

EXCERPTS FROM RHINO ARK CHARITABLE TRUST ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

RHINO ARK KENYA CHARITABLE TRUST STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 KES	2019 KES
INCOME	7	<u>189,822,463</u>	<u>227,555,091</u>
EXPENDITURE			
Aberdare expenses	8	51,468,967	73,203,637
Mau Eburu expenses	9	19,629,452	15,620,172
Mt Kenya expenses	10	43,712,413	45,448,560
South West Mau expenses	11	16,851,159	16,845,954
Fund-raising expenses	12	28,753,812	44,314,663
Kakamega forest	13	5,940,026	-
Other project expenses		265,538	-
Administrative and general expenses	14	<u>47,998,135</u>	<u>44,618,959</u>
		<u>214,619,502</u>	<u>240,051,945</u>
LOSS FOR THE YEAR		<u>(24,797,039)</u>	<u>(12,496,854)</u>

RHINO ARK KENYA CHARITABLE TRUST STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2020 KES	2019 KES
ASSETS			
NON CURRENT ASSETS			
Property and equipment	2	<u>19,552,047</u>	<u>12,259,262</u>
CURRENT ASSETS			
Investments	3	1,988,463	1,824,746
Trade and other receivables	4	22,025,567	8,495,233
Bank balances and cash	15	<u>52,041,896</u>	<u>104,020,123</u>
		<u>76,055,926</u>	<u>114,340,102</u>
TOTAL ASSETS		<u>95,607,973</u>	<u>126,599,364</u>
CURRENT LIABILITIES			
Trade and other payables	5	<u>17,987,746</u>	<u>24,182,098</u>
NET ASSETS		<u>77,620,227</u>	<u>102,417,266</u>
FINANCED BY:			
General fund		<u>77,620,227</u>	<u>102,417,266</u>

RHINO ARK KENYA CHARITABLE TRUST NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements summarise the transactions of the Trust and deal with the net assets at the disposal of the Directors. The financial statements are presented in Kenya Shillings (KES), which is the Trust's functional and presentation currency.

The financial statements are prepared under the historical cost basis of accounting except where otherwise stated in the accounting policies below.

(b) Income recognition

Donations and Rhino Charge collections are recognised on receipt.

Investment income is recognised on accrual basis.

(c) Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation. Depreciation is charged on the straight line basis over the estimated useful lives of the assets.

The annual depreciation rates in use are:

Motor vehicles	25.0%
Furniture and fittings	12.5%
Computers	33.3%
Office equipment	12.5%

(d) Foreign currency transactions

Transactions during the year are converted into Kenya Shillings at the rates ruling at the transaction dates. Assets and liabilities at the reporting date, which are expressed in foreign currencies, are translated at the rates ruling at that date. The resulting differences from conversion and translation are dealt with in the income and expenditure account.

(e) Financial instruments

A financial instrument is a contract that gives rise to both a financial asset of one enterprise and a financial liability of another enterprise. The financial instruments held by the Trust are investments in the money market, trade and other receivables, bank balances and cash and trade and other payables.

All the financial instruments held by the Trust are accounted for on amortised cost basis.

(f) Receivables

Receivables are stated at nominal value, less provision for any amounts considered irrecoverable.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

(h) Use of estimates

The preparation of financial statements requires that management makes estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates. The more significant estimation process is related to the determination of provision for doubtful debts. Although some variability is inherent in these estimates, management believes that the amounts provided are adequate.

(i) Investments

Investments are held in the money market with Old Mutual and Britam asset managers. Interest is earned on a monthly basis from these placements and rolled over as principal.

(j) Payables

Payables are stated at nominal value.

2. PROPERTY & EQUIPMENT

	Motor Vehicles KES	Furniture, fittings and equipment KES	Computers KES	Total KES
2020				
COST				
At 1 April 2019	39,064,907	35,095,706	4,616,614	78,777,227
Additions	<u>13,166,167</u>	<u>833,344</u>	<u>572,290</u>	<u>14,571,801</u>
At 31 March 2020	<u>52,231,074</u>	<u>35,929,050</u>	<u>5,188,904</u>	<u>93,349,028</u>
ACCUMULATED DEPRECIATION				
At 1 April 2019	37,052,898	25,679,250	3,785,817	66,517,965
Charge for the year	<u>3,962,211</u>	<u>2,711,285</u>	<u>605,520</u>	<u>7,279,016</u>
At 31 March 2020	<u>41,015,109</u>	<u>28,390,535</u>	<u>4,391,337</u>	<u>73,796,981</u>
NET CARRYING AMOUNT				
At 31 March 2020	<u>11,215,965</u>	<u>7,538,515</u>	<u>797,567</u>	<u>19,552,047</u>

