

**Caribbean Biodiversity Fund
Financial Statements
Year ended 30 September 2019**

Charity registration number: 1149889
Company registration number: 08204716

Caribbean Biodiversity Fund

Financial Statements

Year ended 30 September 2019

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Caribbean Biodiversity Fund

Financial Statements

Year ended 30 September 2019

Charity registration number	1149889
Company registration number	08204716
Trustees	Mr Garry Gore Ms Lisa Grant Mr Sixto Inchaustegui Mr Michael John Dr Jen Mackensen Mr George Mason Mrs Eleanor Phillips
Chief executive officer	Yabanex Batista
Registered office	3 rd floor 1 Ashley Road Altrincham Cheshire WA14 2DT
Principal place of business	6 Colonial Hill Plaza Thompson Blvd. P.O. Box CB 11398 Nassau The Bahamas
Auditor	Azets Audit Services Gladstone House 77-79 High Street Egham TW20 9HY
Solicitor	Ropes & Gray LLP 5 New Street Square London EC4A 3BF
Investment managers	Payden & Rygel 333 South Grand Avenue Los Angeles California 90071 Deutsche Bank Trust Company Americas Deutsche Bank Wealth Management 345 Park Avenue New York
Accountants	BDO Bahamas PO Box N-10144 Gresham House Charlotte Street South Nassau The Bahamas

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

The Trustees present their report and the audited financial statements of the charity for the year ended 30 September 2019. The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 (effective 1 January 2019).

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Mr Noorani Azeez	appointed 18 February 2019, resigned 3 June 2020
Mr Garry Gore	
Ms Lisa Grant	appointed 20 September 2019
Mr Sixto Inchaustegui	
Mr Michael John	appointed 23 May 2019
Dr Jen Mackensen	
Mr George Mason	appointed 20 September 2019
Mrs Eleanor Phillips	

Objectives and activities

The Caribbean Biodiversity Fund (CBF) is a regional environmental fund whose objective is to promote for the benefit of the public the conservation, protection, management and expansion of the National Protected Areas Systems of the Participating Countries by providing a sustainable flow of funds to support, without limitation, enforcement, infrastructure, monitoring needs and other activities that contribute substantially to the conservation, protection and maintenance of biodiversity within the National Protected Areas Systems or any other area of environmental significance of the Participating Countries.

The CBF, along with a set of National Conservation Trust Funds (NCTFs), form the Caribbean Sustainable Finance Architecture (the Architecture) which aims to mobilise financial resources for conservation in the Caribbean. As the regional element of the Architecture, and in addition to its key sustainable financial resources focussed mission, the CBF also plays several roles directed at improving the enabling conditions of its partners and grantees. The CBF convenes meetings of diverse stakeholder groups to advance dialogue on common issues; builds the capacity of grantees, including partner national funds, their grantees and host governments; raises awareness at the regional and international level of the importance of a sustained flow of resources for conserving the Caribbean's natural resources for a sustainable future; and serves as a forum for regional coordination and cooperation.

Fund-raising Standards Information

The Foundation is not actively engaged in fund raising activities which would require registration with the UK Fundraising Regulator.

Public benefit statement

The Trustees have referred to the guidance contained within the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. As indicated in the CBF Articles of Association, the CBF was established for the benefit of the public as it promotes the conservation, protection, management and expansion of the National Protected Areas Systems of the Participating Countries.

Achievements and performance

During fiscal year 2019 the CBF activities and key achievements included the following:

Overall Governance and Operations

A. CBF Board

- **The CBF Board was composed of 7 appointed Directors**
 - Mr. Mackensen remained as Chair of the Board.
 - Mrs. Phillips remained CBF Vice-Chair and Treasurer of the Board, as well as Chair of the CBF Finance Committee.

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

- **Board Meetings** - A total of five (5) Board Meetings were held in FY 2019:
 - 30th CBF Board Meeting (November 15th, 2018)
 - 31st CBF Board Meeting (December 11th, 2018)
 - 32nd CBF Board Meeting (March 19th, 2019)
 - 7th CBF Annual Meeting (also served as 33rd CBF Board Meeting) (June 20th, 2019)
 - 34th CBF Board Meeting (September 20th, 2019)

B. CBF Annual Meeting

The 7th CBF Annual Meeting took place in St. John, Antigua and Barbuda, on June 20th, 2019. This meeting also served as the 33rd Board Meeting of the CBF.

Key topics discussed included:

- CBF FY19 interim Status Report
- Institutional Development Update
- Finances and Investments updates (as part of Finance Committee Meeting which preceded Board meeting)
- CBF Match Requirement and Sustainable Finance Mechanisms
- New CBF observer countries
- Approval of CBF FY19 Annual Work Plan
- Approval of CBF Secretariat FY19 Operations Budget

C. Committees

- **Finance Committee Meetings** - A total of four (4) CBF Finance Committee Meetings took place in FY19:
 - 15th Finance Committee Meeting (November 9th, 2018)
 - 16th Finance Committee Meeting (December 10th, 2018)
 - 17th Finance Committee Meeting (February 25th, 2019)
 - 18th Finance Committee Meeting (June 20th, 2019)

Operations

A. Key Institutional Documents Approved:

- EbA Facility Strategic Approach
- EbA Facility Operational Manual
- Approval of FY20 Annual Work Plan and Operational Budget, as amended.

B. Legal Structure

- CBF continued to work on finalizing its registration process in The Bahamas. However, an analysis will be conducted on whether keeping this registration is beneficial or not for the institution. There have been several procedural delays that have prevented completion of this process. In addition, CBF continued to work on its registration in the United States of America process as a 501(c)3.

Strategic Plan and Fundraising Strategy

- The CBF continued to implement its 2020 Strategic Plan.
- The CBF received deposits for its Endowment in FY19 for an amount of US\$4,000,000 (see Table II below).
- The CBF did not receive received deposits for its EbA Facility in FY19.

