

Charity registration number 1028947

RAINFOREST CONCERN
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

RAINFOREST CONCERN

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

A Pulido Cruz
M C B Syed
M Van Nieuwenhuysse
O Whalley
M Gardner
N Page (Appointed 4 March 2022)
S Schutt (Appointed 4 March 2022)

Charity number 1028947

Principal address 66 Great Pulteney Street
Bath
BA2 4DL

Auditor Begbies
9 Bonhill Street
London
EC2A 4DJ

Bankers Barclays Plc
Epsom Branch
PO Box 96
82-84 High Street
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Surrey
TK19 8BH

Solicitors - Chile Philippi Prietocarrizosa Ferro DU & Uria
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Santiago
Chile

Solicitors - Ecuador Bustamante Holguín
Quito
Ecuador

RAINFOREST CONCERN

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RAINFOREST CONCERN

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The accounts 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 2011 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). Rainforest Concern is a Charity registered with the Charity Commission under Registration Number 1028947.

Trustees

A Pulido Cruz
M Gardner
M C B Syed
M van Nieuwenhuysse
O Whalley
N Page (appointed 4 March 2022)
S Schutt (appointed 4 March 2022)

Advisory board

Dr John Hemming CMG
Professor Sir Ghilleen Prance FRS VMH
Prof Antonio Lara
Andrew Mitchell

Chief executive and honorary secretary

Peter J Bennett

Principal address

66 Great Pulteney Street
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BA2 4DL

website:www.rainforestconcern.org

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RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees and Organisational Structure

Rainforest Concern is a non-governmental, non-political, non-religious organisation constituted under a Trust Deed dated 15th November 1993. It is registered as a Charity with the Charity Commission.

The Trust Deed describes that there should not be less than three trustees, with no maximum number. New Trustees are appointed following formal interviews with the Trustees and the Honorary Secretary with the Board looking particularly for people with experience in conservation, scientific research and fund-raising initiatives.

The charity's Honorary Secretary is responsible for the day to day operation of the charity and manages the staff of the charity on behalf of the Trustees.

The charity has its principle office in Bath and a wide range of partner organisations with whom it delivers its programme. The principle partner organisations are as detailed in the activities, achievements and performance.

General purpose and approach

Rainforest Concern was established in 1993 for the purpose of:

- Protecting threatened natural habitats, the biodiversity they contain and the indigenous people who depend on them for their survival.
- Researching, monitoring and restoring ecosystems to ensure their long-term conservation. Fundamental to Rainforest Concern's philosophy is the establishment of strong partnerships with conservation NGOs in the countries in which the charity operates. Sound local knowledge and regular communication is vital to success in the field. Over 25 years Rainforest Concern has been instrumental in helping protect over 2.2 million hectares of native forest ecosystems and the vast biodiversity they contain. It has worked with 21 partner organisations and 8 indigenous tribes in 12 different countries, Colombia, Ecuador, Brazil, Peru, Chile, Surinam, Costa Rica, Panama, Uganda, India, Sri Lanka and Romania. The Charity has over 2000 members and is a member of IUCN. The methods and activities for conservation include:
 - Registration of ancestral indigenous territories and reserves.
 - Creation of private reserves through land purchase.
 - Support for smallholders and rural communities to gain land title, whilst helping establish alternative incomes through conservation, habitat restoration and livelihood options.
 - Providing environmental education for local communities and UK schools.
 - Facilitating academic research and volunteer opportunities.

Rainforest Concern is not limited to the conservation of rainforest as described in the Charity's Trust Deed. Its principle guiding aim is protection of natural ecosystems with their dependent biodiversity and indigenous peoples. The charity aims to conserve strategically important critically endangered ecosystems (that often include rainforest). Ecosystems by nature are not separated and include a wide range of habitats across ecological gradients - inherent in watersheds, mountains, rivers and coast for example. The charity does not aim to protect single species unless they are 'flagship' species that facilitate the protection of habitat. Wherever possible the charity tries to help protect, restore and research to prevent fragmentation and degradation, striving for connectivity.

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Decision making and operation

Rainforest Concern has a small team with only two full time staff. A small team allows us to dedicate the majority of our income directly to projects. This has allowed the charity to support conservation of significant areas of threatened ecosystems and indigenous land. Funding decisions are made with weekly meetings and constant dialogue with particularly active board of trustees. The charity is also strongly guided by the needs of partners and their adaptive management requirements whilst addressing immerging threats including logging, land invasion, mining and climate change. The trustees advise both on strategic conservation priorities and potential donors. If needed they are provided with conservation or project briefs produced by the staff. Trustees are selected for the expertise and experience that they can bring to bear, as they follow the activities and progress of the charity. They require little induction and are encouraged to work alongside and occasionally make trips to projects for capacity building. The charity seeks out local partnership with experienced teams and groups on the ground (near or adjacent to the ecosystem). The key partnership criteria are: local experience, science-based, social inclusion and the ability to work effectively without support. Over recent years the charity is seeking partnerships to develop more social and biological science based, conservation actions in light of rapid change. Staff pay and remuneration is proportional to responsibility operating in a flexible way, encouraging autonomy. The pay of the director and office manager are benchmarked against average pay levels in other comparable organisations. Volunteers and trustees can be remunerated for travel and subsistence expenses.

