

**The Brazzaville Foundation**  
**Company Limited by Guarantee**  
**Financial Statements**  
**1 April 2019**

**HICKS AND COMPANY**

Chartered Accountants & Statutory Auditor  
Vaughan Chambers  
Vaughan Road  
Harpenden  
Hertfordshire  
AL5 4EE

**The Brazzaville Foundation**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 1 April 2019**

	<b>Page</b>
Trustees' annual report (incorporating the director's report)	<b>1</b>
Independent auditor's report to the members	<b>10</b>
Statement of financial activities (including income and expenditure account)	<b>14</b>
Statement of financial position	<b>15</b>
Statement of cash flows	<b>16</b>
Notes to the financial statements	<b>17</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>27</b>
Notes to the detailed statement of financial activities	<b>28</b>

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report)**

**Year ended 1 April 2019**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 1 April 2019.

This report has been prepared in compliance with the duty in Section 17(5) of the Charities Act 2011, to have regard to the public benefit guidance published by the Charity Commission.

The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice for Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2015).

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered charity name** The Brazzaville Foundation

**Charity registration number** 1160693

**Company registration number** 09176062 England

**Principal office** 50 Broadway  
Westminster  
London

**Registered office** 10 Queens Street Place  
London  
EC4R 1BE

#### **THE TRUSTEES**

Mr Jean-Yves Ollivier (Chairman)  
Mr Philip M Prettejohn (Hon.  
Treasurer)  
Mr Nicholas J Chance  
Mr Oliver Scutt (Appointed 19 April 2018)  
The Lord Bell of Belgravia (Resigned 9 November 2018)

**Auditor** Hicks and Company  
Chartered Accountants & Statutory Auditor  
Vaughan Chambers  
Vaughan Road  
Harpenden  
Hertfordshire  
AL5 4EE

**Bankers** Union Bancaire Privée  
Rue du Rhone 96 - 98  
CP 1320  
1211 Geneva  
Switzerland

Metro Bank PLC  
One Southampton Row  
London  
WC1B 5HA

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **Solicitors**

Bates Wells Braithwaite  
10 Queen Street Place  
London  
EC4R 1BE

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Brazzaville Foundation is a company limited by guarantee.

The Foundation is an independent, non-profit organisation based in London. It draws its name and inspiration from the Brazzaville Accords, which were signed in the Congolese capital on 13 December 1988. They opened a new chapter in the history of modern Africa by bringing about a peaceful settlement of the conflicts in southern Africa, securing the independence of Namibia and paving the way to an end to apartheid in South Africa.

This annual report covers the period 2 April 2018 to 1 April 2019.

#### **Legal Objects**

The Foundation was formed as a Company limited by Guarantee incorporated on 14 August 2014 with company number 9176062. The Company was registered as a charity with the The Charity Commission on 27 February 2015 with charity number 1160693. The name of the Foundation was changed from The Brazzaville Foundation for Peace and Conservation to The Brazzaville Foundation by a Special Resolution dated 22 November 2018. The Articles of Association, as amended by Special Resolutions dated 18 February 2015 and 22 November 2018, define the company as being restricted specifically to:

- the promotion of national and international conflict resolution and reconciliation for the public benefit with a view to relieving suffering and poverty and promoting human rights and religious and racial harmony by mediating with parties to the conflict and others together to discuss possible solutions; and
- the saving of lives, the advancement of health, the relief of need, and the preservation and conservation for the public benefit of the physical and natural environment including landscapes, flora and fauna and the furtherance of other purposes recognised as charitable under English law, in particular (but without limitation) in areas affected by conflict around the world,

provided that all activities shall be balanced and shall maintain or enhance the charity's commitment to remaining independent and impartial.



# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)***

##### **Advisory Board**

The Foundation has established a Board of Advisers made up of distinguished individuals whose experience and expertise in different fields enable them to give guidance to the Foundation and assist it in its work. During the year ended April 2019, Ms Ilmas Futehally, Executive Director of the Strategic Foresight Group in India, joined the Advisory Board. The other Advisory Board members are: Dr Ramos-Horta, winner of the Nobel Peace prize; Mr Olusegun Obasanjo, former President of Nigeria; Mr Kgaleme Motlanthe, former President of South Africa; Mr Amama Mbabazi, former Prime Minister of Uganda; Mr Sundeep Waslekar, President of the Strategic Foresight Group; Dr Mathews Phosa, a leading member and former Treasurer General of the ANC in South Africa; Mr Kabiné Komara, a former Prime Minister of Guinea; HSH Prince Philipp of Liechtenstein; Madame Cécilia Attias, former First Lady of France; and Mr Pär Stenbäck, a former head of the International Red Cross and Red Crescent Movement. Mr Xavier Guerrand-Hermès stepped down as a trustee for health reasons in March 2019.

An Advisory Board meeting was held in London on 20 April 2018.

##### **Trustees, Governance and Administration**

The Articles of Association provide that there should be at least three Trustees who shall serve for a renewable term of three years. The Trustees are not remunerated for their trusteeship and details of Trustee expenses and any related party transactions are disclosed in the notes to the accounts.

The Board of Trustees of the Charity, who are also directors of the company, are responsible for setting the strategy and for the overall running of The Brazzaville Foundation with the aid of an experienced Advisory Board from around the world. The Brazzaville Foundation's Chairman, Mr Jean-Yves Ollivier, has been engaged in conflict resolution in Africa for more than thirty years.

HRH Prince Michael of Kent is the patron and has devoted considerable time to the activities of the Foundation.

The day to day operation of the charity is administered by Sir David Richmond, a former British diplomat with over thirty years' experience in international affairs.

The Foundation is committed to maintaining the highest standards of integrity and ethical behaviour in all its activities. All those working for the Foundation or associated with it are expected to uphold those standards.

##### **Appointment of Trustees**

Mr Oliver Scutt was appointed as a Trustee and Director on 19 April 2018. Lord Bell resigned as a Trustee and Director on 9 November 2018 for health reasons. There is no formal policy for the recruitment and appointment of successors to the present Trustees. This will be established over the course of the next two years as the direction of the operations of the Foundation itself develops and the skills required in the future become clearer.

New Trustees are briefed on their legal obligations under the charity and company law, the Charity Commission guidance on public benefit, and informed of the contents of the Memorandum and Articles of Association, the decision making processes and recent financial performance of the charity.

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)***

##### **Risk Management**

The Trustees have a risk management strategy which includes annual review of the risks to which the charity is exposed, and the establishment and implementation of systems and procedures designed to mitigate the impact on the charity of the risks identified. Key elements of the strategy include:

- the implementation of procedures for the authorisation of all financial transactions and the incurring of financial obligations;
- the setting of a reserves policy and its regular review by the Trustees, and
- the agreement of an annual budget which is regularly reviewed.

#### **OBJECTIVES AND ACTIVITIES**

##### **Mission Statement**

The Foundation's goal is to help meet some of the key challenges facing the African continent by developing economic, environmental and conflict prevention initiatives that support the UN's sustainable development goals and bring countries and peoples together in peaceful cooperation.

The Foundation operates as both catalyst and advocate, generating ideas and initiatives and using its network of advisers and contacts to seek high level support and buy-in. Once an initiative has been successfully launched, the Foundation will work with and through its partners to handle implementation.

The Foundation was born from the belief that only by achieving peace and stability can nations thrive, people prosper and the environment be safeguarded.

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **OBJECTIVES AND ACTIVITIES *(continued)***

##### **Programme of work**

The Foundation has launched several initiatives:

