

DUTCH CARIBBEAN NATURE
ALLIANCE FOUNDATION
BONAIRE

Financial Statements 2021

For Identification Purposes


ERNST & YOUNG ACCOUNTANTS

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To: The Board of Directors of
Dutch Caribbean Nature Alliance Foundation

INDEPENDENT AUDITOR'S REPORT

BALANCE SHEET AS AT DECEMBER 31, 2021
(after proposal of result appropriation)

A s s e t s

	Notes	<u>2021</u>	<u>2020</u>
		USD	USD
<i>Non-current assets</i>			
Tangible Fixed Assets			
Furniture and equipment	1	30,375	19,606
Financial Assets			
Investments	2	17,932,330	17,957,904
Total Non-current Assets		<u>17,962,705</u>	<u>17,977,510</u>
<i>Current assets</i>			
Cash and cash equivalents	3	1,807,891	1,461,821
Receivables	4	370,655	74,913
Total Current assets		<u>2,178,546</u>	<u>1,536,734</u>
Total assets		<u><u>20,141,251</u></u>	<u><u>19,514,244</u></u>

E q u i t y a n d l i a b i l i t y

	Notes	2021	2020
		<u>USD</u>	<u>USD</u>
Foundation's equity			
Capital	5	56	56
General reserve	5	805,767	927,099
Trust Fund	5	18,750,589	18,367,495
		<u>19,556,412</u>	<u>19,294,650</u>
Current liabilities			
Deferred income	6	431,047	145,051
Other liabilities	7	153,792	74,543
		<u>584,839</u>	<u>219,594</u>
Total equity and liabilities		<u><u>20,141,251</u></u>	<u><u>19,514,244</u></u>

STATEMENT OF OPERATIONS FOR THE YEAR 2021

	Notes	2021	Budget 2021	2020
		USD	USD	USD
<i>Revenues</i>				
Grants	8	879,263	716,102	686,765
Net result on financial investments	9	1,720,586	-	1,285,864
Donations		4,662	-	2,096
Other Income		-	19,339	1,115
		2,604,511	735,441	1,975,840
<i>Expenses</i>				
Trust fund disbursement	10	1,000,000	-	1,000,000
Governance expenses		95,721	80,500	54,915
Secretariat expenses	11			
Personnel expenses		233,273	224,600	203,568
Housing expenses		17,888	24,500	9,989
Administrative and general expenses		11,865	18,090	10,380
Trust fund allocation		(100,000)	(46,800)	(100,000)
Professional services		5,066	5,100	5,415
Depreciation		7,099	-	8,403
Activities	12			
G1: Fundraising and long-term funding		24,173	6,000	18,181
G2: Representation and communication		25,985	12,500	5,987
G3: Capacity building expenses		455,994	194,874	138,460
G4: Provide central repository		3,295	2,000	12,512
Park Support expenses	13	83,868	109,197	76,234
Ministry EZ/RCN Support expenses		63,927	104,880	98,789
		1,928,155	735,441	1,542,833
Operating result (transferred)		676,356	-	433,007

STATEMENT OF OPERATIONS FOR THE YEAR 2021 (CONTINUED)

	2021	Budget 2021	2020
	USD	USD	USD
Operating result (transferred)	676,356	-	433,007
Interest income	82	-	76
Gain/(loss) on foreign currency transactions	(414,676)	-	508,001
Extraordinary expenses	-	-	-
Result for the year	261,762	-	941,084
Funds reserved for Trust Fund	383,094	-	690,748
Funds reserved for General reserve	(121,332)	-	250,336

Since two separate administrations are being held, no specific distribution code has been applied to divide the result between the Trust Fund and the General Reserve.

CASH FLOW STATEMENT FOR THE YEAR 2021

	<u>2021</u>	<u>2020</u>
	USD	USD
Operating activities		
Result for the year	261,762	941,084
Adjustments for:		
Depreciation expenses	7,099	8,403
Working capital adjustments:		
Decrease in receivable	(295,742)	100,235
Decrease in other liabilities	285,996	(135,276)
Decrease in deferred income	79,249	(88,761)
Net cash flow from operating activities	338,364	825,685
Investing activities		
Net purchase and disposal of furniture and equipment	(17,868)	(6,493)
Increase in financial investments	25,574	(750,352)
Net cash flow from investing activities	7,706	(756,845)
Net increase in cash and cash equivalents	1,461,821	68,840
Cash and cash equivalents at January 1	346,070	1,392,981
Cash and cash equivalents at December 31	1,807,891	1,461,821

