



**ENVIRONMENTAL  
INVESTIGATION  
AGENCY**



**Environmental Investigation  
Agency UK Ltd**

Annual Report and Accounts  
2017



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### DIRECTORS

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(Appointed 25 August 2011)  
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### REGISTERED NUMBER

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(England and Wales)

## Welcome

I'm delighted to introduce you to our 2017 Annual Report and to share with you some of the incredible impacts our work has made.

We've long prided ourselves on being a small, manoeuvrable organisation which gives astonishing value for money and punches well above its weight.

In the following pages you'll find clear evidence of both, whether it's preparing the way for governments around the world to implement the landmark Kigali Agreement to phase out a family of very harmful greenhouse gases or exposing Vietnam's industrial-scale theft of timber from its neighbour Cambodia. You can also read about our investigations into the illegal trade in totoaba fish from Mexico to China and our work highlighting the very real threat to wild tigers from Africa's irresponsible trade in lion bones.

The Directors are pleased to present their 2017 Annual Report and showcase the remarkable impact of EIA's work. It was a year of many challenges met by hard work, determination, inspiration, courage and success, of which we are extremely proud.

EIA is the sum of all its parts and without each of our members of staff, volunteers and campaign partners, it would simply not be possible to deliver our campaign objectives. EIA relies on its supporters, donors and grant-makers for vital financial support no matter how large or small and for this the Directors are sincerely grateful. We are very proud that many of those who support us have done so for numerous years – even decades.

It is humbling and a great privilege to work with campaign partners around the globe, many of whom courageously battle in their own

Our dedicated investigators and campaigners often work in very challenging and dangerous environments to make such differences, backed up by colleagues at our London HQ.

And we never can, nor ever will, forget the invaluable support we receive from donors and supporters, so essential to helping us to strive towards our vision where humanity respects, protects and celebrates the natural world for the benefit of all.

Our sincere thanks to you all.

**Mary Rice**  
Executive Director



countries against civil rights abuses and environmental devastation caused by poor governance, criminals and abusers.

Despite being faced with a barrage of depressing news affecting our planet, looking back on 2017 shows that EIA has made a very significant contribution to bringing about change that will provide a more secure future for wildlife, habitats and generations to come.

**Jenny Lonsdale OBE**  
Founding Director



## About us

We investigate and campaign against environmental crime and abuse.

Our undercover investigations expose transnational wildlife crime, with a focus on elephants and tigers, and forest crimes such as illegal logging and deforestation for cash crops like palm oil. We work to safeguard global marine ecosystems by addressing the threats posed by plastic pollution, bycatch and commercial exploitation of whales, dolphins and porpoises.

Finally, we reduce the impact of climate change by campaigning to eliminate powerful refrigerant greenhouse gases, exposing related illicit trade and improving energy efficiency in the cooling sector.

## Vision, mission and values

### What we believe (vision)

A future where humanity respects, protects and celebrates the natural world for the benefit of all.

### What we want (mission)

EIA's mission is to protect the natural world by:

- exposing environmental destruction and loss of biodiversity through uncompromising and innovative investigations
- using this evidence and research to uncover environmental crimes and abuses and those responsible
- campaigning for protection of the environment through better enforcement of environmental law, progressive policy-making and changes in consumer behaviour
- developing effective partnerships and sharing skills and expertise

### Who we are (values)

**Professionalism:** we are honest, authoritative and transparent, striving to achieve the best outcome for the benefit of all. We will continually seek to improve, giving value for money in everything we do.

**Enthusiasm and innovation:** we are passionate about our vision, looking for ground-breaking solutions, being adaptable and creative. Our activities are informed by independence, clarity of thought and direction to achieve our goals.

**Courage and determination:** we don't underestimate the difficulties involved; we may take risks but they are managed, intelligent risks. We may be a small group but we are tenacious and will not give up because a situation is difficult

**Inclusive and supportive:** we know if we achieve success then it is with the support and help of many people. We therefore celebrate and embrace the differences and potential of everyone. We seek to share our knowledge and skills and make them easily accessible and relevant.

### Objectives and public benefit

The objectives of our company, as set out in the objects contained in the company's Memorandum of Association are:

The conservation, protection and restoration of the natural environment, ecosystems and wildlife and plant life of the world; and to advance the education of the public in environmental matters, the preservation and conservation of the natural environment and the causes and effects of environmental degradation.

The objects are fulfilled by effective delivery of EIA UK's robust campaigns and public outreach.

Although EIA UK is not a registered charity, its work benefits the public because it provides governments, regulatory bodies and enforcement authorities with reliable, substantive authoritative and well researched information on practices which are or are likely to be harmful to the natural environment. EIA UK provides intelligence as to the necessary means to prevent or reduce harm to the environment and to the people and creatures which rely on it.

# 2017-19 objectives

## Climate

- 1 Successful implementation of the Kigali HFC Amendment by Parties to the Montreal Protocol and the development of an official roadmap for strengthening the Montreal Protocol in the future
- 2 Executive Committee's adoption of progressive financial decisions within the Multilateral Fund for the Implementation of the Montreal Protocol that maximise the climate impact of the HCFC and HFC gas agreements
- 3 Robust EU F-Gas implementation by EU Member States
- 4 Accelerated transition to low-Global Warming Potential technology for air-conditioning and refrigeration among end users and manufacturers of this equipment
- 5 Improved understanding of the illegal trade of F-gases among industry stakeholders and enforcement agencies, and increased political will to address this issue

## Forests

- 1 Increased proportion of legal timber trade from East Asia to consuming markets
- 2 Demand side measures in consuming countries to prevent trade in illegal timber and illegal commodities
- 3 Reduce the environmental and social impacts of palm oil production

## Ocean

- 1 Stronger EU and UK laws on plastic consumption and waste
- 2 China carries out targeted law enforcement activities on totoaba
- 3 Icelandic fin whale hunt ends
- 4 International Whaling Commission regime strengthened in favour of cetacean conservation

## Wildlife

- 1 The CITES international ban on ivory sales is maintained and strengthened
- 2 Relevant laws and policies are amended to close key ivory markets (including both physical and online markets/trade) in key transit, source and consumer countries
- 3 Law enforcement agencies and other government stakeholders have the information and intelligence required to initiate investigations and enforcement action to disrupt criminal networks
- 4 Target countries and Finance Intelligence Units apply anti money laundering (AML) mechanisms (legislation) and relevant techniques to the illegal ivory trade
- 5 Transport sector is actively engaged in preventing and reducing the opportunity for illegal ivory tracking
- 6 Impact of extractive/ infrastructure industries on the illegal ivory trade in Africa is recognised (and reduced)
- 7 Governments revise legislation, policy and practice to end demand, tiger farming and illegal trade
- 8 Governments close major open wildlife markets where tigers (and other Asian big cats) parts and products are sold
- 9 Governments and experts collaborate to phase out tiger farms
- 10 Targeted law enforcement reduced tiger (and other ABC) trade in known trade hubs and along known trafficking routes
- 11 Best practice in creating tiger-friendly communities is documented and disseminated

# Key highlights

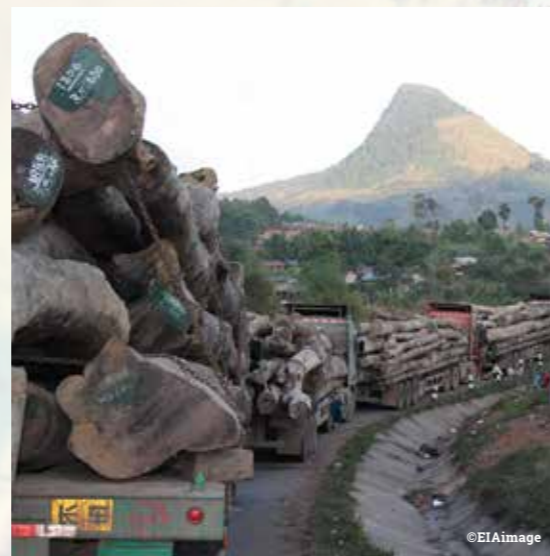
2017 was another busy year as we investigated and campaigned against environmental crime and abuse. Key highlights included:

## Climate



Worked with governments around the world to prepare for successful implementation of the Kigali Amendment to the Montreal Protocol, which will mandate a global HFC gas phase-down starting in 2019. Pressured and worked with supermarkets to reduce their use of HFC greenhouse gases.

## Forests



Uncovered how Vietnam's provincial establishment is complicit in smuggling huge quantities of illegal timber from Cambodia. Exposed companies unable to comply with the European Union Timber Regulation, resulting in reduced sales of illegal timber from Myanmar.

## Ocean

Successfully campaigned for UK adoption of a world-leading microbead ban.



Investigated and exposed the illegal trade of totoaba fish from Mexico to China that is threatening the vaquita with extinction, resulting in a CITES decision to initiate a high-level mission to Mexico.

## Wildlife

Investigated and exposed a major Chinese ivory smuggling syndicate resulting in enforcement action.



Highlighted the threat to tigers from the lion bone trade. Launched a best practice guide to help ivory enforcement.