- The Foundation's proposal for a Congo Basin Blue Fund was launched at COP 22 Climate Summit in Marrakesh in 2016 and now has the support of 12 countries in the region. This is a sustainable development initiative designed to reduce pressure to exploit the forests of the Congo Basin and thus mitigate the impact of global warming by promoting alternative economic development using the resources of the Congo River and its tributaries.
- The Foundation is working with the Harvard Global Health Institute and others to highlight the growing public health crisis caused by the traffic in substandard and falsified medicines. This is a serious problem throughout the developing world but is particularly acute in Africa where 30-60% of pharmaceuticals in circulation are believed to be substandard or fake.
- With the support of the Government of Senegal, the Foundation organised a meeting in Dakar on 11-13 May 2018 to establish a dialogue aimed at promoting rapprochement and reconciliation in Libya.
- The Foundation is working on a proposal to establish a "peace park" uniting existing national parks adjacent to the common border between Gabon and the Republic of the Congo. This would bring important ecological and anti-poaching benefits, while promoting peaceful bilateral cooperation and reducing the scope for border disputes.
- The Foundation has taken an interest in the problem of migration as it affects West African countries, with the aim of identifying what actions they can take to reduce migratory pressures and helping them to establish common positions in order to promote regional cooperation and strengthen their hand in discussions with the EU and others on financial and technical support;

The Trustees have paid due regard to the Public Benefit guidance issued by the Charity Commission in deciding what activities to undertake.



# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **ACHIEVEMENTS AND PERFORMANCE**

The Foundation has continued to expand its activities over the last year.

The focus of the Foundation's dialogue-building and conflict prevention work has been Libya. During many months of preparatory work, the Foundation's Chairman, Mr Ollivier, travelled to Tripoli, Istanbul, Tunis and elsewhere to meet Libyans from across the political spectrum and seek their support for an inter-Libyan dialogue. Despite deep political differences, there was a willingness to accept certain key principles as the basis for a dialogue aimed at promoting rapprochement and reconciliation. These included a single, unified State, civilian government, an army answerable to a civilian government, an independent judiciary and holding free and fair elections. Building on this opening, and with the strong support of President Macky Sall of Senegal who offered the Senegalese capital Dakar as a neutral venue acceptable to all Libyan parties, the Brazzaville Foundation brought together in May 2018 some 20 Libyans drawn from across the political spectrum including members of the February movement which had overthrown Qadhafi, Qadhafi loyalists, and tribal and civil society representatives.

The Dakar meeting was not a negotiation but an opportunity for Libyans representing a wide range of views and interests, including long-standing opponents, to meet, many for the first time, and talk to each other freely without intermediaries or outside interference. President Macky Sall opened the meeting and the distinguished diplomat, Mr Moustapha Niasse, President of the Senegalese National Assembly, and Mr Ollivier acted as facilitators. Despite their many differences and the tensions that were palpable at the start of the meeting, all the participants agreed to look to the future rather than the past. As the meeting progressed, the atmosphere improved markedly. Over three days they talked, ate and prayed together. They set their own agenda and, where disagreements existed, there was a genuine effort to try to overcome them. In a final communique they reached a broad consensus on a number of key issues as the basis for reconciliation. They also agreed that the dialogue should continue to be expanded.

The Foundation's work is intended to be supportive of, and complementary to, international efforts. We believe that an inclusive dialogue is the essential first step to enable Libyans to rebuild trust, begin to reconcile their differences and thus lay the foundations for the success of negotiations under UN and AU auspices to resolve the Libyan crisis and ensure a peaceful and prosperous future for the people of Libya. The Foundation aims to build on the work of reconciliation begun in Dakar last May by arranging an expanded dialogue at a further meeting in a neutral venue, although the current political and security climate makes this particularly difficult.

The Foundation continues to pursue its initiative on substandard and falsified medicines. Following the success of the conference, "Medicines that lie: a deadly public health crisis", at the Wellcome Trust in London on 28 March 2018 organised in partnership with Harvard University's Global Health Institute and the London School of Hygiene and Tropical Medicine, the Foundation has been working on the organisation of a high level conference in Africa. The Foundation's Chief Executive travelled to Rwanda in January 2018 where he met senior officials from the Health Ministry and afterwards the Minister of Health who gave strong support to holding a Ministerial level conference in Kigali. The Foundation, again in partnership with the Harvard Global Health Institute, has since been in contact with number of organisations to seek support and funding for the conference which, it is hoped, will take place in early 2020. The agenda is still under discussion but it will be designed to make practical recommendations for action which can be endorsed by the Ministers. The Foundation also commissioned a study of the links between falsified medicine and transnational crime.

