

Annual Report 2023

Stichting African Parks Foundation

Langbroek

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Report of the board

The mission of Stichting African Parks Foundation (SAPF), incorporated in Utrecht, the Netherlands, is to support protected areas and other conservation projects under management of African Parks Network (APN) or its affiliated organizations. APN is a S21 registered not-for-profit organization with its seat in Johannesburg, South Africa. Five foundations have been registered to support the work of APN, namely Stichting African Parks Foundation (SAPF) in The Netherlands, African Parks Foundation of America (APFA), African Parks Foundation Switzerland (APFS), African Parks UK (AP UK), and African Parks Foundation Germany (APFG), whose primary role is fundraising.

To achieve its mission, SAPF raises funds by obtaining liquid assets through donations, legacies, interest from investments and other income from capital. SAPF's sole purpose is raising funds for African Parks, and all funds raised are designated exclusively to APN or its affiliated organizations to fund its conservation work on the African Continent. For further insight into the activities conducted by APN and the projects under its management, reference is made to www.africanparks.org, where the APN Annual Report for 2023 and the Annual Financial Statement for the year 2023 can be obtained.

SAPF is one of the fundraising entities that play a crucial role in safeguarding the continuity of APN and the protected areas which APN has under management. Since APN enters into long term management contracts, substantial amounts are needed to cover future deficits, which arise particularly in the first years of operation, when a revenue stream is usually absent. Moreover, given the growth ambitions of APN for the coming years, substantial funds will remain essential in the future.

The Board

The Board of SAPF consists of Arent Fock, Heleen Dura-van Oord, Pieter van Doorne, Frederik Lotz, Mirjam de Blécourt-Wouterse and Onno van de Stolpe.

All board members are nature conservationists by heart and are extremely dedicated to African Parks and the protected areas under its management. Board members do not receive any financial compensation for their work, and the Board adopts the policy that all additional costs, like out-of-pocket travelling expenses, are not reimbursed by SAPF but are for each Board Member's account.

SAPF's Board Members are actively involved in fundraising. For example, Board Members open their network for fundraising events organized in the Netherlands and participate in trips to protected areas organized for potential donors (at their own cost). Usually, these donors are High-Net-Worth Individuals and representatives of foundations. and/or (semi) governmental organizations. All Board members are donors themselves as well.

Fundraising

Thanks to the fundraising efforts of the fundraising team, the African Parks organization and SAPF Board, a total of EUR 13.625.512 (2022: 12.792.791) was raised through gifts and donations from a variety of donors in various European countries

Most of these donations and gifts to SAPF were assigned to specific parks or activities. As a result, an amount of EUR 13.572.725 (2022: EUR 10.653.234) was forwarded to APN (for further distribution to the parks under management of African Parks) without any deduction by SAPF. Amongst these were donations received from Stichting Natura Africae (EUR 4.100.000), Onno van de Stolpe (EUR 2.102.957), World Wildlife Fund (EUR 820.454) and Stichting DOB Ecology (EUR 779.067), with the remainder of the sum coming from smaller donations or private individuals and foundations who prefer to remain anonymous.

The remaining gifts and donations amounted to a total of EUR 52.787 (2022: EUR 2.139.557) and were not directly forwarded to APN.

The fundraising activities conducted by SAPF have also yielded grants made directly to APN or its protected areas as some donors and foundations prefer to pay directly into the APN accounts. These donations translate to an amount of EUR 900.000 and includes the donation of the Dutch Postcode Lottery. This is sometimes also applicable for parties who wish to make social investments (for example, in tourist accommodations). Although these donations are (partly) the result of the SAPF fundraising activities in The Netherlands, they are quantified and reflected in the Annual Report of APN and not reported in these Financial Statements.

Overhead expenses

The overhead expenses of SAPF amount to EUR 970.624 (2022: EUR 694.261) and mainly relate to personnel expenses, expenses for fundraising events, advisory fees, professional services, marketing, and office expenses. The overhead expenses constitute 7,11 % of the gifts and donations received by SAPF. The increase in expenses was predominantly the result of increased personnel expenses and travel expenses. Currently 7 fulltime-equivalent employees are employed by SAPF, who all have a European, or even global role within the organisation.

