

GLOBAL CANOPY FOUNDATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2014

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Registered Company Number: 04293417

Registered Charity Number: 1089110

**GLOBAL CANOPY FOUNDATION
TRUSTEES' REPORT**

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2014. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

OTHER WORKING NAME Global Canopy Programme

CHARITY NUMBER 1089110

COMPANY NUMBER 4293417

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GLOBAL CANOPY FOUNDATION TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Global Canopy Foundation is a charitable company limited by guarantee and was set up on 25th September 2001. It is governed by a memorandum and articles of association.

The Board of Trustees meet quarterly and administer the charity. An Executive Director is appointed by the Trustees to manage its day-to-day operations. New Trustees are appointed following a personal recommendation by a member of the Board and provision of a CV. Copies of the Charity Commission's relevant literature concerning the responsibilities of Trustees is given to all new Trustees, who are also offered the opportunity of participating in charity training courses provided by Charles Russell LLP, the charity's Solicitors.

The Global Canopy Programme (the activities of which are hosted by the charitable company The Global Canopy Foundation) is guided by its Board of Trustees, its Board of Advisers and its Scientific Advisory Group. Global Canopy Programme (GCP) is also a member of the International Canopy Network (ICAN).

To achieve its objects, the Global Canopy Programme produces a Strategic Review every three years, outlining key strategies, goals and objectives, and measures of success for each programme. The Strategic Review also sets out budget projections for the period and recommends any necessary changes in the organisation's governance and management to achieve the expected results. In conjunction with the Strategic Review an Annual Plan is produced, providing the operational tool for managing the charity's activities and performance.

Canopy World Ltd

Established in May 2005, as a wholly owned subsidiary of the charity, through which the charity runs canopy training activities related to the charity's objectives. Andrew Mitchell is the company's sole Director and Belinda Bramley is the Company Secretary. Canopy World Ltd. is currently dormant.

VivoCarbon (Investments) Ltd

VivoCarbon (Investments) Ltd (VCI) was established on 26th November 2007, as a wholly owned subsidiary of the charity. Through VCI the charity held a 25% stake in Canopy Capital Ltd, which was in effect donated to the charity by Hylton Murray-Philipson and Andrew Mitchell, Directors of Canopy Capital Ltd, for a nominal sum of £30. This stake was divested in 2010.

Risk Management

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial or otherwise. The Trustees regularly review the major risks to which the charity is exposed and the Trustees believe that systems and procedures are in place to mitigate the major risks identified.

GLOBAL CANOPY FOUNDATION TRUSTEES' REPORT

OBJECTIVES

The charity's objects are to promote conservation of the natural environment, and in particular the tropical and temperate forest canopies of the world, through a collaborative programme of research and education.

The Global Canopy Programme is a tropical forest think tank working to demonstrate the scientific, political and business case for safeguarding forests as natural capital that underpins water, food, energy, health and climate security for all.

We work through our international networks – of forest communities, science experts, policymakers, and finance and corporate leaders – to gather evidence, spark insight, and catalyse action to halt forest loss and improve human livelihoods dependent on forests.

Vision: A world that values, accounts for, and safeguards natural capital as vital to human wellbeing and lasting prosperity.

Mission: To demonstrate the scientific, political, and business case for forests as natural capital that underpins climate, food, water, health, and energy security for all.

To realise its vision and mission, GCP works with key stakeholders and decision-makers across 5 strategic areas:

- **Science:** providing the evidence base for the role of tropical forests in underpinning well-being from local to global scales through the provisioning of ecosystem services;
- **Communities:** empowering local communities to harness and benefit from the value of forests as natural capital;
- **Policy:** creating the conditions necessary for national and international policymakers to incorporate forests as natural capital in domestic and international policies;
- **Business:** reducing the drivers of deforestation through engaging with and educating companies and investors on five key forest risk commodities;
- **Finance:** leveraging finance for forests through engaging the private sector.

The main activities and expected outcomes in each of these five key areas are guided by the charity's Strategic Review, which is undertaken every three years.

ACTIVITIES AND ACHIEVEMENTS

Growth and development

Over the 12 years of its life, the Global Canopy Programme has evolved into a dynamic think-tank focussed on innovative solutions to halt tropical deforestation in the fields of science, communities, policy, business and finance.

The development of large flagship projects within GCP's five key areas, and the strengthening of existing global networks in academia, policy, civil society and most recently the finance sector, have seen a corresponding growth in the charity. Income in 2014 was £2.3m and staff numbers increased to an average of 23 during the year.

GLOBAL CANOPY FOUNDATION TRUSTEES' REPORT

Policy

New and innovative policy approaches, greater availability and transparency of information, and collaboration across sectors, are essential for stimulating effective action to address tropical deforestation.

International policy engagement

The question of what causes global deforestation is complex, but one which decision makers must make sense of in order to take effective action. In order to support informed decision making, at the 19th Conference of the Parties to the UNFCCC (COP 19) in Warsaw in November 2013, the Global Canopy Programme launched [*The Little Book of Big Deforestation Drivers*](#).

Using the clear, concise and accessible style for which our *Little Book* series is well known, this book lays bare the ways in which the production of and demand for forest risk commodities such as soy, palm oil, biofuels, timber, pulp and paper, beef and leather are driving more than half of global deforestation and forest degradation in tropical and subtropical countries. It unravels the most critical commodity supply chains, and presents a realistic framework of 24 catalysts that can act to reduce the impact of these commodities upon forests.

The book, published in English, French, Spanish and Bahasa Indonesia, was well received at its launch event at the COP and through social media, and continues to be used widely by people working in this field. It was produced with funding from the Government of Australia and the UN Environment Programme (UNEP), and with in-kind contributions from a number of external authors. The National Wildlife Federation (NWF) has provided funding for a Chinese version of the book, which has now been translated and is soon to be published.

