ALBERTINE RIFT CONSERVATION SOCIETY

England & Wales · Charity number 1102123

Details

Other names	ARCOS
Status	Registered
Legal form	Charitable company
Company number	04103967
Registered	2004-02-16
Register	View on the Charity Commission register

Contact

Address	Birdlife International Unit 1 Wellbrook Court Girton Cambridge CB3 0NA
Phone	01223277318
Email	info@arcosnetwork.org
Website	www.arcosnetwork.org

Activities

Objects: 1. TO PROMOTE ENVIRONMENTAL CONSERVATION IN THE ALBERTINE RIFT REGION (DEFINED AS THE WESTERN PORTION OF THE AFRICAN RIFT VALLEY, COVERING THE AREA ON EITHER SIDE OF THE RIFT FROM WESTERN UGANDA, EASTERN DEMOCRATIC REPUBLIC OF CONGO, RWANDA, BURUNDI AND WESTERN TANZANIA TO NORTHERN ZAMBIA) BY CONSERVATION ACTIONS, PUBLIC EDUCATION AND AWARENESS, REGIONAL COLLABORATION AND INFORMATION EXCHANGE.2) TO ADVANCE EDUCATION OF THE PUBLIC IN ENVIRONMENTAL CONSERVATIONNITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.

Activities: - TO PROMOTE ENVIRONMENTAL MONITORING AND EXPERIENCE EXCHANGE THROUGH MEETINGS, FORUMS, EDUCATIONAL AND SCIENTIFIC ACTIVITIES- TO PROMOTE PARTNERSHIPS WITH COMMUNITIES, GOVERNMENTS, SCIENTIFIC AND ENVIRONMENTAL ORGANISATIONS- TO DEVELOP SKILLS THROUGH TRAINING AND EXPERIENCES SHARING- TO COMMMUNICATE AND ADDRESS CONSERVATION ISSUES IN THE ALBERTINE RIFT AND OTHER MOUNTAIN ECOSYSTES IN AFRICA

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Classification

- **How:** Provides Advocacy/advice/information
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** ALBERTINE RIFT REGION, IN AFRICA
- Burundi
- Congo (Democratic Republic)
- Rwanda
- Tanzania
- Uganda
- Zambia

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£11,506,381	£7,753,212	£4,644,350	188
2023-12-31	£2,872,298	£2,568,425	£879,619	119
2022-12-31	£1,399,547	£1,536,955	£579,877	91
2021-12-31	£1,087,480	£858,813	£672,106	75
2020-12-31	£901	£325,204	£420,016	29

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Trustees

Name	Role	Appointed
Dr Victor Nyarangi Keraro	Chair	2020-12-10
Dr Adrie Mukashema		2020-12-10
Dr Brigitte Nyirambangutse		2019-07-26
Dr Charles KAHINDO MUZUSA NGABO		2020-12-10
Dr Nicholas David King		2023-06-26
Dr Robert Nabanyumya		2025-06-01
Prof. Godwin Kowero Sifueli		2025-06-01
Prof. Joerg Balsiger		2025-06-01

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ALBERTINE RIFT CONSERVATION SOCIETY

England & Wales - Charity number 1102123

Accounts

REGISTERED COMPANY NUMBER: 04103967 (England and Wales)
REGISTERED CHARITY NUMBER: 1102123

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FOR

ALBERTINE RIFT CONSERVATION SOCIETY

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FOR THE YEAR ENDED 31 DECEMBER 2024

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ALBERTINE RIFT CONSERVATION SOCIETY

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their annual report together with the audited financial statements of the Society for the year 1st January 2024 to 31 December 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Policies and objectives

ARCOS was established in 1995 with the mission to "enhance biodiversity conservation and sustainable use of natural resources through the promotion of collaborative conservation action for Nature and People." Today, ARCOS has programmes extending beyond the Albertine Rift, including the Great Lakes region and the African mountains.

The objectives per the memorandum and articles incorporated are as follows:

- To promote environmental conservation in the Albertine rift region (defined as the western portion of the African rift valley, covering the area on either side of the rift from Western Uganda, Eastern Democratic Republic of Congo, Rwanda, Burundi and Western Tanzania to Northern Zambia) by conservation actions, public education and awareness, regional collaboration and information exchange.
- To advance education of the public in environmental conservation with the object of improving their conditions of life.

To achieve its mission, ARCOS builds on the following pillars of its approach:

- We facilitate networking with local, national, and intonational players to enhance sustainable development through information and experience sharing.
  We empower our network through policy dialogue, capacity building and policy engagement when implementing our work.
- We work with all kinds of organizations - NGOs/CBOs, academic institutions, governments and increasingly business.
  Our activities on the ground take an integrated landscape approach focusing mainly in protecting biodiversity and enhancing ecosystem services, building Nature Based Community Enterprises (NBCEs) and building shared vision among
- stakeholders to address threats.

Legal Status

ARCOS is registered in Uganda and Rwanda as an International NGO and in the UK as a Charity and Company Limited by Guarantee. ARCOS has an office in Kigali (Head office) and in Kampala. In addition, ARCOS has an appointed Board of Directors and Trustees comprised of appointed Board members. These Board members include representatives from the Albertine Rift countries, Africa, and other international experts. Within the Board of Directors, a Management Committee is responsible for overseeing and reviewing ARCOS progress. The Management Committee is comprised of the Chairman, Vice-Chairman, Treasurer and the Chief Executive Officer, whose responsibility is to ensure the day-to-day management of the organization.

Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission general guidance on public benefit. The activities undertaken during the year to fulfil this obligation is further explained on the following pages.

OBJECTIVES AND ACTIVITIES

Message from the Chairman & Chief Executive Officer

The year 2024 was a landmark year for the Albertine Rift Conservation Society (ARCOS), marked by significant strides in biodiversity conservation and ecosystem restoration, all contributing to improved livelihoods for communities. A key highlight of 2024 was the prestigious Albert Mountain Award 2024 bestowed upon ARCOS by the King Albert Memorial Foundation (KAMF) in Switzerland, recognizing the organization's impactful conservation work.

ARCOS also experienced substantial growth in its membership base, expanding from 187 members in 2023 to 1,790 in 2024, representing 22 African countries. The General Assembly in August 2023 was a testament to this growth, convening 1,400 members.

In terms of environmental impact, ARCOS's tree planting initiatives reached new heights, with 3,080,662 trees planted in 2024, bringing the total to 11,580,662 trees since 2021. These efforts are projected to sequester over 6.5 million tons of CO2 over the next 30 years.

ARCOS also deepened its engagement with communities, reaching 24,133 households in 2024 and establishing 801 new Friends of Nature Associations (FNAs), bringing the total to 2,110 active FNAs. The Nature-Based Community Fund played a crucial role, investing $509,423 in 2024 and supporting 461 community green projects.

The organization's strategic direction was a focus, with a review of the strategic plan and preparation of a draft report for board consideration. This progress was supported by significant financial growth, with ARCOS's budget increasing by 296% to $14.33 million, and a substantial increase in staff to 216 full-time members. ARCOS successfully implemented 13 projects in 2024.

The management of ARCOS extends sincere appreciation to the dedicated staff, donors, stakeholders, partners, board members, and the global ARCOS community. Their collective efforts and support have been instrumental in achieving these milestones, reflecting ARCOS's commitment to Collaborative Action for Nature and People."

OBJECTIVES AND ACTIVITIES

Strategic Programme Areas

The year 2024 marked the fourth year of the implementation of the ARCOS 2021-2030 strategic plan centered on 6 strategic areas:

1. Enhancing Biodiversity Conservation and Ecosystem Restoration.
2. Building Social Capital and Sustainable Community Livelihoods.
3. Promoting Education for Sustainable Development.
4. Promoting Eco-Agriculture and Sustainable Food System.
5. Building Resilience to Climate Change.
6. Supporting Green Development Agenda.

1. Enhancing Biodiversity Conservation and Ecosystem Restoration

On the ground, our actions yielded impactful results. We significantly increased tree planting, growing a total of 3,080,662 trees this year, contributing to a cumulative total of 11,580,662 trees planted since 2021. Nearly 41 of the 59 planted species were indigenous, reinforcing biodiversity and ecosystem resilience. Restored areas expanded by 9,915 hectares, increasing the total restored land to 49,915 hectares. These efforts enhanced soil fertility, improved local water cycles, and provided essential ecosystem services that benefit both nature and local communities.

This year also saw substantial progress in strengthening our network for biodiversity conservation and ecosystem restoration. We developed and reviewed six remnant forest management plans, with the final refinements being addressed for implementation. These plans will ensure long-term sustainability in ecosystem restoration efforts.

Additionally, we empowered staff and community members by enhancing our Biodiversity & Ecosystem Restoration Strategy. Over 70 staff members and 25,000 community representatives participated in capacity-building sessions, fostering greater local engagement and expertise in environmental conservation.

2. Building social capital and sustainable community livelihoods

In 2024, ARCOS made significant progress in fostering social capital and promoting sustainable community livelihoods through widespread engagement and empowerment initiatives. We reached 24,133 households (HHs) this year, bringing the total number to nearly 80,000 households engaged from 2021 to 2024. Our efforts to strengthen community networks were further supported by the formation of 801 new functional Friends of Nature Associations (FNAs), contributing to a cumulative total of 2,110 FNAs across all ARCOS focal landscapes. These FNAs play a vital role in facilitating local collaboration and ensuring the sustainability of community-led initiatives. Village Savings and Loan Associations (VSLAs) surged from 900 to 2,110, accumulating a total of 97.2 million RWF, empowering communities economically with 60% participation of women in leadership.

ARCOS also operationalised 53 new Nature-Based Community Funds (NBCFs), known as Umusave Fund, bringing the total number of operational NBCFs to 115. These funds have been instrumental in supporting local green projects and facilitating environmental conservation activities. This year, 461 green projects were supported, with a total investment of 720,614,608 Frw ($509,423), bringing the cumulative investment in green projects since 2021 to 1,142,953,660 Frw ($823,000). These investments are critical in supporting sustainable livelihoods, improving local economies, and empowering communities to take ownership of their environmental resources.

Finally, our initiatives generated 98,421 green jobs in 2024 alone, elevating the cumulative total to 115,421 green jobs, further demonstrating our commitment to sustainable livelihoods and environmental stewardship.

3. Promoting Education for Sustainable Development

In 2024, the Education for Sustainable Development Program entered a new phase (2024-2027) after successfully completing the 2020-2023 phase. A major milestone was securing and launching the "Integrated Action for Climate Change Resilience and Livelihood in Mountainous Rwanda" (CCAM project), further strengthening the program's impact. A significant achievement was the approval of the Eco-Schools training manual and its guide by the Rwanda Education Board, leading to the training of 1,602 teachers and 48 Teacher Training Colleges (TTCs) tutors in collaboration with the Ministry of Education.

These efforts have been instrumental in mainstreaming environmental education and climate action into lesson plans and teaching methodologies. Additionally, 35 new schools, including 17 (TTCs), joined the program, bringing the total number of engaged schools to 75 since 2020.

OBJECTIVES AND ACTIVITIES

In 2024 alone, the environmental education initiatives reached 16,250 students, 7,000 parents, and 450 teachers, contributing to a cumulative reach of 65,119 students, 38,001 parents, and 2,052 teachers between 2021 and 2024. Furthermore, 11 schools successfully completed the evaluation process and are qualified to receive the prestigious Green Flag Award, recognizing their commitment to sustainability.

4. Promoting Eco-Agriculture and Sustainable Food System

In 2024, ARCOS made remarkable progress in advancing eco-agriculture initiatives, equipping communities with tools, resources, and knowledge for sustainable agricultural practices. A major milestone was the distribution of 21,310 agricultural tools and the planting of 3,080,662 trees, safeguarding an estimated 105,000,000 tons of soil from erosion and ensuring long-term agricultural viability.

To further support sustainable farming, ARCOS distributed 1,900 small livestock to enhance soil fertility and trained 280,000 community members in land management and value chain development. Additionally, 15,300 tons of organic manure and 1,760 tons of lime were provided to improve soil health, alongside 52,478 kg of maize seeds and 79,516 kg of bean seeds to boost productivity. Sustainable land management efforts included the establishment of terraces, trenches, and small-scale irrigation systems.

In line with strategic goals, ARCOS introduced key frameworks such as the Incentive Strategy and the revised Community Development and Ecological Agriculture (CDEA) Strategy, reinforcing long-term sustainability. To support local economies, ARCOS built a new selling point in Bugesera, adding to existing facilities in Rulindo and Rutsiro districts. Finally, investments in value chains and the establishment of BEST sites positioned ARCOS' landscapes as models for ecosystem and landscape restoration.

5. Building Resilience to Climate Change and Promoting Green Development

In 2024, ARCOS made significant progress in strengthening resilience to climate change at national, regional, and global levels. One of the major contributions was the planting of 3,080,662 trees, which is projected to sequester approximately 2.5 million tons of CO2 over the next 30 years, contributing to Rwanda's climate action goals and global mitigation efforts under the Paris Agreement.

At the regional level, ARCOS collaborated with ALINEA to conduct an assessment of sustainable food systems in the context of climate change across East Africa's transboundary mountain landscapes. This work generated evidence to inform climate-resilient agriculture and food system transformation in the region.

ARCOS also strengthened institutional and governance resilience by playing a key role in the revitalization of Uganda's Environment and Natural Resources Network. This included facilitating steering committee meetings and providing technical support for general assemblies, thereby reinforcing coordinated climate and natural resource governance. At the global level, on the occasion of the COP29, ARCOS advocated for sustainable mountain development and climate change through the presentation and publication of two position papers.

In addition, ARCOS renewed its membership in the UNFCCC Nairobi Work Programme, ensuring continued participation in a global climate adaptation knowledge platform comprising over 450 organizations.

Further strengthening climate resilience, ARCOS secured four new climate adaptation projects in 2024, bringing the total number of ongoing climate adaptation initiatives to ten.

6. Supporting Green Development Agenda

In 2024, ARCOS advanced green development by promoting sustainable livelihoods and nature-based economic opportunities. A key intervention was the donation of 517,000 coffee seedlings to support shaded coffee plantations, which contribute to biodiversity conservation, climate-smart agriculture, and increased farmer incomes. The 2024 seedling donation is projected to generate approximately USD 658,658 in income for local farmers in four years. When combined with 175,000 coffee seedlings distributed in 2023, the total estimated economic benefit from shaded coffee interventions reaches USD 881,682, demonstrating ARCOS' contribution to inclusive green economic growth. Further, capacities of 6,500 farmers were enhanced in implementing circular economy in tea plantation value chain development. Also, our initiatives generated 98,421 green jobs in 2024 alone, elevating the cumulative total to 115,421 green jobs, further demonstrating our commitment to sustainable livelihoods and environmental stewardship.

OBJECTIVES AND ACTIVITIES

At the regional level, ARCOS successfully organized the 6 session of the Africa Regional Mountains Forum (ARMF) that was held in Kigali on 10–11 December 2024. The forum brought together key stakeholders to discuss innovative solutions for safeguarding Africa's Mountain ecosystems and Sustainable Development. Additionally, the Scaling Urban Nature Based Solutions for Climate Adaptation in Sub-Saharan Africa (SUNCASA) project aligns with the Green Development Agenda, aiming to foster sustainable and inclusive urban growth by strengthening ecosystem services, conserving biodiversity, and advancing gender equality in urban communities across Ethiopia, Rwanda, and South Africa.

Through these interventions, ARCOS continued to align green development efforts with environmental sustainability, climate adaptation, and improved livelihoods, reinforcing the link between ecosystem conservation and economic resilience.

ARCOS Financial Review and Funding

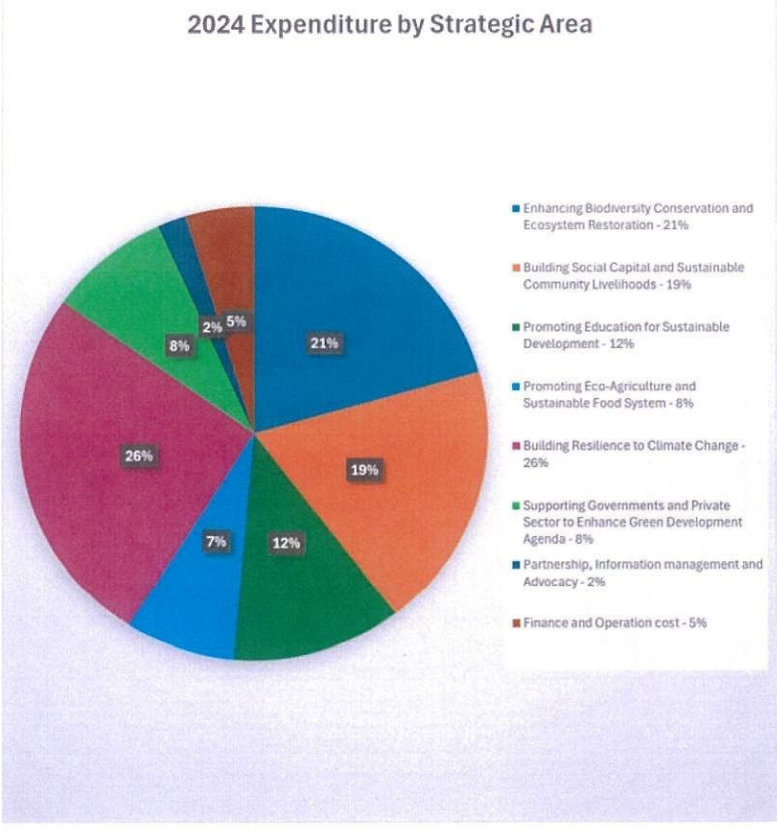
In 2024, ARCOS strengthened its financial sustainability through key strategic initiatives. The organization developed and implemented essential financial policies, including the Financial Management Policy, Cost Recovery Policy, Reserves Investment Policy, and the Reserve Management Plan for 2025, ensuring long-term financial stability.

ARCOS secured a total annual budget of USD $14,613,549, a substantial increase from USD 3,611,586 in 2023, reflecting strong financial growth. By the end of the year, 98% of the budget (USD 14,302,226.66) had been successfully received, demonstrating effective financial planning, compliance and donor confidence. These strategic financial measures have positioned ARCOS for continued growth and impact in 2025 and beyond.

ARCOS had total income amounting to $14,460,321 collected from its various sources of income, the organization incurred total expenses projects implementation and operating expenses amounting to $9,743,631 with a surplus of $4,716,690.

ARCOS secured a total of $16,148,800 from donors which is 88% of annual target ($20,000,000). Compared to last year of 2023, the incomes from donors have been increased 4 times from $3,641,031 to $16,148,800 from 8 donors. That increase is mainly contributed from the fund from new carbon project known as MuLaKiLa project. A total of 25 proposals (totalling $215,682,377) have been developed and submitted to different potential donors, of which, the fund from 8 projects ($16,148,800) were secured.

The percentage of total expenditure incurred in the year 2024 per strategic programme areas is distributed below;



Financial review

Fundraising standards information

The charity does not raise significant funds from individual members of the public or use a professional fundraiser to raise funds from the public. Therefore has nothing to report under section 162A of the Charities Act.

Reserves policy

It is ARCOS' policy to commit the maximum amount of resources possible to current programmes in alignment to the organisation's mission and objectives, and therefore retain only what is necessary to safeguard the continuity of its operations. The board continues to be satisfied with the efficiency of fundraising, the level of support costs and reserves held, and is confident that these are all in line with the agreed strategic direction.

The unrestricted fund relates mainly to the tangible fixed assets of the organisation and the operational buildings used in the restricted projects. The Trustees continue to seek unrestricted income to build unrestricted reserves. The Trustees can further review their asset holdings with a view to releasing liquid funds if necessary. Cash balances are, however, carefully monitored to ensure all restricted projects can be completed.

Unrestricted income will allow the board to:

- develop, test and demonstrate the effectiveness of new approaches
- respond quickly to emergencies, before dedicated appeal funding is secured
- finance our policy and campaigns work
- meet essential running costs that enable the charity to function properly.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined above, the Trustees are making efforts in fundraising to ensure that new funds are available to support organizational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Principal risks and uncertainties

The Trustees are aware of the risks facing ARCOS and these are discussed by the Trustees on a regular basis. The Trustees have put in place plans to mitigate those risks as far as possible, where this is within control. The key risks, the strategies for managing them, and factors likely to affect future financial performance are summarised below.

1. Strategic and Programmatic Risks

The Society's mission to enhance biodiversity and sustainable livelihoods is delivered through complex, multi-country projects involving numerous partners and community groups. Key risks include failure to achieve intended conservation and socio-economic outcomes, over-reliance on a limited number of major donors for funding, and operational disruptions in politically sensitive regions. Our strategy to manage these risks is embedded in our Risk Management and Fraud Strategy which is currently being updated and operationalised through detailed project planning. We integrate risk assessment into all project designs and agreements we have with community based partners, maintain a robust pipeline of funding proposals to diversify our income base, and conduct regular security and stakeholder analyses to navigate the operational context.

2. Financial and Reporting Risks

As a charity managing significant and growing funds ($14.46M income in 2024), we are exposed to risks around the integrity of financial reporting, the recognition of grant income, exchange rate fluctuations, and fraud. The external auditor has highlighted the timing of grant income recognition as an area of focus. Our Internal Audit Plans directly addresses this through quarterly reviews of financial closes and transaction testing. We enforce strict internal controls, including segregation of duties and reconciliation procedures. Our zero-tolerance Anti-Fraud Policy mandates training, clear reporting channels, and prompt investigation of any irregularities.

3. Operational and Compliance Risks

Our expanding operations require effective internal controls, efficient resource use, and strict adherence to multiple regulatory frameworks (UK Charity Law, FRS 102/SORP, and East African NGO regulations). Inefficiencies or control failures could lead to wasted resources, delayed projects, or compliance breaches. To mitigate these risks, we have a dedicated Risk Management, Compliance, and Internal Audit Advisor who produces Internal Audit Plans covering quarterly on-site reviews to test payables, cost allocations, asset management, and policy adherence. Compliance is monitored continuously, and staff receive regular training on our Operational Manual and donor requirements.

4. Reputational and External Risks

Our reputation, essential for donor trust and community partnerships, could be affected by failure to deliver on public commitments, involvement in controversies, or external events like natural disasters. We manage this risk through transparent reporting in our Annual Report and financial statements, proactive stakeholder communication, and a strong focus on ethical conduct. Environmental and climate risks are integrated into our project planning, with specific adaptation and disaster reduction measures outlined in our strategic programmes.

5. Factors Likely to Affect Future Financial Performance

The Society's future financial performance and position may be influenced by several factors: our ability to secure new and diversified funding amid donor concentration; the impact of macroeconomic volatility on project costs and currency values; the scalability of our financial and operational systems to manage growth; and the potential cost implications of changes in regulatory environment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure and Governance

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The Society is a charitable company which was formed from the Albertine Rift Conservation Society established in 1995 and hosted by the World Conservation Monitoring Centre (United Kingdom) and the Regional Coordination Office by Nature Uganda (Uganda). All monies held in bank accounts by this entity were donated to the Society on incorporation (8 November 2000). The Society is governed by its Memorandum and Articles of Association (revised 19 October 2012). The Society gained charitable status and was registered with the Charity Commission on 16 February 2004 (charity number: 1102123).

Board of Directors/Trustees: The Society is managed by a Board of Directors. ARCOS has currently seven Board members (including a Chairman, Vice Chairman, Treasurer and Secretary) who meet at least once per year or as needed in an annual general meeting. The Chairman or in his absence the Vice Chairman chairs the meeting. Any other member elected by members can chair the meeting if the Chairman and Vice Chairman are not present. The Board recruit and appoint Trustees who they consider will bring valuable and practical skills to the Society. All new trustees receive a full induction so that they can familiarise themselves with their statutory responsibilities, their role as board members, the governance framework within ARCOS and the risk environment. Ongoing training is arranged as and when a need is identified.

Management committee: The Chairman, Vice Chairman, Treasurer and Chief Executive Officer shall meet as the Management Committee at such intervals as the Board of Directors thinks fit. The Management Committee shall review the operations and activities of the Soc iety and report the findings to the Board of Directors.

Staff positions: The Board of Directors may appoint such persons as it thinks fit to post including a position with overall responsibility for operational matters (whose formal tide may vary but hereafter known as the Chief Executive Officer), and such other salaried or voluntary staff posts on such terms and conditions, including remuneration and benefits, and with such duties and responsibilities as the Board, in its entire discretion, thinks fit. The Board may, at any time, vary or alter the terms and conditions and the duties and responsibilities of these posts provided always that no Directors shall occupy any of these posts. The Chief Executive Officer shall be the senior member of staff of the Society, and shall have responsibility for co-coordinating the Society activities and p rogrammes.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04103967 (England and Wales)

Registered Charity number
1102123

Registered office
C/O Birdlife International
The David Attenborough Building
Pembroke Street
Cambridge
Cambridgeshire
CB2 3QZ

Trustees
The Trustees in office during part or all of the year ended 31 December 2024 were:

Mr John Yonazi Salehe (Chairperson)
Dr Jane Bemigisha
Dr B Nyirambangutse (Vice Chair)
Dr Nicholas David King
Dr Adrie Mukashema
Dr Victor Nyarangi Keraro
Dr Chales Kahindo

Company Secretary
Dr S Kanyamibwa

Auditors
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Bank of Kigali
KN 4 Ave
No12 Plot 790
Kigali
Rwanda

Barclays Bank Plc
Barclays Cambridge
Cambridge
United Kingdom
CB2 3AX

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistency;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent:
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

AUDITORS

The auditors, Crowe U.K. LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 03/02/2026 and signed on the board's behalf by:

Dr V N Keraro - Trustee

Independent Auditor's Report to the Members of Albertine Rift Conservation Society

Opinion

We have audited the financial statements of Albertine Rift Conservation Society ('the charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of the charitable company's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and local tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable company's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the charitable company for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and management override of controls. Our audit procedures to respond to these risks included sample testing of grant income, review of correspondence with donors, enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

London

9 February 2026

ALBERTINE RIFT CONSERVATION SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds $	Restricted funds $	2024 Total funds $	2023 Total funds $
INCOME FROM					
Grants and donations	2	-	14,436,008	14,436,008	3,547,337
Other income	3	24,313	-	24,313	109,794
Total		24,313	14,436,008	14,460,321	3,657,131
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		593,216	9,150,415	9,743,631	3,270,228
NET INCOME/(EXPENDITURE)		(568,903)	5,285,593	4,716,690	386,903
Transfers between funds	17	1,422,598	(1,422,598)	-	-
Net movement in funds		853,695	3,862,995	4,716,690	386,903
RECONCILIATION OF FUNDS					
Total funds brought forward		231,792	888,174	1,119,966	733,063
TOTAL FUNDS CARRIED FORWARD		1,085,487	4,751,169	5,836,656	1,119,966

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2024

	Notes	2024 $	2023 $
FIXED ASSETS			
Tangible assets	11	1,000,203	699,294
CURRENT ASSETS			
Debtors	12	2,545,299	252,720
Cash in hand		4,210,731	981,906
		6,756,030	1,234,626
CREDITORS			
Amounts falling due within one year	13	(1,919,577)	(813,954)
NET CURRENT ASSETS		4,836,453	420,672
TOTAL ASSETS LESS CURRENT LIABILITIES		5,836,656	1,119,966
NET ASSETS		5,836,656	1,119,966
FUNDS	17		
Unrestricted funds		1,085,484	231,792
Restricted funds		4,751,172	888,174
TOTAL FUNDS		5,836,656	1,119,966

The financial statements were approved by the Board of Trustees and authorised for issue on 03/02/2026 and were signed on its behalf by:

.....
Trustee

The notes form part of these financial statements

ALBERTINE RIFT CONSERVATION SOCIETY

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 $	2023 $
Cash flows from operating activities			
Cash generated from operations	1	3,665,315	948,830
Finance costs paid		(8,604)	(10,171)
Net cash provided by operating activities		3,656,711	938,659
Cash flows from investing activities			
Purchase of tangible fixed assets		(427,882)	(239,878)
Net cash used in investing activities		(427,882)	(239,878)
Change in cash and cash equivalents in the reporting period		3,228,829	698,781
Cash and cash equivalents at the beginning of the reporting period	2	981,902	283,121
Cash and cash equivalents at the end of the reporting period	2	4,210,731	981,902

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 $	2023 $
Net income for the reporting period (as per the Statement of Financial Activities)	4,716,690	386,903
Adjustments for:		
Depreciation charges	126,973	40,939
Finance costs	8,604	10,171
Increase in debtors	(2,292,579)	(122,733)
Increase in creditors	1,105,627	633,550
Net cash provided by operations	3,665,315	948,830

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Cash in hand	4,210,731	981,906
Overdrafts included in bank loans and overdrafts falling due within one year	-	(4)
Total cash and cash equivalents	4,210,731	981,902

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24 $	Cash flow $	At 31.12.24 $
Net cash			
Cash at bank and in hand	981,906	3,228,825	4,210,731
Bank overdraft	(4)	4	-
	981,902	3,228,829	4,210,731
Total	981,902	3,228,829	4,210,731

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Charities SORP (FRS 102) -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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Albertine Rift Conservation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional currency is Rwandan Francs and the presentational currency is US Dollars rounded to the nearest dollar.

Going concern
The Trustees have reviewed the financial position of the Society and have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined in the Trustees' report, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Refer to Trustee report for further reference.

Income
Grant income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised once the Society has entitlement to the income, it is probable that it will be received and the amount of receivable can be measured reliably.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Rental income is recognised in the period to which it relates.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities, including the cost of certain 'central' staff salaries, depreciation of fixed assets, etc. Restricted income typically includes an allocation relating to overheads. Costs relating to support for each project are either charged directly to the relevant grant, or to the unrestricted fund via a funds transfer. Support costs relating to finance and operations are allocated to projects based on time spent, or another equally logical allocation based on an estimation of that project's utilisation of the resource, costed.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Head Office and are allocated to projects based on staff time. Governance costs are professional and accountancy costs and are included in support costs and allocated accordingly.

All expenditure is inclusive of irrecoverable VAT.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Tangible fixed assets costing $400 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

continued...

1. ACCOUNTING POLICIES - continued

Tangible fixed assets
Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:
Land - Not depreciated
Building - 20 years
Motor vehicles - 10 years
Office equipment - 3-6 years
Computer equipment - 3 years

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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

Foreign currencies
Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.
Exchange gains and losses are recognised in the Statement of Financial Activities.

Pensions
During the year the Society contributed towards the National Social Security Fund on behalf of its employees. Pension costs reflect amounts payable by the company to the fund in respect of the employer contribution for that year. These are shown alongside the charity's (non-UK) social securities, medical and other costs, within note 9.

Company status

The Society is a company limited by guarantee and registered under the Companies Act with charitable status. Status was gained on 16 February 2004. The members of the Society are the Trustees named on page 1. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

continued...

1. ACCOUNTING POLICIES - continued

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2. GRANTS AND DONATIONS

	2024 $	2023 $
Income from grants and donations	14,436,008	3,547,337

3. OTHER INCOME

	2024 $	2023 $
Rental income	-	3,358
Membership income	6,757	3,667
Awards	17,131	-
Sales of bidding docs	425	207
Foreign exchange gains	-	46,745
Other income	-	55,817
	24,313	109,794

continued...

4. EXPENDITURE BY PROJECT AND STRATEGIC ANALYSIS

	Enhancing Biodiversity Conservation and Ecosystem Restoration	Building Social Capital and Sustainable Community Livelihoods	Promoting Education for Sustainable Development	Promoting Eco-Agriculture and Sustainable Food System	Building Resilience to Climate Change	Supporting Governments and Private Sector to Enhance Green Development Agenda	Partnership, Information management and Advocacy	Finance and Operation cost	Total 2024	Total 2023
	$	$	$	$	$	$	$	$	$	$
Eco-Schools Rwanda	3,562	5,344	85,496	16,031	31,489	7,125	3,562	25,509	**178,118**	190,392
Livelihoods	160,359	128,287	38,486	96,216	133,264	32,072	6,414	46,339	**641,437**	1,349,502
Global Nature Fund (GNF)	23,478	17,204	5,869	23,478	35,217	4,696	1,174	6,274	**117,390**	188,743
Foundation Audemars- Watkins (FAW)	31,403	5,351	3,140	-	9,795	1,047	-	1,602	**52,338**	60,233
Mountains ADAPT (UNEP)	-	-	-	-	-	-	-	-	-	37,863
Sustainable goals development partnership	-	-	-	-	-	37,161	-	315	**37,476**	57,108
GIZ-WEFE	-	-	-	-	-	-	-	-	-	14
FONERWA	-	-	-	-	-	-	-	-	-	12,877
Tree planting (AFR/OTP)	22,759	22,759	3,414	10,241	48,547	1,138	2,276	2,660	**113,794**	121,179
MULAKILA	1,492,310	1,243,592	746,155	360,893	1,501,239	621,796	124,359	127,615	**6,217,959**	723,395
CCAM	879	879	21,097	4,835	7,431	1,758	440	6,634	**43,953**	20,728
Eco schools Uganda (Euro)	727	1,453	11,837	1,211	3,987	969	484	3,554	**24,222**	37,942
Adaptation at Altitude (UNEP)	-	-	-	-	39,820	18,693	-	3,796	**62,309**	10,253
Geo mountain forum	-	-	-	-	-	-	-	-	-	9,629
Combio Project (IUCN)	97,702	33,002	99,006	19,801	45,926	32,817	-	1,767	**330,021**	5,621
Bezos Earth Fund	61,892	53,819	40,364	26,909	40,178	26,909	13,455	5,568	**269,094**	73,899
Aid Environment (UNHCR)	-	-	-	-	-	-	-	-	-	17,291
TSF	-	-	-	-	-	-	-	-	-	1,944
SUNCASA	97,874	195,747	58,724	9,787	587,023	19,575	9,787	218	**978,735**	-
TerraFund DRC	20,892	16,714	2,507	7,521	33,116	836	1,671	312	**83,569**	-
Unrestricted	392	120,786	35,357	158,208	2,208	15,630	30,227	230,410	**593,218**	351,608
Total 2024	**2,014,229**	**1,844,937**	**1,151,452**	**735,131**	**2,519,240**	**822,222**	**193,849**	**462,573**	**9,743,633**	
Total 2023	823,182	482,551	161,317	485,529	650,448	149,967	162,124	355,103		3,270,221

continued...

