

Reviewed by Blue Spire

Unaudited  
Report and Financial Statements

For the year ended 31 December 2021

# **Orangutan Foundation**

Company Number: 4624177

Charity number: 1095660



## CONTENTS

	<b>Page</b>
Charity information – Reference and Administrative Details	2
Trustees' report	2 – 13
Independent examiner's report	14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 28

# Orangutan Foundation

## Reference and Administrative Details

---

<b>Trustees:</b>	Ashley Leiman OBE (Chair) Guy Sanders (Treasurer) Sir Richard Gozney Marcus Phipps (resigned 31 <sup>st</sup> March 2022) Ian Redmond OBE Dr Jack Rieley Richard Robinow
<b>Scientific Advisor:</b>	Dr John Mackinnon
<b>Principal address &amp; Registered Office:</b>	7 Kent Terrace London NW1 4RP
<b>Registered company number:</b>	4624177
<b>Registered Charity number:</b>	1095660
<b>Independent examiner:</b>	Geoffrey Frost Blue Spire Cawley Priory South Pallant Chichester PO19 1SY
<b>Bankers:</b>	Lloyds Bank Plc 185 Baker Street London NW1 6XB

# Orangutan Foundation

## Trustees' report

---

The Trustees present their Annual Report and Accounts for the year ended 31 December 2021.

### Objects and Activities

The objects of the Orangutan Foundation are:

- to promote for the public benefit, the preservation of non-human primates in their natural habitat, to promote their long-term welfare in all parts of the world and to protect them from extinction;
- to advance education for the public benefit in the study, preservation and protection from extinction of non-human primates; and

### Public Benefit

All Trustees give their time voluntarily and receive no benefit with the exception of fair rent as set out in Note 5.

Details of the work undertaken by the Orangutan Foundation in 2021, as set out in this report, satisfies the public benefit requirements for Charities engaged in animal welfare, promoting the environment and the advancement of education. The Charity's Trustees have thus complied with the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charities Commission.

### Structure, Governance and Management

Orangutan Foundation is a charity established as a Company Limited by Guarantee (No 4624177). The company is registered with the Charity Commissioners (No 1095660) and is governed by a Memorandum and Articles of Association, which were incorporated in December 2002. The Foundation provides funds to fulfil its objectives, to its Indonesia Country Office, which is registered as a foreign non-governmental organisation (NGO).

Originally, the Orangutan Foundation ("the Foundation") was established as a Charity under a trust deed approved by the Charity Commission (No 1095660-1) in 1994. The objects of the original Charity were to promote the preservation of wild orangutans and to advance education to preserve and protect the species from extinction. As the Foundation evolved, it became necessary to widen its activities. A uniting direction was given by the Charity Commissioners in October 2003 'linking' the two Charities together. This means that whilst both Charities remain separate legal entities, there is no requirement for separate financial statements or annual returns.

The governance of the Charity is vested in a Board of Trustees, which meets on at least two occasions each year. The Board has continued to widen its skills base and recruit trustees with relevant experience. New trustees receive induction training and are briefed on developments in charity law and financial matters, as appropriate. Details of trustees, all of whom served for the whole period, are shown on page 2 of this report.

Day-to-day management of the Charity's affairs is the responsibility of the Director, who is also a Trustee, assisted by a small number of employed staff.

# Orangutan Foundation

## Trustees' report

---

### Risk management

The Trustees have a risk management strategy which comprises:

- an annual review of the risks the Charity may face;
- the establishment of systems and procedures to mitigate those risks identified; and
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

The Trustees are satisfied that major risks to which the Charity is exposed have been discussed and systems have been put in place to mitigate those risks. The principal risks identified by the Trustees are as follows:

- Loss of income as a result of the current economic downturn.
- Ongoing threats of habitat loss and degradation, particularly in the face of commercial pressures in Indonesia.
- Challenges raising unrestricted funds to enable continued support of field operations, due to the current financial climate.
- Depreciation of sterling, especially relative to the US dollar, as a result of global economic factors, increasing operating costs of the Country Office in Indonesia.

### 2021 Activities and Achievements

The Orangutan Foundation offers its appreciation to all grant giving bodies, donors and supporters without whom we would not be able to support this essential conservation work in Indonesian Borneo, which is carried out by the Foundation's Indonesia Country Office.

#### *The Indonesia Country Office activities*

Notable achievements of the Foundation's Indonesia Country Office during the year include:

#### **Lamandau Wildlife Reserve, Central Kalimantan, Indonesian Borneo.**

The reserve and adjoining buffer zone forests cover over 200,000 acres (82,685 ha) and was established as a release site for orangutans. The Foundation collaborates with the government's conservation agency BKSDA in protecting the reserve and its orangutan population.

#### ***Habitat protection***

- The integrity and biodiversity of the reserve is threatened by illegal logging, encroachment, fires, and hunting. To address these threats, habitat protection efforts focused on the operation of nine guard posts that are located at strategic points around the reserve, to control access, prevent transportation of illegally felled timber, and to launch monitoring patrols. Patrols were conducted weekly up to 5 km from each guard post, using GPS with SMART Patrol software. These forest monitoring patrols covered over 1,100 km.
- During routine monitoring patrols, 30 incidents of illegal activities were detected and disrupted during the year, comprising encroachment (10), illegal logging (10), hunting (9), and illegal mining (1). All these cases were reported to BKSDA and then followed up with nine sets of joint patrols carried out together with BKSDA.

