



**Financial Statements  
for the year ended 31 December 2014  
for  
Stichting FERN**

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**Stichting FERN**

**General Information  
for the year ended 31 December 2014**

**REGISTERED OFFICE:** Groenesteeg 65  
2312 SP Leiden  
Netherlands  
Registration : 41169658

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Moreton-in-Marsh, GL56 9NQ  
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☎ +44 1608 651 864

**WEBSITE :** [www.fern.org](http://www.fern.org)

**AUDITOR:** DGST & Partners, Réviseurs d'entreprises ScivPRL  
Represented by Mrs Martine PIRET  
Avenue Emile Van Becelaere, 27A  
B1170 Brussels  
Belgium

**STATUTORY AUDITOR'S REPORT  
TO THE THE BOARD OF DIRECTORS OF STICHTING FERN**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

As required by law and the association's by-laws, we report to you in the context of our appointment as the foundation's statutory auditor. This report includes our opinion on the annual accounts, as well as the required additional statements. The annual accounts include the balance sheet as at 31 December 2014, the income statement for the year then ended, and the disclosures.

**Report on the annual accounts – Unqualified opinion**

We have audited the annual accounts of Stichting FERN for the year ended 31 December 2014, which show a balance sheet total of EUR 5.301.715 and a loss for the year of EUR 19.065.

*Responsibility of the board of Directors for the preparation of the annual accounts*

The board of Directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

*Responsibility of the statutory auditor*

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we comply with the ethical requirements and plan and perform the control to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the association's internal control relevant to the preparation of annual accounts that give a true and fair view, in order to design control procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit

also includes evaluating the appropriateness of valuation rules used and the reasonableness of accounting estimates made by board of Directors, as well as evaluating the overall presentation of the annual accounts.

We have obtained from board of Directors and association officials the explanations and information necessary for our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Unqualified opinion*

In our opinion, the annual accounts of Stichting FERN give a true and fair view of the foundation's equity and financial position Stichting FERN as at 31 December 2014, and of the results of its operations for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

#### **Report on other legal and regulatory requirements**

The board of Directors is responsible for the compliance with the law of 27 June 1921 on non-profit organisations, international non-profit organisations and foundations, with the by-laws and with the legal and regulatory requirements regarding bookkeeping.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in breach of the by-laws or of the Law of 27 June 1921 on non-profit organisations, international non-profit organisations and foundations that we have to report to you.