The Foundation's first and most ambitious initiative - to establish a Congo Basin Blue Fund - continues to move forward, although the leadership of this initiative has now passed to the countries who will benefit from it. With technical support from UNDP and financing from the German Ministry of Economic Cooperation and Development (BMZ), terms of reference for a detailed feasibility study were agreed and a contract to carry out the study awarded to Ernst & Young. This will make

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 1 April 2019**

recommendations during 2019 based on which the crucial decisions on the financing, operational management and strategic governance of the Blue Fund will be taken. It will also draw up a first investment plan. A great deal of work is still needed to turn this proposal into an effective financial instrument, but the preparatory study is a crucial step forward. Although the countries themselves have assumed the responsibility for establishing the Fund, the Foundation continues to play a supportive role and its Chairman, Mr Ollivier, has been appointed a goodwill Ambassador for the Blue Fund.

The Foundation is working on a project to create a new "peace park" bringing together national parks on either side of the international border between Gabon and the Republic of the Congo. This will create important ecological and anti-poaching benefits, while promoting peaceful bilateral cooperation and reducing the scope for border disputes.

The Foundation held a meeting with senior members of the EU commission in December 2018 to discuss migration in West Africa but no new initiative is currently planned.

#### **FINANCIAL REVIEW**

The Foundation's initial funding was provided by its Chairman, Mr Jean-Yves Ollivier and he continues to be its principal benefactor. The Foundation is, however, committed to diversifying its sources of funding and is pursuing various avenues in this regard.

The Foundation remains in a financially stable position at 1 April 2019 showing available funds of £219,125.

Mr Ollivier has met personally all of his own expenses incurred in his work on behalf of the Foundation as well as the costs relating to the Foundation's initiative on Libya and the organisation of the Dakar meeting. These expenses are treated as a donation in these accounts.

#### **Going concern**

The Trustees have reviewed the ongoing expenditure in 2019 together with the anticipated income and are satisfied that the Foundation may prepare the accounts on the going concern basis. In addition to any other funding received Mr Ollivier has confirmed that he will continue to support the activities of the Foundation.

#### **Reserves Policy**

The Foundation remains dependent upon the agreement of the Chairman to meet the ongoing costs of its operation. The Foundation has funds available at the end of the reporting period of £219,125 which will be held for and used towards future projects. The Foundation is still seeking funding from other sources and it is hoped that these efforts will continue to produce funds. The Trustees anticipate that the current funds will support existing costs and short term plans and are satisfied that the current level is appropriate and in line with the stated policy of holding at least four months future operating costs.

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **PLANS FOR FUTURE PERIODS**

The Foundation will continue to work on preparations for a major conference on substandard and falsified medicines in Kigali in 2020. The Foundation also expects to launch a further initiative on this issue. The Foundation will continue to support rapprochement and reconciliation in Libya and, if the political and security situation permits, will seek to organise a further meeting to broaden and deepen the process begun in Dakar in May 2108. It will support the work underway to make the Congo Basin Blue Fund an effective instrument capable of financing sustainable development in Central Africa, while reducing pressure to exploit the forests of the Congo Basin and thus mitigating the effects of global warming. Work will also continue on the "peace park" project.

As the Foundation expands its activities, funding will be an important issue. In September 2018 a new member of staff was recruited to help identify how the Foundation's work could be developed in ways which would help it attract new sources of funding.

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 1 April 2019**

#### **AUDITOR**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditors Plummer Parsons resigned during the year. Subsequently Hicks and Company have been appointed in accordance with section 485 of the Companies Act 2006.

The auditors, Hicks and Company, are deemed to be re-appointed in accordance with section 487 of the Companies Act 2006.

#### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 7 October 2019 and signed on behalf of the board of trustees by:



Mr Philip M Prettejohn (Hon. Treasurer)  
Trustee



# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Brazzaville Foundation**

**Year ended 1 April 2019**

#### **OPINION**

We have audited the financial statements of The Brazzaville Foundation (the 'charity') for the year ended 1 April 2019 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 1 April 2019 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 charity 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Brazzaville Foundation** *(continued)*

**Year ended 1 April 2019**

#### **OTHER INFORMATION**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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

We have nothing to report in this regard.