	Motor Vehicles KES	Furniture, fittings and equipment KES	Computers KES	Total KES
2019				
COST				
At 1 April 2018	37,581,230	33,707,956	3,371,040	74,660,226
Additions	<u>2,682,677</u>	<u>1,387,750</u>	<u>1,245,574</u>	<u>5,316,001</u>
Disposals	<u>(1,199,000)</u>	-	-	<u>(1,199,000)</u>
At 31 March 2019	<u>39,064,907</u>	<u>35,095,706</u>	<u>4,616,614</u>	<u>78,777,227</u>
ACCUMULATED DEPRECIATION				
At 1 April 2018	37,156,229	22,570,862	3,254,005	62,981,096
Disposal	<u>(1,199,000)</u>	-	-	<u>(1,199,000)</u>
Charge for the year	<u>1,095,669</u>	<u>3,108,388</u>	<u>531,812</u>	<u>4,735,869</u>
At 31 March 2019	<u>37,052,898</u>	<u>25,679,250</u>	<u>3,785,817</u>	<u>66,517,965</u>
NET CARRYING AMOUNT				
At 31 March 2019	<u>2,012,009</u>	<u>9,416,456</u>	<u>830,797</u>	<u>12,259,262</u>

3. INVESTMENTS

	2020 KES	2019 KES
Old Mutual Money Market Fund	153,133	145,267
British American Money Market Fund	<u>1,835,330</u>	<u>1,679,479</u>
	<u>1,988,463</u>	<u>1,824,746</u>
Movement		
At 1 April 2019	1,824,746	1,681,267
Add: Interest earned	<u>163,717</u>	<u>143,479</u>
At 31 March 2020	<u>1,988,463</u>	<u>1,824,746</u>

4. TRADE AND OTHER RECEIVABLES

Trade receivables	4,911,911	1,660,025
Prepayments	6,764,089	1,073,012
Other receivables	10,859,567	5,762,196
Rhino Ark USA	<u>456,013</u>	<u>456,013</u>
	<u>22,991,580</u>	<u>8,951,246</u>
Less: Provision for bad debts	<u>(966,013)</u>	<u>(456,013)</u>
	<u>22,025,567</u>	<u>8,495,233</u>

EXCERPTS FROM RHINO ARK CHARITABLE TRUST ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

The provision for bad debts relates to amounts Rhino Ark USA and customers whose amounts have been outstanding for over a year.

	2020 KES	2019 KES
5. TRADE AND OTHER PAYABLES		
Trade payables	3,143,078	19,075,649
Other payables	<u>14,844,668</u>	<u>5,106,449</u>
	<u>17,987,746</u>	<u>24,182,098</u>
6. RELATED PARTY TRANSACTIONS		
Key management compensation:		
Salaries	18,963,432	15,709,662
Pension	<u>240,000</u>	<u>141,000</u>
	<u>19,203,432</u>	<u>15,850,662</u>
7. INCOME	2020 KES	2019 KES
Rhino Charge collections (note 7 (a))	156,700,761	177,497,937
Other income (note 7 (b))	15,220,224	16,947,609
Other donations (note 7 (c))	13,396,513	23,969,811
Interest income	<u>4,504,965</u>	<u>9,139,734</u>
	<u>189,822,463</u>	<u>227,555,091</u>

(a) RHINO CHARGE COLLECTIONS

Rhino Charge 2020	12,800,301	-
Rhino Charge 2019	139,900,460	17,598,978
Rhino Charge 2018	<u>4,000,000</u>	<u>159,898,959</u>
	<u>156,700,761</u>	<u>177,497,937</u>

Donations for the Rhino Charge (RC) are booked in the financial year that they were received. As the RC is held in the month of June each year, total 2019 RC donations will therefore be booked in two financial years, that is, the total 2019 RC donations are reflected in 2019 and 2020 financial years. However, since RC 2020 has been cancelled, the funds the funds will be credited to the respective chargers for RC 2021.

