

Caribbean Biodiversity Fund
Financial Statements
Year ended 30 September 2021

Charity registration number: 1149889
Company registration number: 08204716

Caribbean Biodiversity Fund

Financial Statements

Year ended 30 September 2021

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Charity registration number	1149889
Company registration number	08204716
Trustees	Ms Brenda Boddie-John Mrs Kelley Botswick-Toote Mr Garry Gore Ms Lisa Grant Mr Sixto Inchaustegui Mr Michael John Mrs Petipha Lewis Dr Jen Mackensen Mrs Eleanor Phillips Mr Huswald Timothée Ms Karolin Troubetzkoy
Chief executive officer	Mr Yabanex Batista (to July 31, 2021) Mrs Karen McDonald Gayle (Acting to September 2021)
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	Metzler -Payden 333 South Grand Avenue Los Angeles California 90071 Deutsche Bank Trust Company Americas Deutsche Bank Wealth Management 345 Park Avenue New York

Caribbean Biodiversity Fund

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The Trustees present their report and the audited financial statements of the charity for the year ended 30 September 2021. 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:

Ms Brenda Boddie-John	
Mrs Kelley Botswick-Toote	
Mr Garry Gore	
Ms Lisa Grant	
Mr Sixto Inchaustegui	
Mrs Petipha Lewis	Appointed 15 September 2021
Mr Michael John	
Dr Jen Mackensen	
Mr George Mason	Resigned 28 February 2021
Mrs Eleanor Phillips	
Mr Huswald Timothée	Appointed 18 March 2021
Ms Karolin Troubetzkoy	

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. Currently, the CBF has two programs: (i) the Conservation Finance Program, anchored by an endowment fund and (ii) the Climate Change Program, focused on Ecosystem-based Adaptation (EbA), with a sinking fund.

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 partner 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 2021, the CBF's activities and key achievements included the following:

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Overall Governance and Operations

A. CBF Board

- At the end of FY2021 the CBF Board was composed of 9 appointed Directors and 2 Member Directors.
- Member Director from KfW, Dr Mackensen remained as Chair of the Board.
- Member Director from TNC, Mrs Phillips remained as CBF Vice-Chair and Treasurer of the Board, as well as Chair of the CBF Finance Committee.
- **Board Meetings** - A total of six (6) Board Meetings were held in FY21:
 - 39th CBF Board Meeting (October 2, 2020)
 - 40th CBF Board Meeting (December 11, 2020)
 - 41st CBF Board Meeting (March 18, 2021)
 - 42nd CBF Board Meeting (June 17, 2021)
 - 43rd CBF Board Meeting¹ (July 25, 2021)
 - 9th CBF Annual Meeting² (September 15th 2021)

B. CBF Annual Meeting

The 9th CBF Annual Meeting took place virtually due to the COVID-19 Pandemic, on September 15, 2020. This meeting also served as the 44th Board Meeting of the CBF.

Key topics discussed included:

- CBF FY21 Status Report including Institutional Update, Conservation Finance Program, Climate Change Program, and FY22 Outlook
- Approval of the FY21 Auditors
- Approval of MOU with OECS
- Approval of CBF FY22 Budget

C. Committees

Finance Committee Meetings - A total of four (4) CBF Finance Committee Meetings took place in FY21:

- 25th Finance Committee Meeting (December 3, 2020)
- 26th Finance Committee Meeting (March 3, 2021)
- 27th Finance Committee Meeting (June 10, 2021)
- 28th Finance Committee Meeting (September 1, 2021)

EbA Facility Committing Meetings - A total of two (2) CBF EbA Facility Committee Meetings took place in FY21:

- 10th EbA Committee Meeting (March 4, 2021)
- 11th EbA Committee Meeting (July 27, 2021)

Operations

A. Key Institutional Documents Approved:

- CBF-Caribbean Biological Corridor MOU - December 2020
- CBF-OECS MOU – September 2021
- CBF- St. Christopher and Nevis Conservation Foundation – October 2020
- CBF- Bahamas Protected Areas Fund (BPAF) Partnership Agreement – November 2020
- CBF - Haiti Biodiversity Fund (FHB) Partnership Agreement – November 2020
- Finance Committee and Executive Committee Charters

B. Legal Structure

- During FY2021, the CBF formally deregistered as a company in The Bahamas and began the process to register the organisation in Jamaica. This is expected to be concluded in FY2022. CBF

¹Extraordinary Board Meeting

² also served as 44th CBF Board Meeting

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also continued to work on the process related to registration in the United States of America process as a 501(c)3. Their 501(c)4 registration is current.

C. Strategic Plan and Fundraising Strategy

- The CBF continued to implement its 2020 Strategic Plan and began the process for contracting consultants for development of the 2022-2026 Strategic Plan.
- The CBF received new deposits for its Endowment of \$750,000 for the Bahamas Endowment Sub-Account in FY2021
- A contribution of US\$5,000 was received from GIZ for the CBF Caribbean Conservation Finance Congress (CCCFC).

D. Programmes

Conservation Finance Programme

Endowment Fund

Countries and their process towards CBF-eligible NCTFs made important progress in FY21 in their grant-making and operational systems. Table 1 below shows progress through a set of key milestones.

NCTFs Dashboard – September 2021

Country	Funds	Legally Established	Functional Board	Pre-Financing Agreement	By-laws	OM (Board Approved)	Staff Hiring	CBF Eligibility Request	Partnership Agreement Negotiations	First CBF Payment	CBF-funded grants awarded
A&B	MEPA										
Bah	BPAF			Not applicable							
Cuba	n/a			TBD							
Dominica	n/a			TBD							
Dom Rep	MARENA			Not applicable							
Grenada	GSDTF										
Guyana	GPAT			Not Applicable							
Haiti	FHB			Not Applicable							
Jamaica	NCTFJ										
Kitts/Nevis	SCNCF										
Lucia	SLUNCF										
Vin/Gren.	SVGCF										

■ Complete ■ In progress ■ Not initiated yet

Table 1 - NCTFs Dashboard tracking establishment progress (as of September 2021)

Partnership Agreements

- For the reporting period (FY21), nine (9) NCTFs had signed Partnership Agreements with the CBF:

- Fondo MARENA (signed December 2016)
- Marine Ecosystem Protected Area Trust (MEPA) (signed June 2017)
- Saint Lucia National Conservation Fund (SLUNCF) (signed June 2017)
- St. Vincent and the Grenadines Conservation Fund (SVGCF) (signed March 2019)
- National Conservation Trust Fund of Jamaica (NCTFJ) (signed June 2019)
- Grenada Sustainable Development Trust Fund (GSDTF) (signed June 2019)
- St. Christopher and Nevis Conservation Foundation (SCNCF) (signed October 2020)
- Bahamas Protected Areas Fund (BPAF) (signed November 2020)
- Haiti Biodiversity Fund (FHB) (signed November 2020)