NOTES TO THE FINANCIAL STATEMENTS

General information

The Dutch Caribbean Nature Alliance (DCNA) is a foundation incorporated and domiciled in the Dutch Caribbean: established on St. Maarten and registered with its headquarters on Bonaire. The principal activities of the foundation are to safeguard the biodiversity and promote the sustainable management of the natural resources of the islands of the Dutch Caribbean, both on land and in the water, for the benefit of present and future generations, by supporting and assisting the protected area management organizations and nature conservation activities in the Dutch Caribbean.

DCNA established a Trust Fund, which has been set up with the intention that, once it is fully capitalized, the revenues will provide core funding to cover the ongoing operational costs for one marine protected area and one terrestrial protected area on each of the islands of the Dutch Caribbean as well as covering basic Secretariat operational costs, as specified in the Articles of Incorporation and Bylaws.

DCNA's Trust Fund (referred to as "Financial investments") consist of a locked Rabobank Trust Fund account and endowment fund portfolios managed by UBS Financial Services Inc. and Rabobank. Funds held on DCNA's Rabobank Trust Fund account cannot be accessed other than to make transfers to one or more of DCNA's endowment fund portfolios.

Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with accounting guidelines for the preparation of the financial statements for small-sized legal entities of the Dutch Accounting Standards Board ('Richtlijnen voor de Jaarverslaggeving voor kleine rechtspersonen'). There have been no changes in the accounting policies compared to prior year.

The financial statements have been prepared on a historical cost basis, with the exception of investments and other accounts mentioned below which are being valued on a fair value basis.

The financial statements of DCNA include the Trust Fund and the Secretariat. In order to provide transparency, balances and statement of operations of the Trust Fund and the Secretariat are also shown separately in the appendices.

The financial statements have been ratified by the DCNA Board in the Board meeting of 21 April 2021.

Summary of significant accounting policies (continued)

Significant accounting judgments, estimates and assumptions

The preparation of the Foundation's financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

In the process of applying the Foundation's accounting policies, management has made the following judgments, which have the most significant effect on the financial statements: Management assessed the collectability of the earmarked grants receivable and determined that it complied with the requirements according to the agreement and therefore considers this balance as collectable.

Foreign currency translation

The financial statements are presented in USD, which is the Foundation's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the statement of operations. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Furniture and equipment

Furniture and equipment are stated at cost, excluding the cost of day to day servicing, less accumulated depreciation and accumulated impairment losses. Further expenditures, such as repair and maintenance expenses, are added to cost only if it is probable that the Foundation will enjoy future economic benefits associated with the expenditure and the cost can be reliably estimated.

Depreciation is calculated on a straight-line basis over the useful economical life of the furniture and equipment as indicated in note 1 taking into account the residual value. If the expected depreciation method, useful economic life and/or residual value are subject to changes over time, they are treated as a change in accounting estimate.

An item of property and equipment is removed from the financial statements upon disposal or when no future economic benefits are expected from its use. Any gain or loss on removal from the financial statements of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of operations in the year the asset is removed.

Summary of significant accounting policies (continued)

Receivables

Receivables are recognized initially at fair value plus directly attributable transactions costs.

After initial recognition, receivables are carried at amortized cost using the effective interest rate method. An estimate for doubtful debts is made when collection of the amount is no longer probable. Gains and losses are recognized in the statement of operations when the receivables are removed from the financial statements or impaired, as well as through the amortization process.

Financial investments

Financial investments are recognized initially at fair value. Directly attributable transaction costs are directly recorded through the statement of operations for DCNA's locked Rabobank account and are recorded as one bulk item at the end of the year for DCNA's endowment portfolios.

After initial recognition, financial investments are recorded at fair value with gains or losses recognised in the statement of operations.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include recent arm's length market transactions, reference to current market value of another instrument which is substantially the same, and discounted cash flow analysis or other valuation models.

Cash and cash equivalents

Cash and cash equivalents, carried at face value, in the balance sheet comprise cash at banks.

Cash at banks and in hand not expected to be at the Foundation's free disposal longer than 12 months is classified as financial assets under fixed assets.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Other liabilities

Other liabilities are recognized initially at fair value. After initial recognition, other liabilities are subsequently measured at amortized cost.

