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SANGHA TRI-NATIONAL TRUST FUND LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Registered Company No. 06193079
Registered Charity No.1123276

Sangha Tri-National Trust Fund Limited

Reference and Administrative Details

Key Management Personnel:

Trustees	Raymond Mbitikon (Chairman) Gaspard Abitsi David Abouem Tchoyi Guy Barbela Thomas Breuer Barthelemy Dipapoundji Harve Maidou Georges Mouncharou Ndjayou Clotilde Ngomba Marcel Ondele Bruno Schoen Dr Theophile Zognou
Executive Manager	Dr Theophile Zognou
Company Secretary	BWB Secretarial Limited
Charity Registration Number	1123276
Company Registration Number	06193079
Operational Address	PO Box 35372 Yaoundé, Cameroon
Registered Office	10 Queen Street Place London EC4R 1BE United Kingdom
Auditors	Azets Audit Services 2 nd Floor, Regis House 45 King William Street London EC4R 9AN United Kingdom
Bankers	Ecobank Yaoundé Cameroon United Bank of Africa Yaoundé Cameroon
Investment advisors	CA Indosuez Wealth Management PO Box 5260, 1211 Geneva 11, Switzerland AXA Investment Managers Tour Majunga – 6 Place de la Pyramide 92908 Paris, La Défense Cedex Aurum Isis Euro Fund Ltd s/c Northern Trust International Fund Administration Services (Ireland) Ltd. Georges Court 54 - 62 Townsend Street Dublin 2, Ireland

Sangha Tri-National Trust Fund Limited

Trustees' Annual Report

Year Ended 31 December 2021

The Trustees have pleasure in presenting their annual report and the audited financial statements of the Charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and '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 UK published on 16 July 2014 and update bulletin 1.

OBJECTIVES AND ACTIVITIES

The objects of the Charity are to promote the conservation of the physical, natural and social environment and to advance education and science in particular through:

(a) Conserving the natural environment and biodiversity of the TNS, which includes the following parks:

- Lobeke National Park, in Cameroon,
- Dzangha-Ndoki National Park, in the Central African Republic, and
- Nouabale-Ndoki National Park, in the Republic of Congo

as well as the peripheral area and the buffer zone surrounding each of these parks, which in the case of the Central African Republic also includes the Dzanga Sangha Dense Forest Special Reserve within the framework of the policies and strategies defined by the management structures of the TNS; and

(b) Promoting the environmentally sustainable management of natural resources and eco-development in the TNS and the peripheral zones whereas "environmentally sustainable" means management and development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

Main objectives for the year

The Charity's main goal during **2021** was to improve institutional framework of the Foundation, raise additional funds, to provide and monitor grants and to support cooperation within TNS transboundary complex. The key objectives were therefore as follows:

- Conclude institutional arrangements with the government of Cameroon
- Continue the monitoring of grants provided to TNS parks;
- Closely monitor the evolution of the investment markets and progress of the fund's investment results and revise the Investment Policy;
- Continue the implementation of the KfW project funding for the Executive Office, Congo and CAR components of the TNS;
- Continue implementation of the KfW project for Lobéké National Park in Cameroun;
- Develop a monitoring and evaluation plan for FTNS operations
- Support the cooperation process of TNS Management with regards of new regulations in place;
- Continue seeking endowment funds.

Strategies for achieving these objectives

Each objective listed above had a work plan reviewed and validated by the FTNS board.

Sangha Tri-National Trust Fund Limited

Trustees' Annual Report

Year Ended 31 December 2021

ACHIEVEMENTS AND PERFORMANCE

The trustees confirm that they have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The following achievements can be noted during the year:

- The charity signed an establishment agreement with the government of Cameroon which includes among others exemption from tax and customs payments for the charity in Cameroon
- The Charity monitored the implementation of the grants that it provided to each of the three protected areas in the TNS countries through KfW Regional, KfW Cameroon and endowment funds. These grants focused on support to:
 - (a) Tri-national coordination processes, including transboundary patrols, governance body meetings.
 - (b) Development of the management plans for Lobeke National Park.
 - (c) Tourism and income-generating opportunities (community-based logging, livestock, agriculture, non-timber forest value chain development) boosting the local economy in the peripheral zones of the protected areas.
 - (d) Implementation a MoU for a collaborative management between Parks officials and local populations.
 - (e) Promotion of scholarship, citizenships and social rights for vulnerable social groups within local community.
 - (f) Development and rehabilitation of local facilities in Lobeke, Dzanga Ndoki and Nouabale Ndoki National Parks.
 - (g) Acquisition of vehicles and boats.
 - (h) Restrictive measures for covid 19 propagation in place in the three parks.
- A new FTNS investment policy was adopted and is being implemented.
- The performance of the Investment Manager and the Investment Policy was regularly monitored by the investment committee.

