



Financial Statements
for the year ended 31 December 2010

for
Stichting FERN

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Stichting FERN

**General Information
for the year ended 31 December 2010**

REGISTERED OFFICE:

Groenesteeg 65
2312 SP Leiden
Netherlands
Registration : 41169658

AUDITOR:

DGST & Partners, Réviseurs d'entreprises ScivPRL
Represented by Martine PIRET
Avenue Commandant Lothaire, 38
1040 Brussels
Belgium

Brussels, 18 March 2011

Avenue Commandant Lothaire 38 - B 1040 Bruxelles
T. 02 736 43 11 F. 02 732 03 58 martine.piret@dgst.be

**AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF STICHTING FERN
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

We report to you on the performance of the contractual audit mission which has been entrusted to us. The aim of this mission is the financial audit of the annual accounts. This report contains our opinion on the true and fair view of the financial statements as well as the required additional information.

Unqualified audit opinion on the financial statements

We have audited the financial statements for the year ended 31 December 2010, prepared in accordance with the financial reporting framework applicable in Belgium (royal order of 19 of December 2003), which show a balance sheet total of € 2.895.073 and a loss for the year of € 11.989.

Management is responsible for the preparation and the fair presentation of these financial statements. This responsibility includes : designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the Auditing Standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises*). Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement, as to whether due to fraud or error.

In accordance with the above-mentioned auditing standards, we considered the company's administrative and accounting organisation, as well as its internal control procedures. We have obtained from management and the foundation's officials, the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the appropriateness of accounting policies and the reasonableness of the significant accounting estimates made by the



foundation as well as the overall financial statement presentation. We believe that these procedures provide a reasonable basis for our opinion.

In our opinion, the financial statements for the year ended 31 December 2010 give a true and fair view of the company's assets and liabilities, its financial position and the results of its operations in accordance with the financial reporting framework applicable in Belgium.

Additional information

Our responsibility is to supplement our report with the following additional information, which does not modify our audit opinion on the financial statements:

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.

Brussels, 18 March 2011

ScivPRL « DGST & Partners réviseurs d'entreprises »
External auditor represented by



Martine PIRET
Associated auditor

Stichting FERN

Financial Statements for the year ended 31 December 2010

Assets	2010	2009
1. Subscribed capital unpaid		
2. Fixed assets (2.1+2.2+2.3)	9,640	9,821
2.1 Intangible fixed assets	-	3,471
2.2 Tangible fixed assets	6,757	3,484
2.3 Financial assets	2,883	2,866
3. Current assets (3.1+3.2.1+3.2.2+3.3+3.4+3.5)	2,885,433	631,176
3.1 Stocks	-	-
3.2.1 Debtors due after one year	800,627	-
3.2.2 Debtors due within one year	1,785,613	261,508
3.3 Cash at bank and in hand	296,084	366,651
3.4 Other current assets	-	-
3.5 Accrued income / Deferred expenses	3,109	3,017
Total assets (1+2+3)	2,895,073	640,998

Liabilities	2010	2009
4. Capital and reserves (4.1+4.2+4.3+4.4)	248,925	264,385
4.1 Starting capital (restricted)	195,656	195,656
4.2 Reserves (restricted)	34,344	34,344
4.3 Reserves (non-restricted)	30,914	30,914
4.3 Profit and loss brought forward	-	-
4.4 Investment grant	-	3,471
5. Creditors (5.11+5.12+5.21+5.22)	2,646,148	376,613
5.1.1 Long term non-bank debt	-	-
5.1.2 Long term bank debt	-	-
5.2.1 Short term non-bank debt	78,635	167,733
Payables within one year	17,198	130,878
Social security and salary	61,438	36,855
5.2.2 Accrued expenses / Deferred income	2,567,513	208,880
Total liabilities (4+5)	2,895,073	640,998