Summary of significant accounting policies (continued)

Impairment of non-financial assets

The Foundation assesses, at each reporting date, whether a non-financial asset or group of non-financial assets is impaired. The Foundation assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Foundation estimates the asset's recoverable amount. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

Impairment of financial assets

The Foundation assesses at each balance sheet date whether a financial asset or group of financial assets is impaired. If there is objective evidence of impairment, the amount of the impairment loss is determined and recognized in the income statement for all categories of financial assets carried at amortized cost. The amount of impairment losses on financial assets carried at (amortized) cost is calculated as the difference between the carrying amount of the asset and the best possible estimate of the future cash flows, discounted at the effective rate of interest of the financial instrument determined on the initial recognition of the instrument. If the decrease in impairment relates to an objective event occurring after the impairment was recognized, a previously recognized impairment loss is reversed to a maximum of the amount required to carry the asset at (amortized cost) at the time of the reversal if no impairment had taken place. The impairment loss reversal should be recognized in the income statement. The carrying amount of the receivables is reduced through the use of an allowance account.

Provisions

A provision is recognized if the Foundation has a legal or constructive obligation as at the balance sheet date and if it is probable that an outflow of resources will be required to settle the obligation and the amount of the liability can be reliably estimated. The amount of the provision is determined based on a best estimate of the amounts required to settle the liabilities and losses concerned as at the balance sheet date. If the effect of the time value of money is material, the provision shall be measured at the present value, with exception of provision for deferred taxation.

Derecognition of financial assets and liabilities

A financial instrument is derecognized if a transaction results in the transfer, to a third party, of all or nearly all rights to economic benefits and of all or nearly all the risks attached to the position.

Summary of significant accounting policies (continued)

Grants

Grants are recognized where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the cost that it is intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life to the related asset.

Where the foundation receives non-monetary grants, the assets and that grant are recorded at nominal amounts and are released to the statement of operations over the expected useful life of the relevant asset by equal instalments.

Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the foundation and the income can be reliably measured. Income is measured at the fair value of the consideration received, excluding discounts and rebates.

Expenses

Expenses are recognised according to the accrual method, taking the valuation principles as mentioned above into consideration and allocated to the financial year to which they relate.

Foreseeable and other obligations as well as potential losses arising before the financial year are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Personnel

Wages, salaries and social charges are recognized in the income statement according to the terms of employment to the extent they are due to either employees or the tax authorities.

Taxation

The foundation is exempted from profit tax.

Cash flow statement

The cash flow statement is compiled according to the indirect method. The cash flow statement gives details of the source of cash, which became available during the year and the use to which these funds were applied. Sources and application of cash are categorised into activities they relate to.

NOTES TO THE BALANCE SHEET

	2021	2020
	USD	USD
1 Furniture and equipment		
Furniture	13,673	11,287
Office equipment	16,702	8,319
	<u>30,375</u>	<u>19,606</u>

	Office equipment	Furniture	Total
	USD	USD	USD
January 1, 2021			
Cost	36,115	43,755	79,870
Accumulated depreciation	(27,796)	(32,468)	(60,264)
Carrying amount at January 1, 2021	<u>8,319</u>	<u>11,287</u>	<u>19,606</u>
Changes			
Additions	12,557	5,711	18,268
Disposals	(400)	-	(400)
Depreciation expenses	(4,174)	(3,325)	(7,499)
Accumulated depreciation disposals	400	-	400
	<u>8,383</u>	<u>2,386</u>	<u>10,769</u>
December 31, 2021			
Cost	48,272	49,466	97,738
Accumulated depreciation	(31,570)	(35,793)	(67,363)
Carrying amount at December 31, 2021	<u>16,702</u>	<u>13,673</u>	<u>30,375</u>

	2021	2020
<i>Useful lives</i>		
Office equipment	3 – 5 years	3 – 5 years
Furniture	5 years	5 years

	2021	2020
	USD	USD
2 Investments		
Investments	17,932,330	17,957,904
	17,932,330	17,957,904

Financial investments consist of a locked Rabobank Trust Fund account and endowment fund portfolios managed by UBS Financial Services Inc. and Rabobank. The financial investments are allocated to the trust fund.