Specific objectives and activities

The Charity's objectives are to protect threatened natural habitats, the biodiversity they contain and the indigenous people who still depend on them for their survival. At present the charity has 13 conservation projects in 9 countries: Ecuador, Peru, Chile, Colombia, Brazil, Costa Rica, Belize, India and Romania. The Charity works closely with local conservation organisations in these countries to protect forests threatened natural habitats. The charity's current partners include:

ADEPT (Romania), Amazon Watch (Brazil), Carpathia Foundation (Romania), Corporación Bosques de Zapallar (Chile), DECOIN (Ecuador), ANIA (Peru), FORECOS Foundation (Chile), Fundacion Entropika (Colombia), Fundación Gaia Amazonas (Colombia), Gurukula Botanical Sanctuary (India), Parques Para Chile (Chile), ANIA (Peru), Universidad Austral de Valdivia (Chile). Royal Botanic Gardens, Edinburgh (RBGE, UK) and Los Cedros Reserve (Ecuador)

Central to Rainforest Concern's philosophy is the establishment of strong partnerships with local small yet dynamic organisations in the countries where it operates. Such long-term partnerships have repeatedly underpinned success of projects. Likewise, the charity seeks the guidance of scientists to identify research and conservation priorities and provide in-situ training.

The Charity's conservation work falls into four categories:

Conservation is central to our operations towards the protection and management of critically important ecosystems, including forested land and natural habitat to create protected reserves integrated to needs of local people. This sometimes includes the purchase of land, usually in the name of the local NGO, Rainforest Concern or the local community. The Charity places particular emphasis on the legal recognition of indigenous territory particularly in Colombia and Brazil. Particular emphasis is placed on the creation of forest corridors that connect existing protected areas thereby reducing fragmentation. This greatly assists the effectiveness of these reserves by enabling species to move freely from one to another. Reforestation or habitat restoration of degraded ecosystems (with native local provenance species) also falls into this category. The charity recognizes forest dynamics and biodiversity may require a degree of management, especially in the absence of large animals.

Programmes for alternative income generation, health and education are developed with the local communities living near the projects. These are designed to reduce the negative human impact on forests and ecosystems arising from firewood extraction and cattle ranching for example. Examples of these projects include sustainable small-scale horticulture (for example cultivation of shade grown coffee), forest products, production of handicrafts and responsible ecotourism.

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Research, including ecological and biodiversity studies are encouraged. These can focus on baseline species inventory and mapping; species taxonomy and discovery; key species ecology and conservation science. European and national scientists as well as students from national and international universities have undertaken and continue to undertake research at several of our projects. Results are presented in the annual review, scientific papers and on the charity's website.

Campaigning is essential to give a voice to indigenous communities and scientists. The charity seeks to maximize collaboration and join forces to protect critically important ecosystems and indigenous peoples. This include supporting advocacy champions for areas and people otherwise ignored.

Ensuring success

The principle measure of success is the protection of threatened ecosystems; gauged by the size and strategic location of ecosystems, as well as biodiversity conservation 'value' (such as endemism or rarity of species/habitats). This is dependent on income raised, where donors require the charity to direct as much income as possible to tangible conservation outcomes. The charity's short-term aim is to delimit and protect; setting up reserves with the aim of stemming fragmentation and consolidating habits as functional landscape units in close collaboration and involvement of local people and government. The long-term aim is for ecosystem conservation to be culturally absorbed into local communities and policy, working to engage schools and regional administration for example. The charity is increasingly aware of the need to monitor reserves with mapping systems and closer dialogue with local communities, whilst the effects of climate change, plant pathogen, logging and human migration are on the increase.

Competitive grant making is not especially relevant as the charity seeks out strategic local partners that are already set-up to conserve, protect and restore land for both biodiversity and people. Grants do not require high levels of stipulated compliance and reporting. However, the charity recognises that in an environment of ever more legislative change around land protection, there is a greater need to ensure more detailed reporting and published research. The charity continues to use locally paid and pro-bono lawyers of high integrity to ensure that changes around land ownership and tax, are adjusted and adhered to for land purchase and management.

Conservation work is undertaken either directly by the charity and their associates, or by supporting students locally with grant funding channelled through local NGO. Grants paid to projects in the year totalled £217,259 and work undertaken directly £105,623 in addition to land purchases of £24,336.

The Trustees have considered the Charity's objects and activities during the year and believe that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

Voluntary help

The charity has well established volunteer programmes and benefited from numerous volunteers during the year. These include groups of gap year students as well as mature volunteers who work on projects that include tree planting, trail maintenance and data collection. The charity has not provided in the accounts for an estimate of the value given by volunteers as the work they undertake, does not fall within the SORP recommendation for the valuation of gifts in kind.