Conservation Finance Programme

- NCTFs that are eligible or expected to become CBF-eligible made important progress in FY19 in their operational systems. Table I below shows progress through a set of key milestones.
- Pre-financing Agreements
 - By the end of FY19 six (6) NCTFs had signed Pre-financing Agreements with the CBF to support their establishment and operations.

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

- Marine Ecosystem Protected Area Trust (September 21st, 2016 – FY16)
 - Saint Lucia National Conservation fund (September 21st, 2016 – FY16)
 - Saint Christopher and Nevis Conservation foundation (April 12th, 2017 – FY17)
 - National Conservation Trust Fund of Jamaica (June 26th, 2017 – FY17)
 - St. Vincent and the Grenadines Conservation Fund (October 25th, 2017)
 - Grenada Sustainable Development Trust Fund (November 6th, 2018)
- The CBF made in FY19 pre-financing payments in the amount of US\$ 325,000, for a total of US\$658,588 since inception.
 - Partnership Agreements
 - By the end of FY19 six (6) NCTFs had signed Partnership Agreements with the CBF.
 - Fondo MARENA (December 12th, 2016)
 - Marine Ecosystem Protected Area Trust (June 26th, 2017)
 - Saint Lucia National Conservation Fund (June 26th, 2017)
 - St. Vincent and the Grenadines Conservation Fund (March 29th, 2019)
 - National Conservation Trust Fund of Jamaica (June 14th, 2019)
 - Grenada Sustainable Development Trust Fund (June 17th, 2019)
 - The CBF made six (6) Partnership Agreement Payments in FY19:
 - The CBF made in FY19 Partnership Agreement payments in the amount of US\$ 687,606.52 for a total of US\$928,476.57 since inception.
 - Saint Lucia National Conservation Fund – Payment #1, Tranche #2 - \$ 80,644.28 (October 5th, 2018)
 - Fondo MARENA – Payment #1, Tranche #2 - \$160,225.77 (October 5th, 2018)
 - Marine Ecosystem Protected Area Trust – Payment #1, Tranche #1 - \$80,644.28 (November 14th, 2018)
 - Saint Lucia National Conservation Fund – Payment #2, Tranche #1 - \$ 88,061.55 (March 6th, 2019)
 - Fondo MARENA – Payment #2, Tranche #1 - \$189,968.58 (April 9th, 2019)
 - Saint Lucia National Conservation Fund – Payment #2, Tranche #2 - \$ 88,062.06 (September 9th, 2019)

Table I: NCTFs Establishment Progress (as of October 2019)

NCTF	Legally Established	Functional Board	Pre-Financing Agreement	By-laws	OM (Board Approved)	Staff Hiring	CBF Eligibility Request	Partnership Agreement Negotiations	Receiving Endowment Payments
MEPA Trust									
BPAF									
Fondo MARENA			Not applicable						
GSDTF									
NCTFJ									
SCNCF									
SLUNCF									
SVGCF									

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

Climate Adaptation Programme – EbA Facility

- EbA Facility Technical Officer was hired on April 8th, 2019.
- EbA Facility Strategic Approach document finalized and approved by the CBF Board on October 16th, 2018.
- EbA Facility Operational Manual finalized and approved by CBF Board on October 16th, 2018.
- Two meetings of the EbA Facility Committee convened.
 - Fourth EbA Committee meeting convened on October 25th, 2018
 - Fifth EbA Committee meeting convened on June 16th, 2019
- First Call for Proposals launched on October 31st, 2018 with 101 applications received.
- By the end of FY19 the EbA Facility had signed 14 Project Preparation Grants (PGs) and disbursed a total of US\$128,242.80 through these instruments (See Table IV below)
- Fourteen full proposals received from invited short-listed applicants of concept notes.
- EbA Facility showcased at the Un Convention Biological Diversity COP14 – November 2018 (Egypt); 71st Gulf & Caribbean Fisheries Institute Conference – November 2018 (Columbia).

Partnerships

- Caribbean Challenge Initiative – Continued to implement joint activities with the Caribbean Challenge Initiative and particularly the 4th CCI-CBF Week in June 2019.
- CBF held strategic discussions on partnerships with Blue Finance and the UNDP Small Grants Program

Year Ahead - CBF FY20 Annual Work Plan

The CBF's FY2020 Annual Work Plan (October 1st, 2019 – September 30th, 2020), as approved during the 7th CBF Annual Meeting, will focus on the following key strategic areas of action:

- 1) Institutional:
 - a. Continued development and adoption of a Monitoring and Evaluation System
 - b. Continued implementation of CBF Institutional Strengthening Development Plan
 - c. Strategic Plan 2021-2025
 - d. Implementation of Marketing and Communications Strategy
- 2) Conservation Finance Programme (Endowment)
 - a. Execution of Partnership Agreements
 - b. Supervise the implementation of current Pre-financing and Partnership Agreements.
 - c. Incorporation of new geographies and capacity development of NCTFs
 - d. Support NCTFs operational sustainability strategies
 - e. Provide technical advice to NCTFs on development of financial mechanisms.
- 3) Climate Adaptation Programme - Ecosystem Based Adaptation Facility
 - a. Finalize selection and sign grant agreements for the first call for proposals
 - b. Develop Annual Work Plans and Procurement Plans for projects activated from the first call for proposals
 - c. Initiate implementation of projects selected from the first call for proposals
 - d. Issue a second call for proposals
 - e. Initiate the selection process for the second call for proposals.