Our Climate work aims to tackle the pressing threat of climate change by eliminating powerful greenhouse gases used widely in the cooling sector, improving energy efficiency of replacement technologies and investigating the illicit trade in refrigerant greenhouse gases. Some 2017 highlights include:

### Kigali

In November 2017 we achieved a major milestone with the announcement that sufficient countries had ratified the Kigali Amendment to the Montreal Protocol for it to enter into force from the beginning of 2019.

For a decade we have been at the forefront of efforts to secure a global agreement to crack down on the production and consumption of harmful hydrofluorocarbons (HFCs), which are widely used in the refrigeration and air-conditioning sectors and are potent climate change pollutants. After concerted campaigning by our Climate team, a deal was reached at the meeting

of the Montreal Protocol held in Kigali, Rwanda. Under the agreement, initial control measures will apply to developed countries, which will have to cut consumption of HFCs by 10 per cent in 2019, followed by a 40 per cent reduction in 2024. Most developing countries will be required to freeze HFC consumption in 2024, followed by progressive reductions.

Full implementation of the Kigali Amendment will avoid an estimated 80 billion tonnes CO<sub>2</sub> equivalent of emissions by 2050, making it the largest one-off climate change mitigation measure yet adopted by the international community. So the welcome news that 20 countries had ratified the Amendment means that



Left: we've worked closely with UK major supermarkets to convince them of the need to switch to climate-friendly cooling technologies

Below: the ratification of the Kigali Amendment to the Montreal Protocol was a major step for our climate work



©IISD/Kiara Worth (enb.iisd.org/ozone/resumed-oweg38-mop28/14oct.html)

the intended start date of 1 January 2019 to begin phasing down use of HFCs will be met.

However, our work does not end with securing the agreement; successful implementation is key to ensuring that the potential climate benefits are realised. We attended the annual meeting of the Montreal Protocol in November 2017 to press for sufficient funding to assist developing countries to transition away from HFCs to more benign alternatives. We also actively promoted the increased use of climate-friendly natural refrigerants such as ammonia and propane, including outreach and engagement in key countries such as China.

Our successful advocacy for global action on HFCs is just the latest in a long list of achievements we have secured under the Montreal Protocol. We attended our first meeting of the Protocol, which is widely recognised as the world's most successful environmental agreement to date, back in 1996. Our initial focus was on investigating and exposing the illegal trade in ozone-depleting chemicals covered by the Protocol, which led to licensing systems for trade being introduced. Our contribution was recognised in the form of an Ozone Award at the 30th anniversary meeting of the Montreal Protocol, held in November 2017. The citation for the award stated: "From hard-hitting investigations on illegal ozone-depleting substances trade to successful advocacy to adopt a global HFC phase-down, EIA plays a unique and valuable role within the Montreal Protocol family".

### Worked with supermarkets to reduce use of HFC gases

Another important aspect of our Climate campaign work is engaging with major supermarkets to convince them of the need to switch to climate-friendly cooling technologies. The main tool has been regular surveys of supermarket chains to ascertain the measures they have taken to reduce their global warming footprints.

In 2017, working with our partners in Germany, Spain and Italy, we released the seventh version of our *Chilling Facts* survey, covering 22 European retailers across 37 countries. The survey revealed significant progress in supermarkets switching away from HFCs to more climate-friendly alternatives, compared with our first survey in 2008 when only six supermarkets in the UK were trialling natural refrigerant systems. We identified eight companies as "green cooling leaders" for their progress in moving away from HFCs and called on the others to accelerate their transition or face being hit by looming HFC phase-down regulations in the European Union and globally.

### Looking ahead

Our Climate campaign team will seek to build on its recent successes over the next few years to push for further ambitious global actions to move away from HFCs towards climate-friendly alternatives and will increasingly focus on energy efficiency aspects of refrigeration and air-conditioning systems to secure further climate benefits. Key actions include:

- pressing for the successful implementation of the Kigali Amendment on HFCs, including securing sufficient funding for the HFC phase-down
- researching and investigating illegal trade in HFCs
- engaging with European governments and industry to advocate swift implementation of the EU's F-Gas Regulation, which will mandate a 48 per cent cut in HFC supply in 2018
- working with supermarket companies to ensure that any new stores or cooling equipment use natural refrigerants rather than HFCs and securing commitments to improve energy efficiency.

## Our Forests work aims to reduce global deforestation by advocating improved governance and trade laws, revealing the negative impacts of cash crops such as palm oil and exposing key criminal players in the transnational illegal timber trade. Some 2017 highlights include:

### Vietnam/Cambodia illegal timber

In May 2017, our Forests team released a major new report exposing a massive illegal logging operation spanning Cambodia and Vietnam. *Repeat Offender* documented widespread logging inside protected areas in Cambodia's Ratanakiri Province, with the timber flowing into neighbouring Vietnam to feed the country's growing wood processing industry.

Our investigators gathered first-hand evidence of this major forest crime and held undercover meetings with Vietnamese traders dealing in the stolen timber. What emerged was a picture of widespread bribery of officials in both countries, intimidation of local communities and journalists and the complicity of provincial government officials who issued imported quotas for 16 Vietnamese companies to import 300,000 m<sup>3</sup> of logs from neighbouring Cambodia, despite that country banning the export of raw timber.

The report's release was timed to coincide with a key meeting between the European Union and Vietnamese Government on an agreement intended to ensure only legal timber products are traded between the two. Vietnam is a major exporter of wood products, especially outdoor furniture, and shipped \$8 billion worth in 2017.

While promoting the rapid growth of its wood processing industry, the Vietnamese Government has progressively reduced logging of its own forests and now relies on imports for 80 per cent of its raw wood material. We were concerned that the EU/Vietnam negotiations were failing to address imports of illegally logged timber into Vietnam, which could be laundered into finished products and shipped to European markets. We called on the Government to expressly prohibit the import of illegal timber and used the new report to prove that existing controls are woefully inadequate.

Our report received widespread media coverage, with both the Vietnamese and Cambodian governments initially denying the findings. In response, we uploaded a dossier of evidence to our website, including satellite images of newly created log storage areas on the Vietnamese side of the border and rudimentary roads for transporting the logs from protected areas in Cambodia. We also published a document from the authorities in Gia Lai Province, Vietnam, sanctioning the illegal trade and tax records showing the Vietnamese Government was deriving income from it.

Our work spotlighted Vietnam's ongoing trade in stolen timber and made clear to the EU that any timber agreement which fails to address the country's wood imports will be unacceptable. In a welcome development two weeks after the report, the main Vietnamese wood associations publically called for control mechanisms for imported wood and declared "we say no to illegal wood!".

### Using the EU Timber Regulation (EUTR)

For over a decade we campaigned to convince the EU of the need to prohibit imports of illegally logged timber. This endeavour came to fruition with the EU Timber Regulation (EUTR) of 2013. In

2017, we successfully put the EUTR to the test when a series of cases we submitted to the relevant authorities on imports of Burmese teak were upheld.

It was our contention that EU companies importing teak from Myanmar, widely used as decking on luxury yachts, could not be in compliance with provisions of the EUTR. This requires due diligence to mitigate risks of illegal wood entering the supply chain. We analysed the logging and wood export systems in place in Myanmar and concluded that it was not possible for EU importers to identify and verify the source of the teak, a key requirement of the due diligence process.

We submitted cases on nine companies trading in Burmese teak to the competent authorities in five EU states. By the end of 2017, five of these companies had been found to be in breach of the due diligence requirements of the EUTR.

Through this process we have assisted EU governments in enforcing the EUTR, reminded importers of the importance of conducting rigorous due diligence and strengthened the case for major reform of Myanmar's forest sector.

### Conference of Parties (CoP)

All three of the proposals we championed at the CoP duly passed and took effect in February 2017. This means that those species making up most of the volume and value of supply for the Hongmu (redwood) market in China are now listed on Appendix II of CITES – significantly increasing regulation of international trade.

### Forest governance in Indonesia

Civil Society Independent Monitors from JPIK, our partner in Indonesia, continued to monitor companies holding timber legality certificates. They also inspected certain cases outside of the certification process that included illegal logging and/or forestry crimes. Their results were used to improve and strengthen good forest governance in Indonesia.

### Looking ahead

Our Forests team will push for forest governance reform and action against illegal logging and conversion for plantations in the coming years. Priorities include:

- securing effective Voluntary Partnership Agreements (VPAs) between the European Union and producer countries in Asia. This will include working with Indonesian partner NGOs to ensure the timber legality system is properly enforced through independent monitoring, collaborating with partners in Myanmar to ensure civil society views are reflected in VPA negotiations and pressing for controls on timber imports to be adequately addressed in the final VPA with Vietnam
- promoting effective implementation of the EUTR through the submission of more cases on potential breaches and highlighting instances where certain member states are failing to enforce the rules
- tracking and exposing major cross-border flows of illegal timber in Asia through research and field investigations
- monitoring the enforcement of recent listings of rosewood species under the Convention on International Trade in Endangered Species, especially Asian species such as Siamese rosewood, and building the case for additional tree species threatened by illegal trade to be listed on the convention
- pressing for international action to tackle deforestation caused by conversion for the production of commodities such as palm oil. This will focus on promoting a strong EU action plan, strengthening the Indonesian Standard on Palm Oil and securing reform of the Roundtable on Sustainable Palm Oil.

