

Company no. 05883832  
Charity no. 1117844

**Global Witness Trust**  
**Report and Financial Statements**  
**31 December 2016**

**Global Witness Trust**

**Reference and administrative details**

**For the year ended 31 December 2016**

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<b>Company number</b>	05883832
<b>Charity number</b>	1117844
<b>Registered office</b>	Lloyds Chambers 1 Portsoken Street London E1 8BT
<b>Operational address</b>	Lloyds Chambers 1 Portsoken Street London E1 8BT
<b>Trustees</b>	Jeremy Bristow Caroline Digby Lorna Mackinnon (resigned 27 May 2016) Chris Mitchell (Chair) Tony Stevenson (Treasurer)
<b>Principal Advisers</b>	
<b>Banker</b>	The Co-operative Bank 6 Olympic Court Montford Street Salford M5 2QP
<b>Auditor</b>	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

## **Global Witness Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2016**

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The trustees present their report and the audited financial statements for the year ended 31 December 2016.

Reference and administrative details set out on page 1 forms part of this report. The financial statements comply with applicable law, the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), effective 1 January 2015.

#### **Structure, governance & management**

The organisation is a charitable company limited by guarantee, incorporated on 21 July 2006 and registered as a charity on 2 February 2007 (no. 1117844 in England & Wales).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its articles of association.

The trustees who served during the year and up to the date of the report are listed on page 1. The trustees, who are considered to be the key management personnel of the Trust, receive no remuneration for their roles and 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 memorandum of association. There is a process of induction for new trustees, which includes meetings with staff and the provision of key information.

#### **Public benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year. The charity's activities provide benefit to the public through education in the areas of human rights and environmental protection. In line with the charity's grant making policy, these activities are facilitated through support for the charitable aspects of work undertaken by Global Witness. The results of this work are made available to the public through reports, press releases, briefing documents, videos and audio clips published in various media and online.

#### **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. As all of the charity's income arises from fundraising, the principle risk arises from the funding environment and the economic instability. 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 Global Witness Trust, as laid out in the memorandum of association, 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 31 December 2016**

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#### **Achievements and performance**

Global Witness Trust applies for grants to fund activities in line with the objects of the charitable company. During the period the charity attracted grants from the Arcadia Fund and Irish Aid amongst others.

#### **Grant making policy**

The trustees acting as a board have determined that the best way for Global Witness Trust to fulfil its objectives is to support the charitable aspects of investigations and campaigns undertaken by Global Witness, a separate not-for-profit organisation. This decision is reviewed annually, or as and when the trustees consider appropriate. The trustees consider applications for funding from Global Witness in light of the charity's objectives, and each successful application is governed by a separate and specific grant agreement.

#### **Financial review**

Global Witness Trust raised income of £458,415 in 2016, compared to £285,366 in 2015. £448,144 (2015: £282,280) was granted to Global Witness as well as a small service charge of £5,083 (2015: £5,083).

#### **Reserves policy**

The reserves policy of the Trust approved by the Trustees in 2011 requires general reserves to be held and maintained at the equivalent of one year of operational expenditure. The reserves held at 31 December 2016 total £10,168 (2015: £8,380) which is in line with this requirement. The trustees believe this is adequate to meet all current needs of the organisation.

#### **Plans for the future**

Global Witness Trust will continue to raise funds for Global Witness in line with the grant making policy outlined above.

#### **Statement of responsibilities of the trustees**

The trustees (who are also directors of Global Witness Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

## **Global Witness Trust**

### **Report of the trustees**

#### **For the year ended 31 December 2016**

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The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

#### **Members**

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2016 was 5 (2015: 5). Each of the trustees are members of the charity but this entitles them only to voting rights. Each of the trustees has no beneficial interest in the charity.

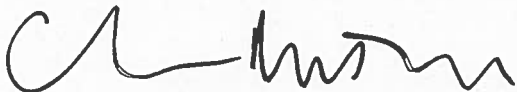
#### **Auditors**

The auditors, Moore Stephens LLP, are willing to continue in office. They will be re-appointed in accordance with Part 16 of the Companies Act 2006.

