

Company Number: 08794664

Charity Number: 1157294

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Report and financial statements

For the year ended 31 December 2022

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

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The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Reference and administrative information

For the year ended 31 December 2022

Company number 08794664

Charity number 1157294

Registered office and operational address 10 Queen Street Place, London, EC4R 1BE

Country of registration England & Wales

Country of incorporation United Kingdom

Trustees Trustees (who are also directors of The Okapi fund for nature conservation in the Democratic Republic of Congo for the purposes of company law) who served during 2022 were as follows:

Bob Tumba (Chair until 29th November)

Jean Mbuyu (Until 29th November)

Jean-Philippe Waterschoot (Until 29th November)

Kapupu Diwa Mutimanwa (Until 29th November)

Patrick Welby

Yvette Shabani Mwangi Barhashishwa

Britta Oltmann

Samy Mankoto

Dieudonné Musibono

Victor Kabengele (as of 29th November – Chair as of 13th December)

Agnès Kasongo (as of 29th November)

Gloria Assimbo (as of 29th November)

Beto Nyongolo (as of 29th November)

Executive Director Guillaume Gervais de Rouville

Administrative Assistant Karen Kibanga

Solicitors Bates Wells
10 Queen Street Place
LONDON
EC4R 1BE

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Reference and administrative information

For the year ended 31 December 2022

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108–114 Golden Lane
LONDON
EC1Y 0TL

Investment Manager Evelyn Partner Investment (formerly named “Smith & Williamson Investment Management”)
25 Moorgate
LONDON
EC2R 6AY

Trustees' annual report

For the year ended 31 December 2022

The trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

Purposes and aims

As set out in the Charity's Articles of Association, its purposes are to promote for the benefit of the public, the conservation, protection and improvement of the natural environment and biodiversity of the Democratic Republic of the Congo (DRC), with priority focus on DRC's national system of protected areas. Specifically, it aims to:

- i) Promote, for the benefit of the public, sustainable development that supports the conservation of biodiversity in DRC, in particular the protected areas and/or other conservation areas of significant ecological value and/or significant biological importance including:
 - (a) The preservation, conservation and the protection of the environment and the sustainable use of natural resources; and
 - (b) The relief of poverty and the improvement of the conditions of life for the benefit of populations living in and around protected areas and other areas of significant ecological conservation and/or significant biological importance.
- ii) Advance the education of the public on environmental issues including the biodiversity, conservation, sustainability and management of DRC's protected areas and/or other areas of significant ecological conservation and/or significant biological importance.

The trustees periodically review the aims, objectives and activities of the charity and have always reaffirmed the purpose and aims as noted here. It is additionally affirmed that the trustees have had regard to the Charity Commission's guidance on public benefit.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The Charity's activities and achievements during 2022 have been concentrated on the following items : (i) prepare and carry out the first disbursements in favor of the Protected Areas, (ii) set up recurrent meetings between ICCN (*Institut Congolais pour la Conservation de la Nature*¹) and donors involved in biodiversity, (iii) finalize and start implementing our Environmental and Social Management System, (iv) carry out field missions to strengthen our knowledge and capacities and reinforce links with the various biodiversity stakeholders, (v) strengthen the CAFÉ and Bridge networks in which we actively participate, (vi) renew the members of the Board (including the election of the new President), the Executive Committee, the Investment Committee and the Grant Awards Committee, (vii) strengthen the visibility of the Okapi Fund among public and private stakeholders, (viii) continue efforts to increase the Okapi Fund's endowment funds, and (ix) monitor financial markets in a particularly volatile period.

Fundraising

Regarding fundraising, we received additional funds (Permanent Endowment Funds) from the German Cooperation through KfW in December 2022. We received 4 million Euros for the Permanent Endowment Fund. We also received a commitment to disburse an additional 1 million Euros in budget support for the Okapi Fund for the coming two years. A first request for funds was made in October 2022 for an amount of 273,740 euros (the funds were received in December 2022 to cover the first half of 2023 executive office expenses, this has been deferred into 2023).

During bilateral discussions between Germany and the DRC, which took place in February 2023 in Kinshasa, the German Cooperation announced that it would again strengthen the Endowment Fund of the Fonds Okapi with 15 million euros, probably in 2023.

On the AFD side – the French aid agency – discussions have made little progress. The position of the AFD depends on several factors: (i) the results of the due diligence conducted by IBIS, South African consultancy, at Kahusi Biega National park (KBNP), the interim report of which was only made available at the end of February 2023 (the final report was made available by the end of April 2023); (ii) the approval of the funding in favor of the KBNP (and by implication in our favor) by the Ministry of the Environment in France due to the controversial² nature of the funding.

Funding of Protected Areas

As a reminder, an important activity for the Okapi Fund in 2021 was to gather information to determine the eligibility and the precise financial needs of the Protected Areas.

¹ The Public Institution in charge of National Parks in DRC

² The NGO Minority Rights Group reported human rights abuses in the KBNP in recent years (2019–2022)

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The year 2022, on the other hand, was intended to see the first disbursements in favor of the targeted Protected Areas. After environmental, social and human rights studies were completed for the Garamba National Park (Garamba NP), the Okapi Fund was able to disburse US\$220,000 in its favor in December 2022.

The funds disbursed covered, mainly, expenses already incurred by the Park and covered a variety of budget lines ranging from community development (school fields on sustainable farming practices) to the payment of eco-guards' rations or vehicle operating costs.

In the first grant agreement signed in December 2022 we included an environmental and social activity plan that the Park must implement within 3 years of signing the agreement.

KPMG has conducted an audit of the funds entrusted to Garamba NP for us. Based on this audit (which did not highlight any problem as regards the use of funds provided by the Okapi Fund) and the activity and final financial reports relating to the first grant, we have decided to sign a second disbursement agreement with Garamba NP in June 2023.

The same process was followed for the Kahuzi-Biega National Park (KBNP), but due to delays in the completion of the environmental, social and human rights due diligence, it was not possible to disburse funds to the park in 2022. Indeed, a new management team took over the management of the park in April 2022 and has taken time to settle in. Funding for the KBNP is expected to be disbursed early in the second half of 2023, pending results of an ongoing due diligence.

The process of disbursing funds to protected areas may seem long, complicated and costly, but it is important to remember that **the Okapi Fund's primary concern is to ensure that recipients have both the capacity to use the funds appropriately and that human rights issues have been taken seriously by the park management to avoid problems such as those experienced previously.**

It is therefore important for the Okapi Fund to take care and time to review the capacity of the parks to implement relevant activities to **ensure that human rights and environmental and social standards of both the World Bank and KfW are met in all aspects.**

The Okapi Fund will only finance the KBNP if it believes that the funds it would provide would adequately address the park's capacity building needs in terms of respect for human rights, indigenous peoples, and the environmental and social standards mentioned above.

If such funding for KBNP proves too problematic, then the Okapi Fund plans to explore the possibility of funding another park in 2023. Discussions have already begun with stakeholders in other parks, such as Salonga and Lomami NPs.

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Adoption and implementation of the environmental and social management system (ESMS)

Financial Institutions like the Okapi Fund are required to adopt and maintain systems, procedures, and capacity in the form of an Environmental and Social Management System (ESMS) to assess, manage, and monitor the environmental and social risks and impacts of Projects, and to manage overall portfolio risk in a responsible manner.

The final version of the ESMS has been provided in mid-April 2022 and was approved by the Board on 13th July 2022.

The ESMS guidelines were adhered to when implementing disbursements for the Garamba NP and whilst assessing PNKB's request for support.

Each year the Executive Director shall prepare a report on the implementation of the procedures. This report was submitted to the Okapi Fund Board of Directors' meeting which took place in June 2023.