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Restricted	Unrestricted	Total 2024
Audit and accountancy	9,183	93,381	102,564
Bank charges	2,393	6,164	8,557
Depreciation	-	126,973	126,973
Foreign exchange	20,292	-	20,292
Office costs	232,164	230,411	462,575
	264,032	456,929	720,961

	Restricted	Unrestricted	Total 2023
Audit and accountancy	19,285	127,346	146,631
Bank charges	2,824	7,346	10,170
Depreciation	-	40,939	40,939
Office costs	115,653	41,710	157,363
	137,762	217,341	355,103

Included in the above costs for auditor's remuneration are:

	2024	2023
	$	$
Fees payable to the Society's auditor in respect of:		
The audit of the Company's annual accounts	55,034	67,275
All non-audit services not included above	-	10,000

A further breakdown of audit fees is as follows:	
UK auditors remuneration for 2024 audit	33,313
Rwandan auditors remuneration for 2024 audit	16,446
Rwandan auditors remuneration for 2023 audit	5,275
	55,034

6. GRANTS PAYABLE

	2024	2023
	$	$
Charitable activities	81,840	-

The total grants paid to institutions during the year was as follows:

	2024	2023
	$	$
Charitable activities	81,840	-

This is a grant to an NGO in the Democratic Republic of Congo partnering in the One Tree Project (OTP).

continued...

7. NET INCOME/(EXPENDITURE)

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

	2024	2023
	$	$
Depreciation - owned assets	126,973	40,943

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

Trustees' expenses

During the year ended 31 December 2024, expenses totalling $13,782 were reimbursed or paid directly on behalf of 5 Trustees (2023 - $6,045 to 4 Trustees), in respect of travel, accommodation and sundry refreshment costs in connection with the fulfilment of duties connected with their trusteeship.

9. STAFF COSTS

	2024	2023
	$	$
Wages and salaries	1,690,362	745,249
Social security costs	78,413	44,664
Other pension costs	134,139	79,634
	1,902,914	869,547

The average monthly number of employees during the year was as follows:

	2024	2023
Staff	188	119

During the year 2024, ARCOS had 607 volunteers who supported project implementation activities and administrative works; of these volunteers, 606 were Rwandan and 1 was international. These volunteers assisted mostly in the MULAKILA project (604 volunteers who supported in land registration, baseline survey and trees planting, growing and maintenance monitoring activities) and the GNF project had 2 volunteers and 1 volunteer at organization level. These volunteers have contributed a lot in farmers mindset change, increasing numbers of trees planted and enhancing trees planted survival rate during the year 2024.

No employee received remuneration amounting to more than $76,400 (£60,000) in either year.

Redundancy costs accrued at year end are included of $7,012.

The key management personnel of the Society comprise:

Trustees
Chief Executive Officer
Director of Finance
Director of Conservation Program
Director of Development, Operation and Partnership

The total employment benefits including employer's social security and pension contributions of the key management personnel were $215,745 (2023 - $197,347).

continued...

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds $	Restricted funds $	Total funds $
INCOME FROM			
Grants and donations	-	3,547,337	3,547,337
Other income	109,792	2	109,794
Total	109,792	3,547,339	3,657,131
EXPENDITURE ON			
Charitable activities			
Charitable activities	351,619	2,918,609	3,270,228
NET INCOME/(EXPENDITURE)	(241,827)	628,730	386,903
Transfers between funds	139,733	(139,733)	-
Net movement in funds	(102,094)	488,997	386,903
RECONCILIATION OF FUNDS			
Total funds brought forward	333,882	399,181	733,063
TOTAL FUNDS CARRIED FORWARD	231,788	888,178	1,119,966

11. TANGIBLE FIXED ASSETS

	Freehold property $	Fixtures and fittings $	Motor vehicles $	Computer equipment $	Totals $
COST					
At 1 January 2024	410,722	32,729	340,084	102,474	886,009
Additions	-	8,394	338,660	80,828	427,882
At 31 December 2024	410,722	41,123	678,744	183,302	1,313,891
DEPRECIATION					
At 1 January 2024	17,420	21,005	80,489	67,801	186,715
Charge for year	4,936	1,025	92,521	28,491	126,973
At 31 December 2024	22,356	22,030	173,010	96,292	313,688
NET BOOK VALUE					
At 31 December 2024	388,366	19,093	505,734	87,010	1,000,203
At 31 December 2023	393,302	11,724	259,595	34,673	699,294

The cost of land was approximately $276,722 (2023 - $276,722).

continued...

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	$	$
Other debtors	516,402	25,565
Prepayments and accrued income	2,028,897	227,155
	2,545,299	252,720

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	$	$
Bank loans and overdrafts (see note 14)	-	4
Social security and other taxes	97,575	48,949
Other creditors	1,347,208	186,520
Accruals and deferred income	474,794	578,481
	1,919,577	813,954

Deferred income relates to income received for the Bezos Earth Fund project that must be used within the next financial year (2025). In 2023 this related to the Foundation Audemars-Watkins (FAW), International Union for Conservation of Nature and Natural Resources (IUCN) and Bezos Earth Fund project.

	2024	2023
	$	$
Deferred income at 1 January 2024	578,481	56,408
Resources deferred during the year	399,990	578,481
Amounts released from previous periods	(578,481)	(56,408)
Deferred income at 31 December 2024	399,990	578,481

14. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	$	$
Amounts falling due within one year on demand:		
Bank overdrafts	-	4

15. LEASING AGREEMENTS

At December the Society had commitments to make future minimum lease payments in respect of offices under non-cancellable operating leases as follows:

	2024	2023
	$	$
No later than 1 year	2,386	820

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2024	2023
	$	$
Operating lease rentals	7,707	5,712

continued...

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds $	Restricted funds $	2024 Total funds $	2023 Total funds $
Fixed assets	411,922	588,281	1,000,203	699,294
Current assets	1,010,619	5,745,411	6,756,030	1,234,626
Current liabilities	(337,057)	(1,582,520)	(1,919,577)	(813,954)
	1,085,484	4,751,172	5,836,656	1,119,966

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR (2023)

	Restricted funds	Unrestricted funds	Total funds
Tangible fixed assets	321,492	377,802	699,294
Current assets	1,167,985	66,641	1,234,626
Creditors due within one year	(601,303)	(212,651)	(813,954)
	888,174	231,792	1,119,966

17. MOVEMENT IN FUNDS

	At 1.1.24 $	Net movement in funds $	Transfers between funds $	At 31.12.24 $
Unrestricted funds				
General fund	229,202	(567,818)	1,422,598	1,083,982
Membership	2,590	(1,088)	-	1,502
	231,792	(568,906)	1,422,598	1,085,484
Restricted funds				
Eco-Schools Rwanda	20,121	(29,104)	(807)	(9,790)
Livelihoods	161,218	(79,786)	(3,063)	78,369
Global Nature Fund (GNF)	65,459	22	-	65,481
Foundation Audemars-Watkins	74,990	38,270	(4,596)	108,664
Mountains ADAPT (UNEP)	20,884	-	(20,884)	-
Sustainable goals development partnership (SDGP)	48,130	96,840	-	144,970
Tree planting (AFR/OTP)	26,561	(43,159)	-	(16,598)
MULAKILA	293,583	4,392,662	(993,396)	3,692,849
CCAM	9,663	34,205	-	43,868
Eco-schools Uganda	35,885	(24,223)	(441)	11,221
Adaptation at Altitude (UNEP)	14,747	37,121	(2,268)	49,600
Geo mountain forum	11,755	-	-	11,755
Combio Project (IUCN)	29,395	(4,854)	(48,943)	(24,402)
Bezos Earth Fund	75,690	381,260	(266,719)	190,231
Aid Environment (UNHCR)	(9,463)	22,635	-	13,172
TSF	(1,944)	-	1,944	-
Terra Fund	-	26,415	-	26,415
SUNCASA	-	437,292	(71,925)	365,367
NFF-RSF	11,500	-	(11,500)	-
	888,174	5,285,596	(1,422,598)	4,751,172
TOTAL FUNDS	1,119,966	4,716,690	-	5,836,656

continued...

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources $	Resources expended $	Movement in funds $
Unrestricted funds			
General fund	17,556	(585,374)	(567,818)
Membership	6,757	(7,845)	(1,088)
	24,313	(593,219)	(568,906)
Restricted funds			
Eco-Schools Rwanda	149,013	(178,117)	(29,104)
Livelihoods	561,650	(641,436)	(79,786)
Global Nature Fund (GNF)	117,410	(117,388)	22
Foundation Audemars-Watkins	90,609	(52,339)	38,270
Sustainable goals development partnership (SDGP)	134,316	(37,476)	96,840
Tree planting (AFR/OTP)	70,635	(113,794)	(43,159)
MULAKILA	10,610,622	(6,217,960)	4,392,662
CCAM	78,157	(43,952)	34,205
Eco-schools Uganda	-	(24,223)	(24,223)
Adaptation at Altitude (UNEP)	99,429	(62,308)	37,121
Combio Project (IUCN)	325,166	(330,020)	(4,854)
Bezos Earth Fund	650,354	(269,094)	381,260
Aid Environment (UNHCR)	22,635	-	22,635
Terra Fund	109,985	(83,570)	26,415
SUNCASA	1,416,027	(978,735)	437,292
	14,436,008	(9,150,412)	5,285,596
TOTAL FUNDS	14,460,321	(9,743,631)	4,716,690

continued...

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.23 $	Net movement in funds $	Transfers between funds $	At 31.12.23 $
Unrestricted funds				
General fund	333,882	(244,413)	139,733	229,202
Membership	-	2,590	-	2,590
	333,882	(241,823)	139,733	231,792
Restricted funds				
Sainsbury's	-	11,113	(11,113)	-
Eco-Schools Rwanda	54,864	(34,743)	-	20,121
Livelihoods	158,433	2,785	-	161,218
Global Nature Fund (GNF)	22,560	42,899	-	65,459
Foundation Audemars-Watkins	57,691	17,299	-	74,990
Mountains ADAPT (UNEP)	23,497	(2,613)	-	20,884
Sustainable goals development partnership (SDGP)	38,592	9,538	-	48,130
GIZ-WEFE	(53,592)	87,203	(33,611)	-
FONERWA-CAF	47,886	47,123	(95,009)	-
Tree planting (AFR/OTP)	37,750	(11,189)	-	26,561
MULAKILA	-	293,583	-	293,583
CCAM	-	9,663	-	9,663
Eco-schools Uganda	-	35,885	-	35,885
Adaptation at Altitude (UNEP)	-	14,747	-	14,747
Geo mountain forum	-	11,755	-	11,755
Combio Project (IUCN)	-	29,395	-	29,395
Bezos Earth Fund	-	75,690	-	75,690
Aid Environment (UNHCR)	-	(9,463)	-	(9,463)
TSF	-	(1,944)	-	(1,944)
NFF-RSF	11,500	-	-	11,500
	399,181	628,726	(139,733)	888,174
TOTAL FUNDS	733,063	386,903	-	1,119,966

continued...

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources $	Resources expended $	Movement in funds $
Unrestricted funds			
General fund	106,125	(350,538)	(244,413)
Membership	3,667	(1,077)	2,590
	109,792	(351,615)	(241,823)
Restricted funds			
Sainsbury's	11,113	-	11,113
Eco-Schools Rwanda	155,649	(190,392)	(34,743)
Livelihoods	1,352,287	(1,349,502)	2,785
Global Nature Fund (GNF)	231,642	(188,743)	42,899
Foundation Audemars-Watkins	77,532	(60,233)	17,299
Mountains ADAPT (UNEP)	35,250	(37,863)	(2,613)
Sustainable goals development partnership (SDGP)	66,646	(57,108)	9,538
GIZ-WEFE	87,217	(14)	87,203
FONERWA-CAF	60,000	(12,877)	47,123
Tree planting (AFR/OTP)	109,990	(121,179)	(11,189)
MULAKILA	1,016,978	(723,395)	293,583
CCAM	30,391	(20,728)	9,663
Eco-schools Uganda	73,827	(37,942)	35,885
Adaptation at Altitude (UNEP)	25,000	(10,253)	14,747
Geo mountain forum	21,384	(9,629)	11,755
Combio Project (IUCN)	35,016	(5,621)	29,395
Bezos Earth Fund	149,589	(73,899)	75,690
Aid Environment (UNHCR)	7,828	(17,291)	(9,463)
TSF	-	(1,944)	(1,944)
	3,547,339	(2,918,613)	628,726
TOTAL FUNDS	3,657,131	(3,270,228)	386,903

Current year transfers
Transfers between funds for Mountains ADAPT, TSF and NFF-RSF in the current year occured as the projects had ended and the amount remaining was transferred to the general fund (the projects had no clause on returning unspent funds).

Transfers between the other restricted funds to the general fund relate to agreed indirect cost recovery transfers to cover agreed project management fees, rent recharges and other non project staff costs time spent on projects.

Current year funds
Eco-Schools - Part of the Danish Outdoor Council's programme promoting the right to quality education through Eco-Schools in Africa.

Livelihoods - This is a project focusing on fighting climate change and its effects through the reduction of greenhouse emissions and/or the increase of greenhouse gas sequestration. The project also endeavours to reduce poverty, promote gender equality and inclusion of youth. The deficit on this project will be cleared as funding is received in arrears.

Global Nature Fund (GNF) - This fund was originally money from the Global Biodiversity Information Facility for workshops. Funding is now being received from the Global Nature Fund to develop a full proposal.

Foundation Audemars-Watkins (FAW)- This is a project in support of the Nyagasenyi Remnant Forest landscape restoration for improved livelihoods and resilience to climate change.

Sustainable Development Goals Partnership (SDGP) is a Agroforestry interventions project for uphill food, income security and tea plantation protection.

continued...

17. MOVEMENT IN FUNDS - continued

FONERWA (CAF) - Funding for the technical assistance of the implementation of community adaptation facility (CAF) in Gicumbi district for NDC deep Dive project.

Tree planting (AFR/OTP) - ARCOS is working in collaboration with AFR100 Terramatch and One Tree Planted to plant trees. As part of their AFR100 initiative, this project aims to upscale the restoration interventions in Mukura forest and Lake Kivu catchment and build resilience to climate change, enhance biodiversity and ecosystem services for food security and sustainable community livelihoods.

Terrafund DRC (OTP) - This project aims to enhance river bank protection, and reduce vulnerability to landslides by planting trees and around Luiro River. The goal is to promote efficient use of land and ecological functionality through climate smart agricultural practices that reduce land degradation and support climate adaptation.

MULAKILA - Project funding to build resilience to climate change and sustainable agriculture value chains (including timber and fruit) in agro-systems around Mukura Forest and Lake Kivu Catchment Landscape, Western Rwanda.

CCAM - Climate change adaptation modality is project funding to support integrated action for climate change resilience and livelihood in mountainous Tanzania and Rwanda.

Adaptation at altitude taking action in the mountains (UNEP) - Funding to support improved availability and use of mountain observation data and information services to support knowledge of climate change impact and help generate solutions and adaptations.

Geo Mountain Forum - Funding to support the delivery of one GEO Mountains East Africa workshop to be held at Kigali in October 2023.

Combio project - Funding from the IUCN to contribute to the implementation of sustainable management of natural resources and environment to transition Rwanda towards a green economy, through the financing of the reducing vulnerability to climate change through enhanced community-based biodiversity conservation in the Eastern Province of Rwanda.

Bezos Earth Fund - funding to deliver restoration training to 7 NGOs and 100 Friends of Nature Associations to strengthen their capacity to manage sustainable socio-ecological systems, with emphasis on landscape restoration practices. The training will take place primarily in Rwanda and Burundi.

AID ENVIRONMENT (UNHCR) - funding to conduct field visits leading to the development of case study reports and workshops. The deficit will be recovered through future funding.

SUNCASA - The Scaling-Up Urban Nature-based Solutions for Climate Adaptation in Sub-Saharan Africa (SUNCASA) implementing gender-responsive through the Nature Based Solutions (NbS) to strengthen the resilience of urban communities, watersheds, and biodiversity to the impacts of climate change, while reducing the barriers to NbS participation of women and other underrepresented groups.

Prior year funds

TSF - Funding for Eco-schools as a tool for integrating sustainable development and climate action within the Competency-Based Curriculum in Rwanda.

NFF-RSF - The 'Seeds, Soil and Culture Fund of RSF Social Finance' provided a grant to be put towards enhancing bio-cultural knowledge and eco-agricultural practices for mountain community livelihoods and climate change resilience in Rwanda and Uganda.

Sainsburys - Income relates to consultancy services for the Sainsbury's Fairly Traded tea pilot.

Mountains ADAPT (UNEP) - Advancing Climate Action in East Africa is an United Nations Environment Programme project that is integrated into planning and policy process of regional bodies/frameworks/platform/initiatives and tier national constituencies through strengthened science-policy dialogue platforms.

GIZ WEFE - Funding for Enhancing Water-Energy-Food-Ecosystems (WEFE) Nexus and Climate Resilience along Koko (Rwanda) and Lwiro (DRC) Rivers of Lake Kivu Basin through Nature-Based Community Enterprises. The deficit on this fund was cleared when funding was received in 2023 and the remaining balance transferred reflecting unrestricted support over the life of the project.

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18. RELATED PARTY DISCLOSURES

There were no related party transactions during the year ended 31 December 2024 (2023: $nil).

19. PENSION AND NATIONAL INSURANCE COMMITMENTS

During the year employer contributions in respect of non-UK social security, pension and medical amounted to $86,596 (2023: $44,663). The balance outstanding as at 31 December 2024 was $11,228 (2023: $6,514).

20. FOREIGN EXCHANGE

The amount of foreign exchange differences recognised in 2024 unrestricted income is $nil (2023: $46,745) and 2024 unrestricted expenditure $77,750 (2023: $nil).

ALBERTINE RIFT CONSERVATION SOCIETY

England & Wales - Charity number 1102123

Accounts

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

Registered number: 04103967
Charity number: 1102123

ALBERTINE RIFT CONSERVATION SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

ALBERTINE RIFT CONSERVATION SOCIETY

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ALBERTINE RIFT CONSERVATION SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees	Dr Adrie Mukashema Dr Brigitte Nyirambangutse Dr Charles Kahindo Muzusa Ngabo Mr Elie Nizeyimana (resigned 26 June 2023) Dr Jane Bemigisha (resigned 31 May 2025) Mr John Salehe (resigned 31 May 2025) Dr Victor Nyarangi Keraro Dr Nicholas David King (appointed 26 June 2023) Prof Joerg Balsger (appointed 1 June 2025) Prof Godwin Sifu Kowero (appointed 1 June 2025) Dr Robert Nabanyumya (appointed 1 June 2025)
Company registered number	04103967
Charity registered number	1102123
Registered office	C/O Birdlife International The David Attenborough Building, Pembroke Street Cambridge CB2 3QZ
Company secretary	Dr Sam Kanyamibwa
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Bank of Kigali KN 4 Ave No12 Plot No 790 Kigali Rwanda Barclays Bank Plc Barclays Cambridge Cambridge United Kingdom CB2 3AX

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of the Society for the 1 January 2023 to 31 December 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Society qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The Albertine Rift Conservation Society ("ARCOS") was established in 1995 with the mission to "enhance biodiversity conservation and sustainable management of natural resources through the promotion of collaborative conservation action for Nature and People." Today, ARCOS has programmes extending beyond the Albertine Rift, including the Africa Great Lakes region and the African mountains.

To achieve its mission, ARCOS builds on the following pillars of its approach:

- We facilitate networking with local, national, and international players to enhance sustainable development through information and experience sharing.
- We empower our network through policy dialogue, capacity building and policy engagement when implementing our work. We work with all kinds of organizations — Non government organizations (NGOs) and community based organizations (CBOs), academic institutions, governments and increasingly business.
- Our activities on the ground take an integrated landscape approach focusing mainly in protecting biodiversity and enhancing ecosystem services, building Nature Based Community Enterprises (NBCEs) and building shared vision among stakeholders to address threats.

b. Legal Status

ARCOS is registered in England and Wales as a Charity (Charity No 1102123), and Company Limited by guarantee (Company No 4103967). ARCOS is registered in Uganda (No S 5914/5195) and Rwanda (No. 118/RGB/18) as an international NGO, with the Operational Regional Head Office in Kigali. In addition, ARCOS has an appointed Board of Directors and Trustees drawn from different backgrounds and skills to board deliberations, and comprised of representatives from the Albertine Rift countries, Africa, and other international experts. Within the Board of Directors, a Management Committee is responsible for overseeing and reviewing ARCOS progress. The Management Committee comprises the Chairman, Vice-Chairman, Treasurer and the Chief Executive Officer, whose responsibility is to ensure the day-to-day management of the organization. There are clear distinctions between the role of the board and the executive management team.

c. Public Benefit Entity

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission’s general guidance on public benefit. The activities undertaken during the year to fulfil this obligation is further explained on the following pages.

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OBJECTIVES AND ACTIVITIES (CONTINUED)

d. Message from the Chairman and Chief Executive Officer

The year 2023 marked the 28th Anniversary of the Albertine Rift Conservation Society (ARCOS). Similar to previous years, ARCOS continued to drive local actions to tackle global challenges.

In the beginning of 2023, ARCOS together with partners namely; the Circular Bioeconomy Alliance (CBA), Reforest' Action with financial support from the AstraZeneca, launched the 30-year project with the goal of restoring degraded landscapes and promoting climate resilience in the western province.

In the middle of the year, ARCOS was honored with the Prestigious Award for Long-standing Landscape Restoration Efforts in Africa by One Tree Planted. As part of increasing the philosophy of acting locally and engaging broadly, ARCOS launched the African NGOs Alliance for Environmental Sustainability (ANAES), a collaborative endeavor between ARCOS, CBA, and other African NGOs, representing a unifying force that brings together 32 committed conservation and development NGOs from 18 African countries to work together to restore biodiversity and put nature back to our economy and community livelihoods.

Later on, in a notable development, His Majesty the King Charles III, who also established the Circular Bioeconomy Alliance in 2020, was introduced to this newly launched initiative.

In September, ARCOS was awarded by the Earth Bezos Fund with a grant to implement locally led and managed restoration efforts in Rwanda, Burundi and Democratic Republic Congo. ARCOS increased its resources through its 14 projects including (four new project earned in 2023). With 162 staff, through 14 projects in Rwanda, Uganda and Democratic Republic of Congo, ARCOS engaged over 54,000 farmer households and restored 40,000 hectares in activity related to landscape restoration and other sustainable initiatives.

We deeply appreciate the support from our donors, partners, ARCOS members, and the tireless efforts of our staff. Your contributions have been essential to our achievements this year. We look forward to your ongoing collaboration and welcome new partnerships as we continue our journey to build environmental resilience and care for our planet.

ACHIEVEMENTS AND PERFORMANCE

a. Strategic Programme Areas

The year 2023 marked the third year of the implementation of the ARCOS 2021-2030 strategic plan centered on 6 strategic areas:

1. Enhancing Biodiversity Conservation and Ecosystem Restoration,
2. Building Social Capital and Sustainable Community Livelihoods,
3. Promoting Education for Sustainable Development,
4. Promoting Eco-Agriculture and Sustainable Food System,
5. Building Resilience to Climate Change and
6. Supporting Movements and Private Sector to Enhance Green Development Agenda as pillars.

1. Enhancing Biodiversity Conservation and Ecosystem Restoration

This year saw significant progress in strengthening our network for biodiversity conservation and ecosystem restoration. We forged partnerships with four key organizations (Reseau de Burundi, DIOBASS, Karongi & Rusizi districts), fostering collaboration and expanding our reach.

We empowered staff and community members by developing a comprehensive Biodiversity & Ecosystem

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Restoration Strategy. Additionally, 60 staff and 152 community representatives participated in training sessions, enhancing their capacity to contribute to these efforts. On the ground, our actions yielded impactful results. We significantly increased tree planting, growing a total of 3.5 million trees this year, with nearly half being native species. Restored areas expanded from 30,000 hectares to 40,000 hectares. Notably, the rehabilitation efforts contributed to the return of 20 indigenous species.

2. Building social capital and sustainable community livelihoods

ARCOS significantly enhanced social capital and sustainable community livelihoods in 2023. The network of Farmer Network Associations (FNAs) grew by 460, reaching 1150 and fostering knowledge sharing. Three Endokwa Newsletters empowered communities with critical information.

Capacity building was prioritized with 83 new ARCOS staff trained extensively as trainers. Additionally, 24 cooperatives and 14 women's groups received Train-the-Trainer sessions, boosting their ability to support sustainable development initiatives.

Extensive household engagement efforts led to the adoption of sustainable practices, promoting environmental conservation and resilience. Village Savings and Loan Associations (VSLAs) surged from 440 to 900, accumulating a total of 97.2 million RWF, empowering communities economically.

Land was allocated for developing 35 hectares for value chains of agro-commodities, and a selling point was constructed in Rulindo to improve market access for local produce. Additionally, ARCOS funded 281 community and school project proposals through grants and loans, fostering entrepreneurship, green jobs, and inclusive growth.

3. Promoting Education for Sustainable Development

In 2023, ARCOS made significant strides in promoting Education for Sustainable Development (ESD) within Rwandan communities. Strategic networking and targeted empowerment initiatives aimed to equip educators, students, and community leaders with the knowledge and skills necessary for a more sustainable future.

ARCOS actively participated in the global ESD conversation by attending three highlevel meetings. These included the Foundation for Environmental Education General Assembly, an update session with the Rwanda Education Board, and a UNESCO validation workshop on the Education for Sustainable Development 2030 Framework. These engagements ensured ARCOS remained at the forefront of ESD best practices and policies.

Empowerment was a key focus, with ARCOS staff receiving dedicated training on the Eco-Schools Approach and Climate Change adaptation strategies. This knowledge was then disseminated through a workshop, reaching a total of 50,671 individuals. Notably, this included 1,602 teachers, 48,869 students, 40 school leaders, 40 village leaders, 40 Environmental Officers, and 120 District Education Officials. By equipping these key figures with the tools and strategies for sustainable development, ARCOS is laying the groundwork for a more environmentally conscious future across Rwandan communities.

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

4. Promoting Eco-Agriculture and Sustainable Food System

The Eco-Agriculture and Sustainable Food System initiative achieved significant progress in 2023. Through strategic networking efforts, including the Endokwa Newsletter and Farmer Producer Organization (FPO) workshops, communities were empowered with essential knowledge on sustainable practices. These initiatives ensured that valuable information reached a broad audience, fostering informed community participation in sustainability efforts. Capacity building was a key focus, with over 133 individuals and groups trained as trainers in Sustainable Agriculture and Land Management (SALM) practices. This training equipped community members with the skills to implement and mentor others in sustainable practices, ensuring long-term positive impacts on local agriculture and environmental stewardship.

On-the-ground actions delivered tangible outcomes. Fifty model sites were established as local learning centers, providing practical demonstrations of sustainable practices. Additionally, 50 community-managed tree nurseries were set up, ensuring a steady supply of seedlings for reforestation and agroforestry projects. Adoption rates of sustainable practices among farmers were impressive, with 69% adopting kitchen gardens, 56% using grass strips, and 38% practicing conservation agriculture. These practices improved soil health, crop yields, and ecosystem resilience.

To support livelihoods, 552 livestock and tool packages were distributed, along with high-quality seeds, seedlings, manure, and lime. This distribution bolstered food security and agricultural productivity, enhancing the economic stability of farming households and promoting sustainable agriculture.

Overall, the Eco-Agriculture and Sustainable Food System initiative's multi-pronged approach effectively empowered communities with the knowledge, resources, and practical skills necessary for a more sustainable and food-secure future. The program's comprehensive strategy ensured that the benefits of sustainable agriculture were widely distributed, fostering resilient and self-sufficient communities.

5. Building Resilience to Climate Change

In 2023, the Eco-Agriculture and Sustainable Food System initiative achieved remarkable progress in promoting sustainable agricultural practices and enhancing climate resilience.

The initiative was further strengthened by community savings schemes, Nature-Based Community Funds (NBCFs), and various community projects, all aimed at empowering local populations to drive the green development agenda. A total of 851 community green projects received funding, reflecting the widespread commitment to environmental sustainability and the empowerment of grassroots initiatives.

Financial investment played a crucial role in the success of these projects, with 308,504,300 RWF allocated to support climate resilience and green development activities. This substantial funding ensured that communities had the necessary resources to implement effective and sustainable green projects.

Additionally, a significant milestone was reached in tree planting efforts. A total of 3,500,000 trees were planted, expected to sequester approximately 2.3 tons of carbon dioxide, demonstrating a strong commitment to mitigating climate change through natural solutions.

The 2023 accomplishments of the Eco-Agriculture and Sustainable Food System initiative highlight the effectiveness of a comprehensive approach to environmental sustainability. By integrating financial support, community empowerment, and practical on-the-ground actions, the initiative has set a robust foundation for ongoing green development and enhanced climate resilience in the communities it serves.

6. Supporting Green Development Agenda

ARCOS made significant progress in promoting environmentally friendly practices. Through grant giving, they grew a large number of coffee seedlings (175,000) that are expected to bring substantial income to the

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

community. Additionally, ARCOS created thousands of green jobs (4,117) by planting trees and running nurseries. This not only benefited the environment but also boosted cooperative income by 13% through both employment opportunities and seedling sales.

Beyond ARCOS' own work, a broader alliance (ANAES) was formed to promote environmental sustainability across Africa. This alliance, consisting of 32 NGOs, signifies a unified effort toward conservation across the continent. By funding over 850 community green projects, ARCOS demonstrated its commitment to environmental responsibility and its role in supporting the government's green development goals.

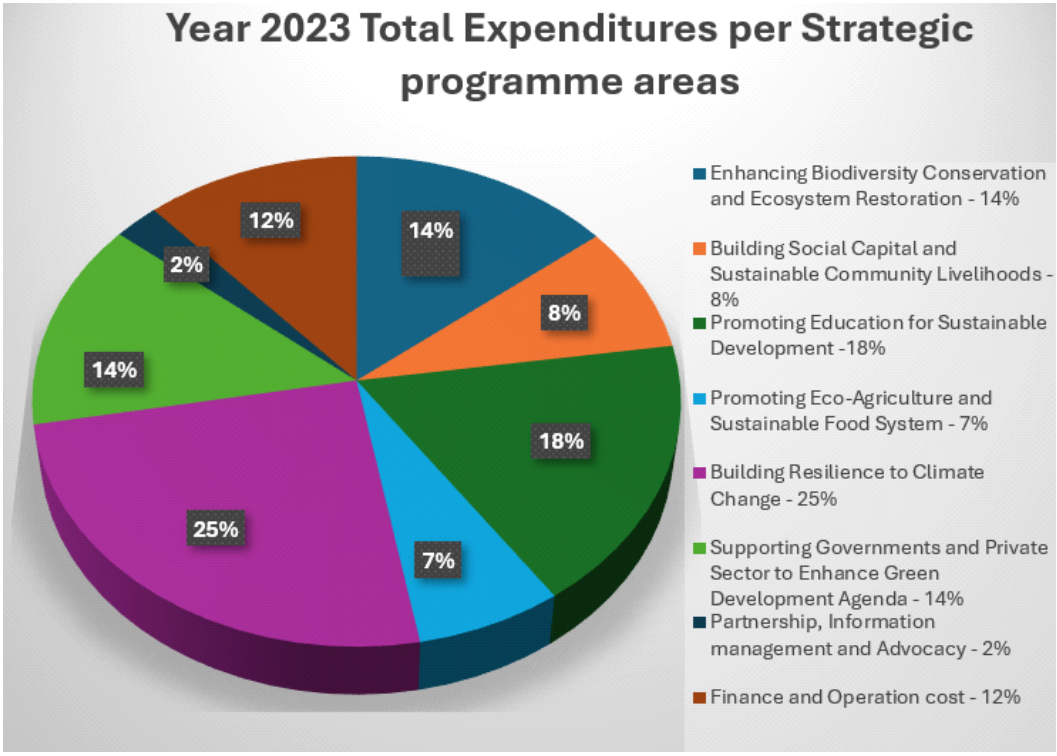
FINANCIAL REVIEW

a. ARCOS Financial Review and Funding

During the year ended 31 December 2023, ARCOS had total income amounting to $3,657,124 collected from its various sources of income, the organization incurred total expenses projects implementation and operating expenses amounting to $3,270,221 with a surplus of $386,903. This indicates that ARCOS has spent much of the Income received the year 2023 and part of funds carried forward from the year 2022's income received.

