

Company no. 2871809

Global Witness Limited
(Limited by guarantee)
Report and Financial Statements
30 November 2008

Chantrey Vellacott DFK LLP

Global Witness Limited

Reference and administrative details

For the year ended 30 November 2008

Company number	2871809	
Registered office	Russell Square House 10-12 Russell Square London WC1B 5LF	
Operational address	PO Box 6042 London N19 5WP	
Directors	Patrick J Alley Charmian P Gooch Simon J Taylor	Secretary
Bankers	Co-Operative Bank 6 Olympic Court Montford Street Salford M5 2QP	
Solicitors	Russell Cooke 2 Putney Hill London SW15 6AB	
Auditor	Chantrey Vellacott DFK LLP Chartered accountants and registered auditor Russell Square House 10-12 Russell Square London WC1B 5LF	

Global Witness Limited

Report of the directors

For the year ended 30 November 2008

The directors present their report and the audited financial statements for the year ended 30 November 2008.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with applicable law, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005). Although the organisation is not a UK registered charity, this has been done to comply with best practice, as Global Witness Limited (referred to as Global Witness throughout) is a not for profit organisation.

Structure, governance & management

The organisation is a company limited by guarantee, incorporated on 15 November 1993

The company was established under a memorandum of association which established the objects and powers of the company and is governed under its articles of association.

Risk statement

The directors continually review the risks the organisation faces. Procedures and systems have been implemented to manage these risks

Objectives and activities

Global Witness investigates and campaigns to prevent natural resource-related conflict and corruption and associated environmental and human rights abuses. Too often, reconstruction and development of countries emerging from long periods of conflict is hindered by extensive corruption. Individuals or organisations that carry out illegal trade in natural resources such as diamonds, oil, timber and gas deprive a country's Treasury from receiving much needed revenue, and instead of positively contributing to development, ensure continued instability. Instability makes it easier for the perpetrators of corruption to continue to exploit the country's resources for their own personal gain, and has a direct correlation to human rights and environmental abuses.

This is a critical era for Global Witness' work. The world's accelerating hunger for natural resources offers both opportunities and risks for millions of the poorest people in the world: equitable and sustainable resource extraction could generate revenues leading to sustainable development - the alternative, and all too often the reality, is that such exploitation ensures massive corruption, oppression, state looting and impunity for many of the world's unaccountable elites.

The following examples are illustrative of the scope of our work:

- Uncovering illegal logging that was funding the Khmer Rouge in Cambodia, Global Witness successfully campaigned for closure of the Thai/Khmer Rouge timber trade, significantly contributing to the Khmer Rouge's disintegration. This was the first exposé of the phenomenon of "conflict timber", which Global Witness followed up with its work on former Liberian president Charles Taylor's arms for timber trade.
- Global Witness' exposure of trade in conflict diamonds catapulted 'conflict' resources into the international spotlight, leading to the Kimberley Process Certification Scheme, an international agreement to prevent the trade in conflict diamonds. Global Witness was co-nominated for the 2003 Nobel Peace Prize for its work on conflict diamonds.

Global Witness Limited

Report of the directors

For the year ended 30 November 2008

- Global Witness' exposure of corruption in the oil, gas and mining industries led to the creation of the Extractive Industries Transparency Initiative (EITI), the international mechanism to deliver transparency of revenue streams from extractive companies and receipts to governments. Global Witness conceived and co-founded the Publish What You Pay Campaign, now a global coalition of approximately 400 civil society organisations.
- Global Witness' investigations led to precedent-setting United Nations sanctions on exports of Liberian timber during the civil war, cutting off Charles Taylor's main source of funding.

Achievements and performance

Throughout 2008 Global Witness continued to make great strides towards breaking links between natural resource extraction and conflict, corruption and human rights and environmental abuses across the world. The work has encompassed investigation, analysis, awareness-raising, advocacy and enabling policy development.