#### **OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of 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 Report of the Trustees.

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

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

Hicks and Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Brazzaville Foundation** (continued)

**Year ended 1 April 2019**

#### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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 override of internal control.
- Obtain 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity'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. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of The Brazzaville Foundation** *(continued)*

**Year ended 1 April 2019**

We communicate with those charged with governance 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.

#### **USE OF OUR REPORT**

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Philip Dean BA FCA (Senior Statutory Auditor)

Vaughan Chambers  
Vaughan Road  
Harpenden  
Hertfordshire  
AL5 4EE

For and on behalf of  
Hicks and Company  
Chartered Accountants & Statutory Auditor

8 October 2019

**The Brazzaville Foundation**  
**Company Limited by Guarantee**  
**Statement of Financial Activities**  
**(including income and expenditure account)**  
**Year ended 1 April 2019**

		2019	2018	
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	247,595	<b>247,595</b>	459,169
<b>Total income</b>		<u>247,595</u>	<u><b>247,595</b></u>	<u>459,169</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of other trading activities	6	—	—	57,555
Expenditure on charitable activities	7,8	396,754	<b>396,754</b>	356,606
<b>Total expenditure</b>		<u>396,754</u>	<u><b>396,754</b></u>	<u>414,161</u>
<b>Net (expenditure)/income and net movement in funds</b>				
		<u>(149,159)</u>	<u><b>(149,159)</b></u>	<u>45,008</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		368,284	<b>368,284</b>	323,276
<b>Total funds carried forward</b>		219,125	<b>219,125</b>	368,284

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements.

**The Brazzaville Foundation**  
**Company Limited by Guarantee**  
**Statement of Financial Position**

**1 April 2019**

	Note	2019 £	£	2018 £
<b>Fixed assets</b>				
Tangible fixed assets	15		—	353
<b>Current assets</b>				
Debtors	16	63,344		229,938
Cash at bank and in hand		165,255		188,706
		<u>228,599</u>		<u>418,644</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>9,474</u>		<u>50,713</u>
<b>Net current assets</b>			<u>219,125</u>	<u>367,931</u>
<b>Total assets less current liabilities</b>			<u>219,125</u>	<u>368,284</u>
<b>Net assets</b>			<u>219,125</u>	<u>368,284</u>
<b>Funds of the charity</b>				
Unrestricted funds			<u>219,125</u>	<u>368,284</u>
<b>Total charity funds</b>	19		<u>219,125</u>	<u>368,284</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 7 October 2019, and are signed on behalf of the board by:



Mr Philip M Prettejohn (Hon. Treasurer)  
Trustee

The notes on pages 17 to 25 form part of these financial statements.

# The Brazzaville Foundation

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 1 April 2019

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Net (expenditure)/income	(149,159)	45,008
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	353	353
Interest payable and similar charges	3,718	3,660
Accrued expenses	(42,481)	(24,193)
<i>Changes in:</i>		
Trade and other debtors	166,594	(128,845)
Trade and other creditors	1,242	453
Cash generated from operations	(19,733)	(103,564)
Interest paid	(3,718)	(3,660)
Net cash used in operating activities	(23,451)	(107,224)
<b>Net decrease in cash and cash equivalents</b>	(23,451)	(107,224)
<b>Cash and cash equivalents at beginning of year</b>	<b>188,706</b>	<b>295,930</b>
<b>Cash and cash equivalents at end of year</b>	<b>165,255</b>	<b>188,706</b>

The notes on pages 17 to 25 form part of these financial statements.

**The Brazzaville Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 1 April 2019**

**1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 10 Queens Street Place, London, EC4R 1BE.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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)) and the Companies Act 2006.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity. The amounts are rounded to the nearest pound.

