

COMPANY REGISTRATION NUMBER: 09176062
CHARITY REGISTRATION NUMBER: 1160693

The Brazzaville Foundation
Company Limited by Guarantee
Financial Statements
1 April 2020

HICKS AND COMPANY

Chartered accountants & statutory auditor
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE



The Brazzaville Foundation

Company Limited by Guarantee

Financial Statements

Year ended 1 April 2020

	Page
Trustees' annual report (incorporating the director's report)	1
Independent auditor's report to the members	11
Statement of financial activities (including income and expenditure account)	15
Statement of financial position	16
Statement of cash flows	17
Notes to the financial statements	18

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 1 April 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 1 April 2020.

Reference and administrative details

Registered charity name The Brazzaville Foundation

Charity registration number 1160693

Company registration number 09176062

Principal office 17 Oval Way
London
SE11 5RR

Registered office 10 Queens Street Place
London
EC4R 1BE

The trustees

Mr Jean-Yves Ollivier	
Mr Philip M Prettejohn	(Resigned 31 December 2019)
Mr Nicholas J Chance	
Mr Oliver Scutt	(Resigned 15 September 2020)
Mr Charles A Carr	(Appointed 1 January 2020)
Mr Kishore Sakhrani	(Appointed 15 September 2020)
Mr Tim Perry	(Appointed 15 September 2020)
Mrs Martine Chayrigues	(Appointed 15 September 2020)

Auditor Hicks and Company
Chartered accountants & statutory auditor
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

Bankers Union Bancaire Privee
Rue du Rhone 96 - 98
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1211 Geneva
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One Southampton Row
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The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Solicitors

Bates Wells Braithwaite
10 Queen Street Place
London
EC4R 1BE

Structure, governance and management

The Brazzaville Foundation is a company limited by guarantee.

The Foundation is an independent, non-profit organisation based in London. It draws its name and inspiration from the Brazzaville Accords, which were signed in the Congolese capital on 13 December 1988. They opened a new chapter in the history of modern Africa by bringing about a peaceful settlement of the conflicts in southern Africa, securing the independence of Namibia and paving the way to an end to apartheid in South Africa.

This annual report covers the period 2 April 2019 to 1 April 2020.

Legal Objects

The Foundation was formed as a Company limited by Guarantee incorporated on 14 August 2014 with company number 9176062. The Company was registered as a charity with the Charities Commission on 27 February 2015 with charity number 1160693. The name of the Foundation was changed from the Brazzaville Foundation for Peace and Conservation to The Brazzaville Foundation by a Special Resolution dated 22 November 2018. The Articles of Association, as amended by Special Resolutions dated 18 February 2015 and 22 November 2018, define the company as being restricted specifically to:

- the promotion of national and international conflict resolution and reconciliation for the public benefit with a view to relieving suffering and poverty and promoting human rights and religious and racial harmony by mediating with parties to the conflict and others together to discuss possible solutions; and
- the saving of lives, the advancement of health, the relief of need, and the preservation and conservation for the public benefit of the physical and natural environment including landscapes, flora and fauna and the furtherance of other purposes recognised as charitable under English law, in particular (but without limitation) in areas affected by conflict around the world,

provided that all activities shall be balanced and shall maintain or enhance the charity's commitment to remaining independent and impartial.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Structure, governance and management *(continued)*

Advisory Board

The Foundation has established a Board of Advisers made up of distinguished individuals whose experience and expertise in different fields enable them to give guidance to the Foundation and assist it in its work. During the year ended 1 April 2020, Dr. Joyce Banda, former President of Malawi, Jan Kohout, former Foreign Minister of the Czech Republic, and Ruben Vardanyan, philanthropist and entrepreneur, joined the Advisory Board. The other Advisory Board members are: Dr. Ramos-Horta, winner of the Nobel Peace prize; Chief Olusegun Obasanjo, former President of Nigeria; Kgalema Motlanthe, former President of South Africa; Amama Mbabazi, former Prime Minister of Uganda; Dr. Sundeep Waslekar, President of the Strategic Foresight Group; Dr. Mathews Phosa, a leading member and former Treasurer General of the ANC in South Africa; Kabine Komara, former Prime Minister of Guinea; Amara Essy, Former Secretary General of the OAU; Jean-Louis Bruguière, Former French judge; HSH Prince Philipp of Liechtenstein, Chairman of the LGT Group; Madam Cécilia Attias, former First Lady of France; Pär Stenbäck, former Head of the International Red Cross and Red Crescent Movement; and Ilmas Futehally, Executive Director of the Strategic Foresight Group in India.