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE

Ecuador

Neblina Reserve: The charity's cloud forest reserve continued research using camera traps revealed an increase in the number of mammal species than previously recorded, including six species used as an indicator of the health of an ecosystem. In addition, the presence of a nesting pair of Endangered black-and-chestnut eagle, plus juvenile was observed in the reserve for the first. This gives us important evidence of the role the reserve is playing in providing vital habitat to threatened species. The charity's purchase of 50 hectares of adjoining forest in October 2021 saw the successful expansion of the Neblina Reserve to 2,320 hectares. And in November, after five years work, the first two areas of the reserve were declared part of the 'National System of Protected Areas' of Ecuador. This offers increased levels of legal protection for the reserve.

Los Cedros Reserve: The charity renewed its financial support for 2021. The main priorities for the reserve were to financially mitigate the worst impacts of the pandemic, and to continue to help oppose mining concessions within the reserve. This involved securing the jobs of the core local team and maintaining the research station ready for the return of visitors, as well as helping to support the ongoing legal challenges against the mining concessions. In December 2021, the Constitutional Court of Ecuador ruled in favour of Los Cedros, banning all mining within the reserve. After many years of legal challenges to the mining, this is a huge win for the reserve, and sets a legal precedent in Ecuador for other protected forest reserves facing similar threats in Ecuador.

Chile

Rainforest Concern funded its annual contribution for management and maintenance of El Bordo Park and Cerro de La Cruz in central Chile. In addition two new areas in the region were protected: La Judea and Tres Lomas. Two important scientific studies are now being carried out in the Zapallar forests: a 4-year government funded climate change refugia study which will allow an in-depth botanical survey and accurately describe the microclimate of different areas in the ecosystem. The second study is a native fauna monitoring project using camera traps. It is the first time a project of this kind is done in the area.

At Nasampulli Reserve in Southern Chile, 10 new camera traps have been installed to monitor wildlife. An Ecological Characterization study has been conducted that will enable identification of different conservation values as well as threats. As usual, due to the harsh weather conditions, repairs, and maintenance work to the infrastructure (cabin, roads, trail, water system) were necessary. During the summer season four students from Universidad Austral conducted monitoring work on Araucaria and other species.

Costa Rica

With local communities suffering the economic fallout of the pandemic, in 2021, there was a large increase in turtle egg poachers, meaning patrolling the beach and protecting the turtles and their eggs was more difficult. However, the purchase of solar panels, batteries and closed-circuit cameras helped the team increase monitoring of the hatchery and some of the beach.

Despite the increased number of poachers, 19,759 eggs were successfully relocated to the hatchery, and a record 61% (11,974) eggs hatched and were released to the sea. Local environmental outreach continued, including the training programme which employed and trained 14 members of the local community to work on the project – giving them future skills and further bringing the conservation message into the communities.

They were also able to complete the two year research project funded by the PTES into the presence of Andean bears in the reserve. The Andean bear was chosen as an umbrella species as they are critical to the ongoing health of the cloud forest ecosystem. 17 individual bears were identified, including four juveniles. In total, 18 different mammal species were recorded on camera traps, of which 18 are listed on the IUCN Red List. From the findings, the principal investigator concluded that the Neblina Reserve is in a good state of conservation and enabling the mobility of many species across the forest landscape - making it 'one of the most important ecological corridors in the province'.

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Colombia

In 2020, Rainforest Concern supported the Gaia Amazonas in the legal and political defence of the Yurupari territory from legal and illegal gold mining. In 2021 there were follow-on outcomes from this project. In May 2021, the Constitutional Court of Colombia issued an intermediate ruling requesting evidence from State Entities, asked indigenous peoples to establish means of communication between them, the Court and the State Entities in order to start dialogue establishing measures to protect rights that were violated by illegal mining and mercury contamination. This ruling recognises indigenous peoples as public authorities and establishes that any state action results directly from consultation between indigenous governments, the Constitutional Court and the state entities.

India

Gurukula Botanical Reserves: In 2021 the situation improved a little compared to the previous year but was slow due to the second wave and severe restrictions in interstate travel, requiring quarantines. A restoration specialist of the recently created Thiriyannara Refuge (GBS2), was able to make temporary arrangements in the nursery and multiplied shrubs and grasses, took them out to the Refuge at the onset of the 2021 monsoon rain season, and initiated planting measures. Focus was on a leguminous shrub belonging to the genus *Crotalaria*. It is now clear that investment needs to be made for plant guards as the sambar deer population, which supports a tiger, is also interested in the new plantings which is a typical conservation conundrum. Progress was also made in negotiating further purchase of land in the same location. Educational programmes at GBS1 recommenced towards the end of 2021 with the intent to take the same groups to Thiriyannara in 2022. Six volunteers/interns were taken on for over a month each, and it's clear that all were very interested in the new Refuge. GBS1 continues to build its cadres of restoration practitioners. Species of high elevation grown in GBS, particularly an *Impatiens*, are now ready for reintroduction to the Nilgiri Plateau.