Profit and loss	2010	2009
6. Turnover	-	-
7. Variation in stocks	-	-
8. Other operating income	1,348,310	1,124,138
Specific campaign funding	1,048,196	821,547
Core funding	286,963	272,456
Reimbursements	13,150	30,136
9. Costs of material and consumables	-	-
10. Other operating charges	802,594	651,353
Offices rent and charges	30,542	26,374
Computers, maintenance & website hosting	15,638	15,585
Post / telephone/ fax/ internet	16,636	10,721
Office supply	3,383	7,062
Printing and publications, incl translation	42,648	27,636
Documents, incl rent of photocopier	10,246	9,626
Miscellaneous (membership fees, legal public, gift,...)	1,864	3,394
Staff cost advert	769	2,709
Agent moneys paid	87,902	63,242
Sub-contracting with partners organisations	260,584	211,057
Audit	15,499	11,590
Consultants	96,695	76,301
Travel/meetings	210,116	176,361
Training for staff	6,412	6,265
Office and staff insurance	3,130	2,460
Tax	530	970
11. Staff costs	557,859	473,871
12. Gross operating profit (6.+7.+8.-9.-10.-11.)	- 12,143	-1,086
13. Depreciation and value adjustments on non-financial assets	8,343	7,086
14. Net operating profit (12.-13.)	- 20,485	-8,172
15. Financial income and value adjustments on financial assets	20,019	18,192
16. Interest paid, bank charges and exchange rate losses	11,523	6,080
17. Similar charges	-	-
18. Profit/loss on ordinary activities (14+15.-16.-17.)	- 11,989	3,940
19. Extraordinary income and charges	-	-
20. Taxes on profit	-	-
21. Profit/loss for the financial year (18.+19.-20.)	- 11,989	3,940

Appropriation of the result	2010	2009
Transfer to restricted reserves	164,742	3,940
Restricted reserves at 31 December	230,000	65,258

Janine
J. LAJAND
 TREASURER

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles, as laid down by the International Accounting Standards Committee.

Grants and Donations

Income from donations and grants is included in incoming resources when these are receivable. There are accounted on an accruals basis.

Interest Receivable

Interest is included when receivable by the organisation.

Expenditure

All expenditure is accounted for on an accruals basis and is inclusive of VAT which cannot be recovered.

Depreciation

Fixed Assets are written off over three years straight line for computers having a purchase value of at least €1,000 (excl VAT), and over five years for office furniture having a purchase value of more than €1,000 (excl VAT).

2. TAXATION

The organisation is non-profit making and registered in the Netherlands as a Stichting. It therefore only pays Corporation Tax on investment income and capital gains.

3. CURRENT ASSETS

	<u>2010 (€)</u>	<u>2009 (€)</u>
Trade debtors	222,490	43,127
Amounts receivable within one year (note 5)	1,563,123	218,381
Cash at bank and in hand	296,084	366,651
Accrued income (note 6)	-	-
Deferred expenses	3,109	3,017
	<u>2,084,806</u>	<u>631,176</u>

4. CREDITORS

	<u>2010 (€)</u>	<u>2009 (€)</u>
Deferred income (note 7)	2,567,513	208,880
Trade creditors	10,986	122,424
Accrued expenses	6,211	8,454
Social security and salary debts	61,438	36,855
	<u>2,646,148</u>	<u>376,613</u>

Damen

D J LAKEY

FINANCE AND ADMINISTRATION
MANAGER

Jaurus
J. LAURUS
TREASURER

Stichting FERN
Notes to the Financial Statements (cont..)
for the year ended 31 December 2010

5. AMOUNTS RECEIVABLE WITHIN ONE YEAR

	<u>2010 (€)</u>
FROM DONORS	
Charles Stewart Mott Foundation, United States of America	93,803
Congo Basin Forest Fund, Tunisia	603,063
Department for International Development, United Kingdom	205,975
European Commission, DG Development (EuropeAid)	384,000
European Commission, DG Environment	46,656
Grundtvig Partnerships, Belgium	3,000
Sigrid Rausing Trust, United Kingdom	176,002
Ministry of VROM, The Netherlands	50,625
OTHERS	
Guarantee/deposit from previous office in Brussels	-
	<u>1,563,123</u>

6. ACCRUED INCOME

	<u>2010 (€)</u>
Credit interest for year 2010	-

7. DEFERRED INCOME

	<u>2010 (€)</u>
Charles Stewart Mott Foundation, United States of America	92,904
Congo Basin Forest Fund, Tunisia	1,305,959
Department for International Development, United Kingdom	155,007
European Commission, DG Development (EuropeAid)	540,721
Ford Foundation, USA	55,712
Grundtvig Partnerships, Belgium	6,998
Ministry of VROM, The Netherlands	51,135
Sigrid Rausing Trust, United Kingdom	359,077
	<u>2,567,513</u>