The organization has achieved good results in terms of fundraising and resources mobilization. The fundraising team identified a total of 25 opportunities for which ARCOS was eligible to apply, have submitted 24 quality proposals out of which 8 were funded by December 2023. With this effort, the annual total income of the organization reached $3,657,124. In addition, during this year 2023, ARCOS invested efforts in the complying with requirements from donors, stakeholders and organization's internal procedures by reporting on regular basis as required. We managed to facilitate the auditing process and the both the UK and regional audits, reports are in place.

The percentage of total expenditure incurred in the year 2023 per strategic programme areas is distributed below;



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b. Reserves policy

It is ARCOS' policy to commit the maximum amount of resources possible to current programmes in alignment to the organisation's mission and objectives, and therefore retain only what is necessary to safeguard the continuity of its operations. The board continues to be satisfied with the efficiency of fundraising, the level of support costs and reserves held, and is confident that these are all in line with the agreed strategic direction.

Unrestricted funds were $231,792 at the year-end.

The unrestricted fund relates mainly to the tangible fixed assets of the organisation and the operational buildings used in the restricted projects. The Trustees continue to seek unrestricted income to build unrestricted reserves. The Trustees can further review their asset holdings with a view to releasing liquid funds if necessary. Cash balances are, however, carefully monitored to ensure all restricted projects can be completed.

Unrestricted income will allow the board to:

- develop, test and demonstrate the effectiveness of new approaches
- respond quickly to emergencies, before dedicated appeal funding is secured
- finance our policy and campaigns work
- meet essential running costs that enable the charity to function properly

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined above, the Trustees are making efforts in fundraising to ensure that new funds are available to support organizational costs and that they can implement projects in line with funders requirements. We ensure compliance with the Fundraising Regulator Code of Practice and our own fundraising policies among our staff in a number of ways. This is done through rigorous coaching and training of new fundraising staff. With an established fundraising team, our target is to submit at least 3 major proposals per quarter. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

d. Principal risks and uncertainties

The Trustees are aware of the risks facing ARCOS and these are discussed by the Trustees on a regular basis. The Trustees have put in place plans to mitigate those risks as far as possible, where this is within control.

The Trustees have assessed and regularly assess the major risks to which the organization is exposed, in particular those related to the operations, finances, and compliance, and put in place mitigation measures to the possible risks to occur.

The main risks and their potential impact have been identified, together with the methods adopted to manage and mitigate them, and have been grouped into 4 categories:

Operational and administrative risks such as financial fraud and inefficient use of resources and assets

- Financial and Human resources in terms of insufficient funding, inadequate staff expertise and staff turnover,
- Projects and programme risks in terms of non-alignment to organization mission and expertise and poor implementation
- External risks reflected through international economic landscape and increasing natural disasters.

The trustees consider one of the current main risks to ARCOS might misappropriation of funds and therefore

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has put in place a policy to minimize cash payment and use bank transfer for full approval process. Therefore, all requests for payment must be approved by a number of different people and payments made by bank transfer rather than cash.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Structure and Governance

The Society is a charitable company which was formed from the Albertine Rift Conservation Society established in 1995 and hosted by the World Conservation Monitoring Centre (United Kingdom) and the Regional Coordination Office by Nature Uganda (Uganda). All monies held in bank accounts by this entity were donated to the Society on incorporation (8 November 2000). The Society is governed by its Memorandum and Articles of Association (revised 19 October 2012). The Society gained charitable status and was registered with the Charity Commission on 16 February 2004 (charity number: 1102123).

Board of Directors/Trustees: The Society is managed by a Board of Directors. ARCOS has currently seven Board members (including a Chairman, Vice Chairman, Treasurer and Secretary) who meet at least once per year or as needed in an annual general meeting. The Chairman or in his absence the Vice Chairman chairs the meeting. Any other member elected by members can chair the meeting if the Chairman and Vice Chairman are not present. The Board recruits and appoints Trustees who they consider will bring valuable and practical skills to the Society. All new trustees receive a full induction so that they can familiarise themselves with their statutory responsibilities, their role as board members, the governance framework within ARCOS and the risk environment. Ongoing training is arranged as and when a need is identified.

Management committee: The Chairman, Vice Chairman, Treasurer and Chief Executive Officer shall meet as the Management Committee at such intervals as the Board of Directors thinks fit. The Management Committee shall review the operations and activities of the Society and report the findings to the Board of Directors.

Staff positions: The Board of Directors may appoint such persons as it thinks fit to post including a position with overall responsibility for operational matters (whose formal tide may vary but hereafter known as the Chief Executive Officer), and such other salaried or voluntary staff posts on such terms and conditions, including remuneration and benefits, and with such duties and responsibilities as the Board, in its entire discretion, thinks fit. The Board may, at any time, vary or alter the terms and conditions and the duties and responsibilities of these posts provided always that no Directors shall occupy any of these posts. The Chief Executive Officer shall be the senior member of staff of the Society, and shall have responsibility for co-coordinating the Society activities and programmes.

b. Trustees

The Trustees in office during part or all of the year ended 31 December 2023 were:

- Mr John Yonazi Salehe (Chairperson)
- Dr Brigitte Nyirambangutse (Vice Chairperson)
- Dr Victor Nyarangi Keraro (Treasurer)
- Dr Jane Bemigisha
- Mr Elie Nizeyimana (resigned 26 June 2023)
- Dr Adrie Mukashema
- Dr Charles Kahindo Muzusa Ngabo
- Dr Nicholas David King (appointed 26 June 2023)

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Plans for future periods

Facing the Future

In the year 2024, we will continue to invest in accelerating our progress towards our 2030 Goals. We remain optimistic that our ambitious conservation vision and restoration of nature in a growing economy, will deliver a major impact for our mission. We will ensure that ARCOS' growth both in human resources and funds, be grounded in a vision of sound management and well-being of people and impact.

The key targets that ARCOS plans to achieve will mainly include the following:

- We will thrive to maintain ARCOS' position as a champion in landscape restoration across Africa through the delivery of impactful projects and fostering strategic partnerships. ARCOS targets to plant around 6 million trees on 20,000 Ha with focus on agroforestry trees, fruit trees, with the promotion of climate resilient indigenous species as a measure to address biodiversity loss.
- ARCOS will continue to lead the change at local, national and regional levels in environmental conservation and community empowerment, with a plan to engage and support over 80,000 community households or over 320,00 people as direct beneficiaries.
- We will upscale the established African NGOs Alliance for Environmental Sustainability (ANAES) to *20 African countries and* will build the capacity and resilience of 35 member NGOs engaged in this platform and work together in bringing nature-based solutions
- We will also build on ARCOS' leading role in Africa Sustainable Mountain Development to increase efforts in Africa Mountain ecosystems conservation and mountain communities' development, through advocacy activities such as the Africa Mountain Community-to-Community Exchange and the Africa Regional Mountain Forum.
- As Member of the Foundation for Environmental Education coordinating activities in Rwanda and Uganda, ARCOS will continue to enhance the Education for Sustainable Development in Africa, by upscaling the programme in Rwanda to a total of over 50 eco-schools and 16 Teacher Training Colleges and establishing mechanisms for regional ESD agenda.
- Finally but not least, the Year 2024 will constitute a bridge to the Year 2025 when ARCOS will celebrate its 30th Anniversary, an opportunity to bring together all members, partners and supporters in this memorable event.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Society will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Brigitte Nyirambangutse
Dr Brigitte Nyirambangutse
Vice-Chair/Trustee

Date: 08 July 2025

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY

OPINION

We have audited the financial statements of Albertine Rift Conservation Society (the 'society') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material

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misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge of charity and company law and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence available;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we reviewed the minutes of Trustees' meetings to identify any references to non-compliance with laws and regulation.

We assessed the susceptibility of the charity’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence made available to us such as correspondence with HMRC, relevant regulators and the charity’s legal advisors (where applicable).

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Loan

Nikki Loan FCA (Senior Statutory Auditor)
for and on behalf of
Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 08 July 2025

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ALBERTINE RIFT CONSERVATION SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Restricted funds 2023 $	Unrestricted funds 2023 $	Total funds 2023 $	Total funds 2022 $
INCOME FROM:					
Grants and donations	2	**3,547,339**	**-**	**3,547,339**	1,739,973
Other income	3	**-**	**109,785**	**109,785**	29,314
TOTAL INCOME		**3,547,339**	**109,785**	**3,657,124**	1,769,287
EXPENDITURE ON:					
Charitable activities	4	**2,918,613**	**351,608**	**3,270,221**	1,942,996
TOTAL EXPENDITURE		**2,918,613**	**351,608**	**3,270,221**	1,942,996
NET INCOME/(EXPENDITURE)		**628,726**	**(241,823)**	**386,903**	(173,709)
Transfers between funds	12	**(139,733)**	**139,733**	**-**	-
NET MOVEMENT IN FUNDS		**488,993**	**(102,090)**	**386,903**	(173,709)
RECONCILIATION OF FUNDS:					
Total funds brought forward		**399,181**	**333,882**	**733,063**	906,772
Net movement in funds		**488,993**	**(102,090)**	**386,903**	(173,709)
TOTAL FUNDS CARRIED FORWARD		**888,174**	**231,792**	**1,119,966**	733,063

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 36 form part of these financial statements.

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ALBERTINE RIFT CONSERVATION SOCIETY
REGISTERED NUMBER: 04103967

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note		2023 $		2022 $
FIXED ASSETS					
Tangible assets	9		**699,294**		500,356
CURRENT ASSETS					
Debtors	10	**252,720**		129,986	
Cash at bank and in hand		**981,906**		283,121	
		1,234,626		413,107	
Creditors: amounts falling due within one year	11	**(813,954)**		(180,400)	
NET CURRENT ASSETS			**420,672**		232,707
TOTAL NET ASSETS			**1,119,966**		733,063
CHARITY FUNDS					
Restricted funds	12		**888,174**		399,181
Unrestricted funds	12		**231,792**		333,882
TOTAL FUNDS			**1,119,966**		733,063

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Brigitte Nyirambangutse

Dr Brigitte Nyirambangutse
Vice-Chair/Trustee

Date: 08 July 2025

Sam Kanyamibwa

Dr Sam Kanyamibwa
CEO and Secretary

07 July 2025

The notes on pages 18 to 36 form part of these financial statements.

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ALBERTINE RIFT CONSERVATION SOCIETY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	14	**938,663**	(268,109)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		**(239,878)**	(5,984)
Income from investments		**-**	29,314
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		**(239,878)**	**23,330**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**698,785**	**(244,779)**
Cash and cash equivalents at the beginning of the year		**283,121**	527,900
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	15	**981,906**	283,121

The notes on pages 18 to 36 form part of these financial statements

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1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Albertine Rift Conservation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional and presentational currency is US dollars.

1.2 GOING CONCERN

The Trustees have reviewed the financial position of the Society and have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined in the Trustees' report, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Refer to Trustee report for further reference.

1.3 COMPANY STATUS

The Society is a company limited by guarantee and registered under the Companies Act with charitable status. Status was gained on 16 February 2004. The members of the Society are the Trustees named on page 1. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society

1.4 INCOME

Grant income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised once the Society has entitlement to the income, it is probable that it will be received and the amount of receivable can be measured reliably.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Rental income is recognised in the period to which it relates.

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1. ACCOUNTING POLICIES (CONTINUED)

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities, including the cost of certain 'central' staff salaries, depreciation of fixed assets, etc. Restricted income typically includes an allocation relating to overheads. Costs relating to support for each project are either charged directly to the relevant grant, or to the unrestricted fund via a funds transfer. Support costs relating to finance and operations are allocated to projects based on time spent, or another equally logical allocation based on an estimation of that project's utilisation of the resource, costed.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Head Office and are allocated to projects based on staff time. Governance costs are professional and accountancy costs and are included in support costs and allocated accordingly.

All expenditure is inclusive of irrecoverable VAT.

1.6 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing $400 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Land	- Not depreciated
Building	- 20 years
Motor vehicles	- 10 years
Office equipment	- 3-6 years
Computer equipment	- 3 years

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1. ACCOUNTING POLICIES (CONTINUED)

1.8 DEBTORS

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

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.11 FINANCIAL INSTRUMENTS

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

1.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.13 PENSIONS

During the year the Society contributed towards the National Social Security Fund on behalf of its employees. Pension costs reflect amounts payable by the company to the fund in respect of the employer contribution for that year. These are shown alongside the charity's (non-UK) social securities, medical and other costs, within note 7.

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2. INCOME FROM GRANTS AND DONATIONS

	Restricted funds 2023 $	Total funds 2023 $	Total funds 2022 $
SAINSBURY'S	11,113	**11,113**	13,140
Eco-Schools Rwanda	155,649	**155,649**	-
Livelihoods	1,352,287	**1,352,287**	760,427
Global Nature Fund (GNF)	231,642	**231,642**	34,967
Foundation Audemars-Watkins (FAW)	77,532	**77,532**	84,389
Mountains ADAPT (UNEP)	35,250	**35,250**	21,000
Sustainable goals development partnership (SDGP)	66,646	**66,646**	51,493
GIZ-WEFE	87,217	**87,217**	76,381
FONERWA (CAF)	60,000	**60,000**	240,000
Tree planting (AFR/OTP)	109,990	**109,990**	173,980
MULAKILA	1,016,978	**1,016,978**	-
CCAM	30,391	**30,391**	-
Eco-schools Uganda	73,827	**73,827**	195,431
Adaptation at Altitude (UNEP)	25,000	**25,000**	-
Geo mountain forum	21,384	**21,384**	-
Combio Project (IUCN)	35,016	**35,016**	-
Bezos Earth Fund	149,589	**149,589**	-
Aid Environment (UNHCR)	7,828	**7,828**	-
Leuphana University	-	**-**	6,323
TSF	-	**-**	37,927
Zoi Environment Network	-	**-**	1,972
ALINEA	-	**-**	42,543
TOTAL 2023	3,547,339	**3,547,339**	1,739,973
TOTAL 2022	1,739,973	1,739,973	

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

3. OTHER INCOMING RESOURCES

	Unrestricted funds 2023 $	Total funds 2023 $	Total funds 2022 $
Membership income	3,667	**3,667**	-
Rental Income	3,358	**3,358**	13,644
Sale of bidding document	198	**198**	-
Other income	55,818	**55,818**	15,670
Foreign exchange movement	46,744	**46,744**	-
	109,785	**109,785**	29,314

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

4. EXPENDITURE BY PROJECT AND STRATEGIC ANALYSIS

	Enhancing Biodiversity Conservation and Ecosystem Restoration	Building Social Capital and Sustainable Community Livelihoods	Promoting Education for Sustainable Development	Promoting Eco-Agriculture and Sustainable Food System	Building Resilience to Climate Change	Supporting Governments and Private Sector to Enhance Green Development Agenda	Partnership, Information management and Advocacy	Finance and Operation cost	Total 2023	Total 2022
	$	$	$	$	$	$	$	$	$	$
SAINSBURY'S	-	-	-	-	-	-	-	-	**-**	802
Eco-Schools Rwanda	-	1,904	76,110	28,559	49,502	3,808	3,808	26,701	**190,392**	159,528
Livelihoods	465,401	269,901	26,990	242,910	229,415	40,485	13,495	60,905	**1,349,502**	972,800
Global Nature Fund (GNF)	55,861	18,874	-	56,623	49,073	-	-	8,312	**188,743**	12,407
Foundation Audemars-Watkins (FAW)	43,970	626	-	-	11,444	-	-	4,193	**60,233**	85,179
Mountains ADAPT (UNEP)	-	-	-	-	25,983	11,359	-	521	**37,863**	64,177
Sustainable goals development partnership	-	-	-	-	-	55,911	-	1,197	**57,108**	42,279
GIZ-WEFE	-	-	-	-	-	-	-	14	**14**	129,973
FONERWA	35	6,052	-	-	6,696	-	-	94	**12,877**	192,114
Tree planting (AFR/OTP)	24,904	24,236	-	10,906	52,107	-	-	9,026	**121,179**	112,614

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

MULAKILA	193,899	144,679	14,468	130,211	180,849	28,936	7,234	23,119	**723,395**	-
CCAM	100	415	9,327	2,902	6,218	415	207	1,144	**20,728**	-
Eco schools Uganda (Euro)	1,121	759	18,592	5,691	10,624	759	379	17	**37,942**	-
Adaptation at Altitude (UNEP)	-	-	-	-	6,527	3,076	-	650	**10,253**	-
Geo mountain forum	-	-	9,629	-	-	-	-	-	**9,629**	-
Combio Project (IUCN)	2,789	562	562	337	787	562	-	22	**5,621**	-
Bezos Earth Fund	35,102	11,085	3,695	7,390	7,390	3,695	3,695	1,847	**73,899**	-
Aid Environment (UNHCR)	-	3,458	-	-	13,833	-	-	-	**17,291**	-
Amasangano	-	-	-	-	-	-	-	-	**-**	487
TSF	-	-	1,944	-	-	-	-	-	**1,944**	26,003
ZOI Environment Network	-	-	-	-	-	-	-	-	**-**	1,538
Leuphana University	-	-	-	-	-	-	-	-	**-**	6,323
ALINEA	-	-	-	-	-	-	-	-	**-**	66,874
Unrestricted	-	-	-	-	-	961	133,306	217,341	**351,608**	69,898
Total 2023	**823,182**	**482,551**	**161,317**	**485,529**	**650,448**	**149,967**	**162,124**	**355,103**	**3,270,221**	**1,942,996**
Total 2022	384,393	306,288	124,707	342,608	527,595	103,744	17,595	136,066	1,942,996	

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

5. FINANCE AND OPERATION - SUPPORT COST

	Restricted funds 2023 $	**Unrestricted funds 2023 $**	**Total funds 2023 $**
Audit and accountancy cost	19,285	127,346	**146,631**
Bank charges	2,824	7,346	**10,170**
Depreciation	-	40,939	**40,939**
Office costs	115,653	41,710	**157,363**
	137,762	217,341	**355,103**

	Restricted funds 2022 $	Unrestricted funds 2022 $	Total funds 2022 $
Professional fees	15,073	-	15,073
Bank charges	4,625	-	4,625
Depreciation	30,555	-	30,555
Foreign exchange	16,472	30,578	47,050
Office costs	-	38,763	38,763
	66,725	69,341	136,066

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

6. AUDITORS' REMUNERATION

	2023 $	2022 $
Fees payable to the Society's auditor in respect of:		
The audit of the Company's annual accounts	**67,275**	11,759
All non-audit services not included above	**10,000**	3,317

7. STAFF COSTS

	2023 $	2022 $
Wages and salaries. (Non-UK)	**745,248**	523,396
Social securities, pension, medical and other. (Non-UK)	**44,663**	27,740
Health insurance	**79,635**	-
	869,546	551,136

The average number of persons employed by the Company during the year was as follows:

	2023 No.	2022 No.
Management	**6**	6
Eco-school Rwanda	**4**	2
SDGP	**2**	2
FAW	**2**	6
Agro-forestry for Livelihoods	**56**	55
AFR	**4**	7
TSF	**-**	3
FONERWA	**1**	5
GNF	**3**	3
UNEP	**1**	2
MULAKILA Project	**31**	-
CCAM	**2**	-
Eco-school Uganda	**2**	-
Combio Project	**2**	-
Bezos Earth Fund	**2**	-
AIDENVIRONMENT_UNHCR	**1**	-
	119	91

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During the year 2023, ARCOS had 46 volunteers who supported project implementation activities and administrative works. Of these volunteers, 42 were Rwandan and 4 were International. These volunteers assisted mostly in the MULAKILA project, GNF and Agroforestry for Livelihood Project while carrying out Farmers mobilization and trainings, farmers' land registration, guiding farmers in trees planting and maintenance activities. Volunteer usage has contributed a lot in farmers mindset change, increasing numbers of trees planted and enhancing trees planted survival rate during the year 2023.

No employee received remuneration amounting to more than $76,400 (£60,000) in either year.

The key management personnel of the Society comprise:

Trustees
Chief Executive Officer
Director of Finance and Administration
Director of Conservation Program
Head of Nature based Community Development Program and landscape Coordinator
Executive Office Manager
Director of Business Development and External Relations

The total employment benefits including employer's social security and pension contributions of the key management personnel were $197,347 (2022 - $152,184).

8. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - $NIL).

During the year ended 31 December 2023, expenses totalling $6,045 were reimbursed or paid directly on behalf of 5 Trustees (2022 - $923 to 4 Trustees), in respect of travel, accommodation and sundry refreshment costs in connection with the fulfilment of duties connected with their trusteeship.

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

9. TANGIBLE FIXED ASSETS

	Land and Building $	Motor vehicles $	Office equipment $	Computer equipment $	Total $
COST					
At 1 January 2023	**410,722**	**141,950**	**24,526**	**68,933**	**646,131**
Additions	**-**	**198,134**	**8,203**	**33,541**	**239,878**
At 31 December 2023	**410,722**	**340,084**	**32,729**	**102,474**	**886,009**
DEPRECIATION					
At 1 January 2023	**11,614**	**51,619**	**20,714**	**61,828**	**145,775**
Charge for the year	**5,806**	**28,870**	**291**	**5,973**	**40,940**
At 31 December 2023	**17,420**	**80,489**	**21,005**	**67,801**	**186,715**
NET BOOK VALUE					
At 31 December 2023	**393,302**	**259,595**	**11,724**	**34,673**	**699,294**
At 31 December 2022	399,108	90,331	3,812	7,105	500,356

The cost of the land was approximately $276,722 (2022 - $276,722).

10. DEBTORS

	2023 $	2022 $
Due within one year		
Other debtors	**25,565**	11,943
Accrued income	**227,155**	118,043
	252,720	129,986

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 $	2022 $
Bank overdrafts	**4**	-
Trade creditors	**-**	1,129
Other taxation and social security	**48,949**	38,918
Other creditors	**186,520**	83,945
Deferred income	**578,481**	56,408
	813,954	180,400

Deferred income relates to income received for the Foundation Audemars-Watkins (FAW), International Union for Conservation of Nature and Natural Resources (IUCN) and Bezos Earth Fund projects that must be used in the next financial year 2024.

	2023 $	2022 $
Deferred income at 1 January 2023	**56,408**	65,586
Resources deferred during the year	**578,481**	56,408
Amounts released from previous periods	**(56,408)**	(65,586)
Deferred income at 31 December 2023	**578,481**	56,408

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 $	Income $	Expenditure $	Transfers $	Balance at 31 December 2023 $
UNRESTRICTED FUNDS					
General funds	**333,882**	**106,118**	**(350,531)**	**139,733**	**229,202**
Membership	**-**	**3,667**	**(1,077)**	**-**	**2,590**
	333,882	**109,785**	**(351,608)**	**139,733**	**231,792**
RESTRICTED FUNDS					
NFF-RSF	**11,500**	**-**	**-**	**-**	**11,500**
Sainsbury's	**-**	**11,113**	**-**	**(11,113)**	**-**
Eco-Schools Rwanda	**54,864**	**155,649**	**(190,392)**	**-**	**20,121**
Livelihoods	**158,433**	**1,352,287**	**(1,349,502)**	**-**	**161,218**
Global Nature Fund (GNF)	**22,560**	**231,642**	**(188,743)**	**-**	**65,459**
Foundation Audemars-Watkins	**57,691**	**77,532**	**(60,233)**	**-**	**74,990**
Mountains ADAPT (UNEP)	**23,497**	**35,250**	**(37,863)**	**-**	**20,884**
Sustainable goals development partnership (SDGP)	**38,592**	**66,646**	**(57,108)**	**-**	**48,130**
GIZ-WEFE	**(53,592)**	**87,217**	**(14)**	**(33,611)**	**-**
FONERWA-CAF	**47,886**	**60,000**	**(12,877)**	**(95,009)**	**-**
Tree planting (AFR/OTP)	**37,750**	**109,990**	**(121,179)**	**-**	**26,561**
MULAKILA	**-**	**1,016,978**	**(723,395)**	**-**	**293,583**
CCAM	**-**	**30,391**	**(20,728)**	**-**	**9,663**
Eco-schools Uganda	**-**	**73,827**	**(37,942)**	**-**	**35,885**
Adaptation at Altitude (UNEP)	**-**	**25,000**	**(10,253)**	**-**	**14,747**
Geo mountain forum	**-**	**21,384**	**(9,629)**	**-**	**11,755**
Combio Project (IUCN)	**-**	**35,016**	**(5,621)**	**-**	**29,395**
Bezos Earth Fund	**-**	**149,589**	**(73,899)**	**-**	**75,690**
Aid Environment (UNHCR)	**-**	**7,828**	**(17,291)**	**-**	**(9,463)**
TSF	**-**	**-**	**(1,944)**	**-**	**(1,944)**
	399,181	**3,547,339**	**(2,918,613)**	**(139,733)**	**888,174**
TOTAL OF FUNDS	**733,063**	**3,657,124**	**(3,270,221)**	**-**	**1,119,966**

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12. STATEMENT OF FUNDS (CONTINUED)

Current year funds

NFF-RSF - The 'Seeds, Soil and Culture Fund of RSF Social Finance' provided a grant to be put towards enhancing bio-cultural knowledge and eco-agricultural practices for mountain community livelihoods and climate change resilience in Rwanda and Uganda.

Sainsburys - Income relates to consultancy services for the Sainsbury's Fairly Traded tea pilot.

Eco-Schools - Part of the Danish Outdoor Council's programme promoting the right to quality education through Eco-Schools in Africa.

Livelihoods - This is a project focusing on fighting climate change and its effects through the reduction of greenhouse emissions and/or the increase of greenhouse gas sequestration. The project also endeavours to reduce poverty, promote gender equality and inclusion of youth. The deficit on this project will be cleared as funding is received in arrears.

Global Nature Fund (GNF) - This fund was originally money from the Global Biodiversity Information Facility for workshops. Funding is now being received from the Global Nature Fund to develop a full proposal.

Foundation Audemars-Watkins (FAW)- This is a project in support of the Nyagasenyi Remnant Forest landscape restoration for improved livelihoods and resilience to climate change.

Mountains ADAPT (UNEP) – Advancing Climate Action in East Africa is an United Nations Environment Programme project that is integrated into planning and policy process of regional bodies/frameworks/platform/initiatives and tier national constituencies through strengthened science-policy dialogue platforms.

Sustainable Development Goals Partnership (SDGP) is a Agroforestry interventions project for uphill food, income security and tea plantation protection.

GIZ WEFE - Funding for Enhancing Water-Energy-Food-Ecosystems (WEFE) Nexus and Climate Resilience along Koko (Rwanda) and Lwiro (DRC) Rivers of Lake Kivu Basin through Nature-Based Community Enterprises. The deficit on this fund was cleared when funding was received in 2023 and the remaining balance transferred reflecting unrestricted support over the life of the project.

FONERWA (CAF) - Funding for the technical assistance of the implementation of community adaptation facility (CAF) in Gicumbi district for NDC deep Dive project.

Tree planting (AFR/OTP) - ARCOS is working in collaboration with AFR100 Terramatch and One Tree Planted to plant trees.

MULAKILA - Project funding to build resilience to climate change and sustainable agriculture value chains (including timber and fruit) in agro-systems around Mukura Forest and Lake Kivu Catchment Landscape, Western Rwanda.

CCAM - Climate change adaptation modality is project funding to support integrated action for climate change resilience and livelihood in mountainous Tanzania and Rwanda.

Adaptation at altitude taking action in the mountains (UNEP) - Funding to support improved availability and use of mountain observation data and information services to support knowledge of climate change impact and help generate solutions and adaptations.

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12. STATEMENT OF FUNDS (CONTINUED)

Geo Mountain Forum - Funding to support the delivery of one GEO Mountains East Africa workshop to be held at Kigali in October 2023.

Combio project - Funding from the IUCN to contribute to the implementation of sustainable management of natural resources and environment to transition Rwanda towards a green economy, through the financing of the reducing vulnerability to climate change through enhanced community-based biodiversity conservation in the Eastern Province of Rwanda.

Bezos Earth Fund - funding to deliver restoration training to 7 NGOs and 100 Friends of Nature Associations to strengthen their capacity to manage sustainable socio-ecological systems, with emphasis on landscape restoration practices. The training will take place primarily in Rwanda and Burundi.

AID ENVIRONMENT (UNHCR) - funding to conduct field visits leading to the development of case study reports and workshops. The deficit will be recovered through future funding.

Prior year funds

JRS - These funds were received to support development of the Albertine Rift Biodiversity Portal.

VTF - A project committed to restoring and protecting Amasangano confluence wetland zone in Rwanda for enhanced ecological integrity and sustainable community livelihoods.

Stockholm Environment - This is a project to provide support to the Economics of Land Degradation policy engagement processes in Rwanda.

TSF - Funding for Eco-schools as a tool for integrating sustainable development and climate action within the Competency-Based Curriculum in Rwanda.

Zoi Environment Network - Funding for consultancy to support under the adaptation altitude programme.

Leuphana University - Funding towards consultancy contract with Leuphana University.

ALINEA - Funding towards the Community to Community exchange. The transfer from unrestricted funds covers the overspend on this fund.

Transfers
Transfers from restricted to unrestricted funds relate to overhead contributions payable by the projects and to assets funded by the projects.

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

12. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 $	Income $	Expenditure $	Transfers in/out $	Balance at 31 December 2022 $
UNRESTRICTED FUNDS					
General funds	223,842	29,314	(69,898)	150,624	333,882
RESTRICTED FUNDS					
JRS	53,504	-	-	(53,504)	-
NFF-RSF	36,286	-	-	(24,786)	11,500
Sainsbury's	(7,576)	13,140	(802)	(4,762)	-
One Tree Planted (OTP)	38,593	31,995	(8,379)	(62,209)	-
Eco-Schools	18,961	195,431	(159,528)	-	54,864
VTF	9,495	-	(487)	(9,008)	-
Eco Agriculture International	946	-	-	(946)	-
Livelihoods	370,806	760,427	(972,800)	-	158,433
Stolkholm Environment	5,282	-	-	(5,282)	-
Global Nature Fund (GNF)	2,296	34,967	(12,407)	(2,296)	22,560
Foundation Audemars-Watkins (FAW)	58,481	84,389	(85,179)	-	57,691
United Nations Environment Programme (UNEP)	66,674	21,000	(64,177)	-	23,497
Sustainable Development Goals Partnership	29,378	51,493	(42,279)	-	38,592
TSF	(196)	37,927	(26,003)	(11,728)	-
GIZ-WEFE	-	76,381	(129,973)	-	(53,592)
FONERWA-CAF	-	240,000	(192,114)	-	47,886
AFR100 Terramatch	-	141,985	(104,235)	-	37,750
Zoï Environment Network	-	1,972	(1,538)	(434)	-
Leuphana University	-	6,323	(6,323)	-	-
ALINEA	-	42,543	(66,874)	24,331	-
	682,930	1,739,973	(1,873,098)	(150,624)	399,181
TOTAL OF FUNDS	906,772	1,769,287	(1,942,996)	-	733,063

Docusign Envelope ID: E87192DC-55AC-4E66-BC37-D3B319F93607

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2023 $	Unrestricted funds 2023 $	Total funds 2023 $
Tangible fixed assets	321,492	377,802	**699,294**
Current assets	1,167,985	66,641	**1,234,626**
Creditors due within one year	(601,303)	(212,651)	**(813,954)**
Total	888,174	231,792	**1,119,966**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2022 $	Unrestricted funds 2022 $	Total funds 2022 $
Tangible fixed assets	142,677	357,679	500,356
Current assets	361,744	51,363	413,107
Creditors due within one year	(105,240)	(75,160)	(180,400)
Total	399,181	333,882	733,063

Overhead/indirect costs budgets from prior years had not been fully allocated to projects. Overhead allocations to restricted funds, including depreciation charges, and further unrestricted funding will reduce this gap. The Trustees are monitoring the position.

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14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 $	2022 $
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**386,903**	(173,709)
Adjustments for:		
Depreciation charges	**40,940**	30,555
Increase in debtors	**(122,734)**	(80,138)
Increase/(decrease) in creditors	**633,554**	(15,503)
Income from investment	**-**	(29,314)
Net cash provided by/(used in) operating activities	**938,663**	(268,109)

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash in hand	**981,906**	283,121

16. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2023 $	Cash flows $	At 31 December 2023 $
Cash at bank and in hand	**283,121**	**698,785**	**981,906**
Bank overdrafts repayable on demand	**-**	**(4)**	**(4)**
	283,121	**698,781**	**981,902**

17. PENSION AND NATIONAL INSURANCE COMMITMENTS

During the year employer contributions in respect of non-UK social security, pension and medical amounted to $44,663 (2022 - $27,740). The balance outstanding as at 31 December 2023 was $6,514 (2022 - $41,117).