Payments

- The CBF made nine (9) Partnership Agreement Payments in FY21 for a total of US\$2,988,578.81 since inception. See Table II below:

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- *Other Grant Agreements*
 - The CBF has issued grants to the Bahamas Protected Areas Fund (BPAF) for Hurricane Dorian relief efforts and to the St. Vincent and the Grenadines Conservation Fund (SVGCF) for relief efforts from the volcanic eruptions in the country.
 - The CBF has disbursed a total of US\$650,000.00 in total grants. US\$550,000 was disbursed to BPAF and US\$100,000 to SVGCF since inception.
- *Pre-financing Agreements*
 - Last payments for the final 2 existing Pre-financing Agreements (listed below) were made in FY21 to Saint Christopher and Nevis Conservation Foundation (SCNCF) and Grenada Sustainable Development Trust Fund (GSDTF)
 - In FY21, the CBF made pre-financing payments in the amount of US\$125,000, for a total of US\$1,008,588.00 since inception.

Climate Adaptation Programme

Ecosystem-based Adaptation Facility

- Payments
 - The Ecosystem-based Adaptation (EbA) Facility has disbursed a total of US\$5,968,986.59 to its grantees and beneficiaries since inception. A total of US\$265,672.26 was disbursed under Proposal Preparation Grants (PPGs) for two Calls for Proposals (1CfP and 2 CfP) and a total of US\$5,703,314.33 for approved and signed Grant Agreements.
- Calls for Proposals (CfPs)
 - *1CfP*: Under the 1st Call for Proposal, the CBF disbursed a total of US\$2,877,321.03 for Grant Agreements already in force for FY21. The total disbursements since inception totalled to US\$4,458,775.52. Annual Work plans including budget and a procurement plan were approved for 9 of 11 grantees from 1CfP with the remaining 2 under review, Semi-annual Technical and Financial Reports was received from all 11 1CfP grantees.
 - *2CfP*: 8 projects under the 2CfP were approved, and the CBF disbursed US\$137,429.46 for the Proposal Preparation Grant (PPG) and US\$884,399.51 for Grant Agreements approved. 3 of the 5 grantees signed agreements from 2CfP with 2 under review.
 - *3CfP*: The Third Call for Proposals was launched on 31st August 2021.
 - Figures 1 and 2 below show the distribution of CBF EbA projects from 1st CfP and 2nd CfP by country and by investment respectively

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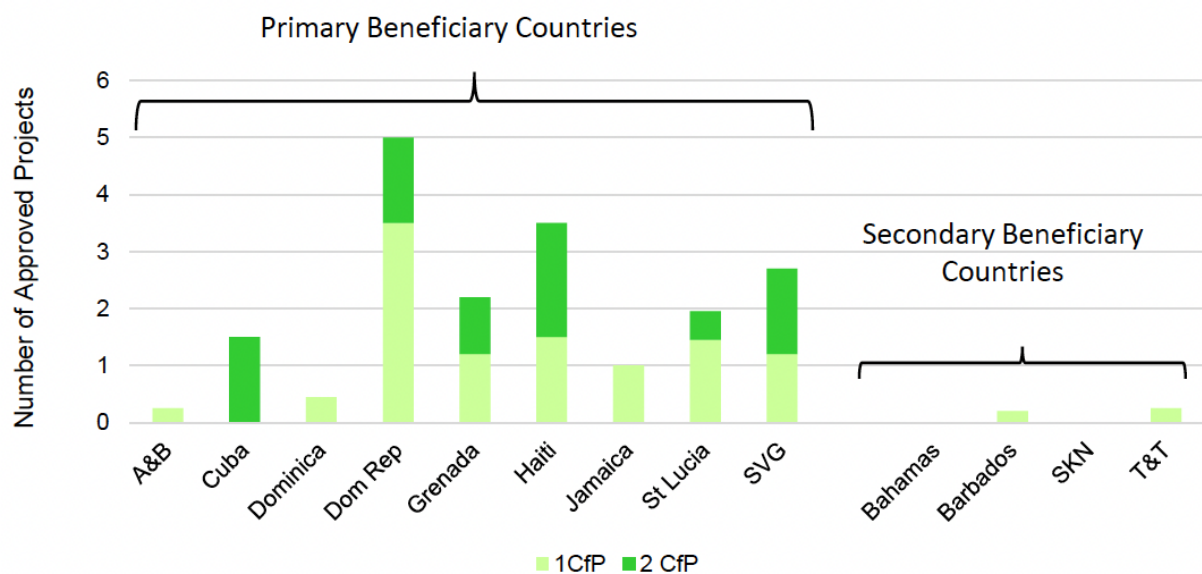


Figure 1 - CBF EbA Projects by Country: 1CfP and 2CfP

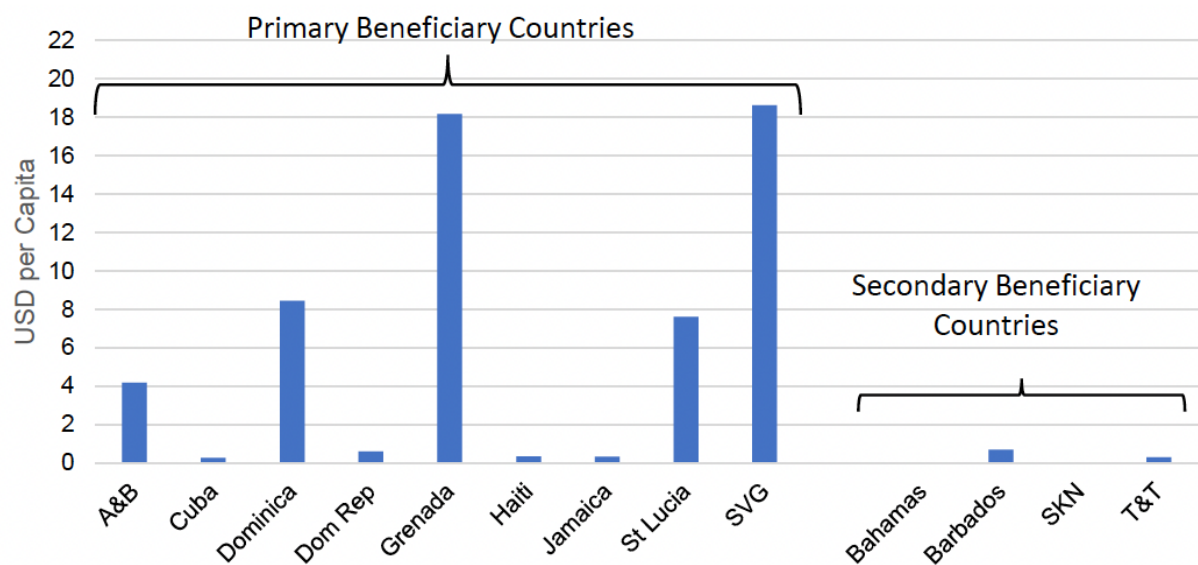


Figure 2 - CBF EbA Investment by Country: 1CfP and 2CfP

Partnerships & Projects

Year Ahead - CBF FY2022 Annual Work Plan

The CBF's FY2022 Work Plan is being developed under the Governance and Strategic Plan consultancy. It is also useful for the new CBF CEO to be involved in the approval of the Work Plan. The CBF Secretariat presented the follow priorities for FY2022 to the CBF Board ahead of the final work plan:

