



Annual Report and Financial Statements

For the year ended 31 December 2018

Synchronicity Earth (Registered Charity Number: 1132786 and Company Number: 06952204)

CONTENTS

Annual Report of the Trustees	3 - 23
Independent Auditor's Report	24 - 26
Statement of Financial Activities (including Income and Expenditure account)	27
Balance Sheet	28
Cash Flow Statement	29
Notes to the Financial Statements	30 - 42

Annual Report of the Trustees

During 2018, some important moments helped to highlight the extent to which we are losing precious ecosystems around the world. The Living Planet Report, produced by WWF in collaboration with Zoological Society London was published in October 2018. This showed how species populations are continuing to decline, with an overall 60% fall across a sample of more than 4,000 vertebrate species populations around the world over the past 50 years. Earlier in the year, the BBC's Blue Planet II series highlighted the problem of plastic pollution in the oceans, drawing attention to the need for urgent solutions, subsequently igniting a UK-wide movement across many sectors.

This continues to show the urgent need for the work we do at Synchronicity Earth, celebrating biodiversity and funding protection for threatened species and ecosystems, where it is most needed. We hope we are laying the foundations for greater action for overlooked and underfunded species conservation so that we can look ahead to a world in which thriving and diverse ecosystems are protected and valued. This work has never been more urgent and we continue to be guided by our vision to fulfil our mission:

VISION: An Earth in which all life is valued, celebrated and flourishing.

MISSION: To address overlooked and underfunded conservation challenges for globally threatened species and ecosystems.

To achieve our mission, we focus on three areas:

CONSERVATION:

We know that conservation works, but there is nowhere near enough of it. We focus on identifying gaps where scaling up action and funding could have most impact for species and ecosystems that are overlooked and underfunded.

ENGAGEMENT:

We engage creatively and collaboratively with a range of communities across different sectors – conservation, businesses, academia and philanthropy. We are also an active member of the conservation community, helping to develop key tools and innovative approaches to promote robust science and good practice within the sector.

FUNDING:

Philanthropic funding for the environment needs to grow significantly, both in quantity and scope. Our approach is to listen to NGO needs and work with donors to provide more long-term, flexible financial support for conservation where it is most needed.

Overview of Our Activities

CONSERVATION & FUNDING

We identify priorities and gaps in funding and action for biodiversity conservation, using research and analysis to develop programmes that focus on important conservation issues for species and ecosystems. Over the past two years we have moved from ecosystem portfolios, to a range of more targeted programmes addressing key gaps in conservation action. We now carry out our funding activities through six conservation programmes; Amphibians, Asian Species, Congo Basin, Freshwater, High and Deep Seas and Synchronicity, whilst we also direct funding for ecosystem restoration through our Regeneration programme.

As an independent funder we identify effective organisations working on the front-line and use a detailed due diligence process to gain an in-depth understanding of how each organisation works and their activities and impacts. Our funding is an on-going learning process. Through project reports, regular dialogue and discussions with other funders we continually look to deepen our knowledge and the impact of our funding.

Our conservation funding is done through grant making and through direct funding of project costs. During 2018, we continued to increase our support through direct funding of project costs, often related to bringing experts together for key conferences, skills training for staff at the organisations we fund and the purchase of specialist equipment for their work.

Supporting and funding conservation networks

An important part of our conservation funding is supporting increased coordination of conservation activities to improve the impact of funding through strategic networks. To do this Synchronicity Earth is continuing to support the following networks; the Amphibian Survival Alliance (ASA) through our Amphibian programme and through in-kind work from our team and the Asian Species Action Partnership (ASAP) through our Asian Species programme and also through in-kind support from our team.

During 2018 we became the home for a new network, Shoal, which is being developed to support the conservation of freshwater fish. The Director is a member of our team and we offer support through our Freshwater programme and through in-kind support across our team.

ENGAGEMENT

We also work on three important engagement strands:

- Contributing to the development of new strategic conservation tools.
- Working to raise the importance of the environment throughout our culture.
- Increasing the amount of philanthropic funding for the environment.

Many of our team work on initiatives that bring together groups within the conservation and philanthropic communities and we also fund events and meetings to support this work. We know that success in each of these endeavours is crucial to the long-term success of the funding we give to organisations undertaking a wide range of conservation activities, and in everything we do we seek to inspire more people to become conservationists.

Achievements and Performance

Our conservation programmes continued to develop during 2018. Significant expansion took place in our Congo Basin programme with funding increasing from £81,812 to £249,685, with the support of four foundations. This affirms our approach and the rigour of the due diligence work we undertake as we build relationships with the organisations we fund. Funding in the Congo Basin will always present risks, but this region covers so many important ecosystems that are increasingly under threat that it will remain a high priority for us. The pooled approach allows us to share learning and experience with other funders and we look forward to continuing to build the programme, supporting local organisations, particularly in protecting land rights and indigenous peoples' rights, as well as building local species conservation skills.

Our Asian Species programme now incorporates our funding to conserve the Critically Endangered White-bellied Heron, as well as funding organisations in our initial priority countries, Indonesia, the Philippines and Vietnam. As the programme evolves, we will work with our partners to identify further priority regions where targeted conservation can have most impact. A core part of this programme has been funding the Asian Species Action Partnership to strengthen coordination in the region for conservation and build local conservation capacity. We are already seeing the impact of this partnership as more organisations are becoming members.

During 2018, we re-launched our Freshwater programme after a period of re-evaluation and analysis of our work. This programme now targets three key strands of action: support for improved data for freshwater conservation, through further development of freshwater Key Biodiversity Areas; support for community-based organisations advocating for water rights and sustainable freshwater systems; and funding for freshwater fish species conservation, primarily through the Shoal collaboration. Synchronicity Earth has brought together a group of funders and NGOs to collaborate to raise funding and target freshwater fish conservation. There is no existing NGO that does this. At the beginning of 2018, we agreed to act as the home for this new initiative and we were delighted to appoint the Director for Shoal in October 2018.

The lead Research Analyst on our High and Deep Seas programme attended negotiations at the United Nations in New York alongside the High Seas Alliance, a collaboration of over 30 NGOs which plays an important advocacy role in the process. Our funding is assisting them to attend meetings and to present the scientific evidence that is needed to inform policy development for the new High Seas Biodiversity Treaty, currently in negotiation. Continued support for this work is crucial during the three-year negotiation timeline.

2018 has continued to see growth in our grant funding and also in direct project funding. Direct project funding includes salary for staff dedicated to the Amphibian programme and the Shoal initiative, and costs of experts to attend key conferences and seminars, such as workshops that undertake the work to define new Key Biodiversity Areas. It also includes funding for equipment, such as camera traps to monitor species, as well as funding for staff training at the organisations we fund. We expect this type of funding to continue to increase as part of our conservation work.

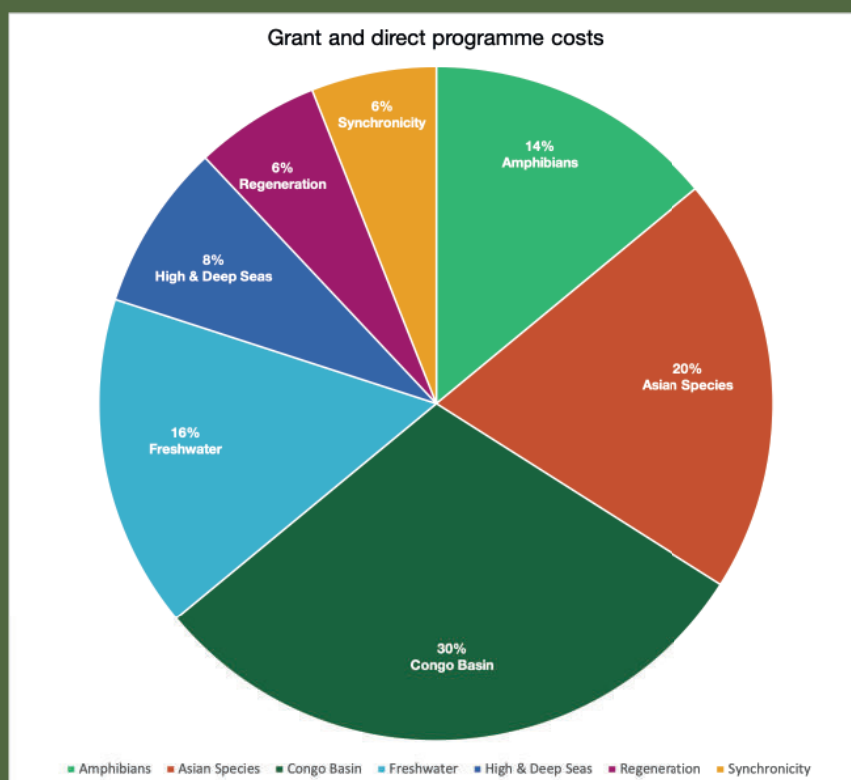
We are very fortunate that the unrestricted funding we receive from the Synchronicity Foundation covers our staff and office costs, and provides us with a stable financial base, enabling us to leverage this funding for species conservation and engagement, both in the conservation sector and our work on cultural engagement. Over the next pages you will find more detail on each programme and an overview of our funding during 2018. We show how our engagement on key conservation initiatives is helping to move forward important new frameworks and also how engagement in cultural narratives in the art and fashion spaces is bringing new understanding and audiences to biodiversity conservation.