FINANCIAL REVIEW

Principal Funding Sources

The Charity's potential sources of funding include national sources ranging from governmental allocations, revenues from tourism and cooperation with the private sector, as well as international sources from bilateral and multilateral cooperation, as well as foundations and the private sector.

Donors from both the public and the private sector have already committed to the Foundation's capital. At the end of December 2021, The Foundation's capital amounted to 67.4 million Euros showing an encouraging growth compared to 63.0 million at the end of December 2020 demonstrating that the performance was beyond the objective of return rate (4%).

The target of the Foundation remains to raise an additional amount of about 35 million Euros. In addition to its endowment, the Foundation has also mobilised sinking funds to cover its operation cost and to provide grants to TNS beneficiaries. A new grant contract was signed with KfW for about 6.5 million Euros. KfW-funded project (5 million Euros over a period of three years, which can be extended), called KfW Regional, to provide technical support to the Executive Office in Yaoundé and to finance conservation/eco-development objectives in the Congo and CAR component of the TNS is ongoing. A similar project (5.5 million Euros) for Cameroon Component of the TNS is under implementation since November 2016.

Sangha Tri-National Trust Fund Limited

Trustees' Annual Report

Year Ended 31 December 2021

Risk Management

Charity trustees should regularly review and assess the risks faced by their charity in all areas of its work and plan for the management of those risks. Risk is an everyday part of charitable activity and managing it effectively is essential if the trustees are to achieve their key objectives and safeguard their charity's funds and assets. FTNS risk management strategy have been developed and is being implemented as presented below:

Risks	Management Strategy
<ul style="list-style-type: none">Declining capital base due to disbursement demands and low yields on investments	<ul style="list-style-type: none">Identifying and pursuing diverse sources of funding for sustainability of the grant making entity.
<ul style="list-style-type: none">Instability of financial market due to economic, social, sanitary and political crises	<ul style="list-style-type: none">Development and update regularly a low-risk investment policyRegular meeting (monthly) of investment committee to assess and update the investment strategy
<ul style="list-style-type: none">Social right abuses and environment degradation during parks operations	<ul style="list-style-type: none">Support development and implementation of a Code of conduct for parks staffs during field operationsDevelopment and implementation of a policy for social safeguards including complaints mechanismsIncident report form in place as part of the latest Financing Agreement between the KfW-FTNS-COMIFAC.
<ul style="list-style-type: none">Increased demand to support environmental advocacy by NGOs/Parks managers	<ul style="list-style-type: none">Monitoring and Evaluation of our programmes to determine impactCloser alignment of programmes/themes with critical development goals

A response plan to Covid 19 is being implemented with the Parks in order to mitigate the risks of epidemics in the intervention areas.

A new investment policy was adopted to prevent portfolio declined due to market instability. The Charity continues to seek further funding to cover its operational expenses (salaries, organization of board meeting, marketing, etc.) and to build on its unrestricted reserves. As indicated above, funding from KfW has been secured on a project that provides technical and financial support to the effective operation of the Executive Office.

Reserves and investment policy

As indicated above a new Investment Policy Statement was adopted by the Trustees in November 2021. Based on such Statement, the Trustees have provided the Investment Manager specific guidelines and certain restrictions. The Trustees believe the Charity's assets are intended to exist in perpetuity, and therefore, should be managed in such a way as to generate revenues for grant-making in perpetuity. To attain this goal the long-term objective of the Trust is to maintain purchasing power in Euros over a 10-year investment horizon and to achieve annual income of 4% using a five-year rolling average. The inflation measure used should be Euro HICP.

