

UCF TRUSTEES REPORT
PROJECT HIGHLIGHTS FOR 2022

About UCF

Uganda Conservation Foundation (UCF) is a UK charity (Reg. No. 1087295) and Uganda non-profit which aims to safeguard Uganda's natural heritage by implementing practical conservation and community interventions, influencing policy-makers, and engaging the public on issues of wildlife conservation.

Since COVID, UCF has taken the opportunity to re-organise and position itself for the future, both in terms of project and funding base. This has included an expansion of institutional partnerships, upgrade of organizational systems and policies, and further diversification of UCF revenue base.

In 2022 UCF's projects expanded from Queen Elizabeth (QE), Kidepo Valley (KV) and Murchison Falls (MF) National Parks to include Kibale Forest (KF). As with throughout the COVID period, UCF remained fully operational in all parks, and with a full organizational and project team, without any cuts or job losses.

UCF continued to work closely with Uganda Wildlife Authority (UWA), their development and implementing partners, and local communities to sustain efforts leading to the protection of Uganda's wildlife, the development of park-adjacent communities, and the enforcement of the criminal justice system in deterring and tackling wildlife crime.

UCF is primarily funded by grants and donations from UK and US donors, and unrestricted funding from local and international fundraising campaigns.

UCF's Ugandan entity employs a small team of sixteen employees and is governed by a Board of Directors (Ugandan-based) and Board of Trustees (UK-based.) UCF celebrated its 20th anniversary in September 2021.

A. THE RECOVERY OF QUEEN ELIZABETH NATIONAL PARK

1. CITES MIKES Phase Two

UCF received funding from CITES MIKES via the European Union to support the Recovery of Queen Elizabeth National Park. This four-year, \$600k project beginning in 2020, aims to support Uganda Wildlife Authority to develop their human and equipment capacity to strengthen law enforcement capacity and cross-border collaboration in combating wildlife crime. The programme also supports transboundary cooperation between Virunga National Park and QENP, which are MIKE focal sites.

With co-funding from African Elephant Fund, UCF constructed the Joint Operations Command Centre at Katunguru, completed in May 2022. This included the building itself, equipped with IT and connectivity, perimeter fencing, solar power installation and communications systems including digital radio communications network. Based on a communications strategy, a signal plan directed the placement of the towers for the digital radio network expanding communications from 3% of the park to over 80% of the park. In addition, UCF installed an open hotline, and UWA's 'closed user network' mobile phone system, all with the necessary technology to integrate into the Operations room EarthRanger system, installed and supported by UCF.

UCF has installed and equipped digital radio networks which have point to point, duplex system to ensure maximum coverage. Five base radios, 60 hand-held digital radios with their batteries have also been donated to UWA, as well as TRBOnet licenses for all handsets to enable integration of all digital assets into EarthRanger

This system enables UWA to coordinate all of UWA's operational functional areas across the newly delineated sectors, to the Operations Room, enabling UWA to coordinate resources and assets according to priority.

UWA is now better able to ensure quality information and data reaches UWA and is managed, and then used / shared as necessary. Core to park-wide system has been the construction and hand-over of the four-man jointly-managed NFA and UWA, Kalinzu ranger post. The ranger post was necessary due to being the core radio tower, repeater and solar power and building, serving the whole park. Situated at the top of the Kalinzu Forest, this ranger post provides joint management benefit to both UWA and NFA, in an area where there has not been much protection.

EarthRanger, the real-time operations information management system developed and managed by the Allen Institute of Artificial Intelligence, and Semantic Ai, were also installed.

UWA and UCF staff then received training and on-going mentoring. The latter is an offender database management system used across all UWA's three major parks.

The JOCC coordinates all the park's essential law enforcement and human-wildlife conflict management, as well as many other areas of operations. It enforces security measures that limit access to appropriate staff, teams and partners, dramatically improving UWA's management, security and capacity. Previously information and data was exposed to loss theft, or never reached a central database.

The CITES MIKES P2 programme also provided on-going fuel and operational support, including the refurbishment of patrol boats.

2. Operational Support for law enforcement operations

Funded primarily by Project Ranger and Ranger Fund, UCF continued supporting UWA operations within the parks. This emergency intervention in response to the prolonged effects of the COVID-19 pandemic has ensured that rangers still have the tools and resources to continue wildlife conservation, such as providing ranger food, fuel, vet drugs and maintaining cars.

COVID19 drastically impacted UWA's ability to sustain its operations. Tourism revenues make up the bulk of UWA's operational budgets, and though 2021 saw a return to normalcy, with travel and tourism reopened, these were still too low to fully support UWA's budgets at pre-COVID19 levels, which in themselves were not sufficient.

The donor support from Project Ranger and Ranger Fund came to UCF quarterly throughout the year.

The support provided by UCF, in form of patrol rations, gear, fuel for patrols, helped UWA continue its law enforcement operations which had become unsustainable in the wake of COVID19. With budgets steadily shrinking, UWA was forced to refocus law enforcement support to the main tourism areas and thereby neglecting the harder to reach areas: leaving them vulnerable to illegal wildlife activity. Throughout the year, UCF provided much needed emergency support to the parks, thus weathering the storm of COVID19 until such a time when tourism dollars could be counted on to support operational budgets.

3. Carnivore & Scavenger Programme

Jointly implemented and managed with UWA, the Carnivore and Scavenger Programme is a nationwide programme dedicated to monitoring and protecting carnivore and scavenger species across all UWA's estate. Complemented by UWA's vets, monitoring and evaluation rangers, UCF also employs a full-time dedicated team. This team was equipped with the relevant tracking equipment, 24-hour EarthRanger monitoring capability, and a new Land Cruiser to support lion monitoring, protection, conflict resolution, and other Law Enforcement operational work on the ground as needed.

All front-line species monitoring and protection functions (over 50 rangers) received a 2-day Wildlife Poison Management from Andre Botha of Endangered Wildlife Trust. Andre is the Vice-chair of the Technical Advisory Group for the Raptors MoU, Convention on Migratory Species. SOPs for wildlife poison management are detailed in UWA's Wildlife Poison Management Policy.

As per UWA's policy, all wildlife collaring (lions and vultures) in QE we immediately integrated the collars into UWA's EarthRanger system to enable them to better carry out their mandate to conserve wildlife inside and outside of protected areas.

Waterholes and habitat restoration

With support from the Lion Recovery Fund (LRF), UCF managed to restore sixteen waterholes in QEPA. This project began in quarter one, and went up to quarter three of the year.

The grant from LRF supported UCF, with logistical support from QEPA's engineering department to dredge and reclaim waterholes that had previously silted up due to the past poaching of hippo, buffalo and elephant. The programme restored sixteen in total. These waterholes were well-distributed among critically important sectors and landscapes to draw wildlife into safe regions, away from human wildlife conflict zones and areas where UWA's anti-poaching capacity was vulnerable.

Consequently, UCF and UWA were enabled to focus law enforcement operational support in critical lion habitats, and provide real-time carnivore species monitoring and management interventions to ensure immediate species protection.