Networks and Events

Networks

CAFÉ:

Since October 2021, Okapi Fund has been a member of the Executive Committee of CAFÉ (the African Consortium of Environmental Funds): as such, we participated in the Annual General Meeting of CAFÉ at Douala from 12th September to 17th September 2022 as well as to several subsequent Executive Committees.

During the year, we actively participated in the redefinition of the network's strategic plan, in the setting up of working groups and in the search for funds to finance the network's activities. As part of the advocacy of the network's interests, we participated in several meetings on the pan-African trust funds (Pan-African Conservation Trust Fund – "APACT") in order to secure a seat on its board of directors and to favorably orient the characteristics of this future African trust fund. Our objective is to make sure that the APACT relies on the existing network of African trust funds such as the Okapi Fund and does not act as a competitor with regard to activities or tapping financing sources from which they can benefit.

BRIDGE Project:

As a reminder, we were appointed in 2022 as a member of the Monitoring Committee of the Bridge Project (funded by the Fonds Français pour l'Environnement Mondial and Mava Foundation) for CAFÉ and RedLac (Latin American and Caribbean Environmental Funds Network). The Bridge Project is funded by the FFEM and aims to facilitate the involvement of the private sector in finding solutions to promote biodiversity. Our role is to guide the project in its funding of activities. During the year 2022 we had several meetings to set out a strategy for the Project and to select the first projects to be funded. Our participation in this network allows us to strengthen our links

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with important players in our sector of activity and to participate in the common objectives of protecting biodiversity.

Events

In 2022, we participated in many events, including (but not limited to):

- Citypreneurs (26th January 2022): We were a coach for the Citypreneurs initiative. We helped candidates prepare to pitch their business to potential funders. The Citypreneur program is an ecosystem development and growth platform for startups co-organized by the UN, WFUNA and city governments to support innovation and entrepreneurship for the Sustainable Development Goals. Citypreneurs Kinshasa gathers about fifteen startups operating in the waste and environmental management. The interest of the Okapi Fund is to extend its network of relationships with young entrepreneurs in the private sector who will help find solutions for the environment and the protection of biodiversity.
- ICCN's Biodiversity General Assembly: We participated in the day organized by ICCN and developed a number of recommendations to engage the private sector in financing biodiversity activities. We followed up on the event with ICCN to summarize recommendations and prepare the next phase.
- 18th March 2022 – Second Apéro-Bio(diversity) organized by the Okapi Fund and USAID (Green Business Forum): Conceived by the Okapi Fund and jointly organized by the Okapi Fund and USAID, it was held at Silikin Village. The theme addressed (and presented by the Executive Director) was clean cooking and its challenges for the environment and biodiversity. More than 100 people responded to the invitation, allowing many connections to be made.
- On 29th September 2022 we organized, with USAID, a third Apéro-Bio(diversity) which brought together more than 200 people around the theme of eco-tourism in DRC. There were speakers from the Ministry of Tourism, ICCN, the private sector (Bombo Lumene Foundation, Mbou-Mon-Tour, Tokenge Africa, etc.), USAID and the Okapi Fund.
- CAFI (Central Africa Financial Initiative): On 27th September 2022, we participated in the event organized by CAFI on the status and action plans for the implementation of the 2022 milestones of the Letter of Intent signed between the Government of the DRC and CAFI.

Missions

Several field missions were conducted during 2022: (i) in the Luki Biosphere Reserve (9–11 April 2022), (ii) in Lubumbashi (1–4 June 2022), and (iii) in the Mangrove Marine Park (between 1 July and 4 July 2022).

These missions allowed the Executive Director (i) to strengthen his knowledge of the management of protected areas and the different models that exist in this field, as well as (ii) to reinforce his understanding of the challenges (human, financial, operational, etc.) faced by protected areas and, finally, (iii) to expand the Okapi Fund's network with the different actors in the biodiversity sector in DRC.

The first mission was to the **Luki Biosphere Reserve**: We visited the main agroforestry trials and were able to meet the different scientists working in the field. We learned about the issues and practices

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to safeguard biodiversity and about beneficial agroforestry practices. We became familiar with the notion of a Biosphere Reserve (a concept initiated and sponsored by Unesco) and the model it represents in relation to other types of biodiversity protection approaches.

We conducted a field mission to **Lubumbashi/Kundelungu**: The first part of the mission consisted of meetings with private actors in the mining sector as part of the "*DRC Mining Week*" which brings together the main actors in the sector every year. We were also able to meet with members of the *Fair Trade Cobalt Alliance*, as well as the Coordinator of the *Observatoire Gouvernance et Paix* (Mr. Eric Chiralirwa), which supports community development projects in the **PNKB landscape**. The second part of the mission consisted of meetings with the site managers of Upemba and Kundelungu NPs. We took advantage of the presence of the new Site Manager of Upemba National Park, Ms **Tina Lain from IUCN³–Netherlands**, to discuss with her the challenges faced by the park, its financial needs and their development strategy.

Finally, we went to the **Mangrove Marine Park (MMP)**. We met with its new Director, Kim Rebholz, and the people in charge of the different activities of the park. We learned about the specificities of marine parks and the challenges of mangrove preservation.

Training:

On 6 and 7 April 2022, we received training on the environmental and social management system from ERM, a consultant. During this training, based on practical cases, we were able to test our procedures and also adapt them to the dimension of the Okapi Fund. Our remarks during this training allowed ERM to adapt the procedures by simplifying certain aspects.

Miscellaneous:

1. During this period, we prepared two Risk Assessment Reports which were submitted to the members of the Executive Committee and sent to all members of the Board of Trustees after incorporating the comments received from the members of the Executive Committee.
2. We issued two Information Bulletins (one in January – Biodiversity Financing & Biodiversity Compensation – and another one in September – Ecotourism and Protected Areas in Central Africa) for the Trustees as part of their training.

Financial review

Source of capitalisation & financial resources

Additional Endowment Funds and operational funds were received in 2022.

In 2022, the Charity received support from:

³ The **International Union for Conservation of Nature**

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1. KfW through a second Separate Agreement (*Convention Séparée*) between KfW and the Okapi Fund signed in October 2022:
 - 4 millions euros as Permanent Endowment Funds;
 - 1 million euros as funds to support operational costs of the Okapi Funds from 2023 to end of 2024.

The 2022 financial accounts therefore report the Charity receiving funding in 2022 from one source:

- i) KfW (The German Development Bank).

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Resource utilisation framework

The investment policy followed by the Okapi Fund has been developed to be fully compliant with the recommended Practice Standards for Asset Management (standards 1–9) as set out by the Conservation Finance Alliance and best practice guidance in the annual Conservation Trust Investment Survey published by WCS. Furthermore, the Okapi Fund follows the World Bank's Environmental and Social Framework and the World Bank Group's general and sector-specific Environmental, Health and Safety Guidelines.

As the Okapi Fund is a charitable entity dedicated to environmental conservation, the investments made by the investment manager must not be inconsistent with the objectives of the charity. The investment of the funds, inclusive of all investment instruments, are subject to SRI (Socially Responsible Investing) sectoral filtering and compliance with the ESG and responsible investing policies and detailed exclusions listed in the Investment Policy statement.

The capitalisation funds received from KfW at the end of 2019 and from The World bank in January 2020 were transfer to our Endowment Fund. These funds have been progressively invested in the financial markets by our portfolio manager, Smith & Williamson (now Evelyn Partners), in accordance with our Investment Policy Statement and under the supervision of our Investment Committee.

The Endowment Fund holds Okapi Fund's longer-term investment assets and the returns from these assets provide resources that the Okapi Fund can deploy in furtherance of its charitable aims.

The totality of the funds received from the World Bank (US\$ 7.4 million) are treated as Permanent Endowment Funds according to the wishes expressed by the donor.