As stated above, the portfolio ended December with a value of 67.4 million Euros. This compares to a value of 63.0 million Euros at the end of 2020. 1 800 000 Euros were used as grants to support operating costs of national parks (APDS, FNN and PNL). Over 12 months the portfolio has produced a total return of + 8.79% against +4.96%, in 2020.

Sangha Tri-National Trust Fund Limited

Trustees' Annual Report

Year Ended 31 December 2021

PLANS FOR FUTURE PERIODS

The key objectives for **2022** are as follows:

- Continue the monitoring of grants provided to TNS parks;
- Closely monitor the evolution of the investment markets and progress of the fund's investment results and revise the Investment Policy if necessary, regarding the Russia Ukraine context;
- Continue the implementation of the KfW project funding for the Executive Office, Congo and CAR components of the TNS;
- Continue implementation of the KfW project for Lobéké National Park in Cameroun;
- Revise the manual of procedures for Grants operation
- Implement the new Monitoring and evaluation system for FTNS operations
- Support the cooperation process of TNS Management with regards of new regulations in place;
- Continue Support for covid 19 restrictive measures
- Continue seeking endowment funds.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees, who are also directors for the purposes of the Companies Act 2006, who served during the period, were:

Raymond Mbitikon (Chairman)	- Appointed 27 May 2021
Samuel Makon Wehiong (Chairman)	- Resigned 27 May 2021
Gaspard Abitsi	
David Abouem Tchoyi	- Appointed 27 May 2021
Guy Barbela	- Appointed 27 May 2021
Thomas Breuer	
Barthelemy Dipapoundji	- Appointed 27 May 2021
Harve Maidou	- Appointed 1 June 2021
Georges Mouncharou Ndjayou	- Appointed 27 May 2021
Clotilde Ngomba	
Marcel Ondeke	
Bruno Schoen	
Dr Theophile Zognou	Director only
Djogo Toumouksala	- Resigned 27 May 2021
Blanche Yengue – until 27/05/2021	- Resigned 27 May 2021
Jacqueline Madozein – until 27/05/2021	- Resigned 27 May 2021
Rubens Nambai – until 27/05/2021	- Resigned 27 May 2021
Raymond Ndomba Ngoye – until 27/05/2021	- Resigned 27 May 2021

All of the trustees are deemed key management, together with Dr Theophile Zognou as Executive Director.

No trustee had an interest in any contract or arrangement of a material nature with the charity during the period under review except as disclosed in note 3.3 and 11 to these financial statements.

Each of the following institutions has the right to appoint one trustee: the Government of Cameroon, the Government of the Central Africa Republic, the Government of the Republic of Congo (Brazzaville), WCS, WWF, the Regenwald Stiftung, the Kreditanstalt für Wiederaufbau ("KfW"), and the Commission of Central African Forests ("COMIFAC"). The eight Trustees so appointed then elect three non-governmental representatives from the countries of the Sangha Tri-national Forest Complex (hereafter "TNS", see below under "Objectives and Activities"), who are widely acknowledged to have expertise in one or more of the following fields: biodiversity conservation, finance, law, business, or fund-raising.

The trustees are not paid any remuneration for their role as a trustee. The Executive Manager, who also is a trustee of the charity, receives remuneration for his role as Executive Manager, in accordance with his contract.

The Executive Manager is responsible for the implementation of the Board's decisions and daily management of the charity, and the Executive Office is currently established in Yaoundé, Cameroon, following a Board's decision.

Sangha Tri-National Trust Fund Limited

Trustees' Annual Report

Year Ended 31 December 2021

In each of the TNS countries, the Charity has concluded a Cooperation Agreement with the Ministry responsible for forests and protected areas, and it is authorized as a foreign foundation to operate in Cameroon.

STRUCTURE, GOVERNANCE AND MANAGEMENT- continued

The remuneration of key management personnel is set by the Board and the appropriateness and relevance of the remuneration policy is reviewed annually.

COMPANY INFORMATION

The charity was created on 9 March 2007 as a result of a participatory process developed with support mainly from the World Bank/WWF Alliance for Forest Conservation and Sustainable Use (WB/WWF Alliance); the German Technical Cooperation (now "GIZ"); Wildlife Conservation Society ("WCS"); the French Cooperation; and the USAID funded Central Africa Regional Program for the Environment (CARPE).