Throughout the year, GCP has continued to attend and participate in a wide range of events related to addressing the drivers of deforestation. This has included a series of illegal logging events at Chatham House, London, as well as the 19th meeting of the Katoomba Group, at Iguazu Falls, Brazil, March 2014. This meeting of 200 participants explored ways to address the challenge of producing more food, fuel and fibre to support a growing global population, while also reducing land use change caused by agricultural expansion.

Also as part of our work on helping companies address deforestation in their supply chains, GCP applied to and was accepted as a partner of the Tropical Forest Association (TFA), the largest public-private sector platform for discussion on this topic, and began regularly participating in TFA calls. In addition, we began carrying out in-depth research into the biggest actors amongst forest countries, trading countries, companies and investors. This will be followed in the coming year by an assessment of their policies.

Meanwhile, GCP has continued to collaborate closely with the UN Office for REDD+ Coordination in Indonesia (UNORCID), on catalysing action to address deforestation in Indonesia, particularly relating to palm oil expansion. Together, we organised two workshops this February in Jakarta, convening actors from governments, the private sector and NGOs to explore demand-side incentives for sustainable palm oil in Asia. To help inform the debate, GCP produced a briefing document on the issue, and commissioned a report on *Creating Demand for Sustainable Palm Oil through Tariff Policies in India and Indonesia*.

GLOBAL CANOPY FOUNDATION TRUSTEES' REPORT

This was followed by a field trip to Central Kalimantan, where GCP's Founder and Executive Director Andrew Mitchell had been invited to speak at the launch of the province's new Environmental Stakeholders Forum. While attending this event, GCP also carried out site visits of sustainable agriculture projects, areas of degraded land, and riverine and mining areas.

Other policy briefs produced this year by GCP included *Drivers of deforestation and WTO rules: Conflicts and Solutions*, and *Land tenure and fast-tracking REDD+: time to reframe the debate?* In addition, various blogs and press releases have been issued by GCP staff to help inform the debate around how to address deforestation.

The REDD Desk

The REDD+ Desk 1.0 www.thereddesk.org was initially launched in 2009 as a global hub for REDD+ information and was dedicated to helping policy makers and researchers understand and share best practice with regards to REDD+ readiness. In 2013 a decision was taken to redesign the REDD Desk which was subsequently re-launched in December 2013 at COP 19 in Poland and funding for this was provided by the Australian government, the Forest Carbon Markets and Communities (FCMC) programme of USAID and GIZ on behalf of BMZ (the German Federal Ministry for Economic Cooperation and Development).

With around 9,000 unique visitors on average a month the REDD Desk is already the world's largest online resource for REDD+ information, news and analysis. The new REDD Desk 2.0 now incorporates new tools, more country information and further analysis helping to support greater understanding, knowledge sharing, and capacity building for the implementation of REDD+ worldwide.

New REDD Desk 2.0 features include:

REDD Countries – a database of information and analysis on REDD readiness across 28 countries to support global transparency and the accessibility of information on REDD+. Users can compare and contrast national REDD+ strategies, explore legal frameworks, analyse financing flows, and find detailed information on REDD+ initiatives, including a list of national pilot projects and other readiness activities. The information provided in this section is based on primary data and country visits and is the most used area of the REDD Desk.

REDD Markets and Standards - this platform provides users with comparative information and analysis on REDD+ markets, standards, and methodologies. Visitors can explore and analyse how each standard deals with different features for the design of REDD+, such as additionality, leakage, permanence, and reference levels.

REDD Encyclopaedia – this is a comprehensive and fully linked online encyclopaedia, which provides users with definitions and explains over 300 key concepts related to REDD+. This supports a clearer understanding of key ideas and issues and allows users to engage in current debates on REDD+.

REDD Resources - A global knowledge hub for the latest news, research and developments from the international REDD+ community, for policy makers, researchers and other practitioners. Future developments will concentrate on additional country profiles and updates to ensure that the REDD Desk continues to have an extensive global reach and continues to retain its position as the world's largest online resource for REDD+ information.

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Communities

The effective and equitable implementation of conservation approaches in tropical forests depends upon the informed involvement and leadership of forest communities in planning and decision-making.

Community-based monitoring in Guyana: Phase 2 and a new project in Brazil

GCP continued working with 16 Makushi Indian communities in Guyana to provide the communities with the technology and knowledge to monitor their forests in ways that are in line with emerging national REDD+ plans such as the Government's Low Carbon Development Strategy. Phase 1 of this project, called Community Monitoring, Reporting and Verification (CMRV), was completed this year.

This pioneering project is funded by the Norwegian Agency for Development Cooperation (Norad), and aims to train the communities to use networked smart phones and web-based mapping and monitoring tools to measure the ecosystem services provided by their forests, and to increase their ability to gather and control information should they choose to opt in to REDD+ plans.

On a broader scale, the project aims to build a replicable community forest monitoring protocol to allow the system in the longer term to be scaled up to other regions and communities with different monitoring needs.

Earlier in the project, GCP had collaborated with the North Rupununi District Development Board (NRDDB) and the Iwokrama International Centre to train a team of 32 Community Resource Environmental Workers (CREW) to gather and collate information on the resources in and around their villages, using smartphone technology. Building on this, the data collected by the communities has now been analysed and reported back to the communities.

During this period, data collection methods and reporting have evolved and improved, as a result of on-going communication and collaboration among the partners and participants.

In this period, GCP also launched Phase 2 of the project, *REDD Compass: Community powered Assessment of Ecosystem Services and Safeguards*, which not only continues operating and developing the project in Guyana, but also takes the knowledge gained during Phase 1 in order to replicate the project within the Chico Mendes Extractive Reserve in Acre, Brazil.