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18. OPERATING LEASE COMMITMENTS

At 31 December 2023 the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	$	$
Not later than 1 year	**820**	1,217

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2023	2022
	$	$
Operating lease rentals	**5,712**	18,090

19. RELATED PARTY TRANSACTIONS

A relative of one of ARCOS' Trustees was employed by the Charity, however they do not have significant influence over the Charity's decision-making. Other than the transaction set out here, and those disclosed within note 8 to the accounts, there were no further related party transactions requiring disclosure for the year ended 31 December 2023 (2022: $nil).

ALBERTINE RIFT CONSERVATION SOCIETY

England & Wales - Charity number 1102123

Accounts

Registered number: 04103967
Charity number: 1102123

ALBERTINE RIFT CONSERVATION SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

ALBERTINE RIFT CONSERVATION SOCIETY

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees	Dr Adrie Mukashema Dr Brigitte Nyirambangutse Dr Charles Kahindo Muzusa Ngabo Mr Elie Nizeyimana (resigned 26 June 2023) Dr Jane Bemigisha Mr John Salehe Dr Victor Nyarangi Keraro Mrs Wivine Ntamubano (resigned 4 August 2022) Dr Nicholas David King (appointed 26 June 2023)
Company registered number	04103967
Charity registered number	1102123
Registered office	C/O Birdlife International The David Attenborough Building, Pembroke Street Cambridge CB2 3QZ
Company secretary	Dr Sam Kanyamibwa
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Bank of Kigali KN 4 Ave No12 Plot No 790 Kigali Rwanda Barclays Bank Plc Barclays Cambridge Cambridge United Kingdom CB2 3AX

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the Society for the year 1 January 2022 to 31 December 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Society qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

ARCOS was established in 1995 with the mission to "enhance biodiversity conservation and sustainable management of natural resources through the promotion of collaborative conservation action for Nature and People." Today, ARCOS has programmes extending beyond the Albertine Rift, including the Africa Great Lakes region and the African mountains.

To achieve its mission, ARCOS builds on the following pillars of its approach:

- We facilitate networking with local, national, and international players to enhance sustainable development through information and experience sharing.
- We empower our network through policy dialogue, capacity building and policy engagement when implementing our work. We work with all kinds of organizations — NGOs/CBOs, academic institutions, governments and increasingly business.
- Our activities on the ground take an integrated landscape approach focusing mainly in protecting biodiversity and enhancing ecosystem services, building Nature Based Community Enterprises (NBCEs) and building shared vision among stakeholders to address threats.

b. Legal Status

The Albertine Rift Conservation Society is registered in England and Wales as a Charity (Charity No 1102123), and Company Limited by guarantee (Company No 4103967). ARCOS is registered in Uganda (No S 5914/5195) and Rwanda (No. 118/RGB/18) as an international NGO, with the Operational Regional Head Office in Kigali. In addition, ARCOS has an appointed Board of Directors and Trustees drawn from different backgrounds and skills to board deliberations, and comprised of representatives from the Albertine Rift countries, Africa, and other international experts. Within the Board of Directors, a Management Committee is responsible for overseeing and reviewing ARCOS progress. The Management Committee is comprised of the Chairman, Vice-Chairman, Treasurer and the Chief Executive Officer, whose responsibility is to ensure the day-to-day management of the organization. There are clear distinctions between the role of the board and the executive management team.

OBJECTIVES AND ACTIVITIES (CONTINUED)

c. Public Benefit Entity

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission's general guidance on public benefit. The activities undertaken during the year to fulfil this obligation is further explained on the following pages.

d. Message from the Chairman and Chief Executive Officer

The year 2022 marked the celebration of 27 years since ARCOS was established. As in previous years, ARCOS kept the momentum of acting locally to address global issues through its Strategic Programme Areas:

- Enhancing Biodiversity Conservation and Ecosystem Restoration,
- Building Social Capital and Sustainable Community Livelihoods,
- Promoting Education for Sustainable Development,
- Promoting Eco-Agriculture and Sustainable Food System,
- Building Resilience to Climate Change and
- Supporting Governments and Private Sector to Enhance Green Development Agenda.

In the middle of 2022, ARCOS joined the Circular Bioeconomy Alliance (CBA), an action-oriented partnership that connects the dots between investors, companies, governmental and non- governmental organizations and local communities to advance the circular bioeconomy on the ground while restoring biodiversity globally. The CBA was created by the King Charles III in 2020. Moreover, ARCOS was graced to receive His Majesty King Charles III while on his visit to Rwanda for the occasion of The Commonwealth Heads of Government Meeting (CHOGM). His Majesty paid a visit to one of ARCOS' sites to witness a collaborative landscape restoration for climate resilience in Rwanda.

ARCOS strengthened its resource mobilization, with new projects secured in 2022, including the following:

1. Preservation and restoration of aquatic ecosystems and related landscapes. Biodiversity protection strategies considering climate change mitigation and adaptation with the objective to protect and restore ecosystems within Lake Kivu catchment, wetlands, and other related landscapes in Rwanda.
2. The feasibility study on the Refugee Environmental Projection fund project, with the aim to explore the potential of a carbon project on reforestation, afforestation, and restoration as well as clean cooking within and around selected refugee camps in Rwanda.
3. The partnership with ICR Facility to conduct a value chain development in Rwanda's landscapes to advise on potential commodities to be developed around the agroforestry system of Rwanda.

In December 2022, ARCOS organized the Africa Mountains Community-to-Community Exchange 2022, to celebrate the International Year of Sustainable Mountain Development. This event took place in Kigali, Rwanda, during the week that started with the International Mountain Day on the 11 December. It was organised as part of facilitating community experience and knowledge sharing across the African continent, in collaboration with the Government of Rwanda, Canada's Climate Action in Africa Project, and other partners.

We are very grateful for the support from different donors, partners, ARCOS members and tireless effort from ARCOS staff. Without you, we would have not achieved this much this year. We welcome your continuous collaboration as we also welcome new partnership on our journey to build environmental resilience and keep taking care of our mother planet.

ACHIEVEMENTS AND PERFORMANCE

a. Strategic Programme Areas

1. Enhancing Biodiversity Conservation and Ecosystem Restoration

During the year 2022, ARCOS achieved significant results through its Biodiversity Conservation and Ecosystem Restoration efforts, among others the following:

- ARCOS planted and grew 2,500,000 trees, resulting in increased species variety, providing essential resources such as food, fuelwood, and medicine for local communities.
- 12,500 ha of degraded land were under restoration, leading to improved soil fertility and doubled yields for households practicing Sustainable Agriculture and Land Management (SALM) practices.
- The rehabilitation of Nyagasenyi remnant forest also contributed to an increase in the number of plant, bird, and butterfly species, enriching the local biodiversity.

2. Building social capital and sustainable community livelihoods

With the current strategic plan 2021-2030, ARCOS has found relevant to invest efforts in building social capital within all landscapes of focus as a necessary measure to achieve transformational and sustainable community institutions and livelihoods improvement.

The year 2022 was marked by remarkable outcomes,

- ARCOS successfully empowered more than 40,000 farmer households in conservation and landscape restoration efforts and provided with technical and financial support. These communities reported a better understanding of environmental issues, climate change, and their role in ecosystem restoration, leading to enhanced social cohesion and transformation.
- The establishment of local social engines through community groups also helped address around 30 cases of social conflicts, promoting sustainability and resilience.
- Moreover, the initiation of Village-Based Saving and Loan Associations (VSLAs) enabled communities to invest over RWF 270 million per year, fostering financial independence.
- The engagement and training of these groups in business planning and enterprise development led to the creation of over 7,000 green jobs through various initiatives such as tree nursery development and value chains development.
- Additionally, around 300 project proposals from these groups were awarded grants or loans, further promoting entrepreneurship and sustainable livelihoods at the community level. A similar initiative is the Turaco Funds which operates at sector level and engaging schools, children, teachers, and parents to support their green learning zones at school level through small loans, income generating incentives and common services.

3. Promoting Education for Sustainable Development

ARCOS has strengthened the interventions of the Eco-schools Programme for the year 2022.

- In the framework to produce, test and disseminate the Eco-Schools teachers training manual, ARCOS and partners have conducted an education mapping exercise to identify the gaps and challenges pertaining the effective implementation of the Competence Based Curriculum (CBC) as well as integrating the Education for Sustainable Development (ESD). The report was produced and is very helpful in the identification of critical entry points for the Eco-schools' programme to support the achievement of quality education in Rwanda.
- Through the Education for Sustainable Development area, ARCOS conducted thorough School Environmental reviews and Climate change vulnerability assessments, resulting in a significant increase in students' awareness of eco-thinking and environmental values.
- By establishing "Green Learning Zones" in every school, promoting ecofriendly practices, and creating

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Climate change adaptation action Zones to restore degraded areas and pilot climate-resistant seeds, the program showcased tangible efforts towards a sustainable future.

- The program played a vital role in addressing social issues by training 20,016 parents and community members, on combating Gender-based violence (GBV) and addressing barriers that hinder girls' education and environmental plus business development aspects. ARCOS engaged 12,976 students from 25 Eco-Schools in impactful debates further heightened awareness about critical environmental concepts.

4. Promoting Eco-Agriculture and Sustainable Food System

ARCOS has adopted the promotion of eco-agriculture and sustainable food system under its strategic plan 2021-2030 in response to the current trends in population increase, high demand in food and agricultural land that exercise immense pressure on land and ecosystems in general. The principle is to advance sustainable practices that permit production of enough food while conserving and restoring agro-system landscapes.

During the year 2022, ARCOS demonstrated significant impact through its strategic area of "Promoting Eco-Agriculture and Sustainable Food System," fostering positive change in agricultural practices and livelihoods. ARCOS's efforts in promoting environmentally friendly and climate-smart agriculture practices yielded tangible results. A sample of 10% of trained farmers reported noticeable improvements, such as reduced rainwater run-off and erosion at the farm level, enhanced capacity to cope with emerging pests and diseases, and a remarkable doubling or even tripling of crop yields after consistent application of Sustainable Agricultural Land Management (SALM) practices. Building resilience to climate change.

In pursuit of strategic agriculture sector development, ARCOS conducted three Value Chains Assessment initiatives in four landscapes (Rulindo, Bugesera, Gicumbi & Kirehe in Rwanda). The produced reports are now serving as invaluable reference tools guiding value chain-oriented investments and resource mobilization efforts both nationally and at the organizational level.

ARCOS' commitment to promoting eco-agriculture and sustainable food systems has had a lasting impact on local communities. Through the implementation of climate-smart practices and the establishment of essential irrigation infrastructure, farmers have experienced increased productivity and resilience in the face of environmental challenges. The Value Chains Assessment initiatives have paved the way for strategic agricultural development and investment, further bolstering food security and sustainable livelihoods at both local and national levels.

5. Building Resilience to Climate Change

For the year 2022, significant milestones were achieved in "Building Resilience to Climate Change," fostering knowledge exchange and collaborative efforts among mountain communities facing climate challenges.

Knowledge Exchange and Learning Workshops: ARCOS organized two regional workshops on climate change, providing a crucial platform for mountain communities to share experiences and best practices. Through these workshops, communities engaged in valuable knowledge exchange, fostering collaboration and mutual support in addressing the impacts of climate change. The workshops' positive impact has been reflected in the enhanced understanding of climate challenges and the implementation of innovative solutions by these communities.

Documenting Adaptation Solutions: In a proactive move, ARCOS successfully documented 18 concrete adaptation solutions in the East African Mountains. These documented solutions serve as valuable resources for mountain communities to adapt to climate change challenges effectively. As these communities face unique climate-related impacts, the availability of actionable strategies and evidence-based solutions has significantly improved their resilience and capacity to respond to changing environmental conditions.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Establishment of East Africa Mountains Stakeholders Platform: ARCOS achieved a major milestone by establishing and operationalizing the East Africa Mountains Stakeholders Platform. This collaborative and participatory space has become a dedicated forum for various stakeholders to collectively address climate change issues affecting mountain communities. By fostering discussions, knowledge-sharing, and solution development, the platform prioritizes the unique needs and vulnerabilities of these regions. Its establishment has strengthened cooperation and coordination among stakeholders, resulting in more comprehensive and targeted initiatives to build resilience and ensure sustainable development in mountain areas.

6. Supporting Green Development Agenda

Significant achievements were attained in promoting a circular economy and sustainable agriculture practices as part of this strategic area. After joining the Circular Bioeconomy Alliance (CBA), ARCOS started promoting circular economy in its focal landscapes. The training of 4,000 tea farmers led to an impressive 80% adoption rate of green agriculture practices, resulting in increased productivity, improved soil fertility, reduced chemical inputs, and efficient water management. Furthermore, ARCOS' efforts in establishing circular economies in the Cyohoha and Rukeri watersheds involved the production and planting of 300,000 seedlings, creating 200 green jobs in tree nurseries' management and planting campaigns, leading to a 10% increase in the annual income of cooperative members due to employment opportunities and seedling sales. These achievements underscore ARCOS' commitment to environmental sustainability and its instrumental role in advancing the government's green development agenda.

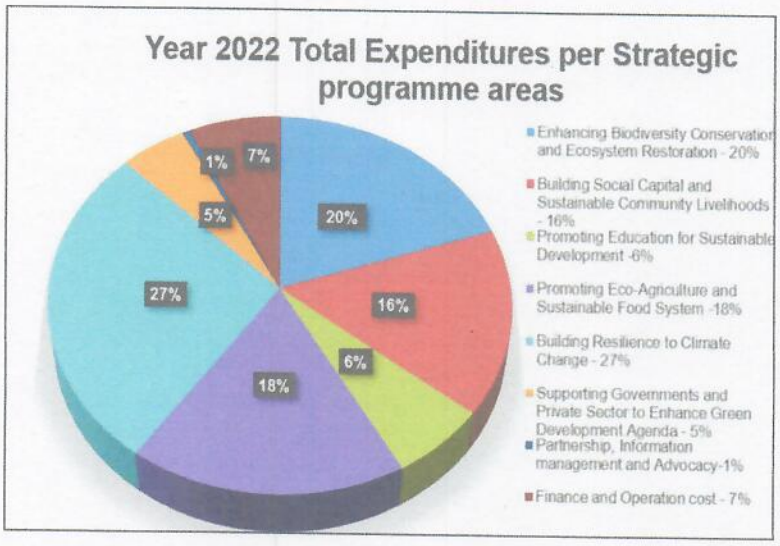
FINANCIAL REVIEW

a. ARCOS Financial Review and Funding

During the year ended 31 December 2022, ARCOS had total income amounted to $1,769,287 collected from its various sources of income, the organization incurred total expenses projects implementation and operating expenses amounting to $1,942,996. This means that from the unutilized funds balance of the year 2021, the organization utilized $173,709 in 2022. Reserves at the end of 2022 were $733,063, of which $399,181 were restricted.

The organization has achieved good results in terms of fundraising and resources mobilization. The Charity does not approach the general public and works with organizations to identify possible projects. The fundraising team identified a total of 12 opportunities for which ARCOS was eligible to apply. We have submitted 11 quality proposals out of which 4 were funded by December 2022. With this effort, the annual total income of the organization reached $1,769,287 (2021: $1,467,175). In addition, during this year 2022, ARCOS invested efforts in complying with requirements from donors, stakeholders and organization's internal procedures by reporting on regular basis as required.

The percentage of total expenditure incurred in the year 2022 per strategic programme areas is presented in the following Pie Chart.



b. Reserves policy

It is ARCOS' policy to commit the maximum amount of resources possible to current programmes in alignment to the organisation's mission and objectives, and therefore retain only what is necessary to safeguard the continuity of its operations. The board continues to be satisfied with the efficiency of fundraising, the level of support costs and reserves held, and is confident that these are all in line with the agreed strategic direction.

Unrestricted funds were $333,882 at the year-end.

The unrestricted fund relates mainly to the tangible fixed assets of the organisation and the operational buildings used in the restricted projects. The Trustees continue to seek unrestricted income to build unrestricted reserves. The Trustees can further review their asset holdings with a view to releasing liquid funds if necessary. Cash balances are, however, carefully monitored to ensure all restricted projects can be completed.

Unrestricted income will allow the board to:

- develop, test and demonstrate the effectiveness of new approaches
- respond quickly to emergencies, before dedicated appeal funding is secured
- finance our policy and campaigns work
- meet essential running costs that enable the charity to function properly

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined above, the Trustees are making efforts in fundraising to ensure that new funds are available to support organizational costs and that they can implement projects in line with funders requirements. We ensure compliance with the Fundraising Regulator Code of Practice and our own fundraising policies among our staff in a number of ways. This is done through rigorous coaching and training of new fundraising staff. With an established fundraising team, our target is to submit at least 3 major proposals per quarter. As such, in addition to the secured funding as mentioned above, we are working on 2 major carbon finance projects with MIROVA and Removal (each above USD 20 Million). For this reason, they continue to adopt the going concern basis in preparing the financial statements.

d. Principal risks and uncertainties

The Trustees are aware of the risks facing ARCOS and these are discussed by the Trustees on a regular basis. The Trustees have put in place plans to mitigate those risks as far as possible, where this is within control. The Trustees have assessed and regularly assess the major risks to which the organization is exposed, in particular those related to the operations, finances, and compliance, and put in place mitigation measures to the possible risks to occur.

The main risks and their potential impact have been identified, together with the methods adopted to manage and mitigate them, and have been grouped into 4 categories:

- Operational and administrative risks such as financial fraud and inefficient use of resources and assets
- Financial and Human resources in terms of insufficient funding, inadequate staff expertise and staff turnover,
- Projects and programme risks in terms of non-alignment to organization mission and expertise and poor implementation
- External risks reflected through international economic landscape and increasing natural disasters.

The trustees consider one of the current main risks to ARCOS might misappropriation of funds and therefore has put in place a policy to minimize cash payment and use bank transfer for full approval process. Therefore, all requests for payment must be approved by a number of different people and payments made by bank transfer rather than cash.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Structure and Governance

The Society is a charitable company which was formed from the Albertine Rift Conservation Society established in 1995 and hosted by the World Conservation Monitoring Centre (United Kingdom) and the Regional Coordination Office by Nature Uganda (Uganda). All monies held in bank accounts by this entity were donated to the Society on incorporation (8 November 2000). The Society is governed by its Memorandum and Articles of Association (revised 19 October 2012). The Society gained charitable status and was registered with the Charity Commission on 16 February 2004 (charity number: 1102123).

Board of Directors/Trustees: The Society is managed by a Board of Directors. ARCOS has currently seven Board members (including a Chairman, Vice Chairman, Treasurer and Secretary) who meet at least once per year or as needed in an annual general meeting. The Chairman or in his absence the Vice Chairman chairs the meeting. Any other member elected by members can chair the meeting if the Chairman and Vice Chairman are not present. The Board recruits and appoints Trustees who they consider will bring valuable and practical skills to the Society. All new trustees receive a full induction so that they can familiarise themselves with their statutory responsibilities, their role as board members, the governance framework within ARCOS and the risk environment. Ongoing training is arranged as and when a need is identified.

Management committee: The Chairman, Vice Chairman, Treasurer and Chief Executive Officer shall meet as the Management Committee at such intervals as the Board of Directors thinks fit. The Management Committee shall review the operations and activities of the Society and report the findings to the Board of Directors.

Staff positions: The Board of Directors may appoint such persons as it thinks fit to post including a position with overall responsibility for operational matters (whose formal tide may vary but hereafter known as the Chief Executive Officer), and such other salaried or voluntary staff posts on such terms and conditions, including remuneration and benefits, and with such duties and responsibilities as the Board, in its entire discretion, thinks fit. The Board may, at any time, vary or alter the terms and conditions and the duties and responsibilities of these posts provided always that no Directors shall occupy any of these posts. The Chief Executive Officer shall be the senior member of staff of the Society, and shall have responsibility for co-coordinating the Society activities and programmes.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

b. Trustees

The Trustees in office during part or all of the year ended 31 December 2022 were:

- Mr John Yonazi Salehe (Chairperson)
- Dr Brigitte Nyirambangutse (Vice Chairperson)
- Dr Victor Nyarangi Keraro (Treasurer)
- Dr Jane Bemigisha
- Mrs Wivine Ntamubano (Resigned on 4 August 2022)
- Mr Elie Nizeyimana
- Dr Adrie Mukashema
- Dr Charles Kahindo

Plans for future periods

With over 150 staff and 12 projects in 2023, ARCOS anticipates to actively shaping biodiversity conservation and ecosystem restoration as well as community development in the Albertine Rift region and beyond as highlighted below and we anticipate to continue to focus on raising funds from various sources to achieve the goals of our different proramme areas:

- Following the Board of Trustees' decision in August 2022, ARCOS will launch a regional new programme on NGO Partnership aimed at enhancing collaboration, and impact with local NGOs in Africa. ARCOS has already secured over USD 1 Million under this partnership.
- Through our solid fundraising and partnership programmes, ARCOS secured a major Carbon Finance Project through the partnership with Circular Bio-economy Alliance and Reforest Action on "Building resilience to climate change and sustainable agriculture value chains in agro-systems around Mukura Forest and Lake Kivu Catchment Landscape, western Rwanda (MuLaKiLa Project)" with USD 1.2 Million for the pilot phase in 2023 and total budget currently estimated at 50 million over 30 years.
- Building on ARCOS' recognized leadership and an International Award on Landscape Restoration, we have secured a grant of USD 3 Million over the next 5 years to establish a regional centre to support local actors in landscape restoration activities,
- As part of its Africa Sustainable Mountain Development Programme and after successful project to compile Climate Change Adaptation Solutions in East Africa as part of the project "Mountains ADAPT – Advancing Climate Action", ARCOS has secured new grant from UN Environment Programme to promote and accelerate innovative mountain adaptation action at local scales through developing, setting up and testing a small grants funding scheme (SGFS).

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Society will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

John Saighe
Chair/Trustee

Dr Sam Kanyamibwa
CEO and Secretary

Date: 12 Dec 2023

ALBERTINE RIFT CONSERVATION SOCIETY
ARCOS NETWORK
SOCIÉTÉ DE CONSERVATION DU RIFT ALBERTIN

CamScanner

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY

OPINION

We have audited the financial statements of Albertine Rift Conservation Society (the 'society') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease

operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge of charity and company law and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and taxation legislation;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence available;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we reviewed the minutes of Trustees' meetings to identify any references to non-compliance with laws and regulation.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY (CONTINUED)

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence made available to us such as correspondence with HMRC, relevant regulators and the charity's legal advisors (where applicable).

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Loan

Nikki Loan FCA (Senior Statutory Auditor)
for and on behalf of
Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 13/12/2023

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Restricted funds 2022 $	Unrestricted funds 2022 $	Total funds 2022 $	Total funds 2021 $
INCOME FROM:					
Donations and legacies	2	**1,739,973**	**-**	**1,739,973**	1,446,804
Other income	3	**-**	**29,314**	**29,314**	20,371
TOTAL INCOME		**1,739,973**	**29,314**	**1,769,287**	1,467,175
EXPENDITURE ON:					
Charitable activities	4	**1,873,098**	**69,898**	**1,942,996**	1,158,668
TOTAL EXPENDITURE		**1,873,098**	**69,898**	**1,942,996**	1,158,668
NET (EXPENDITURE)/INCOME		**(133,125)**	**(40,584)**	**(173,709)**	308,507
Transfers between funds	12	**(150,624)**	**150,624**	**-**	-
NET MOVEMENT IN FUNDS		**(283,749)**	**110,040**	**(173,709)**	308,507
RECONCILIATION OF FUNDS:					
Total funds brought forward		**682,930**	**223,842**	**906,772**	598,265
Net movement in funds		**(283,749)**	**110,040**	**(173,709)**	308,507
TOTAL FUNDS CARRIED FORWARD		**399,181**	**333,882**	**733,063**	906,772

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 35 form part of these financial statements.

CamScanner

ALBERTINE RIFT CONSERVATION SOCIETY
REGISTERED NUMBER: 04103967

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note		2022 $		2021 $
FIXED ASSETS					
Tangible assets	9		500,356		524,927
			500,356		524,927
CURRENT ASSETS					
Debtors	10	129,986		49,848	
Cash at bank and in hand		283,121		527,900	
		413,107		577,748	
Creditors: amounts falling due within one year	11	(180,400)		(195,903)	
NET CURRENT ASSETS			232,707		381,845
TOTAL NET ASSETS			733,063		906,772
CHARITY FUNDS					
Restricted funds	12		399,181		682,930
Unrestricted funds	12		333,882		223,842
TOTAL FUNDS			733,063		906,772

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

ALBERTINE RIFT CONSERVATION SOCIETY
ARCOS NETWORK
SOCIÉTÉ DE CONSERVATION DU RIFT ALBERTIN

John Salehe
Chair/Trustee

Date: 12-Dec 2023

Dr Sam Kanyamibwa
CEO and Secretary

The notes on pages 18 to 35 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 $	2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	14	**(268,109)**	339,824
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		**(5,984)**	(15,900)
Income from investments		**29,314**	20,371
NET CASH PROVIDED BY INVESTING ACTIVITIES		**23,330**	**4,471**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		**(244,779)**	**344,295**
Cash and cash equivalents at the beginning of the year		**527,900**	183,605
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	15	**283,121**	527,900

The notes on pages 18 to 35 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Albertine Rift Conservation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional and presentational currency is US dollars.

1.2 GOING CONCERN

The Trustees have reviewed the financial position of the Society and have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined in the Trustees' report, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Refer to Trustee report for further reference.

1.3 COMPANY STATUS

The Society is a company limited by guarantee and registered under the Companies Act with charitable status. Status was gained on 16 February 2004. The members of the Society are the Trustees named on page 1. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society

1.4 INCOME

Grant income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised once the Society has entitlement to the income, it is probable that it will be received and the amount of receivable can be measured reliably.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Rental income is recognised in the period to which it relates.

1. ACCOUNTING POLICIES (CONTINUED)

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Head Office and are allocated to projects based on staff time. Governance costs are professional and accountancy costs and are included in support costs and allocated accordingly.

All expenditure is inclusive of irrecoverable VAT.

1.6 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing $400 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Land	- Not depreciated
Building	- 20 years
Motor vehicles	- 10 years
Office equipment	- 3-6 years
Computer equipment	- 3 years

1. ACCOUNTING POLICIES (CONTINUED)

1.8 DEBTORS

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

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.11 FINANCIAL INSTRUMENTS

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

1.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.13 PENSIONS

During the year the Society contributed towards the National Social Security Fund on behalf of its employees and the pension cost represents the amounts payable by the company to the fund in respect of the employer contribution for that year.

2. INCOME FROM GRANTS AND DONATIONS

GRANTS	Restricted funds 2022 $	Unrestricted funds 2022 $	Total funds 2022 $
Eco-Schools	195,431	-	**195,431**
Foundation Audemars-Watkins (FAW)	84,389	-	**84,389**
Global Nature Fund (GNF)	34,967	-	**34,967**
Livelihoods	760,427	-	**760,427**
One Tree Planted	31,995	-	**31,995**
Sainsbury's	13,140	-	**13,140**
Sustainable Development Goals Partnership (SDGP)	51,493	-	**51,493**
United Nations Environment Programme (UNEP)	21,000	-	**21,000**
GIZ-WEFE	76,381	-	**76,381**
FONERWA-CAF	240,000	-	**240,000**
AFR100 Terramatch	141,985	-	**141,985**
TSF	37,927	-	**37,927**
Zoï Environment Network	1,972	-	**1,972**
Leuphana University	6,323	-	**6,323**
ALINEA	42,543	-	**42,543**
	1,739,973	-	**1,739,973**

Restricted income typically includes an allocation relating to overheads. Costs relating to support for each project are charged directly to the relevant grant. Support costs relating to finance and operations are allocated to projects based on time spent.

2. INCOME FROM GRANTS AND DONATIONS (CONTINUED)

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $
GRANTS			
Eco-Schools	86,868	-	86,868
Foundation Audemars-Watkins (FAW)	78,068	-	78,068
Global Nature Fund (GNF)	2,296	-	2,296
JRS	39,000	-	39,000
Livelihoods	978,887	-	978,887
One Tree Planted	127,990	-	127,990
Sustainable Development Goals Partnerships (SDGP)	46,485	-	46,485
United Nations Environment Programme (UNEP)	85,574	-	85,574
Total grants	1,445,168	-	1,445,168
Donations	-	1,636	1,636
	1,445,168	1,636	1,446,804

3. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 $	**Total funds 2022 $**	Total funds 2021 $
Rental Income	13,644	**13,644**	9,000
Interest receivable	15,670	**15,670**	11,371
	29,314	**29,314**	20,371

4. EXPENDITURE BY PROJECT AND STRATEGIC ANALYSIS

	Enhancing Biodiversity Conservation and Ecosystem Restoration	Building Social Capital and Sustainable Community Livelihoods	Promoting Education for Sustainable Development	Promoting Eco-Agriculture and Sustainable Food System	Building Resilience to Climate Change	Supporting Governments and Private Sector to Enhance Green Development Agenda	Partnership, Information management and Advocacy	Finance and Operation cost	Total 2022	Total 2021
	$	$	$	$	$	$	$	$	$	$
AFR 100	20,675	20,675	-	9,304	51,687	-	-	1,894	**104,235**	-
ALINEA	-	-	-	-	66,874	-	-	-	**66,874**	-
AMASANGANO VTF	487	-	-	-	-	-	-	-	**487**	150
ECO-SCHOOLS	-	1,587	79,334	23,800	47,600	3,173	1,587	2,447	**159,528**	89,901
FAW	67,455	-	-	-	16,021	-	-	1,703	**85,179**	19,587
FONERWA	-	87,581	-	-	99,005	-	-	5,528	**192,114**	-
GIZ	-	-	-	129,973	-	-	-	-	**129,973**	-
GNF	3,722	1,241	-	3,722	3,722	-	-	-	**12,407**	-
JRS	-	-	-	-	-	-	-	-	**-**	24,391
LIVELIHOODS	290,550	193,700	19,370	174,330	193,700	38,740	9,685	52,725	**972,800**	841,817
OTP	1,504	1,504	-	677	3,759	-	-	935	**8,379**	127,990
SAINSBURY'S	-	-	-	802	-	-	-	-	**802**	-
SDGP	-	-	-	-	-	42,279	-	-	**42,279**	17,107
TSF	-	-	26,003	-	-	-	-	-	**26,003**	196
UNEP	-	-	-	-	43,689	18,995	-	1,493	**64,177**	18,900

ZOI ENVIRONMENT NETWORK	-	-	-	-	1,538	-	-	-	**1,538**	-
UNRESTRIC-TED CORE	-	-	-	-	-	557	-	69,341	**69,898**	18,629
LEUPHANA UNVIERSITY LUENEBURG	-	-	-	-	-	-	6,323	-	**6,323**	-
Total 2022	**384,393**	**306,288**	**124,707**	**342,608**	**527,595**	**103,744**	**17,595**	**136,066**	**1,942,996**	**1,158,668**
Total 2021	285,869	174,727	66,373	168,814	253,434	52,407	-	157,044	1,158,668	

5. FINANCE AND OPERATION - SUPPORT COST

	Restricted funds 2022 $	Unrestricted funds 2022 $	Total funds 2022 $
Audit and accountancy cost	15,073	-	**15,073**
Bank charges	4,625	-	**4,625**
Depreciation	30,555	-	**30,555**
Foreign exchange	16,472	30,578	**47,050**
Office costs	-	38,763	**38,763**
	66,725	69,341	**136,066**

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $
Audit and accountancy cost	13,130	-	13,130
Bank charges	5,518	-	5,518
Depreciation	35,512	-	35,512
Foreign exchange	55,357	-	55,357
Office costs	29,992	-	29,992
Staff costs	-	17,535	17,535
	139,509	17,535	157,044

6. AUDITORS' REMUNERATION

	2022 $	2021 $
Fees payable to the Society's auditor in respect of:		
The audit of the Company's annual accounts	**11,759**	9,675
All non-audit services not included above	**3,317**	3,455

7. STAFF COSTS

	2022 $	2021 $
Wages and salaries (Non-UK)	**523,396**	389,286
Social securities, pension,medical and other (Non-UK)	**27,740**	19,321
	551,136	408,607

The average number of persons employed by the Company during the year was as follows:

	2022 No.	2021 No.
Management	**6**	7
Eco School	**2**	3
One Tree Planting	**-**	7
SDG	**2**	2
FAW	**6**	2
Climate Change	**55**	54
AFR	**7**	-
TSF	**3**	-
FONERWA	**5**	-
GNF	**3**	-
UNEP	**2**	-
	91	75

The Society used one volunteer during the year for some of their administrative work. They also used some volunteers approximately 40 members for their tree planting projects.