(b) OTHER INCOME

	2020 KES	2019 KES
Bongo surveillance project	7,583,413	5,701,622
Operations base – Aberdare	2,475,695	2,787,737
Miscellaneous income	<u>5,161,116</u>	<u>8,458,250</u>
	<u>15,220,224</u>	<u>16,947,609</u>

(c) OTHER DONATIONS

Other donations are monies received from various donors for projects specific to Rhino Ark. In the current year, there were donations received from MPESA Foundation and IDH for South Western Mau project, Eburu Rafiki for conservation of Mau Eburu and from Mount Kenya Trust for the conservation of Mt. Kenya.

8. ABERDARES EXPENSES

	2020 KES	2019 KES
Staff costs	6,675,545	9,301,043
Other costs	11,558,575	10,788,628
Fuel	1,233,402	1,696,441
Motor vehicles costs	1,168,665	1,239,708
Tools & materials	5,986,259	35,746,865
Depreciation	1,338,941	-
Community support	<u>4,601,399</u>	<u>4,251,348</u>
	<u>32,562,786</u>	<u>63,024,033</u>
Bongo surveillance project	<u>18,906,181</u>	<u>10,179,604</u>
	<u>51,468,967</u>	<u>73,203,637</u>

9. MAU EBURU EXPENSES

Staff costs	5,579,708	5,238,930
Allowances	76,396	185,909
Community conservation	1,677,999	398,304
Tree nurseries project	300,000	1,751,184
Eburu Rafiki	2,770,132	1,010,077
Fence costs	5,990,327	3,429,262
Public relations	81,400	628,767
Other costs	2,777,459	2,507,443
Motor vehicle costs	<u>376,031</u>	<u>470,296</u>
	<u>19,629,452</u>	<u>15,620,172</u>

10. MT. KENYA EXPENSES

Staff costs	6,970,113	9,120,026
Allowances	13,924,584	10,465,420
Fence costs	16,535,400	8,039,849
Fire fighting	-	15,238,511
Motor vehicle costs	799,836	763,039
Other costs	<u>5,482,480</u>	<u>1,821,715</u>
	<u>43,712,413</u>	<u>45,448,560</u>

11. SOUTH WESTERN MAU EXPENSES

Allowances	404,509	279,822
Depreciation on property and equipment	670,670	670,670
Public relation	523,302	355,708
Staff costs	5,363,757	5,240,326
Fence and other costs	<u>9,888,921</u>	<u>10,299,428</u>
	<u>16,851,159</u>	<u>16,845,954</u>

12. FUND RAISING EXPENSES

	2020 KES	2019 KES
General fund raising	19,233,866	35,363,710
Rhino charge raffle and event costs	7,829,946	6,963,529
Rhino charge filming	<u>1,690,000</u>	<u>1,987,424</u>
	<u>28,753,812</u>	<u>44,314,663</u>

13. KAKAMEGA FOREST

Staff Costs	3,823,625	-
Vehicle running	210,661	-
Fence construction	140,209	-
ESIA	461,680	-
Depreciation	<u>1,303,851</u>	<u>-</u>
	<u>5,940,026</u>	<u>-</u>

14. ADMINISTRATIVE AND GENERAL EXPENSES

Depreciation on property and equipment	3,965,555	4,065,199
Bank charges	477,012	409,499
Office management and administration	37,428,064	34,098,437
Auditors remuneration	1,484,477	850,000
Public relations and press	3,054,408	3,641,706
Provision for bad debts	510,000	456,013
Vehicle running expenses	<u>1,078,619</u>	<u>1,098,105</u>
	<u>47,998,135</u>	<u>44,618,959</u>

15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise of the following statement of financial position amounts:

Cash and bank balances	17,166,416	23,524,620
Call deposits	<u>34,875,480</u>	<u>80,495,503</u>
	<u>52,041,896</u>	<u>104,020,123</u>

16. CONTINGENT LIABILITY

No contingent liabilities have arisen from the activities of the Trust.

17. LEGAL FORM

Rhino Ark Kenya Charitable Trust was established in 1991 under an irrevocable trust in accordance with the Laws of Kenya.

18. TAXATION

The Trust has been granted exemption from taxation under the First Schedule to the Kenyan Income Tax Act (Cap 470) under Certificate number 20170214/11869 dated 14 February 2017 valid for 5 years.