An Advisory Board meeting was held in London on 5 April 2019.

Trustees, Governance and Administration

The Articles of Association provide that there should be at least three Trustees who shall serve for a renewable term of three years. The Trustees are not remunerated for their trusteeship and details of Trustee expenses and any related party transactions are disclosed in the notes to the accounts.

The Board of Trustees of the Charity, who are also directors of the company, are responsible for setting the strategy and for the overall running of The Brazzaville Foundation with the aid of an experienced international Advisory Board. The Brazzaville Foundation's Chairman, Mr Jean-Yves Ollivier, has been engaged in conflict resolution in Africa for more than thirty years.

HRH Prince Michael of Kent is the patron and has devoted considerable time to the activities of the Foundation.

The Chief Executive was Sir David Richmond, a former British diplomat. After nearly five years in the job, he informed the Trustees at the end of January 2020 that he intended to stand down as Chief Executive. Mr Richard Amalvy was appointed on 1 June 2020 as Chief Executive.

The Foundation is committed to maintaining the highest standards of integrity and ethical behaviour in all its activities. All those working for the Foundation or associated with it are expected to uphold those standards.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Structure, governance and management *(continued)*

Resignation and Appointment of Trustees

Mr Philip Prettejohn resigned as a Trustee for health reasons on 31 December 2019. Mr Charles Carr was appointed as a Trustee with effect from 1 January 2020. Since the year end, on 15 September 2020, three new Trustees have been appointed whilst Mr Oliver Scutt resigned. The new Trustees are Mr Kishore Sakhrani, Mrs Martine Chayrigues and Mr Tim Perry.

New trustees are briefed on their legal obligations under the charity and company law, the Charity Commission guidance on public benefit, and informed of the contents of the Memorandum and Articles of Association, the decision-making processes and recent financial performance of the charity.

Risk Management

The Trustees have a risk management strategy which includes annual review of the risks to which the charity is exposed, and the establishment and implementation of systems and procedures designed to mitigate the impact on the charity of the risks identified. Key elements of the strategy include:

- the implementation of procedures for the authorisation of all financial transactions and the incurring of financial obligations;
- the setting of a reserves policy and its regular review by the Trustees, and
- the agreement of an annual budget which is regularly reviewed.

Objectives and activities

Mission Statement

The Foundation's goal is to help meet some of the key challenges facing the African continent by developing economic, environmental and conflict prevention initiatives that support the UN's sustainable development goals and bring countries and peoples together in peaceful cooperation.

The Foundation operates as both catalyst and advocate, generating ideas and initiatives and using its network of advisers and contacts to seek high level support and buy-in. Once an initiative has been successfully launched, the Foundation works with its partners to handle implementation.

The Foundation was born from the belief that only by achieving peace and stability can nations thrive, people prosper and the environment be safeguarded.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Objectives and activities *(continued)*

Programme of work

The Foundation has worked on a wide range of issues and launched several major initiatives:

- The Foundation's proposal for a Congo Basin Blue Fund was launched at COP22 UN Climate Summit in Marrakesh in 2016. 16 countries from the African continent are now involved in the Fund, with the support of the Kingdom of Morocco. This is a sustainable development initiative designed to reduce pressure to exploit the forests of the Congo Basin and thus mitigate the impact of global warming by promoting alternative economic development using the resources of the Congo River and its tributaries;
- - The Foundation is working with 6 African countries to combat the growing public health crisis caused by the traffic in substandard and falsified medicines. This is a serious problem throughout the developing world but particularly acute in Africa;
- With the support of the Government of Senegal, the Foundation organised a meeting in Dakar on 11-13 May 2018 to establish a dialogue aimed at promoting rapprochement and reconciliation in Libya. The Foundation continues to work on a Dakar II dialogue;
- - The Foundation has taken an interest in the problem of migration as it affects West African countries with the aim of identifying what actions they can take to reduce migratory pressures and helping them to establish common positions in order to promote regional cooperation and strengthen their hand in discussions with the EU and others on financial and technical support.