Romania

In April 2021, Rainforest Concern approved a grant of £153,750 to Fundatia ADEPT Transylvania for restoration of the Angofa Valley demonstration farm buildings and associated grasslands, in central Romania, supporting ADEPT in its work for the protection of Transylvania's threatened biodiversity-rich grassland and mixed forest-grassland habitats. The Angofa Valley demonstration farm will be a training centre to assist farmers in Tárnava Mare area to carry out profitable biodiversity-friendly management. During 2021, ADEPT restored 17 ha of abandoned haymeadow and 22.5 ha of abandoned pasture, and mapped areas for further restoration in the valley in 2022. We have therefore restored 39.5 ha in 2021, out of target of 55 ha to be completed by late 2022. In 2022 we expect some improvements in species diversity to appear, compared to 2021, which will be measured by the scientific monitoring team established under the project. We expect the restoration of the farmhouse / farmer training centre to be completed by end of 2022. ADEPT has also had three meetings with the Angofa farmers in 2021, and developed a manual of 76 indicator species for High Nature Value grassland and for correct management of the target habitats.

Belize

Despite continued restrictions on travel, the Secure Forest technical pilot project at Pook's Hill Nature Reserve in Belize was successfully completed in Dec 2021 with significant positive results and much practical and technical learning achieved. Further testing and analysis of the results will continue into 2022 but the data accumulated so far in Belize demonstrates clearly that the active presence of a ranger team equipped with access to satellite data and ground-based technology via a fully functional Forest Domain Awareness System can help reduced the likelihood of illegal logging and poaching in a forest reserve or protected area. The rangers with the training and equipment provided through the project were able to respond quickly and effectively to alerts from the systems via the Ecometrica integrated GIS platform. The Oak Foundation and Rainforest Concern funded this three year project.

More detailed information on these projects may be found on the Charity's website: rainforestconcern.org

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Dissemination

Traffic to the website was stable without showing a marked increase as could be measured with Google Analytics. However we continued to receive favourable comments.

As a result of the difficulty in publishing a paper magazine because of the pandemic, the charity made the decision to publish four monthly on-line newsletters. Typically, these shorter editions cover 3 or 4 projects. It is hoped to resume publication of the annual magazine once the office can return to normal activity.

Schools programme

Due to the pandemic our education programme both in the UK and abroad had to be placed on hold in 2020.

FINANCIAL REVIEW

As shown in the Statement of Financial Activities, the Charity's income for 2021 showed a considerable increase over the previous year to £735,934 (2020: £372,331) Similarly expenditure made in the direct execution of the Charity's objectives of direct and grant funded activities increased to £363,527 (2020: £395,002) excluding land purchases and fundraising costs.

In the pursuit of its objectives, Rainforest Concern buys land for conservation of rainforests and other threatened habitats. The great majority of land is bought in the name of our partner organisations or local communities. However, in special cases the Charity buys land in its own name and therefore holds title to forested land which is included in Assets. Land purchased in the current year was £24,336 (2020: £nil). Support costs amounted to £91,451 (2020: £134,275), and are apportioned as shown in the Statement of Financial Activities.

Strategic purchases of rainforest land require considerable time and negotiation and transactions may take up to a year before the deeds are transferred. Funds held by solicitors on behalf of the charity at the year-end awaiting the transfer of title deeds totalled a further £20,979.

Since the charity operates to achieve high conservation impact with low overhead costs, it has not expended a high percentage of resources to monitor changes in protection status of vulnerable ecosystems. Our approach has been to seek and find experienced trustworthy in-country partners with necessary ecological monitoring capacities and deep local knowledge of socio-economic conditions. However, the charity monitors carefully the expenditure and legal compliance to ensure funds are used for the conservation outcomes for which they were raised. Our trustees realise that it is incumbent upon them to look for ways to build our capacity for science-based monitoring and risk assessment across the gamut. Most ecosystems and rural livelihoods are being affected by climate change, and the charity is increasingly aware of the need to assess and monitor: biodiversity, flood and fire risk, change to carbon stocks, impact of human migrant, amongst others.

The Charity's Trustees held an AGM on 18th October 2021.

Investment policy

The Trustees have the power to invest in such assets as they see fit. However, the charity's current policy is to keep any surplus liquid funds in short-term deposits which can be accessed readily. The charity would like to improve its interest rate return however this has proved difficult when funds are often required at short notice.

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risk management

The major risks to which Rainforest Concern is exposed are reviewed annually and systems have been established to mitigate those risks. Whenever possible this aspect is covered by insurance. As required the charity has Employers Liability Insurance. The charity ensures all partners, volunteers and employees are aware of the UK Bribery Act of 2010 and operate in a transparent fashion. The Trustees and staff are experienced in the countries in which the charity operates, as such partnerships are forged solely with known trustworthy organisations and individuals. All employees and volunteers are thoroughly briefed before working with overseas partners, insured before travel with immunisation updates and follow UK Foreign and Commonwealth Office travel advice. Funds are only transferred through international in-country bank branches. Land purchase funds are not transferred to the local partners/NGO's. Funds are handled by the charity's (often long-standing) legal representatives, and only transferred at the time of purchase. Management and project funds are transferred to partners in quarterly transfers and only through international banks. UK banking is low-risk and held in several accounts.