	2021	2020
	USD	USD
Net book value at 1 January	17,957,904	17,207,552
Trust fund disbursements	(1,060,000)	(1,000,000)
Revaluations	1,205,421	1,047,488
Dividends received	192,205	156,030
Interest income	174,425	197,447
Gain / (loss) on foreign currency transactions	(378,514)	464,488
Trust Fund portfolio expenses	(159,111)	(115,101)
Balance at 31 December	17,932,330	17,957,904

In August of 2021 the RaboBank was ordered to transfer from the DCNA Trust Fund Portfolio to the Secretariat account the amounts necessary to comply with the Trust Fund disbursement payments to the parks. Due to a typo an additional \$ 60.000 was transferred to the Secretariat account, which is now being held in place for the 2022 Trust Fund disbursement. The Treasurer has been fully informed and is aware of this and has approved this amount to be kept at the Secretariat until time for the 2022 payments of the Trust Fund disbursement to the parks.

	2021	2020
	USD	USD

3 Cash and cash equivalents

Rabobank	936,495	1,008,275
UBS investment account	617,422	309,777
Maduro & Curiel's Bank N.V.	107,295	70,379
Rabobank investment account	140,835	56,519
PayPal	5,181	16,618
Petty cash	663	253
	1,807,891	1,461,821

Cash at banks earned interest at floating rates based on daily bank deposit rates. Rabobank (current account) is held in Euro's. Cash and cash equivalents are at free disposal. The Rabobank and UBS investment accounts are cash accounts held at Rabobank and UBS accounts for trading.

	<u>2021</u>	<u>2020</u>
	USD	USD
4 Receivables		
Earmarked grants receivables	363,593	59,948
Prepayments	4,225	10,840
Accounts receivable	1,459	2,747
Deposits	1,378	1,378
	<u>370,655</u>	<u>74,913</u>

For detailed overview of the earmarked grants receivables refer to note 15 restricted projects overview.

	<u>2021</u>	<u>2020</u>
	USD	USD
5 Foundation's equity		
Capital	56	56
General reserve	805,767	927,099
Trust Fund	18,750,589	18,367,495
	<u>19,556,412</u>	<u>19,294,650</u>

General reserve

Balance at 1 January	927,099	676,763
Allocation from result current year	(121,332)	250,336
Balance at 31 December	<u>805,767</u>	<u>927,099</u>

Trust Fund

Balance at 1 January	18,367,495	17,676,747
Allocation from result current year	383,094	690,748
Balance at 31 December	<u>18,750,589</u>	<u>18,367,495</u>

	Capital USD	General Reserve USD	Trust Fund USD	Total USD
Balance as at January 1, 2020	56	676,763	17,676,747	18,353,566
Result for 2020	-	250,336	690,748	941,084
Balance as at December 31, 2020	<u>56</u>	<u>927,099</u>	<u>18,367,495</u>	<u>19,294,650</u>
Balance as at January 1, 2021	56	927,099	18,367,495	19,294,650
Result for 2021	-	(121,332)	383,094	261,762
Balance as at December 31, 2021	<u>56</u>	<u>805,767</u>	<u>18,750,589</u>	<u>19,556,412</u>

2021 **2020**

USD USD

6 Deferred income

Deferred income – In-No-Platic (Sintef)	148,521	-
Deferred income – Increasing Fundraising Capacity (VB)	122,949	-
Deferred income - NetBiome	49,224	63,330
Deferred income – Beeldherkenning CN (Naturalis Biodiversity Center)	35,053	-
Deferred income - Ministry EZ (Dutch Caribbean Biodiversity)	27,902	27,902
Deferred income – Research & Monitoring Support (WNF)	23,260	-
Deferred income – Caribbean Shark Coalition (WNF)	11,913	-
Deferred income - GCFI (Nature Education)	7,483	7,483
Deferred income - Prins Bernhard Fund for Nature (PBNF)	4,742	4,742
Deferred income - Pregger Sharks Expedition	-	41,594
Total deferred income	<u>431,047</u>	<u>145,051</u>

For details of the deferred income and projects overview, please refer to note 15 restricted project overview.

