

Company no. 2871809

**Global Witness Limited**  
**(Limited by guarantee)**  
**Report and Financial Statements**  
**30 November 2007**

Chantrey Vellacott DFKLLP

**Global Witness Limited**

**Reference and administrative details**

**For the year ended 30 November 2007**

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

**Global Witness Limited**

**Report of the directors**

**For the year ended 30 November 2007**

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The directors present their report and the audited financial statements for the year ended 30 November 2007.

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

**Structure, governance & management**

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

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

**Risk statement**

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

**Objectives and activities**

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

This is a critical era for Global Witness' work. The world's accelerating hunger for natural resources offers both opportunities and risks for millions of the poorest people in the world: equitable distribution of resource revenues could help create wealth, whilst corruption, oppression and unsustainable exploitation condemn them to decades of conflict if the international community gets it wrong.

Our campaigning for reform have been used to form the basis of international policy:

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

**Global Witness Limited**

**Report of the directors**

**For the year ended 30 November 2007**

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- Global Witness' campaigns to expose corruption in oil, mining and gas industries operating in the South led to the creation of the Extractive Industries Transparency Initiative (EITI), the main international vehicle working to increase accountability and tackle corruption. Global Witness co-founded the 300-strong Publish What You Pay NGO coalition.
- Global Witness' investigations led to precedent-setting United Nations sanctions on exports of Liberian timber during the civil war, cutting of Charles Taylor's main source of funding.

**Our achievements and performance this year have included:**

Our 2007 report Cambodia's Family Trees, all 95 pages of it, published in both English and Khmer, was downloaded from our website over 27,000 times between June and December. This is not including the 50,000 downloads in one day that we assume was a cyber attack by an unknown source. The report, documenting the state looting of Cambodia's forests and other public assets by a corrupt elite centred around Prime Minister Hun Sen, was banned in Cambodia within days of publication, and photocopies which went on sale in Phnom Penh's markets for \$5.00 each were seized by the police. Violent threats were also made against Global Witness staff by the prime minister's brother who said that if they went to Cambodia he would "...hit them until their heads are broken"

Individuals who could be perceived as taking part in the report's production have been subject to surveillance, harassment and death threats. This example of a poor but-resource-rich country, led by a corrupt government more beholden to the buyers of its natural resources than to its own population, resorting to censorship and threat to protect its shady deals, is sadly all too typical, but there is light on the horizon. The US Government has passed an act into law which imposes a lifetime visa ban on corrupt foreign nationals, and the accompanying recommendations report specifically encourages imposing prohibitions upon those named in Cambodia's Family Trees. Whereas this does not solve the whole problem, it is one way of ending the impunity enjoyed by corrupt elites, of damaging the credibility they crave, and making things very inconvenient for them! Corrupt leaders hate to be banned from the countries where they educate their kids, do their shopping and buy their mansions.

This is an example of why Global Witness' work is so important, and how a small group of determined people can make a real difference. But not without risk. Last year we suffered legal attack from the son of the of the Republic of Congo (Congo Brazzaville), for putting his paper trail of corruption on the internet. We won, and the UK judge found that, unless explained, the documents "frankly suggest" that he was indeed corrupt but it was expensive. And one of our campaigners, Sarah Wykes, was arrested and charged with espionage whilst meeting with civil society and government officials in Angola, a notoriously corrupt oil-rich state. A rapid-response global campaign that brought together various governments, the media and numerous NGOs, not least the Publish What You Pay coalition saw her release. Meanwhile, supporters in Angola gave Sarah moral and logistical support, both during and after her imprisonment. This response was truly humbling; a testament to the importance of protecting civil society whilst they work to improve transparency and governance. However, the charges against Sarah remain.

All of this goes to show that we are making a difference, and that corrupt governments at the very highest levels are scared of our investigations and their findings. This is testament enough for us.

**Global Witness Limited****Report of the directors****For the year ended 30 November 2007**

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Our Conflict Resources campaign, launched in 2006 to a rather sceptical audience at the UN Security Council (UNSC), saw the Belgian Government adopt the issue as the theme of its UNSC Presidency in June 2007, and although we're a long way from the measures we want to see taken, the issue is now firmly on the UN agenda. This was helped in no small part by the continued reverberations caused by the film *Blood Diamond*, and the release of *Hot Chocolate*, our report documenting how the cocoa trade has generated around \$118 million for both sides in the recent conflict in Cote d'Ivoire. The report shone a light onto the disappearing cocoa revenues with the result that the Ivorian government launched an investigation into the trade in October, and in addition released hitherto unavailable financial information to the Council of Ministers, the World Bank and the IMF. The report was also important in that it demonstrated that it's not just headline resources like diamonds that fund wars.

Working closely with Germany's Heinrich Boell Foundation Global Witness co-authored their publication *To Have and Have Not – Resource Governance in the 21st Century*, which brought together NGOs from all over the world to highlight natural-resources issues at the German hosted G8 meeting, also in June. Our work in the Democratic Republic of Congo featured large in this, as we continued to shine a light on the corrupt use and mismanagement of natural-resources in that country.