Financial review

CBF Endowment Performance

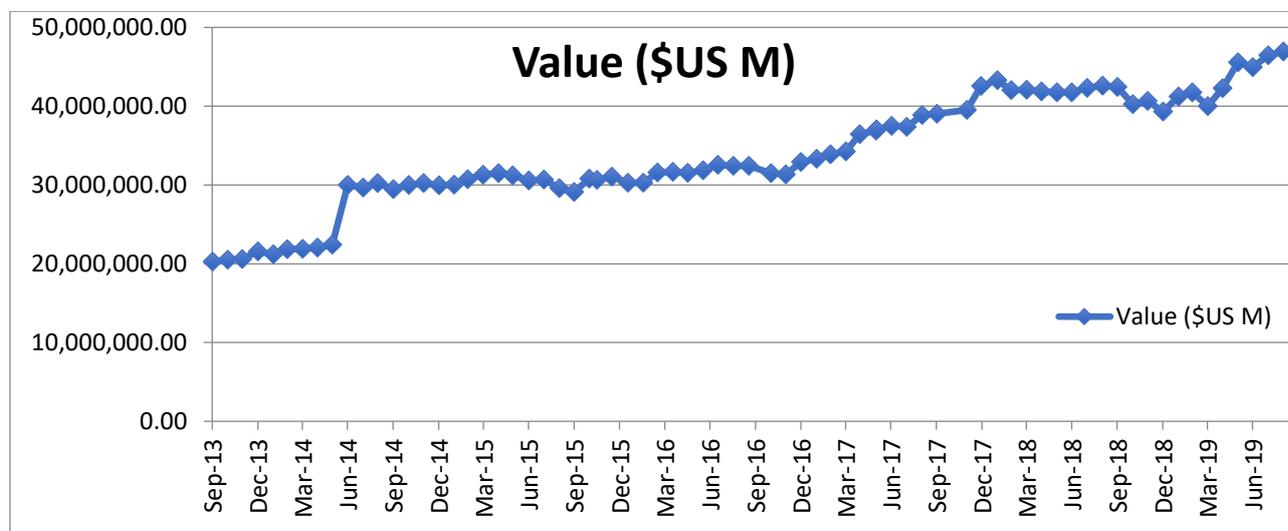
As of September 30th, 2019, the CBF Endowment account total assets were \$47,555,128.59. Graph 1 below shows the historical CBF Endowment market value since the inception of investments through September 30th, 2019.

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

Graph I: Historical CBF Endowment Market Value Performance



CBF Endowment Deposits and Disbursements Record

As of September 30th, 2019, a total of 18 deposits had been made to the CBF Endowment for a total of US\$41,555,391.98 in capital. Table II below reflects all CBF deposits since inception through September 30th, 2019. Table III below reflects disbursements for a total amount of US\$2,844,484.63.

In terms of disbursements, as of September 30th, 2019, the CBF Endowment had disbursed a total of US\$2,844,484.96 to partner NCTFs US\$1,587,064.57 since FY16 and US\$1,257,420.06. for operational expenses since FY13.

Table II: CBF Endowment Deposits Record

Sum of Dep. Row Labels	GEF/UNDP	GEF/World Bank	KFW	TNC	Grand Total
23/05/2015					
1/25/13			20,286,126.01		20,286,126.01
12/17/13				750,000.00	750,000.00
6/5/14		7,200,000.00			7,200,000.00
3/27/15				750,000.00	750,000.00
10/29/15				750,000.00	750,000.00
12/29/15	750,000.00				750,000.00
12/22/16				750,000.00	750,000.00
12/23/16		400,000.00			400,000.00
12/29/16		37,000.00			37,000.00
3/21/17				250,000.00	250,000.00
4/13/17			1,738,078.16		1,738,078.16
9/8/17			1,163,733.32		1,163,733.32
12/14/17			2,730,454.49		2,730,454.49
5/13/19				3,500,000.00	3,500,000.00
7/29/19				250,000.00	250,000.00
8/16/19				250,000.00	250,000.00
9/20/19					
Grand Total	750,000.00	7,637,000.00	25,918,391.98	7,250,000.00	41,555,391.98

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

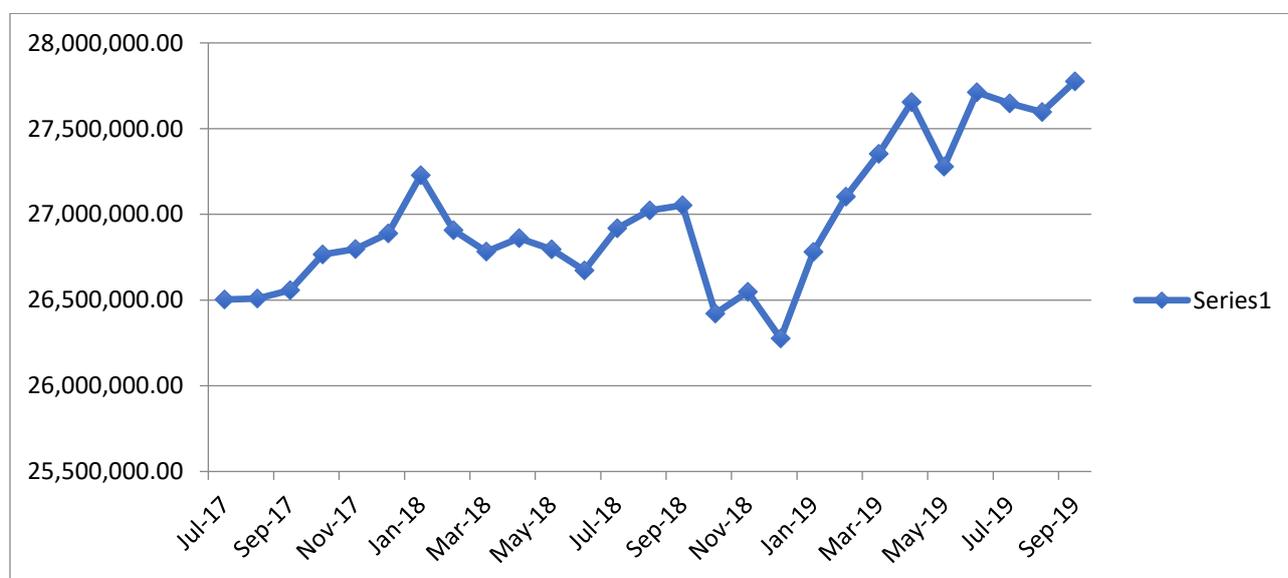
Table II: CBF Endowment Disbursements Record