The charity is aware of the possibility of illegal land invasion or government expropriation, and in 25 years have not suffered in this way. The charity endeavours to reduce risk to conservation areas held or supported, by maintaining long-term dialogue with partners and an awareness to governmental policy change, instability and adjustments. As referred to, the key risk reduction strategy is to ensure that local people benefit from the establishment of conservation areas (and projects) with ecosystem services and resources. This also includes land ownership with government level land title registration and national support for conservation concessions.

Reserves policy

It is the policy of the Trustees to retain reserves equivalent to approximately one year's operating expenditure and to cover any committed grant funding for the forthcoming year. At the year end the reserves held by the charity totalled £1,903,760. Of the total reserves held £313,811 were restricted in their use and £1,589,949 are unrestricted.

Of the unrestricted funds £1,254,215 is invested in rainforest land and a further £299 in the charity's functional fixed assets such as office computers and so accordingly is not available to freely spend on the charity's day to day activities. These allocations leave £335,435 available for general charity use.

There were no committed grants at the charity's year end the operating expenditure in 2021 (expenditure excluding discretionary grants) totalled £273,063. The free reserves of the charity exceed this target figure and the trustees consider that the charity has sufficient reserves to be able to cover short-term income fluctuations and to carry out the plan for future action detailed in this report.

Grant making policy

The Trustees consider grant making an effective means of delivering aid using local partners. Local partners have access to facilities, expertise, staff or other resources, in the field and they may be better placed to deliver, speedily and effectively. The projects which the Charity chooses to support are recommended to us, in particular by our partner organisations.

Plans for the future

The Charity will develop and support its existing projects whilst looking for and responding to new conservation priorities and opportunities in the coming year with funding sought for these purposes. The charity's website will be regularly updated on at least a monthly basis and with emphasis to provide an image-rich and educational website.

RAINFOREST CONCERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are clear that short-term achievements are high and even exceptional when benchmarked against other conservation organisations of similar size. However due the rapidly developing global volatility around climate change, food supply and ecological population displacement, amongst other issues, they are also clear that the charity needs to develop a clear vision and strategy for long-term conservation outcomes, that include ensuring conservation benefits are enjoyed by local people. This requires the charity to look for additional research support, to demonstrate how ecosystem services sustain livelihoods and agriculture and wellbeing.

Fundraising

The charity does not contract with any commercial fundraising agencies. Accordingly, no member of the charity or agency acting on its behalf is a member of a fundraising regulatory body or bound by a regulatory standard, and the charity does not have regulatory procedures in place covering fundraising. No complaints have been received by the charity from its fundraising.

The charity only sends fundraising material and updates on the charity's work to individuals who have actively opted in to receive contact of this nature from the charity in order to protect the public from intrusion. We aim to protect vulnerable members of the public from persistent contact by ensuring that updates on the charity's activities are not too frequent, and are controlled at chief executive level.

Our approach to fundraising is that we never cold call members of the public as potential donors although we do reach out to corporate entities and charitable trusts. We reach the public through the production of our Rainforest Review and aim to raise funds by valuing long term relationships with our funders.

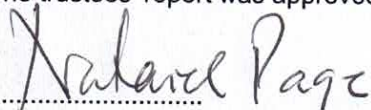
Auditor

In accordance with the company's articles, a resolution proposing that Begbies be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.



N Page

Trustee

Dated: 30 July 2022

RAINFOREST CONCERN

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RAINFOREST CONCERN

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF RAINFOREST CONCERN

Opinion

We have audited the financial statements of Rainforest Concern (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity 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 other 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 opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

RAINFOREST CONCERN

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF RAINFOREST CONCERN

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

RAINFOREST CONCERN

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF RAINFOREST CONCERN

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation to assess compliance with those laws and regulations having an impact on the financial statements and disclosure requirements. In particular, Accounting and Reporting by Charities: Statement of Recommended Practice;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of the Board meeting during the period;
- incorporating unpredictability into the nature, timing and/or extent of testing.
- Evaluation of the selection and application of the accounting policies chosen by the charity.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Begbies

..02/08/2022.....

