

COMPANY REGISTRATION NUMBER: 12767132
CHARITY REGISTRATION NUMBER: 1190870

Sophia Point Rainforest Project
Company Limited by Guarantee
Unaudited Financial Statements
31 July 2022

HIGGINS FAIRBAIRN & CO

Chartered accountants
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**Sophia Point Rainforest Project
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Unaudited Financial Statements
31 July 2022**

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Sophia Point Rainforest Project

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 July 2022

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 July 2022.

Reference and administrative details

Registered charity name Sophia Point Rainforest Project

Charity registration number 1190870

Company registration number 12767132

Principal office and registered office 6 The Street
Itchenor
West Sussex
PO20 7AN
England

The trustees

Prof John Frederick William
Birney
Kathryn Critchley
Nicola Green
Jon Poledri
Richard Rogers
Robin Stott

Accountants

Higgins Fairbairn & Co
Chartered accountants
1st Floor
Sutherland House
5-6 Argyll Street
London
W1F 7TE

Sophia Point Rainforest Project

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 July 2022

Structure, governance and management

Governance

Sophia Point is a charitable company limited by guarantee, incorporated on 24th July 2020 and registered as a charity on 14th August 2020. The company was established under a Memorandum of Association and is governed under its Articles of Association which establish the objectives and powers of the charitable company. In the event of the company being wound up members are required to contribute an amount not exceeding £10. All members of the board of Directors/Trustees give their time voluntarily and received no benefits from the charity.

Organisational Structure

The board of Sophia Point was formed of six (6) persons who met quarterly and were responsible for the strategic direction and policy of the charity. The board serve as trustees for the purposes of charity law and as directors for the purposes of company law. There is a broad range of skills represented on the board and these are reviewed annually to account for any retirements or needs which are not met by the current composition. Board members are appointed to staggered tenures to allow for a future process of revolving retirement of directors in phases. The Secretary also attends all board meetings but does not have voting rights. The co-founder, David Lammy, also attends most board meetings but does not have voting rights. Day-to-day operating of the charity is carried out by the Centre Director.

Trustee Induction

All trustees were inducted into the organisation through meeting with the founders and Centre Director and provided information on the establishment and vision for the organisation as well as shared documents such as the articles of association and initial Business Plan for the charity.

Objectives and activities

The mission of the Sophia Point Rainforest Research Centre ("Sophia Point") is to transform research and conservation of Guyana's unique tropical rainforest. Sophia Point will help fight climate change, conserve endangered and endemic species and champion nature in one of South America's richest rainforests. Our aims, as set out in the objectives within the articles of association, are to achieve two overarching goals:

1. To promote, for the benefit of the public, the conservation, protection and improvement of the physical and natural environment by promoting biodiversity in the rainforest and waters of Guyana.
2. To advance the education of the public both in Guyana and globally in the conservation, protection and improvement of the physical and natural environment.

Achievements and performance

Progress has been made across multiple areas despite challenges.

Establishment

The organisation successfully obtained legal status under company law in July 2020 and under charitable law in August 2020. A board of trustees was assembled, banking infrastructure established in the UK as well as fiscal sponsorship in the US, branding formed, a website setup and business plan developed.

The charity was also established as a not for profit company (Company No 13636) in Guyana to allow Sophia Point to operate as a Guyanese organisation. Expert Guyanese trustees joined the board for this process which has helped further embed Sophia Point into local context.

Funding

The primary goal in the initial years of the charity operating is to raise funding. Activities were conducted across a number of forums including appeals to philanthropic networks, hosting fundraising events and connecting with individual persons.

Despite challenges a number of funding sources were secured, and progress was made towards the goal of raising the funding required to support construction of the centre. Total funds raised in the financial year were £434,023

Site Development

With Centre Director, Sam Airey, relocating to Guyana full time there has been significant site progress. Refurbishing an existing building to provide on-site staff accommodation, building a fuel safety outhouse, reclaiming the fruit forest from overgrown jungle and extensive maintenance to the main home and office were all completed in this time.

A Guyanese architect was also brought on board to support and facilitate the design of the Sophia Point Centre. He has been working with the Director on this with an aim to begin construction in Q2 of 2023.

Partnerships

Key partnerships were consolidated in the past year.