IUCN SOS Project - QE & MFs

UCF secured funding from IUCN Save Our Species Programme, for a project titled, 'Emergency response to an upsurge in lion poaching due to COVID-19 in two critical hotspots in Uganda.' This one-year programme, beginning May 2021, was co-funded by European Union International Partnerships, and employed two UCF staff (Jimmy Kitembo and Robert Ntegeka

who are ex-UWA rangers) and supported the training and employment of twelve community-scouts in MFPA. These scouts have since proved indispensable in supporting anti-poaching snare sweeps across the Delta area. Between them they have managed to collect over 2,000 snares monthly.

This project was developed in response to the worsening poaching crisis as a result of COVID-19 pandemic and the national lockdown. The collapse of tourism saw UWA lose its ability to sustain law enforcement efforts as the bulk of its operational budgets are supported by tourism dollars, which were no longer incoming. Coupled with the adverse effects of the pandemic, i.e., unemployment, loss of livelihoods due to lockdowns, poaching surged.

Lions were particularly targeted due to the demand for parts to be used in local witchcraft practices. As well, many of these carnivore species were caught in snares set primarily to catch prey species. The IUCN SOS programme was a crisis grant and greatly helped the Carnivore Programme by providing much needed radio-collars, and providing logistical support to eight extensive anti-poaching patrols targeting critical lion habitats in both MFPA and QEPA.

In total eight lions were collared (four from MFPA and QEPA each). Vulture species endemic to these protected areas, such as the hooded vulture (*Necrosyrtes Monochus*) Ruppell's vulture (*Gyps Rueppelli*) white headed vulture (*Trigonoceps occipitalis*) white backed vulture (*Gyps Africanus*), lapped-faced vulture (*Torgos Tracheliotos*) which are either endangered or critically endangered, were also a major focus of this programme. As a result, four vultures total were radio-collared. Additionally, poison identification and management trainings, conducted by Andre Botha of Endangered Wildlife Trust, took place in each of the parks. This builds the capacity of frontline rangers and first responders to poison cases, and ensures they know how to respond in instances of poisons.

Throughout the year - UCF was able to support all lion rescues and incidents in MFs.

4. UWA Capacity Building

Marine Ranger Training:

UCF funded marine ranger training for the QE marine unit. 45 rangers, including 12 coxswains from neighboring lodges, received internationally accredited RYA Level 2 training.

This covered practical boat handling and seamanship, theory, train the trainer exercises and a basic first aid course including rescue operations. The training was conducted by Poole Harbour and Sea Survival Ltd, who have been conducting marine ranger training in QE & MF since 2002. Funding was covered under CITES MIKES Phase 2.

Junior Leadership:

UCF funded and supported Junior Leadership training for 70 UWA rangers in Mweya, in March 2022. This training was carried out by the US Military.

5. Community development

With funding from the African Elephant Fund, UCF restored the QEPA Park-Community Committees across the whole landscape providing the long-term institutional structures for UWA and the local government structures to sustain on-going management and coordination. This also provides the framework for all other stakeholders to formally work through.

Twenty-six PCCs were formed and were formally inaugurated by UWA top management in Mweya in January 2022.

Minutes of every meeting are kept and quarterly meetings with UWA are held wherever possible.

B. THE RECOVERY OF MURCHISON FALLS NATIONAL PARK

The Recovery of Murchison Falls programme is run in conjunction with UWA, in phase 1, providing the foundations of protected area management. From infrastructure and capabilities, to training and equipping rangers and wardens, to the provision of communications and operational vehicles (boats, cars and motorbikes).

Success of the programme has in part come from the sustained funding from long-term partners such as Tusk Trust, the David Shepherd Wildlife Foundation, International Elephant Foundation and Global Conservation.

1. Law Enforcement & Operations Centre:

In 2022 UCF completed the Law Enforcement & Operations Centre providing the JOCC, Uganda Police Station, stores, Guard Room, Armoury and fence line. This is the first of its kind in Uganda, and likely anywhere, where all operational capacity for all departments are integrated, providing a considerable uplift to operational capacity and integrity.

The Operations Room is operational with EarthRanger at its core, integrating digital radios, the hotline, the EarthRanger Mobile / UWA mobile phone system and Closed User Network, each with their means of direct integration into the UWA system.

As per the UWA Signal Plan, Digital radio towers, solar power and housing, fencing and equipment were all completed and functioning in 2022 - including Pakuba, Ayago 3, Punu Rii, Sengenge and the JOCC.

In August 2022, UCF donated assorted equipment to MFNP to support law enforcement activities, especially patrols, problem animal control and human-wildlife conflict management. This included motorbikes, phones, solar power, digital radios, rain coats, boots and other field equipment.

Sector anti-poaching plans were developed with the Warden in Charge of Law Enforcement and Sector Commanders for high poaching periods, with UCF backing UWA operations as needed.

UCF also supported operations with provision of vehicles, fuel, staff, rewards, intelligence links and support. Systems have enabled numerous rescues and responses to incidents, wildlife and tourists, preventing conflict and escalation of problems. and retaliations.

Connectivity at the Joint Operations Command Center was boosted with the installation of 10MBS Inter-Microwave Signal via Airtel. This supports the need for reliable and fast connectivity for realtime and 24/7 operational capacity.

Through-out COVID-19, the river Nile flooding, locust and other challenges (elections and lockdowns), UCF remained the only organization in MFs supporting UWAs operations and commitment to the communities.

2. Infrastructure Development

The Buligi Marine Ranger Station on the Delta in Murchison Falls was completed and handed over in June 2022. The facility blocks a poacher route into the Delta where thousands of snares have been set every year, killing and severely injuring wildlife, and forcing incredible resource pressure onto the UWA Veterinary Response Unit (also supported by UCF).

The facility includes a 6-man ranger post, ablution block and stores for boat equipment, safety jackets, engine maintenance and fuel. A small jetty was also provided.

Semanya Marine Ranger Post was renovated, fixing the bat problem and installing solar power. As a command post, Semanya also had a base radio installed following the digital radio network capability, and they are now able to coordinate all Northern Sector communications.

Construction on two new ranger posts started in October and November 2022. Firstly a six-man ranger post in Mupina, the Southern MF Sector Command Post, and secondly at Sengenge, an eight-man ranger post, providing security for the Sengenge digital radio tower, and a big push south to expand management control from poachers in the south of the park.

These facilities are coming up in rather remote areas of the park, and will be instrumental in expanding Uganda Wildlife Authority's capabilities.

3. UCF Scouts:

Throughout COVID and afterwards, MFs operational capacity has been drastically limited by ranger numbers, preventing sustained operational effectiveness in any department. In response UCF sustained 20 Community Scouts, fully paid for and supported by UCF, to UWA, to support formal rangers in low risk / high volume work, enabling operations to happen whilst also minimizing the number of formal rangers needed on each operation, thereby releasing pressure on the ranger deployments.