The Society used one volunteer during the year for a nine-month period. The volunteer contributed to tree planting and maintenance processes under the agroforestry for livelihood project, assisting ARCOS staff in training local communities in how to plant and maintain trees in Rulindo and Bugesera Districts. His assistance made a significant contribution to the survival rate of trees planted under this project and the sustainability impact of the project's activities.

No employee received remuneration amounting to more than $72,300 (£60,000) in either year.

The key management personnel of the Society comprise:

Trustees
Executive Director
Head of Financial Management
Head Programme Development and Coordination
Head Nature Based Community Development Programme and Landscape Coordinator
Head of Executive Office and ER
Head of Corporate Services

The total employment benefits including employer's social security and pension contributions of the key management personnel were $152,184 (2021 - $130,163). In addition staff loans of $11,940 (2021 - $8,317) remained outstanding at the end of the year. Staff loans are available to key management on the same terms as all other staff.

8. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - $NIL).

During the year ended 31 December 2022, expenses totalling $923 were reimbursed or paid directly to 4 Trustees (2021 - $1,423 to 5 Trustees), in respect of travel, accommodation and subsistence cost incurred in their role as Trustees.

9. TANGIBLE FIXED ASSETS

	Land and Building $	Motor vehicles $	Office equipment $	Computer equipment $	Total $
COST					
At 1 January 2022	**410,722**	**141,950**	**24,526**	**62,949**	**640,147**
Additions	**-**	**-**	**-**	**5,984**	**5,984**
At 31 December 2022	**410,722**	**141,950**	**24,526**	**68,933**	**646,131**
DEPRECIATION					
At 1 January 2022	**5,807**	**38,714**	**17,655**	**53,044**	**115,220**
Charge for the year	**5,807**	**12,905**	**3,059**	**8,784**	**30,555**
At 31 December 2022	**11,614**	**51,619**	**20,714**	**61,828**	**145,775**
NET BOOK VALUE					
At 31 December 2022	**399,108**	**90,331**	**3,812**	**7,105**	**500,356**
At 31 December 2021	404,915	103,236	6,871	9,905	524,927

The cost of the land was approximately $276,722 (2021 - $276,722).

10. DEBTORS

	2022 $	2021 $
Due within one year		
Other debtors	**11,943**	17,279
Accrued income	**118,043**	32,569
	129,986	49,848

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 $	2021 $
Trade creditors	**1,129**	39,172
Other taxation and social security	**38,918**	44,433
Other creditors	**83,945**	46,712
Deferred income	**56,408**	65,586
	180,400	195,903

Deferred income relates to income received for the Foundation Audemars-Watkins (FAW) project that must be used in the next financial year 2023.

	2022 $	2021 $
Deferred income at 1 January 2022	**65,586**	-
Resources deferred during the year - Foundation Audemars-Watkins (FAW) project	**56,408**	65,586
Amounts released from previous periods	**(65,586)**	-
	56,408	65,586

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2022 $	Income $	Expenditure $	Transfers $	Balance at 31 December 2022 $
UNRESTRICTED FUNDS					
General funds (unrestricted core)	223,842	29,314	(69,898)	150,624	333,882
RESTRICTED FUNDS					
JRS	53,504	-	-	(53,504)	-
NFF-RSF	36,286	-	-	(24,786)	11,500
Sainsbury's	(7,576)	13,140	(802)	(4,762)	-
One Tree Planted (OTP)	38,593	31,995	(8,379)	(62,209)	-
Eco-Schools	18,961	195,431	(159,528)	-	54,864
VTF	9,495	-	(487)	(9,008)	-
Eco Agriculture International	946	-	-	(946)	-
Livelihoods	370,806	760,427	(972,800)	-	158,433
Stolkholm Environment	5,282	-	-	(5,282)	-
Global Nature Fund (GNF)	2,296	34,967	(12,407)	(2,296)	22,560
Foundation Audemars-Watkins (FAW)	58,481	84,389	(85,179)	-	57,691
United Nations Environment Programme (UNEP)	66,674	21,000	(64,177)	-	23,497
Sustainable Development Goals Partnership	29,378	51,493	(42,279)	-	38,592
TSF	(196)	37,927	(26,003)	(11,728)	-
GIZ-WEFE	-	76,381	(129,973)	-	(53,592)
FONERWA-CAF	-	240,000	(192,114)	-	47,886
AFR100 Terramatch	-	141,985	(104,235)	-	37,750
Zoï Environment Network	-	1,972	(1,538)	(434)	-
Leuphana University	-	6,323	(6,323)	-	-
ALINEA	-	42,543	(66,874)	24,331	-
	682,930	1,739,973	(1,873,098)	(150,624)	399,181
TOTAL OF FUNDS	906,772	1,769,287	(1,942,996)	-	733,063

12. STATEMENT OF FUNDS (CONTINUED)

JRS - These funds were received to support development of the Albertine Rift Biodiversity Portal.

NFF-RSF - The 'Seeds, Soil and Culture Fund of RSF Social Finance' provided a grant to be put towards enhancing bio-cultural knowledge and eco-agricultural practices for mountain community livelihoods and climate change resilience in Rwanda and Uganda.

OTP - One Tree Planted - ARCOS is working in collaboration with One Tree Planted to plant 28,000 trees.

Sainsburys - Income relates to consultancy services for the Sainsbury's Fairly Traded tea pilot.

Eco-Schools - Part of the Danish Outdoor Council's programme promoting the right to quality education through Eco-Schools in Africa.

VTF - A project committed to restoring and protecting Amasangano confluence wetland zone in Rwanda for enhanced ecological integrity and sustainable community livelihoods.

Livelihoods - This is a project focusing on fighting climate change and its effects through the reduction of greenhouse emissions and/or the increase of greenhouse gas sequestration. The project also endeavours to reduce poverty, promote gender equality and inclusion of youth.

Stockholm Environment - This is a project to provide support to the Economics of Land Degradation policy engagement processes in Rwanda.

GNF - This fund was originally money from the Global Biodiversity Information Facility for workshops. Funding is now being received from the Global Nature Fund to develop a full proposal.

Foundation Audemars-Watkins (FAW)- This is a project in support of the Nyagasenyi Remnant Forest landscape restoration for improved livelihoods and resilience to climate change.

United Nations Environment Programme (UNEP) project is integrated into planning and policy process of regional bodies/frameworks/platform/initiatives and tier national constituencies through strengthened science-policy dialogue platforms.

Sustainable Development Goals Partnership (SDGP) is a Agroforestry interventions project for uphill food, income security and tea plantation protection.

TSF - Funding for Eco-schools as a tool for integrating sustainable development and climate action within the Competency-Based Curriculum in Rwanda.

GIZ WEFE - Funding for Enhancing Water-Energy-Food-Ecosystems (WEFE) Nexus and Climate Resilience along Koko (Rwanda) and Lwiro (DRC) Rivers of Lake Kivu Basin through Nature-Based Community Enterprises. The deficit on this fund will be cleared when funding is received in 2023.

FONERWA-CAF - Funding for the technical assistance of the implementation of community adaptation facility (CAF) in Gicumbi district for NDC deep Dive project.

AFT100 Terramatch - Funding for planting trees.

Zoi Environment Network - Funding for consultancy to support under the adaptation altitude programme.

Leuphana University - Funding towards consultancy contract with Leuphana University.

12. STATEMENT OF FUNDS (CONTINUED)

ALINEA - Funding towards the Community to Community exchange. The transfer from unrestricted funds covers the overspend on this fund.

Transfers
Transfers from restricted funds to unrestricted funds have occurred where a project has been completed and the surplus can be transferred to the general fund.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2021 $	As restated Income $	As restated Expenditure $	Balance at 31 December 2021 $
UNRESTRICTED FUNDS				
General funds (unrestricted core)	220,465	22,007	(18,630)	223,842
RESTRICTED FUNDS				
JRS	38,895	39,000	(24,391)	53,504
NFF-RSF	36,286	-	-	36,286
Sainsbury's	(7,576)	-	-	(7,576)
One Tree Planted (OTP)	38,593	127,990	(127,990)	38,593
Eco-Schools	21,993	86,868	(89,900)	18,961
VTF	9,645	-	(150)	9,495
Eco Agriculture International	946	-	-	946
Livelihoods	233,736	978,887	(841,817)	370,806
Stolkholm Environment	5,282	-	-	5,282
Global Nature Fund (GNF)	-	2,296	-	2,296
Foundation Audemars-Watkins (FAW)	-	78,068	(19,587)	58,481
United Nations Environment Programme (UNEP)	-	85,574	(18,900)	66,674
Sustainable Development Goals Partnership	-	46,485	(17,107)	29,378
TSF	-	-	(196)	(196)
	377,800	1,445,168	(1,140,038)	682,930
TOTAL OF FUNDS	598,265	1,467,175	(1,158,668)	906,772

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2022 $	Unrestricted funds 2022 $	Total funds 2022 $
Tangible fixed assets	142,677	357,679	**500,356**
Current assets	361,744	51,363	**413,107**
Creditors due within one year	(105,240)	(75,160)	**(180,400)**
Total	399,181	333,882	**733,063**

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $
Tangible fixed assets	103,236	421,691	524,927
Current assets	775,597	(197,849)	577,748
Creditors due within one year	(195,903)	-	(195,903)
Total	682,930	223,842	906,772

Overhead/indirect costs budgets from prior years had not been fully allocated to projects. Overhead allocations to restricted funds, including depreciation charges, and further unrestricted funding will reduce this gap. The Trustees are monitoring the position.

14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 $	2021 $
Net income/(expenditure) for the year (as per Statement of Financial Activities)	**(173,709)**	**308,507**
Adjustments for:		
Depreciation charges	**30,555**	35,512
(Increase)/decrease in debtors	**(80,138)**	1,560
(Decrease)/increase in creditors	**(15,503)**	14,616
Income from investment	**(29,314)**	(20,371)
Net cash provided by operating activities	**(268,109)**	339,824

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 $	2021 $
Cash in hand	**283,121**	527,900
Total cash and cash equivalents	**283,121**	527,900

16. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2022 $	Cash flows $	At 31 December 2022 $
Cash at bank and in hand	**527,900**	**(244,779)**	**283,121**
	527,900	**(244,779)**	**283,121**

17. PENSION COMMITMENTS

During the year contributions to employers' pensions totalled $26,461 (2021 - $31,058). The balance outstanding as at 31 December 2022 was $2,199 (2021 - $23,405).

18. OPERATING LEASE COMMITMENTS

At 31 December 2022 the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 $	2021 $
Not later than 1 year	**1,217**	18,090
Later than 1 year and not later than 5 years	**-**	28,080
	1,217	46,170

19. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or previous year other than the transactions disclosed in note 8. During the year a relative of one Trustee worked for ARCOS, however they do not have any significant influence on charity's decision making.

ALBERTINE RIFT CONSERVATION SOCIETY

England & Wales - Charity number 1102123

Accounts

Registered number: 04103967
Charity number: 1102123

ALBERTINE RIFT CONSERVATION SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

ALBERTINE RIFT CONSERVATION SOCIETY

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ALBERTINE RIFT CONSERVATION SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Dr Adrie Mukashema Dr Brigitte Nyirambangutse Dr Charles Kahindo Muzusa Ngabo Mr Elie Nizeyimana Dr Jane Bemigisha Mr John Salehe Dr Victor Nyarangi Keraro Mrs Wivine Ntamubano (resigned 4 August 2022)
Company registered number	04103967
Charity registered number	1102123
Registered office	C/O Birdlife International The David Attenborough Building, Pembroke Street Cambridge CB2 3QZ
Company secretary	Dr Sam Kanyamibwa
Auditor	Peters Elworthy & Moore Chartered Accountants and Statutory Auditors Salisbury House Station Road Cambridge CB1 2LA
Bankers	Bank of Kigali KN 4 Ave No12 Plot No 790 Kigali Rwanda Barclays Bank Plc Barclays Cambridge Cambridge United Kingdom CB2 3AX

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Society for the year 1 January 2021 to 31 December 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

ARCOS was established in 1995 with the mission to "enhance biodiversity conservation and sustainable use of natural resources through the promotion of collaborative conservation action for Nature and People." Today, ARCOS has programmes extending beyond the Albertine Rift, including the Great Lakes region and the African mountains.

To achieve its mission, ARCOS builds on the following pillars of its approach:

- We facilitate networking with local, national, and international players to enhance sustainable development through information and experience sharing.
- We empower our network through policy dialogue, capacity building and policy engagement when implementing our work. We work with all kinds of organizations – NGOs/CBOs, academic institutions, governments and increasingly business.
- Our activities on the ground take an integrated landscape approach focusing mainly in protecting biodiversity and enhancing ecosystem services, building Nature Based Community Enterprises (NBCEs) and building shared vision among stakeholders to address threats.

b. Legal Status

ARCOS is registered in Uganda and Rwanda as an International NGO and in the UK as a Charity and Company Limited by Guarantee. ARCOS has an office in Kampala (Regional Office) and Kigali. In addition, ARCOS has an appointed Board of Directors and Trustees comprised of appointed Board members. These Board members include representatives from the Albertine Rift countries, Africa, and other international experts. Within the Board of Directors, a Management Committee is responsible for overseeing and reviewing ARCOS progress. The Management Committee is comprised of the Chairman, Vice-Chairman, Treasurer and the Executive Director, whose responsibility is to ensure the day-to-day management of the organization.

c. Public Benefit Entity

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission general guidance on public benefit. The activities undertaken during the year to fulfil this obligation is further explained on the following pages.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES (continued)

d. Message from the Chairman and Executive Director

2021 marked the commencement of the implementation of the ARCOS 2021-2030 strategic plan. The 10 years new strategic plan is centred on 6 strategic areas namely; Enhancing Biodiversity Conservation and Ecosystem Restoration, Building Social Capital and Sustainable Community Livelihoods, Promoting Education for Sustainable Development, Promoting Eco-Agriculture and Sustainable Food System, Building Resilience to Climate Change and Supporting Governments and Private Sector to Enhance Green Development Agenda. Despite the fact that in 2021 the world was still facing Covid-19 pandemic consequences, the same year witnessed tremendous achievements attained by ARCOS:

In 2021, on the COP26 occasion, alongside with other 19 African non-profit community organizations and for-profit businesses that are restoring land by planting and growing trees, ARCOS received a grant for restoring trees for suitable landscapes in Rwanda. In the same year, ARCOS was shortlisted for the prestigious Ashden Award for Natural Climate Solution.

In Rwanda, ARCOS has embarked on a drive of enhancing the promotion of 12 indigenous tree species in the agrosystem. ARCOS worked towards the status of Rwanda's wetlands biodiversity and ecosystem services helped to design the environment status chapter of the Rwanda State of Environment and Outlook Report, 2021.

The year 2021 left ARCOS with a strong partnership with big players in the Africa's Great Lakes region,namely; ABAKIR and GIZ with whom it is implementing a transboundary project in Rwanda and DR Congo along the Kivu basin. Into the bargain, ARCOS in partnership with EAC, UNEP and Grid Arendal brought together East Africa' stakeholders in the environment sector to mark the Africa Climate Week.

All things considered; ARCOS strengthened its resource mobilization which helped to implement its projects. We can't forget to mention that its more than 100 staff in Rwanda, DR Congo and Uganda helped the organization to achieve the stated above milestones.

We are very grateful for the support from different donors, partners, ARCOS members and tireless effort from ARCOS staff. Without you, we would have not achieved much this year.

We welcome your continuous collaboration as we also welcome new partnership on our journey to build environmental resilience in the Albertine Rift Conservation Society.

Achievements and performance

a. Strategic Programme Areas

The year 2021 marked the commencement of the implementation of the ARCOS 2021-2030 strategic plan centred on 6 strategic areas:

1. Enhancing Biodiversity Conservation and Ecosystem Restoration,
2. Building Social Capital and Sustainable Community Livelihoods,
3. Promoting Education for Sustainable Development,
4. Promoting Eco-Agriculture and Sustainable Food System,
5. Building Resilience to Climate Change and
6. Supporting Governments and Private Sector to Enhance Green Development Agenda as pillars.

1. Enhancing Biodiversity Conservation and Ecosystem Restoration

The year 2021 was very special for ARCOS as we started the implementation of the new strategic plan 2021-2030 aligned with the UN decade for ecosystem restoration. ARCOS has achieved a lot between January and December 2021, as reflected in the summary below following three pillars of interventions (Networking, Empowerment and Actions on the ground). This year was marked by many uncertainties regarding meetings and networking activities with keyholders either in Rwanda, in the region and internationally, but ARCOS Managed to conduct required interactions with the multidisciplinary team composed of young researchers from different institutions in Rwanda that has been conducting the Rwanda wetland ecological integrity assessment. The team is composed of 16 people with two per taxon assessed (Plants and algae, Mammals, Birds, Butterflies and Dragonflies).

By end of 2021, through different new projects that ARCOS initiated as part of projects funded mainly from Livelihood- Climate change projects, we recorded about 32,000 farmers grouped in a network of over 650 community groups known as Friends of Nature Associations that ARCOS is supporting across the Albertine Rift Region to integrate biodiversity in agro-ecosystems landscapes.

2. Building social capital and sustainable community livelihoods

With the current strategic plan 2021-2030, ARCOS has found relevant to invest efforts in building social capital within all landscapes of focus as a necessary measure to achieve transformational and sustainable community institutions and livelihoods improvement. The year 2021 was marked by the engagement of new 405 community groups known as Friends of Nature Associations (FNAs) involving around 12,500 small holder farmers.

Those are small community groups composed on average of 30 neighbouring farmers through which technical and financial support is channeled. With this, over 3,500 green jobs were created through tree nursery development, on-job community climate action and overall project-based activity coordination. All 12,500 small holder farmers were trained in BEST farming method through which the notion of group leadership, environment resilient interventions, nature-based business planning and proposal development were established. As well as the training's more than USD 83,000+ has been invested in 22 Umusave Fund, an initiative of ARCOS operating in different districts and managed at each of the 22-cell level to facilitate community access to finance and support climate resilient community business. In addition, a similar initiative is the Turaco Funds which operates at sector level and engaging school children, teachers, and parents to support their green learning zones at school level through small loans, income generating incentives and common services.

3. Promoting education for sustainable development

ARCOS has strengthened the interventions of the Eco-schools Programme for the year 2021. In the framework to produce, test and disseminate the Eco-schools teachers training manual, ARCOS and partners have conducted an education mapping exercise to identify the gaps and challenges pertaining the effective

Achievements and performance (continued)

implementation of the Competence Based Curriculum (CBC) as well as integrating the Education for Sustainable Development (ESD). The report was produced and is very helpful in the identification of critical entry points for the Eco-schools programme to support the achievement of quality education in Rwanda.

To integrate the aspect of climate change adaptation and environmental education in the teaching and learning process, ARCOS has worked together with Eco-schools committees and pupils' parliaments from 10 pilot schools to conduct a climate change vulnerability assessment and environmental review on the base of which, a climate change adaptation strategy in Eco-schools of Rwanda was developed. To start the implementation of the climate change adaptation strategy, ARCOS with partner schools have initiated the establishment and implementation of green learning zones at each school, the initiative that will be continuously supported through the Turaco Fund.

With this initiative, almost 20 Rainwater harvesting tanks of 10,000 Litters each, with two (2) tanks at each of Eco-schools were provided, 5000 trees were planted at schools and in the surrounding community including agroforestry, indigenous and fruits trees.

The investment capital of Twenty Millions (20,000,000) RWF have been deposed at opened bank accounts of the Turaco Fund at UMURENGE SACCOs and the programme managed to mobilize addition 30,000 GBP from the UKR and the University of Bristol to conduct a small research on how Eco-schools programme can be used as a tool for integrating sustainable development and climate action within the Competency Based Curriculum in Rwanda.

4. Promoting eco-agriculture and sustainable food System

ARCOS has adopted the promotion of eco-agriculture and sustainable food system under its strategic plan 2021-2030 in response to the current trends in population increase, high demand in food and agricultural land that exercise immense pressure on land and ecosystems in general. The principal is to advance the techniques that permit production of enough food while conserving and restoring agrosystem landscapes.

Our efforts focused on the mobilization of farmers and local leaders, and provision of training to increase awareness and understanding of best practices required to respond to the pressure. 10,000 farmers responded, registered, and engaged through a 20-year sustainability agreement which led to the attainment 15,800 farmers part of the agreement by December 2021 from both Rulindo and Bugesera District operating on 8,390 ha to apply Sustainable Agricultural Land Management Practices (SALM). Within this, 448 community groups known as Friends of Nature Association (FNAs) were trained, bringing the total to 551 FNAs. 924,323 agroforestry trees and 178,767 woodlot trees were planted and maintained.

5. Building resilience to climate change

Since 2021, the Albertine Rift Conservation Society (ARCOS), together with the United Nations Environment Programme (UNEP) and GRID-Arendal started implementing the Adaptation at Altitude Programme`s regional component in East Africa (Rwanda, Uganda, Burundi, Tanzania, Kenya and South Sudan).

Through this programme, 18 concrete adaptation solutions in the mountains of the East African Region were collected for future publication. The collected solutions are hands-on examples of inclusive approaches such as Ecosystem-based Adaptation (EbA) as well as giving advice on how similar solutions can be implemented elsewhere.

Again through this programme ARCOS has organized a side event titled adaptation solutions and action in the East Africa Mountains to mark the Africa Climate Week. In addition, ARCOS made a statement calling upon African Governments to make policy and legal reforms that take into account Sustainable Mountain Development on the occasion of the International Mountain Day celebrated on 11th December 2021.

Achievements and performance (continued)

6. Supporting Governments and Private sector to enhance green development agenda

This strategic area is newly included in ARCOS strategic plan areas and it is well set to support government and private sector's efforts in promoting and enhancing green development agenda. For the year 2021, ARCOS increased its engagement in Public Private Partnership (PPP). ARCOS worked together with SORWATHE (Tea production company), DIPCoop (a Netherlands private company), ASSOPTHE (Tea farmer cooperative) and National Agricultural Export Development Board (NAEB) to kick off the on-ground implementation of a joint project entitled "Agroforestry interventions for uphill food and income security and downhill tea plantation protection project (Shortly called SDGP Project)".

This project is implemented in Rukeri Landscape (in the Rulindo and Gicumbi districts) where ARCOS in collaboration with SDGP project partners DIBCOOP, SORWATHE, ASSOPTHE and NAEB managed to mobilize 1607 farmers from Rukozo and Miyove Sector and 53 Friends of Nature Associations (FNA) were established to facilitate information sharing, co-learning on SALM practices. A baseline survey to identify skills and knowledge on smart agriculture and measures to improve sustainable agriculture was conducted on more than 1360 farmers in Mukaka. Additionally, major issues, causes, effects and needs related to water, land and catchments management were acknowledged through Needs-Based training workshop gathered local leaders, FNA leaders, environmental advisors, and key stakeholders from Rukozo and Miyove sectors. Co-learning on SALM practices especially introduction to agroforestry (AF), site preparation for trees planting
and planting techniques was delivered to farmers from 5 villages in Mukaka.

To address the issues of goldmining in Mukaka, ARCOS mapped mining sites, collected and analyzed data on the cost and benefits of goldmining and alternative activities for miners and drafted major activities and proposed measures to rehabilitate degraded area by goldmining in Mukaka.

To restore degraded land for agriculture and improve livelihood of farmers, 32,0694 seedlings of Agroforestry (AF) including indigenous and folders tree species were produced in Musave Tree Nursery, distributed and planted on more than 160 Ha in Rukozo and Miyove sectors.

Financial review

a. ARCOS Financial Review and Funding

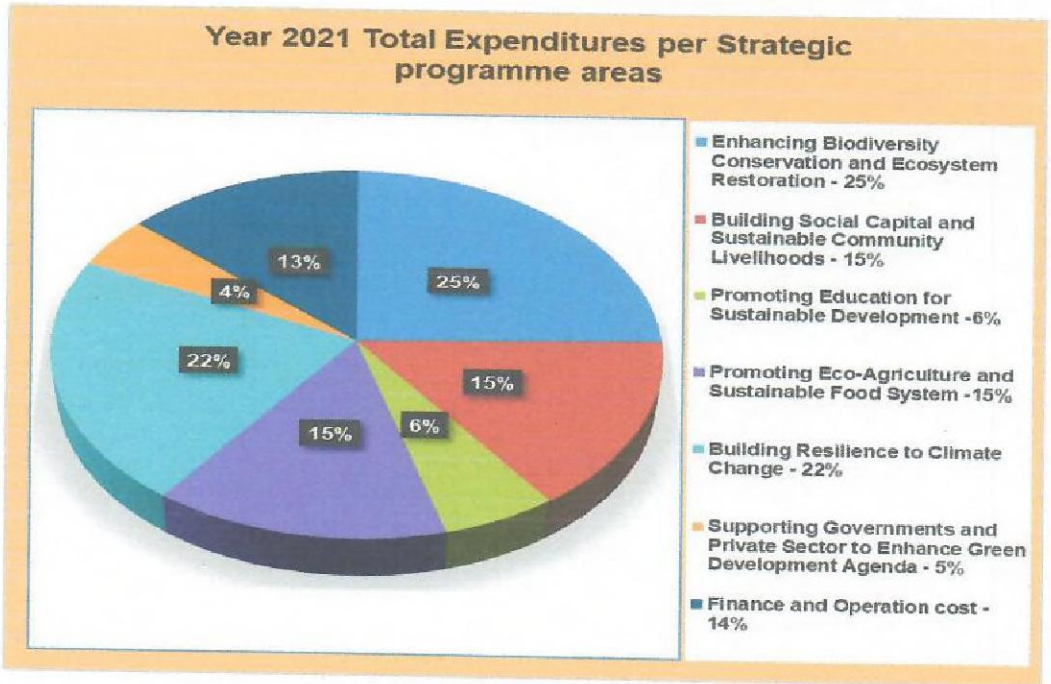
Total income amounted to $1,467,175 (2020: $851,035) and after deducting total expenditure of $1,158,668 (2020: $353,241) there was a surplus of $308,507 (2020: surplus of $497,794). At the year end closing funds amounted to $906,772 (2020: $598,265).

As noted above, the Society entered into a number of projects with different organisations and the grant income for 2021 is set out in note 2 to these accounts.

The organization has achieved good results in terms of fundraising and resources mobilization. The fundraising team identified a total of 15 opportunities for which ARCOS was eligible to apply. We missed 3 deadlines and submitted 12 quality proposals out of which 7 were funded by December 2021. With this effort, the annual turnover of the organization reached $1,467,175.

For this year 2021, we invested efforts in the compilation of information on finance and administration to update the management team about the status of finances on monthly and quarterly basis. Importantly, we managed to produce the organization's cost recovery policy which was successfully implemented and explained to all staff. In addition, we managed to facilitate the auditing process and the both the UK and regional audit reports are in place. On one hand, as mentioned in the funding section above, ARCOS efforts in fundraising generated the annual turnover reached $1,467,175.

The percentage of total expenditure per strategic programme areas is as per below



b. Reserves policy

The Trustees are satisfied that the level of reserves, currently $906,772 (2020: $598,265) are adequate to meet the immediate outgoings of the Society, however the Trustees are seeking to increase funds to aid stability. The nature of the Society's funding means that projects are undertaken and therefore project costs are only incurred once suitable funding arrangements have been secured and therefore projects work on a breakeven basis, with minimal funds being retained at any one time. All of the work that ARCOS undertakes is project related and the Trustees therefore consider $682,930 reserves held to be of a restricted nature and $223,842 as unrestricted funds held as at the balance sheet date. In certain circumstances restricted funds may become overdrawn temporarily where project expenditure is incurred in advance of funding being received. This is only a temporary situation as the society is seeking to build the unrestricted reserve.

During the year 2021, elements of the restricted grants available to support the administration cost of the Society have progressively been matched to related overhead costs. However, some adjustments were necessary for the prior year. The balance of MACEI award was transferred from restricted funds to unrestricted funds hence organisation reserves to balance these accumulated core costs. However further reallocation or funding is required. The trustees as a matter of urgency are seeking further unrestricted funding to increase the level of unrestricted reserves. The office base supports the expansion and development of the projects, however if the funding position cannot be resolved the trustees can further review their asset holdings with a view to realising liquid funds if necessary.

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined above, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

d. Principal risks and uncertainties

The Trustees are aware of the risks facing ARCOS and these are discussed by the Trustees on a regular basis. The Trustees have put in place plans to mitigate those risks as far as possible, where this is within control.

The Trustees have assessed the major risks to which the Society is exposed, in particular those related to the operations and finances of the Society, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The trustee consider one of the major risk is the misappropriation of cash and therefore has a policy to minimise cash payment and use bank transfer for full approval process. Therefore all request for payment must be approved by a number of different people and payments made by bank transfer rather than cash.

Structure, governance and management

a. Structure and Governance

The Society is a charitable company which was formed from the Albertine Rift Conservation Society established in 1995 and hosted by the World Conservation Monitoring Centre (United Kingdom) and the Regional Coordination Office by Nature Uganda (Uganda). All monies held in bank accounts by this entity were donated to the Society on incorporation (8 November 2000). The Society is governed by its Memorandum and Articles of Association (revised 19 October 2012). The Society gained charitable status and was registered with the Charity Commission on 16 February 2004 (charity number: 1102123).

Board of Directors/Trustees: The Society is managed by a Board of Directors/Trustees. ARCOS has currently seven Board members (including a Chairman, Vice Chairman, Treasurer and Secretary) who meet at least once per year or as needed in an annual general meeting. The Chairman or in his absence the Vice Chairman chairs the meeting. Any other member elected by members can chair the meeting if the Chairman and Vice Chairman are not present. The Board recruit and appoint Trustees who they consider will bring valuable and practical skills to the Society.

Management committee: The Chairman, Vice Chairman, Treasurer and Executive Director shall meet as the Management Committee at such intervals as the Board of Directors thinks fit. The Management Committee shall review the operations and activities of the Society and report the findings to the Board of Directors.

Staff positions: The Board of Directors may appoint such persons as it thinks fit to post including a position with overall responsibility for operational matters (whose formal title may vary but hereafter known as the Executive Director), and such other salaried or voluntary staff posts on such terms and conditions, including remuneration and benefits, and with such duties and responsibilities as the Board, in its entire discretion, thinks fit. The Board may, at any time, vary or alter the terms and conditions and the duties and responsibilities of these posts provided always that no Directors shall occupy any of these posts. The Executive Director shall be the senior member of staff of the Society, and shall have responsibility for co-coordinating the Society's activities and programmes.

Trustees
The Trustees in office during part or all of the year ended 31 December 2021 were:
Mr J Salehe
Mrs W Ntamubano (Resigned 4 August 2022)
Dr J Bemigisha
Dr B Nyirambangutse (Vice Chair)
Mr E Nizeyimana
Dr A Mukashema
Dr V N Keraro
Dr C Kahindo

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr B Nyirambangutse
Trustee
Date: 22/12/2022

SOCIETE DE CONSERVATION DU RIFT ALBERTIN
ARCOS NETWORK
ALBERTINE RIFT CONSERVATION SOCIETY

Dr Sam Kanyamibwa
CEO and Secretary
Date: 22/12/2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY

Opinion

We have audited the financial statements of Albertine Rift Conservation Society Albertine Rift Conservation Society (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY (CONTINUED)

Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the the Companies Act, the Charities Act and UK taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing the minutes of trustees' meetings

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management bias and override of controls we:

- tested a sample journal entries to identify significant or unusual transactions;
- investigated the rationale behind significant or unusual transactions: and
- assessed whether judgements and assumptions made by management were indicative of potential bias.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance; and

- enquiring of management as to any actual and potential litigation, claims and any correspondence with regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Other matters

The financial statements of Albertine Rift Conservation Society were unaudited for the year ended 31 December 2020.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Loan

Nikki Loan FCA (Senior Statutory Auditor)
for and on behalf of
Peter Elworthy & Moore

Chartered Accountants and Statutory Auditors
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 22 December 2022

ALBERTINE RIFT CONSERVATION SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $	As restated Total funds Unaudited 2020 $
Income from:					
Donations	2	1,445,168	1,636	1,446,804	849,885
Investment income	3	-	20,371	20,371	1,150
Total income		1,445,168	22,007	1,467,175	851,035
Expenditure on:					
Charitable activities		1,140,038	18,630	1,158,668	353,241
Total expenditure		1,140,038	18,630	1,158,668	353,241
Net movement in funds		305,130	3,377	308,507	497,794
Reconciliation of funds:					
Total funds brought forward restated		377,800	220,465	598,265	100,471
Net movement in funds		305,130	3,377	308,507	497,794
Total funds carried forward		682,930	223,842	906,772	598,265

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 34 form part of these financial statements.

Details of prior years restatement are found in notes 1 and 19.

