

Company number: 08794664
Charity Number: 1157294

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

AMENDED

Report and financial statements

For the year ended 31 December 2015

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The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

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The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Reference and administrative information

For the year ended 31 December 2015

Company number 08794664

Charity number 1157294

Registered office and operational address 10 Queen Street Place, London, EC4R 1BE

Country of registration England & Wales

Country of incorporation United Kingdom

Trustees Trustees (who are also directors of The Okapi fund for nature conservation in the Democratic Republic of Congo for the purposes of company law) who served during the year and up to the date of this report were as follows:

Bob Tumba	Chair
François Mukoka Nsenda	
Jean Mbuyu	
Jean-Philippe Waterschoot	
Kapupu Diwa Mutimanwa	
Dr. Karin Derflinger	
Raymond Sinsi Lumbuenamo	
Patrick Welby ¹	
Yvette Shabani Mwangu Barhashishwa	

Solicitors Bates Wells Braithwaite
10 Queen Street Place
LONDON
EC4R 1BE

Independent Examiner Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

¹ All nine directors were in place at the beginning of the year except for Mr. Patrick Welby who was named director at the Board meeting of October 6, 2015. In early 2017 three of these trustees (Raymond Lumbuenamo, Dr. Karin Derflinger and François Mukoka Nsenda) resigned and are currently being replaced.

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

For the year ended 31 December 2015

The trustees present their report and the financial statements for the year ended 31 December 2015.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

As set out in the Charity's Articles of Association, its purposes are to promote for the benefit of the public, the conservation, protection and improvement of the natural environment and biodiversity of the Democratic Republic of the Congo (DRC), with priority focus on DRC's national system of protected areas. Specifically, it aims to:

- i) To promote, for the benefit of the public, sustainable development that supports the conservation of biodiversity in DRC, in particular the protected areas and/or other conservation areas of significant ecological value and/or significant biological importance including:
 - (a) The preservation, conservation and the protection of the environment and the sustainable use of natural resources; and
 - (b) The relief of poverty and the improvement of the conditions of life for the benefit of populations living in and around protected areas and other areas of significant ecological conservation and/or significant biological importance.
- ii) To advance the education of the public on environmental issues including the biodiversity, conservation, sustainability and management of DRC's protected areas and/or other areas of significant ecological conservation and/or significant biological importance.

The trustees periodically review the aims, objectives and activities of the charity and have always reaffirmed the purpose and aims as noted here. It is additionally affirmed that the trustees have had regard to the Charity Commission's guidance on public benefit.

The trustees 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 in planning its future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The Charity had their 7th and 8th Board meetings (on 21 April and on 6 October). Its activities and achievements in 2015 focussed on consolidating progress in the following areas:

- i) Ensuring appropriate arrangements and process are in place to support conformity with the requirements and procedures of the Charity Commission and Companies House.
- ii) Working to obtain the signature of a decree from the Prime Minister of the DRC which is required under Congolese law for a foreign charity to operate in the country.
- iii) Adoption of a logo as well as an administrative expense policy.
- iv) Creation and functioning of an investment committee and a recruitment committee.
- v) Accepting the ninth and final trustee, Mr. Patrick Welby (named on 6 October, 2015).
- vi) Preparation and endorsement of the By-laws by the Board.
- vii) Endorsement of the terms of reference for the preparation of the environmental and social safeguards policy of the Charity.

Financial review

As the Charity awaits capitalization, it has not yet directly received any charitable funds. However, the Charity has received support from both the Government of the DRC (through a World Bank-funded project) and KFW via gifts in kind and the provision of services.

In mid-2017 the Charity Commission, confirmed that the value of gifts in kind and any donated goods and services must be recorded in the Charity's accounts. Following this confirmation, the Charity has worked with its professional advisors to prepare these financial accounts for 2015.