As with each of the 100 community youth working on the construction and road projects, UCF was holding over 120 community youth in full time employment throughout the year, and COVID period. Each came from families involved in poaching, or badly impacted by human wildlife conflict. The scouts ensured the post COVID poaching surge was minimized as far as possible.

4. Wildlife Ranger Challenge

In conjunction with Tusk Trust, UCF coordinated the third Wildlife Ranger Challenge in MFPA, in September 2022. The WRC event was adapted into a fundraising campaign for ranger support to counter the adverse effects of Covid19 and the collapse of tourism.

UCF coordinated all the fundraising and marketing on behalf of MFPA, QEPA, KVPA and Ziwa Rhino Sanctuary. The funds raised by this campaign went directly into frontline support and helped UCF continue its support to UWA's anti-poaching and human wildlife conflict operations, and to keep the scouts programme running.

The event attracted the participation and support of several individual and corporate supporters including teams from the British High Commission, International Schools and local safari lodges.

5. Pacer Tree Nursery Project.

Initially established in 2019, with funding from Dulverton Trust through David Shepherd Wildlife Foundation, the tree nursery programme at Pacer Vocational College, continued to grow tremendously.

With only four full-time employees, the nursery expanded to be able to provide more than 100,000 tree seedlings per season (there are two planting seasons in a year).

By year end, over sixty youth from both Pakwach and Nwoya, and at least fifty community groups have received training on agroforestry and tree management. All the tree seedlings were provided for free to the interested community members and youth groups. A small grant of funding was secured from Trees that Feed to continue the promotion of tree planting, providing an APP to record all trees planted, and monitor their health.

The nursery has uplifted the status of the community college and is now a demonstration site for agroforestry, as well as training for energy-saving stoves. The latter ties in with the strategic objective of reducing deforestation and firewood dependence within the region.

6. Living with Wildlife project.

Formally titled, *Wildlife protection and sustainable livelihoods for communities neighbouring Murchison Falls Protected Area, Northern Uganda*, this three-year project aims to improve food security, increase livelihood opportunities, and improve the relationship between UWA park management and the communities surrounding the park, in order to reduce illegal wildlife activity in the NW corner of Murchison Falls National Park. UCF co-implements this project with

Send A Cow Uganda (now Ripple Effect) and is overseen by Tusk Trust and Ripple Effect UK. Funding is covered by the UK Aid Match Programme.

Through the course of the year UCF managed to implement PACE (Pan African Conservation Education) to over 3,000 individuals (both community groups and school-going children in both Nwoya and Pakwach district.) No easy feat considering Patrick Agaba, the project's on-ground implementer resigning at the end of May. His replacement was only recruited in October. Despite this, UCF as well managed to bring over 120 school-going children, and 150 community members into the park. These visits have proved most beneficial as they have opened lines of dialogue between park management and communities which were previously non-existent, or at best not well managed. Because of this the instances of positive interactions between both primary stakeholders (park and communities) have increased and UWA's efforts at community engagement are being recognised by both community groups and local leadership and the sub-county and district level.

The project also provided 60 scholarships to youth from vulnerable communities to pursue short vocational courses (20 foundational masonry courses, 40 tailoring) from Pacer Vocational College. Another 60 scholarships will be facilitated in the next year.

7. UWA Capacity Building

70% of UWA Rangers and Wardens have undertaken the Junior Leadership Training Course delivered by either the US, UK or Italian Military. In October, the Irish Guards conducted another 2 week session which was also attended by the UCF-UWA Trained Community Scouts.

UCF supported UWA Marine Training for UWA Marine Rangers including 45 rangers and coxswains from neighboring lodges received internationally accredited RYA Level 2 training. Twenty five successfully completed Advanced level.

The training which was conducted by Poole Harbour and Sea Survival Ltd covered practical boat handling and seamanship, theory, the trainer exercises and a basic first aid course including rescue operations.

8. UWA Training Academy

This is a \$10M programme funded by US DOS, direct to contractor Relyant. Founder Trustee created the concept and strategy with the ex-US Defense Attaché and agreed to oversee the programme.

The facility provides UWA its own capacity to train Senior Staff and Rangers and includes:

- four class blocks (60 students in each class);
- main ranger building with six officers, including a medical centre;
- senior staff accommodation (men's & women's);
- Ranger accommodation;
- administration building & ablutions (men's & women's);
- kitchen & bore-hole;
- Security observation towers; and
- Solar power.

The facility is positioned to depopulate the Paraa tourism zone, now further clustered with oil activity, and to support the recovery of the Kiba & Tangi Sectors where the region is used for access to hunting grounds. The facility will be opened in late 2023, and is situated to support the recovery of Kiba Sector.

9. Carnivore & Scavenger Programme

The scout programme sustained de-snaring effort throughout the year in key carnivore strongholds and supported protection in recovery zones as well.

A second hand Land Cruiser was provided to support Lion monitoring, conflict resolution and other Law Enforcement work. Satellite collars for select lions were provided as needed (focus is non-tourism areas). Two currently on & registered on ER. Targeted patrols were conducted in known lion strongholds and high risk areas. UCF provided funds, vehicles, fuel, food, teams and equipment, and re-furnishment of all UWA lion translocation crates.

All lion monitoring and management activities, including incident reports, collared animals were monitored on EarthRanger for real time and 24/7 oversight, and also monitored by DDFO & ED at UWA Headquarters.

Lions continue to be targeted by poaching by both the lethal wheel traps and poisoning. With UWA all cases were responded to and poachers were caught.

C. KIDEPO VALLEY NATIONAL PARK

1. Joint Operations Command Centre at Geremech

Construction of the JOCC at the Geremech Park Headquarters, began early in the year, and was completed by Lionheart Construction Ltd., in the last quarter of 2022. Consequently, White-Mare Technology Ltd., equipped the operations room with solar power, IT and

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communications support to enable EarthRanger and Semantic AI (intelligence database enterprise software) to be installed.

The Kidepo JOCC is the first of its kind; incorporating National Forestry Authority (NFA) offices – NFA has 9 CFRs in the Kidepo Landscape; providing an office from which they could jointly manage these CFRs was inevitable. The JOCC also houses an office for the community conservancy. Funding for this was provided by Global Conservation.

2. Morungole Community Conservancy Project

In May 2021, UCF partnered with Northern Rangelands Trust, UWA and NFA to establish a community conservancy model in Kaabong District, specifically targeting Dodoth North and Ik County constituencies. The purpose of this is to promote community-led conservation and livelihood projects within Kaabong District and the greater Kidepo landscape. Most of the wildlife in Kidepo stays outside of the park, and in community lands for most of the year. The wildlife only returns to the park in the dry months where the only water source is the Narus river. Wildlife protection outside the park is thus challenging, due to HWC and UWA's lack of capacity and resources to intervene promptly. The community conservancy model ensures that wildlife protection has a chance, and wildlife corridors and habitats are secured.

Following months of community engagement activities, FPIC, and exchange visits to NRT, Morungole Community Conservancy was unanimously established in late 2022, at a stakeholders meeting including UWA, NFA, NRT, UCF, Kaabong District Local Government, religious leaders and community leaders. Registration with the Uganda Registration Services Bureau thereafter commenced, and as of 2023, MCC is now fully formally registered.