Significant achievements in 2008 include:

- Successful advocacy for the inclusion of provisions on illicit natural resource trade in two UN Security Council resolutions on the Democratic Republic of Congo (DRC).
- Global Witness field investigations in 2008 exposed the illegal trade in minerals that continues to threaten fragile peace in eastern DRC.
- In response to a Global Witness complaint under the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises, the UK government concluded that Afrimex, a UK-registered company, had breached those guidelines through its purchases of minerals from a conflict zone in eastern DRC and using suppliers who had made payments to a rebel group. The UK government upheld the majority of the allegations in Global Witness's complaint.
- Following the 2007 Global Witness exposure of the role of the cocoa trade in Côte d'Ivoire's civil war, the Ivorian government launched an investigation into embezzlement of cocoa revenues and arrested the heads of the national institutions that oversee the sector.
- Following work with US policymakers, Global Witness helped develop the Extractive Industries Transparency Disclosure (EITD) Act, critical for establishing improved governance in oil-producing counties, freedom of information and a global standard for transparency in the oil sector.
- Global Witness advocacy led to the inclusion of natural resource governance provisions in the UN Peacebuilding Commission's Integrated Peacebuilding Strategy on Sierra Leone.
- Close collaboration with civil society in Honduras led to a coordinated and highly effective intervention to prevent Santos Cruz, the deputy head of the old forest authority, being appointed by the President to head the new authority.
- The UK Foreign Office was successfully lobbied to adopt Global Witness objectives on the interaction between natural resources and conflict as targets for its new Conflict Resolution and Natural Resources Unit.
- Global Witness exposed legal shortcomings in the way the Liberian government were auctioning stockpiles of logs abandoned during the war, potentially amounting to the avoidance of some \$US500,000 in taxes.

Financial review

In the year ended 30 November 2008 Global Witness had a surplus of £1,288,000, from incoming resources of £3,847,000. The large increase in incoming resources this year is due to a number of successful fundraising applications with new donors.

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For the year ended 30 November 2008

The consolidated net reserves at 30 November 2008 were £2,014,000, £1,167,000 of which was unrestricted reserves. The £628,000 increase in unrestricted reserves in the year is due to the receipt of new sources of unrestricted income in the year.

Global Witness Limited accounts are fully consolidated with the accounts of Global Witness Publishing Inc. a US 501(c)(3) not-for-profit company controlled by Global Witness Limited.

Reserves policy

The reserves policy of Global Witness Limited is to maintain three months operating costs as a free reserve. The directors believe this to be a suitable reserves policy in normal economic conditions. In 2007/08 three months operating costs were £659,000. At 30 November 2008 Global Witness' free reserves were £1,133,000. This is calculated as Global Witness' unrestricted net current assets (note 14). This represents 5.2 months operating costs. Global Witness Limited maintains its reserves policy as three months of operating costs, however in light of the current economic conditions, the directors will not actively seek to reduce the current level of reserves through a major increase in activity.

Plans for future

Global Witness Limited has grown over the last three years. This year, due to the current global economic climate, the directors would like to consolidate Global Witness's position.

Statement of responsibilities of the directors

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and the group and the incoming resources and application of resources, including the net income or expenditure, of the company and the group for the year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each director at the date that this report was approved has taken all steps that they ought to have taken as directors in order to:

- Make themselves aware of any relevant audit information (as defined by the Companies Act 1985); and
- ensure that the auditor is aware of all relevant audit information (as defined)

As far as each director is aware, there is no relevant audit information of which the company's auditor has not been made aware of.

Global Witness Limited

Report of the directors

For the year ended 30 November 2008

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Members

Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 November 2008 was 3 (2007 - 3).

Auditor

Chantrey Vellacott DFK LLP was re-appointed as the company's auditor during the year and have expressed their willingness to continue in that capacity.

Approved by the directors on 9 April 2009 and signed on their behalf by



Charmian Gooch

Independent auditor's report**To the members of****Global Witness Limited**

We have audited the financial statements of Global Witness Limited for the year ended 30 November 2008 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

The responsibilities of the directors for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the directors.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether the information given in the report of the directors is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the directors' remuneration and transactions with the company are not disclosed.

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

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditor's report

To the members of

Global Witness Limited

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the company and group as at 30 November 2008 and of their incoming resources and application of resources, including their income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the directors is consistent with the financial statements.

