



# TRUSTEES' REPORT AND ACCOUNTS

FOR THE PERIOD ENDED 31 MARCH 2023

THE  
EARTHSHOT  
PRIZE



## CONTENTS

01

TRUSTEES'  
ANNUAL  
REPORT

---

02

INDEPENDENT  
AUDITOR'S  
REPORT

---

03

CONSOLIDATED STATEMENT  
OF FINANCIAL ACTIVITIES

---

04

CONSOLIDATED AND CHARITY  
BALANCE SHEET

---

05

CONSOLIDATED  
CASHFLOW STATEMENT

---

06

NOTES TO THE  
FINANCIAL STATEMENTS

---



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# 01 TRUSTEES' ANNUAL REPORT

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**FOREWORD FROM**

**DAME CHRISTIANA FIGUERES,  
CHAIR OF THE EARTHSHOT PRIZE**

This decade marks a critical and decisive time for our planet as the warnings from science and nature have made clear. We are facing our greatest challenge: to regenerate the planet which is our home within these ten years. But at The Earthshot Prize we are optimists. We believe in the power of human ingenuity to prove to us all that the seemingly impossible is possible. That is why The Earthshot Prize was created by our President, Prince William, and The Royal Foundation. Our goal is to find and accelerate the solutions that will repair our planet this decade and, in so doing, generate confidence that we can address the climate crisis by inspiring many to action.

We launched The Earthshot Prize in 2020 and began our first worldwide search for Finalists - eco-innovators with potential to scale. Our first five Winners of this prestigious £1m Earthshot Prize Award were revealed at the remarkable Earthshot Prize London Awards Ceremony in 2021. We have introduced The Earthshot Prize mission to the world through bestselling books, primetime documentaries and global media coverage; addressed world leaders with a message of urgent optimism at COP26; and we have showcased and accelerated some of the incredible innovations that will help repair Earth.

But that was just the start. After successfully designing, building, launching, and initially operating The Earthshot Prize within The Royal Foundation for our first year, we established as an independent charity in July 2022 to continue to grow this global mission. I am honoured to be the Founding Chair of a global, committed, and talented Board of Trustees, and we were pleased to welcome Dame Jacinda Ardern to join us this year. I would like to thank The Royal Foundation for its support and leadership in this transition and its continued partnership and am delighted to be sharing The Earthshot Prize's first Trustee Annual Report and Accounts as a newly independent organisation.

Through the year 2022/23, The Earthshot Prize spotlighted and accelerated our inaugural 2021 Finalists. Two innovation showcases with our Global



Global Alliance Founding Partners DP World in partnership with Expo 2020 Dubai and Bloomberg Philanthropies at Climate Week in New York secured profile, support and further investment for them. More than 1.5 million people have benefitted directly from their solutions and over 35,000 tonnes of CO<sub>2</sub> emissions have been reduced, avoided, or sequestered during 2022.

Incredible - and this is just one year.

November 2022 saw The Earthshot Prize turn to Boston for our second Earthshot Prize Awards Ceremony. Our 2022 Winners were revealed to a global television audience of 13 million in a ceremony hosted at the iconic MGM Music Hall, Fenway Park. As our Finalists work with our Global Alliance of partners to begin to accelerate their growth, we will ensure they get the professional advice, growth strategies and support they need to scale and make the maximum impact possible to restore our planet.

On behalf of my fellow Trustees, I would like to extend my thanks to CEO Hannah Jones and the staff of The Earthshot Prize for their amazing work. And our thanks, of course, to our President, Prince William, whose vision created The Earthshot Prize and whose continued leadership on this important mission is inspiring real change.

*Christiana Figueres*  
**DAME CHRISTIANA FIGUERES**



## FOREWORD FROM

# HANNAH JONES, CEO OF THE EARTHSHOT PRIZE

We are in a race against time. By 2030, the world must reduce global carbon emissions by over 40% and protect 30% of nature, fresh water and oceans.

This is an “Earthshot” challenge – a seemingly impossible goal that can only be achieved by human ingenuity, collective will and courageous action. Ours is an “Earthshot Decade” in which we must transform economies, markets, systems and communities. It’s arguably the largest and fastest transformation the world will have ever seen.

We need a call to action to deploy the world’s talent and imagination and find ingenious ways to fix our planet, creating just transitions and new economies that incorporate the value of nature and oceans, price carbon out and put an end to fossil fuel reliant industries, from plastics to fashion, fertilizers and energy.

Some of this transformation requires solutions which are yet to be invented; some solutions are already underway, but not at the speed or scale needed. Too many proven solutions struggle to access first-mover capital and advisors or to get to the scale needed to tip and disrupt incumbent markets, and are hindered by lack of incentives, or regulations not fit for purpose.

That’s where The Earthshot Prize and Platform come in.

We were born a Prize, and the Prize is our beating heart, an engine built from scratch to scour the world for ingenious, proven solutions that, if scaled, could be transformative. This global search engine is supported by hundreds of Official Nominators representing geographies, sectors and communities from every corner of the planet. Following extensive research we published our “Roadmap to Regeneration”, highlighting our priorities for what must tip and scale in the next 3-5 years. In our first 18 months, we built out a scalable, repeatable prize process and worked with expert advisors to identify solutions that represent best practices, leadership, ingenuity and scalability.

We are a Prize designed to have a catalytic effect far beyond the £5m in prize monies granted annually. We look for leverage – for every £1 of Prize grants, how do we catalyse multiples of in-kind and capital support for solutions? In our first year of testing this, we catalysed up to four times the Prize in support, and have our sights set on increasing that ratio significantly in years to come.



Knowing how hard it is for founders and their teams to take a solution to scale, we joined forces with IDEO, an innovation consultancy, to prototype a Fellowship Programme and provide our 15 Finalists each year with bespoke support to scale their endeavours and an alumni network of support and peer mentorship.

Knowing how difficult it is to meet and enlist potential supporters, particularly if you are from the Global South, a woman or an indigenous leader, we convened a diverse and powerful Global Alliance of partners dedicated to fast-tracking access to their collective support. We aim to become a ‘flywheel’ for impact through these transformative partnerships. We’ve discovered, thanks to partners like Bloomberg Philanthropies and DP World, that we have a unique convening power; when we bring people together, we can move not just funding for individual solutions, but also support for entire new markets and families of solutions.

The spotlighting and scaling of these solutions and their founders unlocks something else of value: optimism. Core to our purpose is our theory of change – that by unleashing urgent optimism we can move young people to action and act as an antidote to anxiety and anger. Breaking through the current narrative to shine a light on solutions, and the people behind them, engaging with young people to showcase and enable pathways to becoming the next ‘eco-innovator’ inventing the next solution, is core to our mission.

That’s why our Prize Ceremony holds significance in our annual calendar – it’s our beachhead vehicle for



storytelling-at-scale to young people around the world.

We've iterated on how to create a unique, magical Prize Ceremony that travels to a new country each year and is far more than simply an event. We've invested in building the Awards to become a moment in the global calendar, bringing

The Earthshot Prize and our purpose into culture by partnering with culture makers; sharing purposeful content aimed at shifting from a narrative of despair and denial to one of urgency and optimism which sparks the world's imagination; opens a new narrative and conversation with young people around the world and shows a path to impact and action.

The stories of our Finalists and their solutions are stories of hope, inspiration, and optimism 'with teeth'. This is not wishful thinking, these Finalists are emblematic of a largely unseen and fragmented movement of innovators, gamechangers and leaders across the world who are fixing the problems one solution at a time. To tell their stories, we've built a storytelling team from scratch, developed partnerships from broadcasters and social media platforms, laying the foundations to tell stories around the world, 365 days of the year, and to turn awareness into engagement and into action, galvanizing, and inspiring young talent to turn anger and anxiety into action and to become the leaders of an innovation movement that will fuel our future.

We are a start-up, born in COVID at the start of this decade. We were an untested idea with an audacious thirst to have a meaningful impact. We've sought to learn, test, prove, and to always keep our eye on how we design for exponential impact. This report covers the second year of the Prize and looks ahead as we seek to become a global platform for good, running on lean start-up principles, wired as an innovation team, built to become a flywheel for a movement. We intend to end the decade as a platform for global impact, and as a global movement for urgent optimism and action.

**We have two calls to action:**

- To those with capital, and power we say: speed Earthshot solutions to scale. We can do this.
- To the generation living in anxiety and anger at the destruction of the world around them, we say: be inspired by our Finalists, join this movement and use your talent, time, and ingenuity to fix the planet with solutions. We can do this.

Our goals by the end of the decade are simple: to have catalysed meaningful amounts of capital and resource to speeding Earthshot solutions to scale; and to have inspired young people around the world to join the Earthshot movement, fixing and regenerating the planet with solutions they invent, imagine, create and build.

This report covers the second year of the Prize and our first as an independent organisation. As such it covers the work we did to get out of the blocks. It's a snapshot in time. Expect the investments and the learnings of this first period of time to act as the springboard for accelerating our impact.

In gratitude to our Founder for his audacious vision and determination; to our Board of Trustees for their grit and hard work, to our Founding Partners, Strategic Partners, and Global Alliance for taking a bet on an idea; and to the Earthshot Team – for dedicating their talent, time and imagination to turning dreams into reality.

**HANNAH JONES**



## OUR STRATEGY

# A FLYWHEEL OF INNOVATION AND STORYTELLING WITH THE WORLD'S ECO-INNOVATORS AT ITS HEART.

The Earthshot Prize takes its inspiration from President John F. Kennedy's Moonshot challenge, which united millions of people around the goal of reaching the moon. Our mission is equally ambitious: to unleash urgent optimism and action by discovering, accelerating, awarding, spotlighting and scaling solutions that can repair and regenerate our planet.

## THE EARTHSHOT PRIZE AND PLATFORM COMPRISES THREE PILLARS:

### PILLAR ONE

Our first strategic pillar searches for and selects eco-solutions from around the world and then works to accelerate and scale them throughout the year. We call this our Innovation Engine.