The reserve covers one million hectares across five municipalities, and is home to nearly 2,000 families that used to depend on extractives but are threatened today by cattle rearing, which is expanding due to the collapse of the local rubber industry.

An initial three-day course was carried out with 37 trainees in Acre, with the technology, theory and data collection methods being introduced. Support is also being provided by GCP to the local implementation team, to help steer the project, which has already received positive feedback from local participants, and training sessions and meetings have been well attended.

Partners in Acre include the Institute for Climate Change and Regulation of Environmental Services of the State of Acre (IMC), the Chico Mendes Institute for Biodiversity Conservation (ICMBio), and the Centre of Amazon Workers (CTA).

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Meanwhile, Phase 2 will also see the CMRV project evolve to become part of Guyana's national policy on MRV, and this work has begun with a launch workshop in Georgetown, with more than 40 representatives from the Government and civil society, and a workshop with the National Toshios Council, the representative association of all indigenous peoples of Guyana. Further developments are envisaged by the project partners and National Toshios Council to inform and design a national strategy on a REDD+ opt-in mechanism and participatory monitoring. GCP is also helping facilitate the replication of the project by WWF with other communities, with the Project Management Team from GCP's Guyana project now providing training to the WWF project crew.

Crucially, Phase 2 is now taking the project to the international level. Lucy Goodman recently joined GCP from the UNEP World Conservation Monitoring Centre to lead the development of a global network of community forest monitoring experts, practitioners and policy makers, in order that important lessons, experience and best practice can be shared between projects around the world.

Science

GCP's science programme generates and communicates evidence to inform effective decision-making, by political and business leaders, to promote sustainable ecosystem management and enhance human wellbeing in the Amazon and other tropical forest regions.

Amazonia Security Agenda

The GCP and the International Center for Tropical Agriculture (CIAT) co-authored an innovative report which concluded that deforestation is increasingly threatening the Amazonian region's water, energy, food and health security and over the coming decades this impact will be exacerbated by climate change, creating severe risks for people, governments and economies across South America.

The report, funded by the Climate and Development Knowledge Network (CDKN) and developed with input from science experts and political leaders from Bolivia, Brazil, Colombia, Ecuador and Peru, provides recommendations as building blocks for dialogue and action in each of these countries and was produced in English, Portuguese and Spanish. Since Amazonia's ecosystems are shared between countries, the report also highlights the critical need for governments to collaborate on coordinated responses to these shared risks.

Vital to the success of the report and for gaining high level support for the 'securities' agenda was its effective dissemination to key stakeholders which included:

- The publication and awareness raising of the work with ministers and policy officials in key regional countries including Peru, Brazil, Ecuador, Colombia and Bolivia.
- Ministerial support in the form of a video presentation by Peru's Environmental Minister and forthcoming UNFCCC COP 20 President, communicating how the 'securities' agenda provides a compelling framework to encourage greater regional collaboration with respect to Amazonia's shared ecosystems.
- An animation which simplified the key messages coming out of the Amazonia Securities Agenda report was produced in order to ensure these messages were not only understandable but also resonated with the wider public.

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- The social media channels of both GCP and CDKN were used to ensure that the animation was accessed by as many people as possible with over 50,000 downloads via Vimeo and over 65,000 views via Facebook. The animation also received an 'Editor's Choice' award from Vimeo and was shortlisted as a finalist at the Reel Water Film Festival.

The response to the Amazonian Security Agenda report has been extremely positive and GCP is currently in the process of scoping Phase 2 of the project which would be launched at the UNFCCC's Amazonia COP in Peru in December 2014, continuing through 2015 and beyond.

Meanwhile, this year GCP also undertook collaborative research to support the design and implementation of REDD+ effectiveness in Peru, through a contract from the Center for International Forestry Research (CIFOR). This resulted in a policy brief entitled: *The Use of Participatory Monitoring and Evaluation Systems in the Development of Sustainable Settlement Projects in the Amazon*. GCP's Head of Research also co-authored a paper entitled *Leakage effects in natural resource supply chains: a case study from the Peruvian commercial charcoal market*, which was published in the International Journal of Sustainable Development and World Ecology.

Business

Five forest risk commodities are responsible for most tropical deforestation and degradation: timber products, palm oil, soy, cattle products and biofuels. Deforestation cannot be halted unless we change the way in which these commodities are produced.

Corporate forest footprints

CDP's forests program, originally created by GCP as the Forest Footprint Disclosure Project (FFD), continued to grow during this period, while also completing its transition towards full ownership and operation under CDP, with GCP being its principle advisor on forests. The programme continues to be funded by the UK's Department for International Development (DFID).

The programme acts on behalf of investors, asking companies to disclose their exposure to deforestation risks through their use of five agricultural commodities that are responsible for most deforestation: palm oil, soy, biofuels, timber and beef.

By the end of the programme's annual disclosure cycle this year, 139 companies with a market capitalisation of more than US\$3 trillion had disclosed through CDP, a 39% increase on participation in the previous year. There were 52 new participating businesses, including McDonalds, Kelloggs, Inditex and Wilmar. The programme's annual report, *The commodity crunch: value at risk from deforestation*, was launched in November at an event attended by HRH The Prince of Wales at The Royal Society in London.

In addition, in April 2013 GCP collaborated with NWF to host a successful workshop on *Addressing the drivers of deforestation through public and private sector synergies*. This event brought together 14 government representatives, 22 private sector stakeholders, and representatives from 13 nongovernmental organisations (NGOs), to increase cross-sectoral understanding of the drivers of deforestation, to explore a range of potential options for tackling these drivers from both public and private perspectives, and to foster critical collaboration between sectors to achieve this.