- 1) Institutional:
 - Human Resources
 - Recruitment of CEO
 - Contract Review process
 - Consultancies

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- Gender Review
 - Communications revisit
 - Project Management and Tracking System
 - Monitoring, Evaluation and Learning
 - Implementation of institutional framework
 - Annual Reports
 - Advancing Circular Economy Facility
 - Program Manager
 - Roll out
 - 10th Anniversary Annual Meeting – September 2022
 - Meetings of Board and Committees
- 2) Conservation Finance Programme (Endowment)
- Endowment
 - Guyana Partnership Agreement
 - Dominica Pre-Financing Agreement
 - ESMS roll out
 - Design and Finance Mechanisms
 - Increased grant-making
 - End of Agreement Reviews for MARENA, MEPA and SLUNCF partnerships ahead of renewal of Agreements
- 3) Projects
- Government of France (AFD/FFEM)
 - Caribbean Regional Architecture for Biodiversity (CRAB) Project
 - AFD – FHB National Endowment (10M euros)
 - MesoAmerican Reef (MAR) Fund – approved in 2022
 - ORRAA - Reef Resilience and Risk Financing in the Greater Caribbean Project
 - Global Environment Facility (GEF) – Project Preparation Grant Awarded. Full Project Development underway
 - Executing Agency – UN Environment Programme (UNEP)
 - Caribbean BlueFin (Caribbean Blue Economy Financing) International Waters (IW) Project
 - Government of Canada – expected Q3 2022
 - Consolidation of Regional Environmental Funds and Organizations in the Caribbean (CORE) Project with Cuso International – submitted to Global Affairs Canada (GAC) November 2021
 - Cuso International Volunteer support – since October 2021
 - Communications
 - Gender considerations
 - US Government – submitted October 2020 No recent update
 - USAID Project “Developing Sustainable Finance Solutions for Effective Marine Management in the Caribbean”
- 4) Climate Change Programme - Ecosystem-based Adaptation Facility
- 1st CfP Projects
 - Key Indicator targets advancing
 - Accelerated disbursement of funds for implementation
 - Mid-Term Evaluation of results
 - 2nd CfP Projects
 - Remaining 3 Grant Agreements signed, and projects activated
 - Efficient Flow of financing for implementation
 - 3rd CfP Projects

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- Up to 15 projects selected and Grant Agreements signed
 - Implementation initiated
 - 1st and 2nd financial disbursements to grantees
- 4th CfP Projects
 - Fourth CfP Launched
 - Project selection initiated
- Monitoring, Evaluation and Learning
 - Verification of project implementation - site visits to project sites by EbA Team
- Workshops - best practice and Knowledge Exchange workshop with EbA Grantees and 3CfP orientation
 - Consultant support to review and develop Monitoring and Evaluation Framework

Financial Review

CBF Endowment Performance

As of September 30, 2021, the CBF Endowment Account assets totalled US\$84,083,596.07. Figure 3 below shows the historical CBF Endowment market value since the inception of investments through September 30, 2021.

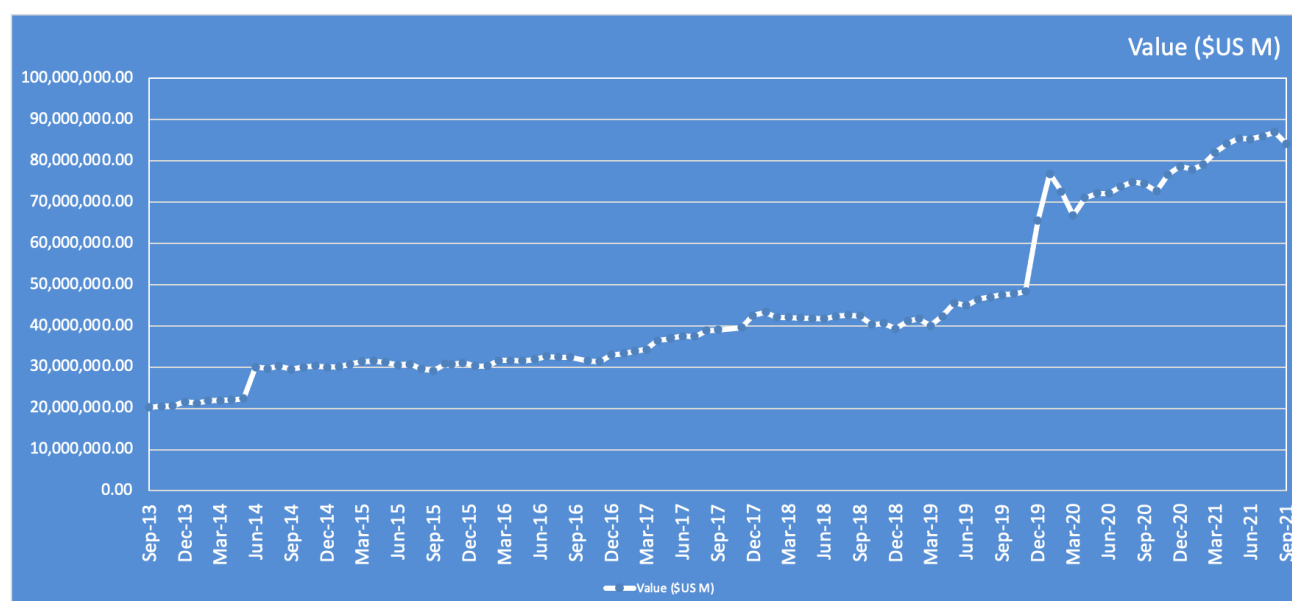


Figure 3 - Historical CBF Endowment Market Value Performance to Sept. 30, 2021

The Endowment has disbursed at total of US\$1,008,588.00 in Pre-financing Agreements, US\$ 2,988,578.81 in Partnership Agreements and US\$650,000.00 in Other Grants Agreement, totalling US\$4,647,166.81 up to September 30, 2021. See Table_2 for details.