### PILLAR TWO

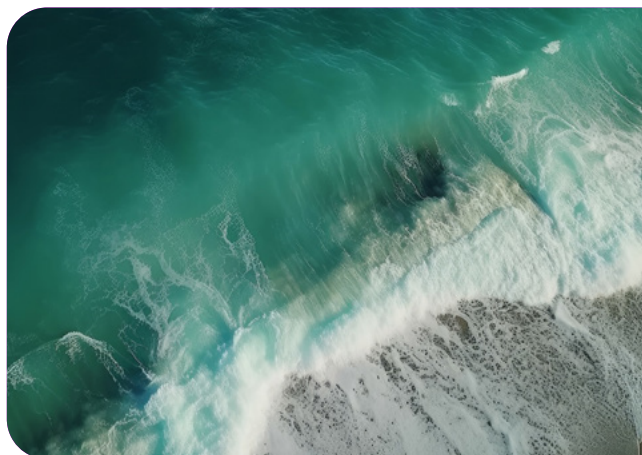
The second pillar focuses on using the power of storytelling and the stories of our eco-innovators and their solutions to create a movement and mindset, particularly within Gen Z.

### PILLAR THREE

The third pillar focuses on harnessing the expertise, platforms and capital of an ecosystem of partnerships and collaboration in support of our Finalists' work.

In 2022/23, The Earthshot Prize laid the foundations for this flywheel, the highlights of which follow in this report.

At the time of writing, all involved with the Prize are feeling tremendous momentum on the heels of our 2023/24 Earthshot Week success in Singapore where, in addition to the Prize Ceremony, the Earthshot team ran a week of convening events including the first Earthshot+ thought leadership forum.



In addition, a major focus of 2023 has been the design of Launchpad – a new digital community that connects Earthshot Nominees, Finalists and Winners with partners and supporters of the Prize, enabling them to access a range of capital, from philanthropic grants to investments, all in an effort to take their ideas to scale.

## THE EARTHSHOT PRIZE TRUSTEES' REPORT (INCLUDING DIRECTORS' AND STRATEGIC REPORT) FOR THE PERIOD ENDED 31 MARCH 2023

The Trustees of The Earthshot Prize present their inaugural Trustees' Report (including the Directors' and Strategic Report) for the period ended 31 March 2023 under the Companies Act 2006, together with the audited accounts for the period from 16 March 2022 to 31 March 2023. It complies with the 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 (FRS102) (Charities SORP (FRS102)).





## HIGHLIGHTS IN 2022 / 2023

### PILLAR ONE

# THE EARTHSHOT INNOVATION ENGINE

## THE GOAL: TO BE THE LEADING GLOBAL ENGINE FOR DISCOVERING, ACCELERATING, AND SCALING ECO-INNOVATIONS.

The Earthshot Prize is more than a prize. The Finalists we profile represent exceptional eco-innovation from around the world which, given the right support and a global platform, have the potential to repair and regenerate our planet. With a total pipeline of more than 2,500 innovative and scalable eco-solutions from around the world to date and increasing proof points around our ability to accelerate them to scale, we are fast establishing ourselves as a platform for impact.

Key priorities for our second year in 2022 were to design and launch our Fellowship Programme to better help our Finalists to scale. We also released our Roadmap to Regeneration, outlining our search priorities – namely the 15 solution areas we believe to be at a tipping point to scale and the enabling trends that help the best solutions to scale faster. Together, these criteria ensured a high-quality pipeline of nominees aligned to The Earthshot Prize's mission.

Following the publication of this Roadmap, our Nominators helped us discover nearly 1,000 nominations from a wider, more diverse pool of 103 countries. Between August and October 2022, we embarked on a further and significant redesign of the Search and Select Process to better reflect our evolving selection criteria. These included homing in on solutions that showed great leadership, strong organisational foundations, that demonstrated traction and the potential for transformative impact against one of our Earthshots.

Our 15 2022 Finalists from ten countries were chosen through this selection process supported by an Expert Advisory Panel. The final five Winners were then selected at a judging session led by Dame Christiana Figueres and The Earthshot Prize Council, a global team of influential individuals who are passionately committed to championing positive action in the environmental space. Each of our Winners' solutions excelled in the rigorous screening process following an assessment on their potential to create game-changing impact around the world, and their ability to help us reach our Earthshot goals while also positively impacting people, communities, and the natural world.

## OUR 2022 WINNERS ANNOUNCED AT THE EARTHSHOT PRIZE AWARD CEREMONY IN BOSTON WERE:

### CLEAN OUR AIR

**Mukuru Clean Stoves, Kenya** – A start-up providing cleaner-burning stoves to women in Kenya to reduce unhealthy indoor pollution and provide a safer way to cook.

### PROTECT AND RESTORE NATURE

**Kheyti, India** – A pioneering solution for local smallholder farmers to reduce costs, increase yields, and protect livelihoods in a country on the frontlines of climate change.

### REVIVE OUR OCEANS

**Indigenous Women of the Great Barrier Reef, Australia** – An inspiring women-led program that combines 60,000 years of indigenous knowledge with digital technologies to protect land and sea.

### BUILD A WASTE-FREE WORLD

**Notpla, United Kingdom** – A circular solution creating an alternative to plastic packaging from seaweed.

### FIX OUR CLIMATE

**44.01, Oman** – Created by childhood friends who have developed an innovative technique to turn CO<sub>2</sub> into rock, and permanently store it underground.

## CATALYSING SIGNIFICANT SUPPORT FOR OUR FINALISTS

These five Winners were awarded £1m each, and all 15 Finalists received tailored support from The Earthshot Prize Global Alliance, our network of world-leading philanthropies, NGOs, and private sector businesses around the world who provide the Finalists with professional support, partnership and investment to help them scale their solutions.

For every £1 of Prize money awarded in 2021, The Earthshot Prize catalysed up to £4 worth of additional funds, pro bono support, and commercial deals for Finalists from our Global Alliance. Importantly, this means that with the help of our Global Alliance and other supporters, we were able to support and accelerate not only the five Earthshot Prize Winners, but the whole cohort of 15 Finalists.





## THE EARTHSHOT PRIZE FELLOWSHIP PROGRAMME

In 2022/2023 we launched our Fellowship Programme, a major initiative designed with support from our 2021 Winners. This nine-month long programme allows us to work with our Finalists in a more tailored way to identify, scope, and plan an ambitious yet tangible growth initiative and make targeted connections with partners who can help turn those growth initiatives into reality.

We saw this Fellowship Programme in action in January 2023, when The Earthshot Prize brought our 2022 Finalists together for the first time for the inaugural Fellowship Retreat week in Windsor. Our

Finalists embarked on an intense capacity-building journey with speakers and mentors from climate leadership and global business who shared their insight and wisdom. Prince William attended and met with the Finalists in-person for the first time, hearing more about their ambitious plans. Our Global Alliance organisations were on-hand to support immediate growth opportunities, with Deloitte hosting a forum connecting our Finalists with advisors, market access partners, potential funders and enthusiastic champions who could help them scale. Encouragingly, Finalists reported that they left the Retreat with raised ambitions, relief to have support, valuable new connections and ideas, and clearer plans for scaling their solutions.

## GLOBAL ALLIANCE SUPPORT FOR OUR 2021 FINALISTS THIS YEAR HAS ACCELERATED THEIR SCALING AND HELPED THEIR ECO-INNOVATIONS TO PAY DIVIDENDS FOR THE PLANET

- Since winning the Fix our Climate Earthshot Prize in 2021, Enapter has completed construction of a new mass production factory in Germany – which will gradually ramp up to a monthly production of 10,000 AEM electrolyzers. An additional €20M in investment was secured to support the team in research and development efforts.
- Coral Vita was granted an additional £500,000 from Global Alliance Founding Partner DP World in partnership with Expo 2020 Dubai. The grant has helped the Coral Vita team lay the foundations to expand its innovation and pilot a land-based coral farm in the Middle East. The results of this project will help create a model for DP World and Coral Vita to collaborate globally to preserve reef health.
- Since winning The Earthshot Prize, the funding has allowed Costa Rica to extend its protected marine area from 3% of its ocean territory to 30%. The government of Costa Rica was also part recipient of a \$30 million Bezos Earth Fund grant alongside the countries of Colombia, Ecuador and Panama. The money will be used to improve the Eastern Tropical Marine Corridor, a network of marine protected areas which cover 500,000 square kilometres.

- Takachar has scaled up product prototyping of its technology - removing smoke emissions from agricultural waste - and doubled the size of the team. Takachar has also unlocked a key relationship with Global Alliance Member Deloitte, who are advising on a long-term scale-up plan.
- In 2023 the City of Milan hosted delegates from ten US and European cities, with the aim of sharing their model and inspiring others to follow suit. The tour was supported by Bloomberg Philanthropies and organised in partnership with C40 Cities, Bloomberg Associates and NRDC. The cities that took part - Austin, Boston, Chicago, Los Angeles, Washington DC, Amsterdam, Barcelona, Madrid, Oslo and Paris - were selected based on their ambitions to reduce food waste and C40 Cities membership: a network of mayors united in their ambition to solve the climate crisis.

## A SNAPSHOT FROM ONE YEAR OF IMPACT FOR THE 2021 FINALISTS



## **INCREASED NOMINATIONS BY 17% SINCE INCEPTION (OVER 1000 PER YEAR)**

Our 2023 Earthshot Prize nominations opened in January 2023 with a record 1,160 entries submitted (+17% compared to 2022). The biggest increase was for solutions based in the U.S. (+72% vs. 2022 to 298 nominations), representing the awareness and engagement impact of hosting our 2022 Awards in Boston. We also saw 9% and 20% year-on-year increases in nominations of solutions from Latin America and Sub-Saharan Africa, respectively, and reached a new milestone of nearly 60% of solutions

nominated this year being active in the Global South. Additionally, we were delighted to have 28 Nominators within our Global Alliance, with a total of 214 submissions made.

At the time of writing, we have just announced the 2023 Winners in Singapore and run the second Fellowship Programme for our fifteen 2023 Finalists. We look forward to sharing the impact all our Finalists are continuing to make in repairing and restoring our planet.