Our Conservation Funding: Overview

Grant and direct project funding across our programmes

Expenditure on Charitable Activities was £1,425,368 (2017: £1,200,220), which was an 18.8% increase from 2017. Of this spending, £846,245 was given as grant funding and direct programme costs compared to £541,120 in 2017, representing a 56.4% increase in funding. In addition, restricted funds at year end totalled £138,974 (2017: £152,577) and will be paid out as grants during 2019. Grant and direct project funding allocations to our programmes were as follows:

Amphibians	£118,302
Asian Species	£173,490
Congo Basin	£249,685
Freshwater	£136,893
High & Deep Seas	£ 52,117
Regeneration	£ 48,074
Synchronicity	£ 67,684
Total	£846,245



A detailed table of our grant funding by organisation and portfolio is given on page 34, as part of our Financial Reports.

During 2018, through our collaborative approach, Synchronicity Earth was instrumental in helping partner organisations secure funding in the region of £1,700,000 from other sources. We see this as a fundamental part of our role, introducing other funders to the organisations we partner with and generally raising the total amount of funding for the sector.

Conservation Programmes

Amphibians

Amphibians are by far the most threatened class of vertebrates and face very specific threats. Yet despite this, both donors and conservation NGOs have largely ignored their plight. This is why Synchronicity Earth established its Amphibian Fund in 2017 in honour of the late Dr George Rabb, a pioneer of global amphibian conservation. During 2018, we have been working to attract new donors to the Fund. We have partnered with the Chicago Zoological Society (of which Dr Rabb was President for over 30 years) and we held a joint fundraising event in Chicago in September 2018.

Priorities for amphibian conservation are guided by the listing of these species on the IUCN Red List of Threatened Species. At present there is a huge push to update the listing for the 7,000+ amphibian species that remain unassessed, by 2020. As a result of our support, over 700 amphibian species listings have been updated during 2018, in some cases showing important new information, for example serious declines of frogs and toads in Cameroon due to disease.

We continue to contribute to the core costs of the Amphibian Survival Alliance (ASA) and its work to coordinate the implementation of amphibian conservation around the world, whilst one of our team is the Executive Director of the ASA. The ASA works closely with the IUCN Amphibian Red List Authority (ARLA), the teams around the world working to define Key Biodiversity Areas for amphibians, as well as developing the networks needed to promote collaboration. The ASA Strategic Plan (2017-2021) focuses on priorities such as scaling up habitat conservation and the mitigation of emerging infectious diseases. The strategic role of the ASA is crucial for coordinating the work needed to halt and turn around the trend in amphibian species populations and we will continue with our long-term commitment to their work.





Image © Lubomir Peske

Our Asian Species programme helps to protect the Critically Endangered White-bellied Heron

Asian Species

Southeast Asia is experiencing an extraordinarily rapid decline of its wildlife and wild places. There are few regions on Earth so clearly in need of significantly increased species-focused action. Harvesting and hunting, combined with habitat loss and many other threats, have caused devastation to the natural world, driving numerous species to the edge of extinction.

With our Asian Species programme, we seek to scale up our work in Southeast Asia, rapidly increasing our support for partners on the ground and building local capacity to ensure a positive legacy for conservation in the region. Despite experiencing some of the greatest levels of forest loss in the world, Southeast Asia still has extraordinary species diversity and endemism. There is a growing conservation movement in the region which recognises the urgency of the crisis and is starting to mobilise dynamic and dedicated people.

Our funding during 2018 contributed to the core costs of the Asian Species Action Partnership (ASAP), a growing coalition of organisations, currently numbering around 70, working to conserve species in the region. ASAP plays a key coordination role as well as raising the profile of species conservation. Beyond ASAP, our funding supports conservation action and capacity development, particularly in Indonesia, the Philippines and Vietnam, although we continue to fund some work outside these priority countries.

Our funding assisted the Mabuwaya Foundation, which works to conserve the Critically Endangered Philippine crocodile. They continued working closely with local management bodies, leading six village meetings and working with 14 local 'sanctuary guards' to carry out monitoring surveys on four fish and crocodile sanctuaries.

Our funding also supported valuable educational activities in the region, for example, talks on conservation in local schools and puppet shows to teach school-age children about local biodiversity.

In 2018, we worked with the captive breeding advisor to the White-bellied Heron Working Group, and three European zoos and provided funding to enable a Bhutanese member of the Royal Society for the Protection of Nature (RSPN) team to gain first-hand experience of bird handling, basic vet care and incubation and hatchling care. This is the second year of the training programme which will help ensure the captive breeding programme in development in Bhutan is successful. We also funded the community engagement work carried out by RSPN with a large number of communities in Bhutan. This is a key part of monitoring the wild population of this Critically Endangered species.

With our support, Save Vietnam's Wildlife has carried out research using camera traps across an area of about 20,000 hectares to study biodiversity levels in one of their focus sites – Pu Mat National Park in Vietnam. They captured 17 pangolins on these camera traps, which is a relatively high number for this type of research. They have also conducted extensive interviews with community members to determine motivations for hunting in a bid to reduce this activity in the area, and have launched a new anti-poaching team in the National Park.

Congo Basin

The Congo Basin is the world's second largest intact tropical forest after the Amazon, yet relatively little funding is flowing into the region to save and protect its wonderfully diverse and globally important ecosystems. Synchronicity Earth's support to local grassroots organisations in the Congo Basin is very strategic, putting communities at the heart of solutions. These are the groups at the forefront, supporting community conservation efforts and improving livelihoods, especially in very difficult and challenging contexts for personal security and land security.

We have funded work building communities' livelihoods and developing 'community forests'. This approach seeks to secure land rights, which is both beneficial for the communities and is a key step to defending landscapes against complex 'development' projects and land-grabbing from corporates and political elites. This is key for indigenous peoples and other forest-dwelling communities, whose voices are hardly heard in the political sphere.

Synchronicity Earth is now collaborating with four foundations, managing a pooled fund to implement the programme. This has enabled programme funding to increase significantly during 2018, including support for capacity building for four local organisations by Well Grounded, which will deliver long-term benefits to local grassroots organisations. Our funding has also contributed to the advocacy work of Dynamique Des Groupes des Peuples Autochtones (DGPA), which resulted in the first ever piece of legislation made specifically in favour of indigenous peoples in the Democratic Republic of Congo, which was passed in June 2018. This was a provincial level law covering the defence and promotion of the rights of indigenous Batwa peoples in Mai Ndombe. Our flexible funding model also allowed us to respond quickly and provide emergency support to an environmental activist working in the region, paying for legal representation and ultimately enabling him to move to a safer work location.



Image: Olivier Girard/CIFOR, Flickr, CC-BY-ND 2.0

Image © Olivier Girard/CIFOR

Freshwater

The Freshwater programme couples conservation science and action with support for grassroots organisations working to protect and restore Earth's rivers, lakes and wetlands. Like coral reefs or tropical rainforests, these diverse and dynamic habitats are hotspots for life on Earth and integral to the functioning of social, economic and wider ecological systems.

Our programme focuses on supporting organisations working in three key areas:

Conservation Action: Freshwater species receive very little direct conservation attention, despite facing an extinction risk four to six times greater than their marine or terrestrial counterparts. Our local partners across Southeast Asia are working to develop sustainable conservation solutions in collaboration with local communities.

Riverine communities: Empowering local communities and grassroots organisations as managers of freshwater resources is fundamental to long-term conservation of these ecosystems. Our partners are working to advance community rights to freshwater and develop grassroots conservation capacity; promoting both social justice and environmental conservation.