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NCTFs	Country	Partnership Agreement (US)	Pre-finance Agreement (US)	Other Agreement (US)	Total (US)
BPAF	The Bahamas	\$69,696.94		\$550,000.00	\$609,696.94
Fondo MARENA	Dominican Republic	\$1,119,117.29			1,119,117.29
GSDTF	Grenada	\$97,408.53	\$175,000.00		\$272,408.53
MEPA	Antigua & Barbuda	\$161,288.55	\$185,000.00		\$346,288.55
NCTFJ	Jamaica	\$335,833.67	\$127,588.00		\$463,421.67
SCNCF	St. Kitts & Nevis	\$101,278.79	\$175,000.00		\$276,278.79
SLUNCF	St. Lucia	\$621,560.35	\$161,000.00		\$782,560.35
SVGCF	St. Vincent & the Grenadines	\$286,469.69	\$185,000.00		\$571,469.69
FHB	Haiti	\$205,925.00			\$205,925.00
Grant Totals		\$2,988,578.81	\$1,008,588.00	\$650,000.00	\$4,647,166.81

Table 2 - CBF Endowment Disbursements Record

As of September 30, 2021, the CBF EbA Facility has disbursed US\$265,672.26 under the Project Preparation Grants agreements and US\$5,703,314.33 under regular Grants for implementation, totalling US\$ 5,968,986.59. The 2025 end date for the Facility is under review given delays in implementation. This Facility also contributes to the CBF operations budget.

Actual Grantees	Payment Type		
	Grant	Preparation Grant	Grand Total
Biodiversite Ministere de l'Environnement, Haiti		\$10,000.00	\$10,000.00
CATIE	\$123,520.00	\$10,000.00	\$133,520.00
Fauna & Flora International	\$347,208.26	\$9,650.00	\$356,858.26
Fundacion Grupo Puntacana	\$389,325.59	\$10,000.00	\$399,325.59
Fundacion Sur Futuro		\$10,000.00	\$10,000.00
Grenada CDA	\$466,888.66	\$9,480.00	\$476,368.66
IDDI	\$1,203,121.42	\$10,000.00	\$1,213,121.42
IICA	\$460,662.00	\$10,000.00	\$470,662.00
J/P Haitian Relif Organization	\$26,027.10	\$7,310.00	\$33,337.10
Mona Informatix Ltd	\$603,405.20	\$10,000.00	\$613,405.20
REDDOM	\$860,357.65	\$9,802.80	\$870,160.45
SLNT	\$141,925.00		\$141,925.00
Sustainable Grenadines Inc		\$19,817.78	\$19,817.78
UWI CERMES	\$144,146.77	\$2,000.00	\$146,146.77
UWI Dept. Science & Technology		\$10,000.00	\$10,000.00
FUNDACIÓN PLENITUD		\$9,000.00	\$9,000.00
Deutsche Welthungerhilfe e. V.		\$9,650.00	\$9,650.00
Netherlands Red Cross		\$9,940.00	\$9,940.00
Smith Warner International Limited		\$10,000.00	\$10,000.00
Instituto Tecnológico de Santo Domingo		\$10,000.00	\$10,000.00
Wildlife Conservation Society		\$10,000.00	\$10,000.00
The Ocean Foundation	\$199,103.60	\$10,000.00	\$209,103.60
The Centre for Livelihoods, Ecosystems, Energy, Adaptation and Resilience in the Caribbean Ltd. (CLEAR)	\$207,125.63	\$1,850.00	\$208,975.63
Windward Islands Research and Education Foundationn (WINDREF)	\$106,575.20	\$10,000.00	\$116,575.20
Mercy Corps		\$10,000.00	\$10,000.00
Caribbean Natural Resources Institute		\$7,500.00	\$7,500.00
Caribbean Community Climate Change Centre		\$10,000.00	\$10,000.00
Pan American Development Foundation (PADF)	\$237,185.00	\$10,000.00	\$247,185.00
J/P Haitian Relief Organization	\$52,327.17		\$52,327.17
REDDOM 2	\$134,410.08	\$9,671.68	\$144,081.76
Grand Total	\$5,703,314.33	\$265,672.26	\$5,968,986.59

Table 3 - CBF EbA Facility Disbursements Record

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Investment Policies

Currently the CBF has two Investment Policies, one for the CBF Endowment Fund and one for the CBF EbA Facility's Sinking Fund. Investment results and compliance with the CBF Investment Policy is monitored by the CBF Board and its Finance Committee. The CBF Finance Committee oversees investment performance and is supported by 2 Investment Managers – one for each Fund. Investment Managers are restricted to investments that falls under the ESG guidelines as defined by MSCI.

Secretariat Operational Budget

The CBF Secretariat had an operational budget of US\$879,689.80 for FY21 with the Endowment Fund contributing US\$398,424.80 and the EbA Facility US\$481,265.00, as amended by the CBF Board.

Reserves Policy

The CBF Endowment investment strategy is designed to keep in place the CBF capital and allow for payments to the NCTFs and also support the Secretariat operations. In addition, the CBF has established an 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.

As of September 30, 2021, the KfW had deposited US\$48 Million under the EbA Facility. As a sinking fund, the EbA Facility is expected to be fully expended. The original proposed date of final expenditure was 2025 but this is under review. The EbA Facility also contributes to the operational budget.

Principal Risks and Uncertainties

The CBF Board has recognized the importance of having a Risk Registry and strategies to manage all risks associated with the CBF including financial, reputational, and others. An amended Risk Registry was approved in March 2020. The Risk Registry will serve as a key management tool for the CBF Board and its CEO.

CBF FY2021 finance and programmatic activities, that were impacted by the COVID-19 pandemic, saw a steady increase pace in implementation as territories evolved from full lockdowns to implementing COVID protocol measures. The CBF operations virtually and the work of the institution never ceased.

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. The Board is composed of 11 directors. They have been nominated by the donors KfW (1) and TNC (1), and Caribbean NCTFs (9). In accordance with CBF governing documents, most of the Board shall not be affiliated with any Government. As of September 2021, the Board was composed of nine (9) Directors and two (2) Member Directors.