19. EVENTS AFTER THE REPORTING DATE

The Trust reporting date is 31 March 2020 and its draft financial statements were issued on 17 September 2020. Management is required to identify if there are material events, favourable or unfavourable, which have impacted upon the financial statements between the reporting date and the date on which the draft financial statements were finalised for issue.

COVID-19, a pandemic declared by World Health Organisation (WHO) on 11 March 2020, has had far-reaching health and economic ramifications globally. The COVID-19 outbreak developed rapidly between March to August 2020, with a significant number of infections across Africa and the world. Measures taken to contain the virus have affected economic activity, which in turn has implications on finances.

Measures to prevent transmission of the virus include limiting the movement of people, restricting flights and other travel, temporarily closing businesses and schools, and cancelling events. This has had an immediate impact on businesses and lower economic activity is likely to result in reduced fund-raising.

Management has prepared its COVID-19 strategic response while closely monitoring the situation as it continues to unfold. In light of the lower economic activity, Management has reviewed and reduced its conservation programme, with a focus on priority interventions and maintenance of projects. The Rhino Charge (RC) 2020 has been cancelled and hence the funds received will be credited to the respective chargers for RC 2021.

20. CURRENCY

The financial statements have been presented in Kenya Shillings (KES).



The COVID-19 pandemic is affecting all of us. It is reminding us that we are an integral part of the environment and that the way we interact with nature in turn impacts on us - our health, well-being and our economic development.

Even as we grapple with COVID-19's far-reaching impacts, we must remain focussed on what has brought us together: our common vision of safeguarding our water towers for the benefit of Kenya and its people. We have an extraordinary conservation legacy that we must continue to cherish and support.

Overall funds 2019/20

The total funds raised during the financial year under review were KES 272.34 million. This included in-cash donations amounting to KES 189.82 million (2019: KES 227.16 million) from Rhino Charge, Corporates, individuals and other donors and in-kind donations amounting to KES 138.76 million, from the Government, various corporates and individuals.

The 2019 Rhino Charge raised at the field audit a total of KES 154.7 million or approximately USD 1.51 million. The top ten fund raisers were Peter Kinyua/Car 23 (KES 19,000,000); Adil Khawaja/AK44 (KES 17,000,000); Stanley Kinyanjui/Magnate Chargers (KES 15,015,499); Bovard/Walton/Ray/McKittrick/Anderson/Walton/Car 5 (KES 7,138,932); Mark Tilbury/Hog Charge Team (KES 5,580,231); Tim Carstens/Team Aussie Rules (KES 5,395,400); Glen/Llewellyn/Team 48 (KES 3,309,700); Eddy Verbeek/Team One (KES 2,810,212); Jaspal Singh/Team Thirty Nine (KES 2,270,001); William Carr-Hartley/Team 42 (KES 2,431,254).

The National Treasury through Kenya Wildlife Service (KWS) was a major donor providing KES 50 million for fence materials. As those funds were not channelled through our accounts, they are not reflected in our balance sheets, although they are earmarked in support of our fence projects in Mt. Kenya.

In addition, KWS covered the costs of the personnel maintaining the 400 km Aberdare Fence and the 200 km Mt. Kenya Fence already built whilst Kenya Forest Service (KFS) covered such costs for the 43.3 km Eburu Fence. These contributions amounted to KES 25.8 million.

Corporate / conservation bodies support

Corporate and consensual grant supporters continued positively.

I would like to acknowledge the following organisations that have made generous cash contributions:

- IDH Sustainable Trade Initiative for donating Euros 2,969 for the activities of the Bongo Surveillance Project and Euros 8,201 for South Western Mau.

- Safaricom Foundation for donating KES 984,000 for forest replanting.
- M-Pesa Foundation for donating KES 3,697,000 for Mau Eburu Trust Fund.
- Rare Species Conservatory Foundation for donating USD 75,000 in support of the conservation of the Mountain Bongo antelope.
- Calgary Zoo for donating Euros 1,300
- Eburu Rafiki for donating KES 3.13 million in support of grassroots education outreach. This includes funds from African Fund for Endangered Wildlife (AFEW) amounting to KES 2 million, KES 0.58 million from The Safari Collection and several other donors.

In-kind contributions were also made by corporates in support of the Trust and the Rhino Charge, and the contributors of KES 7.059 million are detailed here below:

- AutoXpress: KES 1.25M.
- TOTAL Kenya: KES 609,062.
- Flamingo Horticulture Kenya Ltd: KES 3,138,000.
- Dedan Biogas Ltd: KES 400,000.
- Instarect Ltd: KES 702,000.
- James Finlays (Kenya) Ltd: KES 300,000.
- Kenchic Ltd: KES 70,000.
- KCB Bank: KES 590,000.