Conservation Science: Effective conservation begins with robust and relevant data. Under this strand of the Freshwater programme we have begun fundraising for work to identify and record the most important sites on Earth, known as Key Biodiversity Areas, for freshwater species. This work will put critical habitats for freshwater biodiversity on the map, helping to inform policy, investment, development and conservation decisions.

As part of our Conservation Action strand, during 2018, we incubated an innovative new partnership which aims to bring together organisations and individuals with an interest in freshwater fish, such as anglers, businesses, fish aquarists, zoos and aquariums, to support their conservation. This partnership, named 'Shoal', launches in 2019. This builds on our work on freshwater species conservation, hopefully bringing in new funders and creating momentum for this work.

Grassroots organisations have achieved successes around the world in protecting rivers and lakes. A new grant to our long-term partner, International Rivers, is funding work to support capacity development of these organisations, sharing what works and improving coordination of activities. This year we saw first-hand the excellent work of our partner Living River Association, which works with local communities to create and manage conservation areas on the Mekong river and its tributaries. We also began working with a new network, Femmes Solidaires, in the Democratic Republic of Congo, building on our knowledge of the Congo Basin through our regional programme. This network engages women living in riverside communities sharing knowledge and supporting the sustainable management of this astonishing river system.

We continue to support the development of more robust and comprehensive science to inform freshwater conservation by providing core support for the IUCN's Freshwater Biodiversity Unit and Freshwater Conservation Sub-Committee. We have also given support for a workshop to identify Key Biodiversity Areas for freshwater species in the Lower Mekong, as well as funding for a 'Red Listing' workshop to assess the conservation status of eels.



High and Deep Seas

Together, the 'high and deep seas' make up the vast majority of the ocean and host an astonishing level of biodiversity. The 'high seas' describes the ocean that lies beyond the national jurisdiction of coastal nations (around two-thirds of the total area), while the 'deep sea' is generally defined as the ocean below 200 metres in depth.

A key challenge our High and Deep Seas programme seeks to address is the weak management systems in place for the high seas. Belonging to no-one, this vast expanse of water is governed by out-dated regulations, allowing fishing, shipping and deep-sea mining to expand, virtually unchecked, into areas that are often out of sight and out of mind.

In September 2018, over 190 nations gathered in New York to start official negotiations on a new High Seas Biodiversity Treaty. This treaty is a ground-breaking opportunity to change the way governance for the high seas works, by bringing in new legal requirements for the protection of biodiversity in the blue half of our planet. We have provided funding to the High Seas Alliance (HSA) since 2014, which has enabled them to advocate for this treaty and we continue to fund their work throughout the negotiation phase. This will be a crucial step in achieving the goal recommended by scientists that we protect 30 per cent of the ocean, and paves the way for much-needed regulation on destructive activities at sea.

We continue to fund work opposing deep-sea mining and during 2018 the European Parliament called for a moratorium on commercial seabed mining exploitation licences until further information is available. This is an important signal to the sector that more work is needed to understand the potential long-term impacts of this type of mining.

Our partner Bloom continued their work to shine a light on the extent of unsustainable fisheries subsidies and it was timely to see the World Trade Organisation commit to developing an agreement in 2019 to bring in restrictions on the most damaging kinds of fisheries subsidies.

Regeneration

Our Regeneration work represents a funding strategy for projects which restore landscapes that also fit into the strategic framework of our programmes. It is remarkable how quickly recovery takes place in the natural world and wildlife takes up residence once more. We have been delighted to partner with a number of businesses in funding this work. Many businesses are seeking to reduce their environmental footprint and these regeneration projects not only produce a substantial positive impact for species, but also have much broader impact as carbon stores. They also support community-run initiatives and education programmes, delivering a host of benefits.

In Malaysia, our partner Hutan continues reforestation work reconnecting forest habitat that is the home of orangutans, among other wonderful species. During 2018, they established a 182 hectare wildlife corridor, reconnecting two protected areas and continue to work with local communities, growing seedlings for their reforestation work.

In Tanzania, the Mpingo Conservation and Development Initiative, in collaboration with the International Tree Foundation, has worked with local communities to cultivate more than 10,000 seedlings of indigenous trees. This is the first part of a three-year programme to restore 225 hectares of forest, which will be managed as a combination of forest and sustainable forestry by local communities.

At Tesoro Escondido Reserve, managed by Jocotoco Foundation in Ecuador, the parabiologist team have successfully propagated around 500 seedlings of two Critically Endangered Magnolia species. Magnolia Canandean and Magnolia Dixonii, which are both found in the reserve. The latter species had not previously been sighted anywhere since 1965 before being rediscovered in the reserve.

The team is continuing to actively engage local communities in conserving the Chocó rainforest. This work comprises an agroecology project started during 2018, including workshops on sustainable farming practices with local women, their environmental education programmes, which have grown over the past two years and are now reaching primary and high schools in the region.

Synchronicity

Whilst most of our funding is directed through our targeted conservation programmes, through our Synchronicity programme, we continue to fund work which is cross-cutting, prepares the ground work for further programme development or is experimental. Being able to fund this broad range of work is important to us and we value the flexibility it provides.

Through our Synchronicity programme we funded work by IKAN on awareness raising of the impacts of whaling in Japan. We continue to fund the work of Bismarck Ramu Group (BRG) and Act Now in Papua New Guinea on protection of indigenous peoples' rights over large tracts of forest, threatened by large scale agricultural development.

In addition, we supported Durrell in their long-term collaboration with the Wildfowl and Wetlands Trust (WWT) to bring the Madagascar Pochard back from the brink of extinction. Durrell and WWT have been working on a captive breeding programme in Madagascar and in the Autumn of 2018, the first release of ducklings took place on Lake Sofia.



Tess Gatan Balbas and colleagues (Mabuwaya Foundation) at the release of the Critically Endangered Philippine crocodile at Dunoy Lake, the Philippines

Building Operational Infrastructure and Impact Assessment

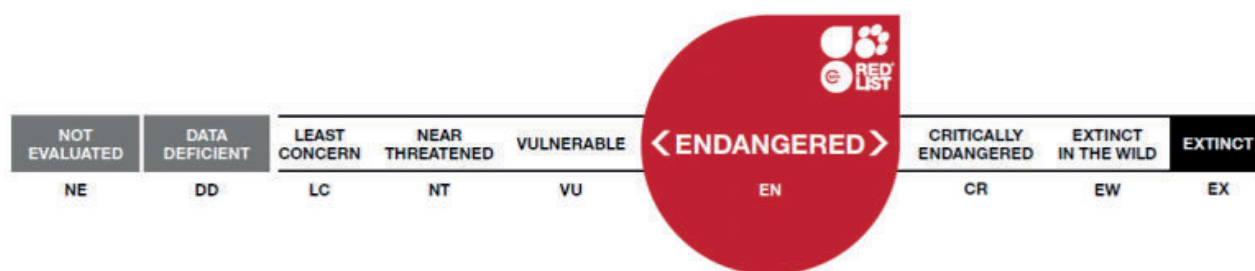
As a biodiversity conservation funder, we supported just over 40 organisations across Sub-Saharan Africa, Southeast Asia and in South America, undertaking due diligence on new organisations, continuing to build relationships and analysing reports on work funded. We know that having good information systems to capture a wide range of information is an important part of building our infrastructure and we continue to invest in these systems through skills development and specific functional developments.

Impact assessment involves a combination of qualitative and quantitative information. The timescales for environmental change can be very extended, depending on species life cycles, so impact assessment involves monitoring key activities that form a long-term strategy and then measuring outcomes and impact over longer timeframes. As a funder, we want to find out if what we are supporting is bringing about the targeted changes that we are hoping to see. We are one of a number of funders, jointly supporting core costs of an organisation or a specific piece of work, so attributing specific changes directly to our funding is less important to us than understanding the outcomes of the work we support alongside other funders. Where we are able to do so, we collaborate with other funders to agree common reporting formats and to share information. This reduces unnecessary administration by the organisations we fund, leaving more time for the work we really value.

Engagement

Developing new strategic conservation tools

The conservation sector uses commonly agreed frameworks and tools to prioritise, monitor and assess a wide range of work. Participating in continued development of these tools is an important part of our activities. Synchronicity Earth became a member of the International Union for Conservation of Nature (IUCN) in April 2018. This was a natural move for us given our close engagement with IUCN ever since we were founded, including by supporting the IUCN Red List of Threatened Species, which is the world's official means of determining the risk of extinction of each species.