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This event, a report of which can be found on the GCP website, was supported by CDP, the Environmental Defense Fund (EDF), the Union of Concerned Scientists (UCS), the International Sustainability Unit (ISU) and the Zoological Society of London (ZSL). The financial partners of the workshop were Norad, the Australian Government, the Department for International Development (DFID) and EDF.

Finance

In order to halt deforestation, funds must flow at scale, to reform agricultural practices, conserve natural capital and ensure the sustainable development of communities that depend on forests. Meanwhile, financial institutions, which currently fund much of the activity that is destroying forests, must account for and address their impacts.

Interim Forest Finance

Critical to the international community ensuring that global warming is limited to 2 degrees Celsius and to the success of REDD+ more broadly as an effective climate change mitigation tool, is the need to look at how public money can be used to incentivise private sector investment in REDD+ at scale. The Interim Forest Finance (IFF) project is a collaborative initiative of the GCP, the Amazon Environmental Research Institute (IPAM), Fauna and Flora International (FFI) and the UNEP Finance Initiative (UNEP FI). Funded by Norad, the IFF project advocates a strategic intervention by donor country and tropical forest country governments, and public financial institutions, to scale up public and private sector investment in REDD+ activities, in the period between 2015 and 2020.

During the course of 2013, GCP conducted a series of interviews with key stakeholders involved throughout the REDD+ value chain to not only quantify the scale of investment needed to reduce deforestation by 50% but also to identify effective options or mechanisms which could be used by the public sector to stimulate private sector involvement in REDD+ activities, which to date have been very limited. This research was then synthesized and published in a report called *Stimulating Interim Demand for REDD+ Emission Reductions: The Need for a Strategic Intervention from 2015 – 2020*. The main findings from the report showed that current demand for REDD+ emission reductions through to 2020 is only around 253 MtCO_{2e}, but that to achieve the deep cuts in greenhouse gas emissions which were identified in the most recent IPCC report, demand for emission reductions will need to be in the region of 3,300 – 9,900 MtCO_{2e} from all forest and land use activities by 2020. The report also highlighted the ways in which this significant gap could be bridged in order to achieve the required reductions in greenhouse gas emissions.

This report and the subsequent advocacy and outreach which GCP and the IFF partners have undertaken with key stakeholders that include donor country governments, tropical forest country governments and the private sector has been extremely successful in highlighting not only the huge gap between current levels of REDD demand and what is needed to avoid dangerous climate change, but also the options which could be deployed to stimulate a significant scaling of REDD+ investment, largely from private sector sources during the period 2015 - 2020. The IFF project has played an important role in highlighting the significance of addressing these issues, not only with the stakeholders outlined above but also in terms of communicating this issue more broadly across the media.

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In 2014, the IFF project will publish case studies based on research carried out by FFI in Indonesia and IPAM in Brazil, to examine demand from the perspective of forest countries in more detail. The project concludes in December 2014. Future areas of focus for a project to follow on from IFF will be to determine what types of mechanisms could work in which specific jurisdictions that can be deployed using existing multi-lateral arrangements in order to provide proof of value and thereby stimulate increased private sector investment in REDD+ activities.

Unlocking Forest Finance

Global demand for commodities such as beef, palm oil and timber is causing financial capital to flow towards the conversion of native tropical forest to agricultural land. Meanwhile, the development of an international carbon-based payment scheme to compensate forest-friendly activities is struggling to get off the ground. Halting deforestation requires investment in the reform of agricultural practices and greater use of agroforestry systems, as well as the conservation of natural capital and the sustainable development of forest-dependent communities.

The *Unlocking Forest Finance* (UFF) project seeks to design and develop jurisdictional scale financing models in states/provinces of Brazil and Peru – Acre, Mato Grosso and San Martín – using public sector capital to leverage private finance at the scale of capital markets (e.g. bonds) to access these pools of capital, at a landscape level. UFF which is funded by the International Climate Initiative (ICI) of the Federal Ministry for the Environment, Nature, Conservation, Building and Nuclear Safety (BMUB) in Germany will over the course of a 3 year period develop a financing model to fund a transition that will allow for a change from the business-as-usual (BAU) approach to sustainable development (SD). This in turn will alleviate the pressure to deforest, restore degraded land, promote more sustainable management systems, as well as conserve forests and improve rural livelihoods in each of the case-study regions.

The UFF project is currently in Phase 1 which aims to generate consensus, increase understanding and gather support from subnational and national governments and local partners, in regards to the concept, focus, and desired outcomes of the UFF project, to guide the development of the project. Once the commitments and expectations of governments are clear, and the pathways to sustainable development have been articulated, economic data is gathered to produce an estimated cost of the transition to sustainable development.

During 2013, as part of this project, a pilot study was undertaken in Acre, Brazil, which assessed the transition to sustainable development, with the help of the Institute of Climate Change and Ecosystem Services Regulation (IMC). The pilot study revealed a number of key findings and opportunities to help advance the process of developing financing mechanisms for the transition to sustainable development in Acre. These findings will now be used to determine how best to move forwards in the other jurisdictions outlined above.

Moving forwards the UFF project will use the economic information provided by the different jurisdictions to produce an integrated cash flow model to analyse both the potential revenue that could be generated for investors in each financial mechanism, supply chain, or other element of the transition, and to link the economic transition to the provision of ecosystem services and the reduction of deforestation. Similarly, the project will also produce an ecosystem services assessment to support the environmental and economic case for the transition to sustainable development in each region, as well as helping to ensure a positive environmental impact for the transition. These analyses will be used to produce feasibility studies of the transition and the financial mechanisms in each region, which will in turn be used for the development of the financial mechanisms in each jurisdiction.