**Going concern**

At the time of approving the accounts the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operation existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing these accounts.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Significant judgements**

There are no significant judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

**Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 1 April 2019**

#### **3. Accounting policies** *(continued)*

##### **Foreign currencies**

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Trustees of The Brazzaville Foundation consider there to be one fund which is unrestricted and is available for use at the discretion of the trustees to further any of the charity's purposes. The Trustees also consider there to be one main activity. This is reflected in the notes to the accounts.

##### **Incoming resources**

###### **Income**

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The charity's income consists of donations receivable.

The following specific policies are applied to particular categories of income:

- Cash donations are included in full in the Statement of Financial Activities on receipt. Other non-cash donations are recognised once the charity has been notified of the donation;
- Donated services and facilities are included at the value to the charity where this can be quantified;



# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 1 April 2019**

#### **3. Accounting policies** *(continued)*

##### **Resources expended**

###### **Expenditure**

All expenditure is incurred in pursuit of the charity's objects and is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure comprises that related to the charity's objects of peace and conservation as well as costs of raising funds. It includes both direct costs and support costs relating to such activities. Support costs are those functions that assist with the deliverance of the charitable activities and include general office costs, finance and governance costs.

Governance costs include those costs associated with meeting the statutory requirements of the charity and include its audit fees and costs linked to its strategic management.

Support costs and governance costs have been allocated wholly to the charitable activities of peace and conservation.

###### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

###### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer equipment	- 33% straight line
--------------------	---------------------

###### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

# The Brazzaville Foundation

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 1 April 2019

#### 3. Accounting policies *(continued)*

##### Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

#### 4. Limited by guarantee

The Brazzaville Foundation is incorporated as a company limited by guarantee not having any share capital.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
<b>Donations</b>				
Donations from Mr Jean-Yves Ollivier	242,595	<b>242,595</b>	459,169	459,169
Other donations	5,000	<b>5,000</b>	—	—
	<u>247,595</u>	<u><b>247,595</b></u>	<u>459,169</u>	<u>459,169</u>

Mr Ollivier has met personally all of his own expenses incurred in his work on behalf of the Foundation, as well as the costs related to the meetings of the Advisory Board. These expenses have been included in the accounts at their value to the charity, except for those amounts which cannot be accurately identified, in particular where they are not incurred exclusively for the charity.

Mr Ollivier has undertaken to provide additional funds to the charity after the year end given the net expenditure incurred in the year. In this regard an amount of US\$ 250,000 was received in July 2019.

#### 6. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Fundraising activity	—	—	57,555	57,555

It is considered that income receivable with respect to the auction held in Hong Kong in 2017 may not be received, so the accrued income has been reversed and will be included if and when received.

# The Brazzaville Foundation

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 1 April 2019

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Other Administrative Costs	232,148	<b>232,148</b>	115,685	115,685
Support costs	164,606	<b>164,606</b>	240,921	240,921
	<u>396,754</u>	<u><b>396,754</b></u>	<u>356,606</u>	<u>356,606</u>

#### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
Other Administrative Costs	232,148	157,816	<b>389,964</b>	291,793
Governance costs	—	6,790	<b>6,790</b>	64,813
	<u>232,148</u>	<u>164,606</u>	<u><b>396,754</b></u>	<u>356,606</u>

#### 9. Analysis of support costs

	Analysis of support costs £	Total 2019 £	Total 2018 £
Staff costs	34,746	<b>34,746</b>	5,554
Premises	29,118	<b>29,118</b>	28,304
Communications and IT	3,034	<b>3,034</b>	1,723
General office	2,110	<b>2,110</b>	1,486
Finance costs	3,718	<b>3,718</b>	3,660
Governance costs	18,000	<b>18,000</b>	13,500
Accountancy fees	8,933	<b>8,933</b>	9,600
Audit fees	3,960	<b>3,960</b>	4,800
Legal fees	4,220	<b>4,220</b>	1,230
Costs of meetings	761	<b>761</b>	3,624
Travel	—	—	346
Foreign currency (gain)/loss	(16,911)	<b>(16,911)</b>	40,398
Marketing and PR	72,918	<b>72,918</b>	9,297
Consultancy	—	—	117,399
	<u>164,607</u>	<u><b>164,607</b></u>	<u>240,921</u>

#### 10. Comparatives for the statement of financial activities

In the comparative period the charity did not have any restricted funds. The comparative figures for the unrestricted funds are therefore the same as those shown in the Statement of Financial Activities and are not reproduced here.