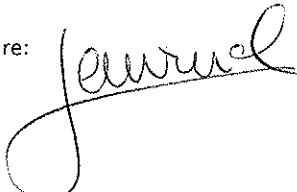
8. FUNDS

Funds of the foundation at 31 December 2009	195,656
Result for the financial year 2010	- 11,989
Transfer to restricted reserves	- 164,742
Funds of the foundation at 31 December 2010	<u>18,925</u>

APPROVED BY THE BOARD

DATE: 2 / 4 / 2011

Name: J. LAURUC

Signature: 

Name: D J LAKEY

Signature: 

Year ended 31 December 2010	Stichting FERN - Expenditure by Campaign 2010 - €																		
	Totals all Campaigns		10 Core Programme		02 European Forests		06 Development Aid		07 Trade and Investment		09 Carbon Trading		11 Certification and Procurement		13 Avoided Deforestation and		15 Forest Law and Governance		
	% Bud	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
Expenditure		554,350	538,000	91,281	86,000	80,818	60,000	20,185	15,000	70,902	70,000	22,376	20,000	12,043	16,000	108,962	155,000	147,783	116,000
Remuneration & social security costs	40.2%	348,486	584,191	-	-	13,360	-	-	-	91,795	101,000	-	-	-	-	34,205	239,500	209,126	243,691
Subcontract with partner organisations	25.2%	112,194	148,139	36,698	40,000	7,407	6,000	5,392	-	11,355	10,000	4,500	12,139	-	-	17,964	30,000	28,877	50,000
Consultants and subcontract fees (including audit fees)	8.1%	216,567	238,500	47,278	50,000	17,452	37,000	4,340	12,000	4,529	7,500	7,922	15,000	1,831	1,000	70,453	56,000	62,762	60,000
Travel, meetings & training (including accommodation & per diem)	15.7%	40,973	60,220	23,781	28,000	1,435	2,000	834	220	2,973	4,000	1,138	2,000	111	-	4,343	19,000	6,358	5,000
Office costs (comp maint, website, post, phone, supplies, cleaning, stationary, membership fees, adverts, payroll bureau)	3.0%	52,943	85,500	6,239	7,000	3,201	4,000	3,013	10,000	3,683	12,500	11,019	4,000	4	-	6,513	28,000	19,270	20,000
Printing, editing, translation	3.8%	31,056	34,500	10,377	25,000	2,892	-	3,673	-	4,705	3,500	-	-	-	-	4,705	3,000	4,705	3,000
Services & other goods (office rent, electricity, gas, water, heating)	2.2%	224	-	224	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments to third parties	0.0%	3,130	3,000	2,749	3,000	-	-	-	-	-	-	69	-	-	-	-	-	312	-
Insurances (office, employees)	0.2%	19,866	11,000	12,158	5,000	5	1,000	3,471	-	822	1,000	105	-	-	-	1,892	2,000	1,411	2,000
Interest & other finance charges	1.4%	530	1,000	311	1,000	-	-	218	-	-	-	-	-	-	-	-	-	-	-
Taxes other than income taxes	0.0%																		
Total expenditure	100%	1,380,318	1,704,049	231,097	245,000	126,571	110,000	41,127	37,220	190,765	209,500	47,129	53,139	13,989	17,000	249,036	532,500	480,605	499,691

INCOME 2010

Charles Stewart Mott Foundation, United States of America	€	92,824
Congo Basin Forest Fund, Tunisia	€	156,936
Department for International Development, United Kingdom	€	160,909
European Commission, DG Development (EuropeAid)	€	271,442
European Commission, DG Environment	€	116,641
Ford Foundation, United States of America	€	44,832
Grundtvig Partnerships, Belgium	€	3,003
Interchurch Organisation for Development Cooperation, The Netherlands	€	41,127
Ministry of VROM, The Netherlands	€	78,065
Oxfam Novib, The Netherlands	€	110,000
Sigrid Rausing Trust, United Kingdom	€	167,100
SwedBio/CBM, Sweden	€	92,282
Donor income	€	1,335,160
Reimbursements	€	13,150
Credit interest	€	3,279
Gain on exchange rate	€	16,740
Other income	€	33,169
TOTAL OPERATING INCOME	€	1,368,329