## **ALREADY, OUR 2022 FINALISTS ARE SCALING FOR IMPACT. HERE IS JUST A HINT OF WHAT IS TO COME:**

- Carbon mineralisation firm 44.01 has begun scoping the design of new research and development facilities in Oman since winning The Earthshot Prize to further their work, attract talent and share best practice in mineralization; and help remove carbon dioxide from the atmosphere.
- The Indigenous Women of The Great Barrier Reef has grown rapidly since winning The Earthshot Prize, expanding its Rangers Network to more than 200 women and attracting new strategic funding and technology partners, supporting growth. It has expanded training for Indigenous Women Rangers and youth programs for young women, combining ancient knowledge with the latest technology to future-proof the careers of the Indigenous Women Ranger Network.
- Winning The Earthshot Prize has allowed Indian start-up Kheyti to launch its cheapest ever Greenhouse-in-a-box, protecting small holding farmers' yields and reducing pesticide and water use. Already, Kheyti has grown eight-fold and unlocked significant partnerships with large NGOs, philanthropists and corporates to scale the program and launched an ambitious revised strategic ten-year plan to reach a million farmers.
- Notpla has grown its team rapidly since winning The Earthshot Prize, investing in new machinery to support development, and launching new commercial deals with Just Eat, Bidfood UK, and UK sports stadiums Villa Park and The Oval.
- Mukuru Clean Stoves has expanded into neighbouring Ghana and Nigeria faster than planned; it has been introduced to high-level Foundations with multi-million grant-making capabilities; and has featured at key global events, including ChangeNOW in Paris.





PILLARTWO

# THE EARTHSHOT STORYTELLING ENGINE

## CATALYSING OPTIMISM THROUGH OUR ABILITY TO TELL STORIES, SPOTLIGHT, AWARD AND INSPIRE

Finding and scaling the eco-solutions which could protect and restore our planet is just the start - the ambitions for The Earthshot Prize go beyond our innovators. We are aiming to build a sense of urgency and optimism that will spark action around the world. To achieve this, our goal this year was to continue to profile and maximise the impact of our 2021 Finalists, while building the media partnerships and digital strategy that would ensure The Earthshot Prize Awards Ceremony in Boston was seen by an even wider audience in more countries across the world.

## GLOBAL INCREASE IN BRAND AWARENESS

Through the televised Awards Ceremony, book, radio programmes, partnerships, media and social media, we have reached a much wider audience – millions of people have tuned in, engaged and shared our messages. Our research found that 51% of people globally report climate change as one of the most important issues facing the world today. Those who are aware of The Earthshot Prize tend to be significantly more optimistic than average with 67% of people who are aware of us feeling hopeful about progress on climate, compared with 61% in the wider population – in fact we know that after exposure to The Earthshot Prize, levels of optimism increase over 10%. This suggests our message of urgent optimism is working and our mission is to continue to expand the reach and continue to build an engaged community and spark further action.

Driving this message, our storytelling strategy delivered a series of highlights this year, beginning with the news that our inaugural 2021 London Earthshot Prize Awards Ceremony won both a British Academy Film and Television Award (BAFTA) and a Royal Television Society award for best live event. We built a major campaign towards our 2022 Awards Ceremony in Boston and generated international headlines with our announcement that the 2023 Earthshot Prize Awards would take place in Singapore. Along the way, we have profiled our Finalists through events and media moments including EXPO 2020 Dubai, a Royal visit to The Bahamas, and Climate Week

NYC during the United Nations General Assembly, generating further opportunities and investment. We announced our newly independent status and incredible Board of Trustees; and we have refreshed our brand, website and digital strategy to create compelling content and better profile our work and our Finalists.

In October, we announced a new media broadcast partnership with MultiChoice, Africa's leading entertainment company, to help accelerate and spotlight the ingenuity and ambition of innovators, activists and scientists across Africa who are working to address the climate crisis on the African continent and around the world. The partnership aims to raise awareness and understanding of The Earthshot Prize across Africa, supporting local Finalists, highlighting their innovative solutions and mobilizing communities to address sustainability challenges, a key aim as we headed to Boston.

## PICCADILLY LIGHTS TAKEOVER FOR THE ANNOUNCEMENT OF THE EARTHSHOT PRIZE 2022 FINALISTS

A key highlight of The Earthshot Prize each year is The Earthshot Prize Awards Ceremony. Our Road to Boston campaign saw a steady cadence of activity and events beginning with Prince William announcing The Earthshot Prize Finalists for 2022, accompanied by a Piccadilly Lights takeover, unveiling our Finalists both in the heart of Central London and in outdoor locations across Boston. A steady drumbeat of press and social announcements followed, building excitement and an audience for the 2022 Awards, supported by our Earthshot Prize Council of influential climate experts and high-profile champions including Sir David Attenborough. Additionally, working in close collaboration with our Host City Partner - The JFK Presidential Library Foundation - and a consortium of 40 local organisations, including Mayor Michelle Wu's office, we delivered a series of events across Boston, building a legacy of engaged climate innovation champions and Earthshot supporters in the host city. The Award Ceremony took place at the iconic MGM Musical Hall at Fenway Park, attended by The Prince and Princess of Wales. It was supported by David Beckham, Rami Malek, Shailene Woodley and Catherine O'Hara, together with artists; Billie Eilish,



Annie Lennox, Chloe x Halle, and Ellie Goulding. The event was attended by 1,500 people and included many of our supporters from the Global Alliance, as well as leading US dignitaries. The Awards Ceremony was followed by a VIP Reception, where Sec. John Kerry (US Special Presidential Envoy for Climate), our Chair Dame Christiana Figueres, and Prince William delivered keynote speeches, ensuring our message of urgent optimism was heard by key global leaders.

### **13 MILLION WATCH THE EARTHSHOT PRIZE AWARDS CEREMONY BROADCAST**

The Earthshot Prize has been designed as the most prestigious environmental prize on Earth and it earns considerable international reach. The 2022 Boston Awards Ceremony was watched by 13 million people on television or online via BBC, PBS, MultiChoice and The Earthshot Prize YouTube channel. A further 36 million have seen The Earthshot Prize content across our own and our partners' social media platforms, while the Awards were covered globally by publications across 17 countries, including the US, UK, Australia, Kenya and Oman, placing our Finalists and their solutions in the global news agenda.

A key element of the Awards is to spotlight each of our Finalists and their solutions, profiling their work and opening up new opportunities. This year, we launched an exclusive five-part YouTube series 'Solutions to Repair the Planet', telling the inspiring stories of our 15 Finalists and their solutions. Our Finalists were given support and advice to prepare them for the media spotlight and coverage was arranged in each Finalist's country to spotlight their achievements.

- Winners Mukuru Clean Stoves, 44.01, Notpla, and Finalist LanzaTech, were featured in several TV packages on Good Morning America, TODAY, and CBS Mornings.
- Bloomberg, TIME Magazine, BBC News, and The Guardian were also among the outlets highlighting the innovative work of the 2022 Prize Winners.

This profile is crucial not only to accelerating the work of our Winners, but also to inspiring further innovation on climate solutions by showcasing how these ideas will be championed and promoted.

### **EARTHSHOT PRIZE NOMINATIONS INCREASE 72% IN USA AFTER BOSTON AWARDS**

At the time of writing, we have seen the impact of The Earthshot Prize in action, as nominations for the 2023 Earthshot Prize Awards increased by 72% in the USA following the Boston Awards. Our key priority for 2023/24 has been to deliver an impactful Earthshot Prize Awards Week in Singapore, while continuing to spotlight our 2021 and 2022 Finalists. We have also focused on executing a digital strategy designed to reach an even broader audience with a message of optimism that inspires innovation to repair our planet by demonstrating the answers to our climate crisis exist and can be scaled.





PILLAR THREE

# GLOBAL ALLIANCE AND PRIZE COUNCIL

## A UNIQUE ECOSYSTEM OF PARTNERSHIPS AND COLLABORATION

Our work is supported by a global network of some of the world's biggest corporations, leaders and philanthropists who support, empower, uplift and champion The Earthshot Prize and our Awards alumni of eco-innovators. Our Global Alliance ecosystem, comprising 50 mission-aligned partners, is intrinsic to helping us at every stage - finding, selecting, catalysing, and accelerating solutions to generate the maximum impact to repair and restore our planet. Our goal this year has been to maximise the impact of these partnerships.

## DRIVING INVESTMENT FOR OUR FINALISTS

In February 2022, The Earthshot Prize took centre stage at Expo 2020 Dubai with The Earthshot Prize Innovation Showcase. Hosted by Founding Partner DP World in partnership with Expo 2020 Dubai, the event profiled the work of our 2021 Earthshot Prize Finalists to potential investors and included remarks from Earthshot Prize Council Members Prince William and Her Majesty Queen Rania Al Abdullah via video message. The event introduced The Earthshot Prize to new audiences in the United Arab Emirates, and secured support and investment for Coral Vita and Living Seawalls from DP World towards reef restoration and sea walls projects in the region.

A further highlight of 2022 was when Bloomberg Philanthropies co-hosted The Earthshot Prize Innovation Summit at The Plaza Hotel in 2022 and 2023 during New York City Climate Week. This featured many of our Finalists alongside high-profile speakers and environmental experts from around the world as well as a communications training day for the Finalists at Bloomberg's global headquarters in New York.



Crucially, this investment, profile and support is helping our Finalists scale at pace, and paying dividends for our climate as their innovations help to repair and restore our planet.

## CELEBRATING OUR FINALISTS

The Boston Awards in November 2022 allowed us to host many of our Global Alliance Partners and other partners at a series of events to deepen the relationship, highlight opportunities for further collaboration, and to begin work with our 2022 Finalists and Winners. Additionally, many of our Founding Partners hosted events for our Winners and Finalists.

As we look forward to the coming year, we have worked with our global network of Nominators on an improved search and selection process and additionally have been grateful for the support of our Global Alliance in designing and executing the Fellowship Programme to accelerate our Finalists' solutions with even greater impact.



## FINANCIAL REVIEW

This is the first financial report for The Earthshot Prize, covering the period to March 2023 when the charity began trading independently after spin-out from The Royal Foundation.

Upon spin-out in July 2022, The Earthshot Prize received net assets by way of a donation from The Royal Foundation of £8.6m, made up of £7.5m unrestricted funds and £1.1m restricted funds. A breakdown of the transferred funds is included in note 22 of the accounts.

### BALANCE SHEET

As of 31 March 2023, The Earthshot Prize ended the year with reserves of £6.5m and a cash balance of £7.7m.

