

Charity No. 1071946

Global Witness Trust
Report and Financial Statements
30 November 2007

Chantrey Vellacott DFK LLP

Global Witness Trust

Reference and administrative details

For the Year Ended 30 November 2007

Charity number	1071946	
Registered office and operational address	PO Box 6042 London N19 5WP	
Trustees	Jeremy Bristow Caroline Digby Lorna Mackinnon Chris Mitchell Tony Stevenson	Chair Treasurer
Bankers	Co-operative Bank 6 Olympic Court Montford Street Salford M5 2QP	
Auditor	Chantrey Vellacott DFK LLP Russell Square House 10-12 Russell Square London WC1B 5LF	

Global Witness Trust

Report of the trustees

For the year ended 30 November 2007

The trustees present their report and the audited financial statements for the year ended 30 November 2007.

The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance & management

The organisation is an unincorporated charity registered as a charity on 13 October 1998, and is governed by a declaration of trust dated 19 June 1998

The Global Witness Trust is governed by a Board of Trustees who meet four times a year to discuss and plan the Trust's activities, and to oversee the disbursement of funds received.

The trustees who served during the year and up to the date of the report are listed on page 2. The trustees have no beneficial interest in the charity.

Trustees have the power to appoint or to co-opt new members onto the Board, appointments are ratified in accordance with the charity's Deed of Trust. There is a process of induction for new trustees, which includes meetings with staff and the provision of key information.

Risk management

The trustees have examined the major risks that the charity faces and confirm that systems have been established so that the necessary steps can be taken to manage any such risks. All of the charity's income arises from fundraising. The trustees regularly monitor the progress of development and fundraising through the year and are aware of the need for there to be challenging, yet achievable targets.

Objectives and activities

The objects of the Global Witness Trust, as laid out in the Declaration of Trust, are as follows:

- 1) To advance the education of the public in environmental matters, the preservation and conservation of the natural environment and its sustainable development and the causes and effects of environmental degradation; and
- 2) To carry out or promote research into the maintenance and observance of human rights in places or areas where there may have been an impact on the human rights of the inhabitants of such places and areas as a consequence of environmental damage or change and to publish or otherwise disseminate the useful results of such research.

Global Witness Trust

Report of the trustees

For the year ended 30 November 2007

Achievements and performance

The Trust continued to attract grants and donations at a high level. We received income from the Sigrid Rausing Trust, Stichting Doen, the Roddick Foundation, Irish Aid, Trócaire and the Rufford Maurice Laing Foundation.

Grant making policy

The Trust directors acting as a board have determined that the best way for the Trust to fulfill its objects is to support the charitable aspects of investigations and campaigns undertaken by Global Witness Limited, a separate company. This decision is reviewed annually, or as and when the Board consider appropriate. The Board of Trustees considers applications for funding from Global Witness Limited in light of the charity's objects, and each successful application is governed by a separate and specific grant agreement.

Financial review

The Trust raised income of £957,160 in the year, compared to £1,207,546 in 2005/06. However, if the one-off legacy of £363,660 received in 2006/07 is discounted, the underlying amount of 2006/07 income raised from trusts and foundations was £843,886. This year's figure represents an increase of grant and donations income of £113,274 (13%).

The large reduction in reserves in the year represents the granting of the legacy received in 2006/07 to Global Witness Limited.

Reserves policy

The trustees are aware of the Charity Commission requirements for all charities to have a formalised reserves policy, which justifies and explains the reasons for the level of reserves held by the charity. The Global Witness Trust has a policy to hold reserves of £5,600. Average reserves of this amount were held during the year. These reserves are to pay for £3,600 of ongoing costs and charges, and £2,000 held for contingency. The reserves policy is reviewed on an annual basis. As at 30 November 2007 the Trust had unrestricted reserves of £5,215.

Plans for future

The Trust will continue to raise funds for Global Witness Limited. There are plans to set up a Development Board to assist with fundraising activities in the future.