Brussels, 26 March 2015

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



Martine PIRET  
Registered auditor

## Stichting FERN

### Financial Statements for the year ended 31 December 2014 (Euros)

Assets	2014	2013
<b>1. Subscribed capital unpaid</b>		
<b>2. Fixed assets (2.1+2.2+2.3)</b>	<b>36,717</b>	<b>10,240</b>
2.1 Intangible fixed assets	13,276	-
2.2 Tangible fixed assets	20,226	7,258
2.3 Financial assets	3,215	2,983
<b>3. Current assets (3.1+3.2.1+3.2.2+3.3+3.4+3.5)</b>	<b>5,264,998</b>	<b>7,290,612</b>
3.1 Stocks	-	-
3.2.1 Debtors due after one year	1,595,387	1,650,612
3.2.2 Debtors due within one year	2,344,670	3,439,128
3.3 Cash at bank and in hand	1,321,684	1,917,482
3.4 Other current assets	-	-
3.5 Accrued income / Deferred expenses	3,257	283,390
<b>Total assets (1+2+3)</b>	<b>5,301,715</b>	<b>7,300,853</b>
Liabilities	2014	2013
<b>4. Capital and reserves (4.1+4.2+4.3+4.4)</b>	<b>245,937</b>	<b>251,726</b>
4.1 Starting capital (restricted)	195,656	195,656
4.2 Reserves (restricted)	34,344	34,344
Subtotal restricted reserves	<b>230,000</b>	<b>230,000</b>
4.3 Reserves (non-restricted)	21,726	13,757
4.3 Profit/ (loss) for current year	(19,065)	7,969
4.4 Investment grant	13,276	-
Subtotal non-restricted reserves	<b>15,937</b>	<b>21,726</b>
<b>5. Creditors (5.11+5.12+5.21+5.22)</b>	<b>5,055,778</b>	<b>7,049,126</b>
5.1.1 Long term non-bank debt	-	-
5.1.2 Long term bank debt	-	-
5.2.1 Short term non-bank debt	561,140	397,977
Payables within one year	537,152	335,569
Social security and salary	23,989	62,408
5.2.2 Accrued expenses / Deferred income	4,494,638	6,651,150
<b>Total liabilities (4+5)</b>	<b>5,301,715</b>	<b>7,300,852</b>
Profit and loss	2014	2013
<b>6. Operating Income</b>	<b>2,466,040</b>	<b>1,628,319</b>
Specific campaign funding	2,420,165	1,439,526
Core funding	4,335	105,344
Reimbursements	41,540	83,448
	-	-
<b>7. Costs of material and consumables</b>	<b>-</b>	<b>-</b>
<b>8. Other operating charges</b>	<b>1,716,860</b>	<b>972,113</b>
Partner subcontracts and grants	964,096	564,191
Audit, consultants, subcontractors	280,071	143,382
Travel, meetings, training	282,097	136,864
Office costs	45,754	47,421
Printing, editing, translation	83,257	33,921
Rent & Utilities	38,677	35,065
Insurance & HR costs	22,909	10,558
Taxes	-	711
<b>9. Staff costs</b>	<b>782,386</b>	<b>620,077</b>
<b>10. Gross operating profit (loss) (6-8-9)</b>	<b>(33,206)</b>	<b>36,129</b>
<b>11. Depreciation and value adjustments on non-financial assets</b>	<b>8,332</b>	<b>3,571</b>
<b>12. Net operating profit / (loss) (10-11)</b>	<b>(41,538)</b>	<b>32,558</b>
<b>13. Financial income and value adjustments on financial assets</b>	<b>17,657</b>	<b>21,184</b>
<b>14. Interest paid, bank charges, exchange rate losses and bad debts</b>	<b>26,481</b>	<b>45,774</b>
<b>15. Gains on realisation of debtors</b>	<b>31,296</b>	<b>-</b>
<b>16. Profit/ (loss) on ordinary activities (12+13-14+15)</b>	<b>(19,065)</b>	<b>7,968</b>
<b>17. Extraordinary income and charges</b>	<b>-</b>	<b>-</b>
<b>18. Taxes on profit</b>	<b>-</b>	<b>-</b>
<b>19. Profit/ (loss) for the financial year (16-17-18)</b>	<b>(19,065)</b>	<b>7,968</b>

Stichting FERN  
Notes to the Financial Statements  
for the year ended 31 December 2014

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in Belgium.

**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>2014 (€)</u>	<u>2013 (€)</u>
Trade debtors	122,175	57,280
Amounts receivable within one year (note 5)	2,222,495	3,381,848
Cash at bank and in hand	1,321,684	1,917,482
Accrued income (note 6)	-	-
Deferred expenses	3,257	283,390
	<u>3,669,611</u>	<u>5,640,000</u>

**4. CREDITORS**

	<u>2014 (€)</u>	<u>2013 (€)</u>
Deferred income (note 7)	4,426,310	6,643,050
Trade creditors and balances due to partners	200,236	335,569
Accrued expenses	68,328	8,100
Social security and salary debts	23,989	62,408
Amounts to be returned to donors	336,916	
	<u>5,055,778</u>	<u>7,049,127</u>

Stichting FERN  
Notes to the Financial Statements (cont..)  
for the year ended 31 December 2014