The 2015 financial accounts therefore report the Charity receiving funding in 2015 from two sources:

- i) The Congolese Institute for Conservation of Nature (ICCN), the government's agency charged with management of the protected areas system. ICCN in turn draws its funds to support the Fund from a World Bank-funded project for the Rehabilitation of the Protected Area Network (PREPAN).
- ii) The German Development Bank KFW, which has contracted a consultant who provides support to the Fund on its operationalization.

Principal risks and uncertainties

The trustees have considered the risks that face the Charity as of the end of 2015. Having reviewed these risks and the steps being taken, the Trustees are confident that these risks are being managed appropriately. The risks, and mitigating measures being taken, are as follows:

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

For the year ended 31 December 2015

- i) Failure of the Government of the DRC to sign the decree allowing the Charity to function in the DRC. Signature of the decree has been difficult to obtain since it must be signed by the Prime Minister of the DRC and there has been general uncertainty in the political environment of the DRC.
- ii) The World Bank and KFW are willing to provide the Charity with future funding, providing certain funding requirements are met by the Charity. These funding conditions must be met by mid-2018 for such funding to be provided.

Reserves policy and going concern

As noted above, the Charity is in its very early stages of development and it has not yet received any direct funding. The Charity therefore does not currently have any reserves. This is something that the trustees will consider further once operational funds have been received.

Plans for the future

Looking forward to 2016, the immediate goals of the Charity are to have the decree signed by the prime minister of the DRC to allow the Charity to operate in the territory of the DRC and to comply with the World Bank and KFW conditions of funding.

Once funding has been secured, the Charity intends to grant fund organisations that are working in the DRC on conservation and other environmental projects.

Structure, governance and management

The Charity is a charitable company limited by guarantee, incorporated on 28 November 2013 and registered as a charity on 3 June 2014.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. The Charity reimburses trustees for expenses incurred in carrying out their trustee duties, providing such expenses are reasonable and properly incurred.

Appointment of trustees

The appointment of trustees is covered in detail in the Charity's Articles of Association (see Articles 25-28). The Articles allow for the Charity to have a minimum of 7 and a maximum of 9 trustees (or directors, as they are called in the Articles). At the end of 2015 there were 9 trustees in office.

Related parties and relationships with other organisations

The Fund has no formally established relationship with any other organisation.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2015 was 9 (2014: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The opinion of the trustees is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

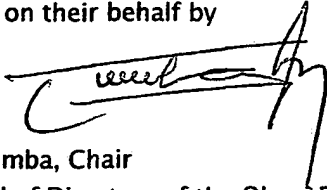
For the year ended 31 December 2015

The directors acknowledge the following responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 (given that the Fund does not yet manage any resources of its own)
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

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

The trustees' annual report has been approved by the trustees on *10 November 2017* and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Bob Tumba', is written over a horizontal line.

Bob Tumba, Chair
Council of Directors of the Okapi Fund

Independent examiner's report

To the members of

The Okapi fund for nature conservation in the Democratic Republic of Congo

I report on the accounts of the company for the year ended 31 December 2015, which are set out on pages 9 to 14.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act
- To follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- To state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- Which gives me reasonable cause to believe that in any material respect the requirements:
- To keep accounting records in accordance with section 386 of the Companies Act 2006; and

Independent examiner's report

To the members of

The Okapi fund for nature conservation in the Democratic Republic of Congo

- To prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met
- To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Noelia Serrano

Chartered Accountant

Sayer Vincent LLP, Statutory Auditors

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

13 November 2017

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Statement of financial activities

For the year ended 31 December 2015

	Note	2015 Total £	2014 Total £
Income from:			
Donations and legacies	2	39,377	9,888
Total income		39,377	9,888
Expenditure on:			
Charitable activities			
Project expenses	3	24,951	9,888
Total expenditure		24,951	9,888
Net income and movement in funds	4	14,426	-
Reconciliation of funds:			
Total funds brought forward		-	-
Total funds carried forward		14,426	-

All of the above results are unrestricted and derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 9 to the financial statements.