And 2007 has also been the year of the forest. Working closely with other NGOs, Global Witness' 2005 call to find alternative uses to industrial logging in tropical forests has begun to be heard. With the knowledge from the Stern Review on the Economics of Climate Change that land use change is responsible for 18% of global CO2 emissions, more than the entire global transport sector, and that deforestation is the single largest source of land-use change emissions, campaigns to save the world's remaining forests have been given their best opportunity in decades. The issue has captured high level attention from most of the world's governments, but it is not yet clear how they will achieve a solution. Global Witness and its allies do have an idea, and 2008 will see concerted campaigning to end industrial scale logging, and replacing it with forest uses that truly benefit the local populations, national economies and the environment, rather than our old friends - the corrupt political and business elites.

Campaign success depends on a strong organisation, We appointed a Director of Finance and Resources who, with his team, has honed our internal systems and has substantively improved our financial and people management capabilities, whilst our Development team continue to meet ever increasing targets, bringing in £2.9 million, a fantastic achievement. All of this would be, of course, impossible without the continuing support of our funders, many of whom have supported Global Witness from its earliest days back in the mid-1990s; this loyalty is truly heartening, and an important measure by which we can judge the importance of our work. Global Witness' work is complex, and despite a history of some impressive quick wins, success can often only be gauged in the long term. Our funders consist of those who understand and embrace this complexity, and are beginning to include a new breed of philanthropist who want to strategically target their money to tackle the root causes of many global problems. To all of our funders we owe a debt of gratitude for their financial, moral and campaign support.

And finally, Global Witness' work would be impossible, and in many cases irrelevant, without the valuable partnerships we have with our civil society colleagues in the countries we work on. It is their work, and often their plain courage, that informs what we do, and is at the heart of reforming some of the iniquities that arise from the greed to control valuable natural resources.

Global Witness Limited

Report of the directors

For the year ended 30 November 2007

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## Campaigns

### Ending Impunity

This work is all about contributing to a fair, transparent system of justice where individuals and companies who have a hand in natural resource-related corruption, human rights abuses and violent conflict, can be exposed and held accountable through legal or non legal remedies. Throughout our history Global Witness has exposed numerous examples of war, corrupt regimes and attendant human rights abuses being directly fuelled by unscrupulous individuals and natural resource businesses, whose complicity often takes the form of financial and logistical support for unaccountable groups, governments, and security forces. We have shown how looting of resources like diamonds and timber has led to rebels, corrupt state leaders and the multinational companies who do business with them reaping huge profits, whilst innocent civilians often suffer horrific abuse at the hands of looters.

"Naming and shaming" only goes so far: large companies and shady middlemen can shrug off bad publicity and continue their invidious practices. What is really needed is international recognition that companies and individuals, working with corrupt ruling powers or militias to exploit natural resources, all too often go unpunished: then we need to work towards a legal structure which will eventually make that history.

### Corruption, state looting and financial flows

Through our work in countries such as Cambodia, Angola, Republic of Congo, Turkmenistan and Kazakhstan, Global Witness has seen first-hand the impact of state looting: the stripping of state revenues and assets by corrupt elites and their middlemen to build their own personal fortunes.

For a developing country, loss of money on this scale causes economic devastation. But it isn't just an economic crime. When vast amounts of capital are siphoned off into overseas private bank accounts, it undermines the ability of the state to provide basic services for its people, diverts funds intended for development, and destabilises whole societies. In the worst cases, it leads to conflict and failed states. The consequence is extreme poverty and human suffering.

State looting cannot take place without the collusion, whether active or passive, of actors in the developed world. This can involve inaction by donor governments, who in the case of Cambodia have repeatedly stood by and continued to provide funds to prop up basic services while state officials strip the state of its assets. Or it can involve bankers, lawyers and accountants, who set up the routes used to transfer dirty money around the world.

In 2006 we revealed how \$3 billion Turkmen gas revenue accounts at Deutsche Bank in Frankfurt appeared to be allowing a regime notorious for human rights abuses to keep the majority of the nation's revenues offshore and hidden from the national budget, while spending on health and education went into freefall. In 2007 our campaigning on this issue prompted an investigation into the accounts by BaFin, the German financial regulator. BaFin confirmed that the accounts are compliant with German regulation meaning that Deutsche Bank acted entirely within current regulations, but we think this actually reveals the weaknesses in BaFin's regulatory systems. Global Witness continues to lobby for change: what are banks' responsibilities with respect to 'state accounts' when the state itself is in effect in the control of one person.



## Global Witness Limited

### Report of the directors

#### For the year ended 30 November 2007

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We are also investigating further cases where states and their accounts are effectively within the control of one person and starting to think about the legal mechanisms needed to bring these 'state looters' to account. In today's world if an individual robs a bank they risk arrest, trial and imprisonment. Yet the same treatment does not apply to officials who use their positions of power to steal from national coffers. Domestic legislation has serious limitations: the power wielded by state looters means their acts will not be prosecuted in the courts of their own countries. It is up to the international community to act, given the well-documented, destabilising effect of failed states and poverty on international security. Global Witness is now reaching out to the international legal community to explore ways to end impunity for the perpetrators of massive corruption.

#### Driving international action on conflict resources

The last twenty years has seen an upsurge in conflicts fuelled by the trade in natural resources. Global Witness has exposed the way in which armed groups in countries such as Angola, Cambodia, Democratic Republic of Congo, Liberia and Sierra Leone have sustained their activities by exploiting resources including diamonds, timber, minerals and cocoa. Such 'conflict resources' have perpetuated wars that have cost millions of lives. Although there are fewer resource-wars than there were at the beginning of this decade, the ever increasing demand for increasingly expensive and scarce resources raises the potential of further conflict.