The Trustees have paid due regard to the Public Benefit guidance issued by the Charity Commission in deciding what activities to undertake.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Achievements and performance

Over the last year, the Foundation has focused all its efforts on the fight against substandard and falsified medicines ("SFM") in Africa and in particular on the development of an initiative, now known as the Lomé Initiative, aimed at the introduction of legislation specifically targeted at criminalising the traffic in falsified medicines. Access to proper healthcare is a fundamental right but for too many people, especially in Africa, their health and their lives are put at risk by the traffic in SFM.

For example, a model done by the London School of Hygiene and Tropical Medicine estimates that 116,000 additional deaths from malaria could be caused every year by substandard and falsified antimalarials in sub-Saharan Africa. According to research from the World Health Organisation, 1 in 10 medical products circulating in low- and middle-income countries is either substandard or falsified.

One of the reasons for the huge growth of this traffic in Africa is the absence in many countries of proper criminal legislation and effective enforcement. In response to this situation, and following a special meeting organised by the Foundation in Marrakesh in June 2019 which brought together African and international experts to discuss ways of tackling the problem, the Foundation devised an initiative with the following aims:

- To introduce legislation to criminalise the traffic in SF medicines and medical products and impose tough criminal penalties and to ensure the harmonisation of such legislation between states. An audit of existing legislation is already underway to identify gaps and make recommendations on new/additional legislation.
- To sign and ratify relevant international agreements including the Medicrime Convention and the Palermo Convention Against Transnational Organised Crime.
- To establish inter-agency mechanisms at national level and to improve cooperation between states to ensure vigorous enforcement of the new legislation.
- To encourage other African states to join this initiative.

This is intended to constitute the first phase in a wider campaign to ensure all African citizens have access to safe, reliable and affordable medicines. Following a series of high-level consultations, a number of African countries agreed to take up this initiative and, in collaboration with the Brazzaville Foundation, President Gnassingbé of Togo hosted the "Fake Drugs, Real Crime" summit in Lomé on 17-18 January 2020 to launch the Lomé Initiative. He was joined by President Museveni of Uganda and President Macky Sall of Senegal, with the Presidents of the Republic of Congo, Ghana and Niger represented by their Health Ministers. The President of Niger also sent a video message of support. The Presidents and their representatives signed the Lomé Declaration in which they confirmed their intention to sign a legally binding Framework Agreement which commits the signatories i) to introduce laws and criminal sanctions in their respective jurisdictions to criminalise the traffic in substandard and falsified medicines and other medical products, ii) to work together to ensure compliance with these laws and their rigorous enforcement, and iii) to put in place the mechanisms necessary to guarantee the implementation of this Initiative. They also requested the Brazzaville Foundation to continue to support them in putting in place the structures and legal instruments necessary for this Framework Agreement to come into effect. A timetable was agreed informally to enable the signature of the Framework Agreement in the first half of 2020.

The Foundation was particularly pleased that the Director General of the WHO, Dr. Tedros Ghebreyesus, agreed to attend the summit. He made an extremely supportive speech and gave press interviews. The Director General of UNICEF, Henrietta Fore, sent a video message, while the

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Moroccan Permanent Representative to the UN in New York, Omar Hilale, who is the head of UNICEF's Executive Board, was present and spoke in support. The Foundation played a prominent part with speeches from its Patron HRH Prince Michael of Kent, from its Chairman, from Dr. Joyce Banda, Kabine Komara and Jean-Louis Bruguière, Advisory Board members who are part of the Foundation's leadership team on substandard and falsified medicines, and from Advisory Board member Cécilia Attias who underlined the impact of falsified medicines on women and mothers and whose Foundation for Women was one of the event's supporters. Other important speakers included Dr. Matshidiso Moeti, the WHO's Africa Regional Director, Dr. Barira Dan Nouhou, who spoke from personal experience as the Director of Pharmacy and Traditional medicine in Niger, and General Marc Foucaud, a former commander of the Serval Force in Mali who, like Jean-Louis Bruguière, emphasised the growing links between the traffic in fake medicines and the financing of terrorism in the Sahel and beyond.

The summit was extensively reported in the African press and achieved excellent coverage in some of the major media outlets in France, the UK and the US, including an article on the BBC main news website, a Washington Post article, an op-ed in L'Opinion by Jean-Louis Bruguière, an article from Radio France Internationale and a piece in Jeune Afrique by Dr. Aminata Touré, former Prime Minister of Senegal, who also gave an interview on the BBC World Service.