Below: Hi-res satellite image of log depot at Khla Thom, Vietnam side of border, February 2017

Bottom: Cambodian logs in yard of Son Dong Company, Gia Lai Province, Vietnam, March 2017



Our Ocean work aims to improve the status of marine wildlife and ecosystems by reducing threats posed by marine plastic pollution, bycatch and commercial exploitation of whales, dolphins and porpoises. Some 2017 highlights include:

**Microbead ban**

We secured a major victory in 2017 with the announcement by the UK Government of a stringent ban on the sale of a range of personal care products containing plastic microbeads from June 2018. This ban will be the strongest yet seen in the world.

The scourge of marine plastic pollution has become one of the most urgent environmental problems of our time and is gaining increasing political and public attention. Global plastics production has surged over recent decades, from five million tonnes a year in the 1960s to more than 300 million tonnes in 2014. Up to 12 million tonnes of plastic enter the ocean every year, with dire implications for a host of marine species from tiny plankton to whales. This pollution kills an estimated 100,000 marine mammals every year. At the current rate of accumulation, the amount of plastic in the ocean will outweigh the amount of fish by 2050.

A major contributor to this pollution is microbeads, small microplastic particles less than five millimetres in diameter. These are widely used in a range of cosmetics and cleaning products which are consequently flushed down the drain and enter the marine environment. It is estimated

that up to 51 trillion microplastic particles are already in the ocean, with traces even found in Arctic Sea ice. These can be ingested by a host of organisms, with potential adverse physical and toxicological effects.

Our work on this issue began in early 2016 when we teamed up with three other environmental groups to form the Microbeads Coalition. One of the first acts was to launch a public petition calling on the UK Government to ban the use of microbeads in personal care and cosmetics products. The petition garnered over 350,000 signatures, making it one of the largest ever seen in the UK on an environmental issue.

Initially the UK Government prevaricated, recognising the need for regulation rather than voluntary measures by industry but claiming action should be taken at the EU rather than national level. In response we provided information for a review conducted by the UK's Environmental Audit Committee, which subsequently came out in support of a comprehensive UK ban.

We then worked to strengthen the scope of the initial draft from the UK Government by taking part in a consultation process, regular release of press briefings and cultivating support from key sectors of industry. In July 2017, the Government



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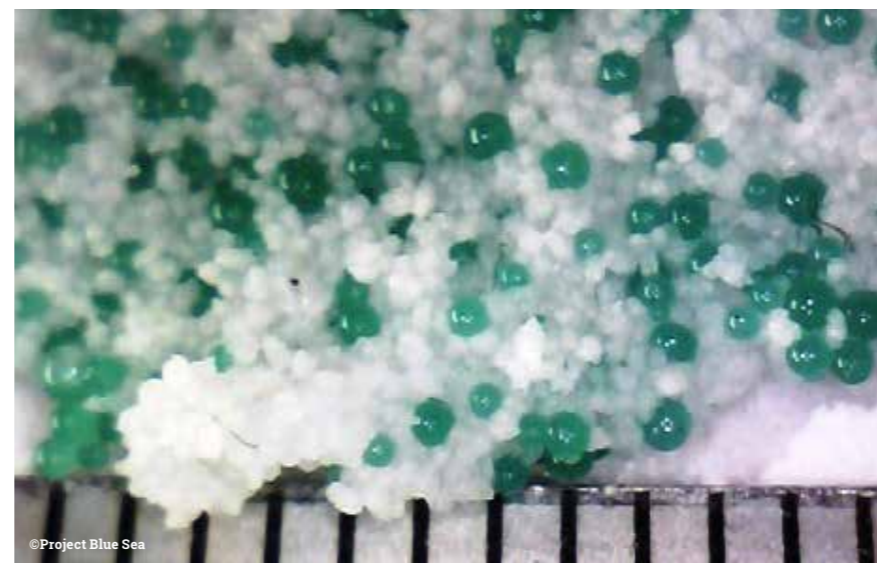


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Above: humpback whales

Right: totoaba fish maws being shown to our investigators

Below: microbeads



©Project Blue Sea

criminal groups trafficking totoaba and we have shared our findings with relevant law enforcement agencies.

We also attended the CITES Standing Committee meeting held in late November where we successfully pressed for an urgent action plan to be adopted to save the vaquita from extinction. Measures included the establishment of a high-level diplomatic mission involving the key countries of Mexico, China and the US which will establish time-bound actions including coordinated enforcement actions against the illegal trade in totoaba.

announced the main provisions of its proposed microbeads ban, in which most of our concerns were addressed. There was no lower limit size for microplastics covered by the ban; it applies to all rinse-off products rather than specific uses such as exfoliants; and the ban on sales of products is effective from July 2018, earlier than we originally anticipated.

While the UK's microbead ban is an undoubted achievement, it only marks the first step in our ambitious plans to tackle marine plastic pollution. We will work to strengthen the UK ban by extending its scope to microbeads found in cleaning products, encourage other countries to institute similar bans and begin addressing the production of plastics rather than just their disposal.

**Investigated illegal trade of totoaba that is threatening vaquita**

Throughout 2017 we continued our last-ditch efforts to save the vaquita porpoise, the world's most endangered marine mammal species. Fewer than 30 vaquita are believed to remain in the wild. Their numbers have plummeted as they become entangled in gillnets set to catch protected totoaba fish in the Upper Gulf of California, the only place where vaquita are found.

We conducted a challenging investigation in key locations in Mexico where illegally caught totoaba fish are landed, processed and smuggled out to the main market of China. Our undercover investigators infiltrated several

**Looking ahead**

Our Ocean team will continue to strive to protect marine ecosystems and wildlife by tackling marine plastic pollution and curbing the bycatch and commercial exploitation of the world's whales, dolphins and porpoises. Highlights will include:

- embarking on an ambitious plan to build a global framework convention to curb marine plastic pollution
- persuading consumer goods companies to reduce consumption and waste of plastics used for packaging
- pushing for an EU-wide microbeads ban
- attending the biennial meeting of the International Whaling Commission to oppose any proposals for commercial whaling and support the adoption of conservation measures
- monitoring and investigating commercial whaling activities by Japan, Iceland and Norway
- investigating and exposing the illegal trade in totoaba fish, including via online platforms, and supporting law enforcement efforts.





**Our Wildlife work aims to reduce wildlife crime around the world, with a specific focus on elephants and tigers. Some 2017 highlights include:**

**Shuidong**

In July 2017 our Elephant Campaign published a ground-breaking report providing unique insights into the operations of an active ivory smuggling syndicate, based in an obscure town in southern China. *'The Shuidong Connection'* was the culmination of an exhaustive year-long investigation, with our undercover operatives gradually gaining the trust of a group of three seasoned ivory tusk traffickers through a series of covert meetings.

The story began with a chance encounter in the port town of Pemba, northern Mozambique. Our investigators overheard a conversation between three Chinese men staying at the same hotel and recognised the distinctive dialect which indicated they came from Shuidong, in China's Guangdong Province. In 2014 we had come across a group of Shuidong natives involved in ivory smuggling from Zanzibar, in Tanzania.

First contact with the three Chinese in Pemba was tentative, with them initially claiming to be in town to sell aluminium products and trade

in seafood. At a follow-up meeting in Shuidong town a few months later, the group revealed the real reason for being in Mozambique – to oversee the purchase and shipment of three tonnes of ivory tusks. By October, after following a circuitous route, the consignment had arrived in Shuidong and our investigators were invited to view the tusks as prospective buyers. During a nerve-racking trip to a remote location, our investigators obtained vital evidence of the group's involvement in ivory trafficking, including unprecedented insights into their smuggling methods.

It transpired that two of the smugglers had been brought into the business by older relatives and had been involved in tusk trading for over a decade, previously operating in Tanzania. They also revealed plans to expand their activities to West Africa and were diversifying into other contraband wildlife such as pangolins. The group claimed that 80 per cent of tusks entering China from Africa passed through Shuidong, making it the world's largest trading hub for raw ivory.

Below: the dramatic moment our undercover investigators were shown the illegal ivory



When released, our report received widespread coverage in the international media. Prior to launch, we shared confidential details of the group's criminal activities to law enforcement agencies in the relevant countries. We are confident that through our efforts to expose the role of Shuidong smugglers and follow-up enforcement actions, a major blow has been dealt to the town's ivory trading business.

**Big cats in captivity**

We took a new briefing to Convention on International trade in Endangered Species (CITES) Standing Committee. *'Cultivating Demand'* detailed the number of tigers held in facilities in key countries implicated in illegal trade in tiger parts, notably Laos, Thailand, Vietnam and China (where up to 6,000 are in captivity compared with a wild population of up to 50). The document also listed instances where tigers bred in captivity were illegally traded and the impact on wild tiger populations through increased demand.