Work undertaken this year includes:

- Launching a campaign to stop cocoa funding conflict in the Ivory Coast
- Campaigning for international action to address the issue of conflict resources
- Ensuring that the work of the UN's peacebuilding commission includes natural resources
- Campaigning for accountable behaviour of natural resource companies operating in conflict and post-conflict zones
- Combating conflict diamonds: from mine to retail
- Broadening and strengthening civil society participation in the Kimberly process

#### Forests

Worldwide consumer demand for wood products is growing, and the combination of illicit and often illegal logging and industrial scale export-orientated logging is devastating natural forest ecosystems and livelihoods of millions of forest-dependent people throughout the world.

For over a decade Global Witness has led campaigns against illicit and often illegal logging and the trade in conflict timber in some of the world's greatest trouble spots, including Cambodia, Burma, the Democratic Republic of Congo (DRC) and Liberia. We expose illegal logging and corruption in the forest sector, strengthen civil society oversight of their forest resources and undertake international advocacy work to shape pro-poor initiatives to combat illicit logging.

There has been a significant decline in illegal cross-border logging between China and Burma since the closure of the border to the trade following Global Witness' report "A Choice for China" in 2006. In 2007 we undertook further investigations into the Burmese/China timber trade to assess the actual impact of the border closure. We found that, although there is less timber arriving in China from Burma than before, it appears that the trade ban has not been applied consistently across all border areas and permits are still being granted to some companies to continue logging practices.

**Global Witness Limited****Report of the directors****For the year ended 30 November 2007**

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In 2007 we played a key role in commenting on the draft Legal Timber Protection Act in the US and securing changes to the document that have strengthened the scope of the legislation to really crack down on those companies that import illegally harvested timber. Throughout 2007 we also worked closely with environmental NGOs Greenpeace, Friends of the Earth, FERN and the Environmental Investigation Agency to get legislation to ban the importation and sale of illegal timber. The European Commission is due to produce a legislative proposal in mid 2008.

Global Witness pioneered the concept of Independent Forest Monitoring (IFM), which has helped to expose illicit and often illegal logging and corruption in the forest sector, strengthen civil society oversight of forest resources, and establish partnership projects to support forest ministries in effective forest governance.

**Oil & transparency**

Global Witness believes that the citizens of countries rich in natural resources have a right to benefit from the revenues that these resources create. In order to monitor their governments and ensure that natural resource wealth is turned into public benefits, citizens need full information about the flow of revenues to the state from natural resource companies. Lack of transparency has led to gross corruption and waste of public revenues in many countries that are rich in natural resources, which suffer entrenched poverty, instability and avoidable human suffering as a result.

Through field investigations and high-level advocacy, Global Witness works to ensure that full information about the flow of revenues to countries from oil, gas and mining companies is available to citizens of those countries. Global Witness is a founding member of Publish What You Pay, a global coalition of more than 350 civil society groups, most in developing countries, which calls for the public disclosure of revenue payments to governments by oil, gas and mining companies. Our efforts led directly to the creation of the Extractive Industries Transparency Initiative (EITI), a global initiative that brings together governments, companies and civil society groups, and we have played a major role in shaping its rules and procedures.

Early in 2007, Global Witness campaigner Dr Sarah Wykes was arrested in Angola while visiting the oil-rich enclave of Cabinda to discuss transparency issues with local civil society representatives. She was imprisoned for 3 days on charges of espionage and subsequently undefined crimes against state security, accusations which Global Witness has strongly refuted. Dr Wykes was finally allowed to leave Angola on bail and returned to the United Kingdom on 18th March 2007. While her legal representatives have filed a request that the case be dropped, the case remains open and due process has not been followed. Northern international NGOs often enjoy a slightly safer environment than local groups. The treatment of Dr Wykes can only hint at how difficult it must be to operate for local civil society. Global Witness has serious doubts about the Angolan government's respect and promotion of the rights of civil society groups to debate and advocate on issues of good governance and human rights and raise questions regarding the country's notoriously opaque management of natural resources.

**Financial review**

Global Witness made a surplus of £302,000 in the year, from incoming resources of £2,909,000. This year the £326,000 increase in incoming resources is due to the receipt of a grant from Global Witness Trust. The Global Witness trust received this amount as a legacy in 2005/06.



**Global Witness Limited**

**Report of the directors**

**For the year ended 30 November 2007**

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Global Witness' consolidated net reserves at the end of the year are now £726,000, £539,000 of which are unrestricted reserves. The £282,000 increase in unrestricted reserves this year is due to the receipt of the legacy from Global Witness Trust.

This year the Global Witness Limited accounts are fully consolidated with the accounts of Global Witness Publishing Inc, a US not-for-profit company controlled by Global Witness Limited.

**Reserves policy**

In the year Global Witness reviewed its reserves policy. The directors are now committed to maintaining three months operating costs as a reserve. This has been reduced from six months operating costs stated in the 2005/06 annual accounts. The directors have reduced the target level of reserves because Global Witness has improved financial management, and a regular receipt of funds through the year. In 2006/07 three months operating costs were £651,700. At 30 November 2007 Global Witness' free reserves were £501,160. This is calculated as Global Witness' unrestricted net current assets (note 14). This represents 2.3 months operating costs.