# Orangutan Foundation

## Trustees' report

---

- The patrol staff also played a crucial role in the early detection and extinguishing of bush fires. Thirteen bush fires were extinguished during the year together with BKSDA (11 in the scrublands on the western side and two in the buffer zone on the eastern side). For larger outbreaks, support was provided by the district forest fire-fighting unit (Manggala Agni) and other local agencies.
- All the guard posts have been equipped with firefighting equipment, including portable water pumps, hoses, and jet shooters.
- Four deep-bore wells have now been installed in the vicinity of each of the four restoration sites in the western part of the reserve (16 in total). Four 200-litre water drums have also been installed beside wells. These are used by guard post rangers as a water source for filling up the jet shooters used to extinguish bush fires during the dry season. Some of the wells are also a source of water for nursery staff for maintenance of wild seedlings in the nurseries.
- In addition to ground monitoring, aerial monitoring was conducted using a drone and Geographic Information System (GIS) analysis of satellite imagery. GIS analyses were used to plot the locations of illegal activities and outbreaks of wildfires using input data from SMART Patrols, to assist with conservation management planning and collaboration with the conservation agency BKSDA.
- A GIS landcover analysis of the reserve for 2021 was prepared, which was crucial in being able to identify areas of encroachment that mainly comprises small plantations in already degraded areas of the reserve. Despite this, there was virtually no change in the amount of forest cover compared to the previous year (increase of 0.2%), indicating that overall, the patrol system was effective in protecting the integrity of the standing forest in the reserve through early detection to resolve all small cases of illegal logging before they can develop into large-scale degradation of forest structure.

### ***Orangutan rescues and post-release monitoring***

- Five orangutan release camps were operated as part of the post-release monitoring programme. Foundation staff monitored the presence of seventy-six orangutans regularly during the year in the forest around the camps, comprising 40 reintroduced orangutans, 20 wild orangutans and 8 graduates of the soft-release process now living independently, as well as a further eight still undergoing soft-release.
- Three orangutans gave birth during 2021, whilst three other mothers were still pregnant by the end of the year. There have now been more than 94 orangutan births monitored under the reintroduction programme to May 2022, comprising 85 second-generation births (born to mothers who had been released in the reserve), six third-generation births (i.e., infants whose grandmothers had been released), and three of totally wild origin monitored by camp staff. Through the combined efforts of releases, protection, and monitoring, we have helped to establish and maintain a self-sustaining viable population.
- The health of all released orangutans still under observation is monitored by camp staff, whilst weekly and on-call health checks are made by the Foundation's Veterinary Doctor, especially for the infants in soft-release.
- Two orangutans were rescued and released into the reserve together with BKSDA during the year; whilst 25 individuals of other species were also released.
- A new speed boat with engine was bought during the year to support camp operations.

### ***Habitat restoration***

- Four nurseries were maintained to support the habitat restoration programme, where wild seedlings from 10 species that had been collected by local villagers were maintained and nurtured for 6-9 months before planting out.

# Orangutan Foundation

## Trustees' report

---

- To restore degraded habitat and increase the carrying capacity of the Reserve, a target total of 25,800 wild seedlings was planted out at the beginning of the rainy season at four locations, covering 25.3 ha. The total area restored now covers 255 acres (103 hectares), with 137,858 seedlings planted out since 2015. To maximise their survival, maintenance work is carried out on each seedling at intervals since planting of about 3 months, 12 months and 24 months. The total area maintained in 2021 was 52.4 ha (including seedlings planting out in previous two years). The collection of wild seedlings, planting out, and after-planting maintenance is carried out using 15-20 daily labourers from local communities.

### **Tanjung Puting National Park, Central Kalimantan, Indonesian Borneo**

The Foundation collaborates with the park management BTNTP to protect the park and conduct research to support conservation management planning.

#### ***Habitat protection***

- The Foundation operates two guard posts on the western side of the park, which are strategically located to control the main river access points into the core zone, and from which both weekly river and weekly land forest monitoring patrols were carried out. The weekly patrols use SMART Patrol software with handheld GPS units, with the data being processed in the GIS and shared with BTNTP. All incidents of illegal activities are reported to BTNTP Head of Resort.
- Four joint patrols were conducted together with BTNTP staff.
- The guard post staff also helped BTNTP staff to monitor the park for any outbreaks of fire, including the renovation of a fire monitoring tower.

#### ***Research and education***

- The Foundation continued to operate an international Tropical Forest Research Station at Pondok Ambung in the northern sector of the park.
- The camera-trapping programme continued, with 10 camera traps in operation around the Pondok Ambung area and five in the vegetation plot, recording 24 species in 2021. Overall, thirty rare species have been recorded, including the endangered Bornean Clouded Leopard, Sun Bear, porcupine, three species of primates, two species of small wild cats, two species of Fireback Pheasant and monitor lizards.
- Night-time surveys of Bornean Tarsier (nocturnal primate) and Tomistoma (crocodilian) were conducted, together with daytime surveys of Proboscis Monkeys.
- Growth development of 30 trees in two vegetation plots was measured twice (every six months), whilst a survey of the phenology of 48 tree species was carried out every month.
- The field research projects of four Indonesian students based at Pondok Ambung and Lamandau WR were supported.
- The Information Centre in the park operated by the Foundation with a local guide, was still affected by travel restrictions related to the Covid-19 pandemic, and only received 496 visitors from 17 different countries during the year.

### **Forests outside conservation areas, western Central Kalimantan, Indonesian Borneo**

This is a joint initiative with Yayasan (the Foundation's local partner NGO), to conserve populations of the critically endangered Bornean Orangutan and other wildlife that survive in forests outside conservation areas, where the majority of orangutans and their habitats are found.