Following the wishes of the donor, the funds received from KfW, namely Euro 14 million received in December 2019, are treated as:

- Permanent Endowment funds for the value of US\$ 7.4 million (based on the conversion rate in effect on the date of receipt of funds in the accounts held with Smith & Williamson).
- Expendable Endowment Funds for the value of EURO 14 million less the amount mentioned above (14M euros less the 7.4M US\$ based on the conversion rate in effect on the date of receipt of funds in the accounts held with Smith & Williamson).

The additional endowment funds received from KfW in December 2022 are treated as Permanent Endowment Funds.

The Portfolio in 2022

In 2022, the portfolio underwent a potential loss of 16.69% year-to-date, erasing most of the gains made over 2020 and 2022. In comparison, however, our benchmarks have lost 21.72% in 2022. For reference, the NASDAQ (which contains the top 10 U.S. companies in its top 10) lost

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about 30% over the year.

In total, over the past three years, the portfolio has had a potential appreciation of just over 3%.

The poor performance of the portfolio over the year 2022 is due to: (i) The historical decline of the financial markets in the broad sense, impacted by inflation and the consequences of the war in Ukraine and (ii) the restrictions imposed by our Investment Policy (notably the impossibility to invest in the extractive industries and on the Hong Kong market, whereas the energy sector was the best performing sector in 2022).

Bonds and fixed income also had a negative year, which is unusual in a year when stocks are also weak (the correlation is usually negative).

As of 31 December 2022, the portfolio was allocated as follows:

- 19.4% in Cash & Cash Equivalents
- 15.6% in Bonds (US Corporates and US Treasury)
- 60.7% in Equities
- 4.4% in Other Investments

The portfolio's currency exposure was as follows:

- 81% in US\$ assets
- 4.9% in Euro assets
- 8.1% in Pound Sterling assets
- 6% in other currencies

Total Return Approach Adopted

In the first half of 2021, the Okapi Fund decided to adopt the Total Return Approach, by taking the following resolution voted unanimously by the members present:

- *The Board of Trustees of the Okapi Fund has fully considered the Total Return Report and has resolved to adopt a resolution under Section 104(A) of the Charities Act 2011 to apply a total return approach to investment in accordance with the relevant regulations as follows:*

Total return for the Okapi Fund Permanent Endowment Fund investment.

This resolution identifies the Permanent Endowment Fund as the relevant fund that will be subject to total return investment. As of 31 December 2020, the value of the relevant fund consists of:

- 1. The Investment Fund consisting of original capital contributions from donors of USD 14,793,588*
- 2. The unapplied total return of USD 1,941,892.*

This is based on the valuation of the endowment capital contributions received and the total unapplied return retained in the relevant fund, as at 31 December 2020.

The Total Return Report was written and submitted to the Board members by a recognized expert in the field, James Money-Kyrle. It was on the basis of this report that the Trustees made their informed decision regarding the adoption of the Total Return approach.

No changes in our approach were made in 2022.

Principal risks and uncertainties

The Trustees have considered the risks that the Charity faces as of the date of this trustees' report. Having reviewed these risks and the steps being taken, the trustees are confident that these risks are being managed appropriately.

In 2020, a risk register was set up. This risk register records risks as they arise and indicates the measures that are taken to mitigate or eliminate them. This register is kept up to date at all times and is available in our office. It is shared with the trustees at each meeting of the Board of Directors who review the Risk Assessment Report.

In 2022, two Risk Assessment Reports were compiled by the Executive Director, discussed in the Executive Committee and reviewed and approved by the trustees before and during the Board meetings.

In 2023, another Risk Assessment Report was sent to the Trustees in early March: it also covers part of the year 2022.

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In 2022

The main risks faced during the Year 2022, and mitigating measures being taken, are described in the following sections.

The main risks reported and reviewed in (or in relation to) 2022 were as follows:

- Operational risks;
- Financial Risks;
- Fiscal Risks;
- Fraud Risks;
- Reputational Risks.

Operational risks

The most significant operational risk identified was the following:

1. the implementation of its fund disbursement activities to finance projects in accordance with its purpose.

In December 2022 we were able to disburse our first funds to Garamba National Park. We anticipate a second disbursement before the end of the first half of 2023, after an evaluation of the first disbursements, which has been completed in April 2023 and which showed that the funds were properly used.

On the other hand, as anticipated in the previous report, it has not been possible to disburse the grants to PNKB. The process has taken much longer than expected, due in part to the delay by the WCS teams in initiating the selection process for consultants to conduct the Environmental, Social, and Human Rights Due Diligence. The Due Diligence Report was only sent to us at the end of February 2023.

As a result of this delay, we will probably not be able to disburse funds to PNKB until the beginning of the second half of 2023.

The risks associated with this delay are (i) little track record in funding PAs and (ii) greater difficulty in raising funds for the Okapi Fund from potential donors who are waiting to see how we operate before considering a contribution to our endowment fund and (iii) the risk that the Charity Commission will criticize us for not fulfilling our social purpose fully enough.

As noted above, however, it was deemed necessary to take the time to assess the risks of our support for the PNKB and to define our terms of engagement and the activities we would be willing to fund: it is better to take the time to consider these aspects than to rush into funding that could cause us further problems (see below in the section on reputational risks).

Financial risks

The main financial risk identified in 2022 is the risk of a decrease in the value of our portfolio.

It represents the main risk identified during the year 2022 and the beginning of 2023.

There are three main factors which affected the financial markets and therefore the potential value of our portfolio in 2022:

1. Inflation.
2. The war in Ukraine (and the economic sanctions against Russia).
3. The risk of recession.

These factors combined to significantly reduce the value of our portfolio since January 2022. The rebound at the end of 2022 and the beginning of 2023 was short-lived and February saw the financial markets contract again.

As a result, the gains of 2020 and 2021 were nearly totally wiped out. To date, we have a portfolio that since the beginning of the first investments in January 2020 has experienced a positive appreciation of just over 3%.

The problem we are facing is also related to our Investment Policy: we cannot enter stocks that are benefiting from the situation, such as commodities. This impossibility does not offer us a short-term solution allowing us to compensate for part of the losses on shareholder positions impacted by inflation and/or the war in Ukraine.

Similarly — although not stated in our Investment Policy — the Board of Trustees has decided not to invest on the Hong Kong market, to avoid risks of a reputational nature.

Our only solution, in order to limit the consequences of the loss in value of our portfolio (and not to have to take a loss) is to maintain a high cash or cash equivalent position, as is already the case, and to wait for a recovery of the markets in the medium term. However, the cash portion is exposed to the effects of inflation.

The question is whether and when our disbursement policy for Protected Areas could be impacted by this situation.

For the year 2023 we should not have any difficulties in making our disbursements as long as we maintain our 2023 commitments in the same proportions as our 2022 commitments.

Beyond that, we will be able to continue to disburse equivalent amounts in 2024 and 2025, but by which time we might have to draw on the Expendable Endowment Funds if the portfolio has not recovered beyond the current situation.

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Thus, by maintaining a sufficient level of reserves (around US\$3 million), positioned at stable dollar values, we will be able to ensure disbursements to PAs according to our grant programs for 2023.

It should be noted that in December 2022, KfW provided an additional 1 million Euros for the operational budget of the Okapi Fund, as well as an additional 4 million Euros for the Permanent Endowment Fund.

Fiscal risks

As we explained in all of our Quarterly Activity Reports to the Trustees (*Rapports d'Activités Trimestriels*), we decided to make a provision in our accounts for the payment of the IER (the exceptional tax on the income of expatriate staff), but not to pay it to the tax authorities as proposed by our accountants.

