



FONDATION POUR LES AIRES PROTÉGÉES
ET LA BIODIVERSITÉ DE MADAGASCAR
Madagascar Protected Areas
and Biodiversity Fund

FINANCIAL REPORTS 2024

To the Board of Director and Executive Director of « la Fondation pour les Aires Protégées et la Biodiversité de Madagascar (FAPBM) »

AUDITOR'S REPORT

For the year ended 31 December 2024

Opinion

We have audited the financial statements of “la Fondation pour les Aires Protégées et la Biodiversité de Madagascar (FAPBM) », which comprise the financial position as at December 31, 2024, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies

In our opinion, the accompanying financial statements showing a profit of 28.524.829.294,31 present fairly, in all material respects, the financial position of FAPBM as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Malagasy Generally Accepted Accounting Principles (PCG 2005)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 FAPBM in accordance with the ethical requirements of the International Ethics Standard Board for Accountants (IESBA), 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Malagasy Generally Accepted Accounting Principles (PCG 2005), and for such internal control as management determines 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, management is responsible for assessing the Foundation'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 management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

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 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.

Antananarivo, 17 June 2025

The Statutory Auditor

Level Smart Audit & Expertise

Statement of Financial position
as at 31 Décembre
(Amounts in Ariary)

Assets	Note	2024			2023 Restated (*)	Variation	Variation
		Gross value	Depreciation/Impairment	Net value	Net value		%
Non-current Assets							
Intangible assets	4.1	98.488.800,00	(57.369.080,00)	41.119.720,00	56.801.920,00	(15.682.200,00)	(28%)
Property, Plant and Equipment	4.2	2.426.952.278,82	(1.210.564.874,94)	1.216.387.403,88	1.095.840.342,12	120.547.061,77	+11%
Assets in progress		-	-	-	42.850.680,00	(42.850.680,00)	(100%)
On-shore investments	4.3	5.057.000.000,00	-	5.057.000.000,00	2.800.000.000,00	2.257.000.000,00	+81%
Off-shore investments (*)	4.4	685.750.137.668,98	-	685.750.137.668,98	613.281.521.442,76	72.468.616.226,22	+12%
Other financial fixed assets		3.371.000,00	-	3.371.000,00	3.371.000,00	-	+0%
Total non-current assets		693.335.949.747,80	(1.267.933.954,94)	692.068.015.792,86	617.280.385.384,88	74.787.630.407,99	+12%
Current assets							
Other receivables	5	5.557.789.115,26	(190.456.887,60)	5.367.332.227,66	2.077.627.110,23	3.289.705.117,43	+158%
Clearing receivables accounts	6	7.112.784.037,17	(560.900.000,00)	6.551.884.037,17	6.611.885.476,69	(60.001.439,52)	-+1%
Cash and cash equivalent (*)	7	98.190.879.338,26	-	98.190.879.338,26	118.567.244.269,87	(20.376.364.931,61)	(17%)
Total current assets		110.861.452.490,69	(751.356.887,60)	110.110.095.603,09	127.256.756.856,79	(17.146.661.253,70)	(13%)
Total assets		804.197.402.238,49	(2.019.290.842,54)	802.178.111.395,95	744.537.142.241,67	57.640.969.154,29	+8%

The accompanying notes are an integral part of these financial statements

(*) The Foundation presents restated comparative figures 2023, because the correction of accounting policies changes (Refer to Note 18) has a material effect on the information in the statements.

Statement of Financial position
as at 31 December
(Amounts in Ariary)