Highlights of our work in this area include:



# Orangutan Foundation

## Trustees' report

---

- Collaborating with Forest Management Units (FMUs) and concessionaires responsible for managing forest lands outside conservation areas in five districts of western Central Kalimantan, which together cover over one million hectares (2.5 million acres) of forests. This work, carried out with BKSDA and concessionaires, focuses on conducting surveys in high biodiversity forests to determine the conservation actions required for orangutan populations within each management unit.
- During 2021, surveys were conducted in eight locations along 112 km of transects covering an area of 151,749 ha (375,000 acres).
- A stakeholder workshop was held to present the results, conducted jointly with Yayasan.
- Collaborating with BKSDA, the Provincial Forestry Service, and district government agencies to collate supporting biodiversity information as part of the process for establishing an Essential Ecosystem Area (KEE) covering some 21,260 hectares of forest land in the buffer zone adjoining the Lamandau Wildlife Reserve.
- Conducting forest monitoring patrols in the buffer zone forests around the Lamandau WR under the responsibility of two districts' FMUs to protect the forests from illegal logging, encroachment, and outbreaks of wildfires.
- A training programme in wildlife and habitat survey techniques was held for staff from seven related institutions, including FMU agencies, BKSDA, BTNTP, and concession holders.

### **Education, research, and co-ordination**

- Five conservation education events were organised with guest speakers, hosted by the Country Office. These were held to celebrate annual nature days, including Primate Day, Earth Day, Biodiversity Day, and International Orangutan Day. National Tree Planting Day in November was celebrated at one of the reforestation sites, with 22 students from two local schools and 70 participants from related local agencies and private sector companies, invited to plant a seedling.
- The field teams provide regular video clips, photographic documentation and news updates that are used on the Foundation's social media platforms both in Indonesia and the UK.
- Four research grants of £500 each were awarded to Indonesian students to conduct fieldwork in tropical ecology. This long-term programme aims to support the development of future conservation leaders and practitioners.
- Regular meetings for presenting work plans and co-ordinating activities were held with officials from the Ministry of Environment & Forestry, local government agencies, NGO's and other stakeholders.

### **UK office activities**

- In May 2021, the Orangutan Foundation signed the third Memorandum of Understanding with the Ministry of Environment and Forestry. This is essential to work in Indonesia and signifies our partnership with the Indonesian Government.
- With some covid restriction still in place during 2021 no outside events were held. Rather online events were held.
- To mark International Day of Forests, the Orangutan Foundation hosted a webinar on 21<sup>st</sup> March, 'Orangutan Tales' with Ashley Leiman OBE, Ian Singleton OBE and Ian Redmond OBE. Since the event, the webinar has reached an audience of almost 9,800 on Facebook and been viewed over 870 times on YouTube.

# Orangutan Foundation

## Trustees' report

---

- The Legacy of Love book, a book dedicated to animals and animal advocates, was launched with 4 pages devoted to the Foundation.
- There were no visits to Indonesia. The UK is in touch daily with the field office through emails and Whatsapp and has maintained good communication. The UK office joined the field staff by zoom when they were having a two-day team building retreat.
- Ashley Leiman gave a Zoom presentation to a Soroptimist Meeting which was well attended.
- Orangutan Foundation and Ashley Leiman were honoured to receive the Orangutan Republic Pongo Environmental Award. The ceremony, which took place in Los Angeles, was streamed online around the world.
- The Foundation participated in Rainforest Live, an international event in collaboration with many other wildlife charities, where we shared drone footage of daybreak in the forest, clips of proboscis monkeys and other wildlife, and some intimate shots of orangutan Sheila with her new infant Silva.
- In August, for International Orangutan Day, we set a target for supporters to help protect 1,000 acres in one week through our Sponsor an Acre initiative. We more than doubled this target and protected over 2,500 acres equating to over £5,000 towards habitat protection. A further £7,278 was raised through Sponsor an Acre via our website throughout the rest of 2021.
- Instagram continues to be our most popular platform in terms of engaging and communicating with supporters with 23.5k followers and an overall increase in likes and comments on social media activity. Facebook is approaching 16k followers and we have seen online fundraisers continue to support us, whether they are celebrating a birthday or creating an activity of their own. Twitter has 15k followers and more regular LinkedIn content has increased followers to almost 1.7k.
- The orphaned infant orangutans in our soft-release programme usually need 3-5 years of daily care to help them develop the skills needed to survive independently in the forest. The costs for this are supported through the adoption programme on our website which generated donations of £18,505 in 2021 (£9,865 for Mona and £8,640 for Adib). Adib replaced Okto, who was successfully released.
- Guardians of Lamandau raised £2,000 from 10 new individual one-off website orders, double the amount for the previous year.
- The Foundation participated in the Big Give Christmas Challenge and for the first time, the Green Match Fund which together raised £31,305 (including gift aid).
- Christmas, as ever, was the busiest time for merchandise orders. This year we had baseball caps donated by Jenny Power and new t-shirts to add to our range.
- It has been most heartening to see a number of children concerned about orangutans and their habitats and becoming fundraisers for the Foundation. Together they have raised thousands of pounds towards our conservation programmes.

### **Staff and volunteers**

- Pak Hendra continues as Programme Manager in Indonesia and it is hoped he will continue beyond his contract which ends in March 2023.
- Coreen Reilly joined the Foundation, part-time, as Finance Manager in January 2021 and is an asset to the small team in the London office.
- As the role of Rob Durgut grows, he now has the title Communication and Operations Manager.