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The Natural Capital Declaration

The Natural Capital Declaration (NCD) was launched in 2012 in collaboration with UNEP Finance Initiative and the Sustainability Study Centre of Brazilian Business School FGV. The initiative is now supported by 40 financial institutions and over 30 non-financial organisations.

This ground-breaking, finance-led initiative seeks to expedite the integration of natural capital considerations into financial products and services, and to work towards their inclusion in financial accounting and disclosure, thereby accelerating the transition to a more sustainable, green economy.

Since the NCD Roadmap and Business Plan were launched in May 2013, the initiative has made great progress in driving forth practical implementation of the NCD commitments, led by a new programme manager, Liesel van Ast, previously at Trucost.

It has continued to develop as a unique platform which uses its members' extensive financial sector experience to build capacity and develop practical approaches for financial institutions to manage risks and opportunities linked to natural resources used by companies in lending and investment portfolios.

Financial institutions and supporting organisations are now working together on projects to catalyse innovation and develop and test practical tools, methodologies and metrics to better understand, embed and account for natural capital. GCP and UNEP FI continue to act as the Secretariat, managing work programmes to enable financial institutions to implement the initiative. These programmes are also overseen by a finance-led Steering Committee, chaired by Bill Rahill of the International Finance Corporation (IFC), a World Bank Group member and NCD Signatory.

The work of the NCD has been supported this year by funding from the UNEP Finance Initiative, the Esmée Fairbairn Foundation, member Financial Institutions and the Golden Bottle Trust.

FINANCIAL REVIEW

GCP's finances have remained steady in the year as income has kept pace with activities. The financial statements show a minor deficit for the year of £2,083.

Voluntary income of £156,104 for the year has continued to underpin the GCP and allow strategic development of new initiatives. Restricted income was £1,938,777 for the year and most of this was from Governments (Norway, Germany, Australia and the UK). Other unrestricted income came from international organisations, foundations, banks and NGOs.

At 31st March 2014 unrestricted funds of £375,368 and restricted funds of £370,625 were held. The figure for restricted funds represents grants received for specific purposes during the year, which are allocated to particular ongoing projects and are therefore not regarded as free reserves.

The GCP engages with governments and related agencies to implement large, complex projects. To address the risks associated with uncertainty of timing of income the charity needs to maintain sufficient working capital to cover the costs of our projects reasonable far ahead. With respect to unrestricted funds, the Trustees' target for free reserves is to cover six months' worth of core expenses, currently estimated at £250,000. These funds are held within our overall unrestricted funds account and are not intended to be accessed unless needed in extremis.

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FUTURE PLANS

The next few years remain crucial for forests. The slow pace of international UNFCCC negotiations and the commensurate delay in large-scale international financing for REDD+ means that progress outside of this process is crucial from now until 2020 – leveraging funds from the private sector to forests through public/private partnerships; building REDD+ capacity amongst stakeholders; the greening of forest risk commodities' supply chains; and accountability for natural capital across sectors are some of the key areas we will continue to support and drive forward in this period.

PUBLIC BENEFIT

The Trustees have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

GCP ultimately aims to halt tropical deforestation. In achieving its mission the charity's unique position as a small and dynamic think tank and project incubator with global networks in academia, forest communities, NGOs, the public and private sector enables it to rapidly make connections and catalyse action.

Conserving tropical forests has been identified by the UK Government and the international community as amongst the quickest and most effective methods to effectively tackle climate change, a global problem which affects everyone, including in the UK. More broadly, the ecosystem services provided by forests underpin climate, food, energy, water and health security at local to global scales.

The conservation of tropical forests is therefore also vital in poverty alleviation and human wellbeing. Some 1.4 billion of the world's poorest people depend directly on forests for their livelihood.

The importance of forests is acknowledged in UN assessments of progress in the Millennium Development Goals, with reversal of deforestation as a key indicator of progress on environmental sustainability.

Whilst it is difficult to measure the GCP's impact, alongside others the charity has helped catalyse the shift of forests to the forefront of international climate change mitigation options. REDD+ (Reducing Emissions from Deforestation and Degradation) as a global mitigation mechanism has retained political momentum despite problems with the flow of funds and the lack of demand for REDD+ credits ahead of a predicted compliant carbon market in 2020. Despite this progress, deforestation is continuing at unsustainable levels and much more work is required in this space to secure the future of forests.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees 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 trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of

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TRUSTEES' REPORT**

the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees 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 operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity'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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

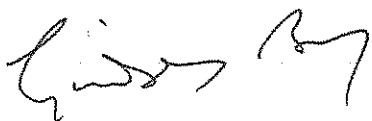
Each Trustee has taken all steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution proposing that Critchleys LLP be re-appointed as auditors of the charity will be put to the Annual General Meeting.

This report has been prepared in accordance with the Small Companies Regime under Section 419(2) of the Companies Act 2006.

ON BEHALF OF THE TRUSTEES



Lindsay Bury, Trustee

Date:

16th July 2014

GLOBAL CANOPY FOUNDATION
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE GLOBAL CANOPY FOUNDATION

We have audited the financial statements of Global Canopy Foundation for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set on pages 12 and 13 the trustees (who are also the directors of the charitable company for the purposes of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practises Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

GLOBAL CANOPY FOUNDATION
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE GLOBAL CANOPY FOUNDATION (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Trustees for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 disclosure of trustees' remuneration specified by law are not made; or
- we have not received all the information and the explanations we require for audit.
- the trustees were not entitled to take advantage of the small companies' exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Colin Mills
Senior Statutory Auditor