Chantrey Vellacott DFK LLP

Chantrey Vellacott DFK LLP

Chantrey Vellacott DFK LLP
Chartered accountants & registered auditor
London

9/4/09

Global Witness Limited

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 November 2008

	Note	Restricted £	Unrestricted £	2008 Total £	2007 Total £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	-	1,412,555	1,412,555	1,337,024
Activities for generating funds		5,314	6,286	11,600	1,728
Investment income		-	26,485	26,485	4,824
<i>Incoming resources from charitable activities</i>	3	2,324,263	47,500	2,371,763	1,557,980
<i>Other incoming resources</i>		-	24,558	24,558	7,025
		<u>2,329,577</u>	<u>1,517,384</u>	<u>3,846,961</u>	<u>2,908,581</u>
Total incoming resources					
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating voluntary income		-	208,813	208,813	203,219
<i>Charitable activities</i>					
Environmental and human rights research and campaigning	5	1,669,827	742,698	2,412,525	2,388,381
<i>Governance costs</i>		-	14,894	14,894	15,206
	4	<u>1,669,827</u>	<u>966,405</u>	<u>2,636,232</u>	<u>2,606,806</u>
Total resources expended					
Net incoming resources before other recognised gains and losses		659,750	550,979	1,210,729	301,775
Unrealised exchange rate gains		-	77,039	77,039	-
Net movement in funds, being net income for the year		659,750	628,018	1,287,768	301,775
Total funds brought forward		<u>186,752</u>	<u>539,431</u>	<u>726,183</u>	<u>424,408</u>
Total funds carried forward		<u>846,502</u>	<u>1,167,449</u>	<u>2,013,951</u>	<u>726,183</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. The notes on pages 10 to 21 form an integral part of these financial statements.

Global Witness Limited

Balance sheets

30 November 2008

	Note	Company 2008 £	2007 £	Group 2008 £	2007 £
Fixed assets					
Tangible fixed assets	9	<u>34,614</u>	<u>38,271</u>	<u>34,614</u>	<u>38,271</u>
Current assets					
Debtors	12	<u>31,525</u>	<u>125,140</u>	<u>31,525</u>	<u>125,140</u>
Cash at bank and in hand		<u>2,201,722</u>	<u>719,617</u>	<u>2,244,372</u>	<u>759,356</u>
		<u>2,233,247</u>	<u>844,757</u>	<u>2,275,897</u>	<u>884,496</u>
Liabilities					
Creditors: amounts due within one year	13	<u>(296,560)</u>	<u>(196,584)</u>	<u>(296,560)</u>	<u>(196,584)</u>
		<u>1,936,687</u>	<u>648,173</u>	<u>1,979,337</u>	<u>687,912</u>
Net current assets					
	14	<u>1,971,301</u>	<u>686,444</u>	<u>2,013,951</u>	<u>726,183</u>
Net assets					
		<u>1,971,301</u>	<u>686,444</u>	<u>2,013,951</u>	<u>726,183</u>
Funds	15				
Restricted funds		<u>825,335</u>	<u>186,752</u>	<u>846,502</u>	<u>186,752</u>
Unrestricted funds		<u>1,145,966</u>	<u>499,692</u>	<u>1,167,449</u>	<u>539,431</u>
General funds		<u>1,145,966</u>	<u>499,692</u>	<u>1,167,449</u>	<u>539,431</u>
Total company funds		<u>1,971,301</u>	<u>686,444</u>	<u>2,013,951</u>	<u>726,183</u>

Approved by the directors and authorised for issue on 9 April 2009 and signed on their behalf by

Charmian Gooch

Charmian Gooch

The notes on pages 10 to 21 form an integral part of the financial statements

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

These financial statements consolidate the results of the company and its controlled subsidiary Global Witness Publishing Incorporated on a line by line basis. Transactions and balances between the company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 397 of SORP 2005.

- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable.
- c) Revenue grants are credited to the statement of financial activities when receivable.
- d) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- e) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- f) Costs of generating funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- g) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity the cost relates to. The cost of overall direction and administration of each activity, comprising the salaries and other costs of the central function, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity.

14.7%	Cost of generating funds
85.3%	Environmental and human rights research and campaigning

Governance costs are the costs associated with the governance arrangements of the company. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the company's activities.

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

1. Accounting policies (continued)

- h) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. A 25% straight line rate is used for all classes of assets.

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Fixed assets used overseas are not capitalised, They are expensed in the year of purchase.

- i) Monetary assets and liabilities held in foreign currencies are translated into sterling at the rate of exchange on the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange on the date of the transaction. Exchange differences are taken into account in the net movement in fund for the year.

- j) Rent payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease duration.

- k) Global Witness operates a stakeholder pension scheme. The pension liability is based on 5% of employees' gross earnings after 6 months employment and 6% after 12 months and up to 2 years service and 7% thereafter. The calculated amount, based on salaries earned during the year is paid by the organisation to individual employees' personal pension schemes. The organisation has no further pension commitment. Contributions are recognised in the period to which they relate.