The IUCN Red List of Threatened Species

We are now participating more broadly in IUCN's work, for example, in helping to develop a new approach to measuring the overall progress of conservation, species-by-species. This will become the IUCN Green List of Species, designed to sit alongside the Red List, and will measure both the impact of conservation measures, and how much needs to be done to achieve full recovery for each species. During 2018, two of our team members were contributors to a paper published in *Conservation Biology* presenting this new approach. We also contributed funding to enable the paper to be open access (i.e. available without a pay-wall for anyone to read). Although it is only in its early phases, the new Green List could act as a pivotal development in conservation and an inspiration for ambitious action for species.

In addition to the work on the Green List, Dr Simon Stuart, our Director of Strategic Conservation has been particularly involved in two other IUCN-related initiatives. He is serving as the Chair of the Key Biodiversity Areas (KBA) Committee, which runs the partnership of 11 organisations committed to identifying all the places around the world that must be conserved if we are to stem the tide of extinctions, using the new IUCN KBA Standard. In 2018, the first Head of the KBA Secretariat was recruited, and fundraising is now stepping up across all 11 KBA partners to identify KBAs worldwide. At Synchronicity Earth, we are focusing in particular on freshwater and amphibian KBAs.

Dr Stuart is also participating in the IUCN task force working on the potential impacts of new genetic technologies (often called Synthetic Biology) on conservation. A number of possible benefits and risks have been identified, and the IUCN assessment on this will be published in early 2019, providing the evidence base to guide the development of the IUCN policy on synthetic biology and conservation.

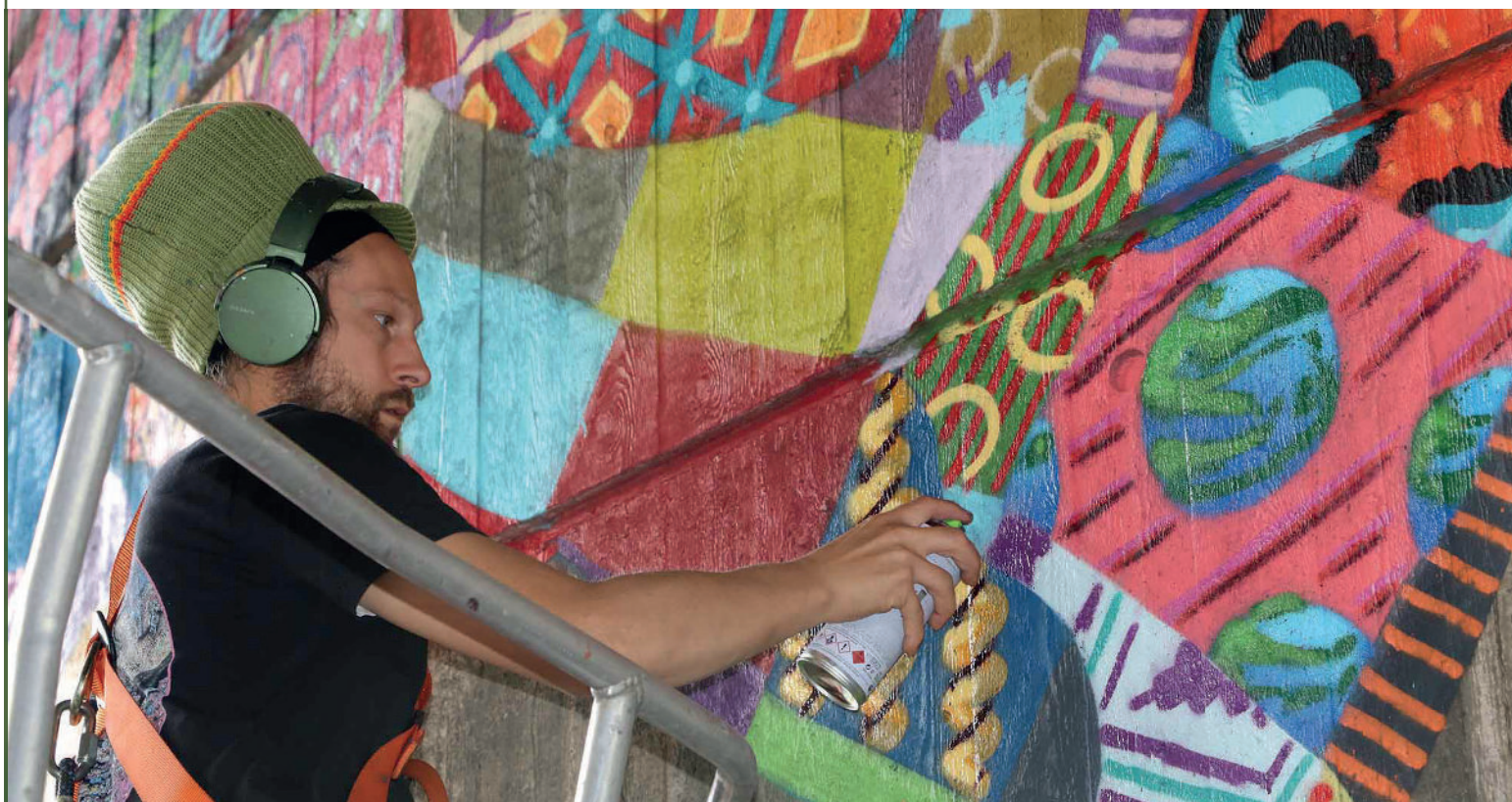
Cultural Engagement

Funding a wide range of conservation action is part of the solution to protecting and conserving our natural world. Engaging more people to inspire them about the wonders of nature and encourage them to be part of a broader conservation movement is also needed if more fundamental change is to take place. In other words, when seeking to conserve our planet's wildlife and wild places, it is vital to consider the underlying causes of their decline, many of which lie closer to home, as well as seeking to conserve and restore them where they are most threatened. In order to do this, we work with creative individuals and organisations that use a range of media to stimulate discussion and action.

During the summer of 2018, we brought together London Zoo and Louis Masai, instigating and coordinating the production of a series of huge murals in a shadowy, forgotten corner of London Zoo (the Nuffield building, home to the Institute of Zoology). Visitors emerging from the underpass can now see the grey, brutalist walls transformed, brought to life by six rare and endangered species. These animals are all species that are part of the EDGE of Existence programme at London Zoological Society (ZSL).

Bringing more conservation attention and funding to some of the world's forgotten and unloved species and ecosystems is at the heart of our work at Synchronicity Earth, which is why we were delighted to collaborate with ZSL on this project. The murals will continue to brighten the day of visitors to the zoo and we hope they will make more people think about what we are in danger of losing and perhaps contribute to the important work that ZSL undertakes for species on the edge of extinction.

We have also been supporting Conservation Optimism through the work of one of our team who is Director of Conservation Optimism. This movement is coordinated by the University of Oxford, which aims to present a positive message for conservation around the world, profiling successes and the work of young conservationists. During 2018, planning got under way for the second international Conservation Optimism Summit which will be held in Oxford in September 2019, whilst regional hubs are also being encouraged around the world.



Artist Louis Masai paints a giant mural of an endangered species at ZSL London Zoo as part of a collaboration with Synchronicity Earth

Our fundraising is only undertaken by our team, from our Trustees through to all of our staff. Our approach has always been to build our fundraising support through introductions, developing relationships and networks. We have subscribed to the Fundraising Regulator since 2017 and we follow their guidance on best practices for fundraising. We have not received any complaints related to our Fundraising activities during 2018.

Financial Review

Expenditure on Charitable Activities was £1,425,368 during 2018 (2017: £1,200,220), which was an 18.8% increase from 2017. Of this spending, £846,245 was given as grant funding and direct programme costs compared to £541,120 in 2017, representing a 56.4% increase in funding to a wide range of conservation organisations. In addition, restricted funds at year end totalled £138,974 (2017: £152,577) and will be paid out as grants during 2019.

The financial statements on pages 27 - 42 show that the total income for the organisation went down from £2,314,378 in 2017 to £1,595,350 in 2018. The main difference comes from the reduced level of endowment income received during 2018, which totalled £108,304, compared to £650,767 in 2017. We will continue to build our four endowment funds, The Synchronicity Earth Living Fund, The Amphibian Fund, The Ape Fund and The Durrell Fund over the coming years, as we seek to secure the long-term annuity funding for conservation challenges that funds can deliver.

During 2018 the proportion of donations received that were restricted represented 36.7% of our non-endowment income. We continue to benefit from committed unrestricted income from the Synchronicity Foundation¹, which covers our staff and office costs. This enables us to plan strategically and invest in our team and infrastructure.