**Highlighted threat to tigers from lion bone trade**

Earlier in the year we issued a report on the growing threat posed to tigers by trade in lion bones. In 2016, parties to CITES agreed to allow South Africa to export up to 800 lion skeletons a year from captive breeding facilities. *'The Lion's Share'* detailed how the main destinations for previous exports of lion bone – Laos and Vietnam – are also hotspots for illegal trade in tiger parts. We explained how allowing further supply of lion bone to these markets will complicate enforcement efforts due to identification issues and stimulate demand for tiger parts as they are often passed off as deriving from tigers.

**Ivory enforcement tool**

A major project lasting over two years came to fruition with the release of our comprehensive online training tool for enforcement agencies on combating the illegal ivory trade. The ambitious training package includes a series of modules on aspects of detecting and curbing ivory trade, including financial investigations,

crime scene forensics and use of sniffer dogs in ports.

**Looking ahead**

Our Wildlife teams will build on progress achieved in tackling illegal trade during 2017 with an ambitious programme of work leading up to the next major CITES Conference of Parties in 2019. Priorities will include:

- documenting illegal trade in tigers and their parts in both the trans-Himalayan and Mekong regions. This work will highlight the scale of the trade and major hotspots and will aid the efforts of enforcement agencies
- increasing pressure for the closure of tiger captive-breeding facilities and monitoring of the situation in Laos, where the Government has committed to phasing out tiger farms
- campaigning for the closure of remaining legal ivory markets, especially Japan and the European Union, and monitoring the effectiveness of China's decision to close its ivory market at the start of 2018
- investigating and exposing ivory trafficking networks operating between Africa and Asia
- engaging with the financial and transport sectors to increase awareness of illegal wildlife trade and assist in conducting due diligence and risk assessment to avoid being used by wildlife criminals. This will include providing detailed information on illicit financial flows connected to wildlife crime and changes to the methods and routes used by traffickers-
- launching a new area of work involving research and investigations into illegal trade in pangolins, currently the most heavily trafficked animal in the world.



Above: a caged tiger in Laos

Below: tiger 'bone strengthening wine'

Bottom: footage captured as part of our ivory enforcement tool



**Raising funds**

The majority of EIA (UK) income is restricted to programme funding and while we have had increasing success in securing large institutional grants in recent years, this funding model does not allow for full cost recovery. Therefore, raising unrestricted funds is crucial to supplement our project funding, increase our impact globally and invest in development as an organisation.

For this reason, the EIA Trust raises funds from a range of sources, including individual supporters who give regularly or respond to appeals throughout the year, those who leave us a gift in their wills and those who fundraise through sponsored activities and fundraising events. Grants from statutory bodies, trusts and foundations also provide a significant amount of income for the EIA Trust. We are extremely grateful to all of our donors and thank them for their support and generosity.

Last year we continued to focus on improving how we communicate with individual supporters by testing new digital fundraising initiatives and introducing new visual content to ensure we are bringing them ever-closer to the work of EIA (UK).

**Institutional fundraising:**

Income from major institutional funders such as the UK Department for International Development (DFID), the Norwegian Agency for Development Cooperation (Norad), Oak Foundation or the Children's Investment Fund Foundation (CIFF) remain stable at £2,198,508 in 2017. A new grant was also received by the UK Government through the Illegal Wildlife Trade Challenge Fund.

EIA (UK) is very grateful for the support of these longstanding donors while the EIA Trust continues to support the work of EIA (UK) through grants received from the Adessium

Foundation, the Rufford Foundation, the David Shepherd Wildlife Foundation, the Ernest Kleinwort Charitable Trust, the JMG Foundation, the Japan Animal Welfare Society UK, the Waterloo Foundation, ClimateWorks Foundation and one anonymous donor, all valuable relationships which resulted in nine new grants being awarded in 2017 in support of the Wildlife (Tiger and Elephant campaigns), Ocean, Climate and Forests programmes of work.

As at December 2017, EIA (UK) has received £943,003 from the EIA Trust, an increase of 24 per cent in grant income on 2016 (£763,104).

In 2017, the EIA Trust has also received unrestricted income worth £15,550 from 14 small trusts, of which three were new trust donors, compared with unrestricted income worth £8,140 from nine small trusts in 2016.

Though the sector remains highly competitive, we will continue to seek opportunities to develop new key relationships to lay the groundwork for support in the next and future years, diversify our support from institutional funders and continue growing our income in this area.

**Individual giving:**

In 2017 we have continued to consolidate our individual giving income. We employed new techniques and online channels to engage with existing and new supporters through appeals and direct campaign actions such as our tigers online petition, which helped generate just over 8,000 new leads in July 2017 for International Tiger Day. We will continue engaging with this group through monthly e-newsletters to reduce fundraising costs and we will monitor their conversion rates.

Another vital source of supporter income for EIA (UK) and the EIA Trust is legacy giving. In 2017, the EIA Trust has been notified of seven legacies



from individual legators, of which five were EIA supporters. Our legacy income has increased from £106,413 in 2016 to £130,330 in 2017.

The income drop in fundraising events is the result of a one-off event raising £76,732 for the EIA Trust in 2016 and which was not repeated.

Our combined regular giving income continues to perform well despite natural attrition, a valuable source of predictable unrestricted income in which we are investing additional resources in 2018 to recruit donors online and through social media. We are especially thankful to everyone who has continued to support EIA (UK) and EIA Trust with a regular gift and those who gift aided their donations to the EIA Trust, generously increased their monthly giving or made additional donations to our appeals during the year.

The ThankQ supporter database (funded as part of a previous grant from the Adessium Foundation) continues to play a crucial part in EIA's income growth strategy and in 2018 a new fundraising strategy is being implemented to boost our unrestricted income as well as increase our institutional funding.

**Looking ahead**

In 2018 we will continue building on the new strategy introduced by the new permanent Head of Fundraising who joined EIA (UK) in November 2017.

Our priorities for the years to come are to continue building the capacity of our institutional fundraising, focusing on the stewardship of our existing funders and supporters and, with support from the Communications team, improve our online presence to recruit new donors.

Large multi-year grants are essential to ensure that our work with local communities affected by wildlife crime and environmental abuse can continue for as long as it takes for authorities to enforce the law or introduce new legislation. The support of smaller trusts and foundations is also vital in their responsiveness and shared belief in the protection of the environment for future generations.

However, we must increase and diversify our income. This is essential in order to provide opportunities to develop as an organisation and increase our global impact. We are therefore seeking investment to increase our digital fundraising capacity, testing innovative ways to reach new audiences and supporters, not just in the UK but globally.

We are also seeking to establish new partnerships with grant-making trusts and philanthropists who are willing to provide funding for the development of core elements of our work, such as our investigations unit.

Finally, to ensure compliance with the General Data Protection Regulation coming into force in May 2018, we have appointed ClearComm as our GDPR advisor and we have reviewed our privacy and data retention policies.

## Our Fundraising Practice

In 2018 we have brought our Fundraising practices in line with guidance from the Charity Commission, published in June 2016: <https://www.gov.uk/government/publications/charities-and-fundraising-cc20/charities-and-fundraising>

• **Effective planning:** Income and expenditure forecasts are produced quarterly based on the positive outcome of fundraising initiatives and applications being submitted. As part of the quarterly planning process we also monitor the return on investment of each unrestricted income stream and make necessary adjustments as required. Monthly, we share with campaign leaders the deadlines approaching for reports due and calls for proposals and we also monitor the EIA grant income 2018-20 pipeline. This is separate to the accounting process and is based on assumptions such as likelihood of success for applications being submitted and funding shortfalls.

• **Supervision of fundraisers:** In 2018 we have launched a new ethical fundraising policy which includes a section on fundraising while being mindful of members of the public and supporters who may be vulnerable or in vulnerable circumstances. In-house fundraisers receive appropriate monthly supervisions and are made aware of the Fundraising Regulator code of fundraising practice. We do not use external professional fundraising organisations or volunteers to fundraise on our behalf.

• **Protecting the assets and reputation of the organisation:** From January 2018 we have begun to outsource our direct debit processing to Rapidata direct debit bureau to reduce risk and improve cost-efficiency. Monthly reconciliation processes are in place between Sage and our ThankQ fundraising database. In March 2018 a new gift processing manual was finalised and we implemented a new gift acceptance policy.

• **Full compliance with fundraising laws:** During the first quarter of 2018 we began the process of ensuring GDPR compliance and we have appointed ClearComm as our GDPR advisor. We have reviewed all our data protection statements, updated our data retention and privacy policies and we modernised our online giving platforms to improve supporters' online giving experience.

• **Following recognised standards and being open and accountable:** No formal complaints were received from supporters in 2017. A new external and internal fundraising complaint policy was implemented in December 2017. We ensure that the right policies are in place and understood internally and we are in compliance with the standards in the Code of Fundraising Practice. In January 2018, we introduced a new *Year in Review* to highlight 2017 campaigns achievements and we are improving the presentation of our Annual Report and Accounts 2017 to ensure our aims and achievements are clearly communicated to funders and to supporters.