2. Voluntary income

	Restricted £	Unrestrictie £	2008 Total £	2007 Total £
Foundation Open Society Institute (Zug)	-	749,974	749,974	575,974
Zennström Philanthropies	-	396,259	396,259	-
Grants from Global Witness Trust	-	49,552	49,552	597,928
Grants from Global Witness Trust Ltd	-	100,000	100,000	-
Grants from Global Witness Foundation	-	-	-	127,009
Grants from other organisations	-	15,885	15,885	35,668
Grants from individuals	-	100,885	100,885	445
Total	-	1,412,555	1,412,555	1,337,024

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

3. Incoming resources from charitable activities

	Restricted £	Unrestricted £	2008 Total £	2007 Total £
Foreign Affairs and International Trade Canada	24,681	-	24,681	-
Cordaid	51,204	-	51,204	-
Department for International Development (GTF)	84,448	-	84,448	23,015
Deutsche Gesellschaft für Technische	23,347	-	23,347	-
The European Commission	176,953	-	176,953	-
The Ford Foundation	62,903	-	62,903	-
Richard & Rhoda Goldman Fund	63,315	-	63,315	-
Netherlands Committee for IUCN	53,028	-	53,028	-
Netherlands Ministry of Foreign Affairs	304,165	-	304,165	305,098
Anonymous	140,000	-	140,000	-
Norwegian Agency for Development	138,222	-	138,222	-
Oxfam Novib	93,685	-	93,685	76,993
Swedish International Development Corporation				
Agency (SIDA)	250,480	-	250,480	184,102
The World Bank Group	32,314	-	32,314	62,253
Grants from Global Witness Trust	679,392	47,500	726,892	716,326
Grants from Global Witness Trust Ltd	116,538	-	116,538	-
Grants from other organisations	29,588	-	29,588	188,779
Grants from individuals	-	-	-	1,414
Total	<u>2,324,263</u>	<u>47,500</u>	<u>2,371,763</u>	<u>1,557,980</u>

All amounts received in excess of £10,000 are stated separately.

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

4. Total resources expended

	Cost of generating funds	Environmental and human rights research and campaigning (note 5)	Governance Costs	Support Costs	2008	2007
	£	£	£	£	£	£
Staff costs (Note 7)	131,047	1,521,859	-	36,896	1,689,802	1,618,845
Consultancy	785	113,218	-	82	114,085	162,163
Report production	3,354	30,611	-	-	33,965	84,252
Campaigning travel	-	134,976	-	-	134,976	96,958
Research travel	-	54,911	-	-	54,911	40,755
Other travel	12,296	58,688	-	163	71,147	94,478
Payments to partners	-	31,603	-	-	31,603	7,310
Subscriptions	1,426	50,533	-	-	51,959	37,052
Audit	-	-	14,894	-	14,894	15,206
Other professional fees	633	55,534	-	10,059	66,226	113,574
Other costs	15,346	16,174	-	22,909	54,429	83,232
Premises costs	-	2,804	-	123,566	126,370	76,006
Communication costs	989	34,381	-	6,671	42,041	51,881
Insurance	-	54,926	-	7,276	62,202	66,184
IT costs	943	8,249	-	52,171	61,363	29,193
Depreciation	-	-	-	26,259	26,259	29,717
Total resources expended	166,819	2,168,467	14,894	286,052	2,636,232	2,606,806
Support Costs	41,994	244,058	-	(286,052)	-	-
Total resources expended	208,813	2,412,525	14,894	-	2,636,232	2,606,806