Funding to operationalize the conservancy is expected from the big EU NaturAfrica Grant, supposed to commence in late 2023. This will underpin livelihoods programmes, community livelihood funds, vehicles, infrastructure development, employment opportunities, vocational courses, etc.

3. Transboundary elephant collaring and monitoring programme

In Feb 2022, wildlife vets and ranger teams from UWA, together with vets from the Kenya Wildlife Service, and Save The Elephants, collared 15 elephants across Kidepo Valley and the Western Pokot Transboundary area. Of the 15 collared, 11 were from the KVNLP landscape.

Monitoring of their range patterns is still ongoing. Data sharing agreements between UWA and the partners are in place, and UWA has access to all Uganda-side elephants and their ranging patterns. Funding for this was provided by NRT's private donors.

4. Carnivore & Scavenger Programme – Nov 2022

UCF has since maintained a permanent presence across the Kidepo landscape to carry out daily carnivore and scavenger monitoring work. 2 collared lions are being closely monitored, as well 13 vultures have backpacks installed.

The KVNP EarthRanger platform enables UWA and partners to monitor all collared wildlife, including giraffe, lion and vultures.

Due to the severe decline in lion in Kidepo , UCF deployed a full time project officer and driver, plus two community scouts, and car, to support daily snare removal patrols across the landscape and focused lion and giraffe monitoring and protection.

Funding for this is provided by Global Conservation.

Partnerships:

In 2022 UCF formalized partnership MOUs with:

1. Uganda Wildlife Authority
2. National Forestry Authority
3. Uganda Wildlife Research & Training Institute
4. Northern Rangeland Trust
5. Focus Conservation
6. Centre for Environmental Forensic Science
7. Liege University

UGANDA CONSERVATION (U) LIMITED
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Uganda Conservation(U) Limited
Audit Report and financial statements for the year ended 31 December 2022

TABLE OF CONTENTS

CONTENTS	PAGE(S)
Organization Information	2
Report of Board	3
Statement of Board of Directors' Responsibilities	4
Independent Auditor's Report	5-7
Statement of Income and Expenditure	8-9
Statement of Financial Position	10
Statement of Changes in Accumulated Fund	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 - 24

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

ORGANIZATION INFORMATION

DIRECTORS

- | | |
|--------------------------|-------------|
| 1. Mr.Richard Ssemanda | Chairperson |
| 2. Mr.William Smith | Director |
| 3. Mr. Jean Byamuisha | Director |
| 4. Mr. John Kabandize | Director |
| 5. Mr.Kevin John Vallack | Director |

SENIOR MANAGEMENT TEAM

- | | |
|--------------------------|-------------------------------|
| 6. Mr. Michael Keigwin | Founder Trustee /Project Lead |
| 7. Ms.Sophie Arcedeckne | General Manager |
| 8. Mr. Martin Ssesanga | Finance & Admin Manager |
| 9. Mr. Derek Lubangakene | Projects Manager |

REGISTERED OFFICE

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Kampala, Uganda

INDEPENDENT AUDITOR

Baker tilly Hem LLP
Certified Public Accountants
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Kampala, Uganda

PRINCIPAL BANKER

I&M Bank (U) Ltd
P.O.Box 3072, Kampala-Uganda

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

REPORT OF BOARD

The Directors present their report together with the audited financial statements of the organisation for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

Uganda Conservation (U) Limited is a not-for-profit organisation registered in Uganda which is dedicated to protecting Uganda's national parks, protected areas and conservancies. The Organization work in close collaboration with partners, primarily international conservation, and development organizations. Uganda Conservation (U) Limited is a practical, results-oriented organization. Uganda Conservation (U) Limited is efficient in its working methods and its use of funds. The Organization ensures it maximizes the funds reaching field projects and minimizes its administration and non-value-add activities to industry-low levels.

FINANCIAL RESULTS FOR THE YEAR

	2022 Ushs	2021 Ushs
Income	5,141,307,784	4,230,372,316
Expenditure	(5,140,047,294)	(4,216,408,226)
Surplus/ (deficit) for the year	1,260,490	13,964,090

DIRECTORS

The current membership of the board is as set out on page 2.

INDEPENDENT AUDITOR

Baker tilly Hem LLP has expressed willingness to continue in office.

BY ORDER OF THE BOARD
BRJ Advisory Services

SECRETARY

Kampala

June 27th

2023

STATEMENT OF BOARD OF DIRECTORS' RESPONSIBILITIES

It is the responsibility of directors to prepare financial statements for each financial year to give a view of the state of affairs of Uganda Conservation(U) Limited as at the end of each financial year and of its financial status for the year. Directors are also required to ensure that Uganda Conservation(U) Limited maintains proper accounting records that disclose, with reasonable accuracy, the financial position of Uganda Conservation(U) Limited. Directors are also responsible for safeguarding the assets of Uganda Conservation(U) Limited.

Directors accept responsibility for the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Directors also accept responsibility for:

- i. designing, implementing, and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- ii. selecting and applying appropriate accounting policies and.
- iii. making accounting estimates and judgements that are reasonable in the circumstances.

Directors are of the opinion that the financial statements give a true and fair view of the financial position of Uganda Conservation(U) Limited as at 31 December 2022 and of the organization's financial performance and cash flows for the year then ended in accordance with Uganda Conservation(U) Limited accounting policies and donor funding agreements.

Nothing has come to the attention of directors to indicate that Uganda Conservation(U) Limited will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the Board on 27/06/ 2023 and signed on its behalf by:



Director



Director



BAKER TILLY HEM LLP
Certified Public Accountants

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REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD OF UGANDA CONSERVATION(U) LIMITED

Opinion

We have audited the financial statements of Uganda Conservation(U) Limited that comprise the statement of financial position as at 31 December 2022 and the statement of income and expenditure, statement of changes in accumulated fund and statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Uganda Conservation(U) Limited as at 31 December 2022 and its financial performance in accordance with International Financial Reporting Standard for SMEs and Companies Act.2012.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters, we did not come across a key audit matter.

Other Information

The board is responsible for the other information. The other information comprises the report of board, the schedule of other operating expenditure and any other reports that comprise the annual report but does not include the financial statements and our auditor's opinion.