ALBERTINE RIFT CONSERVATION SOCIETY
REGISTERED NUMBER: 04103967

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 $		As restated Unaudited 2020 $
Fixed assets					
Tangible assets	8		**524,927**		294,539
			524,927		294,539
Current assets					
Debtors	9	**49,848**		301,408	
Cash at bank and in hand		**527,900**		183,605	
		577,748		485,013	
Creditors: amounts falling due within one year	10	**(195,903)**		(181,287)	
Net current assets			**381,845**		303,726
Total assets less current liabilities			**906,772**		598,265
Total net assets			**906,772**		598,265
Charity funds					
Restricted funds	11		**682,930**		377,800
Unrestricted funds	11		**223,842**		220,465
Total funds			**906,772**		598,265

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr Brigitte Nyirambangutse
Trustee
Date: 22/12/2022

Dr Sam Kanyamibwa
CEO & Secretary
Date: 22/12/2022

The notes on pages 18 to 34 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 $	As restated Unaudited 2020 $
Cash flows from operating activities			
Net cash used in operating activities	13	**339,824**	203,035
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**-**	381,796
Purchase of tangible fixed assets		**(15,900)**	(433,122)
Income from investments		**20,371**	1,150
Net cash used in investing activities		**4,471**	**(50,176)**
Change in cash and cash equivalents in the year		**344,295**	**152,859**
Cash and cash equivalents at the beginning of the year		**183,605**	30,746
Cash and cash equivalents at the end of the year	14	**527,900**	183,605

The notes on pages 18 to 34 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Albertine Rift Conservation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Prior year currency restatement

In the prior year, the functional currency of the Society was considered to be Rwandan Francs the main currency of expenditure. However, income is received in US dollars and a number of operating policies, across different jurisdictions used US dollars thresholds, therefore the functional currency across the Society's operations is considered to be US dollars. In the prior year the presentational currency was GBP Pounds Sterling as the Society is administratively UK based. The Trustees consider that the Society operates predominantly in US dollars and therefore have decided to present their accounts in that currency. As a result, the prior year comparative figures have been restated into US dollars.

Prior year fund restatement

The MACEI-McArthur projects were completed prior to the end of 2020 and the fund used for administrative, operating and property income. Equally, the core fund was used for administration and operating expenditure essentially representing the unrestricted overheads of the Society. In 2021 these funds have been combined and restated with the surplus transferred to general costs as there are no restrictions over the use of the funds. Therefore they are more appropriately categorised as unrestricted funds.

For more information see note 19.

1.2 Going concern

The Trustees have reviewed the financial position of the Society and have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined in the Trustees' report, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Refer to Trustee report for further reference.

1.3 Company status

The Society is a company limited by guarantee and registered under the Companies Act with charitable status. Status was gained on 16 February 2004. The members of the Society are the Trustees named on page 1. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised once the Society has entitlement to the income, it is probable that it will be received and the amount of receivable can be measured reliably.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Membership fee income is recognised in donations on receipt.

Investment income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Rental income is recognised in the period to which it relates.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Head Office and are allocated to projects based on staff time. Governance costs are professional and accountancy costs and are included in support costs and allocated accordingly.

All expenditure is inclusive of irrecoverable VAT.

1.6 Foreign currencies

The Society's functional currency is USD dollars and the presentational currency is USD dollars ($). Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Exchange gains and losses are recognised in the Statement of Financial Activities Incorporating the Income and Expenditure Account.

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets costing $400 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. In the year the estimated useful life for motor vehicles was revised from 20 years to 10 years as this was in line with previous motor vehicle usage. The computer, office and equipment useful life has changed from 4 years in prior year to 3 years and 3-6 years respectively. The impact of these adjustment is an additional depreciation charge of $20,769.

Depreciation is provided on the following bases:

Land	- Not depreciated
Building	- 20 years
Motor vehicles	- 10 years
Office equipment	- 3-6 years
Computer equipment	- 3 years

1.8 Debtors

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

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1. Accounting policies (continued)

1.11 Financial instruments

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

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.13 Pensions

During the year the Society contributed towards the National Social Security Fund on behalf of its employees and the pension cost represents the amounts payable by the company to the fund in respect of the employer contribution for that year.

1.14 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Society's accounting policies, the directors may be required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees consider that there are currently no critical estimates or judgements requiring disclosure in addition to the accounting policies described above apart from the judgment over the treatment of the office building in Kigali set out below.

Treatment of office building in Kigali

The new building in Kigali currently has some surplus capacity and is being rented to a third party to generate income. However this is not the long term intention of the Society and as such the whole building is accounted for at cost as a tangible fixed asset.

2. Income from donations

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $	As restated Total funds 2020 $
Membership -Donations	-	1,636	**1,636**	-
Grants	1,445,168	-	**1,445,168**	849,885
	1,445,168	1,636	**1,446,804**	849,885
Total 2020 as restated	849,885	-	849,885	

Grants received comprises

	Restricted funds 2021 $	Total funds 2021 $	As restated Total funds 2020 $
Core	-	-	4,731
Eco- School	86,868	**86,868**	82,561
Eco Agriculture International	-	-	885
Foundation Audemars-Watkins (FAW)	78,068	**78,068**	-
Global Nature Fund (GNF)	2,296	**2,296**	-
JRS	39,000	**39,000**	82,000
Livelihood	978,887	**978,887**	623,387
One Tree Planted	127,990	**127,990**	39,995
Sainsbury's	-	-	11,386
Sustainable Development Goals Partnership (SDGP)	46,485	**46,485**	-
STIFT The Stockholm Movement	-	-	4,940
United Nations Environment Programme (UNEP)	85,574	**85,574**	-
Total 2021	1,445,168	**1,445,168**	849,885
Total 2020 as restated	849,885	849,885	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Other income

	Unrestricted funds 2021 $	Total funds 2021 $	As restated Total funds 2020 $
Rental Income	9,000	**9,000**	1,150
Investment Income	11,371	**11,371**	-
	20,371	**20,371**	1,150
Total 2020 as restated	1,150	1,150	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Expenditure by Project and Strategic Areas

	Enhancing Biodiversity Conservation and Ecosystem Restoration	Building Social Capital and Sustainable Community Livelihoods	Promoting Education for Sustainable Development	Promoting Eco-Agriculture and Sustainable Food System	Building Resilience to Climate Change	Supporting Governments and Private Sector to Enhance Green Development Agenda	Finance and Operation cost	Total 2021	As Restated Total 2020
AMAS VTF	150	-	-	-	-	-	-	150	4,108
Eco Agriculture International	-	-	-	-	-	-	-	-	(61)
Eco-School	-	1,183	45,816	14,147	21,002	-	7,753	89,901	60,734
FAW	11,346	-	-	-	-	-	8,241	19,587	-
JRS	7,536	-	-	-	-	13,196	3,659	24,391	63,226
Livelihoods	239,859	154,748	15,475	139,273	181,958	7,737	102,767	841,817	389,651
Membership	-	-	-	-	-	1,094	-	1,094	-
NFF-RSF	-	-	-	-	-	-	-	-	(3,591)
OTP	26,978	18,796	4,886	15,394	37,244	13,499	11,193	127,990	1,380
SDGP	-	-	-	-	-	11,211	5,896	17,107	-
Sainsburys	-	-	-	-	-	-	-	-	11,527
Stockholm Environment & GNF	-	-	-	-	-	-	-	-	(5,429)
TSF	-	-	196	-	-	-	-	196	-
UNEP	-	-	-	-	13,230	5,670	-	18,900	-
Unrestricted Core	-	-	-	-	-	-	17,535	17,535	(168,303)
Total	**285,869**	**174,727**	**66,373**	**168,814**	**253,434**	**52,407**	**157,044**	**1,158,668**	**353,242**

4. Finance and Operation - Support Cost

	Restricted	Unrestricted	2021	As restated 2020
Audit and Accountancy Cost	13,130	-	13,130	6,037
Bank Charges	5,518	-	5,518	4,558
Depreciation	35,512	-	35,512	7,097
Foreign Exchange	55,357	-	55,357	43,907
Office costs	29,992	-	29,992	28,022
(Profit)/Loss on disposal of fixed assets	-	-	-	(291,608)
Staff costs	-	17,535	17,535	33,684
Total	**139,509**	**17,535**	**157,044**	**(168,303)**

5. Auditors' remuneration

	2021 $	As restated 2020 $
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**9,675**	-
Fees payable to the Company's auditor in respect of:		
Independent examination fee	-	3,637
All non-audit services not included above	**3,455**	2,400

6. Staff costs

	2021 $	As restated 2020 $
Wages and salaries	**389,286**	327,303
Social securities, pension,medical and other (Non-UK)	**19,321**	20,915
	408,607	348,218

6. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2021 No.	2020 No.
Management	7	7
Eco- School	3	3
One Tree Planting	7	7
SDGP	2	2
FAW	2	2
Livelihood - Climate change	54	8
	75	29

The Society used one volunteer during the year for some of their administrative work. They also used some volunteers approximately 40 members for their tree planting projects.

No employee received remuneration amounting to more than $81,900 (£60,000) in either year.

The key management personnel of the Society comprise:

Trustees
Executive Director
Head of Financial Management
Head Programme Development and Coordination
Head Nature Based Community Development Programme and Landscape Coordinator
Head of Executive Office and ER
Head of Corporate Services

The total employment benefits including employer's social security and pension contributions of the key management personnel were $130,163 (2020 - $122,385). In addition staff loans of $8,317 (2020: $4,917) remained outstanding at the end of the year. Staff loans are available to key management on the same terms as all other staff.

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - $NIL).

During the year ended 31 December 2021, expenses totalling $1,423 were reimbursed directly to 5 Trustees (2020 - $NIL) in respect to travel, accommodation and subsistence cost incurred in their role as Trustees.

8. Tangible fixed assets

	Land and Building $	Motor vehicles $	Office equipment $	Computer equipment $	Total $
Cost or valuation					
At 1 January 2021 (as previously stated)	124,462	151,767	12,093	33,725	322,047
Prior Year Adjustment	36,260	(9,817)	4,383	21,374	52,200
At 1 January 2021 (as restated)	160,722	141,950	16,476	55,099	374,247
Additions	250,000	-	8,050	7,850	265,900
At 31 December 2021	410,722	141,950	24,526	62,949	640,147
Depreciation					
At 1 January 2021 (as previously stated)	-	7,589	12,093	32,724	52,406
Prior Year Adjustment	-	11,768	2,502	13,032	27,302
At 1 January 2021 (as restated)	-	19,357	14,595	45,756	79,708
Charge for the year	5,807	19,357	3,060	7,288	35,512
At 31 December 2021	5,807	38,714	17,655	53,044	115,220
Net book value					
At 31 December 2021	404,915	103,236	6,871	9,905	524,927
As restated at 31 December 2020	160,722	122,593	1,881	9,343	294,539

The cost of the land was approximately $276,722 (2020: $160,722).

9. Debtors

	2021 $	As restated 2020 $
Due within one year		
Other debtors	**17,279**	-
Prepayments and accrued income	**32,569**	301,408
	49,848	301,408

The prior year prepayment included $250,000 fixed asset additions for which land title was received in 2021.

10. Creditors: Amounts falling due within one year

	2021 $	As restated 2020 $
Trade creditors	**39,172**	11,004
Other taxation and social security	**44,433**	54,596
Other creditors	**46,712**	53,524
Accruals and deferred income	**65,586**	62,163
	195,903	181,287

Deferred Income relates to income received for the Foundation Audemars-Watkins (FAW) project that must be used in the next financial year 2022.

	2021 $	2020 $
Resources deferred during the year - Foundation Audemars-Watkins (FAW) project	**65,586**	-

11. Statement of funds

Statement of funds - current year

	As Restated Balance at 1 January 2021 $	Income $	Expenditure $	Balance at 31 December 2021 $
Unrestricted funds				
General Funds - all funds	219,315	-	(17,536)	201,779
Membership Funds	-	1,636	(1,094)	542
Rental Income	1,150	9,000	-	10,150
Investment Income	-	11,371	-	11,371
	220,465	22,007	(18,630)	223,842
Restricted funds				
JRS	38,895	39,000	(24,391)	53,504
NFF-RSF	36,286	-	-	36,286
Sainsbury's	(7,576)	-	-	(7,576)
One Tree Planted(OTP)	38,593	127,990	(127,990)	38,593
Eco-Schools	21,993	86,868	(89,900)	18,961
VTF	9,645	-	(150)	9,495
Eco Agriculture International	946	-	-	946
Livelihoods	233,736	978,887	(841,817)	370,806
Stockholm Environment	5,282	-	-	5,282
Global Nature Fund (GNF)	-	2,296	-	2,296
Foundation Audemars-Watkins (FAW)	-	78,068	(19,587)	58,481
United Nations Environment Programme (UNEP)	-	85,574	(18,900)	66,674
Sustainable Development Goals Partnership	-	46,485	(17,107)	29,378
TSF	-	-	(196)	(196)
	377,800	1,445,168	(1,140,038)	682,930
Total of funds	598,265	1,467,175	(1,158,668)	906,772

11. Statement of funds (continued)

JRS - These funds were received to support development of the Albertine Rift Biodiversity Portal.

NFF-RSF - The 'Seeds, Soil and Culture Fund of RSF Social Finance' provided a grant to be put towards enhancing bio-cultural knowledge and eco-agricultural practices for mountain community livelihoods and climate change resilience in Rwanda and Uganda.

OTP - One Tree Planted - ARCOS is working in collaboration with One Tree Planted to plant 28,000 trees

Sainsburys - Income relates to consultancy services for the Sainsbury's Fairly Traded tea pilot.

Eco-Schools - Part of the Danish Outdoor Council's programme promoting the right to quality education through Eco-Schools in Africa.

VTF - A project committed to restoring and protecting Amasangano confluence wetland zone in Rwanda for enhanced ecological integrity and sustainable community livelihoods.

Livelihoods - This is a project focusing on fighting climate change and its effects through the reduction of greenhouse emissions and/or the increase of greenhouse gas sequestration. The project also endeavours to reduce poverty, promote gender equality and inclusion of youth.

Stockholm Environment - This is a project to provide support to the Economics of Land Degradation policy engagement processes in Rwanda.

GNF - This fund was originally money from the Global Biodiversity Information Facility for workshops. Funding is now being received from the Global Nature Fund to develop a full proposal.

Foundation Audemars-Watkins (FAW)- This is a project in support of the Nyagasenyi Remnant Forest landscape restoration for improved livelihoods and resilience to climate change.

United Nations Environment Programme (UNEP) project is integrated into planning and policy process of regional bodies/frameworks/platform/initiatives and tier national constituencies through strengthened science-policy dialogue platforms.

Sustainable Development Goals Partnership (SDGP) is a Agroforestry interventions project for uphill food, income security and tea plantation protection.

Where funds are in deficit at the year end, in some circumstances this has arisen from closing creditors or delayed income where entitlement was not present at the year end date, but costs have been incurred on activities. The Trustees are aware of this and will monitor the situation.

11. Statement of funds (continued)

Statement of funds - prior year as restated

	As restated balance at 1 January 2020 $	As restated Income $	As restated Expenditure $	As restated balance at 31 December 2020 $
Unrestricted funds				
General Funds - all funds	51,013	1,150	168,302	220,465
Restricted funds				
Restricted Funds (See note 19)	49,458	849,886	(521,544)	377,800
Total of funds	100,471	851,036	(353,242)	598,265

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $
Tangible fixed assets	103,236	421,691	**524,927**
Current assets	775,597	(197,849)	**577,748**
Creditors due within one year	(195,903)	-	**(195,903)**
Total	682,930	223,842	**906,772**

Overhead/indirect costs budgets from prior years had not been fully allocated to projects. Overhead allocations to restricted funds, including depreciation charges, and further unrestricted funding will reduce this gap. The Trustees are monitoring the position.

12. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year as restated

	Restricted funds As Restated 2020 $	Unrestricted funds As Restated 2020 $	Total funds As Restated 2020 $
Tangible fixed assets	122,593	171,946	294,539
Current assets	436,494	48,519	485,013
Creditors due within one year	(181,287)	-	(181,287)
Total	377,800	220,465	598,265

See note 19 for details of the restatement.

13. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 $	2020 $
Net income for the year (as per Statement of Financial Activities)	**308,507**	**497,794**
Adjustments for:		
Depreciation charges	**35,512**	7,097
Decrease/(increase) in debtors	**1,560**	(44,903)
Increase in creditors	**14,616**	55,970
Profit on the sales of fixed assets	**-**	(311,773)
Income from investment	**(20,371)**	(1,150)
Net cash provided by operating activities	**339,824**	203,035

14. Analysis of cash and cash equivalents

	2021 $	2020 $
Cash in hand	**527,900**	183,605
Total cash and cash equivalents	**527,900**	183,605

15. Analysis of changes in net debt

	At 1 January 2021	Cash flows	At 31 December 2021
	$	$	$
Cash at bank and in hand	183,605	344,295	527,900
	183,605	344,295	527,900

16. Pension commitments

During the year contributions to employers' pensions totalled $31,058 (2020 - $30,472). The balance outstanding as at 31 December 2021 was $ 23,405 (2020 - $ 24,678).

17. Operating lease commitments

At 31 December 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	As Restated 2020
	$	$
Not later than 1 year	18,090	19,440
Later than 1 year and not later than 5 years	28,080	19,440
	46,170	38,880

18. Related party transactions

There were no related party transactions during the current or previous year other than the transactions disclosed in note 7. During the year a relative of one Trustee worked for ARCOS, however they do not have any significant influence on charity's decision making.

19. Prior year adjustment

	Closing balance	Retranslated at year end rate	Adjustment for cumulative translation difference	Opening Balance
	£	$	$	$
Fixed Assets	197,524	269,641	24,898	294,539
Current Assets	355,292	485,014	-	485,014
Current Liabilities	132,800	181,287	-	181,287
Funds	420,016	573,369	24,898	598,265

In prior years the restatement of the fixed asset balance into pound sterling created a currency difference of $24,898. The has been reflected by restating the opening fixed asset balance and increasing reserves. The adjustment has been made to unrestricted reserves as it relates to the building. Further detail on the reserves adjustment is set out below.

Fund Restatement

	Opening reserves	Opening reserves translation	Restatement for change in currency	Restatement for unrestricted reserves	Restated opening balances
	£	$	$	$	$
General Funds-all Funds	-	-	24,898	195,567	220,465
Total Unrestricted Funds	-	-	24,898	195,567	440,930
Restricted Fund					
Core	(314,700)	(429,522)	-	429,522	-
MacArthur/MACEI	457,062	623,939	-	(623,939)	-
Rent	901	1,150	-	(1,150)	-
JRS Biodiversity Foundation	28,492	38,895	-	-	38,895
NFF-RSF	26,581	36,286	-	-	36,286
Sainsburys	(5,550)	(7,576)	-	-	(7,576)
Eco-Schools	16,111	21,993	-	-	21,993
Eco Agriculture International	693	946	-	-	946
VTS Ama Sangano	7,065	9,645	-	-	9,645
One Tree Planted	28,271	38,593	-	-	38,593
Livelihoods	171,221	233,736	-	-	233,736
Stockholm Environment	3,869	5,282	-	-	5,282
Total	420,016	573,367	-	(195,567)	377,800

The MacArthur/MACEI projects were completed prior to 2020 and the fund was used for administrative, operating and property income. Correspondingly, the core fund was used for administration and operating expenditure. Therefore these accounts were effectively used as unrestricted income and expenditure funds. In 2021 these funds have been combined and restated with the net surplus transferred to unrestricted funds as there are no further restrictions over the use of these funds.

Registered number: 04103967
Charity number: 1102123

ALBERTINE RIFT CONSERVATION SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

ALBERTINE RIFT CONSERVATION SOCIETY

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ALBERTINE RIFT CONSERVATION SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Dr Adrie Mukashema Dr Brigitte Nyirambangutse Dr Charles Kahindo Muzusa Ngabo Mr Elie Nizeyimana Dr Jane Bemigisha Mr John Salehe Dr Victor Nyarangi Keraro Mrs Wivine Ntamubano (resigned 4 August 2022)
Company registered number	04103967
Charity registered number	1102123
Registered office	C/O Birdlife International The David Attenborough Building, Pembroke Street Cambridge CB2 3QZ
Company secretary	Dr Sam Kanyamibwa
Auditor	Peters Elworthy & Moore Chartered Accountants and Statutory Auditors Salisbury House Station Road Cambridge CB1 2LA
Bankers	Bank of Kigali KN 4 Ave No12 Plot No 790 Kigali Rwanda Barclays Bank Plc Barclays Cambridge Cambridge United Kingdom CB2 3AX

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Society for the year 1 January 2021 to 31 December 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

ARCOS was established in 1995 with the mission to "enhance biodiversity conservation and sustainable use of natural resources through the promotion of collaborative conservation action for Nature and People." Today, ARCOS has programmes extending beyond the Albertine Rift, including the Great Lakes region and the African mountains.

To achieve its mission, ARCOS builds on the following pillars of its approach:

- We facilitate networking with local, national, and international players to enhance sustainable development through information and experience sharing.
- We empower our network through policy dialogue, capacity building and policy engagement when implementing our work. We work with all kinds of organizations – NGOs/CBOs, academic institutions, governments and increasingly business.
- Our activities on the ground take an integrated landscape approach focusing mainly in protecting biodiversity and enhancing ecosystem services, building Nature Based Community Enterprises (NBCEs) and building shared vision among stakeholders to address threats.

b. Legal Status

ARCOS is registered in Uganda and Rwanda as an International NGO and in the UK as a Charity and Company Limited by Guarantee. ARCOS has an office in Kampala (Regional Office) and Kigali. In addition, ARCOS has an appointed Board of Directors and Trustees comprised of appointed Board members. These Board members include representatives from the Albertine Rift countries, Africa, and other international experts. Within the Board of Directors, a Management Committee is responsible for overseeing and reviewing ARCOS progress. The Management Committee is comprised of the Chairman, Vice-Chairman, Treasurer and the Executive Director, whose responsibility is to ensure the day-to-day management of the organization.

c. Public Benefit Entity

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission general guidance on public benefit. The activities undertaken during the year to fulfil this obligation is further explained on the following pages.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

OBJECTIVES AND ACTIVITIES (continued)

d. Message from the Chairman and Executive Director

2021 marked the commencement of the implementation of the ARCOS 2021-2030 strategic plan. The 10 years new strategic plan is centred on 6 strategic areas namely; Enhancing Biodiversity Conservation and Ecosystem Restoration, Building Social Capital and Sustainable Community Livelihoods, Promoting Education for Sustainable Development, Promoting Eco-Agriculture and Sustainable Food System, Building Resilience to Climate Change and Supporting Governments and Private Sector to Enhance Green Development Agenda. Despite the fact that in 2021 the world was still facing Covid-19 pandemic consequences, the same year witnessed tremendous achievements attained by ARCOS:

In 2021, on the COP26 occasion, alongside with other 19 African non-profit community organizations and for-profit businesses that are restoring land by planting and growing trees, ARCOS received a grant for restoring trees for suitable landscapes in Rwanda. In the same year, ARCOS was shortlisted for the prestigious Ashden Award for Natural Climate Solution.

In Rwanda, ARCOS has embarked on a drive of enhancing the promotion of 12 indigenous tree species in the agrosystem. ARCOS worked towards the status of Rwanda's wetlands biodiversity and ecosystem services helped to design the environment status chapter of the Rwanda State of Environment and Outlook Report, 2021.

The year 2021 left ARCOS with a strong partnership with big players in the Africa's Great Lakes region,namely; ABAKIR and GIZ with whom it is implementing a transboundary project in Rwanda and DR Congo along the Kivu basin. Into the bargain, ARCOS in partnership with EAC, UNEP and Grid Arendal brought together East Africa' stakeholders in the environment sector to mark the Africa Climate Week.

All things considered; ARCOS strengthened its resource mobilization which helped to implement its projects. We can't forget to mention that its more than 100 staff in Rwanda, DR Congo and Uganda helped the organization to achieve the stated above milestones.

We are very grateful for the support from different donors, partners, ARCOS members and tireless effort from ARCOS staff. Without you, we would have not achieved much this year.

We welcome your continuous collaboration as we also welcome new partnership on our journey to build environmental resilience in the Albertine Rift Conservation Society.

Achievements and performance

a. Strategic Programme Areas

The year 2021 marked the commencement of the implementation of the ARCOS 2021-2030 strategic plan centred on 6 strategic areas:

1. Enhancing Biodiversity Conservation and Ecosystem Restoration,
2. Building Social Capital and Sustainable Community Livelihoods,
3. Promoting Education for Sustainable Development,
4. Promoting Eco-Agriculture and Sustainable Food System,
5. Building Resilience to Climate Change and
6. Supporting Governments and Private Sector to Enhance Green Development Agenda as pillars.

1. Enhancing Biodiversity Conservation and Ecosystem Restoration

The year 2021 was very special for ARCOS as we started the implementation of the new strategic plan 2021-2030 aligned with the UN decade for ecosystem restoration. ARCOS has achieved a lot between January and December 2021, as reflected in the summary below following three pillars of interventions (Networking, Empowerment and Actions on the ground). This year was marked by many uncertainties regarding meetings and networking activities with keyholders either in Rwanda, in the region and internationally, but ARCOS Managed to conduct required interactions with the multidisciplinary team composed of young researchers from different institutions in Rwanda that has been conducting the Rwanda wetland ecological integrity assessment. The team is composed of 16 people with two per taxon assessed (Plants and algae, Mammals, Birds, Butterflies and Dragonflies).

By end of 2021, through different new projects that ARCOS initiated as part of projects funded mainly from Livelihood- Climate change projects, we recorded about 32,000 farmers grouped in a network of over 650 community groups known as Friends of Nature Associations that ARCOS is supporting across the Albertine Rift Region to integrate biodiversity in agro-ecosystems landscapes.

2. Building social capital and sustainable community livelihoods

With the current strategic plan 2021-2030, ARCOS has found relevant to invest efforts in building social capital within all landscapes of focus as a necessary measure to achieve transformational and sustainable community institutions and livelihoods improvement. The year 2021 was marked by the engagement of new 405 community groups known as Friends of Nature Associations (FNAs) involving around 12,500 small holder farmers.

Those are small community groups composed on average of 30 neighbouring farmers through which technical and financial support is channeled. With this, over 3,500 green jobs were created through tree nursery development, on-job community climate action and overall project-based activity coordination. All 12,500 small holder farmers were trained in BEST farming method through which the notion of group leadership, environment resilient interventions, nature-based business planning and proposal development were established. As well as the training's more than USD 83,000+ has been invested in 22 Umusave Fund, an initiative of ARCOS operating in different districts and managed at each of the 22-cell level to facilitate community access to finance and support climate resilient community business. In addition, a similar initiative is the Turaco Funds which operates at sector level and engaging school children, teachers, and parents to support their green learning zones at school level through small loans, income generating incentives and common services.

3. Promoting education for sustainable development

ARCOS has strengthened the interventions of the Eco-schools Programme for the year 2021. In the framework to produce, test and disseminate the Eco-schools teachers training manual, ARCOS and partners have conducted an education mapping exercise to identify the gaps and challenges pertaining the effective

Achievements and performance (continued)

implementation of the Competence Based Curriculum (CBC) as well as integrating the Education for Sustainable Development (ESD). The report was produced and is very helpful in the identification of critical entry points for the Eco-schools programme to support the achievement of quality education in Rwanda.

To integrate the aspect of climate change adaptation and environmental education in the teaching and learning process, ARCOS has worked together with Eco-schools committees and pupils' parliaments from 10 pilot schools to conduct a climate change vulnerability assessment and environmental review on the base of which, a climate change adaptation strategy in Eco-schools of Rwanda was developed. To start the implementation of the climate change adaptation strategy, ARCOS with partner schools have initiated the establishment and implementation of green learning zones at each school, the initiative that will be continuously supported through the Turaco Fund.

With this initiative, almost 20 Rainwater harvesting tanks of 10,000 Litters each, with two (2) tanks at each of Eco-schools were provided, 5000 trees were planted at schools and in the surrounding community including agroforestry, indigenous and fruits trees.

The investment capital of Twenty Millions (20,000,000) RWF have been deposed at opened bank accounts of the Turaco Fund at UMURENGE SACCOs and the programme managed to mobilize addition 30,000 GBP from the UKR and the University of Bristol to conduct a small research on how Eco-schools programme can be used as a tool for integrating sustainable development and climate action within the Competency Based Curriculum in Rwanda.

4. Promoting eco-agriculture and sustainable food System

ARCOS has adopted the promotion of eco-agriculture and sustainable food system under its strategic plan 2021-2030 in response to the current trends in population increase, high demand in food and agricultural land that exercise immense pressure on land and ecosystems in general. The principal is to advance the techniques that permit production of enough food while conserving and restoring agrosystem landscapes.

Our efforts focused on the mobilization of farmers and local leaders, and provision of training to increase awareness and understanding of best practices required to respond to the pressure. 10,000 farmers responded, registered, and engaged through a 20-year sustainability agreement which led to the attainment 15,800 farmers part of the agreement by December 2021 from both Rulindo and Bugesera District operating on 8,390 ha to apply Sustainable Agricultural Land Management Practices (SALM). Within this, 448 community groups known as Friends of Nature Association (FNAs) were trained, bringing the total to 551 FNAs. 924,323 agroforestry trees and 178,767 woodlot trees were planted and maintained.

5. Building resilience to climate change

Since 2021, the Albertine Rift Conservation Society (ARCOS), together with the United Nations Environment Programme (UNEP) and GRID-Arendal started implementing the Adaptation at Altitude Programme`s regional component in East Africa (Rwanda, Uganda, Burundi, Tanzania, Kenya and South Sudan).

Through this programme, 18 concrete adaptation solutions in the mountains of the East African Region were collected for future publication. The collected solutions are hands-on examples of inclusive approaches such as Ecosystem-based Adaptation (EbA) as well as giving advice on how similar solutions can be implemented elsewhere.

Again through this programme ARCOS has organized a side event titled adaptation solutions and action in the East Africa Mountains to mark the Africa Climate Week. In addition, ARCOS made a statement calling upon African Governments to make policy and legal reforms that take into account Sustainable Mountain Development on the occasion of the International Mountain Day celebrated on 11th December 2021.

Achievements and performance (continued)

6. Supporting Governments and Private sector to enhance green development agenda

This strategic area is newly included in ARCOS strategic plan areas and it is well set to support government and private sector's efforts in promoting and enhancing green development agenda. For the year 2021, ARCOS increased its engagement in Public Private Partnership (PPP). ARCOS worked together with SORWATHE (Tea production company), DIPCoop (a Netherlands private company), ASSOPTHE (Tea farmer cooperative) and National Agricultural Export Development Board (NAEB) to kick off the on-ground implementation of a joint project entitled "Agroforestry interventions for uphill food and income security and downhill tea plantation protection project (Shortly called SDGP Project)".

This project is implemented in Rukeri Landscape (in the Rulindo and Gicumbi districts) where ARCOS in collaboration with SDGP project partners DIBCOOP, SORWATHE, ASSOPTHE and NAEB managed to mobilize 1607 farmers from Rukozo and Miyove Sector and 53 Friends of Nature Associations (FNA) were established to facilitate information sharing, co-learning on SALM practices. A baseline survey to identify skills and knowledge on smart agriculture and measures to improve sustainable agriculture was conducted on more than 1360 farmers in Mukaka. Additionally, major issues, causes, effects and needs related to water, land and catchments management were acknowledged through Needs-Based training workshop gathered local leaders, FNA leaders, environmental advisors, and key stakeholders from Rukozo and Miyove sectors. Co-learning on SALM practices especially introduction to agroforestry (AF), site preparation for trees planting
and planting techniques was delivered to farmers from 5 villages in Mukaka.

To address the issues of goldmining in Mukaka, ARCOS mapped mining sites, collected and analyzed data on the cost and benefits of goldmining and alternative activities for miners and drafted major activities and proposed measures to rehabilitate degraded area by goldmining in Mukaka.

To restore degraded land for agriculture and improve livelihood of farmers, 32,0694 seedlings of Agroforestry (AF) including indigenous and folders tree species were produced in Musave Tree Nursery, distributed and planted on more than 160 Ha in Rukozo and Miyove sectors.