Liabilities and Equity	Note	2024	2023 Restated (*)	Variation	Variation %
Equity					
Foundation endowment Capital		531.249.473.999,17	505.793.783.477,93	25.455.690.521,24	+5%
Funds received under management mandate		32.126.240.164,92	23.677.597.366,88	8.448.642.798,04	+36%
Cumulative expenditures on implementation funds under management mandate		(24.827.802.866,61)	(20.358.218.142,23)	(4.469.584.724,38)	+22%
Retained earning		231.807.601.344,50	165.362.590.570,94	66.445.010.773,55	+40%
Comprehensive profit for the year		28.524.829.294,31	66.445.010.773,55	(37.920.181.479,24)	(57%)
Total equity	8	798.880.341.936,28	740.920.764.047,08	57.959.577.889,20	+8%
Non-current liabilities					
Equipment grant		13.450.954,44	-	13.450.954,44	+100%
Total non-current liabilities	9	13.450.954,44	-	13.450.954,44	+100%
Current liabilities					
Miscellaneous creditors	10	3.284.318.505,23	3.616.378.194,59	(332.059.689,36)	(9%)
Clearing liabilities accounts		-	-	-	+0%
Total current liabilities		3.284.318.505,23	3.616.378.194,59	(332.059.689,36)	(9%)
Total Equity and liabilities		802.178.111.395,95	744.537.142.241,67	57.640.969.154,29	+8%

The accompanying notes are an integral part of these financial statements

(*) The Foundation presents restated comparative figures 2023, because the correction of accounting policies changes (Refer to Note 18) has a material effect on the information in the statements.

**Statement of comprehensive profit and loss and
other comprehensive income by Nature**
as at 31 December
(Amounts in Ariary)

	Note	2024	2023 Restated (*)	Variation	Variation %
Revenue		-	-	-	+0%
Change in stocks of finished products and work in progress		-	-	-	+0%
Own work capitalised		-	-	-	+0%
I- Operating income		-	-	-	+0%
Purchases	11	(150.420.697,52)	(105.064.534,34)	(45.356.163,18)	+43%
Other purchases and external charges	12	(6.062.379.046,01)	(4.286.165.048,50)	(1.776.213.997,51)	+41%
II - Operating expenses		(6.212.799.743,53)	(4.391.229.582,84)	(1.821.570.160,69)	+41%
III- Value added		(6.212.799.743,53)	(4.391.229.582,84)	(1.821.570.160,69)	+41%
Taxes, levies and similar payments		(3.372.200,00)	(1.429.000,00)	(1.943.200,00)	+136%
Salaries and wages	13	(1.724.628.989,19)	(1.390.583.996,73)	(334.044.992,46)	+24%
IV- Gross operating profit		(7.940.800.932,72)	(5.783.242.579,57)	(2.157.558.353,15)	+37%
Other operating incomes	14	8.185.905.246,52	6.293.268.295,06	1.892.636.951,46	+30%
Other operating expenses	15	(29.053.226.459,41)	(21.465.727.742,62)	(7.587.498.716,79)	+35%
Depreciation and impairment and provision		(934.229.406,83)	(154.624.448,43)	(779.604.958,40)	+504%
Reversal of provision		-	-	-	+0%
V- Operating profit		(29.742.351.552,44)	(21.110.326.475,56)	(8.632.025.076,88)	+41%
Financial income	16	88.878.351.519,21	107.999.254.122,42	(19.120.902.603,21)	(18%)
Financial charges	17	(30.611.170.672,46)	(20.443.916.873,31)	(10.167.253.799,15)	+50%
VI- Finance profit		58.267.180.846,75	87.555.337.249,11	(29.288.156.402,36)	(33%)
VII- Profit before tax from ordinary activities		28.528.786.004,31	66.445.010.773,55	(37.916.224.769,24)	(57%)
Current tax		-	-	-	+0%
Deferred tax		-	-	-	+0%
Total income from ordinary activities		97.064.256.765,73	114.292.522.417,48	(17.228.265.651,75)	(15%)
Total charges from ordinary activities		(68.539.427.471,42)	(47.847.511.643,93)	(20.691.915.827,49)	+43%
VIII- Profit for the year from ordinary activities		28.524.829.294,31	66.445.010.773,55	(37.920.181.479,24)	(57%)
Exceptional items (income)		-	-	-	+0%
Exceptional items (charges)		-	-	-	+0%
IX- Net profit from extraordinary items		-	-	-	
X- Comprehensive profit for the year		28.524.829.294,31	66.445.010.773,55	(37.920.181.479,24)	(57%)

The accompanying notes are an integral part of these financial statements

(*) The Foundation presents restated comparative figures 2023, because the correction of accounting policies changes (Refer to Note 18) has a material effect on the information in the statements.