Conservation of the wider Mau Eburu ecosystem is well underway.

Following completion of the fence construction in November 2014, Rhino Ark has supported fence maintenance operations on an interim basis, while working with stakeholders towards establishing the Eburu Trust and Endowment Fund. The Eburu Trust will be jointly established by Rhino Ark, Kenya Forest Service, Kenya Wildlife Service and M-PESA Foundation and will have representation from forest adjacent local communities. It will provide the sustainable long-term mechanism to fund the maintenance and management of the fence.

The M-PESA Foundation, is a key sponsor of the fence project, and has a commitment to support the Trust once it is established through providing KES 30 million as part of the seed capital that will build up the endowment fund. As completion of the Trust establishment process is awaited, the M-PESA Foundation has undertaken to provide annual funding support for fence maintenance, channelled through Rhino Ark. The first tranche of KES 3,697,000 was disbursed to Rhino Ark on 18 March 2020, and will help to cover operations, maintenance materials, tools, equipment and maintenance gear for the fencing team, among others.

Rhino Ark continues to play a key role in improving law enforcement in the forest, through supporting local intelligence gathering and regular forest patrols with community scouts. These interventions, jointly coordinated with KFS and KWS, have resulted in arrests and prosecutions of criminal elements and is a deterrent to illegal activities.

7,500 indigenous tree seedlings were planted at Ole Sirwa in the north eastern part of the Eburu Forest. The tree planting exercise was coordinated by Rhino Ark in partnership with Kenya Forest Service, as part of the ongoing initiative to restore Eburu Forest to its original pristine state.

Implementation of conservation education in 32 Eburu forest-adjacent schools has been on-going since 2014. The ultimate goal is to cultivate positive behaviour change among young generation towards the protection and sustainable management of Eburu forest. Some of the key outcomes of the initiative were

increased tree covers in schools, enhanced pupils' performance in environmental related subjects, and growth in income generating projects in schools such as tree nurseries and bee keeping and emergence of community conservation champions among others.

The grassroots educational outreach work is still ongoing. The funding support for the outreach series has been provided by Eburu Rafiki, in partnership with Rhino Ark. Nearly 3,500 community members were directly contacted during the 2019 outreach.

Rhino Ark has worked to facilitate exposure of the forest-adjacent communities to biogas as an alternative source of energy and to encourage its adoption. This initiative is aimed at reducing the reliance of the forest-adjacent communities on forest-derived fuel-wood, hence propagating sustainable conservation of Eburu forest. The initiative has seen good uptake by the community, who are investing their own resources to purchase the biogas units. Biogas is a cleaner, more efficient and renewable energy source, and its adoption by the community will help in reducing pressure on forest-sourced fuelwood.

Mt Kenya fencing project

A milestone in the construction of the Mount Kenya Electric Fence has been reached with the completion of 200 kilometers of the 450 kilometers comprehensive fence that will eventually encircle Mount Kenya. The fence requires regular maintenance and, to that effect Rhino Ark and KWS has a team of fence supervisors and fence attendants that monitor and fix the damages to enable the full functionality of the electric fence.

The Mount Kenya Electric Fence constructed under a public-private partnership, involving Government agencies (KWS and KFS), the community, Rhino Ark, the Upper Tana Natural Resources Management Project (this is a Government project under Ministry of Water, Sanitation and Irrigation), Mount Kenya Trust and the local communities have played a significant role in curbing human-wildlife conflicts in the adjacent mountain region.

Rhino Ark, together with the Mount Kenya Conservation Forum, KFS and the Nanyuki Community Forest Association, established a mega tree nursery in Nanyuki Forest Station, Mt. Kenya with the purpose to rehabilitate degraded forest areas on Mt. Kenya. The work included rehabilitation of the existing tree nursery and its expansion to cover an area of 2.7 acres, the construction of a gravity fed water supply, sowing of tree seeds worth over KES 300,000 in the seed beds. Complementary to the tree nursery work, Rhino Ark, together with partners, started forest rehabilitation with the planting of 22,000 tree seedlings in Nanyuki Forest, Mt. Kenya.