	2021	2020
	USD	USD
7 Other liabilities		
Accrued expenses	98,546	30,101
Audit & accounting expenses	21,822	29,573
Vacation days payable	18,092	10,488
Payable to park management organizations	10,506	3,746
Credit Card	2,986	346
Social security and wage tax payable	48	-
Other	1,792	289
	<u>153,792</u>	<u>74,543</u>

NOTES TO THE STATEMENT OF OPERATIONS

	<u>2021</u>	<u>2020</u>
	USD	USD
8 Grants		
Unrestricted Income – Dutch Postcode Lottery	586,885	539,655
Total Unrestricted Income	<u>586,885</u>	<u>539,655</u>
Restricted Income – Sintef InNo Plastic	222,798	-
Restricted Income – WNF (Pregger Sharks Expedition)	41,594	12,064
Restricted Income – NetBiome	14,106	10,929
Restricted Income – Vogelbescherming Nederland	7,051	-
Restricted Income – WNF (Research & Monitoring Support)	6,500	-
Restricted Income – Naturalis Biodiversity Center (Beeldherkenning)	329	-
Restricted Income – Ministry EZ (Research Liaison Assistant)	-	91,513
Restricted Income – Sustainable Financing SSS Islands	-	30,638
Restricted Income – Junior Ranger Exchange Program	-	1,966
Total Restricted Income	<u>292,378</u>	<u>147,110</u>
Total Grants	<u>879,263</u>	<u>686,765</u>

For details of the restricted income and projects overview, please refer to note 14 restricted project overview.

	<u>2021</u>	<u>2020</u>
	USD	USD
9 Net result on financial investments		
Unrealized gains / (losses)	741,829	1,054,685
Realized gains / (losses)	771,238	(7,197)
Dividends income	192,205	156,030
Interest income	174,425	197,447
Trust Fund portfolio expenses	(159,111)	(115,101)
	<u>1,720,586</u>	<u>1,285,864</u>

10 Trust fund disbursement

In July 2021 the Foundation made the annual disbursement amounting USD 1,000,000 to the national parks management organizations of all six Dutch Caribbean Islands. The annual disbursement was allocated as follow:

Organization	2021	2020
	USD	USD
Fundashon Parke Nashonal Arikok	150,000	150,000
STINAPA Bonaire	150,000	150,000
CARMABI	150,000	150,000
Saba Conservation Foundation	150,000	150,000
STENAPA	150,000	150,000
St. Maarten Nature Foundation	150,000	150,000
DCNA Secretariat	100,000	100,000
Total	1,000,000	1,000,000

2021	2020
USD	USD

11 Secretariat expenses

Personnel expenses

Wages and salaries	180,737	169,650
Social security expenses	29,573	22,310
Pension plan	5,900	2,475
Other	17,063	9,133
	<u>233,273</u>	<u>203,568</u>

During the year 2021 the foundation had 5 employees.

Housing expenses

Rent	14,062	7,625
Utility expenses	2,681	1,743
Parking	1,145	621
	<u>17,888</u>	<u>9,989</u>

	<u>2021</u>	<u>2020</u>
	USD	USD
Administrative and general expenses		
Office expenses	2,688	4,373
Communication expenses	1,973	1,150
Other	7,204	4,857
	<u>11,865</u>	<u>10,380</u>

Trust fund allocation

In August 2021 the Foundation received an amount of USD 100,000 from the trust fund to cover their secretariat expenses.

	<u>2021</u>	<u>2020</u>
	USD	USD

12 Activities

G1: Fundraising and long-term funding

Fundraising	10,702	1,858
Fundraising Officer	7,051	-
Other expenses	6,420	16,323
	<u>24,173</u>	<u>18,181</u>

G2: Representation and communication

Communication Officer	5,796	-
International representation expenses	14,922	3,527
Develop, produce and distribute communication materials	2,796	1,794
Communication	2,471	666
	<u>25,985</u>	<u>5,987</u>

	<u>2021</u>	<u>2020</u>
	USD	USD
G3: Capacity building expenses		
InNo Plastic	224,057	-
Training, workshops & staff exchanges	58,446	4,942
Shark Conservation	55,909	16,264
Management success	41,340	52,745
Back office support Saba & Statia	24,252	-
Net Biome	14,106	10,929
Research & Monitoring	13,000	-
Bionews Kids	12,535	-
Sustainable Finance Study	11,660	50,170
Junior Ranger Exchange Program	-	1,075
NLBIF (Beeldherkenning Caribisch Nederland)	329	-
Other	361	2,335
	<u>455,995</u>	<u>138,460</u>

13 Park Support expenses

Park Outreach Support	55,575	44,898
Auditing Services	23,087	18,744
Auditing Travel Expenses	4,675	3,629
Accounting Services	-	7,913
Auditing Services previous years	531	1,050
	<u>83,868</u>	<u>76,234</u>