Office costs were higher in 2023, due to investments in furniture and equipment as a result of the office move to a standalone office, and the expansion of the number of employees.

Project expenses

The project expenses incurred by SAPF entirely relate to the flow of contributions from SAPF to APN and the protected areas under management of APN, to fund the annual funding deficit. An essential part of these contributions relates to the donations received from external donors amounting to EUR 13.572.725 (2022: EUR 10.653.234). These donations (received in 2023) were transferred to APN as agreed on with the donors and recorded as project expenses.

The second part of the project expenses relates to the withdrawal from the *Endowment fund*, which amounts to EUR 1.350.000 (2022: EUR 2.044.572). Annually, the Funding Committee decides which part of the investment income can be withdrawn from the Endowment fund and distributed to APN. This distribution is mainly meant to cover overhead costs of APN and has been recorded as project expenses in the Statement of income and expenses.

During 2023 a seventh payment was made to APN from the Fund for Local Communities. This fund has been earmarked specifically for the support of the economic and educational interests of local communities near parks managed by African Parks Network. A total amount of EUR 50.000 was distributed from the Fund for Local Communities.

If the annual funding deficit of APN cannot be fully covered by the contributions mentioned above, then SAPF uses its *free available reserves* from the Foundation funds to fund the remaining deficit. This year no contribution to APN and/or its protected areas from the *free available reserves* was required (2022: EUR 0).

Financial income and expenses

Financial income and expenses turned from a loss of EUR 7.035.400 in 2022 to a profit of EUR 5.304.604 in 2023 mainly due to a change in (un)realized gains (EUR 8.741.296) on the investment of the Endowment Fund and on the investment in shares (EUR 3.622.773).

The interest income increased from a negative interest of EUR 4.303 to EUR 12.373 interest received because banks started paying interest over bank balances again.

Balance sheet

The financial assets of SAPF consist of the Endowment fund of EUR 38.047.727, Fund for Local Communities of EUR 301.491 and Other Investments of EUR 11.228.811.

The funds of the Endowment fund (EUR 38.349.218 as at 31 December 2023) have been classified as long-term financial assets since the capital of the Endowment fund will be preserved in the long term to provide for annual income generation and potential capital gains.

The Funding Committee adopts a medium to moderately high-risk investment policy for the Endowment Fund. A strategic and tactical asset allocation has been determined, and investment guidelines have been issued. InsingerGilissen was appointed as the investment manager in 2012. The asset classes have been restricted to blue chip shares with established dividend yields, EU/US-listed shares, corporate bonds of an adequate rating, government Bonds and cash. Direct investments in real estate are not permitted. Assets denominated in US\$ are not hedged for currency risks. The Funding Committee periodically meets with the investment manager to discuss yields, investment risks and investment opportunities.

During the year, the assets were invested in listed shares (EUR 24.552.820), corporate bonds (EUR 10.831.397) and in a Private Equity fund, CVC Capital Partners VIII Associates L.P.

(EUR 2.104.962). The remainder is held on current accounts at KBL Bank. An amount of EUR 1.400.000 of the investment income has been withdrawn and contributed to APN/protected areas and local communities.

The Other Investments consist of investments in EU/US-listed shares (EUR 11.149.299 as of 31 December 2023) and have been classified as long-term financial assets. No further funds were invested in EU/US-listed shares during the year.

Receivables consist of a short-term loan granted to African Parks Network (EUR 3.000.000), prepaid expenses and accrued income. The loan was extended to APN to bridge the timing differences between the execution of activities and the incoming donor funding.

Cash at banks (which does not form part of the Endowment fund) decreased at year-end to EUR 534.398 (31 December 2022: EUR 1.390.249). Currently, these funds are all kept on savings accounts.

The Free Available Reserves are available for future funding of the financing deficits of the projects of African Parks Network.

No material and/or adjusting events occurred after the balance sheet date, and no activities in the field of research and development have been undertaken.

Risk management

As stated above, APN is responsible for the protected areas and other conservation projects it has under management in Africa. SAPF is primarily a fundraising organization to support APN in achieving its mission. The Strategic risks, the Compliance risks, Reputational risks, Health & Safety and other Operational risks with respect to the protected areas in Africa are dealt with by the APN Board and its organization in Johannesburg. Consequently, the management of these risks falls outside the scope of the SAPF Board, but the way they are managed may have significant positive or negative impact on the fundraising activities of SAPF.