Statement of comprehensive profit and loss and other comprehensive income by Function

as at 31 December
(Amounts in Ariary)

	Note	2024	2023 Restated (*)	Variation	Variation %
Revenue		-	-	-	+0%
Cost of sales		(6.212.799.743,53)	(4.391.229.582,84)	(1.821.570.160,69)	+41%
Gross losses		(6.212.799.743,53)	(4.391.229.582,84)	(1.821.570.160,69)	+41%
Other operating incomes	14	8.185.905.246,52	6.293.268.295,06	1.892.636.951,46	+30%
Selling and distribution expenses	13	(1.724.628.989,19)	(1.390.583.996,73)	(334.044.992,46)	+24%
Administrative expenses		(937.601.606,83)	(156.053.448,43)	(781.548.158,40)	+501%
Other operating expenses	15	(29.053.226.459,41)	(21.465.727.742,62)	(7.587.498.716,79)	+35%
Operating profit		(29.742.351.552,44)	(21.110.326.475,56)	(8.632.025.076,88)	+41%
Financial income	16	88.878.351.519,21	107.999.254.122,42	(19.120.902.603,21)	(18%)
Financial charges	17	(30.611.170.672,46)	(20.443.916.873,31)	(10.167.253.799,15)	+50%
Profit before tax from ordinary activities		28.524.829.294,31	66.445.010.773,55	(37.920.181.479,24)	(57%)
Current tax		-	-	-	+0%
Deffered tax		-	-	-	+0%
Profit for the year from ordinary activities		28.524.829.294,31	66.445.010.773,55	(37.920.181.479,24)	(57%)
Exceptional items (income)		-	-	-	+0%
Exceptional items (charges)		-	-	-	+0%
Comprehensive profit from the year		28.524.829.294,31	66.445.010.773,55	(37.920.181.479,24)	(57%)

The accompanying notes are an integral part of these financial statements

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Statement of Cash Flow
as at 31 December
(Amounts in Ariary)

	2024	2023 Restated (*)
Operating activities		
Cash receipts (customers and other debtors)	2.773,00	1.712,20
Cash paid (suppliers, employees and other creditors)	(4.735.155.767,46)	.(654.384.831,27)
Interest paid	(1.572.997.934,20)	(1.226.149.794,53)
Grants receipts	2.500.000.000,00	-
Grants paid	(32.444.177.348,88)	(21.321.793.301,09)
Net cash from exceptional items	-	-
Net cash from operating activities (A)	(36.252.328.277,54)	(27.202.326.214,69)
Investing activities		
Cash paid from acquisition of assets	-	-
Cash receipts from disposal of assets	-	-
Cash paid from on-shore investments	(3.843.494.781,00)	(1.167.513.040,04)
Cash receipts from disposal of financial fixed assets	-	-
Interest receipts from off-shore investments	58.267.663.033,87	155.375.446.344,27
Increase/decrease of off-shore investments (*)	(72.468.616.226,22)	(192.359.168.855,18)
Dividends and share of earnings received	-	-
Net cash from investing activities (B)	(18.044.447.973,35)	(38.151.235.550,95)
Financing activities		
Cash receipts from share issuance	-	-
Cash receipts from endowments capital	25.456.794.521,24	49.864.316.196,00
Cash receipts under management mandate	8.463.616.798,04	6.620.934.100,55
Cash paid from borrowings	-	-
Cash receipts from loans issuance	-	-
Net cash from financing activities (C)	33.920.411.319,28	56.485.250.296,55
Increase/decrease in cash (A+B+C)	(20.376.364.931,61)	(8.868.311.469,09)
Cash and cash equivalents, beginning of the year (*)	118.567.244.269,87	127.435.555.738,96
Cash and cash equivalents, end of the year (*)	98.190.879.338,26	118.567.244.269,87
Net cash and cash equivalents	(20.376.364.931,61)	(8.868.311.469,09)

The accompanying notes are an integral part of these financial statements

(*) The Foundation presents restated comparative figures 2023, because the correction of accounting policies changes (Refer to Note 18) has a material effect on the information in the statements.