**Chartered Accountants
Statutory Auditor**

9 Bonhill Street
London
EC2A 4DJ

Begbies is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RAINFOREST CONCERN

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Donations and legacies	2	185,022	550,900	735,922	372,103
Investments - interest		12	-	12	228
Total income		185,034	550,900	735,934	372,331
<u>Expenditure on:</u>					
Raising funds	4	122,175	4,620	126,795	43,830
<u>Charitable activities</u>					
Conservation	5	74,825	288,702	363,527	395,002
Total charitable expenditure		74,825	288,702	363,527	395,002
Total expenditure		197,000	293,322	490,322	438,832
Net (outgoing)/incoming resources before transfers		(11,966)	257,578	245,612	(66,501)
Gross transfers between funds		24,336	(24,336)	-	-
Net income/(expenditure) for the year/ Net movement in funds		12,370	233,242	245,612	(66,501)
Fund balances at 1 January 2021		1,577,578	80,569	1,658,147	1,724,648
Fund balances at 31 December 2021		1,589,949	313,811	1,903,760	1,658,147

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

RAINFOREST CONCERN

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes			
<u>Income from:</u>				
Donations and legacies	2	179,083	193,020	372,103
Investments - interest		228	-	228
Total income		<u>179,311</u>	<u>193,020</u>	<u>372,331</u>
<u>Expenditure on:</u>				
Raising funds	4	18,450	25,380	43,830
 <u>Charitable activities</u>				
Conservation	5	177,003	217,999	395,002
Total charitable expenditure		<u>177,003</u>	<u>217,999</u>	<u>395,002</u>
Total expenditure		<u>195,453</u>	<u>243,379</u>	<u>438,832</u>
Net movement in funds		(16,142)	(50,359)	(66,501)
Fund balances at 1 January 2020		1,593,720	130,928	1,724,648
Fund balances at 31 December 2020		<u><u>1,577,578</u></u>	<u><u>80,569</u></u>	<u><u>1,658,147</u></u>

RAINFOREST CONCERN

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	11		299		2,245
Land for conservation	12		1,254,215		1,229,879
			<u>1,254,514</u>		<u>1,232,124</u>
Current assets					
Debtors	13	59,953		19,218	
Cash at bank and in hand		612,436		423,248	
		<u>672,389</u>		<u>442,466</u>	
Creditors: amounts falling due within one year	14	(23,143)		(16,443)	
Net current assets			649,246		426,023
Total assets less current liabilities			<u>1,903,760</u>		<u>1,658,147</u>
Income funds					
<u>Restricted funds</u>	17		313,811		80,569
<u>Unrestricted funds</u>					
Designated funds	16	1,254,514		1,232,124	
General unrestricted funds		335,435		345,454	
			<u>1,589,949</u>		<u>1,577,578</u>
			<u>1,903,760</u>		<u>1,658,147</u>

The accounts were approved by the Trustees on 30 July 2022

Natalie Page

N Page
Trustee

RAINFOREST CONCERN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		212,164		(32,145)
Investing activities					
Proceeds on disposal of tangible fixed assets		1,347		-	
Purchase of land for conservation		(24,336)		-	
Interest received		12		228	
Net cash (used in)/generated from investing activities			(22,977)		228
Net increase/(decrease) in cash and cash equivalents			189,187		(31,917)
Cash and cash equivalents at beginning of year			423,248		455,165
Cash and cash equivalents at end of year			<u>612,436</u>		<u>423,248</u>

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Rainforest Concern is an unincorporated organisation constituted under a Trust Deed dated 15th November 1993. It is registered as a Charity with the Charity Commission.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's trust deed, the Charities Act 2011 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected.

1.5 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Fundraising costs include those costs incurred in raising the profile of the charity and its work, and other expenses incurred in obtaining funding.

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

The charity has only one charitable activity which is conservation.

Direct project costs includes payments to maintain and preserve the charity's own conservation land, undertake other conservation activities and the costs visiting the charity's own and grant projects. Costs are recognised when incurred by the charity. Where costs, such as salaries, are incurred in part for direct activities and in part for support activities an estimate is made of time spent on each activity.

Grants to partner projects are recorded when the partner is informed that they will be receiving funding without further approval processes.

Governance costs are the costs associated with the governance arrangements of the charity.

Support costs are the general costs incurred in support of meeting the charity's objectives, fundraising and in monitoring and awarding grants. Support costs are allocated in proportion to office-based staff salaries for each activity.

All cost include any irrecoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% straight line
Computers	33% reducing balance
Vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Land for conservation

Land for conservation is land acquired by the charity and is recognised at cost. The freehold land has not been depreciated as allowed by the SORP for assets with indefinite lives. The assets are reviewed annually for impairment

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	182,909	525,900	708,809	179,083	193,020	372,103
Legacies receivable	2,113	25,000	27,113	-	-	-
	<u>185,022</u>	<u>550,900</u>	<u>735,922</u>	<u>179,083</u>	<u>193,020</u>	<u>372,103</u>

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Carrying value of land for conservation

In accordance with FRS 102 the land for conservation is recorded at cost. The charity has not opted for a policy of revaluation with regards to the conservation land owned, but does review for impairment annually. Given the inherent difficulties in valuing such land, and so ensuring the land is not impaired, a level of judgement is required. In considering whether there has been an impairment the physical condition of the land is considered in addition to the continuing legal rights of ownership.