The risks SAPF does have to manage are primarily financial. For the financial assets (Endowment Fund and Other Investments) SAPF adopts a medium to moderately high-risk investment policy. A strategic and tactical asset allocation has been determined, and investment guidelines have been issued to the investment manager. The Funding Committee has regularly meetings with the investment manager to assess performance and risks.

SAPF does not have significant concentrations of credit risk. The cash and cash equivalents are held with banks that have at least an A rating. SAPF has no credit facilities and sufficient liquidity and investments in securities to fund operations in the future.

The risk of non-compliance with laws and regulations is controlled with an adequate set of internal controls and (administrative) guidelines, taking into account the relatively small size

of the organization (and its office). For gifts and donations, a Gift Acceptance Policy is in place with tight gift acceptance guidelines including specific government measurements.

SAPF has voluntarily drawn up its financial statements based on medium-sized criteria, even though SAPF can be considered a small entity following the newly applicable size criteria in accordance with Book 2, article 396, paragraph 1 of the Netherlands Civil Code and the Guidelines for Annual Reporting.

Future Outlook

It is expected that the activities of the SAPF, including the staffing and the way of financing will remain unchanged. SAPF is expected to have adequate resources to meet its operational needs for the foreseeable future. Although SAPF has positive expectations towards its capacity to raise funds for APN, the actual gifts and donations may fluctuate because of geopolitical, economical and other risks that are beyond SAPF's control.

Langbroek, 24 April 2024

Chairperson of the Board of Stichting African Parks Foundation,

A.A. Fock

Financial Statements

Balance sheet as at 31 December 2023 (after appropriation of result)

	Ref	31 December 2023		31 December 2022	
		EUR	EUR	EUR	EUR
<i>Assets</i>					
Non - Current assets					
Financial assets	5.1	<u>49.578.029</u>		<u>45.697.649</u>	
			49.578.029		45.697.649
Current assets					
Receivables	5.2	3.070.236		3.069.987	
Cash at banks	5.3	<u>534.398</u>		<u>1.390.249</u>	
			<u>3.604.634</u>		<u>4.460.236</u>
			<u>53.182.663</u>		<u>50.157.885</u>
<hr/>					
		31 December 2023		31 December 2022	
		EUR	EUR	EUR	EUR
<i>Equity and Liabilities</i>					
Foundation funds					
Endowment fund	5.4	38.047.727		35.661.737	
Fund for local communities		301.491		317.107	
Free available reserves		<u>14.739.237</u>		<u>14.122.844</u>	
			53.088.455		50.101.688
Current liabilities					
Accrued expenses	5.5	<u>94.208</u>		<u>56.197</u>	
			<u>94.208</u>		<u>56.197</u>
			<u>53.182.663</u>		<u>50.157.885</u>

Statement of income and expenses for the year 2023

		2023		2022	
	Ref	EUR	EUR	EUR	EUR
Income	6.1		13.625.512		12.792.791
Project expenses	6.2		-14.972.725		-12.797.806
Overhead expenses	6.3		<u>-970.624</u>		<u>-694.261</u>
Operational result			-2.317.837		-699.276
Financial income and expenses	6.4		<u>5.304.604</u>		<u>-7.035.400</u>
Result for the period			<u>2.986.767</u>		<u>-7.734.676</u>
Appropriation of result					
Endowment Fund			2.385.989		-4.796.441
Fund for local communities			-15.616		-157.641
Free available reserves			<u>616.394</u>		<u>-2.780.594</u>
			<u>2.986.767</u>		<u>-7.734.676</u>