Based on the lessons learned from the extensive wildfires in early 2019, a team of 60 men received a week-long training on firefighting. The team also received new equipment and clothing. The team will be the first respondents to tackle fires in remote forest areas and the moorlands in Mt. Kenya and the Aberdares. The training was coordinated by the Mount Kenya Trust and co-financed by Rhino Ark.

Aberdare ecosystem

The 400-kilometer Aberdare Electric Fence construction started in 1989 and was completed on 28th August, 2009 making it the world's longest electric fence. The fence rises seven feet above the ground. It is electrified and wired down to three feet below ground to deter burrowing wildlife. The upright posts are hot-wired to deter baboons and monkeys

from scaling them. The fence cost approximately KES 800 million (approximately USD 10 million) to construct.

Rhino Ark, together with KWS, begun a rehabilitation programme to upgrade part of the fence surrounding the Aberdare ecosystem that are over 21 years old. This has been divided into various phases of which the first phase – the oldest part of the fence (38 km long) – has been fully rehabilitated. Rehabilitation of Phase II is continuing with 18 kms of the 40 kms rehabilitated. As part of the rehabilitation work, Rhino Ark is replacing the gates that are in poor condition.

600 pupils from 60 schools participated in the 9th edition of the Aberdare Fence Relay Run that aims at raising awareness among the youth on the importance of the Aberdare Forest ecosystem and the 400-km electric fence.

Rhino Ark, together with KFS, has established the status of all the forest plantation compartments situated inside the Aberdare Electric Fence, totaling 6,912.74 hectares which represent approximately 3% of the fenced protected area. Of these, 45.8% have been earmarked to be reverted to indigenous forest.

Surveillance flights above the northern part of the Aberdare ecosystem revealed reduction in illegal logging activities, in particular, of cedar trees.

South Western Mau ecosystem

The Mau Forests Complex is the largest forest ecosystem and the most important Water Tower in Kenya, covering approximately 416,000 ha. It comprises of 22 forest blocks, including Mau Eburu and South Western Mau that are two key conservation projects of Rhino Ark.

Cabinet Secretary for Environment and Forestry, Hon. Keriako Tobiko, committed Kenya to the Queen's Commonwealth Canopy (QCC), nominating restoration and rehabilitation of Mau Forests Complex as its dedication. The inclusion of the Mau Forests Complex in the QCC will provide further visibility, commitment and support towards the conservation of this mountain ecosystem and the work undertaken by key government partners, including Rhino Ark.

Under the Initiative for Sustainable Landscape (ISLA), and with funding support from Safaricom Foundation, Rhino Ark is undertaking forest rehabilitation in collaboration with KFS. 40 hectares at Kipkoris in Ndoinet Forest Station has been rehabilitated and is under active maintenance.

Rhino Ark is working with KFS to enhance forest patrols through community scouts. These patrols include active desnaring work, which helps to protect wildlife. Rhino Ark field staff also participate in the patrols, enabling first hand observation of forest conservation issues. Rhino Ark's conservation champions programme is enabling identification and recruitment of a pool of volunteer community members that can participate in forest conservation work in different zones of the expansive forest.

Surveillance flights above the South Western Mau revealed reduction in livestock and illegal charcoal making. Rhino Ark, together with KFS and KWS and in partnership with IDH/ISLA and James Finlays Ltd, undertook two aerial surveillance flights above the SW Mau and part of the adjacent Western Mau Forest Reserve.

Rhino Ark continued the roll out of a conservation education programme to 46 schools found within 8 kms of the boundary of the South Western Mau

Forest Reserve. The programme aims to equip pupils with the relevant knowledge to encourage and empower them to be proactive in the practice of environmental conservation in their daily lives. Key elements of the programme are the implementation of comprehensive conservation education curricula for both primary and secondary schools, together with a pilot sustainable energy initiative in 15 of these schools. The Conservation Education programme is fully supported by the Safaricom Foundation and is a key component of the ISLA framework for SW Mau.

Under the ISLA framework, funding support for bioenterprise has been provided to Rhino Ark by the Safaricom Foundation to support the local communities to maximize on potential market opportunities in production and sale of honey and related products. Comprehensive practical training for community groups on beekeeping and value addition for the communities was carried out. The training programme has now reached forest adjacent communities along the entire eastern boundary of the forest.