# Orangutan Foundation

## Trustees' report

---

The Foundation achieved all its main aims for 2021, except for conducting a public consultation on establishing an Essential Ecosystem Area that had to be rescheduled to 2022.

### Aims for 2022

We have set ourselves the following challenges for 2022:

- To collaborate with government conservation agencies in the protection of orangutans and their habitats in the Lamandau Wildlife Reserve and Tanjung Puting National Park through joint planning and implementation of conservation programmes.
- To support the protection of orangutans and their habitats through the operation of eleven guard posts, five post-release monitoring camps, a research station, and a visitor information centre, as well as by remote sensing using drones and GIS technology.
- To continue the Forest Restoration Programme in the Lamandau Wildlife Reserve through nurturing and then planting out 51,000 wild seedlings to restore 42 ha of degraded orangutan habitat, and carrying out maintenance work on saplings planted out in the previous two years.
- To monitor changes in forest cover of the Lamandau Wildlife Reserve in 2022 through GIS analysis of satellite imagery.
- To initiate a conservation strategy to resolve outbreaks of encroachment within the reserve.
- To collaborate with industrial concessionaires and BKSDA to support orangutan conservation efforts outside conservation areas, through conducting joint population surveys within logging and plantation concessions.
- To support the district government and BKSDA Kalteng in the assessment of a proposed Essential Ecosystem Area of some 21,00 hectares of forest land in the buffer zone adjoining the reserve, and supporting a formal public consultation process.
- To engage with industrial concession holders and government agencies to prevent and mitigate human-wildlife conflicts within and around their concessions.
- To continue a study of the Tarsier (a rare nocturnal primate) at Pondok Ambung Tropical Forest Research Station.
- To facilitate Indonesian research students to conduct ecological field research based at Pondok Ambung Research Station and the Lamandau Wildlife Reserve.
- To continue with a fundraising drive to boost membership and donations, whilst simultaneously maintaining field costs in line with revenues.

# Orangutan Foundation

## Trustees' report

---

### Financial Review for the year ended 31 December 2021

The Statement of Financial Activities is set out on page 15 of the financial statements. A summary of the financial results is set out below.

#### *Income*

Total income for 2021 amounted to £679k (2020: 629k). Income from donations and legacies, including membership subscriptions, amounted to £609k (2020: £551k). Income from charitable activities amounted to £70k (2020: £74k) and other income was £97 (2020: £3k).

#### *Expenditure*

Expenditure totalled £517k (2020: £444k). The cost of raising funds related to expenditure on fundraising and publicity and amounted to £28k (2020: £29k). Expenditure on supporting activities in the field amounted to £436k (2020: £369k). Education costs were £4k (2020: £4k). Governance and support costs were £49k (2020: £41k). The net result for the year was an increase in funds of £162k (2020: £185k).

#### *Designated Funds*

The Foundation received several legacies in 2019 that helped create a favourable financial position at the end of that financial year. As such, the Board of Trustees decided to designate funds to ensure the sustainability of our work in Indonesia.

In May 2021, the Foundation signed a new 3-year Memorandum of Understanding (MoU) with the Ministry of Environment and Forestry (MOEF) in Indonesia setting out work plans on how the Foundation and MOEF will work together cooperatively to support the conservation of orangutans and their habitats in a sustainable manner. A target of US\$1,250,000, equivalent to £883,845<sup>1</sup>, funding from the Foundation over 3 years was included in the MoU for the implementation of these activities. At 31<sup>st</sup> December 2021, the Foundation had spent £263,280 on the implementation of activities agreed in the work plans. As this MoU is critical to the Foundation continuing to operate in Indonesia, the Board of Trustees have decided to designate the remaining funding under the MoU, totalling £620,465, for the remaining period of the MoU to May 2024.

In 2020, the Foundation began a programme for conservation of endangered apes outside conservation areas, where the majority of orangutans are found. This complements an ongoing collaboration started in 2017. The trustees believe that this programme is in accordance with the Foundation's long-term strategy and, in 2020, allocated £50,000 per year over three years to support it. In 2021, a total of £28,381 of designated funds was spent. Of this, £19,357 was spent on salaries and associated logistical costs in employing a Landscape Conservation Manager and Officer to implement the programme. The Landscape Conservation programme has been successful in initiating collaboration with concessionaires to conduct wildlife surveys in large forest concessions, from which the distribution and size of each orangutan population can be determined, together with threats to

---

<sup>1</sup> Figure converted into GBP using the following rate: 0.70708 GBP per USD. Rate provided by Oanda on 27<sup>th</sup> May 2021

# Orangutan Foundation

## Trustees' report

---

their survival and conservation actions required to safeguard the population in each concession. The programme will be expanded in 2022 to survey more concessions.

A further £9,024 was given as a grant to the Scorpion Foundation to support their work reducing threats to Tapanuli orangutans in Batang Toru ecosystem, Sumatra.

In addition to the designated funds set out above, following several years with limited renewal of equipment and infrastructure of other field programmes, the trustees agreed to allocate £50,000 to capital expenditure in 2020. In early 2020, however, the Foundation received a large donation from an individual donor which was used to invest in new equipment and a new vehicle. Further to an inventory in 2021, it was decided that no further capital expenditure was required in the financial year so £50,000 is carried over to 2022.

As such, designated funds of £792,084 are carried over into 2022.