Cash flow statement for the year 2023

		2023		2022	
	Ref	EUR	EUR	EUR	EUR
Total of cash flows from (used in) operating activities			-2.317.837		-699.276
<i>Changes in working capital</i>					
Decrease (increase) in receivables		-249		-3.069.987	
Decrease (increase) in investment Endowment Fund		0		-2.164.045	
Increase (decrease) in other payables		38.011		10.614	
			37.762		-5.223.418
Total of cash flows from (used in) operations			-2.280.075		-5.922.694
Interest received		12.373		1.250	
Withdrawals from Endowment Fund		1.400.000		2.147.204	
Realized revenues from donated listed shares		11.450		45.643	
Interest paid		0		-5.553	
			1.423.823		2.188.544
Net cash flow			-856.252		-3.734.150
Exchange rate differences on cash			401		6.950
Total of increase (decrease) in cash and cash equivalents			-855.851		-3.727.200
Movement in cash and cash equivalents					
Cash and cash equivalents at the beginning of the period			1.390.249		5.117.449
Increase (decrease) cash and cash equivalents			-855.851		-3.727.200
Cash and cash equivalents at the end of the period			534.398		1.390.249

Notes to the balance sheet and statement of income and expenses

1 General

1.1 Activities

Stichting African Parks Foundation contributes to the funding of the operations of African Parks Network.

African Parks is a non-profit organisation that takes total responsibility for the rehabilitation and long-term management of national parks in partnership with governments and local communities. Its approach combines world-class conservation practice with business expertise. APN places emphasis on achieving financial sustainability of the parks by combining long-term donor funding with tourism revenues, related business enterprise and payment for ecosystem services, which all serve as a foundation for economic development and poverty alleviation.

Stichting African Parks Foundation was incorporated in Utrecht, the Netherlands, on 17 November 2003. During 2007 the Dutch Tax administration awarded the ANBI status to Stichting African Parks Foundation.

Stichting African Parks Foundation has its statutory seat and registered offices at Langbroekerdijk A 97, 3947 BE Langbroek and is registered at the chamber of commerce under number 30191949.

Stichting African Parks Foundation does not use a budget as a strategic tool to allocate financial resources and for managing activities, therefore the budget figures have not been included.

1.2 Book year

The current book year is equal to the calendar year.

1.3 Estimates

In applying the principles and policies for drawing up the financial statements, different estimates and judgments are made that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the true and fair view required under Book 2, article 362, paragraph 1 of the Netherlands Civil Code, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

1.4 *Cash flow statement*

The cash flow statement has been prepared using the indirect method. This means that the operating cash flows are derived from the reported operational result and that this reported operational result is adjusted for:

- items from the income statement that do not affect the receipts and expenditures in the period;
- changes in provisions, accrued expenses and receivables;
- items from the income statement that are not considered as part of the operating activities (but as investment or financing activities).

The cash items disclosed in the cash flow statement comprise cash at banks and in hand. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received are included in cash from operating activities.

Transactions not resulting in inflow or outflow of cash are not recognised in the cash flow statement.

2 Principles of valuation of assets and liabilities

2.1 General

The financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting for non-profit organisations in the Netherlands (RJ 640) as issued by the Dutch Accounting Standards Board. The financial statements are denominated in euros.

Assets and liabilities are valued at historical cost, unless otherwise indicated.

2.2 Prior year comparison

The accounting policies have been consistently applied to all the years presented.

2.3 Foreign currencies

Functional currency

The statements are presented in euro, which is the functional and presentation currency of Stichting African Parks Foundation.

Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement

The rates used per 31 December 2023 are:

1 Euro = 1,10520 US dollar (2022: 1,06670)

2.4 Financial Assets

Securities are recognised initially at fair value. Fair value is the amount for which an asset could be exchanged. The fair value of listed securities is the same as the market price. Changes in the fair value are recognised directly in the income statement. For subsequent the valuation securities are also valued at fair value.

The purchased interest-bearing bonds, which are not held for trading, are listed and carried at fair value. Changes in the fair value are recognised directly in the income statement.

Transaction costs are expensed in the income statement if these are related to financial assets carried at fair value through income or expenses.

2.5 *Impairment of non-current assets*

At each balance sheet date an assessment is made whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement.

2.6 *Receivables*

Receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Receivables are valued at amortised cost less a provision for uncollectible accounts.

2.7 *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Cash and cash equivalents are stated at face value.

2.8 *Current liabilities*

On initial recognition, current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

3 Principles of determination of result

3.1 General

The result represents the difference between the income from gifts, donations and other income and the overhead costs and the contribution to the expenses of the current African Parks projects for the year. The gifts and donations are recognised in the year they are realised; losses are taken as soon as they are foreseeable.