During 2007/08 the financial operations and assets of the Trust are to be transferred to Global Witness Trust Limited. Thereafter the Trust will cease to exist, and will be replaced by Global Witness Trust Limited.

Global Witness Trust

Report of the trustees

For the year ended 30 November 2007

Statement of responsibilities of the trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993. The trustees 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 maintenance and integrity of the charity's website is the responsibility of the trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Chantrey Vellacott DFK LLP were re-appointed as the charity's auditor during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 9 June 2008 and signed on their behalf by

9 June 08



Independent auditor's report

To the trustees of

Global Witness Trust

We have audited the financial statements of Global Witness Trust for the year ended 30 November 2007 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the trustees as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditor

The responsibilities of the trustees (who are also the trustees of Global Witness Trust for the purposes of charity law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the trustees.

We have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the annual report of the trustees is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditor's report

To the trustees of

Global Witness Trust

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the charity's state of affairs as at 30 November 2007 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993.

Chantrey Vellacott DFK LLP

Chantrey Vellacott DFK LLP
Chartered accountants & registered auditor
London

9/6/08

Chantrey Vellacott DFK LLP

Global Witness Trust

Statement of financial activities

For the year ended 30 November 2007

	Note	Restricted £	Unrestricted £	2007 Total £	2006 Total £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	45,000	187,557	232,557	469,270
Investment income		-	8,012	8,012	805
Incoming resources from charitable activities					
Environmental and human rights research and campaigning	3	716,336	-	716,336	737,471
Other incoming resources		-	255	255	-
Total incoming resources		<u>761,336</u>	<u>195,824</u>	<u>957,160</u>	<u>1,207,546</u>
Resources expended					
4					
Cost of generating funds		-	180	180	-
Charitable activities					
Environmental and human rights research and campaigning		761,336	552,952	1,314,288	837,644
Governance costs		-	7,090	7,090	5,561
Total resources expended		<u>761,336</u>	<u>560,222</u>	<u>1,321,558</u>	<u>843,205</u>
Net movement in funds	5	-	(364,398)	(364,398)	364,341
Total funds brought forward		-	369,613	369,613	5,272
Total funds carried forward	10	-	<u>5,215</u>	<u>5,215</u>	<u>369,613</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. The notes on pages 10 to 14 form an integral part of these financial statements.

Global Witness Trust

Balance sheet

30 November 2007

	Note	2007 £	2006 £
Current assets			
Debtors	7	-	416,440
Cash at bank and in hand		<u>80,613</u>	<u>20,434</u>
		80,613	436,874
Liabilities			
Creditors: amounts due within 1 year	8	<u>(75,398)</u>	<u>(67,261)</u>
Net current assets, being net assets	9	<u>5,215</u>	<u>369,613</u>
Funds			
Restricted funds	10	-	-
Unrestricted funds			
General funds		<u>5,215</u>	<u>369,613</u>
Total funds		<u>5,215</u>	<u>369,613</u>

Approved by the trustees and authorised for issue on 9 June 2008 and signed on their behalf by

9 June 2008



The notes on pages 10 to 14 form an integral part of these financial statements

Global Witness Trust

Notes to the financial statements

For the year ended 30 November 2007

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Charities Act 1993. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).
- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable.
- c) Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier
- d) Resources expended are recognised in the period in which they are incurred. Grants payable represent funding transferred to Global Witness Limited, this is recognised in line with recognition of the related income. Resources expended include attributable VAT which cannot be recovered.

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

Environmental and human rights research and campaigning	99.5%
Governance Costs	0.5%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with the constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

- f) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- g) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- i) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange on the balance sheet date. Income and expenditure in foreign currencies are translated into sterling at the rates of exchange on the date of transaction. Gains or losses caused by exchange rate differences are recognised in the Statement of Financial Activities.