Dr Claude Martin, previous Chief Executive Officer of the World Wide Fund for Nature ("WWF") is a founding member.

Sangha Tri-National Trust Fund Limited

Trustees' Annual Report

Year Ended 31 December 2021

Trustees' responsibilities

The trustees (who are also directors of Sangha Tri-National Trust Fund Limited 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

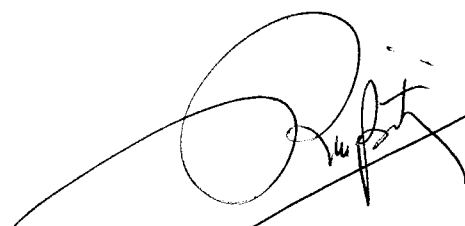
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

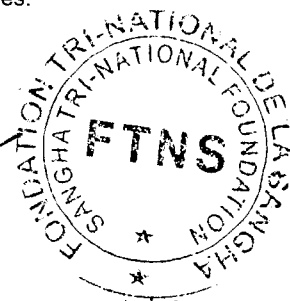
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed on behalf of the board of trustees:



Raymond MBITIKON



Date: 27 May 2022

Sangha Tri-National Trust Fund Limited

Independent Auditors' Report To The Members

Opinion

We have audited the financial statements of Sangha Tri-National Trust Fund (the 'charitable company') for the year ended 31 December 2021 which comprise 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 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 auditor 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report². 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Sangha Tri-National Trust Fund Limited

Independent Auditors' Report To The Members

Matters on which we are required to report by exception

In the light of the 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 directors' report.

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

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

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.

Auditor 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.

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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and 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 indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.



Sangha Tri-National Trust Fund Limited

Independent Auditors' Report To The Members

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's 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 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.

Azets Audit Services

John Howard (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Statutory Auditor
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN
United Kingdom

Date: *08 June 2022*

Sangha Tri-National Trust Fund Limited

Statement of Financial Activities (Including Income and Expenditure Account)

For the Year Ended 31 December 2021

	Notes	Unrestricted Funds Euro	Restricted Funds Euro	Endowment Funds Euro	Total 2021 Euro	Total 2020 Euro
Income						
Voluntary income	2	-	2,274,085	-	2,274,085	1,756,335
Investment income		-	-	385,367	385,367	329,141
Other income		15,467	-	-	15,467	7,537
Total income		15,467	2,274,085	385,367	2,674,919	2,093,013
Expenditure						
Raising funds:						
Costs of generating voluntary income		-	14,702	-	14,702	14,836
Investment management costs		-	-	261,965	261,965	276,360
Charitable activities:						
Grants in furtherance of the charitable objectives		-	3,179,233	-	3,179,233	2,622,295
Other project costs		-	280,488	-	280,488	397,774
Other related costs		4,250	414,592	-	418,842	401,944
Total expenditure	3	4,250	3,889,015	261,965	4,155,230	3,713,209
(Loss)/Gain on investments	5	-	-	6,042,788	6,042,788	2,049,638
Net (expenditure)/income		11,217	(1,614,930)	6,166,190	4,562,477	429,442
Transfers between funds		(4,508)	1,782,556	(1,778,048)	-	-
Net movement in funds		6,709	167,626	4,388,142	4,562,477	429,442
Fund balances brought forward 1 January 2021		8,021	1,075,064	63,049,906	64,132,991	63,703,549
Fund balances carried forward 31 December 2021	9	14,730	1,242,690	67,438,048	68,695,468	64,132,991

The notes on pages 14 to 23 form part of the financial statements.

Sangha Tri-National Trust Fund Limited

Balance Sheet

As at 31 December 2021

Company Number - 06193079

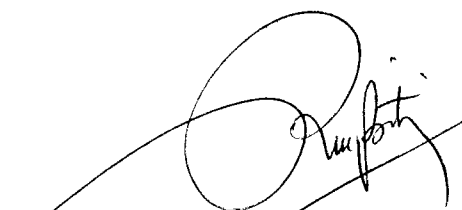
	Note	2021 Euro	2020 Euro
Fixed Assets			
Tangible fixed assets	4	35,805	8,953
Investments	5	67,442,794	63,042,093
		<u>67,478,599</u>	<u>63,051,046</u>
Current Assets			
Debtors	6	663,778	757,806
Cash at bank and in hand		843,690	728,809
		<u>1,507,468</u>	<u>1,486,615</u>
Creditors: amounts falling due within one year	7	<u>290,599</u>	<u>404,670</u>
Net Current Assets		1,216,869	1,081,945
Net Assets		<u>68,695,468</u>	<u>64,132,991</u>
Represented by:			
Endowment funds	9	67,438,048	63,049,906
Restricted funds	9	1,242,690	1,075,064
Unrestricted funds	9	14,730	8,021
		<u>68,695,468</u>	<u>64,132,991</u>