Most important among those is the relationship between Sophia Point and the University of Guyana. As the sole university in the country, the University of Guyana represents one of the principle benefactors of the development of Sophia Point as well as a critical partners to help deliver on the charitable aims. A 10 year Memorandum of Understanding (MoU) was signed on August 1st 2020 between the University and Sophia Point.

The MoU sets out a number of areas for collaboration, principally between Sophia Point and the Center for the Study of Biological Diversity at the University of Guyana, including promoting:

- a) the study and documentation of the ecology of Guyana through ecosystem science, observation, collection, preservation and curation of biological and other specimens and the analysis of associated ecological data,
- b) the education of Guyanese and the wider world of Guyana's ecology and biodiversity by supporting undergraduate, graduate and professional education/training and publication,
- c) the communication of the value and importance of Guyana's ecosystems domestically and internationally, through all channels (government dialogue, academic press, traditional media, social media etc),
- d) the promotion of the conservation of Guyana's ecosystems and biodiversity at all levels (genes, species and populations), and,

e) the convening of local, regional and global stakeholders to support training, dialogue and knowledge sharing on relevant issue areas

Other partnerships were formed with organisations including an MoU with One Earth and their global marketplace for philanthropists to invest in nature based conservation efforts

Partnerships have also been developed with the local Amerindian community of River's View. Local community members have worked on site supporting Sophia Point and an initial outreach programme of environmental education materials has been developed by the Sophia Point team and will be delivered to local school children.

Communications

Core to fundraising efforts and to raising awareness were communications efforts. A website was setup to provide this as well as information materials.

Social media accounts and a monthly newsletter are the primary medium through which the work at Sophia Point is communicated.

Co-Founder David Lammy has continued to on a wide-array of platforms about the aims and vision of Sophia Point.

Staffing

The Centre Director was brought full time in Guyana to help deliver the strategy, establishment, fundraising and bookkeeping for the charity.

The charity also drew on a small number of contracted supports to deliver media, communications, design support and materials on behalf of the charity.

An additional full time member of staff, acting as a deputy site manager, worked on site to support the Director.

Financial review

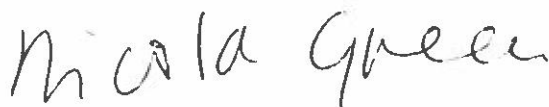
The first year of operation was focussed on raising funding to support the construction of the on-site facilities for the Sophia Point Centre. This second year continued many of those efforts with a greter focus on on-site development Fundraising was a success with a total of £434,023 raised in donated funds. Expenditures totalled £ 78,017 in the accounting year. These were spread across consulting fees for personnel to support setup and fundraising activities, legal and administrative costs to establish the banking and charitable status required and travel to Guyana to support partnership building and progress in-country plans.

A net income of £356,046 remained at the close of the financial year.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

The trustees' annual report was approved on 12/05/23 and signed on behalf of the board of trustees by:



Nicola Green
Trustee

Sophia Point Rainforest Project

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 July 2022

		2022 Total funds £	2021 Total funds £
	Note		
Income and endowments			
Donations and legacies	5	434,023	333,850
Interest income	6	50	—
Total income		434,073	333,850
Expenditure			
Expenditure on charitable activities	7,8	78,017	95,124
Total expenditure		78,017	95,124
Taxation		10	—
Net income and net movement in funds		356,046	238,726

The notes on pages 7 to 12 form part of these financial statements.

Sophia Point Rainforest Project

Company Limited by Guarantee

Statement of Financial Position

31 July 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	11	2,036	--
Current assets			
Cash at bank and in hand		595,746	238,726
Creditors: amounts falling due within one year	12	<u>3,010</u>	<u>-</u>
Net current assets		592,736	238,726
Total assets less current liabilities		594,772	238,726
Funds of the charity			
Unrestricted funds Net Income for Year		356,046	238,726
B/F funds		<u>238,726</u>	<u>-</u>
Total charity funds	13	594,772	238,726

For the year ending 31 July 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 20 July 2022, and are signed on behalf of the board by:



Nicola Green
Trustee

The notes on pages 7 to 12 form part of these financial statements.