### ***Reserves policy***

The Trustees believe that it is essential that the Foundation maintains sufficient reserves to allow it to continue its work through difficult economic times, to allow flexibility for cash flow requirements in respect of committed programmes, as well as providing resources in the event of any significant and unexpected expenditure.

The Trustees have set a target of twelve months' expected expenditure as a prudent level of free reserves. This takes into account the need to have a responsible level of cover for our long-term programmes, facilities and staff – which include 11 guard posts, 5 orangutan reintroduction and monitoring camps, 8 infant orangutans under soft-release process, 4 forest restoration sites, 1 research station and a Country Office with 62 fulltime staff, and the responsibility to implement work programmes that have been agreed under an MoU with the central government.

Free reserves as at 31 December 2021 amounted to £414k (2020: £859k) which are available to fund ongoing operations. This exceeds the reserves target set by the Trustees however under current economic conditions, with major uncertainties in future income streams from donations as a result of the unprecedented economic downturn from the Covid-19 pandemic and cost-of-living crisis along with the unpredictability of legacy donations, the trustees believe it is prudent to carry these free reserves to support the long-term nature of ongoing conservation work in the field ensuring the future of the critically endangered orangutan.

The trustees will review this policy on an annual basis.

The net assets of the Orangutan Foundation as at 31 December 2021 amounted to £1,221k (2020: £1,059k), there were no restricted funds at the year end (2020: nil), £792k is designated funds and £429k is unrestricted funds.

### **The financial outlook**

Although income increased in 2021, programme expenditure has also increased due to inflationary macroeconomic conditions. The cost-of-living crisis currently being experienced globally is likely to curtail income in the next financial year however continued cost inflation driven by global events will most likely see programmatic costs continue to rise for the foreseeable future hence the Trustees believe the current amount of reserves prudent.

# Orangutan Foundation

## Trustees' report

---

We continue to have a sufficient cash balance, which at the end of the year was £1,176k (2020: £982k), to meet forecast expenditure in 2022.

### Policy for remuneration of key management

The Charity is managed, on a pro-bono basis by Ashley Leiman, who is a Director and Trustee. Remuneration for other key management personnel is set with reference to an individual's skills and performance with reference to current market rates. A review of remuneration is undertaken on an annual basis and changes implemented with effect from 1 January each year.

### Related parties

Details of related parties are given in note 13 to the financial statements.

### Statement of Trustees' responsibility in relation to the financial statements

The Charity Trustees (who are also the directors of the Orangutan Foundation Limited for the purposes of company law) are responsible for preparing a Trustees' annual report and 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 Charity and of the income and expenditure for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Orangutan Foundation website ([www.orangutan.org.uk](http://www.orangutan.org.uk)). Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Independent examiner

Blue Spire was appointed to act as independent examiner for the Foundation in 2022.

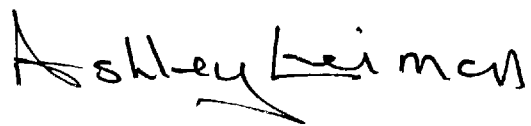
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

# Orangutan Foundation

## Trustees' report

---

Approved by the Trustees on 21/07/2022 and signed on their behalf by:

A handwritten signature in black ink that reads "Ashley Leiman". The signature is written in a cursive style with a large initial 'A' and a long, sweeping underline.

Ashley Leiman OBE, Director and Trustee

# **Independent Examiner's report to the Trustees of Orangutan Foundation Limited**

---

## **Independent examiner's report to the Trustees of Orangutan Foundation ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

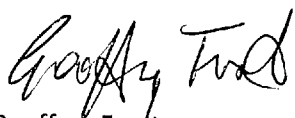
### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statements of Recommended Practice for accounting and reporting by charities.

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



Geoffrey Frost

For and on behalf of Blue Spire

Chartered Accountants

Cawley Priory, South Pallant, Chichester PO19 1SY

Date: 27 July 2022



# Orangutan Foundation

## Statement of Financial Activities For the year ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2021 £	2020
<b>INCOME</b>					
Income from grants, donations and legacies		483,377	125,987	<b>609,364</b>	551,344
Income from charitable activities		33,398	36,199	<b>69,597</b>	74,161
Other income		97	-	<b>97</b>	3,082
<b>TOTAL INCOME</b>	<b>2</b>	<b>516,872</b>	<b>162,186</b>	<b>679,058</b>	<b>628,587</b>
<b>EXPENDITURE</b>					
Expenditure on raising funds		27,559	-	<b>27,559</b>	28,990
Expenditure on charitable activities					
· Activities in the field		273,913	162,186	<b>436,099</b>	369,258
· Education		4,010	-	<b>4,010</b>	3,986
Governance and support costs		49,120	-	<b>49,120</b>	41,408
<b>TOTAL EXPENDITURE</b>	<b>3</b>	<b>354,602</b>	<b>162,186</b>	<b>516,788</b>	<b>443,642</b>
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR</b>		<b>162,270</b>	<b>-</b>	<b>162,270</b>	<b>184,945</b>
<b>FUND BALANCES BROUGHT FORWARD</b>		<b>1,059,012</b>	<b>-</b>	<b>1,059,012</b>	<b>874,067</b>
<b>FUND BALANCES CARRIED FORWARD</b>	<b>9</b>	<b>1,221,282</b>	<b>-</b>	<b>1,221,282</b>	<b>1,059,012</b>

All income and expenditure derive from continuing activities.