We continue to build our donor base, comprising individuals, foundations and businesses, so that we can significantly increase the scale of our work in the future.

Reserves Policy

The Trustees have examined the Charity's requirement for resources in light of the main risks to the Charity. Having considered the income flows of the Charity and the commitments of the Charity to its grantees, the Trustees consider it prudent to retain the equivalent of three months operating costs, excluding the costs of events, in free reserves. At 31 December 2018, £226,874 (2017: £278,061) are regarded as free reserves and are more than three months operating costs. The excess will be retained to make grants in accordance with the Charity's charitable objects and policies. In addition to the General Unrestricted Reserve, the Charity also has an Unrestricted Expendable Endowment Fund – The Synchronicity Living Fund totalling £194,544 (2017: £193,907) which can be used for any purpose at the discretion of the Trustees.

The Trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future. The Trustees will review this policy at least annually as part of the risk management process.

¹ The Synchronicity Foundation receives funding from Aurum Fund Management Ltd. The funding is generated from the advisory fee of Aurum's Synchronicity Fund, which supports a number of charities, principally Synchronicity Earth.

Plans for the Future

During 2019, Synchronicity Earth will mark 10 years since the foundation of the Charity. During this time we have funded around 90 organisations across the world, learned a great deal about building long-term relationships with organisations and we have honed our programme strategies. The next 10 years are about significantly scaling up our work as part of a sector which is working hard to slow the rate of decline of species populations, but whose aim is to stop this decline and build a future where flourishing diversity is a core objective for governments, communities, companies and individuals.

To do this we are placing a greater emphasis and increased resources on our fundraising activities. As we do this we will also work closely with Synchronicity Earth USA, to build support and engagement.

Our objectives for 2019 are to:

- Continue to diversify and grow our income, particularly unrestricted income.
- Continue to grow our endowment funds, securing long-term annuity income for key conservation challenges.
- Continue to develop our impact assessment, particularly at the programme and organisation level, so that we can better monitor our longterm objectives.
- Continue to deliver high quality donor support and communications.
- Build strategic relationships with a range of cultural organisations to strengthen our engagement work.
- Support the development of the Shoal collaboration, to increase fundraising and action to conserve freshwater fish species.
- Increase our focus on building conservation capacity of local groups through our programme funding.
- Continue to build funding collaborations across our programmes.
- Continue to strengthen our operational infrastructure to support growth.
- Launch our Asian Species programme and continue to grow all of our programmes.

The Objects of the charity are:

- To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment by promoting biological diversity;
- To promote sustainable development² for the benefit of the public by the preservation, conservation and protection of the environment, the prudent use of resources and the promotion of the sustainable means of achieving economic growth and regeneration;
- To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large; and
- Such other purposes for the benefit of the community as shall be exclusively charitable.

² Sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

Statement of Public Benefit

The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the information in this annual report about the Charity's aims, activities and achievements in the areas of interest that the Charity supports demonstrates the benefit to its beneficiaries and through them to the Public that arise from those activities.

Structure, Governance and Management

Synchronicity Earth was incorporated on 3rd July 2009 and is a company limited by guarantee, governed by its Memorandum and Articles of Association and by policies and procedures drawn up from time to time by senior management and approved by the Board. It was registered as a charity with the Charity Commission on 19 November 2009.

Trustees

Trustees are selected on the basis of their understanding and sympathy with Synchronicity Earth's charitable objectives and their ability to further the aims of the Charity. Trustees are appointed to hold office for a period of four years. Any retiring trustee who remains qualified may be reappointed by the Board.

The Trustees have signed fit and proper declarations in line with HMRC guidance.

Induction and Training

As part of their training, Trustees are given an information pack, which includes the Charity's Memorandum and Articles of Association and the Charity Commission Guidance on Trustees' Responsibilities. All Trustees are therefore aware of their legal duties and obligations in respect to governance of the Charity, including in relation to the protection of its assets. Each Trustee is required to sign an annual code of conduct and conflict of interest declaration.

Risk Management

We assess key risks as new situations arise and undertake a formal annual review of our risk register.

Although responsibility for risk management sits with the Trustees, all employees are actively involved in the process of identifying and mitigating risks. Our due diligence procedures are designed, and regularly evaluated, to maximise comfort that our grants will be effectively employed, while minimising the time our grantees have to spend providing us with information.

There are monthly updates and budget meetings between the Trustees and the CEO and other members of the Senior Management Team; the Trustees meet quarterly to sign-off on important grant, strategy and operational decisions addressing risks in each area. Such regular meetings enable an assessment of developments as they arise.

The Trustees consider the following to be the Charity's principal risks. The on-going need to diversify income streams, thereby growing and broadening the donor base to enable increasing charitable activities in the future. They are aware of the likely capacity constraints at both staff and senior management level during Q1 2019 due to the planned office move during that quarter. They have prioritised the review of the implementation and monitoring of safeguarding procedures at Synchronicity Earth and by partner organisations working with vulnerable people, particularly given recent adverse events in the charitable sector and the need to keep staff, grantees and beneficiaries safe.

The Trustees confirm that systems are in place to minimise risks. These include:

- Board sign-off on high level strategy and operational decisions;
- Implementation and monitoring of a comprehensive Fundraising strategy;
- Clear authorisation and approval systems amongst staff;
- Standard budgeting and cashflow forecasting systems;
- Authorisation processes for all financial transactions;
- A formal staff performance and development scheme;
- A risk assessment for all new operations and due diligence on partner organisations including organisational health, fraud, anti-bribery and safeguarding; and
- Policies regarding conflict of interest; data-protection and fundraising.

Organisational Management

At the end of 2018 Synchronicity Earth was managed by a committed team of 11 full- and part-time members of staff (equivalent to 8.4 Full Time Equivalents) based in London and Bath. We are also home to the Executive Director of the Amphibian Survival Alliance and the Director of the Shoal collaboration, making a total staff of 13. In addition the CEO works full-time on a voluntary basis and is not entitled to, and did not receive, any remuneration or benefits for this role. We also benefit from significant input from the Founding Trustees, particularly with respect to our Cultural Engagement work and our fundraising activities.

The CEO and staff team are responsible for:

- research to identify regional, thematic and conservation priorities;
- partner selection; grant screening; organisational due diligence; and reporting procedures: these are designed (and regularly updated) to maximise comfort that funds are effectively deployed, while minimising the time that partners have to spend providing the Charity with information;
- administration of approved grants and the implementation of approved strategies with partners, monitoring and evaluating all such activity;
- system build to support the research, communication and fundraising activities of the Charity;
- event production (both content and logistics);
- communications and outreach;
- operations and procedures that ensure the smooth running of the Charity and its strategies, including fundraising; and
- developing and monitoring procedures and policies to ensure regulatory and legal compliance of the Charity's activities.

The pay and remuneration of Charity staff are set by the Trustees following annual appraisals by the CEO and the Director of Strategic Conservation. The CEO makes recommendations to the Board. These are benchmarked against comparable roles in other organisations. Key management personnel comprise the Director of Strategic Conservation, the CEO and the Head of Finance and Risk.

Statement of Trustees' Responsibilities

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources during that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the principles and methods of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable 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 company will continue its activities.

The Trustees are responsible for the keeping of proper accounting records which 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 company and to take reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is 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 auditor is aware of that information.

Approved by the Trustees on

and signed on their behalf by:

Adam Sweidan, Chair of the Board of Trustees

The Trustees present their ninth report and independently audited financial statements of Synchronicity Earth (“the Charity” or “charitable company”), for the year ended 31 December 2018. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” (FRS 102) in preparing the annual report and statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out on pages 30 - 32 and comply with the Charity’s governing document and applicable charity law.

Reference and Administrative Details

Company Registration Number: 06952204

Registered Charity Number: 1132786

Registered Office: Ground Floor, 27-29 Cursitor Street, London, EC4A 1LT.

Directors and Trustees:

The Directors and Trustees of the Charity who held office during the year and continue to serve at the date of the reports approval are:

- A Sweidan
- J Sweidan
- T Fernandez
- C Bryan (appointed CEO in March 2018)
- W Eccles (appointed in September 2018)

Bankers:

Coutts & Co

440 Strand, London WC2R OQS.

Nedbank

Millennium Bridge House, 2 Lambeth Hill, London, EC4V 4GG.

Accountants:

Rawlinson & Hunter

Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ.