Financial review

a. ARCOS Financial Review and Funding

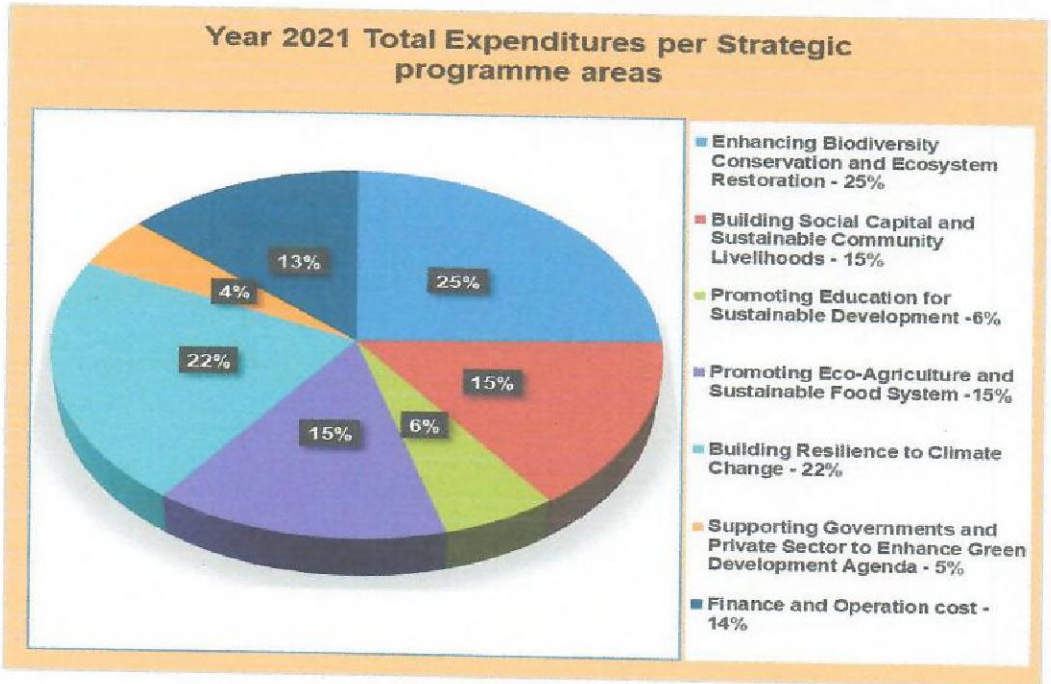
Total income amounted to $1,467,175 (2020: $851,035) and after deducting total expenditure of $1,158,668 (2020: $353,241) there was a surplus of $308,507 (2020: surplus of $497,794). At the year end closing funds amounted to $906,772 (2020: $598,265).

As noted above, the Society entered into a number of projects with different organisations and the grant income for 2021 is set out in note 2 to these accounts.

The organization has achieved good results in terms of fundraising and resources mobilization. The fundraising team identified a total of 15 opportunities for which ARCOS was eligible to apply. We missed 3 deadlines and submitted 12 quality proposals out of which 7 were funded by December 2021. With this effort, the annual turnover of the organization reached $1,467,175.

For this year 2021, we invested efforts in the compilation of information on finance and administration to update the management team about the status of finances on monthly and quarterly basis. Importantly, we managed to produce the organization's cost recovery policy which was successfully implemented and explained to all staff. In addition, we managed to facilitate the auditing process and the both the UK and regional audit reports are in place. On one hand, as mentioned in the funding section above, ARCOS efforts in fundraising generated the annual turnover reached $1,467,175.

The percentage of total expenditure per strategic programme areas is as per below



b. Reserves policy

The Trustees are satisfied that the level of reserves, currently $906,772 (2020: $598,265) are adequate to meet the immediate outgoings of the Society, however the Trustees are seeking to increase funds to aid stability. The nature of the Society's funding means that projects are undertaken and therefore project costs are only incurred once suitable funding arrangements have been secured and therefore projects work on a breakeven basis, with minimal funds being retained at any one time. All of the work that ARCOS undertakes is project related and the Trustees therefore consider $682,930 reserves held to be of a restricted nature and $223,842 as unrestricted funds held as at the balance sheet date. In certain circumstances restricted funds may become overdrawn temporarily where project expenditure is incurred in advance of funding being received. This is only a temporary situation as the society is seeking to build the unrestricted reserve.

During the year 2021, elements of the restricted grants available to support the administration cost of the Society have progressively been matched to related overhead costs. However, some adjustments were necessary for the prior year. The balance of MACEI award was transferred from restricted funds to unrestricted funds hence organisation reserves to balance these accumulated core costs. However further reallocation or funding is required. The trustees as a matter of urgency are seeking further unrestricted funding to increase the level of unrestricted reserves. The office base supports the expansion and development of the projects, however if the funding position cannot be resolved the trustees can further review their asset holdings with a view to realising liquid funds if necessary.

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined above, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

d. Principal risks and uncertainties

The Trustees are aware of the risks facing ARCOS and these are discussed by the Trustees on a regular basis. The Trustees have put in place plans to mitigate those risks as far as possible, where this is within control.

The Trustees have assessed the major risks to which the Society is exposed, in particular those related to the operations and finances of the Society, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The trustee consider one of the major risk is the misappropriation of cash and therefore has a policy to minimise cash payment and use bank transfer for full approval process. Therefore all request for payment must be approved by a number of different people and payments made by bank transfer rather than cash.

Structure, governance and management

a. Structure and Governance

The Society is a charitable company which was formed from the Albertine Rift Conservation Society established in 1995 and hosted by the World Conservation Monitoring Centre (United Kingdom) and the Regional Coordination Office by Nature Uganda (Uganda). All monies held in bank accounts by this entity were donated to the Society on incorporation (8 November 2000). The Society is governed by its Memorandum and Articles of Association (revised 19 October 2012). The Society gained charitable status and was registered with the Charity Commission on 16 February 2004 (charity number: 1102123).

Board of Directors/Trustees: The Society is managed by a Board of Directors/Trustees. ARCOS has currently seven Board members (including a Chairman, Vice Chairman, Treasurer and Secretary) who meet at least once per year or as needed in an annual general meeting. The Chairman or in his absence the Vice Chairman chairs the meeting. Any other member elected by members can chair the meeting if the Chairman and Vice Chairman are not present. The Board recruit and appoint Trustees who they consider will bring valuable and practical skills to the Society.

Management committee: The Chairman, Vice Chairman, Treasurer and Executive Director shall meet as the Management Committee at such intervals as the Board of Directors thinks fit. The Management Committee shall review the operations and activities of the Society and report the findings to the Board of Directors.

Staff positions: The Board of Directors may appoint such persons as it thinks fit to post including a position with overall responsibility for operational matters (whose formal title may vary but hereafter known as the Executive Director), and such other salaried or voluntary staff posts on such terms and conditions, including remuneration and benefits, and with such duties and responsibilities as the Board, in its entire discretion, thinks fit. The Board may, at any time, vary or alter the terms and conditions and the duties and responsibilities of these posts provided always that no Directors shall occupy any of these posts. The Executive Director shall be the senior member of staff of the Society, and shall have responsibility for co-coordinating the Society's activities and programmes.

Trustees
The Trustees in office during part or all of the year ended 31 December 2021 were:
Mr J Salehe
Mrs W Ntamubano (Resigned 4 August 2022)
Dr J Bemigisha
Dr B Nyirambangutse (Vice Chair)
Mr E Nizeyimana
Dr A Mukashema
Dr V N Keraro
Dr C Kahindo

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Dr B Nyirambangutse
Trustee
Date: 22/12/2022

SOCIETE DE CONSERVATION DU RIFT ALBERTIN
ARCOS NETWORK
ALBERTINE RIFT CONSERVATION SOCIETY

Dr Sam Kanyamibwa
CEO and Secretary
Date: 22/12/2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY

Opinion

We have audited the financial statements of Albertine Rift Conservation Society Albertine Rift Conservation Society (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALBERTINE RIFT CONSERVATION SOCIETY (CONTINUED)

Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the the Companies Act, the Charities Act and UK taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations which do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid material penalties; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing the minutes of trustees' meetings

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management bias and override of controls we:

- tested a sample journal entries to identify significant or unusual transactions;
- investigated the rationale behind significant or unusual transactions: and
- assessed whether judgements and assumptions made by management were indicative of potential bias.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing minutes of meetings of those charged with governance; and

- enquiring of management as to any actual and potential litigation, claims and any correspondence with regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Other matters

The financial statements of Albertine Rift Conservation Society were unaudited for the year ended 31 December 2020.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Nikki Loan

Nikki Loan FCA (Senior Statutory Auditor)
for and on behalf of
Peter Elworthy & Moore

Chartered Accountants and Statutory Auditors
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA
Date: 22 December 2022

ALBERTINE RIFT CONSERVATION SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $	As restated Total funds Unaudited 2020 $
Income from:					
Donations	2	1,445,168	1,636	1,446,804	849,885
Investment income	3	-	20,371	20,371	1,150
Total income		1,445,168	22,007	1,467,175	851,035
Expenditure on:					
Charitable activities		1,140,038	18,630	1,158,668	353,241
Total expenditure		1,140,038	18,630	1,158,668	353,241
Net movement in funds		305,130	3,377	308,507	497,794
Reconciliation of funds:					
Total funds brought forward restated		377,800	220,465	598,265	100,471
Net movement in funds		305,130	3,377	308,507	497,794
Total funds carried forward		682,930	223,842	906,772	598,265

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 34 form part of these financial statements.

Details of prior years restatement are found in notes 1 and 19.

ALBERTINE RIFT CONSERVATION SOCIETY
REGISTERED NUMBER: 04103967

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 $		As restated Unaudited 2020 $
Fixed assets					
Tangible assets	8		**524,927**		294,539
			524,927		294,539
Current assets					
Debtors	9	**49,848**		301,408	
Cash at bank and in hand		**527,900**		183,605	
		577,748		485,013	
Creditors: amounts falling due within one year	10	**(195,903)**		(181,287)	
Net current assets			**381,845**		303,726
Total assets less current liabilities			**906,772**		598,265
Total net assets			**906,772**		598,265
Charity funds					
Restricted funds	11		**682,930**		377,800
Unrestricted funds	11		**223,842**		220,465
Total funds			**906,772**		598,265

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Dr Brigitte Nyirambangutse
Trustee
Date: 22/12/2022

Dr Sam Kanyamibwa
CEO & Secretary
Date: 22/12/2022

The notes on pages 18 to 34 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 $	As restated Unaudited 2020 $
Cash flows from operating activities			
Net cash used in operating activities	13	**339,824**	203,035
Cash flows from investing activities			
Proceeds from the sale of tangible fixed assets		**-**	381,796
Purchase of tangible fixed assets		**(15,900)**	(433,122)
Income from investments		**20,371**	1,150
Net cash used in investing activities		**4,471**	**(50,176)**
Change in cash and cash equivalents in the year		**344,295**	**152,859**
Cash and cash equivalents at the beginning of the year		**183,605**	30,746
Cash and cash equivalents at the end of the year	14	**527,900**	183,605

The notes on pages 18 to 34 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Albertine Rift Conservation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Prior year currency restatement

In the prior year, the functional currency of the Society was considered to be Rwandan Francs the main currency of expenditure. However, income is received in US dollars and a number of operating policies, across different jurisdictions used US dollars thresholds, therefore the functional currency across the Society's operations is considered to be US dollars. In the prior year the presentational currency was GBP Pounds Sterling as the Society is administratively UK based. The Trustees consider that the Society operates predominantly in US dollars and therefore have decided to present their accounts in that currency. As a result, the prior year comparative figures have been restated into US dollars.

Prior year fund restatement

The MACEI-McArthur projects were completed prior to the end of 2020 and the fund used for administrative, operating and property income. Equally, the core fund was used for administration and operating expenditure essentially representing the unrestricted overheads of the Society. In 2021 these funds have been combined and restated with the surplus transferred to general costs as there are no restrictions over the use of the funds. Therefore they are more appropriately categorised as unrestricted funds.

For more information see note 19.

1.2 Going concern

The Trustees have reviewed the financial position of the Society and have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. As outlined in the Trustees' report, the Trustees are making efforts in fundraising to ensure that new funds are available to support organisational costs and that they can implement projects in line with funders requirements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Refer to Trustee report for further reference.

1.3 Company status

The Society is a company limited by guarantee and registered under the Companies Act with charitable status. Status was gained on 16 February 2004. The members of the Society are the Trustees named on page 1. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised once the Society has entitlement to the income, it is probable that it will be received and the amount of receivable can be measured reliably.

Income from funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Membership fee income is recognised in donations on receipt.

Investment income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Rental income is recognised in the period to which it relates.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Head Office and are allocated to projects based on staff time. Governance costs are professional and accountancy costs and are included in support costs and allocated accordingly.

All expenditure is inclusive of irrecoverable VAT.

1.6 Foreign currencies

The Society's functional currency is USD dollars and the presentational currency is USD dollars ($). Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Exchange gains and losses are recognised in the Statement of Financial Activities Incorporating the Income and Expenditure Account.

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets costing $400 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. In the year the estimated useful life for motor vehicles was revised from 20 years to 10 years as this was in line with previous motor vehicle usage. The computer, office and equipment useful life has changed from 4 years in prior year to 3 years and 3-6 years respectively. The impact of these adjustment is an additional depreciation charge of $20,769.

Depreciation is provided on the following bases:

Land	- Not depreciated
Building	- 20 years
Motor vehicles	- 10 years
Office equipment	- 3-6 years
Computer equipment	- 3 years

1.8 Debtors

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

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1. Accounting policies (continued)

1.11 Financial instruments

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

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.13 Pensions

During the year the Society contributed towards the National Social Security Fund on behalf of its employees and the pension cost represents the amounts payable by the company to the fund in respect of the employer contribution for that year.

1.14 Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Society's accounting policies, the directors may be required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on the historical experience and other factors that are considered to be relevant. Actual result may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees consider that there are currently no critical estimates or judgements requiring disclosure in addition to the accounting policies described above apart from the judgment over the treatment of the office building in Kigali set out below.

Treatment of office building in Kigali

The new building in Kigali currently has some surplus capacity and is being rented to a third party to generate income. However this is not the long term intention of the Society and as such the whole building is accounted for at cost as a tangible fixed asset.

2. Income from donations

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $	As restated Total funds 2020 $
Membership -Donations	-	1,636	**1,636**	-
Grants	1,445,168	-	**1,445,168**	849,885
	1,445,168	1,636	**1,446,804**	849,885
Total 2020 as restated	849,885	-	849,885	

Grants received comprises

	Restricted funds 2021 $	Total funds 2021 $	As restated Total funds 2020 $
Core	-	-	4,731
Eco- School	86,868	**86,868**	82,561
Eco Agriculture International	-	-	885
Foundation Audemars-Watkins (FAW)	78,068	**78,068**	-
Global Nature Fund (GNF)	2,296	**2,296**	-
JRS	39,000	**39,000**	82,000
Livelihood	978,887	**978,887**	623,387
One Tree Planted	127,990	**127,990**	39,995
Sainsbury's	-	-	11,386
Sustainable Development Goals Partnership (SDGP)	46,485	**46,485**	-
STIFT The Stockholm Movement	-	-	4,940
United Nations Environment Programme (UNEP)	85,574	**85,574**	-
Total 2021	1,445,168	**1,445,168**	849,885
Total 2020 as restated	849,885	849,885	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. Other income

	Unrestricted funds 2021 $	Total funds 2021 $	As restated Total funds 2020 $
Rental Income	9,000	**9,000**	1,150
Investment Income	11,371	**11,371**	-
	20,371	**20,371**	1,150
Total 2020 as restated	1,150	1,150	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Expenditure by Project and Strategic Areas

	Enhancing Biodiversity Conservation and Ecosystem Restoration	Building Social Capital and Sustainable Community Livelihoods	Promoting Education for Sustainable Development	Promoting Eco-Agriculture and Sustainable Food System	Building Resilience to Climate Change	Supporting Governments and Private Sector to Enhance Green Development Agenda	Finance and Operation cost	Total 2021	As Restated Total 2020
AMAS VTF	150	-	-	-	-	-	-	150	4,108
Eco Agriculture International	-	-	-	-	-	-	-	-	(61)
Eco-School	-	1,183	45,816	14,147	21,002	-	7,753	89,901	60,734
FAW	11,346	-	-	-	-	-	8,241	19,587	-
JRS	7,536	-	-	-	-	13,196	3,659	24,391	63,226
Livelihoods	239,859	154,748	15,475	139,273	181,958	7,737	102,767	841,817	389,651
Membership	-	-	-	-	-	1,094	-	1,094	-
NFF-RSF	-	-	-	-	-	-	-	-	(3,591)
OTP	26,978	18,796	4,886	15,394	37,244	13,499	11,193	127,990	1,380
SDGP	-	-	-	-	-	11,211	5,896	17,107	-
Sainsburys	-	-	-	-	-	-	-	-	11,527
Stockholm Environment & GNF	-	-	-	-	-	-	-	-	(5,429)
TSF	-	-	196	-	-	-	-	196	-
UNEP	-	-	-	-	13,230	5,670	-	18,900	-
Unrestricted Core	-	-	-	-	-	-	17,535	17,535	(168,303)
Total	**285,869**	**174,727**	**66,373**	**168,814**	**253,434**	**52,407**	**157,044**	**1,158,668**	**353,242**

4. Finance and Operation - Support Cost

	Restricted	Unrestricted	2021	As restated 2020
Audit and Accountancy Cost	13,130	-	13,130	6,037
Bank Charges	5,518	-	5,518	4,558
Depreciation	35,512	-	35,512	7,097
Foreign Exchange	55,357	-	55,357	43,907
Office costs	29,992	-	29,992	28,022
(Profit)/Loss on disposal of fixed assets	-	-	-	(291,608)
Staff costs	-	17,535	17,535	33,684
Total	**139,509**	**17,535**	**157,044**	**(168,303)**

5. Auditors' remuneration

	2021 $	As restated 2020 $
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**9,675**	-
Fees payable to the Company's auditor in respect of:		
Independent examination fee	-	3,637
All non-audit services not included above	**3,455**	2,400

6. Staff costs

	2021 $	As restated 2020 $
Wages and salaries	**389,286**	327,303
Social securities, pension,medical and other (Non-UK)	**19,321**	20,915
	408,607	348,218

6. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2021 No.	2020 No.
Management	7	7
Eco- School	3	3
One Tree Planting	7	7
SDGP	2	2
FAW	2	2
Livelihood - Climate change	54	8
	75	29

The Society used one volunteer during the year for some of their administrative work. They also used some volunteers approximately 40 members for their tree planting projects.

No employee received remuneration amounting to more than $81,900 (£60,000) in either year.

The key management personnel of the Society comprise:

Trustees
Executive Director
Head of Financial Management
Head Programme Development and Coordination
Head Nature Based Community Development Programme and Landscape Coordinator
Head of Executive Office and ER
Head of Corporate Services

The total employment benefits including employer's social security and pension contributions of the key management personnel were $130,163 (2020 - $122,385). In addition staff loans of $8,317 (2020: $4,917) remained outstanding at the end of the year. Staff loans are available to key management on the same terms as all other staff.

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - $NIL).

During the year ended 31 December 2021, expenses totalling $1,423 were reimbursed directly to 5 Trustees (2020 - $NIL) in respect to travel, accommodation and subsistence cost incurred in their role as Trustees.

8. Tangible fixed assets

	Land and Building $	Motor vehicles $	Office equipment $	Computer equipment $	Total $
Cost or valuation					
At 1 January 2021 (as previously stated)	124,462	151,767	12,093	33,725	322,047
Prior Year Adjustment	36,260	(9,817)	4,383	21,374	52,200
At 1 January 2021 (as restated)	160,722	141,950	16,476	55,099	374,247
Additions	250,000	-	8,050	7,850	265,900
At 31 December 2021	410,722	141,950	24,526	62,949	640,147
Depreciation					
At 1 January 2021 (as previously stated)	-	7,589	12,093	32,724	52,406
Prior Year Adjustment	-	11,768	2,502	13,032	27,302
At 1 January 2021 (as restated)	-	19,357	14,595	45,756	79,708
Charge for the year	5,807	19,357	3,060	7,288	35,512
At 31 December 2021	5,807	38,714	17,655	53,044	115,220
Net book value					
At 31 December 2021	404,915	103,236	6,871	9,905	524,927
As restated at 31 December 2020	160,722	122,593	1,881	9,343	294,539

The cost of the land was approximately $276,722 (2020: $160,722).

9. Debtors

	2021 $	As restated 2020 $
Due within one year		
Other debtors	**17,279**	-
Prepayments and accrued income	**32,569**	301,408
	49,848	301,408

The prior year prepayment included $250,000 fixed asset additions for which land title was received in 2021.

10. Creditors: Amounts falling due within one year

	2021 $	As restated 2020 $
Trade creditors	**39,172**	11,004
Other taxation and social security	**44,433**	54,596
Other creditors	**46,712**	53,524
Accruals and deferred income	**65,586**	62,163
	195,903	181,287

Deferred Income relates to income received for the Foundation Audemars-Watkins (FAW) project that must be used in the next financial year 2022.

	2021 $	2020 $
Resources deferred during the year - Foundation Audemars-Watkins (FAW) project	**65,586**	-

11. Statement of funds

Statement of funds - current year

	As Restated Balance at 1 January 2021 $	Income $	Expenditure $	Balance at 31 December 2021 $
Unrestricted funds				
General Funds - all funds	219,315	-	(17,536)	201,779
Membership Funds	-	1,636	(1,094)	542
Rental Income	1,150	9,000	-	10,150
Investment Income	-	11,371	-	11,371
	220,465	22,007	(18,630)	223,842
Restricted funds				
JRS	38,895	39,000	(24,391)	53,504
NFF-RSF	36,286	-	-	36,286
Sainsbury's	(7,576)	-	-	(7,576)
One Tree Planted(OTP)	38,593	127,990	(127,990)	38,593
Eco-Schools	21,993	86,868	(89,900)	18,961
VTF	9,645	-	(150)	9,495
Eco Agriculture International	946	-	-	946
Livelihoods	233,736	978,887	(841,817)	370,806
Stockholm Environment	5,282	-	-	5,282
Global Nature Fund (GNF)	-	2,296	-	2,296
Foundation Audemars-Watkins (FAW)	-	78,068	(19,587)	58,481
United Nations Environment Programme (UNEP)	-	85,574	(18,900)	66,674
Sustainable Development Goals Partnership	-	46,485	(17,107)	29,378
TSF	-	-	(196)	(196)
	377,800	1,445,168	(1,140,038)	682,930
Total of funds	598,265	1,467,175	(1,158,668)	906,772

11. Statement of funds (continued)

JRS - These funds were received to support development of the Albertine Rift Biodiversity Portal.

NFF-RSF - The 'Seeds, Soil and Culture Fund of RSF Social Finance' provided a grant to be put towards enhancing bio-cultural knowledge and eco-agricultural practices for mountain community livelihoods and climate change resilience in Rwanda and Uganda.

OTP - One Tree Planted - ARCOS is working in collaboration with One Tree Planted to plant 28,000 trees

Sainsburys - Income relates to consultancy services for the Sainsbury's Fairly Traded tea pilot.

Eco-Schools - Part of the Danish Outdoor Council's programme promoting the right to quality education through Eco-Schools in Africa.

VTF - A project committed to restoring and protecting Amasangano confluence wetland zone in Rwanda for enhanced ecological integrity and sustainable community livelihoods.

Livelihoods - This is a project focusing on fighting climate change and its effects through the reduction of greenhouse emissions and/or the increase of greenhouse gas sequestration. The project also endeavours to reduce poverty, promote gender equality and inclusion of youth.

Stockholm Environment - This is a project to provide support to the Economics of Land Degradation policy engagement processes in Rwanda.

GNF - This fund was originally money from the Global Biodiversity Information Facility for workshops. Funding is now being received from the Global Nature Fund to develop a full proposal.

Foundation Audemars-Watkins (FAW)- This is a project in support of the Nyagasenyi Remnant Forest landscape restoration for improved livelihoods and resilience to climate change.

United Nations Environment Programme (UNEP) project is integrated into planning and policy process of regional bodies/frameworks/platform/initiatives and tier national constituencies through strengthened science-policy dialogue platforms.

Sustainable Development Goals Partnership (SDGP) is a Agroforestry interventions project for uphill food, income security and tea plantation protection.

Where funds are in deficit at the year end, in some circumstances this has arisen from closing creditors or delayed income where entitlement was not present at the year end date, but costs have been incurred on activities. The Trustees are aware of this and will monitor the situation.

11. Statement of funds (continued)

Statement of funds - prior year as restated

	As restated balance at 1 January 2020 $	As restated Income $	As restated Expenditure $	As restated balance at 31 December 2020 $
Unrestricted funds				
General Funds - all funds	51,013	1,150	168,302	220,465
Restricted funds				
Restricted Funds (See note 19)	49,458	849,886	(521,544)	377,800
Total of funds	100,471	851,036	(353,242)	598,265

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 $	Unrestricted funds 2021 $	Total funds 2021 $
Tangible fixed assets	103,236	421,691	**524,927**
Current assets	775,597	(197,849)	**577,748**
Creditors due within one year	(195,903)	-	**(195,903)**
Total	682,930	223,842	**906,772**

Overhead/indirect costs budgets from prior years had not been fully allocated to projects. Overhead allocations to restricted funds, including depreciation charges, and further unrestricted funding will reduce this gap. The Trustees are monitoring the position.

12. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year as restated

	Restricted funds As Restated 2020 $	Unrestricted funds As Restated 2020 $	Total funds As Restated 2020 $
Tangible fixed assets	122,593	171,946	294,539
Current assets	436,494	48,519	485,013
Creditors due within one year	(181,287)	-	(181,287)
Total	377,800	220,465	598,265

See note 19 for details of the restatement.

13. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 $	2020 $
Net income for the year (as per Statement of Financial Activities)	**308,507**	**497,794**
Adjustments for:		
Depreciation charges	**35,512**	7,097
Decrease/(increase) in debtors	**1,560**	(44,903)
Increase in creditors	**14,616**	55,970
Profit on the sales of fixed assets	**-**	(311,773)
Income from investment	**(20,371)**	(1,150)
Net cash provided by operating activities	**339,824**	203,035

14. Analysis of cash and cash equivalents

	2021 $	2020 $
Cash in hand	**527,900**	183,605
Total cash and cash equivalents	**527,900**	183,605

15. Analysis of changes in net debt

	At 1 January 2021	Cash flows	At 31 December 2021
	$	$	$
Cash at bank and in hand	183,605	344,295	527,900
	183,605	344,295	527,900

16. Pension commitments

During the year contributions to employers' pensions totalled $31,058 (2020 - $30,472). The balance outstanding as at 31 December 2021 was $ 23,405 (2020 - $ 24,678).

17. Operating lease commitments

At 31 December 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	As Restated 2020
	$	$
Not later than 1 year	18,090	19,440
Later than 1 year and not later than 5 years	28,080	19,440
	46,170	38,880

18. Related party transactions

There were no related party transactions during the current or previous year other than the transactions disclosed in note 7. During the year a relative of one Trustee worked for ARCOS, however they do not have any significant influence on charity's decision making.

19. Prior year adjustment

	Closing balance	Retranslated at year end rate	Adjustment for cumulative translation difference	Opening Balance
	£	$	$	$
Fixed Assets	197,524	269,641	24,898	294,539
Current Assets	355,292	485,014	-	485,014
Current Liabilities	132,800	181,287	-	181,287
Funds	420,016	573,369	24,898	598,265

In prior years the restatement of the fixed asset balance into pound sterling created a currency difference of $24,898. The has been reflected by restating the opening fixed asset balance and increasing reserves. The adjustment has been made to unrestricted reserves as it relates to the building. Further detail on the reserves adjustment is set out below.

Fund Restatement

	Opening reserves	Opening reserves translation	Restatement for change in currency	Restatement for unrestricted reserves	Restated opening balances
	£	$	$	$	$
General Funds-all Funds	-	-	24,898	195,567	220,465
Total Unrestricted Funds	-	-	24,898	195,567	440,930
Restricted Fund					
Core	(314,700)	(429,522)	-	429,522	-
MacArthur/MACEI	457,062	623,939	-	(623,939)	-
Rent	901	1,150	-	(1,150)	-
JRS Biodiversity Foundation	28,492	38,895	-	-	38,895
NFF-RSF	26,581	36,286	-	-	36,286
Sainsburys	(5,550)	(7,576)	-	-	(7,576)
Eco-Schools	16,111	21,993	-	-	21,993
Eco Agriculture International	693	946	-	-	946
VTS Ama Sangano	7,065	9,645	-	-	9,645
One Tree Planted	28,271	38,593	-	-	38,593
Livelihoods	171,221	233,736	-	-	233,736
Stockholm Environment	3,869	5,282	-	-	5,282
Total	420,016	573,367	-	(195,567)	377,800

The MacArthur/MACEI projects were completed prior to 2020 and the fund was used for administrative, operating and property income. Correspondingly, the core fund was used for administration and operating expenditure. Therefore these accounts were effectively used as unrestricted income and expenditure funds. In 2021 these funds have been combined and restated with the net surplus transferred to unrestricted funds as there are no further restrictions over the use of these funds.

ALBERTINE RIFT CONSERVATION SOCIETY

England & Wales - Charity number 1102123

Accounts

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Registered number: 04103967
Charity number: 1102123

ALBERTINE RIFT CONSERVATION SOCIETY

(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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ALBERTINE RIFT CONSERVATION SOCIETY
(A Company Limited by Guarantee)

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ALBERTINE RIFT CONSERVATION SOCIETY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

Mr J Y Salehe
Dr J Bemigisha
Mrs W Ntamubano
Dr A Mukashema (appointed 10 December 2020)
Mr E Nizeyimana
Dr B Nyirambangutse
Dr V N Keraro (appointed 10 December 2020)
Dr C Kahindo (appointed 10 December 2020)

Company registered number

04103967

Charity registered number

1102123

Registered office

C/O Birdlife International
The David Attenborough Building, Pembroke Street
Cambridge
CB2 3QZ

Company secretary and Executive Director

Dr S Kanyamibwa

Independent Examiner

Mrs J Rowe FCCA
Peters Elworthy & Moore
Chartered Accountants
Salisbury House
Station Road
Cambridge
CB1 2LA

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Bankers

Kampala Road Branch
PO Box 7101
Kampala
Uganda

Barclays Bank Plc
Cambridge

Bank of Kigali
Kigali
Rwanda

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the financial statements of the Company for the year 1 January 2020 to 31 December 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (second edition of the Charities SORP (FRS102) October 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Albertine Rift Conservation Society (ARCOS) was established in 1995 with the mission to "*enhance biodiversity conservation and the sustainable use of natural resources through the promotion of collaborative conservation action for Nature and People*." Today, ARCOS has programmes extending beyond the Albertine Rift, including the Great Lakes region and the African Mountains.

To achieve its mission, ARCOS Network builds on the following pillars of its approach:

1. We facilitate networking with local, national and international players to enhance sustainable development through information and experience sharing;
2. We empower our network through policy dialogue, capacity building and policy engagement when implementing our work. We work with all kinds of organizations – NGOs/ CBOs, academic institutions, governments and increasingly business;
3. Our activities on the ground take an integrated landscape approach focusing mainly on protecting biodiversity and enhancing ecosystem services, building Nature Based Community Enterprises (NBCEs) and building shared vision among stakeholders to address threats.

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission general guidance on public benefit. The activities undertaken during the year to fulfil this obligation is further explained on the following pages.

b. Legal status

ARCOS is registered in Uganda and Rwanda as an International NGO, and is registered in the UK as a Charity and Company Limited by Guarantee. ARCOS has an office in Kampala (Regional Office) and Kigali. ARCOS has a Board of Directors and Trustees composed of appointed Board members. These board members include representatives from the Albertine Rift countries, Africa and other international experts. Within the Board of Directors, a Management Committee is responsible for overseeing and reviewing ARCOS's progress. The Management Committee is comprised of the Chairman, Vice Chairman, Treasurer and the Executive Director, whose responsibility is to ensure the day-to-day management of the organisation.

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Message from the Chairman and Executive Director

The year 2020 marked the end of ARCOS' 5 years strategic plan (2016-2020). We used the time to think and sketch our new strategic plan for 2021-2025 specifically drawing up six strategic areas to focus on. Despite the challenges imposed by the Covid-19 pandemic, the year 2020 was characterized by tremendous achievements: We secured a long-term partnership with the Livelihoods Foundation for a 20-year project that aims to transform the lives of more than 27,000 small holder farmers in Rwanda through agroforestry, landscape restoration and ecosystem resilience to climate change, and community livelihoods improvement. For that, our annual financial turnover increased by 183% comparatively to the financial turnover for the year 2019.

As a result of the MacArthur award for creative and effective institutions which we won in 2012, ARCOS is purchasing its own office in Kigali-Rwanda. Although legal title has not yet passed to ARCOS, access to the property has been permitted. Its inauguration on 11th December 2020 have seen the celebration of ARCOS's 25th anniversary (1995-2020) as well as International Mountain Day. Our community development programme has considerably grown up with an additional 202 community groups known as Friends of Nature Associations (FNAs), through which 5,921 farmers were trained in sustainable agricultural land management practices and supported to plant 606,000 trees oin their farms.

We are very proud of the results of our effort in supporting strategic planning in Rwanda. This year, we facilitated the mobilization of demand driven data on wetland ecological integrity to inform wetland management decisions in the country. Thanks to the JRS Biodiversity Foundation for financial and technical support, the Rwanda wetland cover change (2008-2018) mapping report was produced and shared with decision makers. Gathered biodiversity data contributed to the operationalization of the Rwanda Biodiversity Information System (RBIS) recently built and hosted by the center of excellence in biodiversity and natural resources management (CoEB).