Date	Fondo MARENA	GSTDF	MEPA Trust	NCTFJ	SCNCF	SLUNCF	SVGCF	TNC	Grand Total
23/05/2015								279,929.85	279,929.85
5/23/16								207,784.00	207,784.00
10/7/16			50,000.00						50,000.00
11/8/16						41,000.00			41,000.00
7/21/17				37,588.00					37,588.00
8/24/17								278,512.38	278,512.38
10/11/17	160,225.77								160,225.77
12/8/17						40,000.00	50,000.00	25,000.00	115,000.00
1/25/18			45,000.00						45,000.00
3/6/18						80,644.28			80,644.28
5/7/18								230,273.84	230,273.84
5/14/18				30,000.00		40,000.00			70,000.00
10/5/18	160,225.77			30,000.00		120,644.28			310,870.05
11/14/18			80,644.28				45,000.00		125,644.28
12/4/18		45,000.00							45,000.00
1/18/19					45,000.00				45,000.00
3/6/19						88,061.55			88,061.55
4/5/19				30,000.00					30,000.00
4/9/19	189,968.58								189,968.58
6/26/19		45,000.00						235,919.99	280,919.99
7/8/19							45,000.00		45,000.00
9/20/19						88,062.06			88,062.06
Grand Total	510,420.12	90,000.00	175,644.28	127,588.00	45,000.00	498,412.17	140,000.00	1,257,420.06	2,844,484.63

CBF EbA Facility Performance

As of September 30th, 2019, total assets were \$27,775,492.55. Graph 2 below shows the historical market value for the CBF EbA Facility since the inception of investments through September 30th, 2019.

Graph 2: Historical CBF EbA Facility Market Value Performance



As of September 30th, 2019, a total of 14 disbursements had been made from the CBF EbA Facility for Project Preparation Grants for a total of US\$128,242.80.

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

Table IV: CBF EbA Facility Disbursements Record

Date	Payment Type
	PG Actual
Biodiversite Ministere de l'Environnement, Haiti	\$10,000.00
CATIE	\$10,000.00
Fauna & Flora International	\$9,650.00
Fundacion Grupo Puntacana	\$10,000.00
Fundacion Sur Futuro	\$10,000.00
Grenada CDA	\$9,480.00
IDDI	\$10,000.00
IICA	\$10,000.00
J/P Haitian Relief Organization	\$7,310.00
Mona Informatix Ltd	\$10,000.00
REDDOM	\$9,802.80
Sustainable Grenadines Inc	\$10,000.00
UWI CERMES	\$2,000.00
UWI Dept. Science & Technology	\$10,000.00
Grand Total	\$128,242.80

Investment Policies

Currently the CBF has with two investment policies, one for the CBF Endowment and one for the CBF EbA Facility. The policies include the guidelines for each of the fund's investment strategies. The CBF Finance Committee is tasked with oversight of investments performance.

Investments results and compliance with the CBF Investment Policy is monitored by the CBF Board and its Finance Committee and periodically discussed with the investment managers in order to evaluate results and decide upon any necessary changes to the investment strategy.

Secretariat Operational Budget

The CBF Secretariat had, as approved by the Board, an operational budget of US\$677,980 for FY19 with the Endowment contributing \$ 344,350 and the EbA Facility \$ 313,630, as amended by the Board.

Reserves Policy

The CBF Endowment, is currently funded by KfW (the German Development Bank), The Nature Conservancy (TNC), and the Global Environment Facility (GEF). As of September 2019, an additional total of US\$25 million has been pledged to the CBF Endowment. As part of its management strategy, the CBF has established an investment strategy aimed at achieving a total of 7% returns on investments. The CBF will pay to the National Conservation Trust Funds (NCTFs) a total of up to 4% return on investments based on a 36-month average value of each Participating Country Sub-Account.

While subject to market behaviour, the CBF Endowment investment strategy is designed to keep in place the CBF capital and allow for payments to the NCTFs and also support its Secretariat operations. In addition, the CBF has established and Operations Reserve as a sub-account within the CBF Endowment, as this reserve builds-up, it will bring additional stability to its operations funding base.

The CBF EbA Facility is currently funded by KfW. This is a sinking fund expected to be fully disbursed by 2022. This Facility also contributes to the CBF operations budget.

Principal Risks and Uncertainties

The CBF Board has recognized the importance of having a Risk Register and strategies to manage all risks associated with the CBF including financial, reputational, and others. A Risk registry was approved on 20 October 2015. The Risk Registry will serve as a key management tool for the CBF Board and its CEO

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

Covid-19

While the FY19 programmatic activities of the CBF were not affected by the COVID-19 pandemic the FY19 annual accounts filing process was affected as it took longer than expected to collect all the information required to produce the audited financial statements. For this reason, the CBF requested an extension for filling the FY19 Annual accounts, extension that was granted by Companies House.

In addition, at the time of the writing of this report, FY20 activities had been affected by the pandemic as follows:

- CBF grantees and projects funded have seen a reduced pace of implementation which has also resulted in a slower than expected disbursements under the different agreement being implemented.
- At the end of FY20 Quarter 1 (March 2020) and during the beginning of FY20 Quarter 2 (April 2020) the CBF Endowment and EbA Facility returns and overall market value was affected by the economic impact of the pandemic. However, since then, both instruments have seen a recovery

As the CBF is not dependent on fundraising from individuals and has a solid financial base through its endowment and sinking fund, the operations and activities of the CBF are expected to continue their implementation throughout FY20 and beyond albeit with some delays.

