ASSET INVESTMENTS

	Investment in subsidiary company £
COST OR VALUATION	
At 1 January 2020	-
Additions	100,000
	<hr/>
At 31 December 2020	100,000
	<hr/> <hr/>
NET BOOK VALUE	
	<hr/>
At 31 December 2020	100,000
	<hr/> <hr/>

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Principal activity	Class of shares	Holding
Be the Earth Investments Limited	07641556	A social enterprise working in unison with Be The Earth Foundation to provide flexible funding and investment in businesses committed to accelerating the regeneration of life on earth.	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Profit/(Loss)/ Surplus/ (Deficit) for the year £	Net assets £
Be the Earth Investments Limited	(423,957)	316,863

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. DEBTORS

	2020 £	2019 £
DUE AFTER MORE THAN ONE YEAR		
Amounts owed by group undertakings	321,030	-

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	123	15
Accruals and deferred income	2,603	-
Other creditors	-	15,000
	2,726	15,015

13. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
UNRESTRICTED FUNDS				
General Funds - all funds	(7,445)	900,000	(244,257)	648,298

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 May 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
UNRESTRICTED FUNDS				
General Funds - all funds	-	-	(7,445)	(7,445)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	100,000	100,000
Debtors due after more than one year	321,030	321,030
Current assets	229,994	229,994
Creditors due within one year	(2,726)	(2,726)
TOTAL	648,298	648,298

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Total funds 2019 £
Current assets	7,570	7,570
Creditors due within one year	(15,015)	(15,015)
TOTAL	(7,445)	(7,445)

15. RELATED PARTY TRANSACTIONS

During the year to 31 December 2020, an unconditional donation of £100,000 was received from Mr S tabatznik, Trustee. In the prior year the Charity received a loan of £15,000 from Mr S Tabatznik and this was repaid in the year ended 31 December 2020.

During the year to 31 December 2020, a loan of £321,030 was made to the Charity's trading subsidiary Be the Earth Investments Limited in support of its activities.