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Balance sheet

Company number: 08794664

As at 31 December 2015

	Note	2015 £	2014 £
Current assets:			
Debtors	7	28,542	3,055
Cash at bank and in hand		–	–
		<u>28,542</u>	<u>3,055</u>
Liabilities:			
Creditors: amounts falling due within one year	8	(14,116)	(3,055)
		<u>(14,116)</u>	<u>(3,055)</u>
Total net current assets and net assets		<u>14,426</u>	<u>–</u>
The funds of the charity:	9		
Unrestricted funds		14,426	–
		<u>14,426</u>	<u>–</u>
Total charity funds		<u>14,426</u>	<u>–</u>

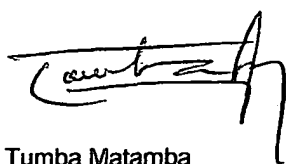
The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

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

Approved by the trustees on 10 November 2017 and signed on their behalf by



Bob Tumba Matamba

Notes to the financial statements

For the year ended 31 December 2015

1 Accounting policies

a) Basis of preparation

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 1a) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 January 2014. No restatements were required.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The Okapi Fund expects to receive a capital contribution of \$7.4 million from the World Bank and €14 million from the German Ministry for Cooperation and Development through the KfW Development Bank. Since 2013, the World Bank has been providing support for the establishment and initial operation of the Okapi Fund from an allocation of US\$1.5 million. This support will continue through end-2018, after which time KfW funding will continue with operational support for an additional €1 million.

The Okapi Fund is considered a going concern by virtue of the allocation of USD \$1,500,000 from the World Bank for continued support to 31 December 2018. These funds are currently disbursed via the ICCN.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Notes to the financial statements

For the year ended 31 December 2015

1 Accounting policies (continued)

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities, including lobbying the prime minister of the Democratic Republic of the Congo (DRC) for a decree which allows the operation of a foreign charity to operation in the DRC.

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

h) Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

i) Foreign exchange policy

Transactions in foreign currencies are translated at the average rate for the year using HMRC rates. All exchange gains/losses are charged to the statement of financial activities and separately disclosed.

j) The financial statements are presented in British Sterling. The functional currency is United States Dollars.

2 Income from donations and legacies (unrestricted)

	2015 Total £	2014 Total £
ICCN	24,951	9,888
KfW	14,426	-
	<u>39,377</u>	<u>9,888</u>

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Notes to the financial statements

For the year ended 31 December 2015

3 Analysis of expenditure (all unrestricted)

	Charitable activities			
	Project expenses	Governance costs	2015	2014
	£	£	£	£
Consultancy	-	10,821	10,821	6,833
Legal fees	-	11,010	11,010	-
Accountancy fees	-	3,120	3,120	1,140
Logo competition	-	-	-	1,915
	-	24,951	24,951	9,888
Governance costs	24,951	(24,951)	-	-
Total expenditure 2015	24,951	-	24,951	9,888
Total expenditure 2014	9,888	-	9,888	

4 Net income for the year

This is stated after charging:

	2015	2014
	£	£
Trustees' remuneration	-	-
Trustees' reimbursed expenses	-	-
Accountancy fees (excluding VAT)	950	950
Independent examination fees (excluding VAT)	1,650	-

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2014: £nil). No charity trustee received payment for professional or other services supplied to the charity (2014: £nil).

There were no trustee expenses reimbursed in the year (2014: £nil).

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Notes to the financial statements

For the year ended 31 December 2015

5 Related party transactions

There are no related party transactions to disclose for 2015 (2014: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

6 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable

7 Debtors

	2015 £	2014 £
Accrued income	14,116	3,055
Prepayments	14,426	-
	<u>28,542</u>	<u>3,055</u>

8 Creditors: amounts falling due within one year

	2015 £	2014 £
Accruals	14,116	3,055
	<u>14,116</u>	<u>3,055</u>

9 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	At the end of the year £
Unrestricted funds:	-	39,377	(24,951)	14,426
Total funds	<u>-</u>	<u>39,377</u>	<u>(24,951)</u>	<u>14,426</u>

10 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.