Structure, governance and management

Established in September 2012, the CBF was incorporated as a UK Registered Company and subsequently registered as a UK Registered Charity. Its main governing documents are its Memorandum and Articles of Association and its Principal Operational Manual.

The CBF is governed by the Board of Directors, composed of one director appointed by the German Development Bank (KfW), one director appointed by The Nature Conservancy (TNC) and directors appointed by the National Conservation Trust Funds, once they sign the Partnership Agreement according to established CBF Endowment Policies and Procedures. In accordance with CBF governing documents, a majority of the Board shall not be affiliated with the governments of any of the Participating Countries and must be representatives of civil society. As of September 2019, the Board was composed of five (5) Directors.

A CBF Secretariat is tasked with carrying out all day-to-day operations of the CBF and headed by a Chief Executive Officer. Board and Technical Committees can be established by the Board to assist with specific tasks. The organizational chart below shows the structure of the CBF as well as how the CBF interacts with its major stakeholders.

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

The CBF channels funding from its Endowment each year to the NCTFs that have been declared eligible to receive support and which have signed a Partnership Agreement with the CBF. The transfer of funds is governed by the terms and conditions set out in such agreements. One of the CBF's key principles is that national partner funds must create new, sustainable revenue that provides a 1:1 match to the CBF payments. The match revenue sources could be private and/or public.

Climate Adaption Programme – the EbA Facility

In December 2016 and in partnership with the Government of Germany through KfW, the CBF established a €25m fund for Ecosystem-based Adaptation (EbA) to climate change. The EbA Facility is a sinking fund designed to award grants that support actions on climate change adaptation and poverty alleviation through biodiversity conservation and ecosystems management. The grants aim to assist organisations in beneficiary countries in their on-the-ground efforts to maintain and increase resilience and reduce the vulnerability of ecosystems and people in the face of the adverse effects of climate change. The KfW resources in the EbA Facility are to be programmed and disbursed during the 2018-2022 period.

CBF EbA Facility participating countries that are eligible include:

- Antigua and Barbuda
- Dominica
- Dominican Republic
- Cuba
- Grenada
- Haiti
- Jamaica
- Saint Lucia
- Saint Vincent and the Grenadines

The CBF continues to raise non-permanent and permanent funding to bring on additional countries and for regional conservation and sustainable development actions.

Auditors

On 7 September 2020 Group Audit Service Limited trading as Wilkins Kennedy Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they sign their report in their new name.

Caribbean Biodiversity Fund

Trustees' Report (Including Directors Report)

Year ended 30 September 2019

Trustees' responsibilities

The Trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 FRS 102;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415a of the Companies Act 2006. Preparing the accounts for a small company does not require the preparation of a Strategic Report, however, much of the typical content of a Strategic Report is included within the Trustees Report.

On behalf of the board

Jens Mackensen
Trustee and Chair

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Caribbean Biodiversity Fund

Independent Auditor's Report to the Trustees of Caribbean Biodiversity Fund

Year ended 30 September 2019

Opinion

We have audited the financial statements of the Caribbean Biodiversity Fund (the 'charitable company') for the year ended 30 September 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Caribbean Biodiversity Fund

Independent Auditor's Report to the Trustees of Caribbean Biodiversity Fund

Year ended 30 September 2019

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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 received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 the trustees 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

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. This description forms part of our auditor's report.

Caribbean Biodiversity Fund

Independent Auditor's Report to the Trustees of Caribbean Biodiversity Fund

Year ended 30 September 2019

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Creasey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Statutory Auditor
Chartered Accountants
Egham

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Caribbean Biodiversity Fund

Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 30 September 2019

				2019	2018
	Note	Unrestricted funds \$	Endowment funds \$	Total \$	Total \$
Income and endowments from:					
Charitable activities	2	-	4,000,000	4,000,000	2,730,454
Investments	3	-	1,695,424	1,695,424	1,597,271
Total income and endowments		-	5,695,424	5,695,424	4,327,725
Expenditure on:					
Raising funds – cost of managing investments		-	283,947	283,947	356,474
Charitable activities	4	536,925	1,024,251	1,561,176	598,792
Total expenditure		536,925	1,308,198	1,845,123	955,266
Net gains on investments	15	-	1,953,713	1,953,713	762,139
Net (expenditure) / income		(536,925)	6,340,939	5,804,014	4,134,598
Transfers between funds	15	536,925	(536,925)	-	-
Net movement in funds	15	-	5,804,014	5,804,014	4,134,598
Reconciliation of funds:					
Total funds brought forward	15	-	69,357,448	69,357,448	65,222,850
Total funds carried forward	15	-	75,161,462	75,161,462	69,357,448

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 20 to 28 form part of these financial statements.

Caribbean Biodiversity Fund

Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 30 September 2018

				2018	2017
	Note	Unrestricted funds \$	Endowment funds \$	Total \$	Total \$
Income and endowments from:					
Charitable activities	2	-	2,730,454	2,730,454	31,033,811
Investments	3	-	1,597,271	1,597,271	882,789
Total income and endowments		-	4,327,725	4,327,725	31,916,600
Expenditure on:					
Raising funds – cost of managing investments		-	356,474	356,474	199,244
Charitable activities	4	438,566	160,226	598,792	304,674
Total expenditure		438,566	516,700	955,266	503,918
Net gains on investments	15	-	762,139	762,139	1,928,048
Net (expenditure) /income		(438,566)	4,573,164	4,134,598	33,340,730
Transfers between funds	15	438,566	(438,566)	-	-
Net movement in funds	15	-	4,134,598	4,134,598	33,340,730
Reconciliation of funds:					
Total funds brought forward	15	-	65,222,850	65,222,850	31,882,120
Total funds carried forward	15	-	69,357,448	69,357,448	65,222,850