Since the summit in January 2020, several other African countries have contacted the Foundation about joining the Lomé Initiative

Financial review

The Foundation's initial funding was provided by its Chairman, Mr Ollivier, and he continues to be a major benefactor. In addition to donations of £401,256 (2019: £242,595) received from Mr Ollivier in the year, the Foundation received donations of £502,956 (2019: £nil) from the Governments of some of the countries involved in the Lomé Initiative to support its work on substandard and falsified medicines.

The Foundation remains in a financially stable position at the end of 1 April 2020 showing total available funds as at 1 April 2020 of £264,293 (2019: £219,125). Of these funds £73,502 are restricted to the Foundation's work on substandard and falsified medicines and the remainder, £190,791, are unrestricted. In addition the Foundation received a loan of £200,000 from Mr Ollivier during the year.

At the end of the year an amount of £192,249 remains repayable to Mr Ollivier. Mr Ollivier has agreed to defer any potential repayment until 31 December 2021.

Mr Ollivier has met personally all of his own expenses incurred in his work on behalf of the Foundation as well as part of the costs relating to the Lomé initiative. In the year these costs amounted to £118,645 (2019 £46,595) These expenses are treated as a donation in these accounts.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Plans for future periods

Coronavirus permitting, the Foundation will continue its work on the implementation of the Lomé Initiative including completing the audit of existing legislation in signatory countries and preparing recommendations, drawing on the Medicrime Convention and on the UNODC's model legislation, to ensure effective criminalisation and encouraging other African countries to join. It is also making plans for an African Youth Engagement which will enlist the support of young people in the fight against substandard and falsified medicines and encourage them to come forward with their own ideas and innovations by identifying and promoting young African makers.

The Foundation will continue to support rapprochement and reconciliation in Libya and, if the political and security situation allows, will seek to organise a further meeting to broaden and deepen the dialogue begun at the meeting it organised in Dakar in May 2018.

It will support the work underway to make the Congo Basin Blue Fund an effective instrument capable of financing sustainable development in Central Africa, while reducing pressure to exploit the forests of the Congo Basin and thus mitigating the effects of global warming.

There is also a possibility that the Foundation will be able to revive its work on migration as it affects West Africa.

Going concern

The Trustees have reviewed the ongoing expenditure since the year end together with the anticipated income and expenses for the next twelve months and are satisfied that it is appropriate to prepare the Foundation's accounts on the going concern basis. Although the activities of the Foundation reduced during 2020 due to the coronavirus pandemic, the Trustees consider that there has been no overall detrimental effect on the operations or the Foundation's fundraising. Furthermore in addition to any other funding received Mr Ollivier has confirmed that he will continue to support the activities of the Foundation.

Reserves Policy

The Foundation has unrestricted funds available at the end of the reporting period of £190,791 (2019: £219,125) which will be held for and used towards future projects.

During the year and since the year end, the Foundation received significant funds which have been and will continue to be used towards specific project work which is ongoing. The funds received since the year end are restricted in nature and the Foundation therefore remains dependent upon the agreement of the Chairman to meet ongoing costs of operation. The Foundation is working hard to raise funds for both ongoing operating costs and project work and the Trustees anticipate that existing funds, both restricted and unrestricted, will support existing costs and short-term plans and are satisfied that the current level is appropriate and in line with the stated policy of holding at least four months future operating costs.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments 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.

This report has been prepared in compliance with the duty in Section 17(5) of the Charities Act 2011, to have regard to the public benefit guidance published by the Charity Commission.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice for Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019).