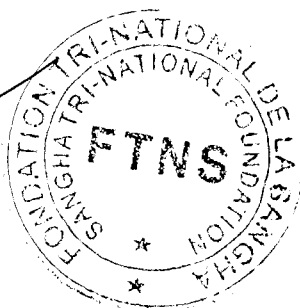
The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of trustees on

27 May 2022

and signed on their behalf by:


 Raymond MBHIKON



The notes on pages 14 to 23 form part of these financial statements.

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

	Notes	2021 Euro	2020 Euro
Net cash (used in)/provided by operating activities	12	(1,742,320)	(953,695)
Cash flows from investing activities:			
Purchase of property, plant and equipment		(45,240)	(1,105)
Proceeds from sale of investments		53,357,558	25,007,930
Purchase of investments		(39,547,016)	(34,356,989)
Net cash used in investing activities		13,765,302	(9,350,164)
Cash flows from financing activities:			
Investment income received		385,367	329,141
Net cash used in financing activities		385,367	329,141
Change in cash and cash equivalents in the year		12,408,349	(9,974,718)
Cash and cash equivalents at the beginning of the year		1,789,239	11,763,957
Cash and cash equivalents at the end of the year		14,197,588	1,789,239
Cash analysed as follows:-			
Cash and cash equivalents held with investment manager	5	13,353,898	1,060,430
Cash and cash equivalents held directly		843,690	728,809
		14,197,588	1,789,239

NB: Cash flow statement excludes movement in cash held by third party investment managers.

The notes on pages 14 to 23 form part of these financial statements.

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Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

1. ACCOUNTING POLICIES

1.1 Basis of accounting

Sangha Tri-National Trust Fund Limited is a company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to 10 GBP per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, and as updated per Bulletin 1. The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2016.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared in euros which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest euro.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Funds accounting

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

Endowment funds – restricted funds held on trust to be retained in accordance with specific restrictions imposed by donors as capital funds. The cost of raising and administering such funds are charged against the specific fund. Investment income, gains and losses are allocated to the appropriate fund.

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

1.3 Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.4 Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income including core grants, sponsorship, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

1. Accounting Policies (continued)

1.5 Expenditure

Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. The grants are accounted for where either the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

1.6 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 3.2.

1.7 Tangible fixed assets

Depreciation on all tangible fixed assets is calculated to write off the cost over their estimated useful lives at the following annual rates: -

Furniture and fittings 25% per annum straight line.

1.8 Fixed asset investment

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.9 Debtors and creditors receivable or payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.10 Cash at bank and in hand

Cash at bank and cash 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.

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

1. Accounting Policies (continued)

1.11 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value.

1.12 Foreign Currency

Foreign currency transactions are initially recognized by applying the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

1.13 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.14 Judgements and key sources of estimation uncertainty

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

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions 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 estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised.

The trustees consider that there are no significant judgements or estimates in the preparation of these financial statements.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