# The Brazzaville Foundation

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 1 April 2019

#### 11. Net (expenditure)/income

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

	2019	2018
	£	£
Depreciation of tangible fixed assets	353	353
Foreign exchange differences	(16,911)	40,398

#### 12. Auditors remuneration

	2019	2018
	£	£
Fees payable for the audit of the financial statements	3,960	3,600

#### 13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	131,150	36,192
Social security costs	12,096	711
Employer contributions to pension plans	824	121
	<u>144,070</u>	<u>37,024</u>

The average head count of employees during the year was 3 (2018: 1). The average number of full-time equivalent employees during the year is analysed as follows:

	2019	2018
	No.	No.
Number of staff - Administration	1	1
Number of staff - Charitable activities	2	—
	<u>3</u>	<u>1</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2019	2018
	No.	No.
£80,000 to £89,999	1	—

#### Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity.

#### 14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

**The Brazzaville Foundation**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year ended 1 April 2019**

**15. Tangible fixed assets**

	Equipment £	Total £
<b>Cost</b>		
At 2 April 2018 and 1 April 2019	1,059	1,059
<b>Depreciation</b>		
At 2 April 2018	706	706
Charge for the year	353	353
At 1 April 2019	1,059	1,059
<b>Carrying amount</b>		
At 1 April 2019	—	—
At 1 April 2018	353	353

**16. Debtors**

	2019 £	2018 £
Prepayments and accrued income	59,304	225,898
Other debtors	4,040	4,040
	<u>63,344</u>	<u>229,938</u>

**17. Creditors: amounts falling due within one year**

	2019 £	2018 £
Trade creditors	5,514	4,272
Accruals and deferred income	3,960	46,441
	<u>9,474</u>	<u>50,713</u>

**18. Pensions and other post retirement benefits**

**Defined contribution plans**

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £824 (2018: £121).

# The Brazzaville Foundation

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 1 April 2019

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 2 April 2018 £	Income £	Expenditure £	At 1 April 2019 £
General funds	<u>368,284</u>	<u>247,595</u>	<u>(396,754)</u>	<u>219,125</u>
	At 2 April 2017 £	Income £	Expenditure £	At 1 April 2018 £
General funds	<u>323,276</u>	<u>459,169</u>	<u>(414,161)</u>	<u>368,284</u>

#### 20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2019 £
Current assets	<u>219,125</u>	<u>219,125</u>
	Unrestricted Funds £	Total Funds 2018 £
Current assets	<u>368,284</u>	<u>368,284</u>

#### 21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2019 £	2018 £
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Financial assets that are debt instruments measured at amortised cost	<u>63,344</u>	<u>229,938</u>
<b>Financial liabilities measured at amortised cost</b>		
Financial liabilities measured at amortised cost	<u>9,474</u>	<u>50,713</u>

# **The Brazzaville Foundation**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

#### **Year ended 1 April 2019**

#### **22. Related parties**

Mr Jean-Yves Ollivier was again a significant donor to The Brazzaville Foundation for Peace and Conservation in the year. The amounts donated by Mr Ollivier are described in note 5 to the accounts. Of these donations £196,000 (2018 £359,222) was paid to the Foundation directly. At the year end the amount outstanding was £nil (2018 £178,380).

No remuneration has been paid to the Trustees nor have they received any benefits from the charity. During the year Mr Ollivier waived travel and accommodation expenses of £46,595 (2018 £41,569) in relation to attending the Advisory Board meetings and other charitable activities. These expenses have been included in the accounts as a donation received from Mr Ollivier. Other costs have been incurred by Mr Ollivier but these are unquantifiable so have not been included in these accounts.

No other trustee was reimbursed for any expenses incurred.

Sir David Richmond is now directly employed by the Foundation, therefore no amounts were paid to Carlisle Place Consultancy Ltd, a company owned 100% by Sir David and Lady Richmond in the year (2018 £77,700).