4 Raising funds

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
<u>Fundraising and publicity</u>				
Seeking donations, grants and legacies - share of governance costs	4,333	-	4,333	-
Fundraising and donor events	9,675	-	9,675	3,830
Fundraising agents	18,712	-	18,712	13,525
Advertising, website and newsletter	4,877	-	4,877	1,095
Staff costs	38,105	4,620	42,725	25,380
Support costs	46,473	-	50,806	-
	<u>122,175</u>	<u>4,620</u>	<u>126,795</u>	<u>43,830</u>
For the year ended 31 December 2020				
Fundraising and publicity	18,450	25,380		43,830
	<u>18,450</u>	<u>25,380</u>		<u>43,830</u>

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Charitable activities

	2021 £	2020 £
Conservation		
Activities undertaken directly		
Staff costs	34,180	42,728
Overseas field expenses	-	5,569
Maintenance and protection of owned land	60,751	39,706
Consultants and freelance fees	10,692	9,345
	<u>105,623</u>	<u>97,348</u>
Grant funding of activities (see note 7)	217,259	163,379
Share of support costs (see note 8)	37,178	126,475
Share of governance costs (see note 8)	3,467	7,800
	<u>363,527</u>	<u>395,002</u>
Analysis by fund		
Unrestricted funds	74,825	
Restricted funds	288,702	
	<u>363,527</u>	
For the year ended 31 December 2020		
Unrestricted funds		177,003
Restricted funds		217,999
		<u>395,002</u>

6 Conservation

Conservation

Grant giving

The charity achieves its objects by awarding grants to partner projects to protect the rainforest and its inhabitants and purchase land for conservation purposes. Grants for conservation purposes and research are identified as grants in these accounts, regardless of whether the activity takes place on the charity's or third party land.

Activities undertaken directly by the charity

Where suitable partners cannot be found for land purchase the charity may purchase this in its own name. Costs for the maintenance and protection of this land along with monitoring this, and all partner projects, are recorded under activities undertaken directly, except when paid as grants to partners.

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Grants payable

	2021	2020
	£	£
Grants to institutions:		
Urpiano Project - Costa Rica	17,358	15,330
Munnarakkunnu Trust - India	4,576	1,060
The Heart of Belize & Selvana - Belize	28,454	74,090
Los Cedros - Ecuador	15,050	18,826
Forecos - Chile	17,406	19,358
Foundation Entropika - Colombia	5,118	-
Decoin - Ecuador	13,854	5,015
Fundatia Adept - Romania	87,457	-
Fundacion Tierramar	7,179	-
Indigenous Peoples Cultural Support Trust - Brazil	10,400	10,000
Foundation Conservation Carpathia - Romania	8,700	-
Gaia Amazonas - Colombia	-	19,700
Other - below £2,000	1,707	-
	<u>217,259</u>	<u>163,379</u>

Conservation

The charity carries out its charitable objects through grants to third parties, its own research and conservation activities and by land purchases. Accordingly the level of each type of activity varies across years. During the year the charity had acquired title to land for conservation to the value of £24,336 (2020: £0) in addition to making the above payments for grants, and maintenance and research costs detailed in note 5.

The purchase of land for conservation is shown in the accounts as an addition to land for conservation assets, and funds held by third parties for future purchases are shown in other debtors. The cumulative total of land for conservation purchases and grants in 2021 was £241,595 (2020: £163,379).

Commitments

No grants included in the above figures were unpaid at the current or prior balance sheet date, subject to conditions yet to be met by the recipient.

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	34,549	-	34,549	65,561
Depreciation	599	-	599	824
Consultancy, legal and professional fees	10,248	-	10,248	18,326
Rent, rates, utilities and service charges	21,038	-	21,038	21,285
General expenses	15,487	-	15,487	19,138
Bank charges and fees	1,730	-	1,730	1,341
Audit fees	-	7,800	7,800	7,800
	<u>83,651</u>	<u>7,800</u>	<u>91,451</u>	<u>134,275</u>
Analysed between				
Fundraising	46,473	4,333	50,806	-
Charitable activities	37,178	3,467	40,645	134,275
	<u>83,651</u>	<u>7,800</u>	<u>91,451</u>	<u>134,275</u>

Governance costs includes accrued and paid fees to the auditors of £6,500 excluding VAT (2020- £6,500 excluding VAT) for audit, bookkeeping and gift aid return fee.

Support costs have been allocated according to office-based staff wages.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration from the charity during the year (2020:£0). No trustees visited the charity's projects and had their flights and other expenses paid by the charity in the current or previous year. No trustee claimed general travel expenses during the current or previous year. For other related party transactions please see note 20.

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
	2	3
	<u>2</u>	<u>3</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	102,045	121,647
Social security costs	7,600	9,942
Other pension costs	1,809	2,080
	<u>111,454</u>	<u>133,669</u>

The number of employees whose annual remuneration was £60,000 or more, not including employer's pension contributions, were:

	2021	2020
	Number	Number
£70,001-£80,000	1	1
	<u>1</u>	<u>1</u>

Employers' pension contributions of £1,319 were made in total for the higher paid employee (2020: £1,314).