15 Restricted projects overview

	Deferred income 31/12/2020	Grant receivable 31/12/2020	Funds received 2021	Grant receivable 31/12/2021	Deferred income 2021	Project expenses 2021	Funds spent DCNA	Funds spent Funders	Corrections/ Funds released	Deferred income 31/12/2021
	A	B	C	D	E=A+C+D-B	F	G	H = (F-G)	I	J= (E-H+I)
Funder-Project										
Prins Bernhard Nature Funds										
Park Guidebooks	4,742	-	-	-	4,742	-	-	-	-	4,742
Net Biome	63,330	-	-	-	63,330	14,106	-	14,106	-	49,224
GCFI (Nature Education)	7,483	-	-	-	7,483	-	-	-	-	7,483
Ministry EZ										
Communication Research Liaison	-	59,948	-	59,948	-	-	-	-	-	-
Dutch Caribbean Biodiversity Database	27,902	-	-	-	27,902	-	-	-	-	27,902
Wereld Natuur Fonds										
Pregger Sharks Expedition	41,594	-	-	-	41,594	55,909	13,977	41,931	337	-
Research & Monitoring Support	-	-	14,731	15,029	29,760	13,000	6,500	6,500	-	23,261
Caribbean Shark Coalition	-	-	5,893	6,020	11,913	-	-	-	-	11,913
Vogelbescherming										
Increasing Fundraising Capacity	-	-	15,000	115,000	130,000	7,051	-	7,051	-	122,949
Naturalis Biodiversity Center										
Beeldherkenning CN	-	-	16,308	19,074	35,382	329	-	329	-	35,053
Sintef										
In-No-Plastic	-	-	222,798	148,521	371,319	224,057	1,260	222,798	-	148,521
	145,051	59,948	274,729	363,593	723,425	314,452	21,737	292,715	337	431,047

Commitments and contingencies

Commitment Dutch Postcode Lottery

The Dutch Postcode Lottery provided DCNA with start-up funding under their Special Project funding submitted by their beneficiary IUCN NL in 2005. These funds were reallocated to DCNA's Trust Fund in December 2006 as part of an initial Euro 1.19 million deposit to comply with BZK funding requirements.

In 2008 DCNA was accepted as a Lottery beneficiary and was granted Euro 500,000 in non-earmarked fund. This announcement was made at the Lottery Goed Geld Gala in February 2009.

This partnership was initially for a five-year period followed by a review and the amount of the funding award may vary from year to year. DCNA successfully passed the Dutch Postcode Lottery evaluation in 2012 and beneficiary status has been confirmed for a further period of five years.

In 2017 DCNA successfully passed the Dutch Postcode Lottery evaluation and beneficiary status has been confirmed for a further period of five years. New contract was signed in 2018 for 2018—2022.

DCNA reports annually to the Lottery by submitting an Annual report, Financial Statements that include an independent auditor's report for the Secretariat.

Commitment Ministry EZ

DCNA received EUR 50,000 to support work on the content management of the Ministry financed 'Dutch Caribbean Biodiversity Database' in 2012.

DCNA reports informally on a regular basis to the Ministry EZ.

NetBiome

Funding was received in 2012 from NetBiome, a consortium of EU overseas territories and regions in which the KNAP Fund had participated. Since the dissolution of the Netherlands Antilles and accession of the BES islands to the Netherlands, the Net Biome initiative was taken over by the Ministry of Economic Affairs. Of the USD 127,000 income from Net Biome, USD 50,000 was to be pledged to the second joint call. The remaining funds are earmarked for the implementation of a biodiversity-monitoring plan for the Dutch Caribbean.

Wereld Natuur Fonds

The Peggere Shark Expedition is a collaboration between WNF and DCNA. The total amount of the project is EUR 57,700. WNF and DCNA contributed with an amount of EUR 47,700 and EUR 10,000 respectively. For the year 2021, the total expenses amounted to USD 55,909. These expenses were also allocated between WNF and DCNA. An amount of USD 41,931 were allocated to WNF and USD 13,977 to DCNA. The project is for a period of 2 years.

Caribbean Shark Coalition is a project funded by WNF intended for DCNA to take the lead in establishing a Caribbean Coalition for Regional Shark Conservation. The total amount of the project is EUR 10,000. The project is for a period of 1 year (2021-2022).