There were no recognised gains or losses other than those included above. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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

# Orangutan Foundation

## Balance sheet as at 31 December 2021 (Company Registration Number 4624177)

	Notes	2021 £	2020 £
CURRENT ASSETS			
Debtors	6	50,630	82,406
Cash at bank and in hand		1,175,678	981,897
		<u>1,226,308</u>	<u>1,064,303</u>
CREDITORS: Amounts falling due within one year	7	<u>(5,026)</u>	<u>(5,291)</u>
NET CURRENT ASSETS		<u>1,221,282</u>	<u>1,059,012</u>
NET ASSETS		<u>1,221,282</u>	<u>1,059,012</u>
Represented by:			
Unrestricted reserves		429,198	859,012
Designated funds		792,084	200,000
Restricted reserves	8	<u>-</u>	<u>-</u>
	9	<u>1,221,282</u>	<u>1,059,012</u>

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for preparing accounts which give a true and fair view of the state of affairs of the Charity as at 31 December 2021 and of its surplus for the year then ended in accordance with the requirements of S396 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the Charity.

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

The accounts were approved by the Board of Trustees on 21/07/2022 and signed on its behalf by



A Leiman, OBE. Director and Chair of Trustees

# Orangutan Foundation

## Statement of Cash Flows

For the year ended 31 December 2021

	Notes	2021 £	2020 £
Net cash flow from operating activities (see below)		193,684	341,611
Cash flow from investing activities			
Investment income	97	3,082	
Net cash flow from investing activities		97	3,082
Net increase/(decrease) in cash and cash equivalents		193,781	344,693
Cash and cash equivalents at 1 January		981,897	637,204
Cash and cash equivalents at 31 December		<u>1,175,678</u>	<u>981,897</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>1,175,678</u>	<u>981,897</u>
Cash and cash equivalents at 31 December		<u>1,175,678</u>	<u>981,897</u>

## Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the period	162,270	184,945
Adjusted for:		
Investment income	(97)	(3 082)
Decrease/(increase) in debtors	31,776	159,628
Increase/(decrease) in creditors	<u>(265)</u>	<u>120</u>
	31,414	156,666
	<u>193,684</u>	<u>341,611</u>

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

---

### 1. NOTES TO THE FINANCIAL STATEMENTS

The principal accounting policies adopted in the preparation of the financial statements of the Charity are set out below.

#### a) *Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

#### b) Orangutan Foundation Limited meets the definition of a public benefit entity as defined by FRS 102.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### c) *Going concern*

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of the financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income.

In making this assessment the trustees have considered the impact of Covid-19 and while income streams have been affected, these will not affect the charity's ability to continue its charitable objectives, however operations may be at a potentially reduced level.

#### d) *Income*

Donations and subscriptions are recognised when they have been received by the Charity. Legacies are recognised when the Charity has entitlement to the funds and the amount due can be estimated with reasonable certainty.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

---

e) ***Expenditure and liabilities***

Expenditure is recognised on an accruals basis as a liability is incurred, and irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with donations direct to the field, with much of the remainder relating to the printing of educational newsletters/brochures, and include both direct costs and support costs relating to these activities.

Governance costs represent costs of Independent Examination fees and other costs directly attributable to the management of the Charity's assets, organisational, administration and compliance with constitutional and statutory requirements.

Support costs include office and staff costs and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. staff costs by the time spent, and other costs by their usage.

Liabilities are recognised as soon as there is a legal or constructive obligation to make payment.

f) ***Debtors***

Debtors are valued at the settlement amount due.

g) ***Cash***

Cash comprises bank deposits repayable on demand.

h) ***Creditors***

Creditors and accruals are recognised at their settlement amount.

i) ***Taxation***

As a charity Orangutan Foundation benefits from exemptions on income and gains falling within Sections 466-493 of the Corporation Tax Act 2010 to the extent they are derived from charitable activities.

j) ***Fund accounting***

Unrestricted funds are those that can be expended at the discretion of the Trustees in the furtherance of the objects of the Charity.

Designated funds are those that have been set aside by the Trustees to meet essential future spending.

Restricted funds are those that may only be used for specific purposes. Restrictions arise when specified by a funder, or when funds are raised for a specific purpose.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

### k) *Operating lease*

Rental payments under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

### l) *Foreign exchange currency*

Assets, liabilities, income and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the day in which the transactions occur, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date.

### (i) *Pensions*

The Orangutan Foundation operates a pension scheme in accordance with the current pension regulations. The Foundation contributes to a Defined Contribution Scheme operated by NEST, which came into effect on 1 January 2017.

### (j) *Critical accounting estimates and areas of judgement*

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. There are no significant estimates or judgements that have a material effect on amounts recognised in the financial statements.

## 2. INCOME

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b>Income from donation and legacies</b>						
Membership Subscriptions	17,880	-	17,880	18,091	-	18,091
Donations, appeals and gifts	283,062	-	283,062	322,644	-	322,644
Legacies	165,637	-	165,637	131,142	-	131,142
Grants: programmes	16,798	125,987	142,785	-	79,467	79,467
	<b>483,377</b>	<b>125,987</b>	<b>609,364</b>	<b>471,877</b>	<b>79,467</b>	<b>551,344</b>
<b>Income from charitable activities</b>						
Adoption	18,004	-	18,004	24,035	-	24,035
Sale of merchandise	15,340	-	15,340	12,792	-	12,792
Grants: projects	-	36,199	36,199	-	37,261	37,261
Other	54	-	54	73	-	73
	<b>33,398</b>	<b>36,199</b>	<b>69,597</b>	<b>36,900</b>	<b>37,261</b>	<b>74,161</b>
<b>Investment Income</b>						
Interest received	97	-	97	3,082	-	3,082
<b>Total Income</b>	<b>516,872</b>	<b>162,186</b>	<b>679,058</b>	<b>511,859</b>	<b>116,728</b>	<b>628,587</b>