#### **Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 10 April 2017 and signed on their behalf by



Chris Mitchell  
Chair of Trustees

## **Global Witness Trust**

### **Independent auditor's report to the members of Global Witness Trust**

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We have audited the financial statements of Global Witness Trust for the year ended 31 December 2016 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 (FRS 102), 'the Financial Reporting Standard in the UK and Republic of Ireland'.

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the statement of responsibilities of the trustees, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Global Witness Trust**

**Independent auditor's report to the members of Global Witness Trust**

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**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.



**RICHARD WILLIS (Senior Statutory Auditor)**  
for and on behalf of **Moore Stephens LLP**  
Chartered Accountants & Statutory Auditor  
London, UK

Date: 28/4/2014

**Global Witness Trust**

**Statement of financial activities** (incorporating an income and expenditure account)

**For the year ended 31 December 2016**

	Note	Restricted £	Unrestricted £	2016 Total £	2015 £
<b>Income from:</b>					
Donations	2	214,400	243,947	<b>458,347</b>	285,270
Investments		-	68	<b>68</b>	96
<b>Total</b>		<u>214,400</u>	<u>244,015</u>	<u><b>458,415</b></u>	<u>285,366</u>
<b>Expenditure on:</b>					
Charitable activities					
Environmental and human rights research and campaigning		214,400	242,227	<b>456,627</b>	290,549
<b>Total expenditure</b>	3	<u>214,400</u>	<u>242,227</u>	<u><b>456,627</b></u>	<u>290,549</u>
<b>Net movement in funds, being net (expenditure)/income for the period</b>	4	-	1,788	<b>1,788</b>	(5,183)
<b>Total funds brought forward</b>		-	8,380	<b>8,380</b>	13,563
<b>Total funds carried forward</b>	8	-	10,168	<u><b>10,168</b></u>	<u>8,380</u>

All of the above results are derived from continuing activities. The notes on pages 10 to 13 form an integral part of these financial statements. All investment income was unrestricted in 2015 and 2016.



**Global Witness Trust**

**Balance sheet**

**31 December 2016**

	Note	2016 £	2015 £
<b>Current assets</b>			
Cash at bank and in hand		<u>177,373</u>	<u>16,613</u>
		<b>177,373</b>	<b>16,613</b>
<b>Current Liabilities</b>			
Creditors: amounts due within 1 year	6	<u>(167,205)</u>	<u>(8,233)</u>
<b>Net current assets, being net assets</b>	7	<u><b>10,168</b></u>	<u><b>8,380</b></u>
<b>Funds</b>			
Restricted funds		-	-
Unrestricted funds			
General funds		<u>10,168</u>	<u>8,380</u>
<b>Total funds</b>	8	<u><b>10,168</b></u>	<u><b>8,380</b></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees and authorised for issue on 10 April 2017 and signed on their behalf by:



Chris Mitchell  
Chair of Trustees

Company Registration Number: 5883832

The notes on pages 10 to 13 form an integral part of these financial statements

**Global Witness Trust**

**Statement of Cash Flows**

**For the year ended 31 December 2016**

	31 December 2016 £	31 December 2015 £
	Note	
<b>Net cash provided by/(used in) operating activities, being change in cash and cash equivalents in the reporting period</b>	A (below) <u>160,760</u>	<u>(50,182)</u>
Cash and cash equivalents at the beginning of the year	16,613	66,795
<b>Total cash and cash equivalents at the end of the year</b>	B (below) <u>177,373</u>	<u>16,613</u>

**Note A:**

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	31 December 2016 £	31 December 2015 £
Net income/(expenditure) for the period	1,788	(5,183)
<b>Adjustment for:</b>		
Increase/(Decrease) in creditors	158,972	(44,999)
<b>Net cash provided by/(used in) operating activities</b>	<u>160,760</u>	<u>(50,182)</u>

**Note B:**

**Analysis of cash and cash equivalents**

	31 December 2016 £	31 December 2015 £
<b>Cash in hand</b>	<u>177,373</u>	<u>16,613</u>

## Global Witness Trust

### Notes to the financial statements

#### For the period ended 31 December 2016

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#### 1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102) and the Companies Act 2006.