### INCOME

The total income for the period to 31 March 2023 was £22.5m. 95% of The Earthshot Prize's income came from donations – totalling £21.4 million. This includes £8.6m from The Royal Foundation in relation to the net assets transferred on the establishment of The Earthshot Prize as an independent charity; £7.0m of Founding Partner and other donations; £3.1m of gifts in kind; £2.7m of grant income from The American Friends of The Royal Foundation of The Prince and Princess of Wales. The remaining 5% of income, £1.1m, was derived from sponsorship and licensing income from TEP Trading Limited.

### EXPENDITURE

Total expenditure for the period to 31 March 2023 was £16.0m of which £15.3m (95%) relates to charitable expenditure and £0.7m relates to raising funds.

Charitable expenditure was incurred in respect of the Prize money (refer to Note 8) and The Earthshot Prize and Platform activities (refer to Note 6).



Each Winner receives a total of £1m Prize money which is typically paid over two years in accordance with a payment schedule agreed with the Winners. By the end of the period covered by this report a total of £10m had been awarded: £5m to 2021 Winners and £5m to 2022 Winners. Prior to the spin out of The Earthshot Prize from The Royal Foundation, £0.9m of this had been disbursed. During the period covered by this report, £2.5m was disbursed to 2021 and 2022 Winners (refer to Note 8). The remaining £6.6m is due for payment in 2023/24 and 2024/25 in accordance with the mutually agreed payment schedules (refer to Note 17).

Support and governance costs totalled £2.3m (14% of total expenditure). The Earthshot Prize monitors support costs carefully to ensure value for money and compliance with all legal and regulatory requirements.

Fundraising costs for the charity totalled £0.7m.

Staff costs for the year totalled £1.9m, being 12% of total expenditure. The Earthshot Prize had a headcount of 20 at spin out which ended with a headcount of 31 at year end. This was in line with the strategy to build and scale The Earthshot Prize team to deliver global impact as we established as an independent charity.





## RESERVES POLICY

The Earthshot Prize reserves policy considers the financial risks to which the charity is exposed and has set the target range of free reserves accordingly at six to nine months of annual operating expenditure. This equates to a target range of free reserves at 31 March 2023 of £2.10m - £3.15m.

Reserves are held to cover unexpected reductions in income without compromising charitable activities; to cover unexpected or emergency funding requirements; meet cash flow needs and Winner Prize money payments. As the organisation grows, we will closely monitor our projected future target free reserves range as well as current requirements, to ensure financial stability. The level of reserves is calculated monthly and is reviewed by the Trustees at the quarterly Trustee meetings.

Total reserves at 31 March 2023 are £6.5m, all of which is unrestricted. Of this amount, £0.05m is represented by fixed assets resulting in free reserves of £6.45m. Whilst this is above the free reserves threshold, Trustees note the grant commitment to our Winners (see contingent liability note 17) at year end of £6.6m, which is due to be paid over the next two financial years. As a newly established charity, going forwards Trustees will continue to focus on building free reserves as we evolve our strategy, establish and build our team, and continue to refine and develop The Earthshot Prize and Platform to best support our Finalists and Winners.

## INVESTMENT POLICY

The primary investment objective is to maintain innovation, and, if possible, enhance the value of the invested funds to allow The Earthshot Prize to effectively carry out its purposes in the future. A secondary objective is to provide The Earthshot Prize with supplementary income to carry out its purposes effectively in the short term. As such, The Earthshot Prize seeks the best financial return within an agreed level of risk and consistent with its charitable objects, values and programmatic objectives. Both capital and income may be used at any time for the furtherance of the charity's aims. As a newly established organisation, it has not been necessary to invest funds or appoint an investment manager for this reporting period. Our Reserve account with Coutts is interest-bearing.

## GOING CONCERN

The Trustees have assessed the ability of The Earthshot Prize to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing the financial statements, including a review of the updated forecast to 31 March 2024, the funding pipeline, the cashflow forecast to 31 March 2025 and a consideration of the key risks such as the ability to achieve the targeted fundraising income and the impact of high inflation. Scenarios and sensitivity analysis have been completed.

The Earthshot Prize is primarily reliant on income from a group of individual donors and foundations to fund its core costs including the Prize money. Founding Partner agreements are generally for a period of three years. Timings of renewal confirmations and new agreements are factored into the forecasts and cashflow. The Board has considered the cash management controls in place to ensure there is sufficient working capital at all times together with the timing of expenditure commitments to ensure this remains in line with the funding available. As a newly established charity, The Earthshot Prize is also looking to build its free reserves over the medium term.

After considering these factors, the Trustees have concluded that The Earthshot Prize has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have therefore prepared the accounts on a going concern basis.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Earthshot Prize is registered as a charity with the Charity Commission under charity number 1198701 and is a company registered in England & Wales number 13981670.

The Earthshot Prize was conceived by Prince William in 2019 and initially operated within The Royal Foundation of The Prince and Princess of Wales where it was designed, incubated, and then launched. The Earthshot Prize as a legal entity was formed on 16 March 2022 as a charitable company limited by guarantee, without share capital and registered as a UK Charity by the Charity Commission on 22 April 2022. The Earthshot Prize adopted the Articles of Association that govern The Earthshot Prize upon incorporation on 15 March 2022 and approved spin-out from The Royal Foundation at its meeting on 4 July 2022. Its objectives are to promote the conservation, protection and improvement of the physical and natural environment and to advance the education of the public in the conservation, protection and improvement of the physical and natural environment.

Prince William is the President of The Earthshot Prize.

The Royal Foundation and the Board of Trustees are members of The Earthshot Prize.

As a member of The Earthshot Prize, The Royal Foundation has the right to nominate up to three Trustees to the new charity's board (four Trustees in the event that the total number of Trustees of the new charity is more than nine). As a result, The Royal Foundation is considered to have influence, but does not exert control, over the financial and operating policies of The Earthshot Prize, and it accounts for its interest in the latter as an associate using the equity accounting method with a one third interest.



We are deeply grateful for the years of thought leadership, bold creativity, and ambitious design of the team at The Royal Foundation as they created The Earthshot Prize and look forward to the coming years of continued partnership.

TEP Trading Limited (registered number 14098707, registered address 50 Broadway, Suite 1, 7th Floor, London, England, SW1H 0DB) was formed on 10 May 2022 as a wholly owned subsidiary, limited by shares, to carry out trading activities on behalf of The Earthshot Prize (see Note 3)

## TRUSTEES

Strong governance and management are critical to the success and reputation of The Earthshot Prize. The Directors of The Earthshot Prize are its Trustees for the purposes of charity law, and throughout this report are collectively referred to as the Trustees. The Trustees take overall responsibility for The Earthshot Prize charity and its work. They are responsible for ensuring The Earthshot Prize is effectively and properly run and meets its goals as a charity.

Each Trustee undertakes a balance of responsibilities divided between strategic direction, governance, oversight, and fundraising. The Trustees meet formally a minimum of four times a year under the Chair Dame Christiana Figueres and Vice Chair David Fein; hold monthly update calls with Management; and in March 2023 attended a two-day Trustee retreat to focus on ensuring the Board is as effective as possible in supporting The Earthshot Prize's mission.

## TRUSTEE RECRUITMENT

The Articles set out the appointment process for Trustees. They provide for a maximum of 12 Trustees including reserved Board seats for The Royal Foundation-nominated Trustees and a seat for The Private Secretary to The Prince of Wales in an ex-officio capacity.

At the time of writing, The Earthshot Prize has eight Trustees, and will build the Board gradually. The three founding Trustees were appointed by The Royal Foundation in March 2022, with a further four appointed in July 2022 when The Earthshot Prize established as an independent organisation. Dame Jacinda Ardern joined the Board in April 2023.

Diversity lies at the heart of The Earthshot Prize and is reflected in the Trustee recruitment process, which is governed by the Articles and overseen by The Governance and Nominations Committee (NomCom) (see below). Potential candidates are evaluated against a matrix of skills, experience, geography, and diversity, as well as their experience as a Trustee.

New Trustees are identified through the charity's network and partners. The Chair, Vice Chair, President, and CEO interview all candidates. After the selection process, the successful candidate is appointed by the Trustees and

formally invited to join the Board by Prince William, President of The Earthshot Prize.

## TRUSTEE INDUCTION

Upon appointment, each Trustee receives a copy of the Charity Commission for England and Wales publication "The essential trustee: what you need to know, what you need to do" and other relevant Charity Commission literature. The Trustees reviewed the latest edition of the Charity Governance Code to ensure the charity complies with best practice. Trustees are bound by the Terms of Reference which include guiding principles for conduct and adherence to the values. Trustees meet with members of The Earthshot Prize's Executive Committee and Senior Leadership Team and are introduced to staff as part of their induction process. They are also provided with comprehensive background documentation which covers incorporation, operations and finance, and policies.

## DECISION-MAKING

A Scheme of Delegation is in place to determine how decisions are made. The annual strategy, strategic events, the annual budget, contracts over £100k and approval of grants to Winners are to be approved by the Board, along with Trustee and Chief Executive Officer appointments. Other decisions are delegated to Management, with Trustees consulted and/or informed at the quarterly board calls and through the Board committees.

## FINANCE COMMITTEE

The Trustees have appointed a Finance sub-committee to help with the execution of its responsibilities, the members of which are appointed by the Trustees. The Finance Committee oversees in detail the financial plans and performance of the charity, reviews the risk management processes, takes responsibility for audit matters, and monitors the performance of the investment portfolio.

The Finance Committee meets quarterly and comprises three Trustees, 'Tokunboh Ishmael (who assumed the Chair in November 2022), M. Sanjayan and Zoë Ware, and two external advisory members: Sir Ron Kalifa and Nick Owen CBE. Sir Ron Kalifa is also a Trustee of The Royal Foundation.

The committee meetings are attended by the Chief Executive Officer and Chief Operating Officer, as well as the Finance Director and Director of Partnerships.

## GOVERNANCE AND NOMINATIONS COMMITTEE

The Governance and Nominations Committee was constituted to lead the process for appointments and election to the Board of Trustees and independent members to its committees, and to review and make recommendations to the Board of Trustees relating





to the overall governance arrangements of the organisation. The Governance and Nominations Committee meets quarterly and comprises three Trustees, David Fein (who assumed the Chair in October 2022), Jean-Christophe Gray and Dame Jacinda Ardern. The committee meetings are attended by the Chief Executive Officer and Chief Operating Officer.