For and on behalf of:
Critchleys LLP, Statutory Auditor

Oxford

Date: 21 July 2014

GLOBAL CANOPY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

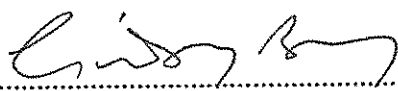
	Unrestricted Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	2014 £	2013 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	156,104	-	156,104	145,977
Interest receivable		1,650	974	2,624	2,395
Incoming resources from charitable activities	3	<u>163,725</u>	<u>1,937,803</u>	<u>2,101,528</u>	<u>2,110,564</u>
Total incoming resources		<u>321,479</u>	<u>1,938,777</u>	<u>2,260,256</u>	<u>2,258,936</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	4	40,802	-	40,802	30,816
Charitable activities	5	306,135	1,895,377	2,201,512	2,047,410
Governance costs	7	<u>20,025</u>	<u>-</u>	<u>20,025</u>	<u>10,823</u>
Total resources expended		<u>366,962</u>	<u>1,895,377</u>	<u>2,262,339</u>	<u>2,089,049</u>
Net incoming resources/(resources expended) before transfers		(45,483)	43,400	(2,083)	169,887
Gross transfers between funds	16	<u>2,943</u>	<u>(2,943)</u>	<u>-</u>	<u>-</u>
Net incoming resources/(resources expended)	9	(42,540)	40,457	(2,083)	169,887
Reconciliation of funds					
Funds brought forward		<u>417,908</u>	<u>330,168</u>	<u>748,076</u>	<u>578,189</u>
Funds carried forward		<u>375,368</u>	<u>370,625</u>	<u>745,993</u>	<u>748,076</u>


GLOBAL CANOPY FOUNDATION
(company no: 04293417)

BALANCE SHEET
AT 31 MARCH 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	10	19,477	11,757
Investments	11	<u>4,587</u>	<u>4,587</u>
		24,064	16,344
Current assets			
Debtors	12	286,537	681,575
Cash at bank and in hand		<u>718,877</u>	<u>582,237</u>
		1,005,414	1,263,812
Creditors: amounts falling due			
Within one year	13	<u>(283,485)</u>	<u>(532,080)</u>
Net current assets		<u>721,929</u>	<u>731,732</u>
Net assets		<u>745,993</u>	<u>748,076</u>
Funds:			
Unrestricted funds	15	375,368	417,908
Restricted funds	16	<u>370,625</u>	<u>330,168</u>
Total funds		<u>745,993</u>	<u>748,076</u>

The financial statements were approved and authorised for issue by the Trustees on

..... Lindsay Bury (TRUSTEE)

..... Date

The notes on pages 18 to 27 form part of the financial statements.

GLOBAL CANOPY FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

- a) **Basis of accounting**
The financial statements are prepared under the historical cost convention and in compliance with all relevant Statements of Accounting Standards, the Companies Act 2006 and the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (issued in March 2005).
- b) **Incoming resources**
Incoming resources are included when they are receivable. Donated services and facilities are included at the value to the charity where this can be quantified. Income is deferred if it relates to services to be provided in future periods.
- c) **Resources expended**
Resources expended are accounted for on an accruals basis and include irrecoverable VAT. Wherever possible, costs are allocated to specific charitable activities, governance costs or costs of generating voluntary income, although this does include an estimate of staff time. Office costs are allocated to activities based upon headcount and the remaining support costs are allocated in proportion to direct costs (including staff costs) by programme area.

Grants payable are included in resources expended when they have been approved by the Trustees and this has been communicated to the beneficiary. Where the costs of such grants are externally funded under an agreement incoming resources are recognised at the same time.
- d) **Tangible fixed assets and depreciation**
Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on a straight line basis which reflects the anticipated useful lives of the assets and their estimated residual value. Any assets purchased that will be used on a project and are then outside the control of the Trustees are fully depreciated upon purchase.
- e) **Pensions – defined contribution scheme**
Contributions are charged to the profit and loss account as they become payable under the scheme rules.
- f) **Funds**
Income which is restricted to a particular purpose is treated as restricted income in the Statement of Financial Activities. Any unspent balance will be carried forward as a restricted fund.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the charity.
- g) **Group accounts**
These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited and Vivo Carbon Investments Limited as the effect of consolidating these results would be immaterial.

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

2	VOLUNTARY INCOME	2014	2013
		£	£
	Waterloo Foundation	50,000	50,000
	Rufford Foundation	40,000	40,000
	Ernest Kleinwort Charitable Trust	20,000	-
	Dulverton Trust	20,000	20,000
	Millichope Foundation	5,000	5,000
	Cecil Pilkington Charitable Trust	4,000	-
	Donated services	17,084	30,827
	Other donations and gift-aid	<u>20</u>	<u>150</u>
		<u>156,104</u>	<u>145,977</u>
3	INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2014	2013
		£	£
	Science	61,995	165,501
	Communities	483,711	290,510
	Policy	327,954	512,075
	Business	153,230	985,429
	Finance	1,069,638	152,049
	Other	<u>5,000</u>	<u>5,000</u>
		<u>2,101,528</u>	<u>2,110,564</u>
4	COSTS OF GENERATING VOLUNTARY INCOME	2014	2013
		£	£
	Salaries	25,074	26,082
	Direct costs	7,050	1,820
	Support costs	<u>8,678</u>	<u>2,914</u>
		<u>40,802</u>	<u>30,816</u>

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

5 CHARITABLE ACTIVITIES

	Grant funding of activities	Activities undertaken directly	Support costs (note 6)	Total 2014 £	Total 2013 £
Science	-	63,320	3,130	66,450	176,054
Communities	153,853	216,130	42,008	411,991	305,474
Policy	-	424,352	124,542	548,894	366,998
Business	-	108,729	56,421	165,150	998,889
Finance	337,631	497,293	151,289	986,213	188,557
Strategic Development	-	18,513	4,301	22,814	11,438
	<u>491,484</u>	<u>1,328,337</u>	<u>381,691</u>	<u>2,201,512</u>	<u>2,047,410</u>

