

Company no. 05883832
Charity no. 1117844

Global Witness Trust
Report and Financial Statements
31 December 2017

Global Witness Trust

Reference and administrative details

For the year ended 31 December 2017

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

Global Witness Trust

Report of the trustees

For the year ended 31 December 2017

The trustees present their report and the audited financial statements for the year ended 31 December 2017.

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 principal 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:

- 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
- 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 2017

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 Arcadia - a charitable trust of Peter Baldwin and Lisbet Rausing, Postcode Planet Trust 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 £692,032 in 2017, compared to £458,415 in 2016. £432,836 (2016: £448,144) was granted to Global Witness as well as a small service charge of £5,083 (2016: £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 2017 total £10,815 (2016: £10,168) 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 2017

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 2017 was 5 (2016: 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.

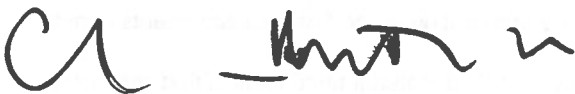
Auditors

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 19 April 2018 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

Opinion

We have audited the financial statements of Global Witness Trust (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its income 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.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Global Witness Trust

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the the trustees' report.

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 are not in agreement with the accounting records and returns; or
- 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 and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the Statement of Responsibilities of the Trustees set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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, the trustees are responsible for assessing the charitable company'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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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(UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Richard Willis, *Senior Statutory Auditor*

For and on behalf of Moore Stephens LLP, Statutory Auditor

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

150 Aldersgate Street

London

EC1A 4AB

Date:

26/4/2018

Global Witness Trust

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

For the year ended 31 December 2017

	Note	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Income from:					
Donations	2	600,119	91,913	692,032	458,347
Investments		-	-	-	68
Total		<u>600,119</u>	<u>91,913</u>	<u>692,032</u>	<u>458,415</u>
Expenditure on:					
Charitable activities					
Environmental and human rights research and campaigning		350,119	91,266	441,385	456,627
Total expenditure	3	<u>350,119</u>	<u>91,266</u>	<u>441,385</u>	<u>456,627</u>
Net movement in funds, being net income for the period	4	250,000	647	250,647	1,788
Total funds brought forward		-	10,168	10,168	<u>8,380</u>
Total funds carried forward	9	<u>250,000</u>	<u>10,815</u>	<u>260,815</u>	<u>10,168</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 2016.

Global Witness Trust

Balance sheet

31 December 2017

	Note	2017 £	2016 £
Current assets			
Debtors	6	10,000	-
Cash at bank and in hand		<u>259,399</u>	<u>177,373</u>
		269,399	177,373
Current Liabilities			
Creditors: amounts due within 1 year	7	<u>(8,584)</u>	<u>(167,205)</u>
Net current assets, being net assets	8	<u>260,815</u>	<u>10,168</u>
Funds			
Restricted funds		250,000	-
Unrestricted funds			
General funds		<u>10,815</u>	<u>10,168</u>
Total funds	9	<u>260,815</u>	<u>10,168</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 19 April 2018 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 2017

	Note	31 December 2017 £	31 December 2016 £
Net cash provided by operating activities, being change in cash and cash equivalents in the reporting period	A (below)	<u>82,026</u>	<u>160,760</u>
Cash and cash equivalents at the beginning of the year		177,373	16,613
Total cash and cash equivalents at the end of the year	B (below)	<u><u>259,399</u></u>	<u><u>177,373</u></u>

Note A:

Reconciliation of net income to net cash flow from operating activities

	31 December 2017 £	31 December 2016 £
Net income for the period	250,647	1,788
Adjustments for:		
(Increase) in debtors	(10,000)	-
(Decrease)/Increase in creditors	(158,621)	158,972
Net cash provided by operating activities	<u><u>82,026</u></u>	<u><u>160,760</u></u>

Note B:

Analysis of cash and cash equivalents

	31 December 2017 £	31 December 2016 £
Cash in hand	259,399	177,373
Total cash and cash equivalents at the end of the year	<u><u>259,399</u></u>	<u><u>177,373</u></u>

Global Witness Trust

Notes to the financial statements

For the year ended 31 December 2017

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 year ended 31 December 2017

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	2017 Total	2016 Total
	£	£	£	£
Arcadia - a charitable trust of Peter Baldwin and Lisbet Rausing	220,000	-	220,000	60,000
Irish Aid	100,119	-	100,119	154,400
Samworth Foundation	-	-	-	30,000
Mike Servent	-	55,000	55,000	44,370
The David and Elaine Potter Foundation	-	-	-	5,000
The Kestrelman Trust	30,000	-	30,000	-
Postcode Planet Trust	250,000	-	250,000	-
CrossCurrents	-	10,000	10,000	-
Other grants	-	-	-	144,723
Other donations	-	26,913	26,913	19,854
Total	600,119	91,913	692,032	458,347

Included within the 2016 total was restricted income of £214,400 and unrestricted income of £243,947

Global Witness Trust

Notes to the financial statements

For the year ended 31 December 2017

3. Charitable expenditure

	Environmental and human rights research and campaigning £	Governance costs £	Other Support costs £	2017 Total £	2016 Total £
Grants to Global Witness	432,836	-	-	432,836	448,144
Global Witness management fee ¹	-	-	5,083	5,083	5,083
Audit fees	-	3,460	-	3,460	3,400
Other charges	-	-	6	6	-
	<u>432,836</u>	<u>3,460</u>	<u>5,089</u>	<u>441,385</u>	<u>456,627</u>
Support costs	5,089	-	(5,089)	-	-
Total resources expended	<u><u>437,925</u></u>	<u><u>3,460</u></u>	<u><u>-</u></u>	<u><u>441,385</u></u>	<u><u>456,627</u></u>

¹ 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:	2017 £	2016 £
Auditor's remuneration:		
▪ Audit	<u>3,460</u>	<u>3,400</u>

5. Taxation

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

6. Debtors: amounts due within 1 year

	2017 £	2016 £
Grants receivable	<u>10,000</u>	<u>-</u>

7. Creditors : amounts due within 1 year

	2017 £	2016 £
Accruals	<u>8,584</u>	<u>167,205</u>

8. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Current assets	250,000	19,399	269,399
Current liabilities	-	(8,584)	(8,584)
Net assets at the end of the year	<u><u>250,000</u></u>	<u><u>10,815</u></u>	<u><u>260,815</u></u>

Global Witness Trust

Notes to the financial statements

For the year ended 31 December 2017

9. Movements in funds

	At 1 Jan 2017 £	Income £	Expenditure £	At 31 Dec 2017 £
Restricted funds				
Environmental and human rights research and campaigning	-	600,119	(350,119)	250,000
Total restricted funds	-	600,119	(350,119)	250,000
Unrestricted funds	10,168	91,913	(91,266)	10,815
Total funds	10,168	692,032	(441,385)	260,815

10. 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 (2016: £nil).

There were no transactions with related parties in the year to 31 December 2017 (2016: £nil).

11. Financial instruments

	2017 £	2016 £
Categories of financial instruments:		
Financial assets:		
Debtors	10,000	-
Cash and cash equivalents	259,399	177,373
Financial liabilities at amortised cost	3,460	3,400

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.