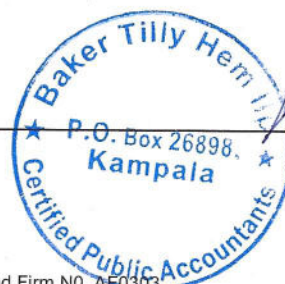
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Partners:

Manjit J. Kothari
Managing Partner
CPA (U), ACA, GRAD, CWA

Narendra A. Thakkar
Limited Liability Partner
FCA, CPA (K), CPA (U)

⁵
Priyansh V. Trivedi
Limited Liability Partner
CPA (U), ACA, M.COM



The firm is licensed and regulated by the institute of Certified Public Accountants of Uganda and Firm NO. AF0303

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**REPORT OF THE INDEPENDENT AUDITOR TO THE BOARD OF UGANDA CONSERVATION(U)
LIMITED(Continued)**

Responsibilities of Management and those charged with governance of the organization

The board is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1 a). This includes determining that the accrual basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances and under the requirements of the donor grant agreement, and for such internal control as management determines 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 board is responsible for assessing the organisation'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 board either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

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 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, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

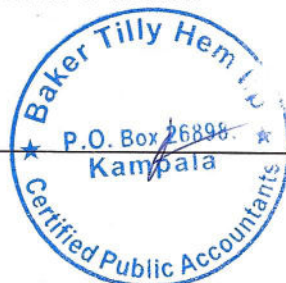
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Partners:

Manjit J. Kothari
Managing Partner
CPA (U), ACA, GRAD, CWA

Narendra A. Thakkar
Limited Liability Partner
FCA, CPA (K), CPA (U)

⁶
Priyansh V. Trivedi
Limited Liability Partner
CPA (U), ACA, M.COM



The firm is licensed and regulated by the institute of Certified Public Accountants of Uganda and Firm NO. AF0303

Baker Tilly Hem LLP is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly International Limited is incorporated in England and Wales. The Company Registration is NO. 4343879. The registered office is 2 London Wall Place, London, EC2Y 5AU, United Kingdom, Arrandco Investments Limited is the registered owner of the UK trade mark for Baker Tilly and its associated logo

**REPORT OF THE INDEPENDENT AUDITOR TO MANAGEMENT OF UGANDA
CONSERVATION(U) LIMITED(Continued)**

- 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 organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 organisation'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 organisation 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.

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.

The engagement partner on the audit resulting in this independent auditor's report is CPA Manjit Kothari that holds practice certificate number [P0101].



MANJIT KOTHARI
Bakertilly Hem LLP
Certified Public Accountants



Kampala

29/06/ 2023

Partners:

Manjit J. Kothari
Managing Partner
CPA (U), ACA, GRAD, CWA

Narendra A. Thakkar
Limited Liability Partner
FCA, CPA (K), CPA (U)

7
Priyansh V. Trivedi
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STATEMENT OF INCOME AND EXPENDITURE

2022

2021

INCOME	Notes	2022			2021		
		Restricted funds (Ugx)	Unrestricted funds (Ugx)	Total funds (Ugx)	Restricted funds (Ugx)	Unrestricted funds (Ugx)	Total funds (Ugx)
Grants	1	4,152,392,448	875,210,349	5,027,602,797	3,450,149,629	758,024,781	4,208,174,410
Gifts and donations		-	5,500,155	5,500,155	-	6,828,004	6,828,004
Membership		-	29,181,354	29,181,354	-	7,595,430	7,595,430
Merchandising income		-	740,000	740,000	-	7,000	7,000
Other income		-	78,283,478	78,283,478	-	7,767,472	7,767,472
Total income		4,152,392,448	988,915,336	5,141,307,784	3,450,149,629	780,222,687	4,230,372,316
EXPENDITURE							
Projects		2,933,488,643	112,090,577	3,045,579,220	2,736,977,393	184,915,713	2,921,893,106
Salaries & Wages		187,479,400	213,068,400	400,547,800	134,091,087	166,540,714	300,631,801
Staff welfare		1,240,800	8,508,100	9,748,900	5,547,365	3,579,60	9,126,965
Capacity Building & Org. Dev		1,917,000	4,055,600	5,972,600	4,322,455	10,752,218	15,074,673
Medical Insurance		9,282,848	11,934,503	21,217,350	3,924,536	13,395,024	17,319,560
Licenses and permit		-	1,736,996	1,736,996	-	7,828,500	7,828,500
Recruitment costs		148,000	-	148,000	-	-	-
Office rent		-	4,493,748	4,493,748	-	-	-
Audit fees		734,000	6,700,000	7,434,000	-	6,700,000	6,700,000
Motor vehicle Expenses		221,678,32	204,207,862	425,886,185	110,896,656	194,726,357	305,623,013
Office insurance		-	3,698,469	3,698,469	1,849,235	2,825,087	4,674,322
Repairs & Maintenance		85,000	515,000	600,000	4,610,000	439,000	439,000
Utilities (Water & Yaka)		-	4,220,000	4,220,000	-	400,000	5,010,000
Other office / Project costs & Supplies		2,425,600	32,918,180	35,343,780	11,840,090	10,307,125	22,147,215
Bank charges		5,429,935	5,345,082	10,775,018	2,955,120	3,720,724	6,675,844
Fund raising		-	72,969,724	72,969,724	-	-	-
Travel and Subsistence		360,445,021	49,542,861	409,987,882	180,923,065	23,466,589	204,389,654



Audit Report and financial statements for the year ended 31 December 2022

Professional fees	378,396,618	173,337,175	551,733,793	244,138,359	101,426,410	345,564,769
Telephone and internet	6,430,000	5,830,000	12,260,000	5,604,500	3,210,000	8,814,500
IT expenses	22,160,367	18,424,723	40,585,089	6,083,791	10,749,484	16,833,276
Printing & Stationery	9,528,300	4,530,272	14,058,572	1,417,300	2,344,000	3,761,300
Postage & Courier	557,000	295,000	852,000	24,000	790,000	814,000
Cleaning	127,000	684,500	811,500	377,900	287,500	665,400
Foreign exchange loss	566,523	58,820,145	59,386,668	291,778	12,129,551	12,421,329
Total expenditure	4,142,120,378	997,926,917	5,140,047,294	3,455,874,628	760,533,598	4,216,408,226
Deficit / (Surplus) for the year	10,272,071	(9,011,581)	1,260,490	(5,725,000)	19,689,090	13,964,090

The notes on pages 13 to 24 form an integral part of the financial statements.

Report on the Independent Auditor-pages 5 to 7



Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022


STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	Notes	2022 Ugx	2021 Ugx
ASSETS			
Plant and equipment	2	<u>14,995,368</u>	<u>3,092,611</u>
Current assets			
Receivables	3	1,083,841,374	136,110,195
Cash and cash equivalent	4	<u>129,949,018</u>	<u>1,581,569,962</u>
		<u>1,213,790,392</u>	<u>1,717,680,157</u>
Total assets		<u>1,228,785,760</u>	<u>1,720,772,768</u>
RESERVES AND LIABILITIES			
Reserves			
Restricted funds		787,605,645	777,333,574
Unrestricted funds		(801,779,095)	(792,767,506)
Capital fund	5	<u>14,995,367</u>	<u>3,092,610</u>
Total reserves		<u>821,918</u>	<u>(12,341,323)</u>
Current liabilities			
Payables	6	40,853,222	23,191,626
Deferred income	7	<u>1,187,110,620</u>	<u>1,709,922,465</u>
		<u>1,227,963,842</u>	<u>1,733,114,091</u>
Total reserve and liabilities		<u>1,228,785,760</u>	<u>1,720,772,768</u>