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Vehicles £	Total £
Cost				
At 1 January 2021	12,921	1,006	17,950	31,877
Disposals	-	-	(17,950)	(17,950)
At 31 December 2021	12,921	1,006	-	13,927
Depreciation and impairment				
At 1 January 2021	12,921	557	16,154	29,632
Depreciation charged in the year	-	150	449	599
Eliminated in respect of disposals	-	-	(16,603)	(16,603)
At 31 December 2021	12,921	707	-	13,628
Carrying amount				
At 31 December 2021	-	299	-	299
At 31 December 2020	-	449	1,796	2,245

12 Land for Conservation

	Land for conservation £
At 1 January 2021	1,229,879
Purchases of land for conservation	24,336
At 31 December 2021	1,254,215

Land for conservation assets are areas of rainforest land owned across Ecuador and Chile. The charity purchases areas of conservation land in its own name when it is not possible for land to be held by local partners. The land is held in support of Rainforest Concern's charitable objects and the charity works with local groups in its maintenance and protection.

Five year purchase summary of conservation land

	2021 £	2020 £	2019 £	2018 £	2017 £
Purchases	24,336	-	126,017	141,336	175,641

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	58,207	15,958
Prepayments and accrued income	1,746	3,260
	<u>59,953</u>	<u>19,218</u>

Other debtors includes £20,979 (2020: £3,780) held by third parties for land purchases spanning the year end. No legal commitments were outstanding at either year end in respect of these transactions.

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	5,876	3,406
Other creditors	2,462	1,763
Accruals and deferred income	14,805	11,274
	<u>23,143</u>	<u>16,443</u>

15 Retirement benefit schemes

Defined contribution schemes

The charity operates defined contribution pension schemes for all qualifying employees under the automatic enrolment rules. The assets of the scheme are held separately from those of the charity in independently administered funds.

The charge to profit or loss in respect of defined contribution schemes was £1,809 (2020 - £2,080).

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020	Resources expended	Balance at 1 January 2021	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£
Funds represented by land and other fixed assets	1,232,948	(824)	1,232,124	(1,946)	24,336	1,254,514
	<u>1,232,948</u>	<u>(824)</u>	<u>1,232,124</u>	<u>(1,946)</u>	<u>24,336</u>	<u>1,254,514</u>

The funds designated represent that part of the unrestricted reserve which could not readily be used for ongoing expenditure.

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Restricted funds

(Continued)

India Fund	To fund a single project in India
Costa Rica Fund	To fund a single project in Costa Rica
Belize Fund	To fund a single project in Belize
Rainforest Concern General Fund	To fund rainforest conservation work undertaken by the charity from Sponsor an Acre funds
Romania Fund	To fund a single project in Romania
Brazil Fund	To fund a single project in Brazil
Colombia Fund	To fund a single project in Colombia
Fundraising Salary	To fund the cost of employing a fundraiser
Covid Appeal	To help indigenous groups in Colombia and Brazil

Further details of all the projects are contained in the trustees report. Transfers between funds represent land purchases from restricted income or re-allocation of Sponsor an Acre funds which can be used for different geographical areas.

18 Analysis of net assets between funds

	Unrestricted reserves		Designated reserves		Restricted reserves		Total Unrestricted reserves		Designated reserves		Restricted reserves		Total	
	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Fund balances at 31 December 2021 are represented by:														
Tangible assets	-		299		-		-		299		-		-	2,245
Land for conservation	-		1,254,215		-		1,254,215		1,254,215		-		1,229,879	
Current assets/(liabilities)	330,435		-		318,811		649,246		345,454		-		80,569	426,023
	330,435		1,254,514		318,811		1,903,760		345,454		1,232,124		80,569	1,658,147

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases for office space rented, which fall due as follows:

	2021 £	2020 £
Within one year	3,100	3,100

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation including employer's national insurance and pension	85,451	85,457

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

RAINFOREST CONCERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Related party transactions

(Continued)

At the year end key management personnel had received a salary advance of £2,059 (2020: £2,059) which was repaid after the balance sheet date. During the year a staff loan was made for £25,000 which is being repaid in monthly instalments and carries an interest rate of 2%. The balance at the year end stood at £21,600. Key management personnel also purchased the vehicle owned by the charity for £750.

The donations for the year include £250,605 (2020: £0) from the Swiss Planet Foundation, an organisation of whose board the Chief Executive of Rainforest Concern is a member. The grants are given for specific projects, with £133,591 for activities and grants in Romania and £117,014 for activities and grants in Ecuador.

Total unrestricted donations from trustees and their connected parties were in aggregate £43,400 (2020: £48,674).

During the year under review, no trustee received payment or remuneration from the charity (2020: Oliver Whalley received £3,200 for the production of fundraising materials including a video).

21 Analysis of changes in net funds

The charity had no debt during the year.

22 Cash generated from operations

	2021 £	2020 £
Surplus/(deficit) for the year	245,612	(66,501)
Adjustments for:		
Investment income recognised in statement of financial activities	(12)	(228)
Depreciation and impairment of tangible fixed assets	599	824
Movements in working capital:		
(Increase)/decrease in debtors	(40,735)	39,095
Increase/(decrease) in creditors	6,700	(5,335)
Cash generated from/(absorbed by) operations	212,164	(32,145)