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The CEO acts as the head of, and with assistance of, the CBF Secretariat. The CBF Program Managers oversee the financial instruments and assets and principally reports through the CEO to the Board. The CBF Board and Technical Committees were 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

CBF Organizational Chart

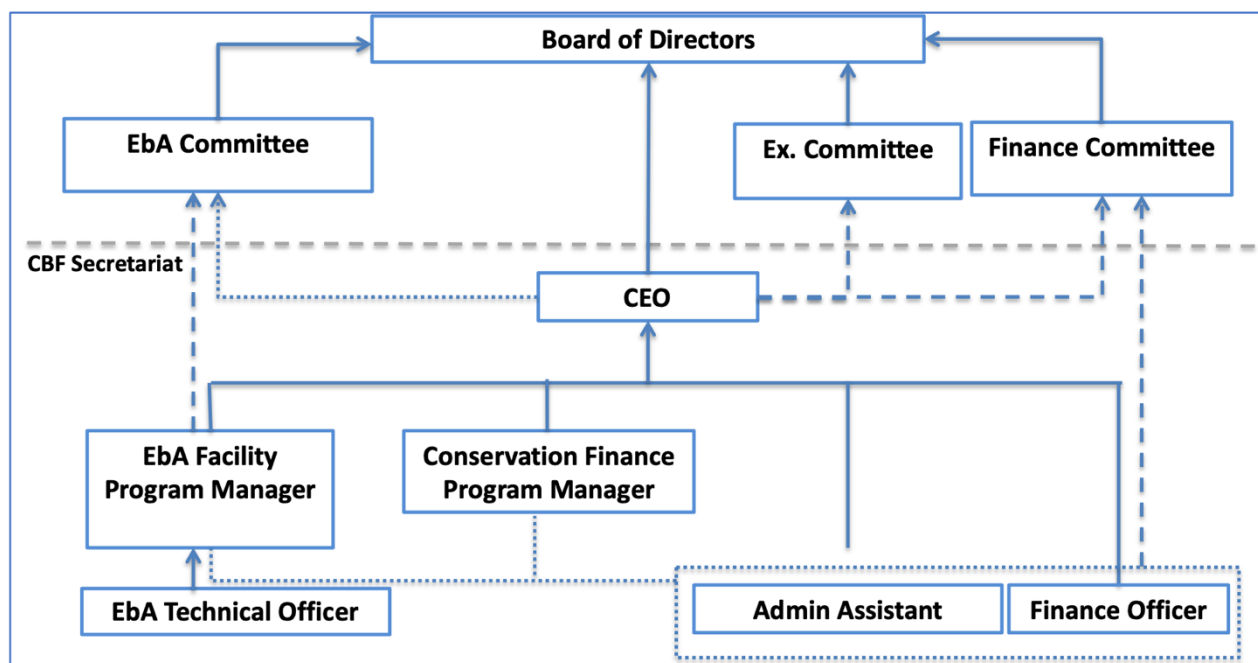


figure 4 - CBF Governance Chart (as of September 2021)

Financial instruments

The CBF is structured as an umbrella fund with a range of funding sources - permanent and non-permanent. It currently works through two main instruments: i) an endowment for conservation priorities (the “Endowment Fund”), and ii) a sinking fund for ecosystem-based adaptation (the “EbA Facility”). Currently, the CBF manages about US\$130 million through these two instruments. Each of the financial instruments is respectively the key instruments of the Conservation Finance Program and the Climate Change Program.

Conservation Finance Program – the Endowment

The CBF Endowment fund currently maintains the following 12 Country Sub-Accounts:

- Antigua and Barbuda
- The Bahamas
- Cuba
- Dominica
- Dominican Republic
- Grenada
- Guyana
- Haiti
- Jamaica
- Puerto Rico (Observer)
- Saint Kitts and Nevis
- Saint Lucia
- Saint Vincent and the Grenadines

In addition, a Sub-Account for CBF operations is managed and CBF is actively investigated sources for funding other new Sub-Accounts.

For the Conservation Finance Program, the CBF channels funding from the relevant Country Sub-account of its Endowment Fund each year, to the Country’s Partner NCTF that has been confirmed eligible to receive funding through a Partnership Agreement with the CBF. The transfer of funds is governed by the terms and

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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 match to the CBF payments. In FY20, the CBF approved a Match Requirement Policy that establishes the requirement, pursuant to each Partnership Agreement to match the sums disbursed by way of each payment by the CBF under the relevant Agreement. Each NCTF must satisfy the Matching Requirement in accordance with this policy. The policy is part of the CBF Endowment Operational Manual and shall be included as an annex in all Partnership Agreements, as amended from time to time, including as required on, about or following the date of this policy in order to bring it into effect. 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. In December 2019, the CBF received a 20 Million Euros Top-Up for the EbA Facility from the Government of Germany through KfW. 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. Projects are being identified through four (4) open call for proposals (CfPs), of which two (2) had been completed by FY2021.

CBF EbA Facility eligible participating countries are:

- Antigua & Barbuda
- Cuba
- Dominica
- Dominican Republic
- Grenada
- Haiti
- Jamaica
- Saint Lucia
- St. Vincent & the Grenadines

Other countries that can benefit include Barbados, The Bahamas, St. Christopher & Nevis, Trinidad & Tobago, if they are included in regional projects where the eligible countries are in three-quarters majority.

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.

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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



Eleanor Phillips
Trustee

...15.June,..... 2022

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Opinion

We have audited the financial statements of the Caribbean Biodiversity Fund (the 'charitable company') for the year ended 30 September 2021 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 2021 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

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

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

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

Other information

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

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

Caribbean Biodiversity Fund

Financial Statements

Year ended 30 September 2021

We have nothing to report in this regard.

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.

Caribbean Biodiversity Fund

Financial Statements

Year ended 30 September 2021

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Caribbean Biodiversity Fund

Financial Statements

Year ended 30 September 2021

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.

Azets Audit Services

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

Date: 16 June 2022
.....

Caribbean Biodiversity Fund

Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 30 September 2021

				2021	2020
	Note	Unrestricted funds \$	Endowment funds \$	Total \$	Total \$
Income and endowments from:					
Charitable activities	2	-	755,000	755,000	50,206,793
Investments	3	-	3,008,858	3,008,858	2,796,486
Total income and endowments		-	3,763,858	3,763,858	53,003,279
Expenditure on:					
Raising funds – cost of managing investments		-	523,382	523,382	468,981
Charitable activities	4	671,649	5,676,392	6,348,041	4,331,253
Total expenditure		671,649	6,199,774	6,871,423	4,800,234
Net gains on investments	15	-	12,545,261	12,545,261	1,946,964
Net (expenditure) / income		(671,649)	10,109,345	9,437,696	50,150,009
Transfers between funds	15	671,649	(671,649)	-	-
Net movement in funds	15	-	9,437,696	9,437,696	50,150,009
Reconciliation of funds:					
Total funds brought forward	15	-	125,311,471	125,311,471	75,161,462
Total funds carried forward	15	-	134,749,167	134,749,167	125,311,471

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 22 to 32 form part of these financial statements.