Indeed, our lawyer, in his tax analysis of the Asbls (Not-for-profit organisations), had clearly indicated to us that this tax was not applicable to our situation. The tax rate of the IER is 25% on the remuneration (after deduction of those parts of the remuneration which are not subject to taxation) and monthly the additional cost of this tax would be in the order of US\$3,000.

We have therefore decided to provision the amounts corresponding to the IER until we have a clear answer from the tax authorities.

In order to resolve this recurring issue we have undertaken two parallel approaches:

1. During the bilateral discussions between Germany and the DRC on biodiversity funding, it was written into the final minutes that the DRC would recognize the Okapi Fund's rights to the tax exemptions that charities normally enjoy;
2. We were able to meet with the representative of the Ministry of Finance at the beginning of 2023, who should make it possible to move the file forward in a favorable manner before the beginning of the second half of 2023.

Fraud risks

We have identified three levels of fraud risk:

1. Risks at the level of the funds managed by the Okapi Fund
2. Risks at the level of the funds managed by the portfolio manager
3. Risks at the level of the funds managed by the beneficiaries of the funds received from the Okapi Fund

1. Risks at the level of funds managed by the Okapi Fund

The risks of misappropriation of funds are limited because of the disbursement procedure that we follow: 1. For electronic transfers: For each disbursement, the ED must enter the amounts on the bank's platform and two trustees must approve the disbursement. Each payment must be supported by a document (invoice, fee, etc.). 2. Regarding cash disbursements: Each disbursement

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must be pre-approved by the ED, documented by the DAA and reported in a cash tracking document.

In addition, we have both a post-payment audit performed by accountants under Ohada law (the Organization for the Harmonization of Business Law in Africa), by BMCG and under UK accounting law by Sayer Vincent.

Finally, two types of audits are carried out each year: (i) one to control the expenses made from the budget coming from KfW (carried out by JMB in DRC and required by KfW) and (ii) the other one carried out by a special team of Sayer Vincent for a statutory audit on the 2022 accounts.

2. Risks at the level of the funds managed by the portfolio manager

Fraud risks at this level are managed by Evelyn Partners' internal procedures. We have not conducted an audit of their procedures, but to date the UK supervisory authorities have not, to our knowledge, raised any concerns about the possibility of fraud.

3. Risks at the level of funds managed by recipients of Okapi Fund funds

In order to limit the possibility of fraud in the funds disbursed to the Protected Areas, we have put in place the following two principles:

1. Disburse funds according to planned instalments that reflect needs for a couple of months – rather than one single payment for the full year;
2. The grants are transferred to a reputable international NGO that implements projects on the ground: this is the case with Garamba NP, where the funds and management of the PA are the direct responsibility of the NGO African Parks Congo, a subsidiary of African Parks Networks from South Africa;
3. Conduct an audit of disbursed funds by an internationally recognized auditor. The Garamba NP funds were audited by KPMG in March 2023.

In addition, in the grant agreement with the grantee, we are imposing strict financial reporting requirements to limit the possibility of fraud. Finally, at least once a year, we will conduct an audit of the use of funds in the field with the recipient's accounting and financial departments.

Proposed solution: (i) funds transferred to a reputable international NGO; (ii) audit by a reputable international firm; (iii) audit by us on site.

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Reputational risks

The main reputational risks we face in the DRC are related to the management of Protected Areas by our grantees in relation to the following main issues:

1. Embezzlement of granted funds
2. Conflicts with local populations and indigenous peoples
3. Human rights abuses in the context of anti-poaching operations

On the first point, we can refer to the discussion above on the Risks of Fraud.

Regarding conflicts with indigenous people and local populations, we have identified two types of potential conflicts that could affect our reputation as a funder of PA managers:

1. Conflicts between populations and/or uncontrolled indigenous people
2. Conflicts between the PA and indigenous populations and/or people

On the first point: the risk is indirect insofar as, in principal, the responsibility of the PA is not engaged. If this is nevertheless the case, the risk is that of the consequences of conflicts on the image of the PA manager and, as a result, on our own reputation.

On the second point: This risk exists and is quite high insofar as PAs are generally not very isolated from the activities of indigenous populations and/or people. There can be all sorts of conflicts: human-wildlife conflicts, conflicts over economic activities developed in the buffer zones, conflicts over the park's boundaries, over access to park resources, etc.

Within each PA, procedures are put in place to limit the consequences of these conflicts and to try to find an adequate and early response. In particular, a grievance mechanism is put in place, which is normally mandatory. When this is not the case, the Okapi Fund imposes the establishment of such a mechanism with a precise implementation schedule.

Regarding human rights abuses in Anti-Poaching operations, the reputational risk is very high:

- Such risks have been raised and documented for the PNKB by several NGOs
- The consequences for donors have been very serious, particularly in terms of their reputation with the general public

To address this risk, but more importantly to improve the situation and ensure that these events no longer happen in the future, the Okapi Fund has mandated that environmental, social and human rights due diligence be conducted before any disbursement to a PA. In addition, the due diligence requires a very specific environmental, social, and human rights action plan from the potential recipient of our grants. The Okapi Fund is responsible for monitoring the recipient's compliance with this plan. Finally, a significant portion of our grants are directly aimed at addressing human rights issues in and around the target PA.

Trustees' annual report

For the year ended 31 December 2022

Adopted solution: (i) Approve funding that addresses and mitigates these risks; (ii) Implement strict environmental, social, and human rights safeguards in PAs; (iii) Ensure regular and thorough human rights monitoring; and (iv) Make successive disbursements contingent on progress on these issues by recipients.

In 2023

More generally, the risks faced by the Okapi Fund in the coming months are mainly threefold:

1. A financial risk due to the fragility, or even nervousness, of the financial markets due to the consequences on the global economic situation following the Covid-19 pandemic and the Ukrainian related crisis and their possible effect on the inflation trend. Due to this particular situation, the Okapi Fund, in particular through its Investment Committee and thanks to very regular communication with its portfolio manager (Evelyn Partners), will be very attentive to financial risks and will closely follow the evolution of financial indices on a daily basis.
2. A country risk, as the DRC is a highly unstable country, both politically and economically. The members of the Okapi Fund (Trustees & the executive direction) are therefore very attentive to political and economic developments in the country in order to be able to anticipate as far as possible any risk that might arise for its activities or its members or partners. In particular, the Okapi Fund closely monitors the situation in the Protected Areas, which are sometimes located in low security zones, by checking very regularly with its partners or the various stakeholders with whom the Okapi Fund is in contact to find out what the health and safety situation is on the ground.
3. Reputational risk: Due to accusations of human rights abuses in some protected areas against park officials, including Kahuzi-Biega-Biega National Park, there is a risk that if we fund this park, we will be associated with the accusations against the park if the issues raised have not been resolved and significant human rights safeguards have not been implemented in the park. On these points, the Okapi Fund will be particularly vigilant and will not disburse funds to Kahuzi-Biega-Biega National Park until the necessary measures to redress the wrongs have been put in place with a clear timetable and substantial resources. In addition, prior to funding Kahuzi-Biega-Biega National Park, the Okapi Fund has decided to fund an environmental, social and human rights due diligence to assess the situation at Kahuzi-Biega-Biega National Park, which will allow the Okapi Fund to determine the conditions under which it will, eventually, disburse funds to Kahuzi-Biega-Biega National Park (conditions precedent, implementation of necessary measures, sanctions carried out, etc.).

Regarding Point 1 above, while the risk of not achieving the 2023 financial objectives is high, the impact can be considered moderate and relatively controlled for the following reasons:

- a. The financial crisis, if it is to materialize in the course of 2023 will have no impact on the 2023 operating budget of the Okapi Fund, which is secured by funds provided by KfW — as well as additional funds expected soon from KfW too —and whose financial strength is not threatened by the potential crisis;

Trustees' annual report

For the year ended 31 December 2022

- b. We maintain a significant position in liquid money market securities as long as the prospects of a financial and economic crisis are high;
- c. We will maintain an adequate financial reserve policy to enable us to meet our financial commitments over 2023 and 2024.