2.	Voluntary Income			2021	2020
				Euro	Euro
	Core grants receivable			2,274,085	1,756,335
3.	Expenditure	Grant Funding	Support Funding (note 3.2)	Total 2021	Total 2020
		Euro	Euro	Euro	Euro
	Raising funds:				
	Costs of generating voluntary income	-	14,702	14,702	14,836
	Investment management costs	-	261,965	261,965	276,360
	Charitable activities:				
	Grants approved (note 3.1)	3,179,233	-	3,179,233	2,622,295
	Other project costs	280,488	-	280,488	397,774
	Other related costs	-	418,842	418,844	401,944
	Total expenditure	3,459,721	695,509	4,155,230	3,713,209
3.1	Grants approved			2021	2020
				Euro	Euro
	Grants to protected areas:				
	National Park of Lobéké, Cameroon			1,652,776	737,340
	National Park of Nouabalé Ndoki, Republic of Congo			570,121	957,614
	National Park of Dzanga Ndoki, Central African Republic			956,336	927,341
				3,179,233	2,622,295
3.2	Support costs			2021	2020
				Euro	Euro
	Investment management costs			261,965	276,360
	Marketing and fundraising			14,702	14,836
	Other related costs:				
	Wages and salaries (note 3.4)			156,570	153,867
	Travel and subsistence			90,522	71,514
	Office rent			15,696	15,696
	Other office costs			15,397	26,951
	Bank charges			6,170	4,534
	Motor expenses			10,368	10,076
	Telephone/IT			8,896	10,834
	Sundries			30	-
	Depreciation			18,388	8,888
				598,704	593,556
	Governance Costs:				
	Other accounting services			74,862	85,081
	Auditors' remuneration (audit)			18,000	15,500
	Auditors' remuneration (non-audit)			596	(2,677)
	Board meeting costs			3,347	1,680
				695,509	693,140

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

3.3 Trustees/Directors and key management personnel remuneration and expenses

Excluding the Executive Director, the remaining trustees received no remuneration for their role as trustee in either the current or the prior year.

The Executive Director, who is also a trustee, received remuneration during the year of €47,550 (2020: €47,255) for his duties as an Executive Director, in accordance with his contract.

11 trustees (2020: 7) were reimbursed a total of €26,442 (2020: €16,136) for meeting and travel expenses in the period.

The key management comprise of the trustees and the Executive Director only. The total key management remuneration during the year was €50,990 (2020: €50,661).

3.4 Staff costs	2021 Euro	2020 Euro
Salaries	84,907	83,622
Indemnity	49,080	49,080
Social charges	9,844	9,664
Personnel health welfare insurance	9,494	8,345
Taxes on salaries	3,245	3,156
	<u>156,570</u>	<u>153,867</u>

There were no employees earning more than €70,000 during the current or the prior year.

The average monthly number of employees was 6 (2020: 6).

3.5 Net incoming resources for the year	2021 Euro	2020 Euro
This is stated after charging:		
Depreciation	18,388	8,888
Operating lease expense	15,696	15,696
Auditors' remuneration (audit services)	18,000	15,500
Auditors' remuneration (non-audit services) (Prior year over accruals)	596	(2,677)
	<u></u>	<u></u>

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

4. Tangible Fixed Assets	Furniture & Fittings Euro	
Cost		
At 1 January 2021	105,210	
Additions	45,240	
Disposals	(35,869)	
At 31 December 2021	114,581	
Depreciation		
At 1 January 2021	96,257	
Charge for year	18,388	
Disposals	(35,869)	
At 31 December 2021	78,776	
Net Book Value		
At 31 December 2021	35,805	
At 31 December 2020	8,953	
5. Investments	2021 Euro	2020 Euro
Market value at 1 January 2021	61,981,663	51,303,554
Additions	39,547,016	34,356,989
Disposals	(53,357,558)	(25,007,930)
Net (losses)/gains on investments	5,917,775	1,329,050
Market value at 31 December 2021	54,088,896	61,981,663
Cash held with investment managers	13,353,898	1,060,430
Total	67,442,794	63,042,093
Historical cost of investment portfolio at 31 December 2021	48,553,798	52,767,147
Investments at market value comprise:		
Equities	24,303,910	25,093,366
Bonds	6,313,833	15,879,961
Hedge funds	9,710,246	9,259,558
Real Estate Investment Funds	13,760,907	11,039,691
Forward exchange contracts	-	709,087
Cash	13,353,898	1,060,430
Total	67,442,794	63,042,093
6. Debtors	2021 Euro	2020 Euro
Prepayments and accrued income	663,778	757,806