Caribbean Biodiversity Fund

Statement of Financial Activities (Including Income and Expenditure Account)

Year ended 30 September 2020

		2020		2019	
	Note	Unrestricted funds \$	Endowment funds \$	Total \$	Total \$
Income and endowments from:					
Charitable activities	2	-	50,206,793	50,206,793	4,000,000
Investments	3	-	2,796,486	2,796,486	1,695,424
Total income and endowments		-	53,003,279	53,003,279	5,695,424
Expenditure on:					
Raising funds – cost of managing investments		-	468,981	468,981	283,947
Charitable activities	4	563,316	3,767,937	4,331,253	1,561,176
Total expenditure		563,316	4,236,918	4,800,234	1,845,123
Net gains on investments	15	-	1,946,964	1,946,964	1,953,713
Net (expenditure) / income		(563,316)	50,713,325	50,150,009	5,804,014
Transfers between funds	15	563,316	(563,316)	-	-
Net movement in funds	15	-	50,150,009	50,150,009	5,804,014
Reconciliation of funds:					
Total funds brought forward	15	-	75,161,462	75,161,462	69,357,448
Total funds carried forward	15	-	125,311,471	125,311,471	75,161,462

Caribbean Biodiversity Fund

Balance Sheet

As at 30 September 2021

	Note	2021 \$	2020 \$
Fixed assets			
Tangible assets	10	8,178	7,473
Investments	11	128,391,238	124,306,543
		<u>128,399,416</u>	<u>124,314,016</u>
Current assets			
Debtors	12	193,812	343,411
Cash at bank and in hand		6,210,829	781,437
		<u>6,404,641</u>	<u>1,124,848</u>
Creditors: amounts falling due within one year	13	(34,890)	(107,393)
Net current assets		<u>6,349,751</u>	<u>1,017,455</u>
Total assets less current liabilities		<u>134,749,167</u>	<u>125,331,471</u>
Creditors: amounts falling due after more than one year	14	(20,000)	(20,000)
Net assets		<u>134,749,167</u>	<u>125,311,471</u>
Charity Funds			
Endowment funds	15	134,749,167	125,311,471
Unrestricted funds	15	-	-
Total charity funds	15	<u>134,749,167</u>	<u>125,311,471</u>

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



Eleanor Phillips, Trustee

.....15th June,.....2022

The notes on pages 22 to 32 form part of these financial statements.

Company registration number: 08204716

Caribbean Biodiversity Fund

Statement of Cash Flows

Year ended 30 September 2021

	Note	2021 \$	2020 \$
Cash flow from operating activities	16	<u>(6,036,517)</u>	<u>45,192,117</u>
Cash flow from investing activities			
Payments to acquire investments		(50,435,961)	(91,086,143)
Receipts from sales of investments		58,896,527	41,329,682
Payments to acquired tangible fixed assets		(3,515)	(6,024)
Investment income received		3,008,858	2,796,486
Net cash flow from investing activities		<u>11,465,909</u>	<u>(46,965,999)</u>
Net (decrease)/increase in cash and cash equivalents		5,429,392	(1,773,882)
Cash and cash equivalents at 1 October 2020		781,437	2,555,319
Cash and cash equivalents at 30 September 2021		<u>6,210,829</u>	<u>781,437</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		6,210,829	781,437
Cash and cash equivalents at 30 September 2021		<u>6,210,829</u>	<u>781,437</u>

Analysis of changes in net funds

	At 1 October 2020	Cash flows	At 30 Sep 2021
	\$	\$	\$
Cash at bank and in hand	781,437	5,429,392	6,210,829
	<u>781,437</u>	<u>5,429,392</u>	<u>6,210,829</u>

The notes on pages 22 to 32 form part of these financial statements.

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

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

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

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
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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.

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 worldwide events since the year end on investment values, the budgeted income and

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

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 \$	2021 \$	2020 \$
Grant income – KfW	-	-	-	50,206,793
Grant income - TNC	-	750,000	755,000	-
Event sponsorship income	-	5,000	-	-
	-	755,000	755,000	50,206,793

All current and prior year grant income was in respect of the Endowment funds.

3 Income from investments

	Unrestricted \$	Endowment \$	2021 \$	2020 \$
Interest and dividends	-	3,008,858	3,008,858	2,796,486
	-	3,008,858	3,008,858	2,796,486

4 Charitable activities

	Unrestricted \$	Endowment \$	2021 \$	2020 \$
Conservation Finance Program - grants	-	1,543,644	1,543,644	1,629,977
Conservation Finance Program – other costs	-	99,374	99,374	67,815
EbA Program - grants	-	3,987,127	3,987,127	2,070,145
EbA Program- other costs	-	46,247	46,247	-
Support costs (note 5)	574,261	-	574,261	567,529
Governance costs (note 6)	97,388	-	97,388	(4,213)
	671,649	5,676,392	6,348,041	4,331,253

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

5 Support costs

	Unrestricted \$	Endowment \$	2021 \$	2020 \$
Staff and contractor costs	426,445	-	426,445	407,255
Travel costs	24,265	-	24,265	120,508
Office costs	88,710	-	88,710	31,198
Insurance	10,943	-	10,943	5,324
Foreign exchange loss	23,898	-	23,898	3,244
	<u>574,261</u>	<u>-</u>	<u>574,261</u>	<u>567,529</u>

6 Governance costs

	2021 \$	2020 \$
Audit fees	25,000	20,379
Accountancy fees	25,102	21,740
Legal fees	14,340	4,468
Other professional fees	30,136	(53,141)
Depreciation	2,810	2,341
	<u>97,388</u>	<u>(4,213)</u>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

7 Grants

Grant expenditure during the year was as follows:

	2021 \$	2020 \$
<u>Conservation Finance Program</u>		
St Vincent and the Grenadines Conservation Fund	201,154	370,316
BPAF	400,000	150,000
SCNCF	186,279	45,000
National Conservation Trust Fund of Jamaica	124,877	338,545
Grenada Sustainable Development Trust Fund	40,000	232,409
Fondo MARENA	209,364	399,333
Marine Ecosystem Protected AT	80,644	-
St. Lucia National Conservation	95,401	94,374
Haiti (FHB)	205,925	-
	<u>1,543,644</u>	<u>1,629,977</u>
<u>EbA Program</u>		
Biodiversite Ministere de l'Envi	-	10,000
CATIE	-	133,520
Fauna & Flora International	255,907	101,262
Fundacion Grupo Puntacana	225,583	173,742
Fundacion Sur Futuro	-	10,000
GRENCODA	387,761	88,607
IDDI	741,122	472,000
IICA	-	470,662
J/P Haitian Relief Organization	52,327	33,336
Mona Informatix Ltd	504,405	109,000
REDDOM	844,185	205,952
St. Lucia National Trust	-	141,925
Sustainable Grenadines Inc	9,818	10,000
UWI CERMES	98,139	100,139
CLEAR	208,976	-
Fundacion Plenitud	9,000	-
Smith Warner	10,000	-
The Ocean Foundation	209,104	-
Netherlands Red Cross	9,940	-
IT Santo Domingo	10,000	-
WINDREF	116,575	-
Wildlife Conservation Society	10,000	-
Agro Action	9,650	-
Mercy Corps	10,000	-
CCCCC	10,000	-
CNRI	7,500	-
PADF	247,135	-
UWI Dept. Science & Technology	-	10,000
	<u>3,987,127</u>	<u>2,070,145</u>
Total grants awarded	<u>5,530,771</u>	<u>3,700,122</u>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