The notes on pages 13 to 24 form an integral part of the financial statements

Report on the Independent Auditor-pages 5 to 7

The financial statements on pages 8 to 12 were approved by the management on 27/06/2023 and signed on its behalf by:


Director


Director



Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

STATEMENT OF CHANGES IN ACCUMULATED FUND

	Capital Fund Ugx	Restricted Funds Reserve Ugx	Unrestricted Funds Reserve Ugx	Total Ugx
For the year ended December 31, 2022				
At January 1, 2022	3,092,610	777,333,574	(792,767,514)	(12,341,329)
Surplus for the year		10,272,071	(9,011,581)	1,260,490
Additions	14,998,763	-	-	14,998,763
Depreciation charge	(3,096,006)	-	-	(3,096,006)
At December 31, 2022	14,995,367	787,605,645	(801,779,095)	821,918
For the year ended December 31, 2021				
At January 1, 2021	4,690,469	783,058,574	(812,456,596)	(24,707,553)
Surplus for the year	-	(5,725,000)	19,689,090	13,964,090
Depreciation charge	(1,597,859)	-	-	(1,597,859)
At December 31, 2021	3,092,610	777,333,574	(792,767,506)	(12,341,322)

The notes on pages 13 to 24 form an integral part of the financial statements.

Report on the Independent Auditor-pages 5 to 7

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

STATEMENT OF CASH FLOWS

	Note	2022 Ugx	2021 Ugx
Cashflows from operating activities			
Surplus for the year		1,260,490	13,964,090
Surplus before working capital changes		1,260,490	13,964,090
Decrease in receivables		(947,731,179)	(97,807,435)
Increase / Decrease in payables		17,661,596	(501,449)
Decrease / increase in deferred income		(522,811,845)	432,768,597
Net cash generated from or spent on operating activities		(1,452,881,428)	334,459,713
Increase / Decrease in cash and cash equivalents		(1,451,620,939)	348,423,803
Cash and Cash Equivalents			
At the start of the year		1,581,569,956	1,233,146,159
Prior Adjustment		-	(6)
At end of the year	4	129,949,018	1,581,569,956

The notes on pages 13 to 24 form an integral part of the financial statements.

Report on the Independent Auditor-pages 5 to 7

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

These Notes to the financial statements for the fiscal year ended 31 December 2022 form an integral part thereof and should be read and construed as such:

General Information

Uganda Conservation (U) Limited is a company limited by guarantee, incorporated on 03 September 20202 under the laws of Uganda.

Summary of Accounting Policies

The primary accounting policies applied in the preparation of these financial statements are set out below, Except for changes (if any) disclosed in the relevant accounting policy note, these policies have been consistently applied in dealing with items which are considered material to the company's financial statements for all fiscal years presented unless otherwise stated.

Basis of Preparation and Presentation

The financial statement have been prepared under historical cost convention, on the accrual basis unless otherwise stated within these accounting policy note(s), in accordance with applicable laws and the international Financial Reporting Standards for Small and Medium sized Entities(IFRS for SMEs) issued by the International Accounting Standards Board(IASB) as adopted and adapted to Charities' financial reporting in Uganda(the "applicable financial reporting framework"). There were no material departures from the applicable financial reporting framework.

The preparation of the financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates, judgments and assumptions in the process of applying the accounting policies. This may affect the reported amounts of certain assets and liabilities and the reported amounts of income and expenditures during the reporting period. Although these estimates are based on the management's best knowledge, actual results could differ from the estimates. In the process of applying the accounting the accounting policies, areas involving a higher degree of judgments or complexity, assumptions and estimations which are significant to the financial statements are described in note below.

The financial statements are presented in Uganda shillings (UGX), the company's functional currency are rounded to the nearest shilling.

Significant Accounting Estimates and Areas of Judgements

Estimates and Judgement are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related accrual results. The estimates and assumptions that have a significant risk of causing the material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below;

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

Income Tax-The Company is subject to income taxes. Significant judgements are required in determining the provision of income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters are different from the amount that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Provision for bad and doubtful debtors-The Company assesses whether the receivable is impaired on an annual basis. This requires an estimation of the amounts that are irrecoverable.

Useful lives of assets-Due to the technical nature of the company's assets; Management assesses useful lives based on general best practice in the sector. The assigned useful live have a direct impact on the annual amount of depreciation or amortization charged to the capital fund.

Critical areas of judgement

No estimates, judgement or assumptions have been made of identified that have significant risk of causing material adjustments to the carrying amounts of the assets and liabilities within the next fiscal year and no significant Judgements were used when applying the accounting policies in the preparation of the financial statements.

Going Concern

Having considered the company's future budgets, cash flows forecast and strategy, the directors confirm that they have no material uncertainties about the Company's ability to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing these annual financial statements.

The financial statement have therefore been prepared on the going concern basis and do not include any adjustments relating to the recoverability and classifications of the recorded asset amounts and classification that may be necessary if the organization is unable to continue as a going concern.

Having considered the company's future budgets, cash flows forecasts and strategy, the directors confirm that they have no material uncertainties about the company's ability to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing these annual financial statements.

Property and equipment

All capital costs of UGX 1,000,000 or more are capitalized and subsequently measured at a cost less accumulated depreciation and impairment losses. All other repairs and maintenance costs are charged to the income and expenditure during the year in which they are incurred.

Depreciation is calculated to write down the carrying value of all depreciable tangible fixed assets, other than freehold and mailo land and assets under construction (capital work-in-progress), over their expected useful lives, on a straight-line balance basis with a full year's charge in the year of acquisition, as follows:

Furniture	:	12.5% annually
Computers	:	33.3% annually
Motor Vehicles	:	25.0% annually

Motor vehicles funded by projects are depreciated over the life of the project funding the purchase.

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

Any assets acquired under finance lease and those funded by projects are capitalized at the lower of their costs and fair value (or the estimated present value of the underlying lease payments) and depreciated over the shorter of lease or contract term and estimated useful life of the asset to the company.

Assets in the course of construction (capital work-in-progress) are not depreciated. Upon completion of the project, the accumulated cost is transferred to an appropriate asset category where its depreciated according to the policy set out above.

Where factors indicate that the residual values or useful lives of a tangible assets may be changed, a review will be carried out a residual value, depreciation methods and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

Impairment of non-financial assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist for asset (or group of related assets termed Cash Generating Unit- CGU) and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. All impairment adjustments are accounted for in accordance with the IFRS for SMEs.

Cash and Cash Equivalents

Cash and bank balances represent cash in hand and deposits with financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investment that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Unless specifically stated, there are no significant cash and cash equivalent balances held by the company that is not available for use by the company because of, among other reasons, foreign exchange controls, or legal restrictions.

Receivables and prepayments

Receivables and prepayments with no stated interest rate and receivable within one year, are initially measured at transaction price, less trade discounts and impairment. Loan or advances receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortized cost using the effective interest method, less any impairment and or provision for doubtful debts.

