

Charity Registration Number 801436

**THE RAINFOREST FOUNDATION (UK)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

THE RAINFOREST FOUNDATION (UK)

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FOR THE YEAR ENDED 31 DECEMBER 2007

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THE RAINFOREST FOUNDATION (UK)**OFFICERS AND PROFESSIONAL ADVISERS****AS AT 31 DECEMBER 2007****Trustees**

Mr J P Davidson (Chairman)

Mr R Reoch

Ms J Carino

Dr J Hemming

Prof Sir G Prance (Resigned 27 August 2007)

Mr M Campanale

Ms L Morriss

Principal office2nd Floor
Imperial Works
Perren Street
LONDON
NW5 3ED**Registered charity number**

801436

BankersCoutts & Co
St Martins Office
440 The Strand
LONDON
WC2R 0QS**Solicitors**Bates Wells & Braithwaite
2 - 6 Cannon Street
LONDON
EC4M 6YH**Auditor**Berkeley Hall Marshall
Chartered Accountants
and Registered Auditor
6 Charlotte Street
BATH
BA1 2NE

THE RAINFOREST FOUNDATION (UK)**REPORT OF THE TRUSTEES****FOR THE YEAR ENDED 31 DECEMBER 2007**

The trustees present their report along with the financial statements of the charity for the year ended 31 December 2007. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

Reference and administrative details of the charity, its trustees and advisers

The Rainforest Foundation UK, registered charity no. 801436 is based at The Rainforest Foundation UK, Imperial Works, 2nd Floor, Perren Street, London NW5 3ED, United Kingdom

The Board of Trustees during the year were: John Paul Davidson (Chair), Dr John Hemming (Secretary), Mark Campanale (Treasurer), Richard Reoch, Professor Sir Ghillean Prance (resigned 27 August 2007), Joji Carino and Louise Morriss.

The founding patrons are: Sting and Trudie Styler

The Executive Director is Simon Counsell

Structure, governance and management

The Trust is an unincorporated trust, constituted under a trust deed dated 21 April 1989 and is a registered charity, number 801436. The Trust was established by Sting and his wife Trudie Styler. Over the years the Founders have, directly and indirectly, made substantial gifts to the charity.

The trustees are appointed by the Board of Trustees and serve for an unlimited period. The Trust Deed provides for a minimum of three trustees, to a maximum of ten trustees.

At the minimum of two trustees' meeting each year, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of geographical areas for intervention, grant making, information, education and campaigning activities and organisational performance. The day to day administration of grants and other operational matters is delegated to the Chief Executive and specialist staff.

The Board keeps the skill requirements for the Trustee Body under review. New trustees may be sought by open advertisement or through a dialogue with candidates in relevant sectors. The ultimate decision on selection is a matter for the Board of Trustees. When new trustees are appointed they are given an introduction to the work of the Trust and provided with the information they need to fulfill their roles, which includes information about the role of trustees and charity law.

The guidelines for trustees are presently under review, and new rules, concerning, for example, length of service and appraisal are expected to be introduced in the coming year.

The trustees who held office during the financial year and at the date of this report are set out on page 1.

The Trust has its headquarters in London, and a small office in Bukavu, Democratic Republic of Congo, which is used to manage a capacity-building programme with local partner organisations.

The charity has a number of partner organisations with whom it cooperates to deliver its programmes. The principal partner organisations are set out in note 15 to the accounts.

The Rainforest Foundation UK is part of a small 'family' of fully independent organisations, which includes Rainforest Foundations in the USA and Norway. These organisations, whilst sharing the same mission and objectives, are fully autonomous in terms of funding and governance.

The Trust works closely with a range of other organisations, especially the Rainforest Foundation Norway, in the pursuit of its objectives.

THE RAINFOREST FOUNDATION (UK)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2007

Risk management

The trust has recently introduced a risk management strategy. This consists of the maintenance of a risk register, which lists major risks rated according to likelihood and severity of impact, along with mitigation measures. The register is kept under constant review by the Chief Executive and reviewed annually by the trustees in order to satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

Reserves

The total value of our reserves is £317,999

The reserve of restricted funds, £212,203, is held solely for projects expenditure.