**Plans for future**

The commodities boom is creating an unprecedented transfer of wealth from rich consuming nations to poorer producers. In 2006, exports of oil and minerals from Africa were worth roughly \$249 billion, nearly eight times the value of exported farm products (\$32 billion) and nearly six times the value of international aid (\$43 billion). A similar story is apparent elsewhere in the Central and South East Asia, Latin America and much of the rest of the developing world.

Used properly, this money could be one of the best chances in a generation to lift many of the world's poorest and most dispossessed citizens out of poverty. Yet history shows that countries relying on oil and mining revenues tend, with surprisingly few exceptions, to be poor, badly run, and prone to violent instability: the infamous 'resource curse'.

Global Witness has already documented this across the world: from West African warlord Charles Taylor, who used diamond and timber revenues to fund his ambitions of regional destabilisation and to brutalise civilians, to the late dictator of Turkmenistan, Saparmurat Niyazov, who stashed his country's entire gas revenues in European bank accounts and used the money to fund a stifling personality cult at home, to Angola eagerly courted for its oil by the West and China alike, yet where the life expectancy of a child born today is 42.

If the resource curse is tackled more systematically, we stand a much better chance of lifting hundreds of millions of citizens of resource-rich countries out of poverty over the coming few years. Alternatively if the international community doesn't respond to these challenges in a coherent and concerted way, we risk the opposite: a chaotic scramble for resources, with a race to the bottom in ethical behaviour and corruption leaving the citizens of the affected countries as poor, or poorer, as they were a generation or two ago.

**We have, since 1993, been at the forefront of developing solutions to these problems.**

**Global Witness Limited**

**Report of the directors**

**For the year ended 30 November 2007**

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**Pushing for Greater Natural Resource Transparency**

We were founder members of the international Publish What You Pay coalition which brings together more than 300 civil society organisations from over 50 countries to call for more transparency in the management of revenues from natural resources. We have been a leading force from civil society in negotiating and designing the Extractive Industry Transparency Initiative (EITI), as well as overseeing its implementation as one of five civil society members of the EITI Board. We have led on delivering EITI's detailed and precedent-setting validation system. The EITI breaks new ground by bringing together governments and the private sector with civil society groups from around the world to promote greater transparency in the flow of revenues to governments from oil and mining companies. More than 21 countries are now EITI Candidates, meaning that they are (broadly) en route to a more transparent and participatory system of oil and mining revenue management.

But the initiative has shortcomings. It does not cover the allocation of oil and mining concessions or the marketing of oil, both notorious for corruption, or the role of the financial sector in laundering stolen public money. Nor does it track revenues once they reach government budgets, to ensure that the money is spent properly. The voluntary character of EITI means that some of the oil-producing countries with the worst reputations for corruption, notably Angola, are not compelled to take part.

Global Witness now wants to expand initiatives such as EITI into a roadmap that will help countries to manage all their natural resource revenues better and more fairly, starting from the award of concessions through to the drawing up of transparent public budgets. We plan to launch a major new strand of advocacy in 2008-09, to promote more transparency in the allocation of concessions. We need to shape international best practice in this area so that ordinary citizens in resource-rich countries will be able to be broadly confident that their mineral concessions have been awarded by their government on their behalf in a fair and transparent manner and that the best bidder won.

**Changing the way International Institutions approach natural resources**

A more forward-thinking approach by the UN on resources and conflict prevention will be critical to these efforts. It will also probably save a huge amount of money: consider the fortune that the UN has spent – some \$9 billion and rising – to help reconstruct countries like the Democratic Republic of Congo and Liberia, which have been devastated by wars driven by the predatory hunt for natural resources. Engendering a UN Secretary General's report on natural resources and conflict will be key to reforming the UN's institutional machinery and we will be working directly on this, building on our initial success in encouraging Belgium to lead a Security Council debate on the issue.

We also need to get the International Financial Institutions, especially the World Bank as a lead donor, to join up their own interventions on tackling the resource curse. We have used the opportunity of the Bank's emerging Good Governance and Anti-Corruption strategy to call for the Bank to have a fully coherent policy on good governance in resource extraction across the value chain of extraction and have presented this case extensively to Bank staff (most recently at an internal round table of over 50 Bank staff in Washington DC). The Bank appears to be listening; it launched an initiative to begin the process of joining-up its own interventions on natural resource management at its recent Spring Meeting. We now need to build on this constituency to ensure it further develops best international practice, delivers on it in all its country lending and technical assistance operations, and also catalyses similar reforms elsewhere.

**Global Witness Limited****Report of the directors****For the year ended 30 November 2007**

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**Pushing for effectiveness in international aid**

We are also increasingly concerned about donor's failure to address corruption and want to encourage them to get serious on this issue. As Sierra Leonean journalist Sorious Samora has said: "If you want to make poverty history, you have to make corruption history first". Throwing more aid money at weak and corrupt governments without requiring concomitant improvements in governance may only serve to entrench the ruling elite and allow them to cover up the failure of the state to provide for its citizens. As such, it will fail to address the real causes of poverty. An increasing number of civil society actors in the South are also starting to question this relationship. There is a lot of talk about promoting governance by donors but this is undermined when the crunch comes and hard decisions have to be taken.