Caribbean Biodiversity Fund

Balance Sheet

As at 30 September 2019

	Note	2019 \$	2018 \$
Fixed assets			
Tangible assets	10	3,790	-
Investments	11	72,603,118	68,096,799
		<u>72,606,908</u>	<u>68,096,799</u>
Current assets			
Debtors	12	775,892	660,441
Cash at bank and in hand		2,555,319	1,156,317
		<u>3,331,211</u>	<u>1,816,758</u>
Creditors: amounts falling due within one year	13	(756,657)	(536,109)
Net current assets		<u>2,574,554</u>	<u>1,280,649</u>
Total assets less current liabilities		<u>75,181,462</u>	<u>69,377,448</u>
Creditors: amounts falling due after more than one year	14	(20,000)	(20,000)
Net assets		<u>75,161,462</u>	<u>69,357,448</u>
Charity Funds			
Endowment funds	15	75,161,462	69,357,448
Unrestricted funds	15	-	-
Total charity funds	15	<u>75,161,462</u>	<u>69,357,448</u>

The financial statements were approved and authorised for issue by the Board and signed on behalf of the board of trustees.

Jens Mackensen, Trustee

.....2020

The notes on pages 20 to 28 form part of these financial statements.

Company registration number: 08204716

Caribbean Biodiversity Fund

Statement of Cash Flows

Year ended 30 September 2019

	Note	2019 \$	2018 \$
Cash flow from operating activities	16	<u>2,260,529</u>	<u>1,628,670</u>
Cash flow from investing activities			
Payments to acquire investments		(2,552,606)	(31,683,750)
Receipts from sales of investments		-	25,136,815
Payments to acquired tangible fixed assets		(4,345)	-
Investment income received		1,695,424	1,597,271
Net cash flow from investing activities		<u>(861,527)</u>	<u>(4,949,664)</u>
Net increase/(decrease) in cash and cash equivalents		1,399,002	(3,320,994)
Cash and cash equivalents at 1 October 2018		1,156,317	4,477,311
Cash and cash equivalents at 30 September 2019		<u>2,555,319</u>	<u>1,156,317</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		2,555,319	1,156,317
Cash and cash equivalents at 30 September 2019		<u>2,555,319</u>	<u>1,156,317</u>

Analysis of changes in net debt

	At 1 October 2018 \$	Cash flows \$	\$
Cash at bank and in hand	1,156,317	1,399,002	2,555,319
	<u>1,156,317</u>	<u>1,399,002</u>	<u>2,555,319</u>

The notes on pages 20 to 28 form part of these financial statements.

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

1 Summary of significant accounting policies

General information and basis of preparation

Caribbean Biodiversity Fund is a private charitable company, limited by guarantee and registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Annual Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in US dollars which is the functional currency of the charity and rounded to the nearest \$.

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

Funds

Unrestricted funds 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.

Endowment funds represent those assets which must be held permanently by the charity, as described in note 15 to the financial statements. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes and includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure recognition and allocation

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Governance costs include those costs incurred in the governance of the charity. These costs include costs related to statutory audit together with legal and professional fees and the costs of trustee meetings.

Support costs are allocated to the direct costs incurred on the charity's activities.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	25-33% on cost
-----------------------	----------------

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains /(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. Notwithstanding the impact of Covid-19 since the year end on investment values (as set out in the Trustees Report on page 9), the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Judgements and key sources of estimation uncertainty

No material judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies in these financial statements.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors do not believe there are any assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year.

2 Funding for charitable activities

	Unrestricted \$	Endowment \$	2019 \$	2018 \$
Grant income – KfW	-	-	-	2,730,454
Grant income - TNC	-	4,000,000	4,000,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	4,000,000	4,000,000	2,730,454

All prior year grant income was in respect of the Endowment fund.

3 Income from investments

	Unrestricted \$	Endowment \$	2019 \$	2018 \$
Interest and dividends	-	1,695,424	1,695,424	1,597,271
	<hr/>	<hr/>	<hr/>	<hr/>
	-	1,695,424	1,695,424	1,597,271

4 Charitable activities

	Unrestricted \$	Endowment \$	2019 \$	2018 \$
Conservation Finance Program	-	1,024,251	1,024,251	160,226
Support costs (note 5)	462,613	-	462,613	335,326
Governance costs (note 6)	74,312	-	74,312	103,240
	<hr/>	<hr/>	<hr/>	<hr/>
	536,925	1,024,251	1,561,176	598,792

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

5 Support costs

	Unrestricted \$	Endowment \$	2019 \$	2018 \$
Staff and contractor costs	351,913	-	351,913	235,865
Travel costs	129,195	-	129,195	111,850
Office costs	36,806	-	36,806	35,129
Insurance	4,148	-	4,148	4,752
Foreign exchange loss	(59,449)	-	(59,449)	(52,270)
	<u>462,613</u>	<u>-</u>	<u>462,613</u>	<u>335,326</u>

6 Governance costs

	2019 \$	2018 \$
Audit fee	18,000	16,929
Accountancy fees	26,000	44,780
Legal fees	4,934	957
Other professional fees	24,823	40,103
Depreciation	555	471
	<u>74,312</u>	<u>103,240</u>

7 Grants

Grant expenditure during the year was as follows:

	2019 \$	2018 \$
Conservation Finance Program – Fondo MARENA	350,194	160,226
Conservation Finance Program – Marine Ecosystem Protected AT	175,644	-
Conservation Finance Program – St. Lucia National Conservation	498,413	-
	<u>1,024,251</u>	<u>160,226</u>

8 Net income for the year

Net income is stated after charging / (crediting):

	2019 \$	2018 \$
Depreciation of tangible fixed assets	555	471
Net (gains) / losses on foreign exchange	(59,449)	(52,270)
Audit fees	18,000	16,929
	<u>18,000</u>	<u>16,929</u>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

9 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2018: \$Nil).