Payables and provisions for liabilities

Payables and provisions are recognized where the company has a present obligations resulting from the past event that will probably result in the transfer of funds to the third party and the amount due to settle the obligation can be measured for estimated reliably. Payables and provisions are normally recognized at their settlement amount after allowing for any trade discounts due.

Other financial liabilities, including bank loans(if any), are measured initially at fair value, net of transaction costs, and are measured subsequently at amortized cost using the effective interest method.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the fiscal year, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

settle the obligation is recognized at present value using a pre-tax discount rate. The unwinding of the discount is recognized as a finance cost in the statement of incomes and expenditure in the period it arises.

Leases

Leases are classified as financial leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rentals applicable to operating lease are charged to income or expense on the straight-line basis over the lease term.

Rentals paid under operating leases are charged to the income statement on the straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the company recognises annual rent expense equal to amounts owed to the lessor. Where a lease includes pre-set increase in the rent payable to reflect expected inflation, then the annual expense is recognized in line with this stepped schedule (rather than spreading the total cost over the period of the lease).

The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on the straight-line basis.

Financial Instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basis financial instruments. Basis financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

Finance assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

Taxation

No tax has been provided for in the financial statements because management believes the company is involved in charitable activities and not engaged in enterprising activities in pursuit of private individuals benefit (which would have been reported and disclosed separately as profit seeking activities); which conforms to the requirements for exempted from income tax as detailed in section 2(bb)(i)(B) of the Income Tax Act(Cap 340).

Section 2(bb)(i)(B) of the Income Tax Act(Cap 340) defines or provides for the interpretation of an exempt Organization as (bb) "exempt Organization" means any company, institution or irrevocable trust-(i) which is- (A) an amateur sporting association; (B) a religious, charitable or educational institution of a public character; or (C) a trade union, employee's association, an association of employers registered under any law of Uganda or an association established for the purpose of promoting farming, mining, tourism, manufacturing, or commerce and industry in Uganda; and (ii) which has been issued with a written ruling by the commissioner currently in force stating that it is an exempt Organization ; and (iii) none of the income or assets of which confers, or may confer, a private benefit on any person,"

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

Significant Factors affecting tax charge for the year

There were no significant factors that affected the tax charge for the year which has been calculated on the taxable profit on ordinary activities before tax at standard rate of income tax in Uganda of 30% (2020: 30%)

Foreign Exchange

The Company's functional and presentational currency is Uganda Shillings (UGX).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each fiscal year end foreign currency monetary items are translated using the closing rate unless a contracted rate applies. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Sources of the foreign rate of exchanges majorly the company uses the daily transaction dealing rate as advised by the banks on the day of transacting. For any other transactions it uses the daily mid-rate foreign exchanges rates between the Uganda shilling and the major foreign currencies as published by the Bank of Uganda (BOU) unless a contracted rate applies.

Income Recognition

All income is recognised once the company has irrevocable entitlement to the income, it's probable that the income will be received and the amount of income can be measured reliably and specific criteria have been met for each of the company's activities, as described below.

- i. Donations-When there is reasonable certainty of its ultimate receipt otherwise on actual receipt.
- ii. Grant and similar assistance whether 'capital' or 'revenue' grants-When there is reasonable certainty of its ultimate receipt and not deferred, otherwise on actual receipt. Capital grants are deferred and amortised in line with depreciation over the life of the assets through the capital fund.

All incomes received in advance of planned activities implementation are treated as deferred income and released to the statement of income and expenditure for the fiscal year in which the related activities are implemented.

Expenditure

Expenditure is recognised on accrual basis as incurred (inclusive of irrecoverable value added tax where applicable) as soon as there is legal or constructive obligation committing the company to that expenditure, it is probable that settlement will be required, and the amount of obligation can be measured reliably.

Allocation and apportionment of costs

For financial reporting purposes, costs are grouped into direct charitable program costs, costs of generating voluntary income and governance costs heads by the directors guided by professional standards and best practice in the sector. Support costs are allocated where possible on the time basis, as with salaries. Any remaining allocations over charitable activities are pro-rated according to the relative amount of already allocated direct costs or the numbers of staff in the unit.

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

Employee retirement benefits

The Company operates a defined contribution plan (legal requirement through National Social Security Fund by paying 10% of the employee's gross monthly salary to the NSSF which is an independent establishment from the company) scheme for the benefit of its employees. Contributions are recognised as an expense in the fiscal year in which they are incurred.

Termination benefits are recognised as an expense when a detailed formal plan for the termination has announced to the employees affected and are measured at the estimated expenditure required to settle the obligations at the reporting date.

Share Capital

The company is limited by guarantee without a share capital. Each member accepts to contribute such amount as may be required not exceeding UGX 1,000,000 (Uganda shillings one million only) in the event of the company being wound up while he, she or it is a member or within one year afterwards.

Comparatives

Whereas every effort may have been made to Match year on year Figures, some inevitable reclassifications may have occurred that may affect the precise comparison of figures in the current fiscal year with those in the prior period.

Third Party Payments.

Payments made to vendors directly by the donor (if any) on behalf of any project being implemented by the company are recognized and included within the income (Receipts) and appropriate expenditure 9 (disbursements) heads. This is all done ensuring that there is no double according.

Contingent assets, contingent Liabilities and Commitments

There are no contingent assets and contingent liabilities arising from events occurring before the end of the fiscal reporting period whose existence will be confirmed only by the occurrence of events not wholly within the company's control.

Other than the liabilities summarized in the financial statements, there are no commitments.

Related Party Transactions

Due to the nature of the company's operations and the composition of the Board, being drawn from local public and private sector organizations, it is inevitable that transactions will take place with entities in which a member of the Board may have an interest. All transactions involving entities in which a member of the Board may have an interest are conducted at arm's length and in accordance with the company's finance and procurement procedures. No such transactions were identified in the current or previous year unless as detailed in the notes to the financial statements.

Directors, trustees, and their close relatives may qualify as related parties as defined in the applicable financial reporting framework. Directors and trustees don't receive remuneration and amenities unless as employees of the Company. Details of such payments and reimbursed expenses to directors and trustees are disclosed separately in the financial statements (as and when applicable)

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

The Company is a collection of projects. Material Interdependencies between the company and its projects arise as a consequence of this relationship. For reporting purposes, the company and the other projects are not treated as related parties.

Except to the extent disclosed in a schedule (if any) to this note, there were no transactions to sale of goods and services, purchases of goods and services, key management compensation, loans and advances, transactions involving key management personnel and or fiscal year end balances arising from such transactions involving related parties or those controlling the Company.

Average Number of Employees.

The average number of employees, including salaried directors, during the fiscal year was 10.

Events after the end of the reporting period.

The directors have evaluated subsequent events through to the date of signing these financial statements. As a result of this evaluation, there are no material subsequent events that require adjustments, disclosure or would have a material impact on reported financial performance, net assets or changes in net assets.