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

7. Creditors: Amounts falling due within one year				2021 Euro	2020 Euro
Accruals and deferred income				<u>290,599</u>	<u>404,670</u>
8. Operating Leases				2021 Euro	2020 Euro
Land and buildings Expiring in under 1 year				<u>3,567</u>	<u>3,567</u>
9. Reserves: Current year	Balance 1 Jan 2021 Euro	Income Euro	Expenditure Euro	Investments Gain/(loss) and Transfers Euro	Balance 31 Dec 2021 Euro
Endowment Funds:	63,049,906	385,367	(261,965)	4,264,740	67,438,048
Restricted Funds:					
KfW/Regional grant fund 1	-	(345,494)	-	345,494	-
KfW/PNL grant fund	126,545	1,243,167	(1,345,133)	691,014	715,593
Capital revenues for APDS grant	(130,337)	-	(1,597,204)	1,800,000	72,459
KfW/Regional grant fund 2	1,029,453	1,320,185	(841,175)	(1,321,839)	186,624
KfW/Regional grant fund 3	-	64,542	(105,503)	307,749	266,788
CAWHFI/UNESCO grant fund 3	26,225	(8,315)	-	(17,910)	-
Endowment fund - CA Indosuez					
Wealth Management	23,178	-	-	(21,952)	1,226
	<u>1,075,064</u>	<u>2,274,085</u>	<u>(3,889,015)</u>	<u>1,782,556</u>	<u>1,242,690</u>
Unrestricted Funds:					
General reserve	8,021	15,467	(4,250)	(4,508)	14,730
	<u>64,132,991</u>	<u>2,674,919</u>	<u>(4,155,230)</u>	<u>6,042,788</u>	<u>68,695,468</u>

Endowment Funds:

Donors from both the public and the private sector have committed to the Foundation's endowment fund. The capital belonging to the fund is invested in perpetuity to generate ongoing revenue which is used to finance targeted activities through grants in line with the Charity's objectives. According to a board resolution, during the year, in total there was a withdrawal of €1,782,556, of which € 1,781,330 was to finance running costs of the parks, and the remaining balance €1,226 is due back to them at 31 December 2021.

Restricted Funds:

KfW/Regional grant fund 1:

KfW Regional grant fund was established December 2011 to provide technical support to the Executive Office in Yaoundé and to finance conservation/eco-development objectives in the Congo and Central African Republic component of the TNS for a total amount of 8 million of euros. The budgets of the Executive Office in Yaoundé and the Central African Republic components have been totally used. The remaining budget of the Congo component was used last year. Income in 2021 is a debit due to the fact that it is mainly constituted of the cancellation of the accrual made in 2020. The project ended in 2020 and the remaining balance of the working capital (€1,330,000). It must be specified that FTNS working capital is used to pre-finance the parks before obtaining the reimbursements of KfW or receiving the amount drawn down from the endowment fund for the financing running costs of parks.

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

Reserves: current year - continued

Restricted Funds (continued):

KfW PNL grant fund:

KfW PNL grant fund was established on November 2015 through an agreement between KfW and FTNS. The project aims at providing support to FTNS Executive office, develop facilities and support conservation, eco-development and tourism initiatives at the Lobéké national park in Cameroon. The project is supposed to be implemented within an initial period of three years (which can be extended) and provide a total amount of 5.5 million of euros. The project is ongoing only for the Lobéké national park. The remaining budget will probably end next year.

Capital revenues for APDS grant:

During the year there was €1,800,000 drawn down from the endowment fund for the financing running costs of APDS (€800,000), FNN (€500,000) and PNL (€500,000).

KfW Regional grant fund 2:

KfW Regional grant fund was established November 2018 to provide technical support to the Executive Office in Yaoundé and to finance conservation/eco-development objectives in the Congo and Central African Republic component of the TNS for a total amount of 5 million of euros. The project is ongoing particularly for the Executive Office in Yaoundé and the Central African Republic areas. The remaining budget of the Executive Office component could probably end this year.

KfW Regional grant fund 3:

KfW Regional grant fund was established November 2021 to provide technical support to the Executive Office in Yaoundé and to finance conservation/eco-development objectives and One Health Project in the three parks of the TNS (Cameroon, Congo and Central African Republic) for a total amount of 6.5 million of euros. The project is ongoing particularly for the Executive Office in Yaoundé and the Central African Republic areas.

CAWHFI/UNESCO grant fund:

FTNS had a grant a grant from UNESCO of a total amount of €179,879 which was implemented during the period October 2018 to October 2020. This was for use in all the parks. This grant ended in October 2020. But FTNS was still waiting from UNESCO the last instalment (€31,980) and a part of the expenses of this grant were pre-financed from FTNS working capital but finally received €23,665. This explains the fact that income in 2021 is a debit.