<b>5. AMOUNTS RECEIVABLE WITHIN ONE YEAR</b>	<b><u>2014(€)</u></b>
<b>FROM DONORS</b>	
Delegation of the European Commission in Ivory Coast	61,235
Delegation of the European Commission in Liberia	455,908
Delegation of the European Commission in Vietnam	570,827
Department for International Development, United Kingdom	873,827
Both Ends, Netherlands	25,000
CIDT, University of Wolverhampton, United Kingdom	69,564
The Sigrid Rausing Trust, United Kingdom	166,134
	<hr/> <b><u>2,222,495</u></b>
<b>7. DEFERRED INCOME</b>	<b><u>2014(€)</u></b>
Congo Basin Forest Fund, Tunisia	-
Delegation of the European Commission in Ivory Coast	280,838
Delegation of the European Commission in Liberia	1,547,727
Delegation of the European Commission in Vietnam	1,444,930
Department for International Development, United Kingdom	563,646
Ford Foundation, United States of America	207,071
INTEGRAL, European Commission	35,786
The Sigrid Rausing Trust, United Kingdom	175,258
Both Ends, Netherlands	40,258
CIDT, University of Wolverhampton, United Kingdom	122,552
Esmee Fairbairn Foundation, United Kingdom	8,244
	<hr/> <b><u>4,426,310</u></b>
<b>8. RESERVES</b>	<b><u>2014(€)</u></b>
Starting capital brought forward at 1 January 2014	195,656
Accumulated funds of the foundation brought forward at 1 January 2014	56,071
Surplus for the financial year 2014	(19,065)
Investment grant received	13,276
	<hr/> <b><u>245,937</u></b>