Grant funding of activities was via the following organisations:

	2014 £	2013 £
North Rupununi District Development Board, Guyana	102,841	107,716
Iwokrama International Centre, Guyana	22,280	29,816
Fauna and Flora International	57,275	-
Environmental Research Institute of the Amazon (IPAM)	149,581	-
UNEP Finance Initiative	33,526	-
Centro Dos Trabalhadores da Amazonia	28,732	-
Centro de Desarrollo e Investigacion de la Selva Alta (CEDISA)	55,275	-
Climate Bonds Initiative	19,042	-
Helmholtz Centre for Environmental Research	22,932	-
Coordinator of the Indigenous Organisations of The Amazon Basin ("COICA")	-	1,500
National Wildlife Federation	-	18,000
Carbon Disclosure Project	-	435,000
	<u>491,484</u>	<u>592,032</u>

6 SUPPORT COSTS

	2014 £	2013 £
Support costs	<u>394,392</u>	<u>260,596</u>

Support activities include accounts, administration, office costs, organisational management and communications.

Office costs are allocated to activities based upon headcount and the remaining support costs are allocated in proportion to direct costs (including staff costs) by programme area.

GLOBAL CANOPY FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)**

7	GOVERNANCE COSTS	2014	2013
		£	£
	Staff costs	11,209	5,646
	Audit and accountancy	4,700	3,917
	Other direct costs	94	229
	Support costs	<u>4,022</u>	<u>1,031</u>
		<u>20,025</u>	<u>10,823</u>

8	STAFF COSTS	2014	2013
		£	£
	Wages and salaries	819,588	597,302
	Social Security costs	86,313	64,432
	Pension contributions	<u>31,022</u>	<u>27,058</u>
		<u>936,923</u>	<u>688,792</u>

The average monthly number of employees during the year was made up as follows:

	No	No
Director	1	1
Programmes and Support	<u>22</u>	<u>18</u>

The number of employees whose annual emoluments exceeded £60,000 in the year were as follows:

£70,000 - £80,000	<u>1</u>	<u>1</u>
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For this higher paid employee, annual pension contributions of £3,733 (2013: £3,624) were payable during the year.

No trustee received any remuneration or reimbursement of expenses during either period.

9	NET INCOMING RESOURCES is stated after charging:	2014	2013
		£	£
	Depreciation	16,406	18,191
	Auditor's remuneration	4,700	3,200
	Rent payable	<u>46,715</u>	<u>45,472</u>

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

10 FIXED ASSETS - TANGIBLE ASSETS

	Furniture & Fittings	Computer equipment	Office equipment	Total
	£	£	£	£
Cost				
At 1 April 2013	7,007	46,857	6,707	60,571
Additions	7,686	14,895	1,853	24,434
Disposals	<u>-</u>	<u>(308)</u>	<u>-</u>	<u>(308)</u>
At 31 March 2014	<u>14,693</u>	<u>61,444</u>	<u>8,560</u>	<u>84,697</u>
Depreciation				
At 1 April 2013	1,036	44,554	3,224	48,814
Provision for the year	1,032	14,775	907	16,714
Eliminated on disposal	<u>-</u>	<u>(308)</u>	<u>-</u>	<u>(308)</u>
At 31 March 2014	<u>2,068</u>	<u>59,021</u>	<u>4,131</u>	<u>65,220</u>
Net book value				
At 31 March 2014	<u>12,625</u>	<u>2,423</u>	<u>4,429</u>	<u>19,477</u>
At 31 March 2013	<u>5,971</u>	<u>2,303</u>	<u>3,483</u>	<u>11,757</u>

11 FIXED ASSET INVESTMENTS

	2014	2013
	£	£

Investments in subsidiary companies brought forward and carried forward

	<u>4,587</u>	<u>4,587</u>
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The Foundation owns 100% of the issued share capital of Canopy World Ltd, a company incorporated in England and Wales. The company is now dormant. A summary of the results is shown below:

The Foundation also now owns 100% of the issued share capital of Vivo Carbon Investments Limited. This company is now dormant. A summary of the assets and liabilities is shown below (there is no activity in the profit and loss account).

	2014	2013
	£	£
Balance Sheet		
Assets	<u>50</u>	<u>50</u>
Share capital	<u>50</u>	<u>50</u>

These accounts do not consolidate the results of the charitable company's subsidiaries Canopy World Limited and Vivo Carbon Investments Limited as the effect of consolidating would be immaterial.

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

12 DEBTORS

	2014	2013
	£	£
Trade debtors	200,252	214,434
Grants receivable	50,000	402,141
Prepayments	26,091	20,295
Other debtors	<u>10,194</u>	<u>44,705</u>
	<u>286,537</u>	<u>681,575</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	197,530	91,869
Grants payable	-	390,000
Other taxes and social security costs	44,642	31,631
Accruals and deferred income	41,263	18,530
Owed to subsidiary undertakings	<u>50</u>	<u>50</u>
	<u>283,485</u>	<u>532,080</u>

	2014	2013
	£	£
Deferred income		
At 1 April 2013	-	-
Released to incoming resources	-	-
Deferred in the period	<u>25,665</u>	<u>-</u>
At 31 March 2014	<u>25,665</u>	<u>-</u>

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

14 OPERATING LEASE COMMITMENTS

As at 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
Land and buildings		
Operating leases which expire within two and five years	<u>72,165</u>	<u>43,758</u>

15 UNRESTRICTED FUNDS

	2014 £	2013 £
At 1 April 2013	417,908	418,070
Transfers (note 16)	2,943	11,811
Net incoming resources for the year	<u>(45,483)</u>	<u>(11,973)</u>
At 31 March 2014	<u>375,368</u>	<u>417,908</u>