9. Reserves: Prior year	Balance 1 Jan 2020 Euro	Income Euro	Expenditure Euro	Investments Gain/(loss) and Transfers Euro	Balance 31 Dec 2020 Euro
Endowment Funds:	62,506,399	329,141	(276,360)	490,726	63,049,906
Restricted Funds:					
KfW/Regional grant fund 1	403,286	384,707	75,297	(863,290)	-
KfW/PNL grant fund	53,211	346,367	(390,297)	117,264	126,545
Capital revenues for APDS grant	(299,907)	-	(1,656,325)	1,825,895	(130,337)
KfW/Regional grant fund 2	998,844	993,281	(1,417,769)	455,097	1,029,453
CAWHFI/UNESCO grant fund 3	36,626	31,980	(43,149)	768	26,225
Endowment fund - CA Indosuez Wealth Management	-	-	-	23,178	23,178
	1,192,060	1,756,335	(3,432,243)	1,558,912	1,075,064
Unrestricted Funds:					
General reserve	5,090	7,537	(4,606)	-	8,021
	63,703,549	2,093,013	(3,713,209)	2,049,638	64,132,991

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

10. Allocation of Net Assets between Funds

The funds of the Charity are represented by the following net assets:

	Unrestricted Euro	Restricted Euro	Endowment Euro	Total Euro
Fixed assets	-	35,805	67,442,794	67,478,599
Net current assets	14,730	1,206,885	(4,746)	1,216,869
	<u>14,730</u>	<u>1,242,690</u>	<u>67,438,048</u>	<u>68,695,468</u>

10.1 Allocation of Net Assets between Funds – Prior year

	Unrestricted Euro	Restricted Euro	Endowment Euro	Total Euro
Fixed assets	-	8,953	63,042,093	63,051,046
Net current assets	8,021	1,066,111	7,813	1,081,945
	<u>8,021</u>	<u>1,075,064</u>	<u>63,049,906</u>	<u>64,132,991</u>

11. Related Party Transactions

There were no transactions with related parties in either the current or the prior year.

12. Reconciliation of net income/expenditure to net cash flow from operating activities

	2021 Euro	2020 Euro
(Deficit)/Surplus for the year	4,562,477	429,442
Adjustments for:		
Revaluation (gain)/loss on investments	(5,917,775)	(1,329,050)
Depreciation charge	18,388	8,888
Investment income receivable	(385,367)	(329,141)
Decrease/(Increase) in debtors	94,028	470,884
Increase/(Decrease) in creditors	(114,071)	(204,718)
Net cash (used in)/provided by operating activities	<u>(1,742,320)</u>	<u>(953,695)</u>

Sangha Tri-National Trust Fund Limited

Notes to the Financial Statements

For the Year Ended 31 December 2021

13 Comparatives for the Statement of Financial Activities

	Unrestricted Funds Euro	Restricted Funds Euro	Endowment Funds Euro	Total 2020 Euro
Income				
Income resources from generated funds:				
Voluntary income	-	1,756,335	-	1,756,335
Investment income	-	-	329,141	329,141
Other income	7,537	-	-	7,537
Total income	7,537	1,756,335	329,141	2,093,013
Expenditure				
Raising funds:				
Costs of generating voluntary income	-	14,836	-	14,836
Investment management costs	-	-	276,360	276,360
Charitable activities:				
Grants in furtherance of the charitable objectives	-	2,622,295	-	2,622,295
Other project costs	-	397,774	-	397,774
Other related costs	4,606	397,338	-	401,944
Total expenditure	4,606	3,432,243	276,360	3,713,209
(Loss)/Gain on investments	-	-	2,049,638	2,049,638
Net (expenditure)/income	2,931	(1,675,908)	2,102,419	429,442
Transfers between funds	-	1,558,912	(1,558,912)	-
Net movement in funds	2,931	(116,996)	543,507	429,442
Fund balances brought forward 1 January 2020	5,090	1,192,060	62,506,399	63,703,549
Fund balances carried forward 31 December 2020	8,021	1,075,064	63,049,906	64,132,991