3.2 Income

Income represents the gifts and donations that have been granted during the year less taxes (if any). In general, the donations received from external donors are specifically earmarked for one or more of the parks.

3.3 Costs

Costs are recognised at the historical cost convention and are allocated to the reporting year to which they relate.

3.4 Employee benefits

Salaries and wages

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to the employees.

3.5 Project expenses

Project expenses are the contribution of Stichting African Parks Foundation to the expenses (operational and investments) of the parks managed by African Parks Network.

3.6 Financial income and expenses

Interest paid and received

Interest received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets concerned.

Changes in financial instruments at fair value

Changes in the value of the following financial instruments are recognised directly through statement of income and expenses:

- derivatives with an underlying instrument that is quoted in an active market;
- purchased loans, bonds (unless held to maturity) and equity instruments that are quoted in an active market.

Decreases in value of financial instruments at fair value are recognised through statement of income and expenses. Realised increases in the value of financial instruments at fair value initially recognised in equity are taken through statement of income and expenses when the financial instruments are derecognised.

3.7 *Exchange rate differences*

Exchange rate differences arising upon the settlement of monetary items are recognised in the income and expenses account in the period that they arise.

3.8 *Taxation*

Stichting African Parks Foundation is not liable to corporate income tax in the Netherlands.

4 Financial instruments and risk management

4.1 *Credit Risk*

The Foundation does not have significant concentrations of credit risk. The cash and cash equivalents are held with banks that have at least an A rating.

The Foundation has provided receivables to related parties. There is no history of default known for these parties.

4.2 *Liquidity Risk*

The Foundation has no credit facilities and sufficient liquidity and investments in securities to fund operations in the future.

4.3 *Currency Risk*

The Foundation operates mainly in the European Union. The currency risk for the Foundation mainly relates to positions in US\$. Assets denominated in US\$ are not hedged for currency risks.

5 Notes to the balance sheet

5.1 Financial assets

Financial assets can be broken down as follows:

	31 December 2023		31 December 2022	
	EUR	EUR	EUR	EUR
Endowment fund	38.047.727		35.661.737	
Fund for Local Communities	<u>301.491</u>		<u>317.107</u>	
		38.349.218		35.978.844
Other Investments		<u>11.228.811</u>		<u>9.718.805</u>
		<u>49.578.029</u>		<u>45.697.649</u>

Endowment Fund

The Endowment Fund includes appropriated funds received from donors. These funds form part of the African Parks collaboration and endowment agreement and are restricted for use.

The movements in the Fund for Local Communities are as follows:

	2023	2022
	EUR	EUR
At 1 January	317.107	474.748
Return on investment	34.384	-57.641
Withdrawals to contribute to Local Communities	<u>-50.000</u>	<u>-100.000</u>
At 31 December	<u>301.491</u>	<u>317.107</u>

The movements in the total Endowment Fund are as follows:

	2023		2022	
	EUR	EUR	EUR	EUR
At 1 January		35.978.844		40.932.926
Contribution proceeds sale donated listed shares		0		2.164.045
Dividends and interests	589.202		479.791	
Results on sale of shares and bonds	1.091.103		1.259.550	
Realised return on investments		1.680.305		1.739.341
Unrealised return on investments		2.173.113		-6.623.523
Administration fee (all-in)		-83.044		-86.741
Withdrawals to contribute to APN and the Parks under APN management	-1.350.000		-2.044.572	
Withdrawals to contribute to Local Communities	-50.000		-100.000	
Withdrawals other	0		-2.632	
		-1.400.000		-2.147.204
At 31 December		38.349.218		35.978.844

The funds are invested as follows:

	31 December 2023	31 December 2022
	EUR	EUR
EU / US listed shares	24.552.820	22.047.656
Corporate Bonds	10.831.397	9.224.494
Private Equity	2.104.962	2.018.477
Current account KBL I	774.020	2.639.827
Accrued interest Corporate Bonds	86.019	48.390
	38.349.218	35.978.844

The funds are restricted foundation funds and spending is subject to contracted limitations. At year-end, an amount of EUR 774.020 is still available to be invested in securities. This

amount has not been reported under cash and cash equivalents since the funds are restricted foundation funds and will be invested in future.