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

### 3. EXPENDITURE

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b><i>Expenditure on raising funds</i></b>						
Staff costs	23,650	-	23,650	22,739	-	22,739
Fundraising	1,440	-	1,440	-	-	-
Merchandise	4,721	-	4,721	6,196	-	6,196
Travel and subsistence	-	2,253	2,253	55	-	55
	<b>27,558</b>	<b>-</b>	<b>27,558</b>	<b>28,990</b>	<b>-</b>	<b>28,990</b>
<b><i>Expenditure on charitable activities</i></b>						
Staff costs	51,049	-	51,049	49,147	-	49,147
Project costs	-	36,199	36,199	-	37,261	37,261
Programme costs	212,340	125,987	338,327	193,977	86,273	280,250
Research grants	10,524	-	10,524	-	-	-
Travel and subsistence	-	-	-	2,600	-	2,600
	<b>273,913</b>	<b>162,186</b>	<b>436,099</b>	<b>245,724</b>	<b>123,534</b>	<b>369,258</b>
<b><i>Cost of field operations</i></b>						
	<b>273,913</b>	<b>162,186</b>	<b>436,099</b>	<b>245,724</b>	<b>123,534</b>	<b>369,258</b>
<b><i>Education</i></b>	<b>4,010</b>		<b>4,010</b>	<b>3,986</b>	<b>-</b>	<b>3,986</b>
<b>Total expenditure on charitable activities</b>	<b>277,924</b>	<b>162,186</b>	<b>440,109</b>	<b>249,710</b>	<b>123,534</b>	<b>373,244</b>
<b><i>Governance and support costs</i></b>						
Staff costs	16,639	-	16,639	9,510	-	9,510
Office costs, IT and telephony	28,725	-	28,725	28,762	-	28,762
Governance costs	3,523	-	3,523	3,164	-	3,164
Foreign exchange (gain) / loss	233	-	233	(28)	-	(28)
	<b>49,120</b>	<b>-</b>	<b>49,120</b>	<b>41,408</b>	<b>-</b>	<b>41,408</b>
<b>Total expenditure</b>	<b>354,602</b>	<b>162,186</b>	<b>516,787</b>	<b>320,108</b>	<b>123,534</b>	<b>443,642</b>

**Project costs** represent amounts donated for specific projects as directed by the funding organisation.

These include: the Conservation of Endangered Ape Populations Outside Protected Areas in Central Kalimantan; the Protection of the Lamandau Wildlife Reserve and Buffer Zone.

**Programme costs** represent the cost of on-going operations in the field as undertaken by the Independent Country Office.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

4. STAFF COSTS	2021 £	2020 £
Wages and salaries	85,236	76,859
Pension costs	1,995	1,648
Social security costs	4,107	2,889
	<u>91,338</u>	<u>81,396</u>
	<u>91,338</u>	<u>81,396</u>
The average number of UK employees during the year	<u>3</u>	<u>3</u>
The average headcount of UK employees during the year	<u>3</u>	<u>3</u>

Field staff are employed and remunerated directly by the Indonesian Country Office.

Total employee benefits of key management personnel amounts to £43,166 (2020: £41,567) and relates to 1 employee (2020: 1 employee). Ashley Leiman provides her services to the Charity on a pro-bono basis.

There were no employees earning in excess of £60,000 (2020: nil).

### 5. TRUSTEES' REMUNERATION, REIMBURSEMENT OF EXPENSES AND TRANSACTIONS

#### Remuneration and reimbursement of expenses

Trustees received no remuneration (2020: nil) and no trustees received reimbursement of expenses (2020: nil).

#### Transactions

During the year, payments of £12,000 (2020: £12,000) were made to Ashley Leiman for rent of the Foundation's premises. Ashley, as owner of the property, is a Director and Trustee of the Orangutan Foundation. The payment, approved by the Charity Commissioners, recognises the arms-length commercial relationship between the owner of the property and the Foundation.



# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

---

<b>6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accrued income	3,500	21,398
Gift aid receivable	8,097	2,500
Legacies receivable	26,508	58,508
Prepayment	12,525	-
	<hr/>	<hr/>
	50,630	82,406
	<hr/>	<hr/>
<b>7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	5,026	5,291
	<hr/>	<hr/>
	5,026	5,291
	<hr/>	<hr/>

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

### 8. ANALYSIS OF NET MOVEMENT IN FUNDS

#### RESTRICTED FUNDS

	Balance at 1 Jan 2021	Income	Expenditure	Balance at 31 Dec 2021
	£	£	£	£
<b>LAMANDAU WILDLIFE RESERVE</b>				
Field Equipment		44,487	(44,487)	-
Camp Gemini costs and medical equipment	-	6,956	(6,956)	-
Forest Restoration Programme	-	35,519	(35,519)	-
Habitat Protection and Orangutan Rescue and Reintroduction programme		39,025	(39,025)	-
<b>OTHER AREAS</b>				
Endangered orangutan populations outside protected areas	-	36,199	(36,199)	-
	-	<b>162,186</b>	<b>(162,186)</b>	-

#### COMPARATIVE ANALYSIS OF RESTRICTED FUNDS

	Balance at 1 Jan 2020	Income	Expenditure	Balance at 31 Dec 2020
	£	£	£	£
<b>LAMANDAU WILDLIFE RESERVE</b>				
Operating Costs	-	29,500	(29,500)	-
Camp Gemini costs and medical equipment	-	6,998	(6,998)	-
Forest Restoration Programme	-	26,469	(26,469)	-
Habitat Protection and Orangutan Rescue and Reintroduction programme		16,500	(16,500)	-
<b>OTHER AREAS</b>				
Endangered orangutan populations outside protected areas	-	37,261	(37,261)	-
Research Grants and Education	6,806	-	(6,806)	-
	-	<b>116,728</b>	<b>(123,534)</b>	-

#### Description of Restricted Funds

Field equipment are funds received to purchase equipment to be used in the field including a vehicle, fire fighting equipment and a speed boat.