Reserves policy and going concern

The first capitalization funds (endowment funds) received by the Okapi Fund were invested in the financial markets in the first half of 2020 and the funding strategy (disbursements to protected areas) adopted by the Okapi Fund had planned the first disbursements for 2022.

Since 2019, KfW has provided funding for the operational running of the Okapi Fund of EUR 2 millions.

Depending on our needs, and based on the forecast financial statements, we can draw on these funds for periods of 6 months by making a duly documented application to KfW (by showing, in particular, that expenditures during the previous period were spent in accordance with the financial forecasts).

The first 1 million was committed by KfW in 2019 and was exhausted in June of 2022.

The second 1 million was committed by KfW in October 2022 with a view to covering operational costs of the Okapi Funds starting in January 2023 (until the end of 2024). In the interval (from June 2022 to December 2022) the Okapi Fund used funding from revenues generated by the Endowment Funds (in two instalments of 160 000 US\$ each).

In August 2022, the board approved the reserves policy through the approval of the James Money-Kyrle Report on Total Return and Reserves Policy.

The Okapi Fund needs to maintain sufficient free reserves to match this long-term funding commitment. The reserves policy is set to ensure we can deliver on our vision and mission and ensure our work is protected from the risk of disruption at short notice due to a lack of available funds, whilst at the same time ensuring we do not retain income for longer than required.

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

For the year ended 31 December 2022

As part of effective financial management, the Okapi Fund holds reserves to ensure we can:

- Manage financial risk. There are a range of risks we face, including the risk of an unforeseen drop in income due to unpredictable investment returns or unbudgeted increases in expenditure.
- Meet our long-term grant commitments and funding plans.

We have calculated that an appropriate reserves range for the Okapi Fund is USD \$1.0 to 1.5 million, which is broken down as follows:

Reserves range	US \$m
Financial risk (see below)	0.5
Grant commitments and long-term plans (see below)	0.5
Minimum level	1.0
Range	0.5
Maximum level	1.5

This equates to between 12- and 18-months charitable activities (such as funding of commitments to national parks) and operating and administration expenses.

The Okapi Fund's Reserves for the Year ended 31st December is:

Okapi Funds Statement	2022	2021
	US \$000	US \$000
Unrestricted Funds (Reserves)	36	101
Restricted Funds	0	0
Designated Funds	0	0
Permanent Endowment	18,884	14,794
Unapplied Total Return	217	3,388
Expendable Endowment	8,888	10,062
Total Funds⁴	28,025	28,344

Okapi Fund 'Free' Reserves for the Year to 31 st December	2022	2021
	US \$000	US \$000
Free Reserves ⁵	238	3,466
Ratio of Free Reserves to Annual Operating Expenditure ⁶	0.3	6.5

⁴ Total Funds include Unrestricted, Restricted, Designated and both Permanent and Expendable endowment.

⁵ Free Reserves are composed of Unrestricted Funds and Unapplied Total Return less tangible fixed assets and any designated grant commitments.

⁶ Operating expenditure covers charitable activities and administration expenses.

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

For the year ended 31 December 2022

The Okapi Fund reserves provide financial stability and the means for the long-term development and delivery of the Okapi Fund's charitable activity.

We intend to target our reserves at a level which is equivalent to one year's operating expenditure (covering grants and operational costs) due to the long-term nature of the Okapi Fund's activity and the volatility of investment returns that provide the Okapi Fund's principal source of income.

The impact of falling investment values in 2022 means that the reserves are (as of 31st December 2022) below the level set in the Policy of between USD\$1.0 and \$1.5 million. The Board will regularly review the amount of reserves that are required to ensure that they are able to meet all the Okapi Fund's continuing obligations and plans. The Okapi Fund has access to expendable endowment of over USD \$8 million, alongside grants covering operating costs for the next 3 years and therefore has more than adequate reserves to meet all operational and grants commitments for the foreseeable future.

When a transfer from the UTR to the Income Fund is approved by the Board, the sum transferred remains part of the Free reserves as Unrestricted Funds until spent.

Plans for the future

Looking forward to 2023, the main goals and activities of the Charity for 2023 are as follows (an Annual Activity Plan for 2023 has been developed by the management team and approved by Trustees in November 2022):

- **Pursuing Financing:** Among our main activities in 2023, we plan to make our first disbursement to KBNP and our second disbursement to the Garamba NP. The Grant Agreement with the Garamba NP will be signed at the end of June 2023 and disbursements will take place before the end of July 2023. Regarding KBNP, we expect to sign the Grant Agreement in September and disburse in October 2023. An important part of our work will be to ensure rigorous monitoring of the funding and its impacts on the ground.
- **New Capitalizations:** During 2023, we should be able to get a third contribution to our endowment from KfW. We also hope to finalize a contribution from AFD during the same period. All along we will continue to introduce the Okapi Fund to potential international institutional investors and private sector stakeholders. KfW mentioned an additional contribution of about 15 million euros for the Endowment Fund. The audit work for such a contribution is expected to start at the beginning of the second half of 2023.
- **Review of the Fundraising Strategy:** It is important to regularly (every 3 years) review the fundraising strategy of a trust fund in order to update its objectives by taking into account the achievements of the previous years and the circumstances of implementation of the activities whose context may have evolved over time. The Executive Director submitted a new Fundraising Strategy memo to the Executive Committee in March 2023. After minor modifications, this document was approved by the Board of Trustees of the 7th June 2023.

Trustees' annual report

For the year ended 31 December 2022

This strategy also sets a timetable for fundraising, which will be implemented during the second half of 2023.

- **Fundraising:** Based on the review of our fundraising strategy mentioned above, we will organize a roadshow in the second half of the year with the main potential donors in the USA (especially private foundations).
- **Renewal of a Trustee:** The term of office of one Trustee expires in August 2023. It will be necessary to find competent persons to replace the Trustee. The selection process for a new Trustee will be initiated in March of 2023.
- **Other:**
 - Meet with stakeholders in the field of biodiversity conservation and establish relationships with them; in general, make these stakeholders aware of the activities of the Okapi Fund and the interest that such a tool represents for the protection of biodiversity in DRC. Develop partnerships with national, regional and international nature conservation institutions.
 - Determine the Grant Program for the year 2024 (With the support of the Grant Awarding Committee).
 - Develop a Fraud Prevention Policy in accordance with the requirements of the Charity Commission.
 - Evaluate the relevance and practicability of our environmental procedures.
 - Evaluate the impact of our financial support on the achievement of our purpose.

Small fundraising statement

We do not raise funds from the general public. However, we plan to increase the base of our endowment funds and restricted funds over the next few years and plan to meet with potential institutional and private donors in the coming months (this process has started in September 2020). Our fundraising strategy for the coming years was approved by the Trustees in June 2023.

We did not conduct fundraising activities with the general public in 2022 and incurred no expenditure in raising income. As we have not conducted any fundraising activities with the general public in 2022, we have not been confronted with any compliance issues or complaints of any kind.

Structure, governance and management

The Charity is a charitable company limited by guarantee, incorporated on 28 November 2013 and registered as a charity on 3 June 2014.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed by its Articles of Association. All trustees give their time voluntarily and receive no benefits from the charity. The Charity reimburses trustees for expenses incurred in carrying out their trustee duties, providing such

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

For the year ended 31 December 2022

expenses are reasonable and properly incurred. Please see note five to the accounts for more information.