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 July 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 6 The Street, Itchenor, West Sussex, PO20 7AN, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

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

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

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

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

- 20% straight line

Impairment of fixed assets

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

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

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

Financial Instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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

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

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

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

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

4. Limited by guarantee

The company is limited by guarantee of members and does not have a share capital. The liability of members is limited to £60.

5. Donations and legacies

	Total Funds 2022 £	Total Funds 2021 £
Donations		
Donations	434,023	333,850
	<u>434,023</u>	<u>333,850</u>

6. Interest income

	Total Funds 2022 £	Total Funds 2021 £
Bank interest receivable	50	—

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

7. Expenditure on charitable activities by fund type

	Total Funds 2022 £	Total Funds 2021 £
Support costs	78,017	95,124

8. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2022 £	Total fund 2021 £
	<u>78,017</u>	<u>78,017</u>	<u>95,124</u>

9. Staff costs

The average head count of employees during the year was 2 (2021: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Number of staff	<u>2</u>	<u>1</u>

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

10. Trustee remuneration and expenses

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

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 July 2022

11. Tangible fixed assets

	Fixtures and fittings £	Total £
Cost		
At 1 August 2021	—	—
Additions	2,545	2,545
At 31 July 2022	<u>2,545</u>	<u>2,545</u>
Depreciation		
At 1 August 2021	—	—
Charge for the year	509	509
At 31 July 2022	<u>509</u>	<u>509</u>
Carrying amount		
At 31 July 2022	<u>2,036</u>	<u>2,036</u>
At 31 July 2021	<u>—</u>	<u>—</u>

12. Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals and deferred income	3,000	—
Corporation Tax on interest received	10	—
	<u>3,010</u>	<u>—</u>

13. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Current assets	<u>359,046</u>	<u>594,772</u>
	Unrestricted Funds £	Total Funds 2021 £
Current assets	<u>238,726</u>	<u>238,726</u>

Sophia Point Rainforest Project

Company Limited by Guarantee

Management Information

Year ended 31 July 2022

The following pages do not form part of the financial statements.

Sophia Point Rainforest Project
Company Limited by Guarantee
Detailed Statement of Financial Activities
Year ended 31 July 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Donations	434,023	333,850
	<u>434,023</u>	<u>333,850</u>
Investment income		
Bank interest receivable	50	—
	<u>50</u>	<u>—</u>
Total income	<u>434,073</u>	<u>333,850</u>
Expenditure		
Expenditure on charitable activities		
Purchases	34	28,261
Wages and salaries	36,526	—
Commission & Fee	24	—
Travel	20,632	—
Subscription	56	—
Equipment Rental	70	—
Fx Fee	95	—
Repairs and maintenance	8,241	1,719
Accountancy Fee	3,000	—
Staff Training	204	—
Entertainment	56	—
Legal and professional fees	2,696	13,073
Other Office Expense	1,384	—
Marketing and Promotions	43	1,083
Depreciation	509	—
Computer & Software	861	—
Consultancy fees	—	50,956
Bank charges	1,987	32
Shipping and Delivery Expense	1,183	—
Stationary	416	—
	<u>78,017</u>	<u>95,124</u>
Total expenditure	<u>78,017</u>	<u>95,124</u>
Corporation Tax	10	—
Net Income	<u>356,046</u>	<u>238,726</u>

Sophia Point Rainforest Project

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 July 2022

	2022 £	2021 £
Expenditure on charitable activities		
<i>Support costs</i>		
Purchases	34	28,261
Wages & salaries	36,526	–
Commission & Fee	24	–
Travel	20,632	–
Subscription	56	–
Equipment Rental	70	–
FX Fee	95	–
Repairs and maintenance	8,241	1,719
Accountancy Fee	3,000	–
Staff Training	204	–
Entertainment	56	–
Legal and professional fees	2,696	13,073
Office Admin Expense	1,384	–
Marketing and promotions	43	1,083
Support charitable activity 1 - depreciation	509	–
Computer & Software	861	–
Consultancy fees	–	50,956
Bank charges	1,987	32
Shipping and Delivery Expense	1,183	–
Stationary	416	–
	<u>78,017</u>	<u>95,124</u>
Expenditure on charitable activities	<u>78,017</u>	<u>95,124</u>