**APPROVED BY THE BOARD**

DATE: 29 March 2015

Elisa Peter, Chair

Jacques Laurol, Treasurer

INCOME AND EXPENDITURE, BY CAMPAIGN - FOR THE YEAR TO 31 DECEMBER 2014																				
All in Euros	Actual as % if Budget=100	Actual 2014	Approved budget 2014	Actual 2013	Core costs		Bio-Energy		Carbon & ecosystem trading		EU Drivers of Deforestation		Forest governance		Money laundering/ Finance & Trade		ECA Watch network		Unidentified	
					Actual	budget	Actual	budget	Actual	budget	Actual	budget	Actual	budget	Actual	budget	Actual	budget	Actual	budget
Univ. Wolverhampton / EU project	124	92,857	74,790		7,654	-							85,204	74,790						
EU Delegation : Ivory Coast	20	25,943	128,376	152	4,616	10,019							21,327	118,357						
EU Delegation : Liberia	49	324,524	668,798	150	33,172	60,258							291,352	608,540						
EU Delegation : Vietnam	51	293,556	576,876	207	35,160	49,213							258,396	527,663						
DFID (UK)	99	1,165,589	1,181,663	854,629	36,646	34,265							1,071,377	1,084,641	57,566	62,758				
Ford Foundation	73	242,671	332,977	235,862	11,023	15,396	6,543				224,736	317,581			369					
Integral	107	16,938	15,849	24,017	2,446				14,492	15,849										
Both Ends	104	9,742	9,400		936		483				8,323	9,400								
Esmee Fairbairn	80	28,615	35,733		1,016	1,000			27,599	34,733										
Sigrid Rausing	93	139,595	150,025	160,085	2,381	2,381												137,214	147,644	
Partner co-finance contribution	-	-	8,614											8,614						
CBFF	-	71,692	-	99,250									71,692							
Forest Peoples Programme (EU project)	-	9,033	-										9,033							
Univ. Wolverhampton / Consultancy	-	5,252	-										5,252							
European Environmental Paper network	-	2,000	-								2,000									
Global Witness	-	11,956	-										11,478		478					
Forest trends	-	7,046	-										7,046							
Reimbursements	-	16,851	-	83,448			-		913		1,799		14,139							
Isvara foundation	-		6,192							6,192										
Others	-	3,471		170,520	3,471															
Bank interest	-	1,334		1,938	684								650							
Foreign Exchange gains	-	15,029		19,246	15,029															
Creditors written back	-	31,296		-	31,296															
<b>Subtotal - Income</b>	<b>79</b>	<b>2,514,993</b>	<b>3,189,293</b>	<b>1,649,504</b>	<b>185,531</b>	<b>172,532</b>	<b>7,027</b>	<b>-</b>	<b>43,004</b>	<b>56,774</b>	<b>236,858</b>	<b>326,981</b>	<b>1,846,946</b>	<b>2,422,605</b>	<b>58,413</b>	<b>62,758</b>	<b>137,214</b>	<b>147,644</b>	<b>-</b>	
							0													
Salaries, social security	94	782,386	832,285	620,077	13,427	37,617	6,543		24,469	28,929	163,987	190,086	501,108	472,326	41,770	42,958	31,082	27,769	32,600	
Partner subcontracts	65	964,096	1,476,035	564,191	2,929	-	-		-	-	-	-	847,251	1,356,160			113,916	119,875		
Audit, consultants, subcontract	53	280,071	527,250	143,382	16,106	13,974			10,459	17,850	24,150	100,568	217,575	394,859	10,641		1,140			
Travel, meetings, training	116	282,097	243,007	136,864	24,600	21,048	483		5,553	9,994	20,288	15,095	223,835	177,070	6,002	19,800	1,335			
Office costs	130	45,754	35,210	47,421	36,334	35,070			671		1,839		5,767	140			1,142			
Printing, editing, translation	169	83,257	49,372	33,921	3,466	7,640			1,788		14,747	21,232	63,255	20,500						
Rent & Utilities	110	38,677	35,200	35,065	38,677	35,200														
Insurance & HR costs	184	22,909	12,483	10,558	18,206	12,483			(40)				4,743							
Debts written off	-	12,980	-		12,980															
Depn, Interest, finance charges	139	14,687	10,550	6,376	8,816	9,000			10		433		5,368	1,550			60			
Taxes	-	-	500	711	-	500														
Unrealised exchange losses	-	7,145		42,969	7,145															
<b>Subtotal -Expenditure</b>	<b>79</b>	<b>2,534,058</b>	<b>3,221,892</b>	<b>1,641,535</b>	<b>182,687</b>	<b>172,532</b>	<b>7,027</b>	<b>-</b>	<b>42,911</b>	<b>56,773</b>	<b>225,444</b>	<b>326,981</b>	<b>1,868,902</b>	<b>2,422,605</b>	<b>58,413</b>	<b>62,758</b>	<b>148,675</b>	<b>147,644</b>	<b>32,600</b>	
<b>Surplus/ (deficit)</b>	<b>58</b>	<b>(19,065)</b>	<b>(32,599)</b>	<b>7,969</b>	<b>2,844</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>1</b>	<b>11,414</b>	<b>-</b>	<b>(21,956)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,460)</b>	<b>-</b>	<b>(32,600)</b>	

Stichting FERN  
Notes to the Financial Statements  
for the year ended 31 December 2014

**INCOME 2014 (€)**

Congo Basin Forest Fund, Tunisia	71,692
Delegation of the European Commission in Ivory Coast	25,943
Delegation of the European Commission in Liberia	324,524
Delegation of the European Commission in Vietnam	293,556
Department for International Development, United Kingdom	1,165,589
Esmee Fairbairn Foundation, United Kingdom	28,023
Ford Foundation, United States of America	242,671
INTEGRAL, European Commission	16,938
The Sigrid Rausing Trust, United Kingdom	139,595
Both Ends, Netherlands	9,742
Forest Peoples Programme, United Kingdom	9,033
CIDT, University of Wolverhampton, United Kingdom	92,857
<b>Subtotal - Specific Campaign funding</b>	<b>2,420,165</b>
Reimbursements	41,540
Donations and core income	4,335
<b>Subtotal - Operating income</b>	<b>2,466,040</b>
Credit interest	1,334
Gain on exchange rate	15,029
Creditors written back	31,296
Other income	1,293
<b>Other income</b>	<b>48,953</b>
<b>TOTAL OPERATING INCOME</b>	<b><u>2,514,993</u></b>