In accordance with its Articles of Association, the Okapi Fund has delegated its day-to-day management to the Executive Committee and the Executive Director:

9.2 Subject to the Articles, the Directors may delegate the implementation of their decisions or day to day management of the affairs of the Charity to any person or committee.

11. Delegation of day to day management powers

In the case of delegation of the day to day management of the Charity to a chief executive or other manager or managers:

11.1 The delegated power shall be to manage the Charity by implementing the policy and strategy adopted by and within a budget approved by the Directors and (if applicable) to advise the Directors in relation to such policy, strategy and budget;

11.2 The Directors shall provide any manager with a description of his or her role and the extent of his or her authority; and

11.3 Any manager must report regularly to the Directors on the activities undertaken in managing the Charity and provide them regularly with management accounts which are sufficient to explain the financial position of the Charity.

The functioning of the Executive Committee and its powers are detailed in the Internal Regulations of the Okapi Fund (*Règlement Intérieur*) adopted by the Board of Trustees:

Article 12: Duties of the Executive Committee.

12.1 The Executive Committee intervenes to take decisions on immediate operational matters, which require urgency, for which the orientations of the Board of Directors are normally necessary, but which do not necessarily require the Board of Directors to be held. The Executive Committee shall not be responsible for any of the functions or powers that cannot be delegated to the Committees by the Board of Directors in accordance with Article 9.3 of the Articles of Association.

The remuneration of the Executive Director is set by the Board of Trustees.

The main factors taken into account for the remuneration of the Executive Director were the following:

1. The international and particular profile of the candidate.
2. The very high cost of living in the DRC.
3. Risks associated with the position, due to the political and economic instability of the country.

The amount of the compensation and benefits were determined in consultation with Michael Page, the company mandated to select the Executive Director, based on the remuneration of equivalent

Trustees' annual report

For the year ended 31 December 2022

positions for international profiles that evolve in a difficult context and where the cost of living is one of the highest in the world. The amount of the remuneration is also justified by the political and economic instability of the DRC, particularly in the regions where the Protected Areas under the focus of the Okapi Fund are located (the Executive Director will visit them from time to time).

The current Executive Director was appointed by the Board of Trustees. His duties are detailed in his employment contract and in the Manual of Administrative and Accounting Procedures Manual, both approved by the Board of Trustees.

Appointment of Trustees

The appointment of Trustees is covered in detail in the Charity's Articles of Association (see Articles 25–28). The Articles allow for the Charity to have a minimum of 7 and a maximum of 9 trustees (or directors, as they are called in the Articles). At the end of 2022 there were 9 (2021: 9) trustees in office.

As mentioned above, the Okapi Fund replaced a number of Trustees in November 2022.

Related parties and relationships with other organisations

The Okapi Fund has no formally established relationship with any organisation outside of KfW, the World Bank and the ICCN. Details on related parties with KfW and ICCN are provided in Note 6 of the accounts.

KfW provided some funds and has one of its employees as a member of the Board in the person of Britta Oltmann (she is both the Director of the KfW Office in Kinshasa and a Trustee for the Fund).

Statement of responsibilities of the trustees

The Trustees (who are also directors of The Okapi Fund for Nature Conservation in the Democratic Republic of Congo for the purposes of company law) are responsible for preparing the trustees' annual 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 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 in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Okapi Fund for Nature Conservation in the Democratic Republic of Congo

Trustees' annual report

For the year ended 31 December 2022

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The Trustees' annual report has been approved by the trustees on 25th August 2023 and signed on their behalf by

Victor Kabengele Wa Kadilu,
Chairman of the
Okapi Trust Fund's Board of Trustees

Independent auditor's report

For the year ended 31 December 2022

Opinion

We have audited the financial statements of The Okapi Fund for Nature Conservation in the Democratic Republic of Congo (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 FRS 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report

For the year ended 31 December 2022

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 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.

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' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

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 trustees' annual 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 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 directors 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' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

For the year ended 31 December 2022

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

For the year ended 31 December 2022

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. 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.

Noelia Serrano (Senior statutory auditor)

Date: 18 September 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Statement of financial activities

For the year ended 31 December 2022

	Note	Unrestricted \$	Endowment \$	2022 Total \$	Unrestricted \$	Endowment \$	2021 Total \$
Income from:							
Donations	2	153,234	4,090,240	4,243,474	485,062	–	485,062
Other income		–	–	–	5,591	–	5,591
Investment income	3	–	347,834	347,834	–	285,454	285,454
Total income		153,234	4,438,074	4,591,308	490,653	285,454	776,107
Expenditure on:							
Cost of raising funds	4	50,844	116,425	167,269	20,891	122,571	143,462
Charitable activities							
Project expenses	4	715,148	–	715,148	456,422	–	456,422
Total expenditure		765,992	116,425	882,417	477,313	122,571	599,884
Net income for the year	9	(612,758)	4,321,649	3,708,891	933,735	122,571	1,056,306
Transfers between funds		540,000	(540,000)	–	–	–	–
Net income before Gains and (Losses)	5	(72,758)	3,781,649	3,708,891	13,340	162,883	176,223
(Loss) /Gain on investments	9	–	(4,028,209)	(4,028,209)	–	2,073,435	2,073,435
Forex Change (Losses) /Gains		(2,511)	(7,410)	(9,921)	(1,182)	11,667	10,485
Reconciliation of funds:							
Total funds brought forward		101,190	28,243,185	28,344,375	89,032	25,995,200	26,084,232
Total funds carried forward		25,921	27,989,215	28,015,136	101,190	28,243,185	28,344,375

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Balance sheet

Company number: 08794664

As at 31 December 2022

	Note	2022 \$	2021 \$
Non current assets:			
Tangible assets	10	15,523	22,888
Investments	9	27,989,215	28,243,185
		<u>28,004,738</u>	<u>28,266,073</u>
Current assets:			
Debtors	11	31,628	95,933
Cash at bank and in hand		328,404	33,790
		<u>360,032</u>	<u>129,723</u>
Liabilities:			
Creditors: amounts falling due within one year	12	(349,634)	(51,421)
		<u>10,398</u>	<u>78,302</u>
Net current assets		<u>10,398</u>	<u>78,302</u>
Total net assets		<u><u>28,015,136</u></u>	<u><u>28,344,375</u></u>
The funds of the charity:			
Restricted funds:			
Endowment Fund	15	27,989,215	28,243,185
Unrestricted funds		<u>25,921</u>	<u>101,190</u>
Total charity funds		<u><u>28,015,136</u></u>	<u><u>28,344,375</u></u>

Approved by the trustees on 25th August 2023 and signed on their behalf by

Victor Kabengele Wa Kadilu
Chair

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Statement of cash flows

For the year ended 31 December 2022

		2022	2021
	Note	\$	\$
Cash flows from operating activities			
Net income for the reporting period (as per the statement of financial activities)		(329,239)	2,260,143
Depreciation charges		7,365	8,125
Loss/ (gains) on investments including forex		4,028,209	(2,085,102)
Income from investments		(347,834)	(285,454)
Decrease/(Increase) in debtors		64,305	(71,314)
Increase in creditors		298,213	19,537
Net cash provided by /(used in) operating activities		3,721,019	(154,065)
Cash flows from investing activities:			
Purchase of investments		(11,966,566)	(12,432,810)
Proceeds from sale of investments		10,076,863	12,320,208
Purchase of fixed assets		-	(25,418)
Income from investments		347,834	285,454
Movement in cash held by investment manager		(1,884,536)	(50,281)
Net cash (used in)/ provided by investing activities		(3,426,405)	97,153
Change in cash and cash equivalents in the year		294,614	(56,913)
Cash and cash equivalents at the beginning of the year		33,790	90,702
Change in cash and cash equivalents due to exchange rate movements		-	-
Cash and cash equivalents at the end of the year		328,404	33,790

Notes to the financial statements

For the year ended 31 December 2022

1 Accounting policies

a) Statutory information

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 10 Queen Street Place, London, EC4R 1BE.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102). The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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 nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Since 2019, KfW has provided funding for the operational running of the Okapi Fund of EUR 2 millions.