The unrestricted funds reserve is £105,796. Reserves are held as funds for the organisation's core costs. The value of unrestricted reserves should not fall below £85,000 which is roughly three months of recurrent expenditures.

Objectives and activities

The Rainforest Foundation UK is an international non-governmental, non-political, non-religious organisation.

The Trust deed defines the charity's objects as being to:

- I. Conserve or assist in the conservation on the rainforests of the world and in particular of Brazil, including all flora, fauna, rivers, waterways and other natural resources therein;
- II. Advance the education of the general public in the need to conserve the rainforests and other natural resources of the world and the balance of such resources for the long-term benefit of the human race and all other living things therein;
- III. Relieve sickness amongst the inhabitants of the rainforests by the provision of medical care;
- IV. Protect and preserve the health of the said inhabitants through the medium of health education;
- V. Promote education suitable for the said inhabitants.

Activities:

The activities currently carried out by the charity can be broadly categorised into the following groups of programmes:

Tackling deforestation:

RFUK tackles the underlying causes of deforestation and the linked problem of disenfranchisement of indigenous forest people globally and locally. Locally it helps forest communities to gain land rights, challenge logging companies and governmental regulations, and establish agreements on forest use. Globally, it works to influence national and international laws to protect rainforests and their inhabitants.

Influencing law and policy:

Working in partnership with local NGOs, indigenous peoples groups and experts, RFUK aims to improve laws and policies to protect the rights of forest peoples.

THE RAINFOREST FOUNDATION (UK)
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FOR THE YEAR ENDED 31 DECEMBER 2007

Realising rights:

RFUK supports partner NGOs to help forest communities obtain official status and realise their rights to land, livelihood, healthcare, education and representation.

Supporting forest communities:

RFUK promotes the local knowledge and traditional methods used by indigenous and traditional forest communities to sustain rainforests.

Securing land:

RFUK aims to strengthen the land tenure of forest peoples so they can defend the forest resources upon which they depend.

Campaigning for change:

While RFUK runs many practical projects in rainforest areas to help local people protect their environment, it also tackles the underlying causes of forest destruction by campaigning for changes in laws and policies.

Strategies:

The charity delivers its charitable objectives in two ways:

1. through direct delivery using its own staff, especially in relation to work in the UK and campaigning and policy activities, and;
2. through grant making, chiefly in support of partner organisations.

The latter constitutes the greater part of the expenditure and is seen as being an essential part of strengthening the capacity of local organisations to shape the future according to local needs and priorities. It also ensures that RFUK's work is firmly rooted in local knowledge and expertise. RFUK has found from experience that this approach delivers maximum value to the beneficiary groups.

2007 Activities, achievements and performance

Tackling deforestation

RFUK supported Gabonese partner NGO Brainforest in its campaign to prevent the damming of the globally important Kongou Falls, in Ivindo National Park and the destruction of the surrounding forests.

Influencing law and policy

RFUK backed the creation of ground-breaking legislation aimed at protecting the rights of forest dwellers in Congo- Brazzaville. The law is making its way through the Congo parliament. It will be the first law in Africa to guard against the rampant discrimination, exploitation and violence endured by indigenous forest peoples. The law has been developed with participation of forest communities in all the major regions of Congo. Indigenous communities were consulted on issues such as equality, citizenship, self-governance, cultural integrity, land and natural resources, and social and economic rights by teams trained by RFUK.

THE RAINFOREST FOUNDATION (UK)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2007

Realising rights

With the support of RFUK, Bagyeli communities in south east Cameroon have had a number of chiefs formally recognised. The chiefs now have the right to negotiate directly with the authorities, a right they did not previously have.

In August 2007 RFUK helped partner NGOs OCDH and ADPPA in the Republic of Congo to rally against the discrimination suffered by Baka musicians at a music festival. The musicians were forced to sleep in a zoo, while other performers were put up in hotels. Thanks to the campaign the organisers were forced to issue a public apology.