ARCOS is proud of its involvement in various dialogues to shape environment and sustainable development locally, nationally, and internationally. Among others, ARCOS is a member of the National Task Force for Landscape Restoration in Rwanda, a member of the Environment and Climate Change Working Group, a member of the City of Kigali Wetlands Committee and a m Member of the Biodiversity Information Management Forum under the Ministry of Environment. On behalf of ARCOS staff and board members, we would like to express our great appreciation for the support and contribution of you, our distinguished partners, and collaborators, to advance ARCOS's agenda towards improved livelihoods and environment sustainability. Our special gratitude goes to Livelihoods Fund, CISU/DOC, JRS Biodiversity Foundation, One Tree Planted (OTP), Ministry of Environment and Rwanda Environment Management Authority, Rwanda Forestry Authority, MINAGRI, MINALOC, for supporting our funds mobilization for conservation and development to help nature and people. We are looking forward to your continued support and collaboration and we hope that with you we will achieve more in next year 2021.

John Yonazi Salehe
Chairman

Dr. Sam Kanyamibwa
Executive Director

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Achievements and Review of Activities

Strategic Programme Areas

3.1 Sustaining Biodiversity Conservation and Ecosystem Service

The year 2020 was marked by a high disturbance to ARCOS activities on promoting biodiversity conservation and ecosystem services due to the Coronavirus pandemic that struck the world, especially Rwanda from 14th of March 2020. Total lockdown was one of the measures to control the overspreading of the pandemic and has negatively affected the plan of ARCOS to inform decision making on the rational and sustainable use of wetland biodiversity and ecosystem services. Despite this challenge, ARCOS opted to prioritize office-based work and use the technology of remote working and online meetings to continue the assessment of wetland ecological integrity status in Rwanda. Rwanda Wetland Cover Change mapping (2008-2018) work was completed. The technical report is in place and a related research poster was produced and can be accessed via the ARCOs website (www.arcosnetwork.org). Overall, within 10 years (2008-2018) Wetlands used for agriculture reduced by 2.63%; the natural vegetation reduced by 6.62%; the water body class increased by 3.82% (even if some parts of the country, wetlands lost a considerable cover of water body at the expense of other classes like bare soil, settlement, invasive species mainly water hyacinth) and mining /quarry areas increased at 5.42%.

In the same framework, ARCOS produced a policy brief on the status of Rwanda wetland ecological integrity and joined the world and Rwandan community to celebrate the World Wetland Day 2020. The event gathered different individuals including decision makers in wetland management in Rwanda and shared the finding of the rapid wetland biodiversity assessment. "We call for urgent action to reverse the threatening trend; otherwise, the inaction can lead to worse flooding, food insecurity, water scarcity among others" said Dr Sam. He informed the public that over 40% of Rwanda's wetlands lost their pristine nature.

By the end of the year, we managed to conduct an integrated landscape assessment and monitoring exercise in Akagera wetland complexes of Kirehe District focusing on the state of the socio-economic condition of the community around the wetlands and ecosystem services. We assessed the pressure exerted on biodiversity and ecosystem services and drew some recommendations. The report is available from ARCOS.

3.2 Building Resilience to Climate Change

Building climate change resilience is one programme from ARCOS that aims to support national and regional mechanisms for assessing and understanding the impacts of climate change and promote grassroots actions to build community and ecosystem resilience. The year 2020 was marked by mobilizing efforts to build the capacity of youth in schools and integrate climate change resilience interventions in their day-to-day activities. With financial support from the **Danish Outdoor Council,** about 200 participants from 4 schools located in Bugesera and Rutsiro Districts in Rwanda (with about 80% being students) benefited from a training of trainers where they covered different topics including the introduction to climate change; assessing the school and community vulnerability to climate change; and developing schools and community adaptation practices.

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In the same framework, and with financial support of the **Livelihood Funds**, ARCOS recruited 30 new individuals in the capacity of Community Extension Officers and Tree Nursery Managers respectively, to be based in the field and provide extension services related to climate change adaptation including farmers trainings, production, and management of trees of various species as well as monitoring and evaluation. By the end of the year 2020, 5,921 farmers were trained and gathered into 202 Friends of Nature Associations through which all climate resilient interventions will be channelled, and 606,000 trees of different species were planted on 2,479.3 ha. Importantly, planted trees included more indigenous trees than ever, such as like *Ficus SP*, *Mitragyna ruburostipulacea*, *Erytrina sp* and *Markhamia lutea* to increase diversity and restore farmland ecosystems. The monitoring mechanisms are in place to ensure the growth and maturity of planted trees so that they can contribute to CO2 sequestration, sustain soil organic matter production, and contribute to soil protection and erosion control.

3.3 Promoting Sustainable Agriculture and Improved Food Security

As part of its Nature-Based Community Development Program, ARCOS promotes grassroot solutions to enhance healthy, environmentally friendly, economically viable and socially responsible food systems.

In 2020, over 6,000 farmers were trained in Sustainable Agricultural Land Management (SALM) including tree planting, soil erosion control, integrated nutrients, pests and diseases management and sustainable agronomic practices among others. In addition, over 480,000 agroforestry trees were planted across approximately 2,400 ha in Rulindo and Bugesera.

Furthermore, a community livelihood development strategy was developed as a tool to guide current and future interventions in building resilience to climate change and sustainable livelihoods in Rwanda's agro-systems.

4. Strategic Program Approaches

4.1 Regional Hub for Information, Capacity Building, Advocacy and Policy Dialogue

Guided by its strategic plan 2016-2020, ARCOS strived to position itself as the regional center for knowledge sharing, training, policy influencing and dialogue on conservation and development agenda. 2020 was marked by the development and sharing of different communication materials with partners, stakeholders, and particularly local community amongst others, as follows:

1. The web article published on the website of Mountain Partnership titled:" *Engaging youth for a wise use of mountains in Rwanda*".

2. A poster presentation published on the ARCOS website titled: "*Rwanda wetland cover change mapping 2008-2018".*

3. A policy brief published on the ARCOS website titled: "*Rwanda Wetland biodiversity: valuable but vulnerable asset".*

To promote mainstreaming of ecosystem approach in development agenda and advocate for pro-poor policies and participatory decision-making, ARCOS participated in the planning, mobilized, and shared biodiversity data with the city of Kigali and Ministry of Environment to inform the development of the City of Kigali wetland management plan. We have completed the process of upgrading ARCOS Biodiversity Information Management System (ARBIMS) and relocated our website from Contabo to Amazone webservices to enhance the management and facilitate easy administration and increase the hosting capacity.

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4.2 Networking, Partnership and Membership

Despite COVID-19 challenges, ARCOS managed to secure new potential partners. Through the Eco-Schools Programme, ARCOS' partnership with the Danish Outdoor Council (DOC) became a reality and full implementation of the Eco-Schools Programme was kicked off officially. Through the Eco-Schools Programme new MoUs were also signed with UNESCO/CNRU and Rwanda Education Board (REB) and enhanced ARCOS's Environmental Education Programme collaboration with The Rwanda Environment Management Authority (REMA). 2020 was also marked by the full implementation of ARCOS' big project (Agroforestry for Livelihoods Project) that will last 20 years. Through the A4L project ARCOS strengthened its partnership with the Ministry of Environment in Rwanda and specifically with the Rwanda Forestry Authority (RFA).

At regional level, ARCOS worked in partnership with the UN Environment to develop the Adaptation at Altitude (A@A) project. The project was approved, and full implementation will start in early 2021. ARCOS explored more opportunities of collaboration with international stakeholders.

On the ground, ARCOS kept up the momentum to engage local community members. A total of 234 community members were reached and ARCOS is putting much more effort in increasing the number of communities reached as well as their engagement in conservation initiatives and good practices.

Regarding Membership Programme, much effort was put in reviewing the ARCOS Membership scheme and member mobilization strategies. The membership was reviewed, updated and upgraded. More information about the ARCOS Membership Programme can be found on the ARCOS website (www.arcosnetwork.org). ARCOS submitted its application to become a Foundation for Environmental Education (FEE) member, and renewed its membership with the International Union for Conservation of Nature (IUCN).

4.3 Promoting Nature Based Community Enterprises

Nature Based Community Enterprises (NBCEs) is a development structure of community-based organizations supported by ARCOS to implement on the ground climate resilient and biodiversity conservation interventions. It is part of ARCOS's Nature Based Community Development Programme (NBCDP) through which ARCOS channels all collaborative conservation actions implemented at community level in the Albertine Rift Region.

The year 2020 saw a considerable increase in the number of NBCEs from 32 to 233. Thanks go to the Livelihoods Fund who support ARCOS through the Agroforestry for Livelihoods project that aims to enhance resilience to climate change through large-scale tree planting across 15,209 ha and promote sustainable livelihood in the Rulindo and Bugesera districts of Rwanda. Over 6,000 farmers from 201 new NBCEs were trained in Sustainable Agricultural Land Management (SALM) including tree planting, soil erosion control, integrated nutrients, pest and disease management and sustainable agronomic practices among others. Furthermore, a community livelihood development strategy was developed as a tool to guide current and future interventions in building resilience to climate change in Rwandan agro-systems.

Additionally, 201 new farmer-based Saving and Credit Associations, also named VSLAs were initiated through the newly established NBCEs to drive financial sustainability at grassroot level. Awareness and outreach initiatives were implemented through farmer-to-farmer and media campaigns and events held to communicate community achievements, and share lessons learnt and success stories with other communities and stakeholders.

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4.4 Promoting Quality Education for Sustainable Development as part of the Eco-Schools Programme in Rwanda

Education for Sustainable Development (ESD) is a dynamic concept that encompasses a new vision of education that seeks to empower people of all ages to assume responsibility for creating and enjoying a sustainable future. This is a new programme that ARCOS is in the process of integrating into its short and long-term strategic interventions in Rwanda with the aim to translate the principles of Education for Sustainable Development (ESD) into practice. In 2020, ARCOS focused on building the capacity of students, teachers and parents on the Importance of the IVAC (Investigation, Vision, Action and Change) approach used by eco-schools programme and seven steps followed for schools to qualify for the eco-schools green flag.

We have started with 10 schools during 2020. The target is to reach 35 schools by 2024. ARCOS has facilitated the establishment of Eco-Schools governance structures at school, district and national levels. These include the Eco-Schools Committees and Eco-Schools parliaments at 10 schools, District Advisory Committees, and the National Advisory Committee. These committees meet regularly and separately to evaluate progress of the implementation of program activities and provide recommendations on critical aspects of the programme.

In addition, ARCOS has organized a Training of Trainers (ToT) in Eco-schools methodology and climate change adaptation. This ToT has involved 330 participants including students and teachers from the 10 pilot schools, parents and local authorities. Overall, 200 students of which 50% were girls and 50% boys, 50 teachers of which 45% women, 55% men, 40 parents of which 43% were women and 57% were men, and 40 local authorities were involved. Furthermore, those who participated in ToT have in turn trained their fellow colleagues (students/teachers/parents). In this regard, 500 students from environmental clubs from the 10 schools, approximately 70 teachers and 210 parents were later trained by ToT participants in the same topics and are now active and self-confident in implementing the Eco-Schools approach and climate resilience practices.

Moreover, a participatory environmental review and climate change vulnerability assessment at school level was conducted in collaboration with the schools (students, teachers and parents involved through Eco-Committees). Five highly vulnerable schools were supported with rainwater harvesting facilities and over 1,000 trees including agroforestry and fruit trees were planted within the 10 schools to enhance school greening, windbreaking, beauty and access to fruits.

Additionally, ARCOS has participated in Covid-19 prevention and Back-to-School Campaigns by producing and distributing awareness materials, organizing radio spots, social media campaigns and Door-to-Door campaigns. This has reduced school drop-out rate from 15% to 7% within the first three months in the 10 pilot schools. To enhance hygiene and contribute to the reduction of the spread of Covid-19, ARCOS has supported 10 pilot eco-schools with the construction of hand washing stations and other materials

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Financial review and reserves policy

a. ARCOS Financial Review, Funding and Reserves Policy

Total income amounted to £666,531 (2019: £234,992) and after deducting total expenditure of £325,204 (2019: 191,374) there was a surplus of £341,327 (2019: surplus of £43,618). At the year end closing funds amounted to £420,016 (2019: £78,689). Due to the favourable increasing value of land in Rwanda, there was a total surplus on the disposal of land of £228,387 (2019: £113,378) as shown in note 4.

As noted above, the Society entered into a number of projects with different organisations and the grant income for 2020 is set out in note 2 to these accounts.

ARCOS is in the process of purchasing a property in Kigali, however as at 31 December 2020 legal ownership had not yet passed to ARCOS and the full purchase price had not yet been paid. Part payment has been made and that is included in current assets as a prepaid expense to be reflected in fixed assets once legal title has passed to the charity and full payment has been made.

The Trustees are satisfied that the level of reserves, currently £420,016 (2019: £78,689) are adequate to meet the immediate outgoings of the Society, however the Trustees are seeking to increase funds to aid stability. A further sum will be payable for the ARCOS property, once that has been determined and the legal arrangements are in place. The nature of the Society's funding means that projects are undertaken and therefore project costs are only incurred once suitable funding arrangements have been secured and therefore projects work on a breakeven basis, with minimal funds being retained at any one time. All of the work that ARCOS undertakes is project related and The Trustees therefore consider all reserves held to be of a restricted nature, as such there are no unrestricted funds held as at the balance sheet date. In certain circumstances restricted funds may become overdrawn temporarily where project expenditure is incurred in advance of funding being received. This is only a temporary situation. As a result of the pandemic, entitlement to some income has been delayed due to postponement of activities, although costs may still have been incurred.

b. Annual Audit Report

The financial audit for the period January to December 2020 was carried out by KFV Partners, Certified Public Accountants, Kigali, Rwanda. No major issues were identified by the audit. A copy of the Annual Audit report can be made available upon request.

c. Principal risks and uncertainties

The Trustees are aware of the various risks facing ARCOS and these are discussed by the Trustees on a regular basis. The Trustees have put in place plans to mitigate those risks as far as possible, where this is within their control.

d. Going concern

After making appropriate enquiries to satisfy themselves of the stability and financial health of the Society, taking into consideration the impact of COVID19, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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Facing the Future

The priorities for the year 2021 are structured mainly on three strategic activities:

1. Our strategic plan will be updated to cover the period of 2021-2025 and its launch in the 4th quarter of the year will coincide with the launch of the UN decade on ecosystem restoration (2021-2030).

2. We shall start the process to relocate our regional headquarters to Kigali-Rwanda to position ARCOS as a regional organization operating locally and engaging broadly.

3. We shall strengthen our collaboration with the Livelihoods Foundation and sustain our long term partnership we secured by early 2020 through the implementation of the Agroforestry for the Livelihoods project, a 20 year project whose target is to mitigate the impact of land and agro-ecosystem degradation and climate-change related hazards across 15,000 ha by planting about 3.7 million agroforestry, fruit and woodland trees, and to improve the livelihoods of more than 27,000 smallholder farmers on the ground and sequester between 2 – 3.5 million tons of CO2.

By the end of 2021, we shall have positioned ARCOS as a lead organization in the promotion of science-based policy guidance in the management and wise use of wetland resources in the Albertine Rift region, through the documentation and upscaling of the Rwanda wetland ecological integrity assessment project.

Furthermore, ARCOS will invest more efforts in fundraising through staff capacity building as well as the development and submission of quality projects to relevant donors but also maintaining good relationships with already secured partnerships especially focusing on regional projects targeting first DRC, Uganda and Tanzania, with particular attention to the Sustainable Mountain Development in Africa and Fresh water management in the great lake's region.

Structure, governance and management

Structure and Governance

The Society is a charitable company which was formed from the Albertine Rift Conservation Society established in 1995 and hosted by the World Conservation Monitoring Centre (United Kingdom) and the Regional Coordination Office by Nature Uganda (Uganda). All monies held in bank accounts by this entity were donated to the Society on incorporation (8 November 2000). The Society is governed by its Memorandum and Articles of Association (revised 19 October 2012). The Society gained charitable status and was registered with the Charity Commission on 16 February 2004 (charity number: 1102123).

Board of Directors/Trustees: The Society is managed by a Board of Directors/Trustees. ARCOS has currently eight board members (including a Chairman, ViceChairman, Treasurer and Secretary) who meet at least once per year or as needed in an annual general meeting. The Chairman or in his absence the ViceChairman chairs the meeting. Any other member elected by members can chair the meeting if the Chairman and Vice Chairman are not present. The Board recruit and appoint Trustees who they consider will bring valuable and practical skills to the Society.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Honorary Officers: The Board of Directors may appoint any person as Honorary President of the Society and any persons as Patrons of the Society. The Honorary president and patrons (hereinafter described as "Honorary Officers") shall hold honorary positions only and shall not, by reason of holding those positions, be deemed for any purposes members or Directors of the Society. The duties and responsibilities of the Honorary Officers shall be determined by the Board of Directors and may be varied by the Board at any time. The Board may, if it thinks fit, invite any one or more of the Honorary Officers to attend any General Meeting of the Society or any meeting of the Board of Directors provided always that any Honorary Officer so attending shall speak only if invited to do so by the chairman of the meeting and shall not vote on any matter.

Regional Forum: The Directors may establish an Albertine Rift Regional Forum to provide opportunities for discussion and exchange of ideas and information between the Society and such organizations, bodies and individuals as may wish to contribute to the Society's activities and support its objects.

Management committee: The Chairman, Vice Chairman, Treasurer and Executive Director shall meet as the Management Committee at such intervals as the Board of Directors thinks fit. The Management Committee shall review the operations and activities of the Society and report the findings to the Board of Directors.

Staff positions: The Board of Directors may appoint such persons as it thinks fit to post including a position with overall responsibility for operational matters (whose formal title may vary but hereafter known as the Executive Director), and such other salaried or voluntary staff posts on such terms and conditions, including remuneration and benefits, and with such duties and responsibilities as the Board, in its entire discretion, thinks fit. The Board may, at any time, vary or alter the terms and conditions and the duties and responsibilities of these posts provided always that no Directors shall occupy any of these posts. The Executive Director shall be the senior member of staff of the Society, and shall have responsibility for co-coordinating the Society's activities and programmes.

Trustees

The Trustees in office during part or all of the year ended 31 December 2020 were:
Mr J Salehe (Vice Chair/Chairman)
Professor B Kaplin (resigned 30 September 2020)
Mr P Mafabi (Vice Chair/Chair) (deceased 15 September 2020)
Mrs W Ntamubano
Dr J Bemigisha
Dr B Nyirambangutse
Mr E Nizaeyimana
Dr A Mukashema (appointed 10 December 2020)
Dr V N Keraro (appointed 10 December 2020)
Dr C Kahindo (appointed 10 December 2020)

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Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

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

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....

Dr B Nyirambangutse
Trustee

Date: 15/09/2021

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INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ALBERTINE RIFT CONSERVATION SOCIETY ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

RESPONSIBILITIES AND BASIS OF REPORT

Since the charity'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 Association of Chartered Certified Accountants, which is one of the listed bodies.

As the Trustees of the Company (and 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 the Company's accounts 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

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 Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed: Janne Rowe

Dated: 29 September 2021 | 09:17 BST

Mrs J Rowe

FCCA

For and on behalf of Peters Elworthy & Moore
Chartered Accountants, Cambridge

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ALBERTINE RIFT CONSERVATION SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:				
Donations and grants	2	**665,630**	**665,630**	234,992
Other income	3	**901**	**901**	-
TOTAL INCOME		**666,531**	**666,531**	234,992
EXPENDITURE ON:				
Charitable activities	4	**325,204**	**325,204**	191,374
TOTAL EXPENDITURE		**325,204**	**325,204**	191,374
NET INCOME		**341,327**	**341,327**	43,618
NET MOVEMENT IN FUNDS		**341,327**	**341,327**	43,618
RECONCILIATION OF FUNDS:				
Total funds brought forward		**78,689**	**78,689**	35,071
Net movement in funds		**341,327**	**341,327**	43,618
TOTAL FUNDS CARRIED FORWARD		**420,016**	**420,016**	78,689

The notes on pages 19 to 34 form part of these financial statements.

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ALBERTINE RIFT CONSERVATION SOCIETY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04103967

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note		2020 £		2019 £
FIXED ASSETS					
Tangible assets	8		**197,524**		143,200
			197,524		143,200
CURRENT ASSETS					
Debtors	9	**220,794**		4,766	
Cash at bank and in hand		**134,498**		22,523	
		355,292		27,289	
Creditors: amounts falling due within one year	10	**(132,800)**		(91,800)	
NET CURRENT ASSETS / LIABILITES			**222,492**		(64,511)
TOTAL ASSETS LESS CURRENT LIABILITIES			**420,016**		78,689
TOTAL NET ASSETS			**420,016**		78,689
CHARITY FUNDS					
Restricted funds			**420,016**		78,689
TOTAL FUNDS			**420,016**		78,689

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Dr B Nyirambangutse
Trustee
Date: 15/09/2021

The notes on pages 19 to 34 form part of these financial statements.

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ALBERTINE RIFT CONSERVATION SOCIETY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	14	**(56,529)**	(136,477)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of tangible fixed assets		**279,681**	126,631
Purchase of tangible fixed assets		**(111,177)**	-
NET CASH PROVIDED BY INVESTING ACTIVITIES		**168,504**	**126,631**
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	16	**111,975**	**(9,846)**
Cash and cash equivalents at the beginning of the year		**22,523**	32,369
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	15	**134,498**	22,523

The notes on pages 19 to 34 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 (FRS 102) (second edition of the Charities SORP (FRS102) October 2019, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Albertine Rift Conservation Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 GOING CONCERN

The Trustees have reviewed the financial position of the charity, including the potential impact of COVID-19 and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.3 COMPANY STATUS

The Society is a company limited by guarantee and registered under the Companies Act with charitable status. Status was gained on 16 February 2004. The members of the Society are the Trustees named on page 1. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society.

1.4 FUND ACCOUNTING

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The Trustees consider that all of the Society's funds are restricted.

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1. ACCOUNTING POLICIES (CONTINUED)

1.5 INCOME

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are recognised when the Society has been notified in writing of both the amount and settlement date. In the event that a grant is subject to conditions that require a level of performance before the Society is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Society and it is probable that those conditions will be fufilled in the reporting period.

Membership fee income is recognised in the period to which it relates. Membership income owing to the Society at the year end is included in debtors.

Donations are recognised once the Company has entitlement to the income, it is probable that it will be received and the amount of receivable can be measured reliably.

Income from funds held on despot is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.6 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Head Office.

All expenditure is inclusive of irrecoverable VAT.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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1. ACCOUNTING POLICIES (CONTINUED)

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land and property	- Not depreciated
Motor vehicles	- over 20 years
Office equipment	- 25%
Computer equipment	- 25%

1.8 FOREIGN CURRENCIES

The Society's funtional currency is Rwandan Francs and the presentational currency is GBP pounds sterling (£).

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the average rate for the year.

Exchange gains and losses are recognised in the Statement of Financial Activities Incorporating the Income and Expenditure Account.

1.9 PENSIONS

During the year the Society contributed towards the National Social Security Fund on behalf of its employees and the pension cost represents the amounts payable by the company to the fund in respect of the employer contribution for that year.

1.10 DEBTORS

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

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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1. ACCOUNTING POLICIES (CONTINUED)

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.13 FINANCIAL INSTRUMENTS

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

2. INCOME FROM DONATIONS AND GRANTS

	Restricted funds 2020 £	**Total funds 2020 £**	Total funds 2019 £
Grants	665,630	**665,630**	234,992
Total 2019	234,992	234,992	

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Grants received comprise:

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
JRS	64,222	**64,222**	43,104
CEPF	-	**-**	34,676
Core	3,706	**3,706**	57,490
One Tree Planted	31,324	**31,324**	8,664
Africa Regional Mountains	-	**-**	3,826
GBIF	-	**-**	1,117
WRI	-	**-**	1,567
Sainsburys	8,918	**8,918**	19,170
NFF-RSF	-	**-**	39,185
ECO Schools	64,662	**64,662**	17,722
VTS	-	**-**	8,471
Livelihoods	488,236	**488,236**	-
Eco Agriculture International	693	**693**	-
STIFT The Stockholm Movement	3,869	**3,869**	-
	665,630	**665,630**	234,992

3. OTHER INCOMING RESOURCES

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rent	901	**901**	-

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4. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support and governance costs 2020 £	Total funds 2020 £	Total funds 2019 £
Biodiversity and ecosystem services	61,996	-	**61,996**	86,767
Climate change	314,495	-	**314,495**	64,080
Administration, Management, M&E and Development	740	-	**740**	42,638
Clean Water & Renewable Energy	-	-	**-**	7,257
Supporting IWRM	-	-	**-**	19,073
Agriculture and Improved Food Security	-	-	**-**	20,668
Eco Schools Programme	43,538	-	**43,538**	15,692
Collaborative Action	5,615	-	**5,615**	-
Project support	-	(101,180)	**(101,180)**	(65,430)
Staff costs	-	-	**-**	629
	426,384	(101,180)	**325,204**	191,374
Total 2019	256,804	(65,430)	191,374	

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4. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF DIRECT COSTS

	Biodiversity and ecosystem services 2020 £	Climate change 2020 £	Admin, Manage-ment, M&E and Develop-ment 2020 £	Clean Water & Renewable Energy 2020 £	Supporting IWRM 2020 £
Staff costs	37,855	184,456	740	-	-
Consultancy & professional fees	20,932	30,989	-	-	-
Travel and motor costs	3,159	29,363	-	-	-
Equipment and consumables	50	-	-	-	-
Tree plantation	-	51,787	-	-	-
Meetings and workshops	-	7,300	-	-	-
Office costs	-	10,600	-	-	-
	61,996	314,495	740	-	-
Total 2019	86,767	64,080	42,638	7,257	19,073

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4. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF DIRECT COSTS (continued)

	Agriculture and Improved Food Security 2020 £	Eco Schools Programme 2020 £	Collaborative Action 2020 £	Staff costs 2020 £	**Total funds 2020 £**	Total funds 2019 £
Staff costs	-	17,678	5,615	-	**246,344**	161,131
Consultancy & professional fees	-	-	-	-	**51,921**	19,276
Travel and motor costs	-	1,681	-	-	**34,203**	34,811
Equipment and consumables	-	14,618	-	-	**14,668**	3,404
Tree plantation	-	-	-	-	**51,787**	-
Meetings and workshops	-	6,300	-	-	**13,600**	19,388
Office costs	-	3,261	-	-	**13,861**	18,794
	-	43,538	5,615	-	**426,384**	256,804
Total 2019	20,668	15,692	-	629	256,804	

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4. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF SUPPORT COSTS

	Total funds 2020 £	Total funds 2019 £
Staff costs	**26,381**	-
Consultancy & professional fees	**1,891**	4,974
Travel and motor costs	**3,020**	7,192
Equipment and consumables	**11,446**	-
Meetings and workshops	**4,437**	6,196
Office costs	**55,588**	31,893
Audit & accountancy	**4,728**	5,761
Foreign exchange	**14,157**	(8,198)
(Profit)/loss on disposal of fixed assets	**(228,387)**	(113,378)
Depreciation	**5,559**	130
	(101,180)	(65,430)

5. STAFF COSTS

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	**216,245**	161,131
Pensions, medical and other (non-UK)	**56,480**	-
	272,725	161,131

The average number of employees during 2020 was 29 (2019: 13). No employee earned in excess of £60,000 per annum.

There were no UK staff employed during the current or previous year.

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6. INDEPENDENT EXAMINER'S REMUNERATION

	2020 £	2019 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	**2,850**	2,760

7. KEY MANAGEMENT PERSONNEL, TRUSTEES' REMUNERATION AND EXPENSES

The charity considers the key management personnel to be the Trustees.

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

No amounts have been paid directly to any third parties on behalf of the Trustees.

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8. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2020	**143,200**	**-**	**8,859**	**23,972**	**176,031**
Additions	**-**	**111,177**	**-**	**-**	**111,177**
Disposals	**(51,294)**	**-**	**-**	**-**	**(51,294)**
At 31 December 2020	**91,906**	**111,177**	**8,859**	**23,972**	**235,914**
Depreciation					
At 1 January 2020	**-**	**-**	**8,859**	**23,972**	**32,831**
Charge for the year	**-**	**5,559**	**-**	**-**	**5,559**
At 31 December 2020	**-**	**5,559**	**8,859**	**23,972**	**38,390**
Net book value					
At 31 December 2020	**91,906**	**105,618**	**-**	**-**	**197,524**
At 31 December 2019	143,200	-	-	-	143,200

9. DEBTORS

	2020 £	2019 £
Due within one year		
Prepayments and accrued income	**220,794**	4,766
	220,794	4,766

Included in prepayments is a deposit (£186,065) that has been paid towards a new ARCOS property. The legal transaction had not been completed and ownersip of the property had not passed to ARCOS by 31 December 2020.

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10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Accruals and other creditors	**132,800**	91,800

11. RESTRICTED FUNDS

At 31 December 2020, the closing fund balances of the Society were represented by the following projects:

	2020 £	2019 £
Core Expenditure	**(314,700)**	(245,365)
JRS	**28,492**	13,268
MacArthur ARBMIS / MACEI	**457,062**	286,071
GBIF	**-**	(4,027)
NFF-RSF	**26,581**	26,598
WRI	**-**	538
Rent	**901**	-
Sainsburys	**(5,550)**	(5,577)
One Tree Planted	**28,271**	(16)
ECO Schools	**16,111**	130
VTS	**7,065**	7,069
Eco Agriculture International	**693**	-
Livelihoods	**171,221**	-
Stockholm Environment	**3,869**	-
	420,016	78,689

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Core Expenditure - The core expenditure fund is used to meet the day to day running expenses of the Society. When restricted projects include an element of funding to cover overheads etc, those balances are transferred to the core expenditure fund out of which these overheads are met. Overheads have been incurred which have not yet been allocated to the relevant project fund.

JRS - These funds were received to support development of the Albertine Rift Biodiversity Portal.

MacArthur - The MacArthur funds support sub-regional planning processes and strengthening information and data management and local NGO's, CBO's networking capacity for enhanced conservation action in the Albertine Rift. ARBMIS is the ARCOS Regional Biodiversity Management Information System, as referred to in the Trustees' Report. The MACEI project is in support of the establishments of a regional information and training centre in Kigali to enhance conservation and promote sustainable development in the Albertine Rift.

GBIF - This fund is money from the Global Biodiversity Information Facility for workshops. This project is now closed.

NFF-RSF - The 'Seeds, Soil and Culture Fund of RSF Social Finance' provided a grant to be put towards enhancing bio-cultural knowledge and eco-agricultural practices for mountain community livelihoods and climate change resilience in Rwanda and Uganda.

WRI - Income from the World Resources Institute to transform human induced landscapes through Forest Landscape Restoration activities. This project is now closed.

Rent - This income is to be used for finance expenses.

Sainsburys - Income relates to consultancy services for the Sainsbury's Fairly Traded tea pilot.

One Tree Planted - ARCOS is working in collaboration with One Tree Planted to plant 28,000 trees.

ECO Schools - Part of the Danish Outdoor Council's programme promoting the right to quality educaiton through Eco-Schools in Africa.

VTS - A project committed to restoring and protecting Amasangano confluence wetland zone in Rwanda for enhanced ecological integrity and sustainable community livelihoods.

Livelihoods - This is a project focusing on fighting climate change and its effects through the reduction of greenhouse emissions and/or the increase of greenhouse gas sequestration. The project also endeavours to reduce poverty, promote gender equality and inclusion of youth.

Stockholm Enviornment - This is a project to provide support to the Economics of Land Degradation policy engagement processes in Rwanda.

Where funds are in deficit at the year end, in some circumstances this has arisen from closing creditors or delayed income where entitlement was not present at the year end date, but costs have been incurred on activities. The Trustees are aware of this and will monitor the situation.

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12. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Restricted funds	**78,689**	**666,531**	**(325,204)**	**420,016**

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Restricted funds	35,071	234,992	(191,374)	78,689

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	197,524	**197,524**
Current assets	355,292	**355,292**
Creditors due within one year	(132,800)	**(132,800)**
Total	420,016	**420,016**

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13. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	143,200	143,200
Current assets	27,289	27,289
Creditors due within one year	(91,800)	(91,800)
Total	78,689	78,689

14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	**341,327**	43,618
Adjustments for:		
Depreciation charges	**5,559**	130
Profit on the sale of fixed assets	**(228,387)**	(116,933)
(Increase)/decrease in debtors	**(216,028)**	2,164
Increase/(decrease) in creditors	**41,000**	(69,011)
Net cash used in operating activities	**(56,529)**	(140,032)

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	**134,498**	22,523
Total cash and cash equivalents	**134,498**	22,523

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16. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2020	Cash flows	At 31 December 2020
	£	£	£
Cash at bank and in hand	22,523	111,975	134,498
	22,523	111,975	134,498

17. RELATED PARTY TRANSACTIONS

There were no related parties or related party transactions during the current or previous year.

18. POST BALANCE SHEET EVENTS

ARCOS is in the process of purchasing a property in Kigali, however as at 31 December 2020 legal ownership had not yet passed to ARCOS and the full purchase price had not yet been paid. Part payment has been made and that is included in current assets as a prepaid expense to be relfected in fixed assets once legal title has passed to the charity and full payment has been made.