Global Witness Trust

Notes to the financial statements

For the year ended 30 November 2007

2. Voluntary income

	Restricted £	Unrestricted £	2007 Total £	2006 Total £
The Roddick Foundation	-	100,000	100,000	100,000
Sigrid Rausing Trust	45,000	-	45,000	-
Ajahma Trust	-	50,000	50,000	-
Staples Trust	-	15,000	15,000	-
Legacy	-	-	-	363,660
Other donations	-	22,557	22,557	5,610
Total	<u>45,000</u>	<u>187,557</u>	<u>232,557</u>	<u>469,270</u>

3. Incoming resources from charitable activities

	Restricted £	Unrestricted £	2007 Total £	2006 Total £
Sigrid Rausing Trust	350,000	-	350,000	355,000
Trócaire	67,047	-	67,047	69,606
The Rufford Maurice Laing Foundatio	30,010	-	30,010	30,000
Stichting Doen	166,044	-	166,044	171,648
Irish Aid	103,235	-	103,235	95,814
United States Agency for	-	-	-	7,344
Concern Worldwide	-	-	-	8,059
Total	<u>716,336</u>	<u>-</u>	<u>716,336</u>	<u>737,471</u>

Global Witness Trust

Notes to the financial statements

For the year ended 30 November 2007

4. Charitable expenditure

	Cost of generating funds £	Environmental and human rights research and campaigning £	Governance Costs £	Support costs £	2007 Total £	2006 Total £
Grants to Global Witness Limited	-	1,295,614	-	-	1,295,614	837,644
Global Witness Limited management fee	-	-	-	18,639	18,639	-
Legal fees	-	-	3,584	-	3,584	-
Audit fees	-	-	3,205	-	3,205	4,815
Accounting fees	-	-	-	-	-	411
Fundraising fees	180	-	-	-	180	-
Trustees expenses	-	-	200	-	200	-
Bank charges	-	-	-	36	36	158
Exchange rate variances	-	-	-	100	100	177
Total resources expended	180	1,295,614	6,989	18,775	1,321,558	843,205
Support costs	-	18,674	101	(18,775)	-	-
Total resources expended	180	1,314,288	7,090	-	1,321,558	843,205

Global Witness Trust

Notes to the financial statements

For the year ended 30 November 2007

5. Net incoming resources for the year

This is stated after charging / crediting:

	2007	2006
	£	£
Trustees' indemnity insurance	Nil	Nil
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	200	-
Auditor's remuneration:		
▪ Audit	3,205	4,815
▪ Other services	-	411
	<u>-</u>	<u>411</u>

Trustees' reimbursed expenses represents the reimbursement of travel and subsistence costs to 2 (2006: nil) members relating to attendance at meetings of the trustees.

6. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

7. Debtors

	2007	2006
	£	£
Grants receivable	-	52,780
Legacies	-	363,660
	<u>-</u>	<u>416,440</u>

Global Witness Trust

Notes to the financial statements

For the year ended 30 November 2007

8. Creditors : amounts due within 1 year

	2007 £	2006 £
Other creditors	3,584	-
Accruals	3,175	3,466
Amounts due to Global Witness Limited	<u>68,639</u>	<u>63,795</u>
	<u>75,398</u>	<u>67,261</u>

9. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Current assets	-	80,613	80,613
Current liabilities	<u>-</u>	<u>75,398</u>	<u>75,398</u>
Net assets at the end of the year	<u>-</u>	<u>5,215</u>	<u>156,011</u>

10. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Restricted funds				
Environmental and human rights research and campaigning	<u>-</u>	<u>761,336</u>	<u>(761,336)</u>	<u>-</u>
Total restricted funds	<u>-</u>	<u>761,336</u>	<u>(761,336)</u>	<u>-</u>
Unrestricted funds	<u>369,613</u>	<u>195,824</u>	<u>(560,222)</u>	<u>5,215</u>
Total funds	<u>369,613</u>	<u>957,160</u>	<u>(1,321,558)</u>	<u>5,215</u>