## REMUNERATION AND CULTURE COMMITTEE

The Remuneration and Culture Committee was constituted to review and make recommendations to the Board of Trustees on remuneration matters and to oversee the organisation's culture and diversity. It meets twice a year, focusing one meeting on remuneration and policy matters and the second on culture and workplace. It comprises two Trustees, Dame Christiana Figueres (chair) and Jason Knauf. The committee meetings are attended by the Chief Executive Officer and Chief Operating Officer as well as the Director of People and Culture.

## SENIOR MANAGEMENT

The Trustees have delegated authority to the Chief Executive Officer and the Executive Committee for the day-to-day management of the organisation.

The Executive Committee is led by the Chief Executive Officer and has the delegated responsibility for the design and delivery of programmes and income generation, along with the administrative functions of finance, HR, health and safety, risk management, project evaluation and management information systems. The Executive Committee is made up of the Chief Executive Officer, Chief Operating Officer, Chief Product and Technology Officer and interim Chief Marketing Officer. A Chief Partnerships Officer has been appointed and will join in 2024. The Executive Committee is supported by a Senior Leadership Team comprising Directors across the business who are responsible for delivery of the strategy.

## EMPLOYMENT AND REMUNERATION

The Earthshot Prize recognises and values its people as its most important asset in achieving our aspirations. The Earthshot Prize operates and maintains a legal, fair, equitable and affordable Pay and Reward Framework for our diverse and talented workforce. The framework helps to attract, recruit, develop and retain employees with appropriate knowledge and relevant skills required to sustain delivery. The framework is continually reviewed through job evaluation, internal and external sector benchmarking to ensure that pay scales remain competitive and remain in line with the organisation's current financial position. We are also developing a learning and development programme for all staff.

The Earthshot Prize is committed to being a mentally healthy workplace. We are currently expanding our existing offer of health and wellbeing initiatives to ensure that all members of the team have access to the right resources and support to ensure good mental health.

## EQUALITY DIVERSITY AND INCLUSION

The Earthshot Prize is committed to equality and diversity and to ensuring a positive, safe and respectful environment which promotes the wellbeing and dignity of our employees, partners, suppliers and those whose interests we represent.

We aim to promote equality of opportunity and diversity and to tackle any forms of discrimination, harassment or bullying within our working environment, whether on grounds of race, gender, sexual orientation, gender re-assignment, disability, age, class, religion or belief.

These principles underpin our professional behaviour and are embedded in our policies, procedures, day-to-day practices and external relationships.

### WE STRIVE TO:

- Ensure a safe and respectful environment that promotes equality of opportunity and works positively and productively with difference.
- Promote behaviours consistent with these values and to challenge and take the necessary steps to eliminate inconsistent behaviours.
- Ensure that our employment policies are fair and robust and that our workforce is representative of the community in which we work.
- Promote personal growth and development, taking account of and building on diversity as a strength.
- Regularly review our policy and practice ensuring this evolves in a proactive and relevant manner.

## DATA PROTECTION

The Earthshot Prize ensures all processes, policies, and approaches in relation to data protection comply with General Data Protection Regulation (GDPR). All staff are provided with appropriate training to ensure there is a good level of understanding throughout the whole organisation.

## GOVERNANCE CODE

A governance code, endorsed by the Charity Commission and other industry bodies, was launched in 2017 and updated in 2020. Together with the Trustees, management have ensured that The Earthshot Prize is substantially compliant with the code.

## FUNDRAISING

The Earthshot Prize does not accept funds raised through activities considered 'public fundraising' such as sponsored challenges, but welcomes donations and other funding from individuals, foundations, and companies, engaging supporters around the charitable work of The Earthshot Prize as a whole, in line with our gift acceptance policy.

The Earthshot Prize is committed to the highest standards in all of our communication with donors about our work and how their donations are used. The Earthshot Prize's fundraising is carried out by employees and Trustees through direct contact with donors and potential donors. Additionally, some of The Earthshot Prize's existing donors make introductions to others also interested in supporting The Earthshot Prize, in line with The Earthshot Prize's due diligence process.

We do not work with third party fundraising organisations and our fundraising approach ensures that we do not contact vulnerable people. No complaints relating to our fundraising activities were received this year. The fundraising team reports to the Board of Trustees and the Chief Executive Officer on the delivery of its fundraising activity. Where The Earthshot Prize works with corporate partners (commercial participators), policies and contractual arrangements are put in place to ensure their effective management and adherence to The Earthshot Prize's policies.

## ENVIRONMENTAL IMPACT

As an organisation committed to urgently repairing our planet, The Earthshot Prize takes its responsibility to the environment seriously and we consider carefully the environmental footprint of our operations.

**FLAGSHIP BROADCAST EVENT:** A commitment to sustainability underpinned every aspect of delivering The Earthshot Prize Awards Ceremony and events in Boston. Our delivery partner BBC Studios ensured greenhouse gas emissions were kept to an absolute minimum. This included reducing energy significantly by using mains power in place of diesel generators; creating the set using materials selected for their reuse and recyclability; banning single use plastics; and catering for crew and guests with plant based or vegetarian food. All plants and trees used in the set were replanted in public schools and communities in the Boston area. Hope Solutions undertook an independent carbon footprint assessment on behalf of BBC Studios for the event activities of our 2022 Awards Ceremony. The event footprint was reduced further to net zero by offsetting remaining emissions via Albert's certified offsetting schemes (the film industry's environmental standard).

**NET ZERO OFFICE SPACE:** The Earthshot Prize leases office space from our Global Alliance Partner Arup, who, as leaders in sustainable development, have committed to achieving net zero for all buildings under their control by 2030. Scope 1 and 2 emissions, including energy office use, are reviewed annually by Arup.

**MITIGATING OUR TRAVEL IMPACT:** The Earthshot Prize is a diverse and truly global organisation, supporting the search, spotlight and scaling of our Finalists across the world to create maximum impact for the planet. Travel is necessary to deliver The Earthshot Prize Awards Ceremony and associated events in new countries each year, and to ensure our Finalists gain the networking and spotlighting opportunities they need to scale - but every journey is carefully considered. Where travel is required, we and our delivery partners mitigate the impact by investing in high quality carbon offsetting schemes.

**ACTIONS:** In 2023/24, we aim to build even further on our progress and to improve our measurement of direct and indirect emissions. We will also explore creative and innovative ways to use our global network of innovators, NGOs and experts to reduce our impact.

## RISK MANAGEMENT

In line with governance best practice, the Trustees are committed to maintaining a strong risk management framework that supports The Earthshot Prize to manage risks appropriately.

We maintain a strategic and operational risk register which is reviewed regularly by the Executive Committee and at each Finance Committee and Board meeting. The register considers the impact, likelihood, and level of mitigation of risks, with the management of each risk assigned to a senior member of staff. Quarterly reports are made to the Trustee Board and Finance Committee, of continuing and emerging high-concern risks and those where action is required.

The principal risks are those which, without effective mitigation, would have a serious impact on the work of The Earthshot Prize. These are summarised below:

- **PRIZE SELECTION:** The search and selection process is fundamental to the success of The Earthshot Prize and failure to secure Finalists who meet the criteria in each of our categories would undermine our ability to deliver on our mission. The Earthshot Prize continually reviews this process and has undertaken significant strategic changes to ensure we maintain a consistent pipeline of quality nominations from across the world. Our selection process is independently monitored, and we have published our Roadmap to Regeneration to ensure full transparency of the process. We conduct due diligence on all our Finalists.





- FINANCIAL PERFORMANCE:** As a charitable organisation, The Earthshot Prize must raise sufficient donations to cover operating costs, charitable costs and the Prize money, noting cost differentials of working across multiple countries. The Earthshot Prize was established with a secure Founding Partners model and has a fundraising strategy and due diligence process in place. We undertake an annual budget setting process. The Finance Committee provides regular review and scrutiny of financial performance. A delegated approvals process ensures Trustee review and scrutiny of material income and expenditure contracts and transactions.
- REPUTATION:** The high-profile of The Earthshot Prize, our President and our partners presents a heightened reputational risk. We have robust due diligence policies in place covering all aspects of our work and our external relationships. We work closely with our partners to mitigate risk. All our programmes are tested robustly at each stage of development. We work closely with our Finalists and Winners to prepare them for this increased level of scrutiny.
- INFORMATION SECURITY:** The risk of cyber-attack is heightened due to the high-profile nature of our work. We have a cyber security service in place to safeguard against this and protect our information and data, we have Cyber Essentials certification and are in the process of getting Cyber Essentials Plus Certification. Staff undertake mandatory training on induction and regular refreshers with compliance monitored. Routine external penetration tests of IT systems are carried out to identify any security weaknesses.

## RELATED PARTIES

Further details about Related Parties can be found in Note 11 to the consolidated financial statements.

## PUBLIC BENEFIT

The Earthshot Prize is a public benefit entity under FRS 102. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting grant-making policies.

The Trustees consider particularly how planned activities will contribute to the aims and objectives they have set.

## DIRECTORS' INDEMNITY INSURANCE

The Earthshot Prize and TEP Trading Limited maintained liability insurance throughout the year for its Trustees and Officers, at a total cost of £14,003.

## AUDITOR

Crowe U.K. LLP was appointed as The Earthshot Prize's auditor which was confirmed at the 21 March 2023 Board of Trustees meeting.

## TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors for company law purposes) are responsible for preparing the Trustees' Report (which incorporates the Directors' report for company law purposes) and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the integrity of the financial statements contained therein.

## **DISCLOSURE OF INFORMATION TO AUDITOR**

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditor is unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Report of the Trustees, which incorporates the requirements of the Strategic Report and the Directors' Report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board in their capacity as Trustees and company Directors on 12 December 2023 and signed on its behalf by:

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DAME CHRISTIANA FIGUERES

Trustee: Chair of The Earthshot Prize



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# 02 INDEPENDENT AUDITOR'S REPORT

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# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EARTHSHOT PRIZE

## OPINION

We have audited the financial statements of The Earthshot Prize ('the charitable company') and its subsidiary ('the group') for the period ended 31 March 2023 which comprise The Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources; including its income and expenditure for the period 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 group 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 Trustees' 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 charitable 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 Trustees with respect to going concern are described in the relevant sections of this report.