Independent Auditor:

Haysmacintyre LLP

10 Queen Street Place, London, EC4R 1AG.

Investment Custodians:

Northern Trust International Fund Administration

Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

Report of the Independent Auditor to the Members and Trustees of Synchronicity Earth

Opinion

We have audited the financial statements of Synchronicity Earth for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement 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 31 December 2018 and of the charitable company's net movement in funds, including the income and expenditure, 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 22, 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.

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 Trustees' Annual Report. 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.

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' Annual Report (which includes the strategic report and 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 strategic report and the directors' report included within the Trustees' Annual 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 Trustees' Annual Report (which incorporates the strategic report and the directors' 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 by the charitable company; or
- the charitable company 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.

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.

Lee Stokes (Senior Statutory Auditor)

10 Queen Street Place, London, EC4R 1AG

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date:

Synchronicity Earth
Statement of Financial Activities
(Including Income and Expenditure Account)

		General Funds		Endowment Funds		Total	Total
	Note	Unrestricted	Restricted	Unrestricted	Restricted	2018	2017
		£	£	£	£	£	£
Income and endowments							
Donations	2	902,840	546,004	-	108,304	1,557,148	2,062,432
Other trading		10,988	-	-	-	10,988	251,784
Income from investments		422	-	-	-	422	162
Other income	2	26,792	-	-	-	26,792	-
Total income and endowments		941,042	546,004	-	108,304	1,595,350	2,314,378
Expenditure on:							
Raising funds	3	73,371	-	-	-	73,371	243,378
Charitable activities	3&4						
<i>Amphibians</i>		155,378	52,681	-	-	208,059	163,603
<i>Asian species</i>		146,815	125,380	-	-	272,195	149,627
<i>Congo Basin</i>		152,047	204,422	-	-	356,469	210,090
<i>Freshwater</i>		178,954	71,360	-	-	250,314	165,170
<i>High and Deep Seas</i>		81,835	42,260	-	-	124,095	223,956
<i>Regeneration</i>		46,581	48,074	-	-	94,655	170,847
<i>Synchronicity</i>		94,378	25,203	-	-	119,581	116,927
Total expenditure		929,359	569,380	-	-	1,498,739	1,443,598
Net income/ (expenditure) before gains & losses on investments and transfers		11,683	(23,376)	-	108,304	96,611	870,780
Net (loss) on currency revaluation		-	-	-	-	-	(17,718)
Net gain on investments	6	-	-	19,457	41,430	60,887	1,693
Transfers between reserves	10	(62,870)	9,773	(18,820)	71,917	-	-
Net movement in funds		(51,187)	(13,603)	637	221,651	157,498	854,755
Reconciliation of Funds							
Fund balances brought forward	10	278,061	152,577	193,907	440,855	1,065,400	210,645
Fund balances carried forward		226,874	138,974	194,544	662,506	1,222,898	1,065,400

All amounts relate to continuing operations and there were no recognised gains and losses for 2018 other than those included in the Income and Expenditure Account.

The notes on pages 30 - 42 form part of these financial statements.

A detailed breakdown of comparative figures for 2017 is provided in note 14.

Synchronicity Earth
(Registered Charity Number: 1132786 and Company Number: 06952204)
Balance sheet
As at 31 December 2018

	Note	2018 £	2017 £
Fixed Assets			
Investments	6	857,050	634,762
Current Assets			
Stock	7	15,483	16,753
Debtors	8	41,394	130,254
Cash at bank		472,914	577,245
Total Current Assets		529,791	724,252
Creditors - Amounts falling due within one year	9	(163,943)	(293,614)
Net Current Assets		365,848	430,638
Net Assets		1,222,898	1,065,400
Represented by:			
Unrestricted funds	10	226,874	278,061
Restricted funds	10	138,974	152,577
Unrestricted Endowment funds	10	194,544	193,907
Restricted Endowment funds	10	662,506	440,855
Total Funds		1,222,898	1,065,400

The financial statements were approved on
their behalf by Adam Sweidan, Chair of the Board of Trustees.

and authorised for issue by the Trustees and were signed on

The notes on pages 30 - 42 form part of these financial statements.

Synchronicity Earth
Statement of cash flow
For the year ended 31 December 2018

	2018 £	2017 £
Cash (used)/ provided by operating activities	(27,308)	296,047
Cashflows from investing activities		
Purchase of investments	(180,221)	(633,069)
Deposit interest	422	162
Redemption of endowment	18,820	-
Net cash used in investing activities	(160,979)	(632,907)
Cashflows from financing activities		
Receipt of expendable endowments	108,304	650,767
Net cash provided by financing activities	108,304	650,767
(Decrease)/ increase in cash in period	(79,983)	313,907
Net cash resources at 1 January	577,245	225,187
(Decrease)/ increase in cash	(79,983)	313,907
Foreign exchange movements	(24,348)	38,151
Net cash resources at 31 December	472,914	577,245
Analysis of net funds		
Cash at bank	472,914	577,245
Reconciliation of net income to net cash flow from operating activities		
Net income	157,498	854,755
Net (gain) on investment assets	(60,887)	(1,693)
Deposit income	(422)	(162)
Decrease in debtors	88,860	61,634
(Decrease)/ increase in creditors	(129,671)	87,184
Receipt of expendable endowments	(108,304)	(650,767)
Gains/ (loss) on foreign currency	24,348	(38,151)
Decrease/ (increase) in stock	1,270	(16,753)
Net cash (used)/ provided by operating activities	(27,308)	296,047

The notes on pages 30 - 42 form part of these financial statements.

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention modified to include the revaluation of investment assets and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("Charities SORP FRS102"), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The trust constitutes as a public benefit entity as defined by Charities SORP FRS102.

The financial statements are presented in sterling which is the functional currency of the Charity.

The financial statements are prepared on a going concern basis.

Income

All income is 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.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustees to the expenditure.

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the accounts.

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

Charitable activities comprise direct expenditure including direct staff costs attributable to the activity. Support costs have been allocated to activities based on the average staff time spent. These costs have been further allocated in line with the total expenditure for each activity.

The figures for 2017 have been restated for presentational purposes to align with the programmatic format adopted for 2018.

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies (continued)

Status of funds

General funds comprise the accumulated surplus or deficit and are available for use at the discretion of the Trustees in furtherance of the general objectives of Synchronicity Earth. Restricted funds are funds subject to specific restrictive covenants imposed by donors or by the purpose of the appeal.

All income and expenditure of Synchronicity Earth has been included in the Statement of Financial Activities.

Foreign currency

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the Statement of Financial Activities as they arise.

Pension costs

The Charity operates a defined contribution pension scheme for employees. The annual contributions payable are charged to the Statement of Financial Activities.

Taxation

The Charity is not subject to any taxes on its charitable activities.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Stock

Inventory items are valued at the lower of net book cost or net realisable value. Where impairments occur the amounts will be expensed through the Statement of Financial Assets. None of the inventory is subject to repair or improvement work. None of the inventory is pledged as security for any liabilities the Charity has.

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 made suitable judgements regarding estimates and have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with an income level of reserves for the Charity to be able to continue as a going concern.

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

1. Accounting policies (continued)

Fixed asset investments

Quoted Investments are included at closing mid-market value at the balance sheet date. Realised gains and losses on investments are recognised on disposal of investments and any gain or loss on revaluation is taken to the Statement Of Financial Activities (SOFA). The determination of any gains and losses is calculated by reference to the value of such assets at the beginning of the accounting period.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value, except where settlement is delayed, in which case the transaction is recognised at the present value of the settlement amount.