The investment in private equity is a participation in CVC Capital Partners VIII. This investment has been valued at the fair value as at 31 December 2022 and the additions during 2023 at cost.

Please refer to Note 4.4 for further information on the terms of use for these funds.

Other Investment

The other investments relate to investments in US/EU listed shares. The movements are as follows:

	2023	2022
	EUR	EUR
At 1 January	9.718.805	11.831.572
Realised return on investments	345.034	522.553
Unrealised return on investments	1.164.972	-2.635.320
At 31 December	<u>11.228.811</u>	<u>9.718.805</u>

The funds are invested as follows:

	31 December 2023	31 December 2022
	EUR	EUR
Listed shares	11.149.299	9.187.249
Current account BNP	79.512	531.556
	<u>11.228.811</u>	<u>9.718.805</u>

Donated Listed Shares

The movements in the donated listed shares are as follows:

	2023	2022
	EUR	EUR
At 1 January	0	0
Donation of shares	0	2.117.052
Realised result on sale of shares	0	45.643
Other additions	0	2.632
Interest paid	0	-1.282
Proceeds from sale of shares	0	-2.164.045
At 31 December	0	0

The shares donated in December 2023 were not added to Endowment Fund but reported as a donation and transferred to APN.

The total value of listed securities amounts to EUR 46.533.516 as at 31 December 2023.

5.2 Receivables

The receivables relate to interest, donations to be received and short term loans to projects and can be broken down as follows:

	31 December 2023	31 December 2022
	EUR	EUR
Loan to African Parks Network	3.000.000	3.000.000
Donations	26.000	26.000
Event Davos	25.300	0
Prepaid travel expenses	15.840	14.600
Interest	3.096	1.098
Receivable on AP Germany + Switzerland	0	14.718
Prepaid office rent	0	13.571
	3.070.236	3.069.987

The fair value of the receivables is in line with the book value. The loan to African Parks Network will be repaid in 2025.

The remainder of the receivables will fall due within one year.

5.3 *Cash at banks*

Cash at banks is available on demand. The interest on the bank accounts varies between 0,00 % on EUR accounts (2022: 0,0 %) and 1,65 % (2022: 0,65%) on EUR savings accounts and 2,30% for USD current accounts (2022: 1,30%)

	31 December 2023	31 December 2022
	EUR	EUR
Savings accounts	446.081	1.276.225
EUR Current accounts	62.386	33.556
USD Current accounts	25.931	80.468
	<hr/>	<hr/>
	534.398	1.390.249
	<hr/>	<hr/>

The funds are at the free disposal of the Foundation.

5.4 *Foundation funds*

2023

	Endowment Fund	Fund for local communities	Free Available Reserves	Total Foundation Funds
	EUR	EUR	EUR	EUR
1 January 2023	35.661.737	317.107	14.122.844	50.101.688
Withdrawals *	-1.350.000	-50.000	0	-1.400.000
Appropriation of result *	3.735.990	34.384	616.393	4.386.767
At 31 December 2023	38.047.727	301.491	14.739.237	53.088.455

* The sum of withdrawals and appropriation of result amounts to an amount of EUR 2.986.767 which is the result for the period.

2022

	Endowment Fund	Fund for local communities	Free Available Reserves	Total Foundation Funds
	EUR	EUR	EUR	EUR
1 January 2022	40.458.178	474.748	16.903.438	57.836.364
Additions *	2.164.045	0	0	2.164.045
Withdrawals *	-2.044.572	-100.000	0	-2.144.572
Appropriation of result *	-4.915.914	-57.641	-2.780.594	-7.754.149
At 31 December 2022	35.661.737	317.107	14.122.844	50.101.688

* The sum of additions, withdrawals and appropriation of result amounts to a negative amount of EUR 7.734.676 which is the result for the period. Additions relate to listed shares donated in 2022.

Endowment fund

The endowment fund relates to the funds that form part of the African Parks collaboration and endowment agreement between African Parks Network, Stichting African Parks Foundation, African Parks Foundation of America and African Parks Stiftung Schweiz. These funds are invested to generate income to be used exclusively for funding of specific parks or projects of African Parks Network. These resources are, either by the said agreement and/or by donor’s stipulation, restricted foundation funds and cannot be spent. Only investment income can be spent upon a decision of the Funding Committee that consists of six members. Two members have been appointed by Stichting African Parks Foundation.