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

NOTES TO THE FIANCIAL STATEMENTS (CONTINUED)

1	Income	2022 Ugx	2021 Ugx
	a) Restricted Income		
	Grants		
	David Shepherd Wildlife Foundation	85,430,808	130,917,837
	International Elephant Foundation	82,966,238	266,406,841
	Sea World Busch Gardens Conservation Foundation	84,904,105	22,429,715
	Tusk Trust Grants	557,866,502	678,174,359
	WildAid	-	1,926,600
	Dulverton Trust	79,226,355	197,730,789
	United Nations	566,541,878	660,372,387
	UWA Contributions CITES	157,090,479	228,137,443
	Global Conservation	942,595,507	238,373,997
	Olsen Animal Trust	2,213,489	21,380,670
	Cincinnati Zoo	34,459,525	-
	Wildlife Protection Solutions	-	14,200,747
	Great Plains Conservation Foundation	90,482,899	131,764,344
	Lion Recovery Fund	-	140,962,250
	Tusk Trust -UK Matching Aid	483,127,869	401,675,993
	European Union -IUCN SOS	167,474,278	200,024,841
	Northern Lowrange Trust (NRT)	557,054,934	58,458,963
	Van Tienhoven Foundation	13,209,240	-
	Save Giraffee Now	56,223,300	-
	March Conservation Fund	69,565,270	-
	Online Giving -Ooda	-	23,651,770
	Northern Rangerlands Company Ltd	-	26,248,162
	Chobe Safari Lodge	-	7,311,920
	Wildlife Crime Prevention Project	19,011,150	-
	Rufford Foundation	26,753,820	-
	WWF Improved Forest	76,194,800	-
	Total grants	4,152,392,448	3,450,149,629
	b) Unrestricted Funds		
	Gifts and donations	5,500,155	6,828,004
	Project Services	560,176,271	415,751,107
	Other Unrestricted Grants	92,418,501	12,795,860
	International Elephant Foundation	69,533,581	106,761,919

Uganda Conservation(U) Limited**Audit Report and financial statements for the year ended 31 December 2022**

Sea World Busch Gardens Conservation Foundation	23,798,645	-
Tusk Trust Grants	18,827,531	202,832,682
Global Conservation	74,141,933	10,464,353
Northern Lowrange Trust (NRT)	-	9,418,860
Trees That Feed Foundation	14,345,907	-
March Conservation Fund	21,967,980	-
Membership	29,181,354	7,595,430
Merchandise Income	740,000	7,000
Other Income	38,209,048	7,767,472
Other Income -Motor Vehicle Disposal	40,074,430	-
Total	988,915,336	780,222,687

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Property and equipment

	Computer and equipment Ugx	Furniture and fittings Ugx	Motor vehicles Ugx	Total Ugx
Cost				
At January 1, 2022	30,387,305	12,989,115	88,072,744	31,449,164
Addition	14,998,763	-	-	14,998,763
At December 31, 2022	45,386,068	12,989,115	88,072,744	146,447,927
Depreciation				
At January 1, 2022	30,387,305	9,896,504	88,072,744	28,356,553
Charge for the year	2,284,781	811,225	-	3,096,006
At December 31, 2022	32,672,086	10,707,729	88,072,744	131,452,559
Net book value				
At December 31, 2022	12,713,982	2,281,386	-	4,995,368
At December 31, 2021	-	3,092,611	-	3,092,611

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022 Ugx	2021 Ugx
3. Receivables		
Trade receivables	678,849,134	10,852,390
Prepayments	10,405,620	26,013,691
Other Receivables	146,453	-
Other Receivables (Deferred Project Costs)	336,907,697	62,498,022
Staff advances	47,684,470	36,746,091
Staff salary advances	9,848,000	-
Total	1,083,841,374	136,110,195

4. Cash and Cash equivalents

Orient Bank - USD	2,120,679	173,977,829
Orient Bank - UGX	22,057,966	20,074,216
Orient Bank - GBP	91,527,695	1,369,179,459
Petty Cash - USD	1,098,399	2,812
Orient Bank - USD Operations	4,820,617	8,531,779
Orient Bank - UGX Operations	5,985,062	7,749,685
Petty Cash - UGX	2,338,599	2,054,183
Total	129,949,018	1,581,569,962

5. Capital Fund

As at the end of the year	3,092,610	4,690,469
Additions	14,998,763	-
Depreciation	(3,096,006)	(1,597,859)
Total	14,995,367	3,092,610

Uganda Conservation(U) Limited

Audit Report and financial statements for the year ended 31 December 2022

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022	2021
	Ugx	Ugx
6. Payables		
Accrued Audit fees	7,434,000	6,700,000
Withholding Tax	16,624,622	3,443,635
Payroll liabilities	16,794,601	13,047,991
Total	40,853,222	23,191,626
7. Deferred income		
Ranger Education Fund	-	2,757,308
Lion Research	-	23,314,805
Radio and Solar	-	3,256,902
Rweshama RP	21,868,056	21,868,056
CITES MIKES -Phase 2	422,634,313	510,479,941
Wildlife Ranger Challenge Support: JOCC & Dihychlostatus	-	9,498,478
Operations Support:Murchison Falls -Ranger Fund	-	10,620,780
Operations Support:Queen Elizabeth -Ranger Fund	-	21,350,541
Operations Support:Queen Elizabeth -Project Ranger	3,317,382	11,584,661
Power, Radios and tower Installation -MF	-	91,208,602
Sengenge Ranger Post	185,340,564	50,942,475
Operations Support:Queen Elizabeth -Ranger Fund 2	-	18,408,168
UCF CORE Operations -IEF (\$20,000)	-	69,533,581
TT UCF CORE Operations Support -Articles	5,045,547	14,939,897
Operations Support:Murchison Falls -Project Ranger (Scouts)	-	37,288,212
IUCN SOS Lion Project	-	289,217
Murchison Falls JOCC Operations Support	-	113,808,946
Kidepo Community Project	54,422,648	130,516,335
Kibaale Project	25,003,622	-
Kidepo JOCC Construction Project	36,429,593	198,841,553
WRC 3 -MFPA	-	48,658,300
WRC 3 -QEPA	10,229,550	69,810,491
WRC 3 -Ziwa	4,926,064	4,926,064
TT Key Stone Grant:Buligi Marine Ranger Station	-	87,462,349
Operations Support:Queen Elizabeth -Project Ranger (Scouts)	-	4,223,508
TT key stone -Murchison Falls	101,442,141	154,333,296
Mupiina Ranger Post	62,934,930	-
Carnivore Programme	12,954,698	-
Kidepo Scouts Scholarship -SGN	23,743,334	-
Kidepo Lion Support -GPF/GC	216,818,180	-
Total	1,187,110,620	1,709,922,465



Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Charity Name
Uganda Conservation Foundation

**On accounts for the year
ended**

31 December 2022

**Charity no
(if any)**

1087295

Set out on pages

1 & 2

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended **31/12/2022**.

**Responsibilities and
basis of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent
examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements

concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

Date:

10/10/2023

Name:

Kelly Chadwick

**Relevant professional
qualification(s) or body
(if any):**

ACCA

Address:

CCF Accountancy Limited

Ground Floor, 30 Victoria Avenue

Harrogate, HG1 5PR

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.