8 Net income for the year

Net income is stated after charging / (crediting):

	2021 \$	2020 \$
Depreciation of tangible fixed assets	2,810	2,341
Net (gains) / losses on foreign exchange	23,898	3,243
Audit fees	25,000	20,379
	<hr/>	<hr/>

9 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2020: \$Nil).

The total amount of key management remuneration amounted to \$293,337 (2020: \$297,280). 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 (2020 - \$nil).

10 Tangible fixed assets

	Fixtures, fittings and equipment \$	Total \$
Cost or valuation:		
At 1 October 2020	12,701	12,701
Additions	3,515	3,515
Disposals	-	-
At 30 September 2021	<hr/> 16,216	<hr/> 16,216
Depreciation:		
At 1 October 2020	5,228	5,228
Charge for the year	2,810	2,810
At 30 September 2021	<hr/> 8,038	<hr/> 8,038
Net book value:		
At 30 September 2021	<hr/> 8,178	<hr/> 8,178
At 30 September 2020	<hr/> 7,473	<hr/> 7,473

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

11 Fixed asset investments

	Listed investments \$	Total \$
Cost or valuation		
At 1 October 2020	124,306,543	124,306,543
Additions	50,435,961	50,435,961
Disposals	(58,896,527)	(58,896,527)
Realised investment losses	5,365,454	5,365,454
Unrealised investment gains	7,179,807	7,179,807
At 30 September 2021	128,391,238	128,391,238
Carrying amount:		
At 30 September 2021	128,391,238	128,391,238
At 30 September 2020	124,306,543	124,306,543

Investments at fair value compromise:

	2021 \$	2020 \$
Equities	63,358,332	57,868,070
Securities	65,032,906	66,438,473
	128,391,238	124,306,543

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

	2021 \$	2020 \$
Prepayments	10,326	142,930
Accrued income	183,486	200,481
	193,812	343,411

13 Creditors: amounts falling due within one year

	2020 \$	2020 \$
Trade creditors	34,890	107,393
	34,890	107,393

14 Creditors: amounts falling due after more than one year

	2021 \$	2020 \$
Other creditors	20,000	20,000
	20,000	20,000

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

15 Fund reconciliation Unrestricted funds

	1 October 2020 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	30 September 2021 \$
Unrestricted	-	-	(671,649)	671,649	-	-
	-	-	(671,649)	671,649	-	-

	1 October 2019 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	30 September 2020 \$
Unrestricted	-	-	(563,316)	563,316	-	-
	-	-	(563,316)	563,316	-	-

Endowment funds

	1 October 2020 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	30 September 2021 \$
Conservation Finance Program endowment	74,738,714	2,727,897	(1,775,520)	(671,649)	9,306,315	84,325,758
Climate Adaption Program EbA Facility Fund	50,572,757	1,035,961	(4,424,255)	-	3,238,946	50,423,409
	125,311,471	3,763,858	(6,199,774)	(671,649)	12,545,261	134,749,167

	1 October 2019 \$	Income \$	Expenditure \$	Transfers \$	Gains / (losses) \$	30 September 2020 \$
Conservation Finance Program endowment	47,508,790	29,622,828	(1,400,496)	(563,316)	(429,092)	74,738,714
Climate Adaption Program EbA Facility Fund	27,652,672	23,380,451	(2,836,422)	-	2,376,056	50,572,757
	75,161,462	53,003,279	(4,236,918)	(563,316)	1,946,964	125,311,471

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

Analysis of funds

Conservation Finance Program

The purpose of the endowment fund is 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.

Climate Adaption Program – the EbA Facility Fund

The EbA Facility is a sinking fund designed to award grants that support actions on climate change adaption and poverty alleviation through biodiversity conservation and ecosystems management.

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

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

	2021 \$	2020 \$
Net income for the year	9,437,696	50,150,009
Depreciation and impairment of tangible fixed assets	2,810	2,341
Investment income receivable	(3,008,858)	(2,796,486)
Gains on investments	(12,545,261)	(1,946,964)
(Increase)/decrease in debtors	149,599	432,481
Increase/(decrease) in creditors	(72,503)	(649,264)
Net cash flow from operating activities	(6,036,517)	45,192,117

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 and EBA facility of \$nil (2020: \$27,822,200) and of \$nil (2020: \$22,384,593) respectively.

TNC made contributions to the endowment fund of \$755,000 (2020: \$nil). Repayments to TNC totalled \$nil (2020: \$756,368). The amount due to TNC at the year-end was \$nil (2020: \$nil).

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.

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

Director	Organisation	Payment to organisation (2021)	Payment to organisation (2020)
Mr G Gore	Marine Ecosystem Protected Area Trust	\$80,644	\$90,000
Ms L Grant	National Conservation Trust Fund of Jamaica	\$124,877	\$210,956
Mr S Inchaustegui	Fondo MARENA	\$209,364	\$399,333
Mr M John	St Vincent and the Grenadines Conservation Fund	\$201,154	\$230,316
Mr G Mason	Grenada Sustainable Development Trust Fund	\$40,000	\$142,409
Mr Huswald Timothee	Haitian Biodiversity Fund	\$205,925	-
Ms Karolin Troubetzkoy	Saint Lucian National Conversation Fund	\$189,774	\$94,374
Ms Brenda Boddie-John	St Christopher and Nevis Conservation Foundation	\$186,279	-
Ms Kelly Bostwick-Toote	Bahamas Protected Area	\$459,697	-

19 Financial instruments

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

	2021 \$	2020 \$
<i>Financial assets</i>		
Measured at fair value through net income:		
- Fixed asset listed investments (note 11)	128,391,238	124,306,542
Debt instruments measured at amortised cost:		
- Cash at bank and in hand	6,210,829	781,437
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade creditors (note 13)	34,890	107,393
- Other creditors (note 14)	20,000	20,000
	<u>54,890</u>	<u>127,393</u>