During 2023 the investment income on the Endowment Fund was distributed as follows:

	2023	2022
	EUR	EUR
African Parks Network	1.330.913	2.027.760
African Parks Liuwa	19.087	16.812
At 31 December	1.350.000	2.044.572

As at 31 December 2023 the cumulative unspent (realized and unrealized) investment income amounts to EUR 6.881.855 (2022: EUR 4.549.486).

Fund for local Communities

The Fund for local Communities consists of funds donated by an anonymous donor. This fund is open for contributions by other donors. The funds have been earmarked specifically for the support of the economic and educational interests of local communities near parks managed by African Parks Network. Annually, a part of the capital may be used in support of the local communities.

Free available reserves

This relates to the share of the foundation funds which can be used to fund African Parks projects without any restrictions from African Parks group members and / or third parties. The free available reserves are at the full disposal of the Board.

Appropriation of result

The result for the period will be added to the Foundation Funds.

5.5 *Accrued expenses*

Accrued expenses mainly relate to accrued donations to African Parks Network and accounts payable and can be broken down as follows:

	2023	2022
	EUR	EUR
Donations African Parks Network	52.019	20.500
Advisory fees	17.206	22.246
Holiday allowance personnel	15.645	6.902
Accrued expenses	9.338	6.549
At 31 December	94.208	56.197

Donations APN relate to donations received by SAPF just before year-end and transferred to APN at the beginning of 2024.

All other current liabilities will mature within one year. The fair value of the accrued expenses is in line with the book value.

6 Notes to the statement of income and expenses

6.1 Income

Income concerns the grants and gifts that have been granted during the year.
The breakdown is as follows:

	2023	2022
	EUR	EUR
Grants received from external donors for (APN) Protected Areas	13.572.725	10.653.234
Gifts and donations	<u>52.787</u>	<u>2.139.557</u>
	<u>13.625.512</u>	<u>12.792.791</u>

The grants received from external donors for APN Protected Areas have been allocated as follows:

	2023	2022
	EUR	EUR
African Parks Network	<u>13.572.725</u>	<u>10.653.234</u>
	<u>13.572.725</u>	<u>10.653.234</u>

The grants and gifts received can be broken down as follows:

	2023	2022
	EUR	EUR
Other	52.787	22.505
Donated Listed shares	<u>0</u>	<u>2.117.052</u>
	<u>52.787</u>	<u>2.139.557</u>

6.2 *Project expenses*

The contributions to the (APN) Protected Area can be broken down as follows:

	2023	2022
	EUR	EUR
Contributions to (APN) Protected Areas from grants received from external donors (see 6.1)		
African Parks Network	<u>13.572.725</u>	<u>10.653.234</u>
	13.572.725	10.653.234
Contributions to (APN) Protected Areas from Endowment Fund		
African Parks Network	1.330.913	2.027.760
Liuwa	<u>19.087</u>	<u>16.812</u>
	1.350.000	2.044.572
Contributions to (APN) Protected Areas from Fund for Local Communities		
African Parks Network	<u>50.000</u>	<u>100.000</u>
	50.000	100.000
Contributions to (APN) Protected Areas from Free Available Reserves		
African Parks Network	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Total net contributions to (APN) Protected Areas	<u>14.972.725</u>	<u>12.797.806</u>

6.3 Overhead expenses

The overhead expenses mainly relate to the costs of the funding activities and can be broken down as follows:

	2023	2022
	EUR	EUR
Personnel expenses	648.332	352.120
Office rent and expenses	82.481	21.502
Travelling and accommodation	61.187	57.902
Marketing	35.092	12.951
Advisory and APN fees	34.174	211.671
Interim Management	28.435	0
Professional services	17.951	7.089
Strategy Consultancy	17.760	0
Recruitment expenses	11.762	12.100
Other operating expenses	33.450	18.926
	<u>970.624</u>	<u>694.261</u>

Personnel expenses can be specified as follows:

	2023	2022
	EUR	EUR
Salaries	535.230	311.009
Social security, taxes and other	113.102	41.111
	<u>648.332</u>	<u>352.120</u>

Remuneration of Board members

The Board members do not receive any financial compensation for their work and they pay their own travel and out of pocket expenses. This was also applicable for 2022.