# Thank you

## Institutional donors

Adessium Foundation

Anthony Rae Foundation

BAND Foundation

Children's Investment Fund Foundation (CIFF)

ClimateWorks Foundation

David Shepherd Wildlife Foundation

EJF Philanthropies

The Ernest Kleinwort Charitable Trust

JMG Foundation

The Japan Animal Welfare Society UK

Norwegian Agency for Development Cooperation (Norad)

Oak Foundation

Plastic Solutions Fund

The Rufford Foundation

The Elephant Crisis Fund, an initiative launched by Save the Elephants and the Wildlife Conservation Network, in partnership with the Leonardo DiCaprio Foundation

Funding Received from UKAid through the Department for International Development (DFID)

Funded by the UK Government through the Illegal Wildlife Trade Challenge Fund

Vulcan Inc.

Walton Family Foundation

The Waterloo Foundation

Wildlife Protection Society of India, UK (WPSI UK)

**And thank-you to everyone who has supported our work - we hugely appreciate it.**

**DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2017

**Structure, governance and management**

The Environmental Investigation Agency (UK) Limited) is a registered company limited by guarantee, number 7752350 incorporated on 25th August 2011.

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

Although the company is not a UK-registered charity, it has produced its accounts and this Directors Report under the provisions of FRS 102, the Charity SORP. This has been done to comply with best practice as the Environmental Investigation Agency (UK) is a not-for-profit organisation.

The Directors who served during the year and up to the date of the report are listed on page 7. The Directors have no beneficial interest in the company.

The Directors have the power to appoint or to co-opt new members to the Board, with appointments ratified according to the company's memorandum and articles of association. There is an induction process for new directors, including provision of key information about the company, its operations and the Directors' responsibilities.

The Board of Directors meets to set strategic direction for the company, to review and agree the campaign and organisational plans drawn up by the Executive Team and to actively manage the key risks faced. The Finance Committee, a sub-Committee of the Board, meets ten times a year to review financial performance, audit and risk management.

**DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2017

**Financial review**

The Company's accounts have been prepared in accordance with charities Statement of Recommended Practice FRS 102.

Total income generated in the year ended 31 December 2017 was £3.4m (2016: £3m) an increase of 13 per cent on the prior year.

The increase in income relates mainly to long standing institutional funding agreements, including the Department for International Development grant to support EIA's Forests Programme which was increased by £127,000 over the previous year. Additional funds were also secured from the Department for Environment, Food & Rural Affairs and the OAK Foundation in furtherance of EIA's Wildlife Programme.

EIA Trust granted a total of £1.06m of which £0.9m is recognised as income received during the year, with the remainder deferred to future periods. The income recognised in 2017 is £180,000 greater than that in the previous year, following successful grant applications by the Trust for the Ocean and Climate Programmes of work.

Included within the income received during the year is a sum of £100,000 representing service charges paid by EIA Trust for part of the fundraising costs incurred on its behalf by EIA UK.

Donations from individual supporters fell by about 22 per cent compared to the prior year. However, this was expected due to natural attrition rates and the migration of supporters to EIA Trust. The fundraising section above provides a more detailed explanation on the various income streams.

Expenditure during the year was £3.3m (2016: £3m) an overall increase of 10 per cent compared to the previous year. Staff costs which include recruitment and training costs were significantly higher in 2017. EIA UK recruited a new Head of Fundraising and Head of Communications, the latter being a newly created post. It was also recognised that it would be beneficial to the organisation to invest in the development of staff members. Therefore, all line managers attended a management training course. A salary review was also undertaken across the organisation in 2017.

The direct costs of carrying out EIA UK's programmes of work were slightly higher than the prior year. There is a significant increase in

funds granted to the implementing partners based in the field. This is in line with EIA's ethos and increasingly a funder requirement to empower the grass roots organisations with whom we work.

Support costs during the year are higher than 2016 costs primarily due to increases in audit and legal costs. This is mainly a reflection of the termination of a longstanding contract with the previous auditors and the costs involved with the engagement of a new audit firm. Preliminary advice on the restructure of the organisation was also sought, resulting in an increase to legal costs during the year.

The cost of raising funds increased by 16 per cent compared to prior year. This was a result of an increase in the number of appeal mailings sent to supporters doubling from two in 2016 to four appeals in 2017.

Income during the year exceeded expenditure by £49,921. As at the end of the year the balance sheet shows net current assets of £539,958. Net assets amounted to £589,560 as at 31 December 2017, an increase of 9 per cent on the previous year.

**Details of Reserves**

As at 31 December 2017 total reserves were £589,560. This consisted of unrestricted reserves in the sum of £130,478 and restricted reserves of £459,082.

The greater part of EIA's campaigns are funded from restricted donor grants. The financial risks associated with this income is in large measure mitigated by the pre-funding of much of the campaign activity. Consequently, the reserves policy focuses on the need to maintain free reserves at a level which equates to between three to six months of unrestricted operational expenditure, which is approximately £200,000 and £400,000. The Directors consider that at these levels EIA UK would retain sufficient funds to enable responding to changes in operating levels and to adequately cover the financial impact of any adverse development within EIA UK.

At 31 December 2017, free reserves amount to £80,876 compared to £53,286 in the previous years and the Directors acknowledge that this falls short of the minimum policy level. The Directors aim over the next 3 years to steadily increase the level of the free reserve to within the target range

and the proposed move to full charitable status, described elsewhere in this report, will be an important first step in strengthening this.

### Going concern

The Directors of EIA UK have recently decided that given the current tightening of the regulatory framework round charities and not-for-profit organisations that the current arrangements for funding the organisation and its future governance are best achieved by seeking charitable status for EIA UK.

In the light of these developments and given the continuing overall improvement in the financial performance of EIA UK Ltd, the Directors have reasonable expectation that the company has adequate resources and certainty of future income to continue in operational existence for the foreseeable future. Accordingly, they have adopted the going concern basis in preparing the annual report and accounts.

### Risks

The Directors regularly review the risks facing the organisation. A broad ranging Risk Register has been established and its review is a standing item of the meetings of the Senior Management Team and of the Directors to ensure appropriate control systems are in place and the Register is updated as required. Where appropriate, systems or procedures have been established to mitigate the risks the company faces.

During the course of 2017 the Directors continued to review the current governance framework and in particular the challenges of complying with the new regulations on data processing (GDPR), revised Charity Commission Guidance on grant giving by charities to non-charities and the requirements of the new Fundraising Regulator. These developments represent a significant compliance challenge to a relatively small organisation like EIA UK and it is in the light of these developments that the Directors have decided to seek charitable status for EIA UK and operate as a single charitable entity in the UK.

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

### Statement of responsibilities

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

### Relationships with Related Parties and Other Organisations

EIA UK works in cooperation with EIA Inc. with respect to its campaigns. A Director of EIA UK Ltd is also a Director of EIA US Inc. EIA UK cooperates with EIA Trust Ltd, which has granted funds to EIA UK for the furtherance of its charitable work.

EIA UK collaborates with NGOs around the world to advance its work in the most cost-effective and strategic way to achieve its aims.

It has been agreed between Directors of EIA UK and Trustees of EIA Trust that in 2018 EIA in the UK will be restructured to operate as a single charitable entity. This will benefit the organisation in number of ways including assisting with full and transparent compliance new regulatory requirements, GDPR and other data protection regulations.

On behalf of the Board:

J. Lonsdale (Director)  
26 September 2018

## Independent auditors report

### Opinion

We have audited the financial statements of Environmental Investigation Agency (UK) Limited for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 25, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

**Neil Finlayson (Senior Statutory Auditor)**

**for and on behalf of Kingston Smith LLP,  
Statutory Auditor**

**Devonshire House  
60 Goswell Road  
London  
EC1M 7AD**

**Date: 26 September 2018**

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted £	Restricted £	Total 2017 £	Unrestricted £	Restricted £	Total 2016 £
<b>Income and endowments from</b>							
Donations & Legacies	2(i)	133,963		133,963	172,590		172,590
Income from other trading activities	2(ii)	17		17	10,085		10,085
Investment Income	2(iii)	3	1,810	1,813			-
Income from charitable activities	2(v)		3,141,511	3,141,511		2,796,944	2,796,944
Other Income	2(iv)	100,948		100,948	971		971
<b>Total income and endowments</b>		<b>234,931</b>	<b>3,143,321</b>	<b>3,378,252</b>	<b>183,646</b>	<b>2,796,944</b>	<b>2,980,590</b>
<b>Expenditure on</b>							
Expenditure on Raising Funds	3	246,515		246,515	212,479		212,479
Charitable Activities	4	15,634	3,066,182	3,081,816	19,863	2,796,207	2,816,070
<b>Total Resources Expended</b>		<b>262,149</b>	<b>3,066,182</b>	<b>3,328,331</b>	<b>232,342</b>	<b>2,796,207</b>	<b>3,028,549</b>
<b>Net income/(expenditure)</b>		<b>(27,218)</b>	<b>77,139</b>	<b>49,921</b>	<b>(48,696)</b>	<b>737</b>	<b>(47,959)</b>
<b>Transfers</b>							
Transfers between funds		10,753	(10,753)	-	10,143	(10,143)	-
<b>Net incoming resources before other recognised gains and losses</b>		<b>(16,465)</b>	<b>66,386</b>	<b>49,921</b>	<b>(38,553)</b>	<b>(9,406)</b>	<b>(47,959)</b>
<b>Other recognised gains/losses</b>							
Gains on revaluation of fixed assets for charity's own use		-	-	-	-	-	-
Gains/losses on investment assets		-	-	-	-	-	-
Actuarial gains/losses on defined benefit pension schemes		-	-	-	-	-	-
<b>Net Movement in Funds</b>		<b>(16,465)</b>	<b>66,386</b>	<b>49,921</b>	<b>(38,553)</b>	<b>(9,406)</b>	<b>(47,959)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		146,943	392,696	539,639	185,496	402,102	587,598
<b>Total funds carried forward</b>		<b>130,478</b>	<b>459,082</b>	<b>589,560</b>	<b>146,943</b>	<b>392,696</b>	<b>539,639</b>