Bongo Surveillance Project (BSP) successes

Rhino Ark remains a key partner and supporter of the Bongo Surveillance Project, raising the bulk of the funds for the project and seconding a conservation education officer to the project.

USD 75,000 (KES 7.58 million) was received during the year from Rare Species Conservatory Foundation and EU 8,201 (KES 0.93 million) from IDH towards the BSP. The funds go towards collecting vital information about the Bongo, patrols, removal of snares and spear traps, as well as to the dynamic Bongo wildlife school outreach programmes under BSP.

The Aberdare Electric Fence, supported by Rhino Ark, has helped KWS tremendously in securing the bongo population in the Aberdare Salient. This population is now the largest remaining in the wild and is recovering well with number growing.

The Eburu Electric Fence, also supported by Rhino Ark, provides increased security for the small group of bongos residing in the 8,700 hectares forest. This forest will eventually become a Bongo Sanctuary, adding much value to the tourism potential of the ecosystem. Rhino Ark, in collaboration with Calgary Zoo (Canada) completed a comprehensive 2-year trap camera study of the forest's bongo habitat. The findings of this study provide technical knowledge about bongo distribution within the forest as well as other wildlife.

The engagement of communities in the building and maintenance of the fences, in forest patrols (community scouts), through the development and implementation of conservation curricula, as well as through support to the establishment and running of bongo clubs in schools, is assisting in securing the support of the local communities in the conservation of the bongos and their habitats.

Kakamega Forest

Kakamega Forest is the first fencing and conservation project spearheaded by Rhino Ark to be implemented in Western Kenya. It is the only tropical rainforest in Kenya and hosts an incredible array of biodiversity.

The County Government of Kakamega made a commitment of KES 100 million and County Government of Vihiga KES 30 million over the next 3 years towards the conservation of Kakamega forest. This will entail fencing Kakamega forest (117 kms), ecotourism development and community conservation education and livelihood improvement.

Rhino Ark committed KES 100 million towards the project.

With financial support from Rhino Ark, KWS undertook the Environmental and Social Impact Assessment (ESIA) study of fencing Kakamega Forest, with the purpose to obtain a license from the National Environment Management Authority (NEMA).

Partnership agreement and fencing implementation agreement have been finalized to pave way for the project implementation.

Other initiatives

Rhino Ark entered into a partnership with Powering Africa – Recharging Conservation (PARC) with the purpose of establishing long-term financing arrangements to support the maintenance of the Aberdare and the Mt. Kenya Electric Fences. PARC creates technologically innovative and economically viable solutions to extend access to clean energy and secure long-term funding for conservation projects that protect the environment and promote climate change resilience in rural areas in Africa. PARC secures funding from investors that are not only interested in financial return but are also looking to providing long-term funding for conservation.

Thousands to thank

Rhino Ark has an enormous following both in Kenya and now greatly developed overseas as well. Much of the funds raised focus on the annual Rhino Charge where individual car entrants make substantial pledges and raise even more than their pledge each year. It is a grass roots conservation thrust within Kenyan society that has now developed a deep foundation.

Every donor knows that Rhino Ark's ventures are to secure the nation's precious 'water towers' and to work in partnership with the Government to ensure good governance for maximum benefits. Several mountain forest ecosystem valuation studies have been undertaken in Kenya, including the 2011 study triggered by Rhino Ark and with support from United Nations Environment Programme (UNEP) and the Kenya Forests Working Group (KFWG). These studies indicate that each hectares of these mountain forests provides annually environmental goods and services (water being the most important), amounting to an average of KES 530,000 per hectare per year.

The Aberdares, Mt. Kenya and the Mau Forest where Rhino Ark is operating, are the three largest water towers of Kenya. They are the source of major rivers that provide much-needed water to Nairobi which is the key contributor to Kenya's GDP. Together these three mountain ecosystems provide yearly ecological services to Kenya worth a staggering amount of KES 412 billion (USD 4.12 billion).

It is always difficult to single out thanks in a report like this. Rhino Ark has thousands of donors in Kenya and friends overseas who support our home grown and home driven conservation initiative. I wish to especially mention all the Chargers without whose fundraising efforts fencing of the Aberdares and all the other Water towers we are working on would not have been possible.

I thank all of you for your generous support.

I wish to especially thank the Rhino Charge Committee and the huge band of volunteers who yearly give so much time, thought, ideas and energy to running this unique event.

Isaac Awuondo

Chairman, Board of Directors