Supporting forest communities

As a result of RFUK project work Baka people in Cameroon are now managing their own community forests giving them the opportunity to live sustainably in the forests. In Eastern Congo RFUK is supporting communities to find a way to make a living in the rainforests by starting up small enterprises.

Securing land

In the DRC RFUK has trained 512 community mappers and as a result some 28 communities have produced maps of their land. These maps have been used to secure access to protected areas and negotiate with other users of the area. In the long run the maps will ensure that authorities include forest communities as part of any national land use planning system.

Campaigning for change:

RFUK backed a formal complaint by Congolese indigenous associations to the World Bank Inspection Panel concerning the World Bank's interventions in the rainforests of DRC. The Panel reported in September 2007, and delivered a damning indictment of the World Bank's Congo policy and argued that it was encouraging the misuse of forests. The report was widely publicised and will hopefully have an impact on the way the World Bank approaches the management of Congo Basin forests in the future.

In 2007 RFUK also supported the Congolese government in starting to develop a land use planning process which takes community rights into account.

Financial review

Restricted funds' main funding sources:

DIFD	- £183,008
Comic Relief	- £36,529
Big Lottery Fund	- £123,926
Rainforest Foundation Fund	- £174,359
Rainforest Foundation Norway	- £90,665

Unrestricted Funds:

Legacy	- £100,000
High Donor Donations	- £50,000
Fundraising Events	- £79,823

Direct charity expenditure (projects) accounts for more than 75% of total expenditure, fundraising and publicity expenditure.

Investment policy

The charity generally has too little long term reserves to make investments possible. Any fund reserves are generally held in a short notice deposit account, where they generate limited returns. The charity holds no investment property.

THE RAINFOREST FOUNDATION (UK)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2007

Reserves policy

The main reason for holding reserves is to ensure that the charity has enough resources to ensure that our programmes can be supported through to their conclusion or passed in an orderly manner to another grant manager. The level of free reserves held is therefore broadly in line with our policy. It is our policy never to commit funds that we do not have, and most project funding is therefore committed only when there are guaranteed long term (almost always external) sources to support it. The restricted funds held by the charity are only kept for as long as is necessary to organise the use of the funds. Normally the funds are spent within 3 months of receipt.

Grant making policy

All grants for overseas project work are issued to local partner organisations. All local partners are fully autonomous organisations with their own financial management and governance structures. In almost all cases, the allocation of grants is determined through close dialogue between our specialist programme staff and potential grant recipients. Potential partners are required to submit an application for funds, either on a yearly, two-yearly or three yearly basis. Applications are expected to comply with our internal guidelines and requirements. Funds are rarely granted to organisations with whom we have had no direct contact but at least, we have, visited the potential recipients offices and met with relevant staff and Board members. A basic checklist of 'capacity' of the recipient is employed to ensure that potential partners have the ability and systems to manage our grant-funded project adequately. Programme staff monitor the activities of partners in the field, making usually at least two project visits each year. Grant recipients are required to provide narrative and financial reports on project activities once or twice per year, depending on the size of the grant concerned.

Plans for the Future

Much of the work supported by the Foundation is, by its very nature, long term. The challenges we and our partners face in the Congo Basin region are enormous, and will continue to be the focus of the organisation's work.

Tackling deforestation:

RFUK will continue to challenge governmental policies and the programmes of international agencies that promote tropical deforestation. In particular, RFUK will work with partners in the Democratic Republic of Congo to oppose the wholesale allocation of new industrial logging concessions.

Influencing law and policy:

RFUK work in this area will largely focus on seeing through to parliamentary adoption the law on protection of indigenous rights in the Republic of Congo. Similar work will be initiated in DRC and assistance given to local organisations working in Colombia who are challenging 'anti-environment' forestry laws.

Realising rights:

Current programmes for securing basic rights for forest people in Cameroon will continue into 2008. RFUK will investigate how this work can be extended and adapted, and will also explore how the delivery of basic education to Baka, Bagyeli and Bakola communities as a means of furthering these peoples' economic and social autonomy can be supported and encouraged.