The total amount of key management remuneration amounted to \$331,418 (2018: \$229,581). The Trust considers its key management personnel comprise the trustees, Chief Executive Officer and Program managers.

The trustees did not have any expenses reimbursed during the year (2018 - \$nil).

10 Tangible fixed assets

	Fixtures, fittings and equipment \$	Total \$
Cost or valuation:		
At 1 October 2018	2,332	2,332
Additions	4,345	4,345
Disposals	-	-
At 30 September 2019	<u>6,677</u>	<u>6,677</u>
Depreciation:		
At 1 October 2018	2,332	2,332
Charge for the year	555	555
At 30 September 2019	<u>2,887</u>	<u>2,887</u>
Net book value:		
At 30 September 2019	<u>3,790</u>	<u>3,790</u>
At 30 September 2018	<u>-</u>	<u>-</u>

11 Fixed asset investments

	Listed investments \$	Total \$
Cost or valuation		
At 1 October 2018	68,096,799	68,096,799
Additions	93,521,814	93,521,814
Disposals	(90,969,208)	(90,969,208)
Realised investment gains	989,675	989,675
Unrealised investment losses	964,038	964,038
At 30 September 2019	<u>72,603,118</u>	<u>72,603,118</u>
Carrying amount:		
At 30 September 2019	<u>72,603,118</u>	<u>72,603,118</u>
At 30 September 2018	<u>68,096,799</u>	<u>68,096,799</u>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

Investments at fair value comprise:

	2019 \$	2018 \$
Equities	34,097,211	28,982,326
Securities	<u>38,505,907</u>	<u>39,114,473</u>
	<u>72,603,118</u>	<u>68,096,799</u>

The fair value of listed investments is determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

12 Debtors

	2019 \$	2018 \$
Prepayments	602,295	434,971
Accrued income	<u>173,597</u>	<u>225,470</u>
	<u>775,892</u>	<u>660,441</u>

13 Creditors: amounts falling due within one year

	2019 \$	2018 \$
Trade creditors	<u>756,657</u>	<u>536,109</u>
	<u>756,657</u>	<u>536,109</u>

14 Creditors: amounts falling due after more than one year

	2019 \$	2018 \$
Other creditors	<u>20,000</u>	<u>20,000</u>
	<u>20,000</u>	<u>20,000</u>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

15 Fund reconciliation

Unrestricted funds

	At 1 October 2018 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	At 30 September 2019 \$
Unrestricted	-	-	(536,925)	536,925	-	-
	-	-	(536,925)	536,925	-	-

	At 1 October 2017 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	At 30 September 2018 \$
Unrestricted	-	-	(438,566)	438,566	-	-
	-	-	(438,566)	438,566	-	-

Restricted funds

	At 1 October 2018 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	At 30 September 2019 \$
Endowment	69,357,448	5,695,424	(1,308,198)	(536,925)	1,953,713	75,161,462
	69,357,448	5,695,424	(1,308,198)	(536,925)	1,953,713	75,161,462

	At 1 October 2017 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	At 30 September 2018 \$
Endowment	65,222,850	4,327,725	(516,700)	(438,566)	762,139	69,357,448
	65,222,850	4,327,725	(516,700)	(438,566)	762,139	69,357,448

Endowment funds

The purpose of the endowment funds are to provide a sustainable flow of funds to contribute to the conservation, protection and maintenance of biodiversity within the National Protected Areas Systems and other areas of environmental significance of the 8 participating countries, being Antigua and Barbuda, The Bahamas, Dominican Republic, Grenada, Jamaica, Saint Kitts & Nevis, Saint Lucia and Saint Vincent & the Grenadines. Endowment funds allocations to each country respond or are informed by a number of factors including the size of the country, financial gaps, assessments for the protected area systems and the donor's policies and priorities. The funds are currently invested en-bloc to obtain the best possible return and once distribution to the individual participating countries sub-accounts takes place, this information will be disclosed on a participating country basis.

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

Gross movements between funds relate to movement from unrestricted funds to endowment funds.

All net assets are attributable to the Endowment fund.

16 Reconciliation of net income to net cash flow from operating activities

	2019 \$	2018 \$
Net income for the year	5,804,014	4,134,598
Depreciation and impairment of tangible fixed assets	555	471
Investment income received	(1,695,424)	(1,597,271)
Gains on investments	(1,953,713)	(762,139)
(Increase) in debtors	(115,451)	(350,430)
Increase in creditors	220,548	203,441
Net cash flow from operating activities	<u>2,260,529</u>	<u>1,628,670</u>

17 Company limited by guarantee

The company is limited by guarantee and as such does not have share capital. In the event of winding up, each member has guaranteed to contribute to a maximum of £10 to meet the liabilities of the company.

18 Related party transactions

Two of the directors of the company are appointed representatives from the organisations providing the endowment funds. Mr Jens Mackensen was appointed by the German Development Bank (KfW) and Ms Eleanor Philips was appointed by The Nature Conservancy ("TNC").

During the year, KfW made contributions to the endowment fund of \$nil (2018: \$2,730,454).

TNC made contributions to the endowment fund of \$4,000,000 (2018: \$ nil). It also incurred and recharged disbursements on behalf of the Fund amounting to \$220,548 (2018: \$458,717) including \$15,000 levied by TNC under an administrative support services agreement. The amount due to TNC at the year-end was \$756,657 (2018: \$536,101).

Six directors of the company are appointed representatives from organisations receiving grants under partnership agreements. Details of the connections and of amounts remitted to each organisation are set out below.