Research & Monitoring support is a project co-funded by WNF with the intent to identify and prioritize research and monitoring needs and find suitable solutions for the six Dutch Caribbean islands. The total amount of the project is EUR 40,000. WNF funds EUR25,000 and DCNA EUR 15,000 The project is for a period of 1 year (2021-2022).

Vogelbescherming

Funding was received by Vogelbescherming Nederland to create Fundraising capacity for DCNA by hiring an experienced Fundraising Officer, who will work towards securing sustainable income for DCNA. Vogelbescherming Nederland contributed with an amount of USD65,000 for the sole purpose of fundraising capacity development. Another USD65,000 will be donated to ensure the continuation of the project/position.

Sintef

DCNA entered into a consortium agreement with Research Executive Agency (as delegated by the European Commission) and Sintef (in the role as coordinator) to receive a grant for Innovative approaches towards prevention, removal and reuse of marine plastic litter ('In-No-Plastic'). The total amount of the grant is EUR 306,875. DCNA entered into a framework agreement with Nature Foundation Sint Maarten for the execution of the In-No-Plastic. DCNA will coordinate reporting obligations based on communication with Nature Foundation St. Maarten. According to the consortium agreement DCNA retains sole responsibility for the implementation of the project. The project is for a period of 36 months as of 1 October, 2020.

Naturalis Biodiversity Center

"Beelderkenning Nederlands Caribisch gebied" is a project by the DCNA, Naturalis Biodiversity Center and Observation International to develop image recognition and an app (ObsIdentify) for the animals and plants found on the six islands of the Dutch Caribbean. DCNA received a grant for EUR 28,943 for this project. This project is funded by NLBIF.

Operating lease commitment

In May 2020 DCNA hired new office on Kaya Nikiboko Zuid from Yvonne Gevers-Hartogh at a cost of USD 1,300 per month up to the period of April 30, 2024. A refundable deposit of USD 1,300 was paid at the beginning of the agreement.

Subsequent events

No subsequent events noted after balance sheet date.

OTHER INFORMATION

Articles of incorporation provisions governing result appropriation

DCNA's Articles of Incorporation (Article 3 Section 7) state that the Foundation may spend up to 20% of its total annual income from all sources and capital gains from investments to cover its own overhead and operational expenses (excluding any asset management fees or costs associated with asset management) unless otherwise agreed by the Board.

In June 2005 the Board unanimously agreed that all dividends and revenues from the Trust Fund are to be reinvested in the Trust fund for the duration of the funding assistance from the Dutch Ministry of the Interior i.e. until the end of 2016. This decision was captured in DCNA's Board approved Bylaws year 2007/2009 [Article 8.2]. The eventual division of funds from the Trust Fund (post 2016) is captured in Article 8.2.1.

In February 2016 the DCNA Board unanimously approved "Action Plan DCNA Trust Fund Beyond 2016". These decisions were reconfirmed at the DCNA Board meeting in March 2017. Decisions included that the annual disbursements to the park management organisations on each island for the period 2017-2020 would total USD 400,000 per annum this being the revenue generated by DCNA's financial investments. However, it was subsequently discussed during the October 2020 Board Meeting that the Board should consider an equal distribution of the Trust Fund amongst the six parks. The New Distribution Formula, was formally approved via email in April 2021 as follows:

- o 15% Fundashon Parke Nacional Arikok
- o 15% STINAPA Bonaire
- o 15% CARMABI
- o 15% Saba Conservation Foundation
- o 15% STENAPA
- o 15% Nature Foundation
- o 10% DCNA

The Annual disbursement to the park management organisations on each island for the period 2021 totals US\$ 1,000,000 and is part of the revenue generated by DCNA's financial investments. This disbursement is considered a one-time disbursement taking into consideration the COVID-19 impact on the revenues of the parks. This disbursement to each Park was based on the New Distribution Formula outlined above and has been approved in 2021 by the DCNA Board. There will be discussions centred around an increased disbursement to counteract the effects of the COVID-19 Pandemic in 2021.