## OTHER INFORMATION

The Trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the Trustees' report, which includes the Directors' report and the strategic 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' report have been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable company and their 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:

- the parent company has not kept adequate accounting records; or
- the parent 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.

## RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 19, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://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 identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011, together with the Charities SORP (FRS 102).

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable company and group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and group for

fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), anti-fraud, bribery and corruption legislation, taxation legislation, and employment legislation

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of sponsorship and gift in kind income, the prize funds awarded and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## 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.

NICOLA MAY

Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

London





**03** CONSOLIDATED  
STATEMENT  
OF FINANCIAL  
ACTIVITIES

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## Consolidated Statement Of Financial Activities (including the income and expenditure account) for the period ended 31 March 2023

	NOTES	UNRESTRICTED FUNDS 2023	RESTRICTED FUNDS 2023	TOTAL 2023
		£	£	£
<b>Income:</b>				
Donations	2, 22	19,661,383	1,766,383	21,427,766
Investment income	4	15,399	-	15,399
Trading activities	3	1,068,788	-	1,068,788
<b>Total income</b>		<b>20,745,570</b>	<b>1,766,383</b>	<b>22,511,953</b>
<b>Expenditure:</b>				
Raising funds	5	(763,942)	-	(763,942)
Charitable activities				
Prize money	6,8	(900,000)	(1,600,000)	(2,500,000)
The Earthshot Prize and Platform	6,7	(12,604,132)	(166,383)	(12,770,515)
<b>Total expenditure</b>		<b>(14,268,074)</b>	<b>(1,766,383)</b>	<b>(16,034,457)</b>
<b>Net income</b>		<b>6,477,496</b>	<b>-</b>	<b>6,477,496</b>
<b>Net movement in funds</b>		<b>6,477,496</b>	<b>-</b>	<b>6,477,496</b>
<b>Reconciliation of funds:</b>				
<b>Fund balances carried forward at 31 March 2023</b>	18,19,20	<b>6,477,496</b>	<b>-</b>	<b>6,477,496</b>

The notes on pages 32 to 46 also form part of these financial statements.





# 04 CONSOLIDATED AND CHARITY BALANCE SHEETS





## Consolidated and Charity Balance Sheets as at 31 March 2023

	NOTES	GROUP 2023	CHARITY 2023
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	12	50,267	50,267
Investments	13	-	100,000
<b>Total fixed assets</b>		<b>50,267</b>	<b>150,267</b>
<b>Current assets</b>			
Debtors	14	2,623,980	2,457,005
Cash at bank and in hand	22,24	7,673,314	7,014,900
<b>Total current assets</b>		<b>10,297,294</b>	<b>9,471,905</b>
<b>Liabilities:</b>			
<b>Creditors: amounts falling due within one year</b>	15	(3,479,480)	(2,949,610)
<b>Net current assets</b>		<b>6,817,814</b>	<b>6,522,295</b>
<b>Total assets less current liabilities</b>		<b>6,868,081</b>	<b>6,672,562</b>
<b>Creditors: amounts falling due after more than one year</b>	16	(390,585)	-
<b>Net Assets</b>		<b>6,477,496</b>	<b>6,672,562</b>
<b>The funds of the group/charity</b>			
Unrestricted funds	18	6,477,496	6,672,562
Restricted funds	19	-	-
<b>Total funds</b>		<b>6,477,496</b>	<b>6,672,562</b>

The notes on pages 32 to 46 also form part of these financial statements.

The Charity's net income for the year ended 31 March 2023 totalled £6,672,562

The financial statements of The Earthshot Prize (registered number 13981670) were approved and authorised for issue by the Board of Trustees on 12 December 2023 and signed on its behalf by:



DAME CHRISTIANA FIGUERES

Trustee: Chair of The Earthshot Prize



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# 05 CONSOLIDATED CASHFLOW STATEMENT

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## Consolidated Cash Flow Statement For the period ended 31 March 2023

	NOTES	GROUP 2023
		£
<b>Cash flows provided by operating activities:</b>		
Net cash provided by operating activities	21	7,724,604
<b>Cash flows from investing activities:</b>		
Investment income	4	15,399
Purchase of tangible fixed assets	12	(66,689)
<b>Net cash (used in)/provided by investing activities</b>		<b>(51,290)</b>
<b>Change in cash in the reporting period</b>	<b>24</b>	<b>7,673,314</b>

The notes on pages 32 to 46 also form part of these financial statements.





# 06

## NOTES TO THE FINANCIAL STATEMENTS





## Notes to the consolidated financial statements period ended 31 March 2023

**1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

**A) GENERAL INFORMATION AND BASIS OF PREPARATION**

The Earthshot Prize is a registered charity number 1198701 and is a company limited by guarantee registered in England & Wales number 13981670 which is incorporated and domiciled in the UK. The address of the registered office is Kensington Palace, Palace Green, London, W8 4PU.

The consolidated financial statements of The Earthshot Prize have been prepared under the historical cost convention, with the exception of forward currency contracts which are included on a fair value basis. The accounts have been prepared in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102), the 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 (FRS102) (second edition - effective 1 January 2019) - (Charities SORP (FRS102)) and the Companies Act 2006. The Earthshot Prize constitutes a public benefit entity as defined by FRS102 and detailed on page 19.

The accounts have been prepared for the period from incorporation: The Earthshot Prize on 16 March 2022 to 31 March 2023 and TEP Trading Limited on 10 May 2022 to 31 March 2023. When The Earthshot Prize spun out from The Royal Foundation in July 2022, assets and liabilities were transferred to The Earthshot Prize.

**B) CONSOLIDATION**

The financial statements of the wholly owned subsidiary, TEP Trading Limited, have been consolidated with those of the charity on a line by line basis. No separate SOFA has been presented for the charity alone, as permitted by Section 408 of the Companies Act 2006. The charity has taken advantage of the exemptions in FRS102 from the requirements to present a charity only cash flow statement and certain disclosures about the charity's financial instruments.

**C) GOING CONCERN**

The Trustees have assessed the ability of The Earthshot Prize to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the

going concern basis is appropriate when preparing the financial statements, including a review of the updated forecast to 31 March 2024, the funding pipeline, the cash flow forecast to 31 March 2025 and a consideration of the key risks such as the ability to achieve the targeted fundraising income and the impact of high inflation. Scenarios and sensitivity analysis has been completed.

The Earthshot Prize is primarily reliant on income from a group of individual donors and foundations to fund its core costs. Founding Partner agreements are generally for a period of three years. Timings of renewal confirmations and new agreements are factored into the forecasts and cashflow. The Board has considered the cash management controls in place to ensure there is sufficient working capital at all times together with the timing of expenditure commitments to ensure this remains in line with the funding available. As a newly established charity, The Earthshot Prize is also looking to build its free reserves over the medium term.

After considering these factors, the Trustees have concluded that The Earthshot Prize has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have therefore prepared the accounts on a going concern basis.

**D) JUDGEMENTS AND ESTIMATES MADE BY MANAGEMENT**

The preparation of the financial statements requires management to make significant judgements and estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The items in the financial statements where these judgements and estimates have been made include:

- Income recognition of Founding Partner donations
- Valuation of gifts in kind
- Expenditure allocation: expenditure is apportioned where it relates to more than one cost category as detailed in accounting policy (G)

**E) FUND ACCOUNTING**

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are funds subject to specific restrictions imposed by the donor. All restrictions are in line with the charitable objectives of the charity.

All transfers between funds are recorded gross and shown on the Statement of Financial Activities or in the notes.



## F) INCOME

All income is accounted for in the SOFA when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. Donations and gifts consist of the total donations from individuals, trusts and corporate entities.

Investment income consists of bank interest. Investment income is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the money paid or payable by the bank.

Gifts in kind are from donated services which are recognised at fair value when performed. Fair value is the amount the charity would have been willing to pay to obtain those services on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income from trading activities is recognised on an accrual basis in accordance with the substance of the underlying agreements.

## G) EXPENDITURE

Expenditure is accounted for on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure is classified under the following activity headings:

- Raising funds, which comprise the costs incurred in supporting income generation activities, such as fundraising, and their associated support costs.
- Expenditure on charitable activities includes grants (prizes) payable and costs incurred directly by The Earthshot Prize in furtherance of its charitable objectives, along with associated support costs. Grants made are recognised when they have been approved by the Board and a legal or constructive obligation is in place. The Earthshot Prize retains control over the funding of future tranches until conditions are met.
- Direct costs comprise amounts spent in all activities designed to convene and raise awareness, and to provide grant funding.
- Support costs have been allocated across the categories of charitable expenditure and raising funds. Support costs include general management, IT, HR, office supplies, finance and governance costs which are part of the overall support costs.

## H) TAXATION

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

The subsidiary company, TEP Trading Limited, will make qualifying donations of all taxable profit to The Earthshot Prize. No corporation tax liability on the subsidiary arises in the accounts.

## I) FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Pounds Sterling at the period-end exchange rates. All differences are taken to the Statement of Financial Activities. The charity entered into a number of forward contracts during the year for the purchase of US dollars in order to manage its exchange rate exposure.

## J) PENSION COSTS

The charity operates a defined contribution scheme. The amount charged to the Statement of Financial Activities in respect of pension costs is the contribution payable in the period. Any difference arising between contributions payable in the period and contributions actually paid are shown as either an accrual or prepayment in the balance sheet.

## K) INVESTMENTS

The fixed asset investment consists of the share in the subsidiary TEP Trading Limited which is stated at cost.

## L) TANGIBLE FIXED ASSETS

Tangible fixed assets costing more than £5,000 are capitalised and stated at historical cost less depreciation and applicable impairment.

Depreciation is provided on all tangible fixed assets at rates calculated to write off each asset to its estimated residual value evenly over its expected useful life, as follows:

- Computer equipment – 36 months on a straight-line basis.





## **M) FINANCIAL INSTRUMENTS**

The charity enters into forward foreign currency contracts that do not qualify as basic financial instruments. These are held at fair value at the Balance Sheet date. Where hedging relationships are documented, they are accounted for using hedge accounting. Where the hedging relationship cannot be clearly documented, changes in fair value are recorded against the planned expenditure for the purchased currency.