Supporting forest communities:

In the Selva Central region of Peru, RFUK is working with a range of local NGOs and indigenous organisations to develop an integrated strategy to support the indigenous communities to manage and defend their forests. This will include input into the development of a management plan for the Communal Reserves and Otishi National Park, along with training and support for communities in responding to the threat of oil exploitation.

THE RAINFOREST FOUNDATION (UK)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2007

Securing land:

RFUK will continue to support a major programme to map and, in the long term, help secure rights for forest dependent communities in the Democratic Republic of Congo and other parts of the Congo Basin Region.

Campaigning for change:

RFUK will raise awareness of the link between deforestation and climate change, and ensure that any scheme to combat climate change through avoided deforestation are not simply quick fixes to help industrialised nations meet emissions targets and that they put the needs of local people first.

On behalf of the Trustees

A handwritten signature in black ink, appearing to read 'J P Davidson', written in a cursive style.

J P Davidson
Chairman

Dated: 28 May 2007

THE RAINFOREST FOUNDATION (UK)

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The Charities Act requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Foundation, and of its incoming resources and application thereof for that year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees consider that there are sufficient reserves held at the year end to avoid an unacceptable level of disruption to the organisation in the event of a downturn in future income, and there is reasonable expectation that the Foundation has adequate resources to continue in operation for the foreseeable future.

The trustees have assessed the major risks to which the charity is presently exposed, in particular those related to the finances and operation of the Trust, and are satisfied that systems are in place to mitigate their exposure to these risks.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE RAINFOREST FOUNDATION (UK)**

We have audited the financial statements of The Rainforest Foundation (UK) for the year ended 31 December 2007 on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the charity's trustees, as a body, in accordance with section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To use fullest extent permitted by law we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work for this report, or the opinion we have formed.

Respective responsibilities of the trustees and auditors

As described on page 3, the trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We have been appointed as auditors under Section 43(2) of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act.

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 Report of the Trustees is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the Foundation is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 the information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

6 Charlotte Street
Bath

31/6/08


Berkeley Hall Marshall
Chartered Accountants
and Registered Auditor

THE RAINFOREST FOUNDATION (UK)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	Unrestricted £	Restricted £	2007 £	2006 £
INCOME RESOURCES					
Generated funds					
Voluntary income:					
Donations and grants		191,864	-	191,864	30,803
Activities for generating funds:					
Events etc		116,203	-	116,203	193,068
Investment income		9,533	-	9,533	6,675
Charitable activities:					
Grants and contracts		-	676,079	676,079	955,360
Total incoming resources		317,600	676,079	993,679	1,185,906
RESOURCES EXPENDED					
Cost of generating funds:					
Costs of generating voluntary income		10,706	-	10,706	9,823
Fundraising and events	2	178,873	-	178,873	214,042
Charitable activities	3	96,472	659,755	756,227	832,104
Governance costs	4	55,345	-	55,345	25,215
Total resources expended	5	341,396	659,755	1,001,151	1,081,184
Net incoming/(outgoing) resources before transfers		(23,796)	16,324	(7,472)	104,722
Transfer between funds		(7,306)	7,306	-	-
Net movement in funds		(31,102)	23,630	(7,472)	104,722
Fund balances brought forward		136,898	188,573	325,471	220,749
Fund balances carried forward		105,796	212,203	317,999	325,471

None of the Foundation's activities were acquired or discontinued during the above period. There were no recognised gains and losses other than the net movement of funds during the year.

The notes on pages 7 to 12 form part of these accounts.

THE RAINFOREST FOUNDATION (UK)

BALANCE SHEET AS AT 31 DECEMBER 2007

	Note	2007		2006	
		£	£	£	£
Fixed assets					
Tangible assets	9		13,318		16,243
Investments	10		<u>2</u>		<u>2</u>
			13,320		16,245
Current assets					
Debtors - due within one year	11	136,310		224,320	
Cash at bank and in hand		<u>192,095</u>		<u>120,349</u>	
		328,405		344,669	
Current liabilities					
Creditors - due within one year	12	<u>23,726</u>		<u>35,443</u>	
Net current assets			<u>304,679</u>		<u>309,226</u>
Total assets less current liabilities			<u>317,999</u>		<u>325,471</u>
Reserves					
Unrestricted			105,796		136,898
Restricted	15		<u>212,203</u>		<u>188,573</u>
Total reserves			<u>317,999</u>		<u>325,471</u>

The financial statements on pages 5 to 12 were approved by the trustees on



 J P Davidson

 Trustee

The notes on pages 7 to 12 form part of these accounts.