**BALANCE SHEET**

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible Assets	8	49,602	33,801
		<u>49,602</u>	<u>33,801</u>
<b>Current Assets</b>			
Debtors	9	272,044	244,276
Cash at bank and in hand		1,089,608	847,680
		<u>1,361,652</u>	<u>1,091,956</u>
<b>Liabilities: amounts falling due within one year</b>			
Creditors	10	(821,694)	(586,118)
		<u>(821,694)</u>	<u>(586,118)</u>
<b>Net current assets</b>		539,958	505,838
<b>Total Assets less Current Liabilities</b>		<u>589,560</u>	<u>539,639</u>
<b>Funds</b>			
Unrestricted	13	130,478	146,943
Restricted	11	459,082	392,696
<b>Total Funds</b>		<u>589,560</u>	<u>539,639</u>

The Financial Statements have been prepared in accordance with the provisions applicable to the Small Companies Regime and in accordance with the Companies Act 2006 relating to small companies and with FRS 102 (1A) the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Financial Statements were approved by the Board of Directors on the 26 September 2018 and signed on their behalf by:

J. Lonsdale (Director)

M. Gaskin (Director)

**Company No: 07752350**

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Net cash provided by (used in) operating activities	286,647	(147,174)
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(44,719)	(29,147)
<b>Net cash provided by (used in) investing activities</b>	<b>(44,719)</b>	<b>(29,147)</b>
Change in cash and cash equivalents in the reporting period	241,928	(176,320)
Cash and cash equivalents at the beginning of the reporting period	847,680	1,024,000
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,089,608</b>	<b>847,680</b>
<b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>		
<b>Operating surplus/(deficit)</b>	49,921	(47,959)
<b>Adjustments for:</b>		
Depreciation charges	28,918	31,986
(increase)/decrease in debtors	(27,768)	(201,802)
increase/(decrease) in creditors	235,576	70,601
<b>Net cash provided by (used in) operating activities</b>	<b>286,647</b>	<b>(147,174)</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand		
Opening Balance	847,680	1,024,000
Increase/(Decrease) in cash	241,928	(176,320)
<b>Closing Balance</b>	<b>1,089,608</b>	<b>847,680</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### 1. Accounting policies

#### Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound. The financial statements have been prepared on the historical cost convention.

The principal accounting policies adopted are set out below:

#### Income

Income is included on an accruals basis. It includes grants and donations and invoiced sales of goods and services, excluding value added tax.

##### (i) Grants and Donations

Grant and donations are accounted for in the year in which they are receivable.

Statutory grants are accounted for using the accrual model. Grant income is recognised in the Statement of Financial Activities on a systematic basis over the period in which the related costs are incurred.

Other grants are recognised when receivable unless performance related conditions apply, in which case the grant is recognised when the conditions for receipt have been complied with.

Grants relating to future periods are deferred and recognised in those future accounting periods.

##### (ii) Legacies

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount

receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

##### (iii) Interest

Bank interest is recognised on a receivable basis.

##### (iv) Merchandise and Film Sales

Income from commercial trading activities is recognised as earned, as the related goods and services are provided.

##### (v) Foreign Currencies

Transactions in foreign currencies are translated at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet dates. All exchange differences are dealt with through the Statement of Financial Activities.

##### (vi) Tangible Fixed Assets and Depreciation

Depreciation is calculated to write down the cost less estimated residual value of tangible fixed assets held for charitable use by equal annual instalments over their expected useful economic lives. The rates generally applicable on a straight-line basis are:

- Furniture - 25%

- Equipment - 33.33%

- Field Equipment - 50%

All tangible fixed assets costing more than £500 are capitalised at their cost to the organisation.

##### (vii) Leasing Commitments

Rentals payable under operating leases, including any lease incentives received, are charged against income on a straight-line basis over the lease term, except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

##### (viii) Other Financial Instruments

#### Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

#### Debtors and Creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

##### (ix) Taxation

Company income primarily comprises grants and donations which are not subject to tax and therefore there is no tax liability arising in the year.

#### Expenditure

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the effort to raise voluntary contributions (cost of generating funds);
- expenditure incurred directly to the fulfilment of the charitable objectives;

Charitable expenditure comprises all the expenditure incurred in furtherance of the charitable objectives and is analysed between:

- grants payable in the furtherance of the charitable objectives
- costs of charitable activities
- support costs in furtherance of the charitable activities

Support costs comprise all other overhead costs for the running of the organisation in fulfilment of its charitable objectives. These costs are apportioned on a reasonable basis as determined

by the directors.

##### (x) Grants Payable

Grants are recognised when they become due for payment. Included within the Statement of Financial Activities is the cost of grant instalments that are payable to implementing partner organisations.

##### (xi) Fund Accounting

Designated funds are unrestricted funds earmarked for particular purposes. The aim and use of the fund is set out in the reserves policy and the notes to the financial statements.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on general charitable objectives.

Restricted funds are donations received from a donor who has specified a particular project or area of work to which the donation should be allocated.

**NOTES TO THE FINANCIAL STATEMENTS**  
 FOR THE YEAR ENDED 31 DECEMBER 2017

2	<b>ANALYSIS OF INCOME</b>	<b>2017</b>	<b>2016</b>
(i)	<b>Donations &amp; Legacies</b>	£	£
	Legacies	(2,000)	2,000
	Donations	135,963	170,590
		<u>133,963</u>	<u>172,590</u>
(ii)	<b>Activities for Generating Funds</b>		
	Film Sales and other related activities	<u>17</u>	<u>10,085</u>
(iii)	<b>Investment Income</b>		
	Bank Interest	<u>1,813</u>	-
(iv)	<b>Other Income</b>		
	Fundraising Income	100,000	-
	VAT Refund	948	971
		<u>100,948</u>	<u>971</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
 FOR THE YEAR ENDED 31 DECEMBER 2017
**(v) Project Grants****Year to 31 December 2017**

Funder	Tigers	Ocean	Climate	Adessium Institutional Support	Elephants	Forests	2017
	£	£	£	£	£	£	£
Vulcan / Paul Allen	-	-	-	-	59,810	-	59,810
RUSI	-	-	-	-	10,309	-	10,309
OAK	-	-	-	-	163,724	-	163,724
Stop Ivory	-	-	-	-	3,270	-	3,270
EU	-	-	-	-	-	109,495	109,495
DFID	-	-	-	-	-	844,832	844,832
EIA US	-	34,523	-	-	-	341,770	376,293
DEFRA	64,631	-	-	-	63,294	-	127,925
CIFF	-	-	481,721	-	-	-	481,721
EIA Trust	257,357	148,827	74,143	82,671	224,124	155,880	943,002
Other	20,724	-	-	-	406	-	21,130
	<u>342,712</u>	<u>183,351</u>	<u>555,864</u>	<u>82,671</u>	<u>524,937</u>	<u>1,451,977</u>	<u>3,141,511</u>

**Year to 31 December 2016**

Funder	Tigers	Ocean	Climate	Adessium Institutional Support	Elephants	Illegal Wildlife Trade	Forests	2016
	£	£	£	£	£	£	£	£
Vulcan / Paul Allen	-	-	-	-	95,696	-	-	95,696
OAK	-	-	-	-	100,000	-	-	100,000
Other	-	-	-	-	-	-	74,761	74,761
EU	-	-	-	-	-	-	90,851	90,851
DFID	-	-	-	-	-	-	718,247	718,247
EIA US	1,600	48,317	-	-	29,198	-	247,404	326,519
DEFRA	-	-	-	-	59,174	-	-	59,174
CITES Secretariat	10,294	-	-	-	-	-	-	10,294
CIFF	-	-	518,462	-	-	-	-	518,462
EIA Trust	159,838	76,492	34,891	91,600	116,244	119,942	164,097	763,104
Save Wild Tigers	14,500	-	-	-	-	-	-	14,500
Other	6,103	7,992	-	-	8,282	-	2,959	25,336
	<u>192,335</u>	<u>132,801</u>	<u>553,353</u>	<u>91,600</u>	<u>408,594</u>	<u>119,942</u>	<u>1,298,319</u>	<u>2,796,944</u>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 3 RAISING FUNDS