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

5. Total charitable resources expended

	Climate change £	Conflict resources £	Diamonds £	DRC £	Ending impunity £	Forests £	Kleptocracy £	Oil & transparency £	Special projects £	2008 £	2007 £
Staff costs	1,178	274,055	101,417	146,935	141,474	308,650	154,179	290,217	103,754	1,521,859	1,195,880
Consultancy	1,050	9,178	943	8,211	14	56,634	15,776	3,280	18,132	113,218	142,552
Report production	-	-	1,722	1,942	-	10,550	7,651	8,746	-	30,611	76,696
Campaigning travel	395	21,492	12,509	12,916	16,132	9,180	8,045	40,222	14,085	134,976	96,085
Research travel	-	5,878	13,697	11,360	2	3,556	8,377	2,215	9,826	54,911	40,710
Other travel	4,145	3,283	235	1,471	1,114	40,401	3,011	3,210	1,818	58,688	72,513
Payments to partners	-	-	2,627	4,626	-	14,350	-	10,000	-	31,603	7,310
Subscriptions	65	11,485	113	3,049	1,677	6,471	4,347	9,213	14,113	50,533	9,956
Audit	-	-	-	-	-	-	-	-	-	-	-
Other professional fees	-	5,241	183	3,082	8,715	9,766	17,753	5,955	4,839	55,534	106,754
Other costs	244	1,533	385	838	826	3,340	1,478	5,843	1,687	16,174	27,703
Premises costs	-	143	-	118	16	1,207	129	1,182	9	2,804	-
Communication costs	9	3,679	1,356	2,202	2,098	7,327	6,025	6,678	5,007	34,381	21,841
Insurance	-	8,622	3,358	14,414	4,147	11,160	5,012	6,872	1,341	54,926	22,486
IT costs	-	238	123	271	75	5,040	324	2,116	62	8,249	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-
	7,086	344,827	138,668	211,435	176,290	487,632	232,107	395,749	174,673	2,168,467	1,820,486
Support costs	838	50,017	16,567	23,720	23,316	48,817	29,612	37,411	13,760	244,058	567,895
	7,924	394,844	155,235	235,155	199,606	536,449	261,719	433,160	188,433	2,412,525	2,388,381

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

6. Net incoming resources for the year

This is stated after charging / crediting:

	2008 £	2007 £
Depreciation	26,259	29,717
Interest payable	-	-
Operating lease rentals (note 16):		
▪ property	-	37,714
Auditor's remuneration:		
▪ audit	14,894	10,000
▪ under accrual in previous year	-	5,206
▪ other services	-	-
Directors' remuneration	222,614	214,918
Directors' reimbursed expenses	-	-

7. Staff costs and numbers

Staff costs were as follows:

	2008 £	2007 £
Salaries and wages		
United Kingdom staff	1,267,186	1,233,229
Overseas staff costs	131,672	116,328
Social security costs	140,041	127,381
Pension contributions	82,535	71,877
	1,621,434	1,548,815
Other staff costs	68,368	70,030
	1,689,802	1,618,845

Three employees earned more than £60,000 during the year (2007: 3)

The average weekly number of employees (full-time equivalent) during the year was as follows:

2008 No.	2007 No.
39	38

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Notes to the financial statements

For the year ended 30 November 2008

8. Taxation

The organisation had no corporation tax liability in the year to 30 November 2008 (2007: £Nil), because there were no taxable profits in the year.

9. Tangible fixed assets (Company and Group)

	Computer equipment & software £	Office furniture & equipment £	Total £
Cost			
At the start of the year	74,499	72,993	147,492
Additions in year	14,831	7,771	22,602
Disposals in the year	(19,985)	(45,069)	(65,054)
At the end of the year	69,345	35,695	105,040
Depreciation			
At the start of the year	51,048	58,173	109,221
Charge for the year	17,336	8,923	26,259
Disposals in the year	(19,985)	(45,069)	(65,054)
At the end of the year	48,399	22,027	70,426
Net book value			
At the end of the year	20,946	13,668	34,614
At the start of the year	23,451	14,820	38,271

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

10. Subsidiary Undertaking

The company controls Global Witness Publishing Incorporated, a not for profit company registered in Washington DC, United States of America, as the two entities have common directors. The subsidiary is used to undertake Global Witness's activities in the United States of America. All activities have been consolidated on a line by line basis in the statement of financial activities. A summary of the results of the subsidiary is shown below:

	2008 £	2007 £
Grants received from Global Witness Limited	112,353	156,313
Income from other funders	61,009	32,820
Total income	173,362	189,133
Staff costs	159,705	125,803
Consultancy	3,801	786
Reports	4,130	4,029
Campaign Travel	7,767	10,062
Research Travel	559	2,624
Subscriptions	281	85
Legal Fees	326	1,813
Office costs	7,298	-
Other direct costs	5,695	10,526
Total expenditure	189,562	155,728
Unrealised exchange rate gains / losses in the year	19,111	(2,771)
Net movement in funds for the year	2,911	30,634
Total funds brought forward	39,739	9,105
Total funds carried forward	42,650	39,739
The aggregate of the assets, liabilities and funds was:		
Assets	42,650	39,739
Liabilities	-	-
Funds	42,650	39,739

11. Company

The company's gross income and the result for the year are disclosed as follows:

	2008 £	2007 £
Gross income	3,785,952	2,908,581
Net movement in funds, being net income for the year	1,284,857	271,141
Represented by		
Restricted funds	825,335	186,752
Unrestricted funds	1,145,966	499,692
Total funds	1,971,301	686,444