2. Income

	General		Endowment		2018	2017
	Unrestricted £	Restricted £	Unrestricted £	Restricted £	£	£
Income from donations						
Donations	850,023	545,754	-	108,304	1,504,081	1,993,548
Gift Aid	52,817	250	-	-	53,067	68,884
	902,840	546,004	-	108,304	1,557,148	2,062,432
Other income						
Sundry income	2,444	-	-	-	2,444	-
Unrealised gain on exchange	24,348	-	-	-	24,348	-
	26,792	-	-	-	26,792	-

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

3. Charitable activities

	Charitable activities							Raising funds	Support	Total
	Amphibians	Asian Species	Congo Basin	Freshwater	High & Deep Seas	Regeneration	Synchronicity			
2018	£	£	£	£	£	£	£	£	£	£
Staff costs	48,259	61,603	69,319	75,280	34,046	10,872	14,519	36,060	26,209	376,167
Grants and direct project costs	118,302	173,490	249,685	136,893	52,117	48,074	67,684	-	-	846,245
Programme management costs	603	408	583	1,693	1,644	-	1,505	-	4,272	10,708
Conservation engagement										
- Conservation initiatives	-	406	-	67	-	-	164	-	5,564	6,201
- Cultural engagement	3,104	-	-	-	-	-	-	-	19,301	22,405
Consultants & Freelancers	1,737	579	1,158	579	579	-	-	-	7,849	12,481
Other staff costs	-	-	-	-	-	-	-	-	14,452	14,452
Training and development	-	-	-	-	-	-	-	-	6,389	6,389
HR & health and safety	-	-	-	-	-	-	-	-	2,485	2,485
Travel & subsistence	345	-	15	63	-	-	-	-	12,634	13,057
Office and infrastructure costs	-	-	-	-	-	-	-	-	102,101	102,101
Comms & marketing	-	-	-	30	-	-	-	7,043	4,636	11,709
Governance costs	-	-	-	-	-	-	-	-	35,348	35,348
Exchange differences	-	-	-	-	-	-	-	-	3,706	3,706
Fundraising	-	-	-	-	-	-	-	30,268	-	30,268
Bank charges	-	-	-	-	-	-	-	-	5,017	5,017
	172,350	236,486	320,760	214,605	88,386	58,946	83,872	73,371	249,963	1,498,739
Allocation of support costs	35,709	35,709	35,709	35,709	35,709	35,709	35,709	-	(249,963)	-
Total expenditure	208,059	272,195	356,469	250,314	124,095	94,655	119,581	73,371	-	1,498,739
2017	£	£	£	£	£	£	£	£	£	£
Staff costs	31,385	67,531	81,119	63,123	60,349	22,897	16,191	-	52,610	395,205
Grants and direct project costs	91,134	35,574	81,812	58,529	110,689	104,896	58,486	-	-	541,120
Programme management costs	244	5,581	3,661	2,786	1,638	2,321	1,456	-	4,500	22,187
Conservation engagement										
- Conservation initiatives	-	217	-	-	52	-	-	-	1,995	2,264
- Cultural engagement	-	-	2,674	-	10,478	-	-	-	12,511	25,663
Consultants & Freelancers	-	-	-	-	-	-	-	-	6,006	6,006
Other staff costs	-	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	4,517	4,517
HR & health and safety	-	-	-	-	-	-	-	-	-	-
Travel & subsistence	108	-	56	-	-	1	62	-	13,212	13,439
Office and infrastructure costs	-	(8)	36	-	18	-	-	-	117,786	117,832
Comms & marketing	-	-	-	-	-	-	-	-	-	-
Governance costs	-	-	-	-	-	-	-	-	46,907	46,907
Exchange differences	-	-	-	-	-	-	-	-	20,439	20,439
Fundraising	-	-	-	-	-	-	-	243,378	-	243,378
Bank charges	-	-	-	-	-	-	-	-	4,641	4,641
	122,871	108,895	169,358	124,438	183,224	130,115	76,195	243,378	285,124	1,443,598
Allocation of support costs	40,732	40,732	40,732	40,732	40,732	40,732	40,732	-	(285,124)	-
Total expenditure	163,603	149,627	210,090	165,170	223,956	170,847	116,927	243,378	-	1,443,598

Included within governance costs are audit fees of £3,240 (2017: £2,960).

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

4. Charitable Activities – Analysis of grants and direct project costs

	2018	2017
	£	£
Grants and direct project costs for the year were:		
Amphibians		
Amphibian Red List Authority	28,250	37,000
Amphibian Survival Alliance	72,750	31,667
Direct project costs - Note (i)	17,302	22,467
	118,302	91,134

Note (i) - Includes staff costs in connection with the Amphibian Programme disclosed in note 5 under Staff costs.

Asian Species		
Indra Acharja	-	12,311
IUCN SSC Tortoise and Freshwater Turtle Specialist Group	4,272	3,924
Royal Society for Protection of Nature (RSPN)	31,496	5,000
Save Vietnam's Wildlife	19,403	4,339
Mabuwaya Foundation	18,296	10,000
Asian Species Action Partnership	54,288	-
Nature's Foster	2,115	-
Direct project costs	43,620	-
	173,490	35,574

Congo Basin		
International Rivers Africa Programme	12,806	-
Rainforest Foundation UK	24,030	-
Field Legality Advisory Group (FLAG)	9,905	-
Gbabandi	5,000	-
Okani	10,000	-
Grain	1,868	13,000
Femmes Solidaires	5,031	-
Forest Peoples Programme	-	6,000
Green Development Advocates	-	5,812
Coalition des femmes Leaders pour l'Environnement et le Développement Durable	10,314	-
Life Mosaic	-	11,000
Dynamique des Groupes des Peuples Autochtones	56,830	-
Mbou Mon Tour	37,338	15,000
Réseau CREF	-	20,000
Struggle to Economise Future Environment (SEFE)	18,302	1,000
Well Grounded	30,000	10,000
Direct project costs	28,261	-
	249,685	81,812

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

4. Charitable Activities – Analysis of grants and direct project costs (continued)

	2018	2017
	£	£
Freshwater		
International Rivers Global	46,147	10,000
International Rivers Africa Programme (IRAP)	10,360	22,210
IUCN Freshwater Biodiversity Unit (FBU)	10,000	5,000
IUCN Freshwater Plant Specialist Group	3,193	
IUCN Freshwater Conservation Sub-Committee (FCSC)	11,000	11,000
Mabuwaya Foundation	5,000	-
Femmes Solidaires	5,031	-
Zoological Society of London	10,000	-
Living Rivers Association	10,000	10,000
Direct project costs - Note (ii)	26,162	319
	136,893	58,529

Note (ii) - Includes staff costs in connection with the management of the Shoal Programme disclosed in note 5 under Staff costs.

High & Deep Seas		
Deep Sea Conservation Coalition	-	30,000
High Seas Alliance	10,000	40,000
Bloom Association	-	22,988
Oceans Initiative	4,873	-
Bismarck Ramu Group	5,000	5,000
Deep Ocean Stewardship Initiative	20,000	-
Act Now	9,984	-
Direct project costs	2,260	12,701
	52,117	110,689

Regeneration		
Hutan	19,760	18,948
Jocotoco Foundation	19,169	78,500
International Tree Foundation	-	11,588
Wildfowl and Wetlands Trust	-	22,505
Cambugan Foundation (including support costs) - Note (iii)	-	(26,645)
Direct project costs	9,145	-
	48,074	104,896

Note (iii) - Cambugan Foundation returned funds of £26,645 in 2017 due to an underspend against budget.

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

4. Charitable Activities – Analysis of grants and direct project costs (continued)

	2018	2017
Synchronicity	£	£
IUCN US	-	7,404
A Rocha	-	4,112
Iruka & Kujira Action Network	5,000	-
Agroecology Fund	-	20,000
Forest Peoples Programme	-	5,000
Bismarck Ramu Group	5,000	5,000
Act Now	9,984	-
Project Seahorse	-	3,000
Zoological Society of London	2,000	1,000
Make Stewardship Count	25,203	-
Species Naming	-	2,440
Maria Alice Neves	-	1,210
Melissa Mardones Hildago	-	1,210
Oceans Initiative	-	8,110
Durrell Wildlife Conservation Trust	20,000	-
Direct project costs	497	-
	67,684	58,486
Total grant and direct project costs	846,245	541,120

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

5. Staff Costs

	2018	2017
	£	£
Wages & salaries	351,316	371,059
Social security costs	35,143	19,848
Employer's pension contributions	21,306	23,410
Total salary costs - Note 4	407,765	414,317
Temporary staff	12,481	-
Other staff costs	14,452	3,354
Total staff costs	434,698	417,671

Note (iv) Included in the salary costs above are £31,598 (2017: £22,466) charged directly to Programme costs - See notes 3 & 4

The average number of employees during the period was 11 (2017: 11).

The total amount of employee benefits received by key management personnel is £125,998 (2017: £180,816).

The emoluments of one employee (2017: one) are in the range £100,000 to £109,999 (2017: £100,000 to £109,999) including employer pension contributions made during the year.

Included within Wages & salaries in 2017 are redundancy and ex-gratia cash payments totalling £17,853 made to two former members of staff. There were no such payments in 2018.

During the year, Catherine Bryan, a trustee and formerly acting CEO of the Charity was appointed to the role permanently. She did not receive any remuneration or benefit for the role.

The Trustees did not have any expenses reimbursed during the year (2017: £ nil).