	2017	2016
	£	£
Fundraising and Publicity	246,515	171,296
Other Costs	-	41,183
<b>Total</b>	<b>246,515</b>	<b>212,479</b>

#### 4 (i) CHARITABLE ACTIVITIES

The amount spent on charitable activities is analysed across projects as follows:

##### Year to 31 December 2017

	Support & Governance	Grants Payable	Direct Expenditure	2017 Total
	£	£	£	£
Tigers	54,293	3,000	235,002	292,295
Tigers (DEFRA)	12,618	36,688	25,403	74,709
Elephants	70,318	-	316,206	386,524
Elephants (DEFRA)	11,525	-	55,038	66,563
Ocean	31,081	-	138,225	169,306
CIFF	80,195	90,901	311,412	482,508
Climate - K-CEP	6,106	34,791	-	40,897
Adessium Foundation - Inst support	15,679	-	68,833	84,512
Forests - DFID	165,971	349,544	414,127	929,642
Forests - NORAD 3	67,334	46,042	265,136	378,512
Forests - EU	-	-	109,495	109,495
Forests - Waterloo	7,670	38,442	3,922	50,034
Forests - Other	2,511	-	14,308	16,819
	<b>525,301</b>	<b>599,408</b>	<b>1,957,107</b>	<b>3,081,816</b>

##### Year to 31 December 2016

	Support & Governance	Grants Payable	Direct Expenditure	2016 Total
	£	£	£	£
Tigers	44,337	5,030	186,681	236,048
Illegal Wildlife Trade	26,610	-	92,489	119,099
Elephants	55,962	-	228,484	284,446
Elephants (DEFRA)	9,378	-	51,455	60,833
Ocean	31,612	1,000	140,772	173,384
Climate	810	-	4,442	5,252
CIFF	100,148	80,000	400,364	580,512
Adessium Foundation - Inst support	19,291	-	81,439	100,730
Forests - DFID	144,533	248,595	381,483	774,611
Forests - DFID/EU	5,262	1,693	19,048	26,003
Forests - NORAD 3	51,116	50,361	178,475	279,952
Forests - EU	21,075	6,773	77,388	105,236
Forests - Waterloo	1,562	8,550	20	10,132
Forests - General	539	-	2,960	3,499
Forests - Other	8,684	25,993	21,657	56,334
	<b>520,919</b>	<b>427,995</b>	<b>1,867,157</b>	<b>2,816,071</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 4(ii) Charitable Activities were funded as follows:

The expenditure below sets out the costs incurred on charitable activities disclosing the amounts funded by general unrestricted and restricted funds.

##### Year to 31 December 2017

	Unrestricted	Restricted	2017
	£	£	£
Tigers	8,054	284,241	292,295
Tigers (DEFRA)	-	74,709	74,709
Elephants	-	386,524	386,524
Elephants (DEFRA)	-	66,563	66,563
Ocean	-	169,306	169,306
CIFF	-	482,508	482,508
Climate - K-CEP	-	40,897	40,897
Adessium Foundation - Inst support	3,869	80,643	84,512
Forests - DFID	3,711	925,930	929,641
Forests - NORAD 3	-	378,512	378,512
Forests - EU	-	109,495	109,495
Forests - Waterloo	-	50,034	50,034
Forests - Other	-	16,820	16,820
	<b>15,634</b>	<b>3,066,182</b>	<b>3,081,816</b>

##### Year to 31 December 2016

	Unrestricted	Restricted	2016
	£	£	£
Tigers	1,939	234,109	236,048
Illegal Wildlife Trade	6,314	112,785	119,099
Elephants	-	284,446	284,446
Elephants (DEFRA)	1,659	59,174	60,833
Ocean	-	173,384	173,384
Climate	810	4,442	5,252
CIFF	-	580,512	580,512
Adessium Foundation - Inst support	9,145	91,585	100,730
Forests - DFID	-	774,611	774,611
Forests - DFID/EU	-	26,003	26,003
Forests - NORAD 3	-	279,952	279,952
Forests - EU	-	105,236	105,236
Forests - Waterloo	-	10,132	10,132
Forests - General	-	3,499	3,499
Forests - Other	-	56,334	56,334
	<b>19,867</b>	<b>2,796,204</b>	<b>2,816,071</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
 FOR THE YEAR ENDED 31 DECEMBER 2017

4(iii) <b>SUPPORT COSTS</b>	Staff	IT	Premises	Office Costs	Governance	<b>2017</b>	<b>2016</b>
				& Sundries			
	£	£	£	£	£	£	£
Tigers	25,439	1,647	12,523	10,732	3,952	54,293	47,842
Tigers (DEFRA)	6,637	430	1,721	2,800	1,030	12,618	-
Illegal Wildlife Trade	-	-	-	-	-	-	28,714
Elephants	33,799	2,188	14,822	14,258	5,251	70,318	60,386
Elephants (DEFRA)	5,883	381	1,866	2,482	913	11,525	10,119
Ocean	14,775	957	6,822	6,233	2,294	31,081	34,111
Climate	-	-	-	-	-	-	874
CIFF	43,002	2,784	9,588	18,141	6,680	80,195	108,065
Climate - K-CEP	3,719	241	-	1,569	577	6,106	-
Adessium Foundation - Inst support	7,357	476	3,598	3,104	1,144	15,679	20,816
Forests - DFID	82,429	5,337	23,128	34,773	20,304	165,971	155,960
Forests - DFID/EU	-	-	-	-	-	-	5,678
Forests - NORAD 3	33,261	2,154	12,722	14,031	5,166	67,334	55,157
Forests - EU	-	-	-	-	-	-	22,741
Forests - Waterloo	4,528	293	235	1,910	704	7,670	1,685
Forests - General	-	-	-	-	-	-	582
Forests - Other	1,529	99	0	645	238	2,511	9,371
	<u>262,358</u>	<u>16,987</u>	<u>87,025</u>	<u>110,678</u>	<u>48,253</u>	<u>525,301</u>	<u>562,101</u>

Support costs are allocated on the basis of expenditure ratios and staff numbers where appropriate.

4(iv) <b>GOVERNANCE COSTS</b>	<b>2017</b>	<b>2016</b>
	£	£
Audit Costs - Fees for the current year	10,800	6,000
Audit Costs - in respect of other fees	6,506	-
Legal Fees	8,763	2,160
Staff Costs	<u>22,184</u>	<u>20,217</u>
	<u>48,253</u>	<u>28,377</u>

Governance costs are allocated within support costs and charged to charitable activities

**NOTES TO THE FINANCIAL STATEMENTS**  
 FOR THE YEAR ENDED 31 DECEMBER 2017
4(v) **GRANTS PAYABLE**

The following material grants were paid during the year:

	<b>2017</b>	<b>2016</b>
	£	£
Forest Watch Indonesia	162,734	160,448
Advancing Life and Regenerating Motherland - Alarm	184,282	112,274
BRIDGE	20,191	34,700
(CHRTF) Cambodia Human Rights Task Forces	-	25,993
Ecologia Y Desarrollo - ECODES	22,725	20,000
European Environmental Citizens' Organisation for Standardisation - ECOS	22,725	20,000
League for the Environment - Legambiente	22,725	20,000
ZERO	22,725	20,000
Rumoh Transparansi	-	8,550
Aita Foundatn for Animal Protection, Beijing	-	5,030
WHALE LIKE ME	-	1,000
Wildlife Protection Society of India	3,000	-
Wildlife Friends Foundation	19,440	-
Education for Nature Vietnam	17,248	-
Shecco	34,791	-
Telapak	66,822	-
Total Grants	<u>599,408</u>	<u>427,995</u>

5 **NET INCOMING RESOURCES**

Net incoming resources are stated after:

	<b>2017</b>	<b>2016</b>
	£	£
Auditors' Remuneration - Current year	9,000	5,000
Auditors' Remuneration - in respect of previous years	(972)	(480)
Auditors' Remuneration - in respect of other services	7,784	-
Directors' Emoluments	90,527	109,855
Directors' Pension Contributions	12,000	12,000
Depreciation of Fixed Assets	28,918	31,986

6 **DIRECTORS' REMUNERATION**

	<b>2017</b>	<b>2016</b>
	£	£
Directors' Emoluments	90,527	109,855
Directors' Pension Contributions	12,000	12,000
Employer's NI for Directors	5,410	5,013
	<u>107,937</u>	<u>126,868</u>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

<b>7 STAFF COSTS</b>	No.	No.
The average number of employees was	39	38
Staff costs including Directors' remuneration were as follows:	£	£
<i>Staff on UK payroll</i>		
Wages and Salaries	1,132,808	1,049,670
Social Security Costs	108,196	101,916
Pension Costs	56,531	52,137
Sub Total	1,297,535	1,203,723
Other Salary Costs	250,024	198,738
Training & Recruitment Costs	33,566	9,485
	1,581,125	1,411,946

Pension costs represent contributions to a personal pension scheme and payments as a result of auto enrolment.