THE RAINFOREST FOUNDATION (UK)**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2007****1 Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

1.2 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.3 Incoming resources

All income resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Income from events etc is recognised when it becomes receivable.
- Investment income is included when receivable.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

THE RAINFOREST FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1.4 Resources expended

- Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT, which cannot be fully recovered, and is reported as part of the expenditure to which it relates:
- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Costs relating to Fundraising and Events comprises such costs both direct and apportioned.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years.

2 Fund raising and events

	Unrestricted £	Restricted £	2007 £	2006 £
Salary costs	113,387	-	113,387	72,323
Other costs	<u>76,192</u>	<u>-</u>	<u>76,192</u>	<u>141,719</u>
	<u>189,579</u>	<u>-</u>	<u>189,579</u>	<u>214,042</u>

3 Charitable activities

	Unrestricted £	Restricted £	2007 £	2006 £
Project activities	46,098	644,572	690,670	781,656
Project support costs	<u>50,374</u>	<u>15,183</u>	<u>65,557</u>	<u>50,448</u>
	<u>96,472</u>	<u>659,755</u>	<u>756,227</u>	<u>832,104</u>

THE RAINFOREST FOUNDATION (UK)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2007

4 Governance costs

	Unrestricted £	Restricted £	2007 £	2006 £
Salary costs	24,068	-	24,068	17,962
Trustees' expenses	44	-	44	24
Share of office costs	26,690	-	26,690	3,416
Audit and legal fees	<u>4,543</u>	<u>-</u>	<u>4,543</u>	<u>3,813</u>
	<u>55,345</u>	<u>-</u>	<u>55,345</u>	<u>25,215</u>

5 Total resources expended

	Staff costs £	Other costs £	2007 £	2006 £
Costs of generating voluntary income	-	-	-	9,823
Fundraising and events	113,387	76,192	189,579	214,042
Charitable activities	143,846	612,381	756,227	832,104
Governance costs	<u>24,068</u>	<u>31,277</u>	<u>55,345</u>	<u>25,215</u>
	<u>281,301</u>	<u>719,850</u>	<u>1,001,151</u>	<u>1,081,184</u>

6 Staff costs and numbers

	2007 £	2006 £
Wages and salaries	244,929	208,240
Social security costs	25,125	21,849
Pension costs	8,459	6,714
Recruitment and volunteers' expenses	<u>2,788</u>	<u>5,027</u>
	<u>281,301</u>	<u>241,830</u>

No employee received emoluments of more than £60,000 during the year.

The average number of employees in the year was 10 (2006 - 9).

7 Trustees' remuneration and related party transactions

None of the trustees received any remuneration during the year (2006 - nil). Trustees' meeting expenses of £44 were, however, reimbursed.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

8 Taxation

As a charity the Foundation is exempt from taxation on income and gains to the extent that these are applied to its charitable objects. No liability has arisen in the year (2006 - nil).

THE RAINFOREST FOUNDATION (UK)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2007

9 Tangible fixed assets

	Office equipment £
Cost	
As at 1 January 2007	62,331
Additions	<u>4,038</u>
As at 31 December 2007	<u>66,369</u>
Depreciation	
As at 1 January 2007	46,088
Charge for the year	<u>6,963</u>
As at 31 December 2007	<u>53,051</u>
Net book value	
As at 31 December 2007	<u>13,318</u>
As at 31 December 2006	<u>16,243</u>

10 Investments

The investment represents a 100% shareholding in the Rainforest Foundation Trading Company Limited, a company incorporated in the United Kingdom.