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

6. Fixed asset investments (at market value)

	2018 £	2017 £
Total investments and cash under management	857,050	634,762
Net unrealised investment gain	23,421	27,970
Net realised gain/ (loss) on exchange	37,466	(26,277)
Net gains on investments	60,887	1,693
Market value at 1 January	634,762	-
Additions at cost	180,221	633,069
Disposals at market value	(18,820)	-
Net gain on investments	60,887	1,693
Market value at 31 December	857,050	634,762
Historical cost at 31 December	794,470	633,069

7. Stock

	2018 £	2017 £
Artwork (9 pieces)	11,577	12,399
Jewellery (90 pieces)	3,122	3,122
Clothing (14 pieces)	784	1,232
	15,483	16,753

8. Debtors

	2018 £	2017 £
Accrued income	-	60,728
Gift Aid receivable	1,204	3,075
Prepayments	14,088	16,718
Other debtors	26,102	49,733
	41,394	130,254

9. Creditors: amount due within one year

	2018 £	2017 £
Grant commitments	117,621	267,874
Accruals	21,031	12,290
HM Revenue & Customs	16,654	9,426
Pension contributions	3,281	3,780
Trade creditors	5,356	244
	163,943	293,614

10. Funds

	Fund Balance 01/01/2018	Income	Expenditure	Transfers between funds	Net currency gains/ (losses)	Net realised/ unrealised gains/ (losses)	Fund Balance 31/12/2018
	£	£	£	£	£	£	£
Unrestricted funds							
General fund	278,061	941,042	(929,359)	(62,870)	-	-	226,874
Expendable endowment fund							
- The Synchronicity Earth Living Fund	193,907	-	-	(18,820)	12,107	7,350	194,544
Total Unrestricted Funds	471,968	941,042	(929,359)	(81,690)	12,107	7,350	421,418
Restricted general funds							
- Amphibians	(7)	53,060	(52,681)	7	-	-	379
- Asian Species	48,264	70,363	(125,380)	6,753	-	-	-
- Congo Basin	55,527	218,396	(204,422)	-	-	-	69,501
- Freshwater	9,681	87,052	(71,360)	(8,503)	-	-	16,870
- High and Deep Seas	22,345	50,000	(42,260)	-	-	-	30,085
- Regeneration	28,283	40,133	(48,074)	-	-	-	20,342
- Synchronicity	(11,516)	27,000	(25,203)	11,516	-	-	1,797
Total	152,577	546,004	(569,380)	9,773	-	-	138,974
Restricted expendable endowment funds							
- The Durrell Fund	208,593	-	-	-	-	5,518	214,111
- The Amphibian Fund	-	108,304	-	71,917	11,178	877	192,276
- The Ape Fund	232,262	-	-	-	14,181	9,676	256,119
Total	440,855	108,304	-	71,917	25,359	16,071	662,506
Total Restricted Funds	593,432	654,308	(569,380)	81,690	25,359	16,071	801,480
Total Funds	1,065,400	1,595,350	(1,498,739)	-	37,466	23,421	1,222,898
Analysis of net assets between funds							
	General		Endowment		Total		
	Unrestricted	Restricted	Unrestricted	Restricted	2018		
	£	£	£	£	£		
Investments	-	-	194,544	662,506	857,050		
Stock	15,483	-	-	-	15,483		
Debtors	41,144	250	-	-	41,394		
Cash at bank	260,480	212,434	-	-	472,914		
Current liabilities	(90,233)	(73,710)	-	-	(163,943)		
Total	226,874	138,974	194,544	662,506	1,222,898		
	General		Endowment		Total		
	Unrestricted	Restricted	Unrestricted	Restricted	2017		
	£	£	£	£	£		
Investments	-	-	193,907	440,855	634,762		
Stock	16,753	-	-	-	16,753		
Debtors	42,881	87,373	-	-	130,254		
Cash at bank	277,720	299,525	-	-	577,245		
Current liabilities	(59,293)	(234,321)	-	-	(293,614)		
Total	278,061	152,577	193,907	440,855	1,065,400		

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

10. Funds (continued)

Synchronicity Earth currently operates a restricted fund for each programme, as set out above and explained in the Report of the Trustees. Donations to the General restricted fund are allocated to the relevant programme fund upon receipt, in accordance with the express wishes of the donor. Expenditure from each programme fund is in accordance with the restrictions of the donation.

Transfers to and from the General unrestricted fund are made as required to make good a deficit on a restricted programme fund or with the express permission of the donor.

In 2016, the trustees established, expendable endowment funds under declaration of trusts.

The Synchronicity Earth Living Fund is an unrestricted expendable endowment which has been established in order to ensure the long-term viability of the Charity and secure long-term funding for its programmes.

There are three restricted expendable endowment funds as follows:

- The Durrell Fund, has been established to support the aims and objectives of Durrell Wildlife Conservation Trust – UK, a charity registered in England and Wales Registered number 1121989.
- The Ape Fund established for the benefit of apes.
- The Amphibian Fund established for the benefit of amphibians.

The endowment monies have been invested in the Aurum Synchronicity Sterling and USD funds advised by Aurum Fund Management Ltd and administered by Northern Trust International.

11. Related party transactions

The fund management agreement between Synchronicity Earth and Aurum Fund Management Ltd did not give rise to any benefit for A Sweidan who is a founding member of the Aurum Fund Management Ltd.

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

12. Financial commitments

The Charity has the following annual commitments outstanding under non-cancellable operating leases:

	Property 2018 £	Property 2017 £
Expiring:		
Less than one year	10,847	56,760
Between two and five years	-	5,132
	10,847	61,892

	Office equipment 2018 £	Office equipment 2017 £
Expiring:		
Between two and five years	1,371	-
	1,371	-

On 30 January 2019, the charity entered into a 5 year lease for a new premise with an annual commitment of £75,708, the first instalment falling due on 13th August, 2019.

13. Financial instruments

	2018 £	2017 £
Financial assets		
Fixed asset quoted investments measured at fair value	857,050	634,762
Cash at bank and in hand	472,914	577,245
Measured at amortised cost - Debtors	27,306	113,536
Financial liabilities		
Measured at amortised cost - Creditors (excluding accruals and taxes)	126,258	271,898
Income and expenditure		
Measured at fair value through SoFA - measured at amortised cost:		
Net currency gains/ (losses)(including changes in fair value)	24,348	(17,718)
Net investment gains/ (losses) (including changes in fair value)	60,887	1,693

Synchronicity Earth
Notes to the financial statements
For the year ended 31 December 2018

14. Prior year comparatives

The figures for 2017 have been restated for presentational purposes to align with the programmatic format adopted for 2018.

		General Funds		Endowment Funds		Total
	Note	Unrestricted	Restricted	Unrestricted	Restricted	2017
		£	£	£	£	£
Income and endowments						
Donations	2	810,487	601,178	205,411	445,356	2,062,432
Other trading		251,784	-	-	-	251,784
Income from investments		162	-	-	-	162
Total income and endowments		1,062,433	601,178	205,411	445,356	2,314,378
Expenditure on:						
Raising funds	3	119,294	124,084	-	-	243,378
Charitable activities	3&4					
<i>Amphibians</i>		144,603	19,000	-	-	163,603
<i>Asian species</i>		127,342	22,285	-	-	149,627
<i>Congo Basin</i>		129,278	80,812	-	-	210,090
<i>Freshwater</i>		164,850	320	-	-	165,170
<i>High and Deep Seas</i>		128,268	95,688	-	-	223,956
<i>Regeneration</i>		75,951	94,896	-	-	170,847
<i>Synchronicity</i>		105,411	11,516	-	-	116,927
Total expenditure		994,997	448,601	-	-	1,443,598
Net income before gains & losses on investments		67,436	152,577	205,411	445,356	870,780
Net (loss) on currency revaluation	6	-	-	(8,529)	(9,189)	(17,718)
Net (loss)/ gain on investments	6	-	-	(2,985)	4,678	1,693
Net Income/ net movement in funds		67,436	152,577	193,897	440,845	854,755
Reconciliation of Funds						
Fund balances brought forward	10	210,625	-	10	10	210,645
Fund balances carried forward		278,061	152,577	193,907	440,855	1,065,400



REGISTERED OFFICE: GROUND FLOOR, 27 - 29 CURSITOR STREET, LONDON EC4A 1LT

TEL: 020 7581 0100

WWW.SYNCHRONICITYEARTH.ORG

REGISTERED CHARITY NO. 1132786 REGISTERED IN ENGLAND AND WALES COMPANY NO 06952204 A COMPANY LIMITED BY GUARANTEE