Director	Organisation	Payment (2019)	Payment (2018)
Mr N Aziz	St Lucia National Conservation Fund	\$296,768	\$201,644
Mr G Gore	Marine Ecosystem Protected Area Trust	\$80,619	\$95,025
Ms L Grant	National Conservation Trust Fund of Jamaica	\$60,000	\$67,588
Mr S Inchaustegui	Fondo MARENA	\$350,194	\$160,226
Mr M John	St Vincent and the Grenadines Conservation Fund	\$90,000	\$50,000
Mr G Mason	Grenada Sustainable Development Trust Fund	\$90,000	\$nil

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2019

19 Post balance sheet events

The impact of Covid-19 on the Foundation is discussed in the Trustees' Report.

20 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2019	2018
	\$	\$
<i>Financial assets</i>		
Measured at fair value through net income:		
- Fixed asset listed investments (note 11)	72,603,118	68,096,799
Debt instruments measured at amortised cost:		
- Cash at bank and in hand	2,555,319	1,156,317
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade creditors (note 13)	756,657	536,109
- Other creditors (note 14)	20,000	20,000
	<u>776,657</u>	<u>556,109</u>

The income, expenses, net gains and net losses attributable the charity's financial instruments are summarised as follows:

	2019	2018
	\$	\$
<i>Income and expense</i>		
Financial assets measured at fair value through net income	686,470	626,103
Financial assets measured at amortised cost	1,008,954	971,168
<i>Net gains and losses (including changes in fair value)</i>		
Realised gains on investment assets	964,038	1,235,668
Unrealised gains/(losses) on investment assets	989,675	(473,529)

21 Presentation currency

The financial statements are presented in US dollars (\$) which reflects the functional currency of the Fund. The exchange rates applied in these financial statements were as follows:

	2019	2018
	\$	\$
Sterling		
Year end rate	\$1: £0.8129	\$1: £0.7673
Average rate	\$1: £0.7859	\$1: £0.7435

Caribbean Biodiversity Fund

Management information

Year ended 30 September 2019

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

Caribbean Biodiversity Fund

Management information

Year ended 30 September 2019

Statement of Financial Activities – expressed in British Pounds

			2019	2018
	Unrestricted funds	Endowment funds	Total £	Total £
Note	£	£	£	£
Income and endowments from:				
Charitable activities	A	-	3,143,550	3,143,550
Investments		-	1,332,413	1,332,413
Total income and endowments		-	4,475,963	4,475,963
Expenditure on:				
Raising funds – cost of managing investments		-	223,150	223,150
Charitable activities	B	421,963	(2,518,928)	(2,096,965)
Total expenditure		421,963	(2,295,778)	(1,873,815)
Net gains on investments		-	1,535,399	1,535,399
Net income / (expenditure)		(421,963)	8,307,139	7,885,176
Transfers between funds		421,963	(421,963)	-
Net movement in funds		-	7,885,176	7,885,176
Reconciliation of funds:				
Total funds brought forward		-	53,216,583	53,216,583
Total funds carried forward		-	61,101,759	61,101,759

Caribbean Biodiversity Fund

Management information

Year ended 30 September 2019

Balance sheet – expressed in British pounds

	2019 £	2018 £
Fixed assets		
Tangible assets	3,081	-
Investments	59,021,979	52,249,312
	<hr/>	<hr/>
	59,025,060	52,249,312
Current assets		
Debtors	630,754	506,743
Cash at bank and in hand	2,077,321	887,219
	<hr/>	<hr/>
	2,708,075	1,393,962
Creditors: amounts falling due within one year	(615,117)	(411,346)
	<hr/>	<hr/>
Net current assets	2,092,958	982,616
	<hr/>	<hr/>
Total assets less current liabilities	61,118,018	53,231,928
Creditors: amounts falling due after more than one year	(16,259)	(15,345)
	<hr/>	<hr/>
Net assets	61,101,759	53,216,583
	<hr/>	<hr/>
Charity Funds		
Endowment funds	61,101,759	53,216,583
Unrestricted funds	-	-
	<hr/>	<hr/>
Total charity funds	61,101,759	53,216,583
	<hr/>	<hr/>

Caribbean Biodiversity Fund

Management information

Year ended 30 September 2019

Notes to the Statement of Financial Activities – expressed in British Pounds

A Funding for charitable activities

	Unrestricted £	Endowment £	2019 £	2018 £
Grant income – KfW	-			2,030,079
Grant income - TNC	-	3,143,550	3,143,550	-
	-	3,143,550	3,143,550	2,030,079

B Charitable activities

	Unrestricted £	Endowment £	2019 £	2018 £
Conservation Finance Program	-	804,946	804,946	119,127
Support costs	363,562	(3,323,874)	(2,960,312)	(1,224,335)
Governance costs	58,401	-	58,401	76,759
	421,963	(2,518,928)	(2,096,965)	(1,028,449)

C Grants

Grant expenditure during the year was as follows:

	2019 £	2018 £
Conservation Finance Program – Fondo MARENA	275,213	160,226
Conservation Finance Program – Marine Ecosystem Protected AT	138,036	-
Conservation Finance Program – St. Lucia National Conservation	391,697	-
	804,946	160,226

D Support costs

	Unrestricted £	Endowment £	2019 £	2018 £
Staff and contractor costs	276,564	-	276,564	175,364
Travel costs	101,533	-	101,533	83,160
Office costs	28,925	-	28,925	26,118
Insurance	3,260	-	3,260	3,533
Foreign exchange loss	(46,720)	(3,323,874)	(3,370,594)	(1,512,510)
	363,562	(3,323,874)	(2,960,312)	(1,224,335)

E Governance costs

	2019 £	2018 £
Audit fee	14,146	12,587
Accountancy fees	20,433	33,294
Legal fees	3,878	712
Other professional fees	19,508	29,816
Depreciation	436	350
	58,401	76,759