The number of employees with emoluments above £60,000 were:	<b>2017</b>	<b>2016</b>
£60,000 - £70,000	1	-

Employer's pension contribution in respect of higher paid employees in 2017 totalled £5,093 (2016: £4,772)

Staff costs for Key Management Personnel were as follows:	<b>2017</b>	<b>2016</b>
	£	£
Executive Director	76,417	71,535
Campaigns Director	68,154	64,237

<b>8 FIXED ASSETS</b>	<b>2017</b>	<b>2016</b>
	Furniture and Equipment	Furniture and Equipment
	£	£
Cost at 1st January 2017	118,896	89,749
Additions	44,719	29,147
Cost at 31st December 2017	163,615	118,896
Depreciation at 1st January 2017	85,095	53,109
Charge for the Period	28,918	31,986
Depreciation at 31st December 2017	114,013	85,095
Net Book Value at 31st December 2017	49,602	33,801
Net Book Value at 31st December 2016	33,801	36,640

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

<b>9 DEBTORS</b>	<b>2017</b>	<b>2016</b>
	£	£
EIA Trust	133,241	83,430
Grants due from EIA US	-	20,000
VAT	-	-
Other Debtors	30,489	46,126
Prepayments	4,369	3,870
Accrued Income	103,945	90,851
	272,044	244,277

All debtors except prepayments are financial instruments and are measured at settlement value.

Included in other debtors is a rent deposit of £12,250 on which the property landlords have a legal charge. This is due in less than one year subject to a possible lease extension.

<b>10 CREDITORS: Amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	£	£
Trade Creditors	67,247	87,943
Taxes and Social Security	53,161	33,361
Accruals	157,170	36,737
EIA US	-	-
EIA Trust	16,000	-
Deferred Income	480,594	407,438
VAT & Corporation Tax Liability	20,091	449
Pension Liability	22,377	19,666
Other Creditors	5,054	524
	821,694	586,118

All creditors are financial instruments and are measured at settlement value.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

11 RESTRICTED FUNDS	Balance b/f	Income	Staff Costs	Grants Payable	Support & Governance	Other Direct Costs	Transfers	Balance c/f
Year to 31 December 2017	£	£	£	£	£	£	£	£
Tigers	69,722	268,003	181,128	3,000	54,293	45,820	(2,452)	51,032
Tiger (DEFRA)	-	74,709	24,706	36,688	12,618	697	-	-
Illegal Wildlife Trade	18,889	-	-	-	-	-	-	18,889
Elephants	182,481	458,406	256,987	-	70,318	59,219	(2,924)	251,439
Elephants - DEFRA	0	66,563	32,471	-	11,525	22,567	-	-
Oceans	20,531	183,418	117,108	-	31,081	21,117	-	34,643
Climate (GEC)	10,501	-	-	-	-	-	-	10,501
Climate - CIFF	6,995	514,968	244,118	90,901	80,195	67,294	-	39,455
Climate - ClimateWorks Foundation	-	40,897	-	34,791	6,106	-	-	-
Adessium Foundation - Inst support	-	82,670	53,627	-	15,679	11,337	(2,027)	-
Forest - DFID/EU	-	-	-	-	-	-	-	-
Forest - DFID 2	4,201	921,953	322,451	349,544	165,971	87,965	-	223
NORAD - 3	15,978	371,239	214,447	46,042	67,334	50,689	(3,350)	5,355
Forest - EU	-	109,495	-	-	-	109,495	-	-
Forest - Waterloo	-	51,000	3,902	38,442	7,670	20	-	966
Forest - General	5,317	-	-	-	-	-	-	5,317
Forest - Ford Foundation	58,081	-	4,799	-	2,511	9,509	-	41,262
<b>Total</b>	<b>392,696</b>	<b>3,143,321</b>	<b>1,455,744</b>	<b>599,408</b>	<b>525,301</b>	<b>485,729</b>	<b>(10,753)</b>	<b>459,082</b>

Included in the Statement of financial activities are funds which have been restricted by the donor for the projects listed above.

Transfers represent fixed assets acquired which have been funded by restricted funds.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

	Balance b/f	Income	Staff Costs	Grants Payable	Support & Governance	Other Direct Costs	Transfers	Balance c/f
Year to 31 December 2016 (Restated)	£	£	£	£	£	£	£	£
Tigers	111,715	192,335	116,360	5,030	42,398	70,321	(219)	69,722
Tiger (DEFRA)	-	-	-	-	-	-	-	-
Illegal Wildlife Trade	11,951	119,942	69,960	-	20,296	22,529	(219)	18,889
Elephants	118,845	349,420	157,766	-	55,962	70,718	(1,338)	182,481
Elephants - DEFRA	-	59,174	23,551	-	7,718	27,905	-	-
Ocean	62,433	132,801	111,292	1,000	31,612	29,480	(1,319)	20,531
Climate (GEC)	14,943	-	3,000	-	-	1,442	-	10,501
Climate - CIFF	35,469	553,353	290,210	80,000	100,148	110,154	(1,315)	6,995
Climate - ClimateWorks Foundation	-	-	-	-	-	-	-	-
Adessium Foundation - Inst support	2,402	91,600	58,105	-	10,146	23,334	(2,417)	-
Forest - DFID/EU	-	27,891	16,154	1,693	5,262	2,894	(187)	1,701
Forest - DFID 2	-	776,039	335,227	248,595	144,533	46,256	-	1,428
NORAD - 3	-	282,335	123,856	50,361	51,116	54,619	(2,382)	-
Forest - EU	-	107,053	64,617	6,773	21,075	12,771	(746)	1,071
Forest - Waterloo	8,606	1,526	-	8,550	1,562	20	-	-
Forest - General	-	24,794	-	-	539	2,960	-	21,295
Forest - Other	35,735	78,681	-	25,993	8,684	21,657	-	58,082
<b>Total</b>	<b>402,099</b>	<b>2,796,944</b>	<b>1,370,098</b>	<b>427,995</b>	<b>501,051</b>	<b>497,060</b>	<b>(10,142)</b>	<b>392,696</b>

The Forests EU and Forests DFID/EU project came to a close in December 2016. Therefore, the balances carried forward in 2016 have been combined with the Forests DFID 2 project balance brought forward in 2017.

The consolidation of these funds is in line with the funding agreement with EIA Trust, which originally granted the funds to the Forests Campaign. Total reserves brought forward and carried forward remain unchanged.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 12 DESIGNATED FUNDS

	Balance b/f	Income	Expenditure	Transfer	Balance c/f
	£	£	£	£	£
Stability and Emergency Fund	59,856	-	-	(59,856)	-
	<u>59,856</u>	<u>-</u>	<u>-</u>	<u>(59,856)</u>	<u>-</u>

An explanation for the transfer of designated reserves to general unrestricted reserves is provided in the Financial Review section.

#### 13 UNRESTRICTED FUNDS

	Balance b/f	Income	Expenditure	Transfers	Balance c/f
	£	£	£	£	£
Unrestricted Funds	87,087	234,931	262,149	(70,609)	130,478
	<u>87,087</u>	<u>234,931</u>	<u>262,149</u>	<u>(70,609)</u>	<u>130,478</u>

#### 14 NET ASSETS BY FUND

As at December 2017	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fixed Assets	49,602	-	-	49,602
Current Assets	234,893	-	1,126,759	1,361,652
Current Liabilities	(154,017)	-	(667,677)	(821,694)
	<u>130,478</u>	<u>-</u>	<u>459,082</u>	<u>589,560</u>

#### As at December 2016

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fixed Assets	33,801	-	-	33,801
Current Assets	164,399	59,856	867,702	1,091,957
Current Liabilities	(111,113)	-	(475,006)	(586,119)
	<u>87,087</u>	<u>59,856</u>	<u>392,696</u>	<u>539,639</u>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 15 RELATED PARTIES

EIA (UK) Limited receives funding from EIA Trust with which it shares premises. During the year, grants amounting to £1,064,718 (2016: £763,104) were received, of which £852,585 was recognised in the accounts of EIA UK and the balance of £212,133 was deferred to future periods.

The company also co-operates with the Environmental Investigation Agency Inc, a 501(c)(3) tax exempt organisation registered in the USA.

One Director is also a director of EIA Inc. During the year grant income totalling £376,293 (2016: £326,519) was receivable from EIA Inc.

The current account balances at 31st December 2017 were as follows:

	2017	2016
	£	£
EIA Trust Debtor	133,241	83,430 (see Note 9)
EIA US Debtor	-	20,000
EIA Trust Creditor	16,000	- (see Note 10)

#### 16 LEASE COMMITMENTS

The Company entered into a new lease for its office premises from 25th March 2014 for a lease term of 5 years with an annual rent of £57,950.

The remaining lease commitment payable at the year end amounted to:

	2017	2016
	£	£
Within 1 year	57,950	57,950
Within 1 - 2 years	14,488	72,438
	<u>72,438</u>	<u>130,388</u>

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