Global Witness Trust meets the definition of a public benefit entity under FRS 102.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### b) Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and gifts are included in the Statement of Financial Activities when the Trust has entitlement, which is usually upon receipt.

Revenue grants are credited to the Statement of Financial Activities when the Trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

##### c) Expenditure recognition

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes 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:

- i) Environmental and human rights research and campaigning
- ii) Governance costs

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

## Global Witness Trust

### Notes to the financial statements

#### For the period ended 31 December 2016

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##### d) Fund accounting

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

##### e) Foreign currencies

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.

##### f) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially at transaction value and subsequently measured at their settlement value.

## 2. Donations

	Restricted £	Unrestricted £	2016 Total £	2015 Total £
Arcadia - a charitable trust of Peter Baldwin and Lisbet				
Rausing	60,000	-	60,000	-
Irish Aid	154,400	-	154,400	142,280
Samworth Foundation	-	30,000	30,000	30,000
Mike Servent	-	44,370	44,370	-
The David and Elaine Potter Foundation	-	5,000	5,000	-
Other grants	-	144,723	144,723	100,000
Other donations	-	19,854	19,854	12,990
<b>Total</b>	<b>214,400</b>	<b>243,947</b>	<b>458,347</b>	<b>285,270</b>

Included within the 2015 total was Restricted Income of £142,280 and Unrestricted Income of £142,990

Global Witness Trust

Notes to the financial statements

For the period ended 31 December 2016

3. Charitable expenditure

	Environmental and human rights research and campaigning £	Governance costs £	Other Support costs £	2016 Total £	2015 Total £
Grants to Global Witness	448,144	-	-	448,144	282,280
Global Witness management fee <sup>1</sup>	-	-	5,083	5,083	5,083
Audit fees	-	3,400	-	3,400	3,150
Other charges	-	-	-	-	36
	<u>448,144</u>	<u>3,400</u>	<u>5,083</u>	<u>456,627</u>	<u>290,549</u>
Support costs	5,083	-	(5,083)	-	-
<b>Total resources expended</b>	<u><u>453,227</u></u>	<u><u>3,400</u></u>	<u><u>-</u></u>	<u><u>456,627</u></u>	<u><u>290,549</u></u>

<sup>1</sup> Global Witness charges the charity an annual fee based on an estimation of staff time spent providing administration services for the charity.

4. Net movement in funds for the year

This is stated after charging:	2016 £	2015 £
Auditor's remuneration:		
▪ Audit	<u>3,400</u>	<u>3,150</u>

5. Taxation

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

6. Creditors : amounts due within 1 year

	2016 £	2015 £
Accruals	167,205	8,233
Other creditors	-	-
	<u>167,205</u>	<u>8,233</u>

7. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Current assets	-	177,373	177,373
Current liabilities	-	(167,205)	(167,205)
<b>Net assets at the end of the year</b>	<u>-</u>	<u>10,168</u>	<u>10,168</u>

## Global Witness Trust

### Notes to the financial statements

For the period ended 31 December 2016

#### 8. Movements in funds

	At 1 Jan 2016 £	Income £	Expenditure £	At 31 Dec 2016 £
<b>Restricted funds</b>				
Environmental and human rights research and campaigning	-	214,400	(214,400)	-
<b>Total restricted funds</b>	-	214,400	(214,400)	-
<b>Unrestricted funds</b>	8,380	244,015	(242,227)	10,168
<b>Total funds</b>	8,380	458,415	(456,627)	10,168

#### 9. Related party transactions

Global Witness Trust's trustees, who are considered to comprise the key management personnel of the Trust, did not receive any remuneration, benefits-in-kind or reimbursement of expenses during the year under review (2015: £nil).

There were no transactions with related parties in the year to 31 December 2016 (2015: £nil)

#### 10. Financial instruments

	2016 £	2015 £
Categories of financial instruments:		
Financial assets:		
Cash and cash equivalents	177,373	16,613
Financial liabilities at amortised cost	3,400	3,150

As the charity's main financial asset is represented by cash at bank, there is not considered to be any associated liquidity or market risk.