Depending on our needs, and based on the forecast financial statements, we can draw on these funds for periods of 6 months by making a duly documented application to KfW (by showing, in particular, that expenditures during the previous period were spent in accordance with the financial forecasts).

The first 1 million was committed by KfW in 2019 and was exhausted in June of 2022. The second 1 million was committed by KfW in October 2022 with a view to covering operational costs of the Okapi Funds starting in January 2023 (until the end of 2024).

In the interval (from June 2022 to December 2022) the Okapi Fund used funding from revenues generated by the Endowment Funds (in two instalments of 160 000 US\$ each).

In addition, in December 2022, the Okapi Fund received an additional 4 million euros from the German Cooperation through the KfW as a permanent endowment fund.

Finally, we adopt a conservative reserve policy each year to ensure that we have sufficient liquid assets available at all times should the need arise.

The trustees do not consider that there are any 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 reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Notes to the financial statements

For the year ended 31 December 2022

1 Accounting policies (continued)

g) Grants payable

Grants payable are made to third parties in accordance with the charity's governing documents. These grants are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient. No grants were communicated to recipient before the year end.

h) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Trustees adopt a total return approach, under which the target is to achieve total return (net of fees) of 4% above RPI inflation, allowing the fund to withdraw from the portfolio to either income funds or trust for investment to contribute to its running costs each year. Investment income is allocated to the endowment funds when receivable. Withdrawals from the endowment funds are shown as transfers between funds. Within the year annualised total return (net of fees) of 10.9% was achieved.

i) Debtors

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

j) Creditors and provisions

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

k) Fixed assets

Items of equipment are capitalised where purchased. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

The depreciation rates of fixed assets are as follows:

- Computer equipment – 3 years straight line
- Fixtures and Fittings – 4 years straight line
- Motor Vehicles – 4 years straight line

l) 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 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.

m) Foreign exchange policy

Transactions in foreign currencies are translated at the average rate for the year using HMRC rates. All exchange gains/losses are charged to the statement of financial activities and separately disclosed.

n) Presentational currency

The financial statements are presented in United States Dollars. The functional currency is between United States Dollars, Euros and Congolese Franc.

o) Funds

The restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

The unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

The endowment funds include permanent endowment funds, where the capital must be retained, and expendable endowment funds, which can be converted into income at the discretion of the Trustees. The totality of the funds received from the World Bank (US\$ 7.4 million) are treated as Permanent Endowment Funds according the wishes expressed by the donor.

Following the wished of the donor, the funds received form KfW, namely Euro 14 million received in December 2019, are treated as:

- Permanent Endowment funds for the value of US\$ 7.4 million (based on the conversion rate in effect on the date of receipt of funds in the accounts held with Smith & Williamson).
- Expendable Endowment Funds for the value of EURO 14 million less the amount mentioned above (14M euros – 7.4M US\$ based on the conversion rate in effect on the date of receipt of funds in the accounts held with Smith & Williamson).

The Okapi Fund received 4 millions Euros as new permanent endowments in 2022.

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Notes to the financial statements

For the year ended 31 December 2022

2 Income from donations and legacies (unrestricted)

			2022	2021
	Unrestricted	Endowment	Total	Total
	\$	\$	\$	\$
Donations: KfW	153,234	4,090,240	4,243,474	438,183
Gifts in Kind: KfW	-	-	-	46,879
	153,234	4,090,240	4,243,474	485,062

All income from the prior year was unrestricted.

3 Income from investments

			2022	2021
	Unrestricted	Endowment	Total	Total
	\$	\$	\$	\$
Dividends	-	347,834	347,834	285,454
	-	347,834	347,834	285,454

All income from the prior year was endowment.

4a Analysis of expenditure (current year)

	Cost of raising funds	Charitable activities	Support costs	Governance costs	2022 Total	2021 Total
	\$	\$	\$	\$	\$	\$
Staff Costs (note 5)	27,889	111,558	83,668	55,779	278,894	272,544
Grants	-	220,000	-	-	220,000	-
Consultancy	-	-	91,895	-	91,895	46,879
Legal fees	-	-	-	2,682	2,682	5,634
Admin and Rent	11,450	-	73,831	-	85,281	90,417
Accountancy and audit	-	-	-	55,530	55,530	49,341
IT Costs	-	-	-	1,054	1,054	1,041
Depreciation expense	-	-	7,365	-	7,365	8,125
Investment manager's fees	116,425	-	-	-	116,425	122,571
Other expenses	-	-	23,291	-	23,291	2,974
Trustees' expenses	-	-	-	-	-	358
	155,765	331,558	280,050	115,045	882,417	599,884
Support and Governance costs	11,504	383,590	(280,050)	(115,045)	-	-
Total expenditure 2022	167,269	715,148	-	-	882,417	599,884

The Okapi Fund for Nature Conservation in The Democratic Republic of Congo

Notes to the financial statements

For the year ended 31 December 2022

4b Analysis of expenditure (prior year)

	Cost of raising funds	Charitable activities	Support costs	Governance costs	2021 Total
	\$	\$	\$	\$	\$
Staff Costs (note 5)	20,891	83,562	115,865	52,226	272,544
Consultancy	-	-	46,879	-	46,879
Legal fees	-	-	-	5,634	5,634
Admin and Rent	-	9,793	80,624	-	90,417
Accountancy and audit	-	-	-	49,341	49,341
IT Costs	-	-	1,041	-	1,041
Depreciation expense	-	-	8,125	-	8,125
Investment manager's fees	122,571	-	-	-	122,571
Other expenses	-	-	2,974	-	2,974
Trustees' expenses	-	-	-	358	358
	143,462	93,355	255,508	107,559	599,884
Support and Governance costs	-	363,067	(255,508)	(107,559)	-
Total expenditure 2021	143,462	456,422	-	-	599,884

5 Net income for the year

This is stated after charging:

	2022	2021
	\$	\$
Trustees' reimbursed expenses	-	358
Foreign exchange (gain)/loss	9,921	(11,667)
Auditor's remuneration (excluding VAT):		
Audit	16,035	16,530
Other services	5,446	5,510

Notes to the financial statements

For the year ended 31 December 2022

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	\$	\$
Salaries and wages	236,908	234,438
Social security costs	41,986	38,106
	<u>278,894</u>	<u>272,544</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
\$206,629 – \$220,403	<u>1</u>	<u>1</u>

Gross salaries, social security, and employer pension contributions for key management personnel this year were \$207,227 (2021: \$272,043).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: \$nil). No charity trustee received payment for professional or other services supplied to the charity (2021: \$nil).

There were no trustees' expenses in 2022. In 2021, 2 trustees were reimbursed expenses include travel, accommodation and disbursement costs in relation to overseas travel and subsistence totalling \$358.

The average number of employees (head count based on number of staff employed) during the year was 3 (2021: 2).

7 Related party transactions

Britta Oltmann is the head of the KfW bureau in Kinshasa and a Trustee for the Fund. During the year 2022, KfW provided part of the operational budget of the Okapi Fund (covering the first 6 months of 2022). The Okapi Fund also received 4 million euros in permanent endowments in December 2022.