11 Debtors - Amounts due within one year

	2007 £	2006 £
Grants receivable	100,493	202,479
Prepayments and accrued income	22,214	10,091
Gift Aid tax refund	-	5,000
Rent deposit	6,750	6,750
Other debtors	<u>6,853</u>	-
	<u>136,310</u>	<u>224,320</u>

12 Creditors - Amounts due within one year

	2007 £	2006 £
Amounts due to subsidiary undertakings	2	2
Accruals and deferred income	5,286	28,933
PAYE and social security	7,244	6,508
Other creditor	<u>11,194</u>	-
	<u>23,726</u>	<u>35,443</u>

THE RAINFOREST FOUNDATION (UK)**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2007****13 Acknowledgements**

The Rainforest Foundation UK would like to thank the following companies for their invaluable support by way of gifts in kind: -

Identica: Annual Report and new branding - £5,000

Simmons and Simmons: Legal advice for Britvic Contract - £4,000

DLG: Data support and cleaning - £2,500

14 Related parties

These are as follows:

The Rainforest Foundation (UK) is part of the International Rainforest Foundation network, which consists of a number of autonomous organisations. These organisations are based in Oslo, New York and Tokyo as well as in London.

In 1999, a Rainforest Foundation Fund, which is based in New York was set up in order to provide funding to Rainforest Foundation projects.

THE RAINFOREST FOUNDATION (UK)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

15 Restricted funds - movements

Funders	Project	Balances brought forward	Incoming resources	Expenditure	Transfers from unrestricted funds	Balances carried forward
		£	£	£	£	£
Rainforest Foundation Fund	Strategic Grant	72,933	-	72,933	-	-
Rainforest Foundation Fund	Africapacity phase II	-	27,245	29,516	2,271	-
Rainforest Foundation Fund	Heritiers de La Justice	-	-	-	-	-
Rainforest Foundation Fund	CIDB Equateur DRC	2,000	-	2,000	-	-
IUCN	DRC Forest Law	16,263	-	2,152	-	14,111
Rainforest Foundation - Norway	DRC Mapping	2,944	-	-	-	2,944
Rainforest Foundation - Norway	Africapacity phase II	-	89,810	89,810	-	-
Rainforest Foundation Fund	Selva Central Peru/Nahua	7,296	3,822	3,822	-	-
Rainforest Foundation Fund	Congo Brazzaville Pygmy Rights	-	-	10,650	3,354	-
Comic Relief	Africapacity phase II	-	25,445	16,214	-	9,231
DFID	Pygmy Rights Law	2,702	-	2,702	-	-
Comic Relief	Congo Brazzaville	-	74,067	64,770	-	9,297
Big Lottery Fund	CED/BBB Pygmy Rights	13,847	36,529	49,926	-	450
Baring Foundation	CED - CLFW	52,620	123,926	137,050	-	39,496
DFID	NTEP Project	1,500	-	1,500	-	-
Forest Monitor	DRC Mapping	845	108,941	111,467	1,681	-
Rainforest Foundation Fund	Concessions Report	15,623	-	15,623	-	-
Rainforest Foundation Fund	CAMV Publications	-	25,445	12,350	-	13,095
John Ellerman Foundation	BBB Cameroon	-	25,445	14,522	-	10,923
Rainforest Foundation Fund	BBB Cameroon Project	-	16,000	-	-	16,000
Rainforest Foundation Fund	Gabon Forests	-	10,178	4,521	-	5,657
Rainforest Foundation Fund	Sengwer Community - Kenya	-	6,743	6,515	-	228
Rainforest Foundation Fund	Madagascar CFM	-	25,445	-	-	25,445
Rainforest Foundation Fund	Uganda Forests	-	25,446	-	-	25,446
Ferguson Trust	Cameroon Education Project	-	25,000	-	-	25,000
Various	Small Projects	-	10,250	5,250	-	5,000
Naked Body Care	Congo Mapping Project	-	11,750	6,462	-	5,288
Charles H Stout Foundation	Columbia Project	-	4,592	-	-	4,592
		188,573	676,079	659,755	7,306	212,203