Proposed appropriation of 2021 result

The 2021 result of USD 261,762 will be appropriated as follows:

	<u>2021</u>
	USD
Funds reserved for Trust Fund	383,094
Funds reserved for General Reserve	<u>(121,332)</u>
	<u>261,762</u>

APPENDIX I

**BALANCE SHEET AS AT DECEMBER 31, 2021 FOR TRUST FUND ONLY
(after proposal of result appropriation)**

A s s e t s

	2021	2020
	USD	USD
Financial fixed assets		
Investments	17,932,330	17,957,904
<i>Current assets</i>		
Receivable from Secretariat	60,000	-
Cash and cash equivalents	758,259	409,598
Total assets	<u>18,750,589</u>	<u>18,367,502</u>

E q u i t y a n d l i a b i l i t i e s

Equity

Funding	18,750,589	18,367,495
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Current liabilities

Other liabilities	-	7
Total equity and liabilities	<u>18,750,589</u>	<u>18,367,502</u>

STATEMENT OF OPERATIONS FOR THE YEAR 2021 FOR TRUST FUND ONLY

	<u>2021</u>	<u>2020</u>
	USD	USD
<i>Income</i>		
Net result on financial investments held for trading	1,720,586	1,285,864
	<u>1,720,586</u>	<u>1,285,864</u>
<i>Expenses</i>		
Trust fund disbursement	1,000,000	1,000,000
Bank expenses	569	74
	<u>1,000,569</u>	<u>1,000,074</u>
Operating result	720,017	285,790
Interest income	-	-
Gain/(loss) on foreign currency transactions	(336,923)	404,958
	<u>383,094</u>	<u>690,748</u>
Result for the year	383,094	690,748

APPENDIX II

**BALANCE SHEET AS AT DECEMBER 31, 2021 FOR SECRETARIAT ONLY
(after proposal of result appropriation)**

A s s e t s

	<u>2021</u>	<u>2020</u>
	USD	USD
Tangible Fixed Assets		
Furniture and equipment	30,375	19,606
Current assets		
Cash and cash equivalents	1,049,632	1,052,223
Receivables	370,655	74,913
	<u>1,420,287</u>	<u>1,127,136</u>
Total assets	<u><u>1,450,662</u></u>	<u><u>1,146,742</u></u>

E q u i t y a n d l i a b i l i t y

	<u>2021</u>	<u>2020</u>
	USD	USD
Foundation's equity		
Capital	56	56
General reserve	805,767	927,099
	<u>805,823</u>	<u>927,155</u>
 Current liabilities		
Deferred income	431,047	145,051
Other liabilities	153,792	74,536
Payable to Trust Fund	60,000	-
	<u>644,839</u>	<u>219,587</u>
 Total equity and liabilities	<u><u>1,450,662</u></u>	<u><u>1,146,742</u></u>

STATEMENT OF OPERATIONS FOR THE YEAR 2021 FOR SECRETARIAT ONLY

		2021	Budget 2021	2020
		USD	USD	USD
<i>Revenues</i>				
Grants		879,263	716,102	686,765
Donations		4,662	-	2,096
Other Income		-	19,339	1,115
		<u>883,925</u>	<u>735,441</u>	<u>689,976</u>
<i>Expenses</i>				
Governance expenses		95,721	80,500	54,915
Secretariat expenses	11			
Personnel expenses		233,273	224,600	203,568
Housing expenses		17,888	24,500	9,989
Administrative and general expenses		11,296	18,090	10,306
Trust fund allocation	10	(100,000)	(46,800)	(100,000)
Professional services		5,066	5,100	5,415
Depreciation		7,099	-	8,403
Activities	12			
G1: Fundraising and long-term funding		24,173	6,000	18,181
G2: Representation and communication		25,985	12,500	5,987
G3: Capacity building expenses		455,995	194,874	138,460
G4: Provide central repository		3,295	2,000	12,512
Park Support expenses	13	83,868	109,197	76,234
Ministry EZ/RCN Support		63,927	104,880	98,789
		<u>927,586</u>	<u>735,441</u>	<u>542,759</u>

Operating result (transferred)	<u>(43,661)</u>	-	<u>147,217</u>
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STATEMENT OF OPERATIONS FOR THE YEAR 2021 FOR SECRETARIAT ONLY

	2021	Budget 2021	2020
	USD	USD	USD
Operating result (transferred)	(43,661)	-	147,217
Interest income	82	-	76
Gain/(loss) on foreign currency transactions	(77,753)	-	103,043
Extraordinary expenses	-	-	-
Result for the year	<u>(121,332)</u>	-	<u>250,336</u>
Funds reserved for General Reserve	(121,332)	-	250,336