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all 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 auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The Brazzaville Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 1 April 2020

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 28 May 2021 and signed on behalf of the board of trustees by:

Nick Chance

Mr Nicholas J Chance
Trustee

The Brazzaville Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Brazzaville Foundation

Year ended 1 April 2020

Opinion

We have audited the financial statements of The Brazzaville Foundation (the 'charity') for the year ended 1 April 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 1 April 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

The Brazzaville Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Brazzaville Foundation (continued)

Year ended 1 April 2020

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

The Brazzaville Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Brazzaville Foundation (continued)

Year ended 1 April 2020

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
 - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
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The Brazzaville Foundation

Company Limited by Guarantee

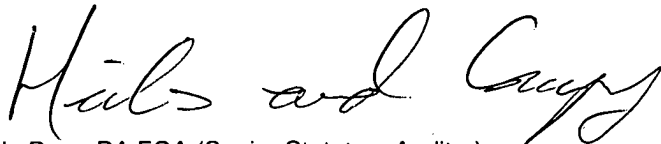
Independent Auditor's Report to the Members of The Brazzaville Foundation *(continued)*

Year ended 1 April 2020

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Philip Dean BA FCA (Senior Statutory Auditor)

For and on behalf of
Hicks and Company
Chartered accountants & statutory auditor
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

28 May 2021

The Brazzaville Foundation

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 1 April 2020

		Unrestricted funds	2020 Restricted funds	Total funds	2019 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	401,256	502,956	904,212	247,595
Investment income	6	347	292	639	—
Total income		<u>401,603</u>	<u>503,248</u>	<u>904,851</u>	<u>247,595</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	7	45,130	—	45,130	22,542
Expenditure on charitable activities	8,9	<u>384,807</u>	<u>429,746</u>	<u>814,553</u>	<u>374,212</u>
Total expenditure		<u>429,937</u>	<u>429,746</u>	<u>859,683</u>	<u>396,754</u>
Net income/(expenditure) and net movement in funds		<u>(28,334)</u>	<u>73,502</u>	<u>45,168</u>	<u>(149,159)</u>
Reconciliation of funds					
Total funds brought forward		219,125	—	219,125	368,284
Total funds carried forward		<u>190,791</u>	<u>73,502</u>	<u>264,293</u>	<u>219,125</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 18 to 28 form part of these financial statements.

The Brazzaville Foundation
Company Limited by Guarantee
Statement of Financial Position
1 April 2020

	Note	2020 £	2019 £
Current assets			
Debtors	16	39,712	63,344
Cash at bank and in hand		485,483	165,255
		<u>525,195</u>	<u>228,599</u>
Creditors: amounts falling due within one year	17	260,902	9,474
Net current assets		<u>264,293</u>	<u>219,125</u>
Total assets less current liabilities		<u>264,293</u>	<u>219,125</u>
Net assets		<u>264,293</u>	<u>219,125</u>
Funds of the charity			
Restricted funds		73,502	–
Unrestricted funds		<u>190,791</u>	<u>219,125</u>
Total charity funds	19	<u>264,293</u>	<u>219,125</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 28 May 2021, and are signed on behalf of the board by:

Nick Chance

Mr Nicholas J Chance
Trustee

The notes on pages 18 to 28 form part of these financial statements.

The Brazzaville Foundation

Company Limited by Guarantee

Statement of Cash Flows

Year ended 1 April 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income/(expenditure)	45,168	(149,159)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	—	353
Other interest receivable and similar income	(639)	—
Accrued expenses/(income)	53,074	(42,481)
<i>Changes in:</i>		
Trade and other debtors	23,632	166,594
Trade and other creditors	198,354	1,242
Interest payable and similar charges	6,706	3,718
Cash generated from operations	326,295	(19,733)
Interest paid	(6,706)	(3,718)
Interest received	639	—
Net cash from/(used in) operating activities	320,228	(23,451)
Net increase/(decrease) in cash and cash equivalents	320,228	(23,451)
Cash and cash equivalents at beginning of year	165,255	188,706
Cash and cash equivalents at end of year	485,483	165,255

The notes on pages 18 to 28 form part of these financial statements.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 1 April 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 10 Queens Street Place, London, EC4R 1BE.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity. The amounts are rounded to the nearest pound.

Going concern

At the time of approving the accounts the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions or other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

3. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Donations have been received in the year creating a restricted fund for use only in the work against sub-standard and falsified medicines. The remaining funds are considered by the Trustees to be unrestricted and are available for use at the discretion of the Trustees to further any of the charity's purposes. The Trustees have considered the activities of the charity and consider there to be two activities in the year, the work on sub-standard and falsified medicines and the annual meeting of the Advisory Board, the latter involving fund raising activities.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

The charity's income consists of donations receivable.

