
ALBERTINE RIFT CONSERVATION SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022

Trustees	Dr Adrie Mukashema Dr Brigitte Nyirambangutse Dr Charles Kahindo Muzusa Ngabo Mr Elie Nizeyimana (resigned 26 June 2023) Dr Jane Bernigisha 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

ALBERTINE RIFT CONSERVATION SOCIETY

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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 Protection 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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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 Nyagasenye 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

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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

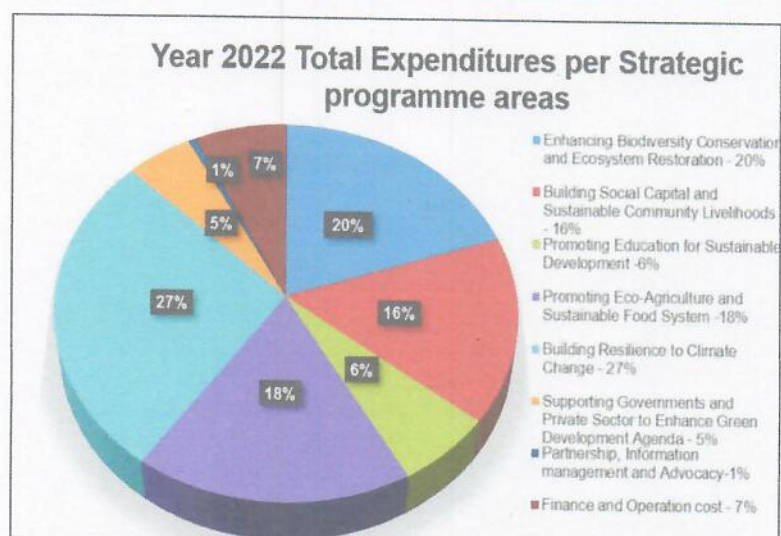
During the year ended 31 December 2022, ARCOS had total income amounted to \$1,769,287 collected from its various sources of income, the organization incurred total expenses projects implementation and operating expenses amounting to \$1,942,996. This means that from the unutilized funds balance of the 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.

ALBERTINE RIFT CONSERVATION SOCIETY

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



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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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 title 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-ordinating the Society activities and programmes.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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 programme 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).

ALBERTINE RIFT CONSERVATION SOCIETY

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 Salehe
Chair/Trustee


Dr Sam Kanyamibwa
CEO and Secretary

Date: 12 Dec 2023



ALBERTINE RIFT CONSERVATION SOCIETY

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

ALBERTINE RIFT CONSERVATION SOCIETY

**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.

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

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:


John Salehe
Chair/Trustee




Dr Sam Kanyamibwa
CEO and Secretary

Date: 12-Dec-2023

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

ALBERTINE RIFT CONSERVATION SOCIETY

**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

ALBERTINE RIFT CONSERVATION SOCIETY

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

2. INCOME FROM GRANTS AND DONATIONS

	Restricted funds 2022 \$	Unrestricted funds 2022 \$	Total funds 2022 \$
GRANTS			
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
	<u>1,739,973</u>	<u>-</u>	<u>1,739,973</u>

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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	<u>1,445,168</u>	<u>-</u>	<u>1,445,168</u>
Donations	<u>-</u>	<u>1,636</u>	<u>1,636</u>
	<u><u>1,445,168</u></u>	<u><u>1,636</u></u>	<u><u>1,446,804</u></u>

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
	<u>29,314</u>	<u>29,314</u>	<u>20,371</u>

ALBERTINE RIFT CONSERVATION SOCIETY

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

4. EXPENDITURE BY PROJECT AND STRATEGIC ANALYSIS

	Enhancing Biodiversity Conservation and Ecosystem Restoration	Building Social Capital and Sustainable 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 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	9,665	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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022Page 24

ALBERTINE RIFT CONSERVATION SOCIETY

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

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
	<u>66,725</u>	<u>69,341</u>	<u>136,066</u>

	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
	<u>139,509</u>	<u>17,535</u>	<u>157,044</u>

ALBERTINE RIFT CONSERVATION SOCIETY

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

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
	<u>15,076</u>	<u>13,130</u>

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
	<u>551,136</u>	<u>408,607</u>

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	-
	<u>91</u>	<u>75</u>

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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

ALBERTINE RIFT CONSERVATION SOCIETY

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

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

ALBERTINE RIFT CONSERVATION SOCIETY

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

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
Stokholm 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	-
	<u>682,930</u>	<u>1,739,973</u>	<u>(1,873,098)</u>	<u>(150,624)</u>	<u>399,181</u>
TOTAL OF FUNDS	<u>906,772</u>	<u>1,769,287</u>	<u>(1,942,996)</u>	<u>-</u>	<u>733,063</u>

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.

Sainsbury's - 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 Nyagасыenyi 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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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
Stokholm 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

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.

ALBERTINE RIFT CONSERVATION SOCIETY

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

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).

ALBERTINE RIFT CONSERVATION SOCIETY

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

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.