Our current work in Cambodia is a case in point. On paper, Cambodia's natural resources and state assets - the land, forests, minerals and heritage sites - served as an opportunity to kick-start the post-conflict economy. The revenue generated should have gone towards poverty alleviation and rebuilding infrastructure. Instead, Global Witness' work has shown how systematic and institutionalised corruption has deprived the entire population of the revenue that could have come from these public goods.

Cambodia's donors have provided the equivalent of over 50% of the government's annual budget for over a decade now. Despite calls from civil society to get greater accountability from the state, they have consistently failed to bring the government to book for blatant violations of its commitments to protect human rights, fight corruption, and ensure the protection of natural resources. It is important to look at the implications of this 'no strings attached' approach towards aid in countries with proven problems with corruption, and consider the ways in which the international community can make a positive impact on local efforts to tackle corruption.

**Tackling the middlemen who make corruption possible**

We need to address the impunity of national elites and those who provide services to them that enable corruption and state-looting to flourish. Corrupt regimes do not operate on their own. If they did not have access to the global financial network, to lawyers, accountants, and company service providers and trusts in offshore jurisdictions, they would not be able to loot government coffers on the scale that they do. We think it is now time to challenge, both morally and legally, the way that national sovereignty is manipulated by corrupt politicians to shield such actors from scrutiny and allows them to cover actions which are really facilitating high level corruption in a cloak of superficial legitimacy.

As well as unaccountable government officials and their corruption consultants, we also need to address the role of the global financial system in hiding and laundering stolen wealth – compare the seriousness with which banks pursue terrorist financing to that with which they pursue the proceeds of corruption. There has been remarkably little sustained and systemic campaigning to put pressure on the banking industry as a whole to alter cultural practices which facilitate corruption.

**Pressing for sustainable, equitable alternatives to industrial-scale logging and deforestation**

Global Witness has a strong track record in investigating: illegal logging, the conflict timber trade, and forest sector corruption. Our first major campaign helped end the cross-border trade in conflict timber between the Khmer Rouge and Thai logging companies and, ultimately contributed to an end to civil war in Cambodia. Global Witness campaigning in Liberia was pivotal in shutting down the industrial timber sector which provided funds to Charles Taylor's murderous regime. We have also led on developing tools such as Independent Forest Monitoring to improve oversight and transparency of the sector as well as providing objective and credible information that local and international organisations can use to create a political space to try to improve forest governance.

**Global Witness Limited****Report of the directors****For the year ended 30 November 2007**

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However, we don't think anyone has done enough to tackle the root causes of the problem and to prevent promulgation of this failed industrial logging model by the international development institutions. We will seek to demonstrate convincingly how benefits of industrial scale timber extraction, especially in areas of poor governance, are relatively low and how the costs are potentially much larger. We intend to use this to open up new approaches for international conservation. Put simply: the international community should, in their own enlightened interest, pay forest-rich but poor countries to keep those forests standing. The torrent of money that is chasing climate change mitigation under the Kyoto Protocol and other initiatives to tackle climate change could be put to good use here. At the moment, it appears much of that money will be wasted and misdirected or hijacked by the logging community to reward companies simply for obeying the law.

The Democratic Republic of Congo stands out in this regard. It is a unique area of international cultural and environmental importance – a vast standing tract of moist tropical forest, second only to the Amazon in size – and industrial logging has yet to take a hold. This offers a real opportunity to devise a relatively simple approach to reward the government and local forest dwelling communities for keeping the forest standing.

**Statement of responsibilities of the directors**

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

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

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

As far as each director is aware, there is no relevant audit information of which the company's auditor is aware

**Global Witness Limited**

**Report of the directors**

**For the year ended 30 November 2007**

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

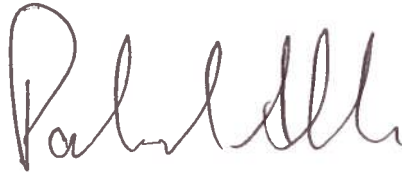
**Members**

Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 November 2007 was 3 (2006 - 3).

**Auditor**

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

Approved by the directors on 15 August 2008 and signed on their behalf by

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## **Independent auditor's report**

**To the members of**

**Global Witness Limited**

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We have audited the financial statements of Global Witness Limited for the year ended 30 November 2007 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

### **Respective responsibilities of the directors and auditor**

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

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

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

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

### **Basis of opinion**

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

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



**Independent auditor's report**

**To the members of**

**Global Witness Limited**

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**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the company and group as at 30 November 2007 and of their incoming resources and application of resources, including their income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the directors is consistent with the financial statements.