16 RESTRICTED FUNDS

	Balance at Incoming Resources 1/4/13 resources expended			Balance at Transfers 31/3/14	
	£	£	£	£	£
Communities					
1 NORAD	87,937	466,168	378,023	-	176,082
2 CIFOR	2,943	-	-	(2,943)	-
3 Other	-	139	139	-	-
	<u>90,880</u>	<u>466,307</u>	<u>378,162</u>	<u>(2,943)</u>	<u>176,082</u>
Policy					
4 Democratic Republic Of Congo	(2)	(4,944)	(4,946)	-	-
5 UNEP	-	42,048	42,048	-	-
6 GIZ	5,652	1,562	7,213	-	1
7 Australian Government	178,678	208,740	387,418	-	-
8 National Wildlife Federation	-	6,179	6	-	6,173
9 Other	-	168	168	-	-
	<u>184,328</u>	<u>253,753</u>	<u>431,907</u>	<u>-</u>	<u>6,174</u>

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

16	RESTRICTED FUNDS (continued)	Balance at Incoming Resources			Balance at	
		1/4/13	resources	expended	Transfers	31/3/14
		£	£	£	£	£
	Business					
	10 DFID	-	152,305	152,306	-	(1)
	11 Environmental Defense Fund	-	925	925	-	-
		-	153,230	153,231	-	(1)
	Finance					
	12 Prince of Monaco Foundation	1,098	(57)	1,036	-	5
	13 UNEP FI	-	80,695	80,556	-	139
	14 Esmee Fairbairn	46,819	-	46,819	-	-
	15 Infraprev	2,856	5,665	8,522	-	(1)
	16 German Government ICI	-	521,651	476,164	-	45,487
	17 NORAD	-	451,533	313,429	-	138,104
	18 Golden Bottle Trust	-	1,000	1,000	-	-
		50,773	1,060,487	927,526	-	183,734
	Other					
	19 Dulverton Trust	4,187	5,000	4,551	-	4,636
	Total	330,168	1,938,777	1,895,377	(2,943)	370,625

Notes:

1. A grant from NORAD, the Norwegian Government development agency, is funding GCP's project to establish a pioneering community ecosystem monitoring programme linked to REDD+ payments, in Guyana.
2. A grant from the Center for International Forestry Research (CIFOR) funded collaborative research to support design and implementation of REDD+ effectiveness in Peru.
3. Reimbursement of expenses to visit the Astrotrop Conference at the Royal Observatory from the University of Edinburgh.
4. This project has delivered a REDD Desk Knowledge Management platform to the Congolese government.
5. The United Nations Environment Programme is funding GCP's production of "The Little Book of Big Deforestation Drivers" and "The Little REDD + Law Book".

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

Notes:

6. A grant from the German Government to expand GCP's REDD Desk website to include an online REDD+ legal reference portal with country level analysis of laws and policy relating to REDD+, focussing on Laos, Indonesia and Mexico.
7. A grant from the Australian Government Department of Climate Change and Energy Efficiency to deepen coverage of GCP's REDD Countries database and build its analytical capability; build capacity and provide tools for REDD+ country governments to share information; build a REDD+ encyclopaedia; update and translate GCP's REDD+ video; maintain the GCP's REDD Desk library and produce "*The Little Forest Finance Book*", a "*Little Agriculture Book*" and five policy briefs.
8. The grant from the National Wildlife Federation was used to translate GCP's "*Little Book of Big Deforestation Drivers*" into Mandarin.
9. The United Nations Development Programme reimbursed travel expenses for GCP's Head of Policy to attend a workshop in Bratislava.
10. Funds received from the UK Government Department for International Development to support the operation of the GCP's Forest Footprint Disclosure project (now merged with the Carbon Disclosure Project).
11. Environmental Defense Fund contributed to a workshop hosted by GCP in London on "addressing the drivers of deforestation through public and private sector synergies" in April 2013.
12. The grant from the Prince of Monaco Foundation was used to begin development of a novel financing mechanism to pay communities for regional scale tropical forest ecosystem services.
13. Funds from the United Nations Environment Programme Finance Initiative have funded the Natural Capital Declaration project, a joint initiative of GCP, UNEP Finance Initiative and FGV.
14. A grant from Esmee Fairbairn is funding the engagement of the financial sector in the concept of accounting for nature, as part of GCP's Natural Capital Declaration project (in collaboration with UNEP Finance Initiative and FGV), linked closely with GCP's Forest Footprint Disclosure project.
15. A contribution from Infraprev to the Natural Capital Declaration.
16. GCP's "Unlocking Forest Finance" project commenced this year, funded by the German Government's International Climate Initiative. This multi-year, multi-partner project aims to mobilise private sector capital to reduce deforestation through public/private sector partnerships for forests and rural livelihoods.
17. A grant from NORAD, the Norwegian Government development agency, is funding GCP's project to improve understanding of the possible mechanisms and sources of finance for advance commitments on REDD+ and green agricultural commodities by tropical forest country governments and others; to improve understanding by the national governments of Indonesia and Brazil, civil society and the private sector, of the business case for creating an *Interim Forest Finance Facility (IFFF)* operating in those countries; and to support the creation of an IFFF from international or donor country governments.
18. The Golden Bottle Trust supported our work on the Natural Capital Declaration this year.
19. In addition to support with an unrestricted grant, the Dulverton Trust has provided another £5,000 towards an Internship Programme at the GCP.

GLOBAL CANOPY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014 (CONTINUED)

17 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted £	Restricted £	Total £
Fixed assets	19,477	-	19,477
Net current assets	<u>355,891</u>	<u>370,625</u>	<u>726,516</u>
	<u>375,368</u>	<u>370,625</u>	<u>745,993</u>