Investments in subsidiary undertakings are held at cost less impairment.

## **N) DEBTORS**

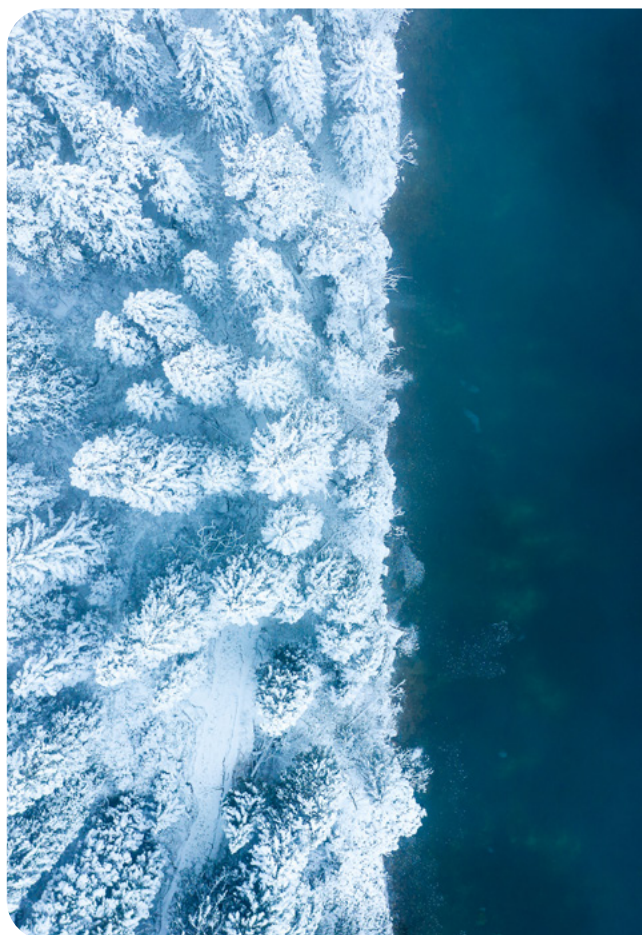
Debtors are recognised at the settlement amount due at the end of the period.

## **O) CREDITORS**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount.

## **P) INTANGIBLE ASSETS**

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment.



**2. Income from donations**

Group	2023		
	UNRESTRICTED FUNDS	RESTRICTED FUNDS	TOTAL
	£	£	£
Donations	5,951,937	500,000	<b>6,451,937</b>
Grant income	2,510,489	166,383	<b>2,676,872</b>
The Royal Foundation donation	7,537,808	1,100,000	<b>8,637,808</b>
Gifts in kind	3,071,438	-	<b>3,071,438</b>
Other donations	589,711	-	<b>589,711</b>
<b>Total</b>	<b>19,661,383</b>	<b>1,766,383</b>	<b>21,427,766</b>

Gifts in kind relates to expenditure paid by The American Friends of The Royal Foundation (£2,646,111) in connection with Boston activities, events and broadcast, and pro-bono services including rent and legal services (£425,327).

See Note 22 for more detail in relation to the donation from The Royal Foundation.



### 3. Income from trading activities

The charity has a wholly owned trading subsidiary, TEP Trading Limited (registered number 14098707, registered address 50 Broadway, Suite 1, 7th Floor, London, England, SW1H 0DB), which was incorporated in Great Britain and registered in England and Wales on 10 May 2022.

A summary of its results extracted from its full audited accounts is shown below:

	<b>2023</b>
	<b>£</b>
Turnover	1,068,788
<b>Gross profit</b>	<b>1,068,788</b>
Administrative expenses	(1,243,193)
<b>Operating loss</b>	<b>(174,405)</b>
Finance charges	(20,661)
<b>Loss before taxation</b>	<b>(195,066)</b>
Taxation expense	-
<b>Loss after taxation</b>	<b>(195,066)</b>

36

The Balance Sheet for the subsidiary as at 31 March 2023 is as follows - £1,782,573 in assets, (£1,877,639) in liabilities, and (£95,066) in shareholders funds.

Intercompany costs of (£4,258) and (£20,402) are included in administrative expenses and finance charges, respectively. These costs are eliminated on consolidation.





**4. Investment income**

	<b>UNRESTRICTED FUNDS</b>	<b>RESTRICTED FUNDS</b>	<b>TOTAL 2023</b>
	£	£	£
Investment income:	15,399	-	<b>15,399</b>

**5. Cost of raising funds**

	<b>UNRESTRICTED FUNDS- DIRECT</b>	<b>UNRESTRICTED FUNDS- SUPPORT AND GOVERNANCE</b>	<b>TOTAL 2023</b>
	£	£	£
Fundraising costs	362,695	401,247	<b>763,942</b>

37

**6. Expenditure on charitable activities**

	<b>GRANTS</b>	<b>DIRECT</b>	<b>SUPPORT AND GOVERNANCE</b>	<b>TOTAL 2023</b>
	£	£	£	
Prize money	2,500,000	-	-	<b>2,500,000</b>
The Earthshot Prize and Platform	-	10,882,584	1,887,931	<b>12,770,515</b>
	<b>2,500,000</b>	<b>10,882,584</b>	<b>1,887,931</b>	<b>15,270,515</b>



**7. Analysis of support costs and governance costs**

	<b>PREMISES &amp; OFFICE COSTS</b>	<b>FINANCE, IT AND GENERAL MANAGEMENT</b>	<b>STAFF &amp; SUPPORT STAFF COSTS</b>	<b>GOVERNANCE</b>	<b>TOTAL 2023</b>
	£	£	£	£	£
Raising funds	41,503	27,155	195,369	137,221	401,248
The Earthshot Prize and Platform	178,024	134,494	838,030	737,382	1,887,930
	<b>219,527</b>	<b>161,649</b>	<b>1,033,399</b>	<b>874,603</b>	<b>2,289,178</b>

Costs relating to Premises, IT, HR, Office supplies and Governance are allocated on the basis of headcount.

**8. Analysis of Prize money**

	<b>TOTAL 2023</b>
	£
2021 Prize Winners	550,000
2022 Prize Winners	1,950,000
<b>Total Prize money</b>	<b>2,500,000</b>

38

**9. Total expenditure**

The following have been charged within total expenditure:

	<b>TOTAL 2023</b>
	£
<b>Auditor remuneration:</b>	
Fees payable for the audit of The Earthshot Prize and subsidiary annual accounts	<b>32,500</b>
Fees payable for tax advisory and compliance services for The Earthshot Prize and its subsidiary	<b>6,000</b>
Depreciation of tangible fixed assets	<b>16,422</b>



**10. Analysis of staff costs and the cost of key management personnel**

	<b>TOTAL 2023</b>
<b>Total staff costs comprised:</b>	<b>£</b>
Wages and salaries	1,545,996
Social security costs	183,194
Pension costs: defined contribution	97,643
Other benefits (including medical insurance)	29,074
	<b>1,855,907</b>

All employees are employed by the charity. The average number of employees in the year was 31.

For 2023, the key management personnel of the charity is comprised of the Executive Committee: the Chief Executive Officer, the Chief Operating Officer, the Chief Product & Technology Officer. The remuneration of key management personnel is as follows:

	<b>TOTAL 2023</b>
	<b>£</b>
Salary	<b>244,553</b>
Employers national insurance	<b>31,476</b>
Pension contributions	<b>17,564</b>
	<b>293,593</b>

The number of employees who earned over £60,000 for the period ended 31 March 2023, including taxable benefits and termination payments but excluding pension costs, was:

	<b>2023</b>
£60,000 - £70,000	<b>3</b>
£70,001 - £80,000	<b>4</b>
£90,001 - £100,000	<b>1</b>

The charity operates a defined contribution scheme for its employees which require contributions to be made to separately administrated funds. The pension costs for the year totalled £97,643. There were no outstanding balances as at 31 March 2023.





## 11. Trustee remuneration, expenses and related party transactions

Unless otherwise stated in this note, there were no amounts outstanding with related parties as at 31 March 2023.

### REMUNERATION

No Trustee or persons connected with them received any remuneration or received any other benefits from an employment with the charity or a related entity.

### EXPENSES

During the period 7 Trustees incurred travel and other expenses totalling £24,879. The Earthshot Prize and TEP Trading maintained liability insurance throughout the period for its Trustees and Officers, at a total cost of £14,003.

### RELATED PARTY TRANSACTIONS - TRUSTEES

During the period, The Earthshot Prize received aggregate donations from Trustees of £Nil.

### RELATED PARTY TRANSACTIONS

#### TEP Trading Limited

TEP Trading Limited entered into loan agreements (for operating activities) and a resource agreement (for the use of branding and data) with The Earthshot Prize. As at the 31 March 2023, the balance owed to The Earthshot Prize was £888,844 (consisting of principle loan balance of £618,000, interest on loans £20,402, Brand and Resource sharing fee £4,258 and intercompany transactions payable to The Earthshot Prize £246,184).

An agreement with TEP Trading Limited has resulted in an equity investment of £99,999 Share Premium Reserve. With £1 Share Capital, this brings the investment in the subsidiary to £100,000.

#### The Royal Foundation

The Earthshot Prize programme was incubated within The Royal Foundation and was spun out into an independent charity in July 2022, together with all related assets and liabilities.

£6,537,808 of restricted funds were transferred from The Royal Foundation upon spin out. The spin out included the transfer of £28,961 of fixed assets, £8,314,363 of cash, £3,000,000 of accrued income, £115,000 of other debtors, £4,100,000 of outstanding grant liabilities due to the 2021 Prize Winners and £820,516 of other liabilities. To align to The Earthshot Prize accounting policies an adjustment to the net assets transferred of £2,100,000 was made. This related to the recognition of grant liabilities (£4,100,000) and income recognised from Founding Partners (£2,000,000). Grants are recognised once a legal and constructive obligation is in place. As detailed in the accounting policies, The Earthshot Prize retains control over the funding of future tranches until conditions are met. The total transfer of net assets equates to £8,637,808 as disclosed in Note 22. A further £170,814 was transferred in December 2022 in respect of the transfer of Earthshot-related trading activities. This is included within Other donations in Note 2.