*Chantrey Vellacott DFK LLP*

**Chantrey Vellacott DFK LLP**  
Chartered accountants & registered auditor  
London

*15/8/08*

Global Witness Limited

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

For the year ended 30 November 2007

	Note	Restricted £	Unrestricted £	2007 Total £	2006 Total £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	45,000	1,292,024	1,337,024	940,429
Activities for generating funds		1,728	-	1,728	-
Investment income		-	4,824	4,824	6,458
<i>Incoming resources from charitable activities</i>	3	1,557,980	-	1,557,980	1,629,848
<i>Other incoming resources</i>		4,532	2,493	7,025	5,773
<b>Total incoming resources</b>		<u>1,609,240</u>	<u>1,299,341</u>	<u>2,908,581</u>	<u>2,582,508</u>
<b>Resources expended</b>					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	4	-	203,219	203,219	188,340
<i>Charitable activities</i>					
Environmental and human rights research and campaigning	5	2,388,381	-	2,388,381	2,315,344
<i>Governance costs</i>		-	15,206	15,206	25,092
<b>Total resources expended</b>		<u>2,388,381</u>	<u>218,425</u>	<u>2,606,806</u>	<u>2,528,776</u>
<b>Net incoming resources before transfers</b>	6	(779,141)	1,080,916	301,775	53,732
Gross transfers between funds		798,999	(798,999)	-	-
<b>Net movement in funds, being net income for the year</b>		19,858	281,917	301,775	53,732
<b>Total funds brought forward</b>		<u>166,894</u>	<u>257,514</u>	<u>424,408</u>	<u>370,676</u>
<b>Total funds carried forward</b>		<u>186,752</u>	<u>539,431</u>	<u>726,183</u>	<u>424,408</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. The notes on pages 17 to 27 form an integral part of these financial statements.

**Global Witness Limited**

**Balance sheets**

**30 November 2007**

	Note	Company		Group	
		2007	2006	2007	2006
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	9	<u>38,271</u>	<u>59,744</u>	<u>38,271</u>	<u>59,744</u>
<b>Current assets</b>					
Debtors	12	<u>125,140</u>	<u>223,325</u>	<u>125,140</u>	<u>223,325</u>
Cash at bank and in hand		<u>719,617</u>	<u>339,451</u>	<u>759,356</u>	<u>348,556</u>
		<b>844,757</b>	<b>562,776</b>	<b>884,496</b>	<b>571,881</b>
<b>Liabilities</b>					
Creditors: amounts due within one year	13	<u>196,584</u>	<u>207,217</u>	<u>(196,584)</u>	<u>(207,217)</u>
<b>Net current assets</b>		<u><b>648,173</b></u>	<u><b>355,559</b></u>	<u><b>1,081,080</b></u>	<u><b>779,098</b></u>
<b>Net assets</b>	14	<u><u><b>686,444</b></u></u>	<u><u><b>415,303</b></u></u>	<u><u><b>1,119,351</b></u></u>	<u><u><b>838,842</b></u></u>
<b>Funds</b>					
Restricted funds	15	<u>186,752</u>	<u>166,894</u>	<u>186,752</u>	<u>166,894</u>
Unrestricted funds					
General funds		<u>499,692</u>	<u>248,409</u>	<u>539,431</u>	<u>257,514</u>
<b>Total charity funds</b>		<u><u><b>686,444</b></u></u>	<u><u><b>415,303</b></u></u>	<u><u><b>726,183</b></u></u>	<u><u><b>424,408</b></u></u>

Approved by the directors and authorised for issue on 15 August 2008 and signed on their behalf by



The notes on pages 17 to 27 form an integral part of the financial statements

**Global Witness Limited**

**Notes to the financial statements**

**For the year ended 30 November 2007**

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**1. Accounting policies**

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

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

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

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Cost of generating funds	9%
Environmental and human rights research and campaigning	91%

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

## Global Witness Limited

### Notes to the financial statements

For the year ended 30 November 2007

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#### 1. Accounting policies (continued)

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

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

- i) Monetary assets and liabilities held in foreign currencies are translated into sterling at the rate of exchange on the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange on the date of the transaction. Exchange differences are taken into account in the net movement in fund for the year.
- j) Rent payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease duration.
- k) Global Witness operates a stakeholder pension scheme. The pension liability is based on 5% of employees' gross earnings after 6 months employment and 6% after 12 months and up to 2 years service and 7% thereafter. The calculated amount, based on salaries earned during the year is paid by the organisation to individual employees' personal pension schemes. The organisation has no further pension commitment. Contributions are recognised in the period to which they relate.

#### 2. Voluntary income

	Restricted £	Unrestricted £	2007 Total £	2006 Total £
Foundation Open Society Institute (Zug)	-	575,974	575,974	574,593
Grants from Global Witness Trust	45,000	552,928	597,928	135,000
Grants from Global Witness Foundation	-	127,009	127,009	152,092
Grants from other organisations	-	35,668	35,668	50,812
Grants from other individuals	-	445	445	27,932
Total	<u>45,000</u>	<u>1,292,024</u>	<u>1,337,024</u>	<u>940,429</u>

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2007

3. Incoming resources from charitable activities

	Restricted £	Unrestricted £	2007 Total £	2006 Total £
Netherlands Ministry of Foreign Affairs	305,098	-	305,098	104,678
SIDA	184,102	-	184,102	144,046
DFID	23,015	-	23,015	95,345
Oxfam Novib	76,993	-	76,993	103,656
World Bank	62,253	-	62,253	-
Grants from Global Witness Trust	716,326	-	716,326	767,644
Grants from other organisations	188,779	-	188,779	414,479
Grants from other individuals	1,414	-	1,414	-
Total	<u>1,557,980</u>	<u>-</u>	<u>1,557,980</u>	<u>1,629,848</u>



Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2007

4. Total resources expended

	Cost of generating funds	Environmental and human rights research and campaigning (note 5)	Governance Costs	Support Costs	2007	2006
	£	£	£	£	£	£
Staff costs ( Note 7)	118,122	1,162,918	-	297,389	1,578,429	1,325,269
Consultancy	5,619	142,552	-	13,992	162,163	317,743
Report	7,556	76,696	-	-	84,252	61,468
Campaigning	-	96,085	-	873	96,958	173,982
Research	-	40,710	-	45	40,755	46,663
Other travel	7,068	67,583	-	14,897	89,548	56,922
Workshops	-	4,930	-	-	4,930	26,007
Subscriptions	1,209	9,956	-	25,887	37,052	36,206
Legal fees	-	91,917	-	6,820	98,737	32,638
Other direct costs	6,596	127,139	-	95,585	229,320	188,548
Premises costs	-	-	-	76,006	76,006	66,970
Insurance	-	-	-	43,698	43,698	70,143
Audit	-	-	15,206	-	15,206	24,678
IT	-	-	-	20,035	20,035	62,836
Depreciation	-	-	-	29,717	29,717	38,703
<b>Total resources expended</b>	<b>146,170</b>	<b>1,820,486</b>	<b>15,206</b>	<b>624,944</b>	<b>2,606,806</b>	<b>2,528,776</b>
Support Costs	57,049	567,895	-	(624,944)	-	-
<b>Total resources expended</b>	<b>203,219</b>	<b>2,388,381</b>	<b>15,206</b>	<b>-</b>	<b>2,606,806</b>	<b>2,528,776</b>

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2007

5. Total charitable resources expended

	Forest policy	S.E. Asia	DRC	Forest monitoring	Diamonds	Oil and transparency	Ending impunity	Kleptocracy	Special projects	Conflict resources	Climate change	2007	2006
	£	£	£	£	£	£	£	£	£	£	£	£	£
Staff costs	63,410	87,465	127,640	134,598	109,703	198,510	97,112	85,392	48,555	185,773	24,760	1,162,918	1,209,502
Consultancy	5,100	19,536	290	19,230	1,462	13,652	23,614	12,508	37,523	9,637	-	142,552	320,697
Reports	-	23,854	4,352	6,871	5,376	9,621	-	21	-	26,601	-	76,696	66,852
Campaign travel	962	8,446	12,041	-	15,563	24,059	8,120	2,637	3,256	20,655	346	96,085	172,580
Research travel	183	3,779	1,482	-	-	17,773	4,021	1,411	104	11,957	-	40,710	45,917
Other travel costs	1,760	113	6,675	31,889	4,957	8,148	4,550	1,631	4,946	2,914	-	67,583	84,124
Workshops	-	-	-	1,930	-	3,000	-	-	-	-	-	4,930	26,007
Subscriptions	-	523	16	153	(275)	994	355	612	7,392	168	18	9,956	35,454
Legal fees	-	2,817	545	118	229	74,994	6,987	1,294	-	4,933	-	91,917	30,509
Other direct costs	131	14,005	15,933	15,240	21,524	29,096	11,962	3,671	5,972	8,833	772	127,139	140,108
	71,546	160,538	168,974	210,029	158,539	379,847	156,721	109,177	107,748	271,471	25,896	1,820,486	2,131,750
Support costs	23,531	42,842	59,473	60,849	63,431	122,775	41,661	39,789	18,301	88,227	7,016	567,895	183,594
	95,077	203,380	228,447	270,878	221,970	502,622	198,382	148,966	126,049	359,698	32,912	2,388,381	2,315,344

**Global Witness Limited**

**Notes to the financial statements**

**For the year ended 30 November 2007**

**6. Net incoming resources for the year**  
This is stated after charging / crediting:

	2007	2006
	£	£
Depreciation	29,717	36,351
Interest payable	-	-
Operating lease rentals (note 16):		
▪ property	37,714	37,174
Auditor's remuneration:		
▪ audit	10,000	9,988
▪ under accrual in previous year	5,206	11,326
▪ other services	-	1,058
Directors' remuneration	214,918	156,709
Directors' reimbursed expenses	-	-
	<u>214,918</u>	<u>156,709</u>

**7. Staff costs and numbers**  
Staff costs were as follows:

	2007	2006
	£	£
Salaries and wages		
United Kingdom staff	1,233,229	997,317
Overseas staff costs	116,328	60,460
Social security costs	127,381	108,909
Pension contributions	71,877	70,944
	<u>1,548,815</u>	<u>1,237,630</u>
Other staff costs	29,614	87,639
	<u>1,578,429</u>	<u>1,325,269</u>
Total emoluments paid to staff were:	<u>1,421,434</u>	<u>1,128,721</u>

Three employees earned more than £60,000 during the year (2006: nil)

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

	2007	2006
	No.	No.
	<u>38</u>	<u>32</u>

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2007

8. Taxation

The organisation had no corporation tax liability in the year to 30 November 2007 (2006: £Nil), because there were no taxable profits in the year.