The following specific policies are applied to particular categories of income:

- income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is incurred in pursuit of the charity's objects of peace and conservation and is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Expenditure on raising funds includes a percentage of the annual Advisory Board costs and of the support costs allocated to the Advisory Board as discussed below.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	- 33% straight line
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

4. Limited by guarantee

The Brazzaville Foundation is incorporated as a company limited by guarantee not having any share capital.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations UK	—	—	—
Donations non-UK	401,256	502,956	904,212
	<u>401,256</u>	<u>502,956</u>	<u>904,212</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations UK	5,000	—	5,000
Donations non-UK	242,595	—	242,595
	<u>247,595</u>	<u>—</u>	<u>247,595</u>

As in prior years Mr Ollivier has met personally all of his own expenses incurred in his work on behalf of the Foundation, as well as a proportion of the costs related to the meeting of the Advisory Board. These expenses have been included in the accounts at their value to the charity where they are incurred exclusively for the charity. Contributions have been received by the Foundation in the form of payments made by the Governments of various African countries for travel and accommodation in relation to the Lome Summit. Other costs incurred by Mr Ollivier have been included in these accounts where the amounts can be quantified.

6. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Bank interest receivable	347	292	639
	<u>347</u>	<u>292</u>	<u>639</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Bank interest receivable	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

7. Costs of raising donations and legacies

Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
45,130	45,130	22,542	22,542

Costs of raising donations consist of 60% of the Advisory Board Meeting direct costs plus the attributed support costs, not including Governance costs. The Trustees consider that the annual Advisory Board Meeting is a separate charitable activity with two functions - to discuss and take forward existing projects, and to raise finance to support the activities of the Foundation.

Advisory Board Meeting costs for 2019 have been re-analysed and are shown on the same basis.

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Sub-standard and falsified medicines	286,065	336,502	622,567
Advisory Board meeting	24,208	—	24,208
Charitable activities	14,485	—	14,485
Support costs	60,049	93,244	153,293
	<u>384,807</u>	<u>429,746</u>	<u>814,553</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Sub-standard and falsified medicines	—	—	—
Advisory Board meeting	12,709	—	12,709
Charitable activities	200,375	—	200,375
Support costs	161,128	—	161,128
	<u>374,212</u>	<u>—</u>	<u>374,212</u>

Support costs and Advisory Board Meeting costs exclude those costs attributed to the costs of raising donations and legacies as discussed in note 7 and 10.

Support costs and Advisory Board Meeting costs for 2019 have been re-analysed and are shown here on this basis.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Sub-standard and falsified medicines	622,567	132,291	754,858	–
Advisory Board meeting	24,208	5,880	30,088	15,025
Charitable activities	14,485	–	14,485	345,182
Governance costs	–	15,122	15,122	14,005
	<u>661,260</u>	<u>153,293</u>	<u>814,553</u>	<u>374,212</u>

Governance and support costs exclude those costs attributed to costs of raising donations as explained in notes 7 and 10.

Support costs and Advisory Board Meeting costs have been re-analysed and are shown here on this revised basis.

10. Analysis of support costs

	Sub-standard and falsified medicines	Advisory Board meeting	Allocated to Fund raising	Total 2020	Total 2019
	£	£	£	£	£
Staff costs	21,884	973	1,459	24,316	34,745
Premises	39,788	1,768	2,652	44,208	29,118
Communications and IT	4,189	186	279	4,654	3,034
General office	20,295	902	1,353	22,550	19,757
Finance costs	6,036	268	402	6,706	3,718
Governance costs	13,761	1,358	–	15,119	14,007
Professional fees	4,633	206	309	5,148	4,220
Marketing & PR	34,234	1,522	2,282	38,038	72,918
Foreign exchange costs	1,235	55	82	1,372	(16,911)
	<u>146,055</u>	<u>7,238</u>	<u>8,818</u>	<u>162,111</u>	<u>164,606</u>

The Trustees have agreed that the activities of the Foundation in the year almost exclusively related to the issue of sub-standard and falsified medicines, excepting the Advisory Board Meeting where all the activities and aims of the Foundation are considered and discussed, together with possibilities of raising of funds to support the Foundation.