Advisory and APN fees relate to the support for and advise on fundraising in other European Countries.

Office expenses consist of the rental cost of external offices rent. Professional services relate to audit fees and payroll administration.

Under the other operating expenses an amount of € 14.328 has been included as audit costs. These costs relate to the audit of the 2023 financial statements, regardless of whether the work was performed during the financial year.

Average number of employees

The average number of full-time employees amount to 7,8 (2022: 3). They are all involved in fundraising. In 2023, the team consisted of 2,8 FTE of direct fundraisers (2022: 2) and 5 support members (2022:1)

6.4 *Financial income and expenses*

	2023	2022
	EUR	EUR
<i>Return Endowment Fund</i>		
Realised return	1.680.305	1.739.341
Unrealised return	2.173.113	-6.623.523
Administration fees	<u>-83.044</u>	<u>-86.741</u>
	3.770.374	-4.970.923
<i>Return Investment in shares</i>		
Realised return	345.034	522.553
Unrealised return	<u>1.164.972</u>	<u>-2.635.320</u>
	1.510.006	-2.112.767
<i>Return donated listed shares</i>		
Realised return on shares	<u>11.450</u>	<u>45.643</u>
	11.450	45.643
<i>Interest income and expenses</i>		
Interest received on bank balances	12.373	1.250
Interest paid on bank balances	<u>0</u>	<u>-5.553</u>
	<u>12.373</u>	<u>-4.303</u>
Net interest and return	5.304.203	-7.042.350
Foreign exchange differences	<u>401</u>	<u>6.950</u>
	<u>5.304.604</u>	<u>-7.035.400</u>

The foreign exchange differences relate to translation differences on the USD bank account as at 31 December 2023.

Langbroek, 24 April 2024

The Board,



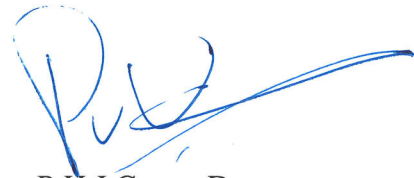
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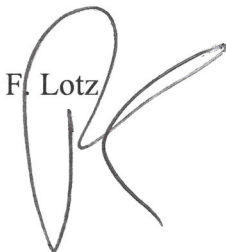
O. van de Stolpe



H.M.N. Dura - van Oord



P.H.J.C. van Doorne



F. Lotz



M. A. de Blécourt-Wouterse

Other information

Appropriation of result

There are no statutory rules for profit appropriation in the articles of association. The result for the period will be added to the Foundation Funds.



Independent auditor's report

To: the board of Stichting African Parks Foundation

Report on the audit of the financial statements 2023

Our opinion

In our opinion, the financial statements of Stichting African Parks Foundation ('the Foundation') give a true and fair view of the financial position of the Foundation as at 31 December 2023, and of its result for the year then ended in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

What we have audited

We have audited the accompanying financial statements 2023 of Stichting African Parks Foundation, Langbroek.

The financial statements comprise:

- the balance sheet as at 31 December 2023;
- the statement of income and expenses for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

NLE00024330.1.1

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Independence

We are independent of Stichting African Parks Foundation in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the report of the board that is required by the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board is responsible for the preparation of the other information, including the report of the board pursuant to the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

Responsibilities for the financial statements and the audit

Responsibilities of the board for the financial statements

The board is responsible for:

- the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board; and for
- such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board is responsible for assessing the Foundation's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going-concern basis of accounting unless the board either intends to liquidate the Foundation or to cease operations or has no realistic alternative but to do so. The board should disclose in the financial statements any event and circumstances that may cast significant doubt on the Foundation's ability to continue as a going concern.



Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. 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 but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Utrecht, 24 April 2024
PricewaterhouseCoopers Accountants N.V.

This document is electronically signed by:

Wim Vermeulen

W.F.J. Vermeulen RA

Appendix to our auditor's report on the financial statements 2023 of Stichting African Parks Foundation

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board.
- Concluding on the appropriateness of the board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.