Statement of changes in equity
as at 31 December
(Amounts in Ariary)

	Fouation endowment capital	Funds received under management mandate	Cumulative expenditures on implementation funds under management mandate	Retained earnings	Comprehensive profit for the year	Total
Balance as at 31 December 2022	<u>455.929.467.281,93</u>	<u>17.056.663.266,33</u>	<u>(16.726.923.897,39)</u>	<u>174.933.049.767,93</u>	<u>(77.580.019.491,12)</u>	<u>553.612.236.927,68</u>
Change in accounting method	-	-	-	-	-	-
Correction of errors	-	-	-	-	-	-
Other revenues & charges recognized directly in equity	-	-	-	-	-	-
Retained earning	-	-	-	(77.580.019.491,12)	77.580.019.491,12	-
Change in share capital	49.864.316.196,00	6.620.934.100,55	(3.631.294.244,84)	68.009.560.294,13	-	120.863.516.345,84
Comprehensive income from the year	-	-	-	-	66.445.010.773,55	66.445.010.773,55
Balance as at 31 December 2023	<u>505.793.783.477,93</u>	<u>23.677.597.366,88</u>	<u>(20.358.218.142,23)</u>	<u>165.362.590.570,94</u>	<u>66.445.010.773,55</u>	<u>740.920.764.047,08</u>
Change in accounting method						-
Correction of errors						-
Other revenues & charges recognized directly in equity						-
Retained earning						-
Change in share capital	25.455.690.521,24	8.448.642.798,04	(4.469.584.724,38)	66.445.010.773,55	(66.445.010.773,55)	29.434.748.594,90
Comprehensive income from the year					28.524.829.294,31	28.524.829.294,31
Balance as at 31 December 2024	<u>531.249.473.999,17</u>	<u>32.126.240.164,92</u>	<u>(24.827.802.866,61)</u>	<u>231.807.601.344,49</u>	<u>28.524.829.294,31</u>	<u>798.880.341.936,28</u>

The accompanying notes are an integral part of these financial statements

(*) The Foundation presents restated comparative figures 2023, because the correction of accounting policies changes (Refer to Note 18) has a material effect on the information in the statements.

To the Board of Director and Executive Director of « la Fondation pour les Aires Protégées et la Biodiversité de Madagascar (FAPBM) »

Special Auditor's Report

Under the provisions of articles 18 and 19 of Law 2004-014 of 19 August 2004
For the year ended 31 December 2024

Dear Sirs,

In accordance with the provisions of Articles 18 and 19 of Law 2004-014 governing Foundations in Madagascar, we hereby present our report on regulated agreements.

Our responsibility is to report to the Board of Director, based on the information provided, about the main terms and conditions of agreements that have been disclosed to us or that we may have discovered in the course of our work. We are not required to comment as to whether they are beneficial or appropriate, nor to identify any undisclosed agreements.

1. Agreements entered into and duly authorized by the Board of Directors in fiscal years prior to 2024 which remained in force in the year ended December 31, 2024:

- **Local investment**

- Person concerned :

Miarakap Investment, whose Chairman of the Board of Directors is Mr Fredy Rajaonera-Andriambelo

- Nature and purpose of the agreement :

Subscription to the capital of the Miarakap Investment Fund for 1,600 shares for a total of MGA 2,600,000,000 on January 25, 2023.

- Details :

The 2nd installment of 25% (700 million MGA) of the capital became effective on January, 2024.
The 3rd installment of 20% (560 million MGA) of the capital became effective on November, 2024.

2. Agreements concluded during the 2024 financial year

NOTHING TO REPORT

3. Prohibited agreements

With regard to prohibited agreements (article 18) of law 2004-014 governing Foundations in Madagascar, we have been informed that no transactions falling within the scope of said article were carried out during fiscal 2024.

Antananarivo, 17 June 2025

The Statutory Auditor

Level Smart Audit & Expertise


Lovaniaina ANDRIANARIJAONA
Expert Comptable et Financier