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

12. Debtors (Company and Group)	2008 £	2007 £
Amounts due from Global Witness Trust	20,023	68,639
Other debtors	6,576	14,923
Prepayments	4,926	8,693
Accrued income	-	32,885
	<u>31,525</u>	<u>125,140</u>

13. Creditors: amounts due within 1 year (Company and Group)	2008 £	2007 £
Taxation and social security	46,643	36,401
Other creditors	127,271	105,293
Accruals	114,945	37,455
Pension provision	7,701	17,435
	<u>296,560</u>	<u>196,584</u>

14. Analysis of net assets between funds (Group)	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	-	34,614	34,614
Current assets	846,502	1,429,395	2,275,897
Current liabilities	-	(296,560)	(296,560)
Net assets at the end of the year	<u>846,502</u>	<u>1,167,449</u>	<u>2,013,951</u>

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

15. Movements in funds (Company and Group)

	At the start of the year £	Incoming resources £	Outgoing resources £	At the end of the year £
Restricted funds:				
Climate change	-	12,211	-	12,211
Conflict resources	60,500	515,922	(243,930)	332,492
Diamonds	-	26,016	(26,016)	-
DRC	10,652	235,155	(235,155)	10,652
Ending impunity	-	213,489	(149,606)	63,883
Forests	30,000	630,023	(469,246)	190,777
Kleptocracy	-	312,459	(233,381)	79,078
Oil and transparency	85,600	359,302	(287,493)	157,409
Special projects	-	25,000	(25,000)	-
Total restricted funds	<u>186,752</u>	<u>2,329,577</u>	<u>(1,669,827)</u>	<u>846,502</u>
Unrestricted funds:				
General funds	<u>539,431</u>	<u>1,594,423</u>	<u>(966,405)</u>	<u>1,167,449</u>
Total unrestricted funds	<u>539,431</u>	<u>1,594,423</u>	<u>(966,405)</u>	<u>1,167,449</u>
Total	<u>726,183</u>	<u>3,924,000</u>	<u>(2,636,232)</u>	<u>2,013,951</u>

Purposes of restricted funds

Restricted funds are used to fund Global Witness's campaigns. Campaigns are developed internally; donors are then sought to fund the campaigns. Each campaign's activity this year is stated in detail in the directors' report.

Carried forward restricted funds represent either: income received prior to the year-end for which work has not yet commenced, or income for work which spans the year-end, for which the unspent balance is carried forward.

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

16. Campaign income and expenditure report

Campaign	At the start of the year £	Incoming resources £	Total campaign expenditure £	Transfer of unrestricted income to campaigns £	At the end of the year £
Climate change	-	12,211	(7,924)	7,924	12,211
Conflict resources	60,500	515,922	(394,844)	150,914	332,492
Diamonds	-	26,016	(155,235)	129,219	-
DRC	10,652	235,155	(235,155)	-	10,652
Ending impunity	-	213,489	(199,606)	50,000	63,883
Forests	30,000	630,023	(536,449)	67,203	190,777
Kleptocracy	-	312,459	(261,719)	28,338	79,078
Oil and transparency	85,600	359,302	(433,160)	145,667	157,409
Special projects	-	25,000	(188,433)	163,433	-
Total campaign funds	186,752	2,329,577	(2,412,525)	742,698	846,502
General funds	539,431	1,594,423	(223,707)	(742,698)	1,167,449
Total funds	726,183	3,924,000	(2,636,232)	-	2,013,951

The note shows the total expenditure for each campaign. Expenditure on each campaign is funded by income from a mix of restricted and unrestricted donors. The restricted income for each campaign is stated in the incoming resources column. The unrestricted subsidy to each campaign is shown in the transfers column.

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2008

17. Operating lease commitments

The company had annual commitments at the year end under operating leases expiring as follows:

	Property 2008 £	2007 £
Less than 1 year	<u>101,071</u>	<u>37,714</u>
	<u>101,071</u>	<u>37,714</u>

18. Related party transactions

One of the directors, Patrick Alley, is also a director of Global Witness Foundation, a Californian non profit public benefit organisation, which has exemption under section 501(c) 3 of the Internal revenue code. There is no legal relationship between the two entities, other than the involvement of the director. Global Witness Foundation was incorporated on 21 May 2001. Global Witness Foundation did not make a grant to Global Witness Limited in the year (2007: £127,009).