Jean-Philippe Waterschoot, who was a trustee (until December 2022) is the CEO of TEXAF. TEXAF is the parent company of COTEX, from whom the Okapi Fund is leasing their office. The lease was agreed on an arm's length basis and Jean-Philippe Waterschoot is not a signatory on the lease. A total of \$27,656 was paid by the Okapi Fund to COTEX in the year (2021: \$54,190).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For the year ended 31 December 2022

9a Listed investments (current year)

	2022 \$	2021 \$
Fair value at the start of the year	27,999,362	25,801,658
Additions at cost	11,966,566	12,432,810
Disposal proceeds	(10,076,863)	(12,320,208)
Net gain on change in fair value	(4,028,209)	2,085,102
	25,860,856	27,999,362
Cash held by investment broker pending reinvestment	2,128,359	243,823
Fair value at the end of the year	27,989,215	28,243,185

As of 19th June 2023 the value of investment portfolio is approximately USD 29,543,275

	Permanent Endowment \$	Unapplied Total Return \$	Total \$
At beginning of the reporting period or date of resolution:			
Gift component permanent endowment	14,793,588	–	14,793,588
Unapplied total return	–	3,386,845	3,386,845
Forex adjustment to opening balance	–	891	891
Total	14,793,588	3,387,736	18,181,324
Movements in the reporting period:			
Gift of endowment funds	4,090,240	–	4,090,240
Investment return: dividends and interest	–	240,496	240,496
Investment return: realised and unrealised gains and (losses)	–	(2,790,285)	(2,790,285)
Less: Investment management costs	–	(80,498)	(80,498)
Total	4,090,240	(2,630,287)	1,459,953
Unapplied total return allocated to income in the reporting period	–	(540,000)	(540,000)
Net movements in reporting period	4,090,240	(3,170,287)	919,953
At end of the reporting period:			
Gift component permanent endowment	18,883,828	–	18,883,828
Unapplied total return	–	217,449	217,449
Total	18,883,828	217,449	19,101,277

Notes to the financial statements

For the year ended 31 December 2022

9b Listed investments (prior year)

	Permanent Endowment	Unapplied Total Return	Total
	\$	\$	\$
At beginning of the reporting period or date of resolution:			
Gift component permanent endowment	14,793,588	–	14,793,588
Unapplied total return	–	1,941,823	1,941,823
Total	14,793,588	1,941,823	16,735,411
Movements in the reporting period:			
Gift of endowment funds	–	–	–
Investment return: dividends and interest	–	188,373	188,373
Investment return: realised and unrealised gains and (losses)	–	1,335,585	1,335,585
Less: Investment management costs	–	(78,936)	(78,936)
Total	–	1,445,022	1,445,022
Unapplied total return allocated to income in the reporting period	–	–	–
Net movements in reporting period	–	1,445,022	1,445,022
At end of the reporting period:			
Gift component permanent endowment	14,793,588	–	14,793,588
Unapplied total return	–	3,386,845	3,386,845
Total	14,793,588	3,386,845	18,180,433

Notes to the financial statements

For the year ended 31 December 2022

10 Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Computer equipment	Total
Cost	\$	\$	\$	\$
At the start of the year	25,418	4,135	2,953	32,506
Additions in year	–	–	–	–
At the end of the year	25,418	4,135	2,953	32,506
Depreciation				
At the start of the year	6,354	1,722	1,542	9,618
Charge for the year	5,759	749	857	7,365
At the end of the year	12,113	2,471	2,399	16,983
Net book value				
At the end of the year	13,305	1,664	554	15,523
At the start of the year	19,064	2,413	1,411	22,888

All of the above assets are used for charitable purposes.

11 Debtors

	2022	2021
	\$	\$
Trade debtor	26,926	88,553
Prepayments	4,702	6,380
Accrued income	–	1,000
	31,628	95,933

12 Creditors: amounts falling due within one year

	2022	2021
	\$	\$
Payroll creditor	–	15,122
Trade creditors	33,709	13,039
Accruals	22,653	23,260
Deferred income (note 13)	293,272	–
	349,634	51,421

Notes to the financial statements

For the year ended 31 December 2022

13 Deferred income

Deferred income comprises funds received in advance from KFW for activity to take place in 2023.

	2022	2021
	\$	\$
Balance at the beginning of the year	–	–
Amount released to income in the year	–	–
Amount deferred in the year	293,272	–
	<u>293,272</u>	<u>–</u>
Balance at the end of the year	<u>293,272</u>	<u>–</u>

14a Analysis of net assets between funds (current year)

	General unrestricted	Endowment	Total funds
	\$	\$	\$
Fixed assets	15,523	–	15,523
Investments	–	27,989,215	27,989,215
Net current assets	10,398	–	10,398
	<u>25,921</u>	<u>27,989,215</u>	<u>28,015,136</u>
Net assets at 31 December 2022	25,921	27,989,215	28,015,136

14b Analysis of net assets between funds (prior year)

	General unrestricted	Endowment	Total funds
	\$	\$	\$
Fixed assets	22,888	–	22,888
Investments	–	28,243,185	28,243,185
Net current assets	78,302	–	78,302
	<u>101,190</u>	<u>28,243,185</u>	<u>28,344,375</u>
Net assets at 31 December 2021	101,190	28,243,185	28,344,375

Notes to the financial statements

For the year ended 31 December 2022

15a Movements in funds (current year)

	At 1 January 2022	Incoming resources & gains	Outgoing resources & losses	Transfers	At 31 December 2022
	\$	\$	\$	\$	\$
Restricted funds:					
Permanent Endowment	18,180,433	4,330,736	(2,870,783)	(539,109)	19,101,277
Expendable Endowment	10,062,752	107,338	(1,281,261)	(891)	8,887,938
	28,243,185	4,438,074	(4,152,044)	(540,000)	27,989,215
Unrestricted funds:					
General funds	101,190	153,234	(768,503)	540,000	25,921
Total funds	28,344,375	4,591,308	(4,920,547)	–	28,015,136

15b Movements in funds (prior year)

	At 1 January 2021	Incoming resources & gains	Outgoing resources & losses	At 31 December 2021
	\$	\$	\$	\$
Restricted funds:				
Permanent Endowment	16,735,411	1,523,958	(78,936)	18,180,433
Expendable Endowment	9,259,789	846,598	(43,635)	10,062,752
	25,995,200	2,370,556	(122,571)	28,243,185
Unrestricted funds:				
General funds	89,032	489,471	(477,313)	101,190
Total funds	26,084,232	2,860,027	(599,884)	28,344,375

Purposes of Endowment funds

The Okapi Fund has received funding from KfW and the World Bank to support the pursuit of its charitable objectives. The endowment fund is intended to generate significant, stable and predictable financial resources for the management of selected protected areas in the DRC, with a focus on sustainably financing the management costs of Parc National Kahuzi-Biega (PNKB) and the Parc National Garamba (PNG). The totality of the funds received from the World Bank (US\$ 7.4 million) are treated as Permanent Endowment Funds according to the wishes expressed by the donor.

Following the wishes of the donor, the funds received from KfW, namely EURO 14 million received in December 2019, are treated as:

Permanent Endowment funds for the value of US\$ 7.4 million (based on the conversion rate in effect on the date of receipt of funds in the accounts held with Smith & Williamson).

Expendable Endowment Funds for the value of EURO 14 million less the amount mentioned above (14 million EURO – 7.4million US\$ based on the conversion rate in effect on the date of receipt of funds in the accounts held with Evelyn Partners). We also received 4 additional million euros from KfW in December 2022, which are to be treated as Permanent Endowment Funds.

Notes to the financial statements

For the year ended 31 December 2022

16 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property	
	2022	2021
	\$	\$
Less than one year	11,610	12,270
	11,610	12,270

17 Contingent Liability

There are additional taxes for Expatriate employees within the DRC. Okapi should not have to paid this taxes due to its charitable status, however the charity are choosing to provide against the cost, and will seek legal advice. The extended costs would be approximately \$38k.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to \$1.24.