Operating costs are funds received to cover general operating costs in the Lamandau Wildlife Reserve.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

Camp Gemini costs and medical equipment are funds received to cover general maintenance and medical equipment at Camp Gemini.

Forest Restoration Programme is funds received to cover forest restoration work including seed collection, nursery, planting out and maintenance.

Habitat Protection and Orangutan Rescue and Reintroduction programme is funds received to cover operating costs for Guard Post 25 and updates on orangutan TimTom in soft release for Born Free adoption programme.

Endangered orangutan populations outside protected areas is funds received to undertake surveys of orangutan population outside protected areas as well as local stakeholder biodiversity training.

### UNRESTRICTED FUNDS

	Balance at 1 Jan 2021 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 Dec 2021 £
<b>Designated Funds</b>					
Landscape Conservation Programme	150,000	-	(28,381)	-	121,619
Capital Expenditure	50,000	-	-	-	50,000
Balance of MoU funding	-	-	-	620,465	620,465
	<u>200,000</u>	<u>-</u>	<u>(28,381)</u>	<u>620,465</u>	<u>792,084</u>
<b>General Funds</b>					
General Funds	859,012	516,872	(326,221)	(620,465)	429,198
	<u>1,059,012</u>	<u>516,872</u>	<u>(354,602)</u>	<u>-</u>	<u>1,221,282</u>
<b>Total</b>	<u><b>1,059,012</b></u>	<u><b>516,872</b></u>	<u><b>(354,602)</b></u>	<u><b>-</b></u>	<u><b>1,221,282</b></u>

Landscape Conservation Programme are funds expended to support salaries and associated logistical costs in employing a Landscape Conservation Manager and Officer to implement the programme along with a grant made to help support work in reducing threats to Tapanuli orangutans in Sumatra.

Capital expenditure are funds expended to purchase and/or renew equipment or infrastructure used in the field.

Balance of MoU funding are funds to support implantation of activities until May 2024 agreed under an MoU with the Indonesian Ministry of Environment and Forestry.

General funds are those that can be expended at the discretion of the Trustees in the furtherance of the objects of the Charity.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

### 9. NET ANALYSIS OF ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Current assets	1,226,308	-	1,226,308	1,064,303
Current liabilities	(5,026)	-	(5,026)	(5,291)
	<u>1,221,282</u>	<u>-</u>	<u>1,221,282</u>	<u>1,059,012</u>

### 10. COMMITMENTS UNDER OPERATING LEASES

	Land & Building	
	2021	2020
	£	£
Within 1 year	<u>12,000</u>	<u>12,000</u>

The amount expensed to the Statement of Financial Activities in the year was £12,000 (2020: £12,000).

### 11. INDEPENDENT EXAMINER'S

	2021	2020
	£	£
Independent examiner's remuneration is as follows:		
Independent examination	<u>2,970</u>	<u>2,990</u>

### 12. RELATED PARTIES

Except as disclosed in note 5 above, the Foundation did not undertake any transactions with related parties in the year under review.

### 13. CAPITAL COMMITMENTS

At 31 December 2021 the Company had no capital commitment not provided for in the financial statements.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

---

### 14. CONTINGENT LIABILITY

A contingent liability is being recorded as arising from a 3-year Memorandum of Understanding signed in May 2021 between the Foundation and the Indonesian Ministry of Environment and Forestry. A contingent liability amount of £620,465 to fund work plans agreed under the remainder of the MoU being January 2022 to April 2024. The quantum and timing of funding agreed under the MOU are expected to be ad hoc in nature during this period. This is not recognised in the accounts as a liability on the basis that recognition criteria has not been met.

# Orangutan Foundation

## Notes to the financial statements For the year ended 31 December 2021

### 15. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds 2020 £
<b>INCOME</b>			
Income from grants, donations and legacies	471,877	79,467	551,344
Income from charitable activities	36,900	37,261	74,161
Other income	3,082	-	3,082
<b>TOTAL INCOME</b>	<b>511,859</b>	<b>116,728</b>	<b>628,587</b>
<b>EXPENDITURE</b>			
Expenditure on raising funds	28,990	-	28,990
Expenditure on charitable activities			-
· Activities in the field	245,724	123,534	369,258
· Education	3,986	-	3,986
Governance and support costs	41,408	-	41,408
<b>TOTAL EXPENDITURE</b>	<b>320,108</b>	<b>123,534</b>	<b>443,642</b>
<b>NET INCOME / (EXPENDITURE) FOR THE YEAR</b>	<b>191,751</b>	<b>(6,806)</b>	<b>184,945</b>
<b>FUND BALANCES BROUGHT FORWARD</b>	<b>867,261</b>	<b>6,806</b>	<b>874,067</b>
<b>FUND BALANCES CARRIED FORWARD</b>	<b>1,059,012</b>	<b>-</b>	<b>1,059,012</b>