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

	2021 \$	2020 \$
<i>Income and expense</i>		
Financial assets measured at fair value through net income	1,493,441	1,285,803
Financial assets measured at amortised cost	1,514,249	1,505,307
<i>Net gains and losses (including changes in fair value)</i>		
Realised gains/(losses) on investment assets	7,179,807	(849,597)
Unrealised gains/(losses) on investment assets	5,365,454	2,796,561

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

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:

	2021 \$	2020 \$
Sterling		
Year end rate	\$1: £0.7742	\$1: £0.8129
Average rate	\$1: £0.7847	\$1: £0.7859
	<hr/>	<hr/>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

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

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

Statement of Financial Activities – expressed in British Pounds

			2021	2020
	Note	Unrestricted funds £	Endowment funds £	Total £
Income and endowments from:				
Charitable activities	A	-	551,884	551,884
Investments		-	2,199,392	2,199,392
Total income and endowments		-	2,751,276	2,751,276
Expenditure on:				
Raising funds – cost of managing investments		-	382,578	382,578
Charitable activities	B	490,956	8,003,366	8,494,322
Total expenditure		490,956	8,385,944	8,876,900
Net gains on investments		-	9,170,239	9,170,239
Net income / (expenditure)		(490,956)	3,535,571	3,044,615
Transfers between funds		490,956	490,956	-
Net movement in funds		-	3,044,615	3,044,615
Reconciliation of funds:				
Total funds brought forward		-	97,009,876	97,009,876
Total funds carried forward		-	100,054,491	100,054,491

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

Balance sheet – expressed in British pounds

	2021 £	2020 £
Fixed assets		
Tangible assets	6,072	5,785
Investments	95,333,576	96,231,910
	<hr/> 95,339,648	<hr/> 96,237,695
Current assets		
Debtors	143,910	265,852
Cash at bank and in hand	4,611,690	604,949
	<hr/> 4,755,600	<hr/> 870,801
Creditors: amounts falling due within one year	(25,907)	(83,138)
	<hr/> 4,729,693	<hr/> 787,663
Net current assets		
	<hr/> 100,069,341	<hr/> 97,025,358
Total assets less current liabilities		
Creditors: amounts falling due after more than one year	(14,850)	(15,482)
	<hr/> 100,054,491	<hr/> 97,009,876
Net assets		
	<hr/>	<hr/>
Charity Funds		
Endowment funds	100,054,491	97,009,876
Unrestricted funds	-	-
	<hr/> 100,054,491	<hr/> 97,009,876
Total charity funds		
	<hr/>	<hr/>

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

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

A Funding for charitable activities

	Unrestricted £	Endowment £	2021 £	2020 £
Grant income – KfW	-	-	-	39,396,450
Grant income - TNC	-	548,229	548,229	-
Event sponsorship income	-	3,655	3,655	-
	-	551,884	551,884	39,396,450

B Charitable activities

	Unrestricted £	Endowment £	2021 £	2020 £
Conservation Finance Program	-	1,128,361	1,128,361	1,279,016
Conservation Finance Program – other costs	-	72,640	72,640	53,213
EbA Program - grants	-	2,914,480	2,914,480	1,624,409
EbA Program- other costs	-	33,805	33,805	-
Support costs	419,769	3,854,080	4,273,849	3,889,107
Governance costs	71,188	-	71,188	(3,306)
	490,957	8,003,366	8,494,322	6,842,439

C Grants

Grant expenditure during the year was as follows:

	2021 £	2020 £
Conservation Finance Program - Fondo MARENA	153,039	313,350
Conservation Finance Program - Marine Ecosystem Protected AT	58,949	-
Conservation Finance Program - St. Lucia National Conservation	69,735	74,054
Conservation Finance Program - St Vincent and the Grenadines Conservation Fund	147,038	290,581
Conservation Finance Program - BPAF	292,389	117,702
Conservation Finance Program - SCNCF	136,165	35,311
Conservation Finance Program - National Conservation Trust Fund of Jamaica	91,282	265,651
Conservation Finance Program - Grenada Sustainable Development Trust Fund	29,239	182,367
Conservation Finance Program - Haiti (FHB)	150,525	-
EbA Program - Biodiversite Ministere de'Envi	-	7,847
EbA Program - CATIE	-	104,771
EbA Program - Fauna & Flora International	187,061	79,459
EbA Program - Fundacion Grupo Puntacana	164,443	136,332
EbA Program - Fundacion Sur Futuro	-	7,847
EbA Program - GRENCODA	283,895	69,528
EbA Program - IDDI	541,740	370,371
EbA Program - IICA	-	369,321
EbA Program - J/P Haitian Relief Organization	38,250	26,158
EbA Program - Mona Informatix Ltd	368,706	85,531
EbA Program - REDDOM	617,076	161,607
EbA Program - St. Lucia National Trust	-	111,366
EbA Program - Sustainable Grenadines Inc	7,177	7,847
EbA Program - UWI CERMES	71,737	78,577

Caribbean Biodiversity Fund

Notes to the Financial Statements

Year ended 30 September 2021

EbA Program – CLEAR	152,756	-
EbA Program - Fundacion Plenitud	6,579	-
EbA Program - Smith Warner	7,310	-
EbA Program - The Ocean Foundation	152,849	-
EbA Program - Netherlands Red Cross	7,266	-
EbA Program - IT Santo Domingo	7,310	-
EbA Program - WINDREF	85,213	-
EbA Program - Wildlife Conservation Society	7,310	-
EbA Program - Agro Action	7,054	-
EbA Program - Mercy Corps	7,310	-
EbA Program - CCCCC	7,310	-
EbA Program - CNRI	5,482	-
EbA Program - PADF	180,649	-
EbA Program - UWI Dept. Science & Technology	-	7,847
	<u>4,042,844</u>	<u>2,903,425</u>

D Support costs

	Unrestricted £	Endowment £	2021 £	2020 £
Staff and contractor costs	311,719	-	311,719	319,566
Travel costs	17,737	-	17,737	94,561
Office costs	64,845	-	64,845	24,480
Insurance	7,999	-	7,999	4,178
Foreign exchange loss	17,469	3,854,080	3,871,549	3,446,322
	<u>419,769</u>	<u>3,854,080</u>	<u>4,273,849</u>	<u>3,889,107</u>

E Governance costs

	2021 £	2020 £
Audit fees	18,274	18,144
Accountancy fees	18,349	14,906
Legal fees	10,482	4,178
Other professional fees	22,029	(41,699)
Depreciation	2,054	1,837
	<u>71,188</u>	<u>(3,306)</u>