As at 31 December 2022, The Royal Foundation held a retention balance of £160,811 and a debtor balance of £13,000 which consisted of costs paid on behalf of The Earthshot Prize after the spin out. Both of these outstanding balances were fully settled during the period.

TEP Trading Limited (the wholly owned subsidiary of The Earthshot Prize), paid TRF Trading Ltd (the wholly owned subsidiary of The Royal Foundation), £100,000 as consideration for the transfer of The Earthshot Prize's related trading activities.

#### American Friends of The Royal Foundation of The Prince and Princess of Wales, Inc

The American Friends is a 501(c)(3) entity registered in the state of Delaware, USA. During the period, The Earthshot Prize received £2,676,872 of grant income and recognised £2,646,111 of gifts in kind from The American Friends (refer to Note 2). As at period end, £1,532,400 is due to The Earthshot Prize from American Friends.



**12. Tangible fixed assets – Group and Charity**

	<b>EQUIPMENT</b>	<b>TOTAL 2023</b>
	£	£
<b>Cost:</b>		
Additions	66,689	66,689
Balance carried forward 31 March 2023	<b>66,689</b>	<b>66,689</b>
<b>Depreciation:</b>		
Charge for the period	16,422	16,422
Balance carried forward 31 March 2023	<b>16,422</b>	<b>16,422</b>
<b>Net book value:</b>		
Carried forward 31 March 2023	<b>50,267</b>	<b>50,267</b>

**13. Fixed Asset Investments**

	<b>GROUP 2023</b>	<b>CHARITY 2023</b>
	£	£
Investment in subsidiary	-	<b>100,000</b>
<b>Total</b>	-	<b>100,000</b>

The charity holds 100% share capital in TEP Trading Limited, a company registered in England and Wales no. 14098707. The subsidiary carries out trading activities to raise funds for the charity (see note 3).

**14. Debtors**

	<b>GROUP 2023</b>	<b>CHARITY 2023</b>
	£	£
Trade debtors	1,013,035	7,216
Prepayments and accrued income	1,610,945	1,560,945
Amount due from subsidiary	-	888,844
	<b>2,623,980</b>	<b>2,457,005</b>

Within amounts due from subsidiary £618,000 relates to a secured loan by debenture, that is due in more than one year.



**15. Creditors: amounts falling due within one year**

	<b>GROUP 2023</b>	<b>CHARITY 2023</b>
	£	£
Trade creditors	648,486	620,286
Prize money	1,950,000	1,950,000
Taxation and social security	8,881	77,221
Accruals and deferred income	838,245	268,234
Other creditors	24,409	24,410
Forward contract liability	9,459	9,459
	<b>3,479,480</b>	<b>2,949,610</b>

**16. Creditors: amounts falling due after one year**

	<b>GROUP 2023</b>	<b>CHARITY 2023</b>
	£	£
Deferred income	390,585	-
	<b>390,585</b>	-

<b>Movement in deferred income</b>	<b>ADDED IN THE YEAR</b>	<b>RELEASED TO INCOME</b>	<b>CLOSING BALANCE 2023</b>
	£	£	£
Deferred income	953,595	-	<b>953,595</b>

Deferred income of £953,595 (£563,010 is due within one year and £390,585 will be released after one year) relates to sponsorship income for which the income recognition criteria have not been met as at 31 March 2023.





## 17. Contingent liabilities

The Earthshot Prize grant-giving strategy is to award Prize money to the Prize Winners over two years, funded from outside sources and Founding Partners. As at 31 March 2023, £6.60m of Prize money was awarded and not yet paid, £4.65m falls due in the year ending 31 March 2024 (subject to conditions being met) and £1.95m falls due in the year ending 31 March 2025 (subject to conditions being met). The Prize money which was awarded by Trustees but not yet paid to the Prize Winners is broken down as follows:

	2024	2025	Total
<b>2021 Prizes</b>	1,600,000	1,950,000	3,550,000
<b>2022 Prizes</b>	3,050,000	-	3,050,000
	<b>4,650,000</b>	<b>1,950,000</b>	<b>6,600,000</b>

In line with The Earthshot Prize's accounting policy the commitments to future tranches are not recognised as a liability until conditions are met as detailed in the grant agreement.

## 18. Analysis of movements in unrestricted funds

	INCOME	EXPENDITURE	BALANCE AT 2023
	£	£	£
<b>Unrestricted funds - Group:</b>			
General funds	20,745,570	(14,268,074)	6,477,496
	20,745,570	(14,268,074)	6,477,496
<b>Unrestricted funds - Charity:</b>			
General funds	17,055,330	(10,382,768)	6,672,562
	17,055,330	(10,382,768)	6,672,562

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the Trustees.



**19. Analysis of movements in restricted funds**

	INCOME	EXPENDITURE	BALANCE AT 2023
Group and Charity	£	£	£
<b>Restricted funds:</b>			
Prize payment fund	1,600,000	(1,600,000)	-
Follow the Finalist 2022	166,383	(166,383)	-
	1,766,383	(1,766,383)	-

The table above summarises the main restricted funds.

**20. Analysis of net assets between funds**

Group	UNRESTRICTED FUNDS	RESTRICTED FUNDS	BALANCE AT 2023
	£	£	£
Fixed assets	50,267	-	50,267
Cash	7,673,314	-	7,673,314
Net liabilities	(1,246,085)	-	(1,246,085)
	6,477,496	-	6,477,496

Charity	UNRESTRICTED FUNDS	RESTRICTED FUNDS	BALANCE AT 2023
	£	£	£
Fixed assets	50,267	-	50,267
Fixed asset investments	100,000	-	100,000
Cash	7,014,900	-	7,014,900
Net current liabilities	(492,605)	-	(492,605)
	6,672,562	-	6,672,562



**21. Reconciliation of cash flow from operating activities**

	<b>GROUP 2023</b>
	£
<b>Net income for the reporting period (as per the statement of financial activities).</b>	6,477,496
Adjustments for:	
Investment income	(15,399)
Depreciation charges	16,422
(Increase) in debtors	(2,623,980)
Increase in creditors	3,870,065
<b>Net cash provided by operating activities</b>	<b>7,724,604</b>

**22. Transfer of assets**

The assets transferred on 15 July 2022 were:	<b>NOTES</b>	<b>£</b>
Fixed assets		28,961
Cash		8,314,363
Debtors		1,115,000
Creditors		(820,516)
<b>Total Net Assets from The Royal Foundation</b>		<b>8,637,808</b>
Donation	2	<b>8,637,808</b>

The Earthshot Prize was part of The Royal Foundation until 15 July 2022. The new company was incorporated on 16 March 2022 and assets and liabilities were transferred to the new company on 15 July 2022 at which point trading in the new company started.

£6,537,808 of restricted funds were transferred from The Royal Foundation upon spin out. The spin out included the transfer of £28,961 of fixed assets, £8,314,363 of cash, £3,000,000 of accrued income, £115,000 of other debtors, £4,100,000 of outstanding grant liabilities due to the 2021 Prize Winners and £820,516 of other liabilities. To align to The Earthshot Prize accounting policies an adjustment to the net assets transferred of £2,100,000 was made. This related to the recognition of grant liabilities (£4,100,000) and income recognised from Founding Partners (£2,000,000). Grants are recognised once a legal and constructive obligation is in place. As detailed in the accounting policies, The Earthshot Prize retains control over the funding of future tranches until conditions are met. The total transfer of net assets equates to £8,637,808.





### 23. Cash flow Hedges - Forward Foreign Currency Contracts

The following table details the forward foreign currency contracts outstanding for the period ended 31 March 2023.

	NOTIONAL VALUE	AVERAGE CONTRACTUAL EXCHANGE RATE	FAIR VALUE
	£	Rate	£
<b>Due within 1 year</b>			
Buy GBP, Sell USD	1,000,000	1.2408	(3,153)
<b>Due within 2 years</b>			
Buy GBP, Sell USD	1,000,000	1.2447	(6,306)

The Earthshot Prize has entered into forward foreign exchange contracts to hedge the exchange rate risk arising from commitments to receive donations expected to occur and to affect profit or loss within the next financial year. Forward foreign currency contracts are valued using quoted forward exchange rates. Included within creditors in the current period, these contracts have a net liability value of £9,459.

### 24. Analysis of cash

	GROUP 2023
	£
Transfer from The Royal Foundation	22 8,314,363
Decrease in cash	(641,049)
<b>Cash at 31 March</b>	<b>7,673,314</b>

### 25. Post balance sheet events

The Trustees have not identified any post balance sheet events.

### 26. Capital commitments

The Earthshot Prize does not have any capital commitments.



## GROUP INFORMATION FOR THE PERIOD ENDED 31 MARCH 2023

<b>Charity Registration number</b>	1198701
<b>Company number</b>	13981670
<b>Constitution</b>	Registered Charity Company Limited by Guarantee
<b>Registered address</b>	Kensington Palace Palace Green London UK W8 4PU
<b>President</b>	HRH The Prince of Wales
<b>Trustees</b>	Dame Christiana Figueres (Chair) (appointed 16 March 2022) David Fein (Vice Chair) (appointed 16 March 2022) Jean-Christophe Gray CBE (appointed 4 July 2022) ‘Tokunboh Ishmael (appointed 16 March 2022) Jason Knauf LVO (appointed 4 July 2022) Sanjayan Muttulingam (appointed 4 July 2022) Zoë Ware MVO (appointed 4 July 2022) Dame Jacinda Ardern (appointed 20 April 2023)
<b>Company Secretary</b>	Chris Bates (resigned 4 July 2022) Fiona Treharne (appointed 4 July 2022)
<b>Executive Committee</b>	Hannah Jones (Chief Executive Officer) Fiona Treharne (Chief Operating Officer) Hilary Roberts (Chief Product and Technology Officer) Liza Abbott (Interim Chief Marketing Officer appointed October 2023)
<b>Bankers</b>	Coutts & Co 440 Strand London UK WC2R 0QS
<b>Solicitors</b>	Bates Wells LLP 10 Queen Street Place London UK EC4R 1BE
<b>External Auditor</b>	Crowe U.K. LLP 55 Ludgate Hill London UK EC4M 7JW





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