9. Tangible fixed assets (Company and Group):

	Computer equipment & software £	Film & camera equipment £	Office furniture and fittings £	Office equipment £	Total £
<b>Cost</b>					
At the start of the year	71,072	2,731	21,915	43,529	139,247
Additions in year	3,427	-	-	4,818	8,245
At the end of the year	74,499	2,731	21,915	48,347	147,492
<b>Depreciation</b>					
At the start of the year	32,423	1,752	12,474	32,854	79,503
Charge for the year	18,625	415	5,478	5,200	29,718
At the end of the year	51,048	2,167	17,952	38,054	109,221
<b>Net book value</b>					
At the end of the year	23,451	564	3,963	10,293	38,271
At the start of the year	38,649	979	9,441	10,675	59,744

## Global Witness Limited

## Notes to the financial statements

For the year ended 30 November 2007

## 10. Subsidiary Undertaking

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

	2007 £	2006 £
Grants received from Global Witness Limited	<u>189,133</u>	98,644
Total income	<u>189,133</u>	98,644
Staff costs	125,803	74,172
Consultancy	786	274
Reports	4,029	3,081
Campaign Travel	10,062	8,607
Research Travel	2,624	1,957
Other Travel Costs	-	493
Workshops	-	-
Subscriptions	85	572
Legal Fees	1,813	-
Other direct costs	<u>13,297</u>	3,047
Total expenditure	<u>158,499</u>	92,203
Net movement in funds for the year	30,634	6,441
<b>Total funds brought forward</b>	<u>9,105</u>	2,664
<b>Total funds carried forward</b>	<u>39,739</u>	9,105
<b>The aggregate of the assets, liabilities and funds was:</b>		
Assets	39,739	9,105
Liabilities	-	-
<b>Funds</b>	<u>39,739</u>	9,105

## 11. Parent company

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

	2007 £	2006 £
Gross income	2,908,581	2,582,508
Net movement in funds, being net income for the year	<u>271,141</u>	47,291
Represented by		
Restricted funds	186,752	186,752
Unrestricted funds	499,692	539,431
Total funds	<u>686,444</u>	726,183

Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2007

12. Debtors (Company and Group):

	2007	2006
	£	£
Amounts due from Global Witness Trust	68,639	63,795
Other debtors	14,923	22,873
Prepayments	8,693	30,936
Accrued income	32,885	105,721
	<u>125,140</u>	<u>223,325</u>

13. Creditors: amounts due within 1 year (Company and Group):

	2007	2006
	£	£
Taxation and social security	36,401	45,381
Other creditors	105,293	32,123
Accruals	37,455	111,490
Pension provision	17,435	18,223
	<u>196,584</u>	<u>207,217</u>

14. Analysis of net assets between funds

Group:	Restricted	Unrestricted	Total funds
	£	£	£
Tangible fixed assets	-	38,271	38,271
Current assets	186,752	697,744	884,496
Current liabilities	-	196,584	196,584
Net assets at the end of the year	<u>186,752</u>	<u>539,431</u>	<u>1,119,351</u>



Global Witness Limited

Notes to the financial statements

For the year ended 30 November 2007

15. Movements in funds

Company and Group:	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Systems and communications	97,618	-	-	(97,618)	-
Forest policy	-	22,633	(95,077)	72,444	-
South East Asia	-	175,143	(203,380)	58,237	30,000
DRC	-	239,099	(228,447)	-	10,652
Forest monitoring	-	246,185	(270,878)	24,693	-
Diamonds	-	22,259	(221,970)	199,711	-
Oil and transparency	72,229	361,383	(502,622)	154,610	85,600
Ending impunity	-	126,122	(198,382)	72,260	-
Kleptocracy	-	90,603	(148,966)	58,363	-
Special projects	-	23,672	(126,049)	102,377	-
Conflict resources	(2,953)	302,141	(359,698)	121,010	60,500
Climate change	-	-	(32,912)	32,912	-
<b>Total restricted funds</b>	<b>166,894</b>	<b>1,609,240</b>	<b>(2,388,381)</b>	<b>798,999</b>	<b>186,752</b>
<b>Unrestricted funds:</b>					
General funds	257,514	1,299,341	(218,425)	(798,999)	539,431
<b>Total unrestricted funds</b>	<b>257,514</b>	<b>1,299,341</b>	<b>(218,425)</b>	<b>(798,999)</b>	<b>539,431</b>
<b>Total funds</b>	<b>424,408</b>	<b>2,908,581</b>	<b>(2,606,806)</b>	<b>-</b>	<b>726,183</b>

**Purposes of restricted funds**

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

**Transfers between funds**

Transfers between funds represent the unrestricted funds used to fund restricted fund campaigns.

In addition, the £97,618, is the release of this fund to match expenditure incurred by the other restricted campaigns, in line with its original purpose.

**Global Witness Limited**

**Notes to the financial statements**

**For the year ended 30 November 2007**

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**16. Operating lease commitments**

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

	Property	
	2007	2006
	£	£
Less than 1 year	37,714	-
Between 1 and 2 years	-	37,714
	<u>37,714</u>	<u>37,714</u>

**17. Capital commitments**

At 30 November 2007, Global Witness had capital commitments of £6,150 (2006: £ Nil)

**18. Related party transactions**

One of the directors, Patrick Alley, is also a director of Global Witness Foundation, a Californian non profit public benefit organisation, which has exemption under section 501(c) 3 of the Internal revenue code. There is no legal relationship between the two entities, other than the involvement of the director. Global Witness Foundation was incorporated on 21 May 2001. Global Witness Foundation has granted Global Witness Limited £127,009 (2005: £107,492) in the year.