Support costs are attributed between the two charitable activities in the ratio 90:10, Sub-standard and Falsified Medicines: Advisory Board Meeting. Those costs allocated to the Advisory Board Meeting are then further attributed 60% to costs of raising donations. Salaries are considered separately and where relevant, directly attributed to a charitable activity. The remaining salary costs are attributed 20% to Support costs, of which 90% are then further attributed to Sub-standard and Falsified Medicines. The costs donated by Mr Ollivier are omitted from the calculation to attribute support costs as the Trustees do not consider the support costs incurred by the Foundation relevant to the activities directly organised and paid for by Mr Ollivier.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

11. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	–	353
Foreign exchange differences	1,372	(16,910)

12. Auditors remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	3,960	3,960

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	147,164	131,150
Social security costs	12,953	12,096
Employer contributions to pension plans	1,298	824
	<u>161,415</u>	<u>144,070</u>

The average head count of employees during the year was 3 (2019: 3). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of staff - Administration	1	1
Number of staff - Charitable activities	2	2
	<u>3</u>	<u>3</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2020	2019
	No.	No.
£80,000 to £89,999	1	1

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity.

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees except as outlined in Note 23.

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

15. Tangible fixed assets

	Equipment £
Cost	
At 2 April 2019 and 1 April 2020	<u>1,059</u>
Depreciation	
At 2 April 2019 and 1 April 2020	<u>1,059</u>
Carrying amount	
At 1 April 2020	<u>—</u>
At 1 April 2019	<u>—</u>

16. Debtors

	2020 £	2019 £
Prepayments and accrued income	32,072	59,304
Other debtors	<u>7,640</u>	<u>4,040</u>
	<u>39,712</u>	<u>63,344</u>

17. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	11,601	5,514
Accruals and deferred income	57,034	3,960
Other creditors - Owed to Jean-Yves Ollivier	192,249	—
Other creditors	<u>18</u>	<u>—</u>
	<u>260,902</u>	<u>9,474</u>

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,298 (2019: £824).

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

19. Analysis of charitable funds

Unrestricted funds

	At 2 April 2019 £	Income £	Expenditure £	At 1 April 2020 £
General funds	219,125	401,603	(429,937)	190,791

	At 2 April 2018 £	Income £	Expenditure £	At 1 April 2019 £
General funds	368,284	247,595	(396,754)	219,125

Restricted funds

	At 2 April 2019 £	Income £	Expenditure £	At 1 April 2020 £
Sub-standard & Falsified Medicines Restricted Fund	—	503,248	(429,746)	73,502

	At 2 April 2018 £	Income £	Expenditure £	At 1 April 2019 £
Sub-standard & Falsified Medicines Restricted Fund	—	—	—	—

20. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Current assets	398,619	126,576	525,195
Creditors less than 1 year	(207,828)	(53,074)	(260,902)
Net assets	190,791	73,502	264,293

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Current assets	228,599	—	228,599
Creditors less than 1 year	(9,474)	—	(9,474)
Net assets	219,125	—	219,125

The Brazzaville Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 1 April 2020

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020 £	2019 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	39,712	63,344
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	68,653	9,474
Loan commitments measured at cost less impairment		
Loan commitments measured at cost less impairment	192,249	—

22. Analysis of changes in net debt

	At 2 Apr 2019 £	Cash flows £	At 1 Apr 2020 £
Cash at bank and in hand	165,255	320,228	485,483

23. Related parties

Mr Jean-Yves Ollivier was again a significant donor to The Brazzaville Foundation in the year. The amounts donated by Mr Ollivier in the year were £401,256(2019: £242,595).

In addition to donations Mr Ollivier has loaned the Foundation £200,000 as a contribution towards the costs of the Lome initiative. The loan is interest free and repayable only in the event of sufficient funding being received by the Foundation from the African States participating in the Lome initiative to cover the costs in relation to the meeting and associated costs. Any outstanding balance not repaid to Mr Ollivier by 31 December 2021 shall be shown as a donation in that year.

No remuneration has been paid to the Trustees nor have any received any benefits from the charity. During the year Mr Ollivier waived travel and accommodation expenses of £118,645 (2019 £46,595) in relation to Sub-standard and falsified medicines and the Lome initiative. These expenses have been included in the accounts as a donation received from Mr Ollivier. Other costs incurred by Mr Ollivier have been included in these accounts where the amounts can be quantified.

Mr Ollivier has claimed direct expenses from The Foundation of £15,531 in relation to travel to the Lome summit. This amount was repaid after the year end.

No other trustee was reimbursed for any expenses incurred.