



*Petersons is the trading name of Petersons Accountants Limited
Registered in England and Wales No: 5370311*

BUSINESS GROWTH SPECIALISTS

CHARTERED ACCOUNTANTS

Forest Peoples Programme

Registered Charity No. 1082158

Company Registration No 03868836

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2010



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Trustees/Directors	S Ozinga C A Marr J Kenrick J Phipps P Wolvekamp C Yong J Carino C Dobson S P Finn T Rivera Zea S Siakor
Secretary	M L Henson
Principal Address And Registered Office	1c Fosseway Business Centre Stratford Road Moreton-in-Marsh Gloucestershire GL56 9NQ
Statutory Auditors	Petersons Accountants Limited Chartered Accountants and Statutory Auditors Harvestway House 28 High Street Witney Oxfordshire OX28 6RA
Bankers	National Westminster Bank 16 Market Place Chipping Norton Oxfordshire OX7 5ND
Solicitors	InterChange Legal Advisory Service InterChange Studios Hampstead Town Hall Centre 213 Haverstock Hill London NW3 4QP
Charity Registration Number	1082158
Company Registration Number	03868836

The Trustees present their report with the financial statements of the company for the year ended 31 December 2010.

OBJECTIVES

The charitable objectives as set out in the governing document of the Memorandum and Articles of Association are : 'To promote any charitable purpose for the benefit of indigenous and local peoples and other disadvantaged communities anywhere in the world who depend on forests for their livelihoods by enabling them to preserve, conserve and protect their environment and the prudent use of its resources, promoting human rights (as set out in the United Nations Declaration of Human Rights and subsequent United Nations conventions and declarations), and by the relief of poverty and improvement of the conditions of life of those communities.'

REVIEW OF BUSINESS & ACTIVITIES

The results for the period and financial position of the company are as shown in the annexed financial statements.

SUMMARY OF ACTIVITIES 2010

FPP's long-term goal is improved social, economic and environmental living conditions for indigenous and tribal forest peoples. We work towards this using a rights-based approach, to help forest peoples gain control over their futures through capacity building to defend their own rights, educate policy makers and develop sustainable livelihood skills for the long-term relief of poverty. FPP also carries out education and advocacy on the forest crisis with the aim of getting forests protected for sustainable use by people with secure rights. During 2010, we worked with indigenous and tribal peoples in Africa (Cameroon, Central African Republic, Democratic Republic of Congo, Liberia and Uganda), South America (Argentina, Brazil, Colombia, Costa Rica, Guatemala, Guyana, Panama, Paraguay, Peru, Suriname and Venezuela),and Asia (Bangladesh, India, Indonesia, Malaysia, Nepal, Papua New-Guinea, Philippines and Thailand) under our programme themes:

* Legal and Human Rights * Responsible Finance & Climate and * Environmental Governance

- **The Legal and Human Rights Programme** with funding from the Sigrid Rausing Trust, Oxfam-Novib, the Bromley Trust, ARA, the Christensen Fund, Ford Uganda and RRI continued to provide information, training and capacity-building inputs to indigenous peoples globally and supported their participation in national and international processes. We continued to assist the indigenous Batwa people of Uganda to pursue land rights claims. We started a programme on gender and land rights and supported field research and consultation in Cameroon and Colombia in order to feed into human rights mechanisms. We also developed toolkits on how to increase the participation of indigenous women in standard setting mechanisms. The LHRP also assisted indigenous and tribal peoples in Cameroon, Uganda, Colombia, Costa Rica, Guyana, Brazil, Suriname, Peru, Argentina, Paraguay, Papua New-Guinea, Indonesia, Nepal and India through litigating cases in the inter-American human rights system, using UN mechanisms, the African human rights mechanisms, supporting domestic legal work and providing capacity building support. This programme provides extensive support to indigenous peoples' organizations worldwide in global standard setting and policy processes.
- **The Responsible Finance & Climate Programme** with funding from the Charles Stewart Mott Foundation, NORAD, the RSPO, the Rights and Resources Initiative, Ford Indonesia, the Ecology Trust and the Climate and Land Use Alliance (CLUA) has continued to press for better implementation of the 'safeguard' policies of international and regional financial institutions. This work continues to be successful in getting standards adopted that incorporate internationally-recognised human rights norms and principles (including FPIC). We are also still achieving gains in improving the voluntary social standards used by the private sector for palm oil, soy beans, timber, plantations, dams and shrimp farming. The RFP is providing critical inputs into the development of safeguard standards linked to new forest-related finance for climate change mitigation measures under the United Nations Climate Change Convention and public finance institutions, particularly the World Bank's Forest Carbon Partnership Facility (FCPF) and Forest Investment Programme (FIP) as well as under the UNREDD Programme. The programme continues to provide training and advocacy support for our partner organisations in Latin America, Central Africa and Asia on international standards on human rights and responsible finance.
- **The Environmental Governance Programme** has continued to carry out the "Forest Peoples, Biodiversity Conservation and Sustainable Livelihoods Project", in collaboration with indigenous peoples and local community organizations and support organizations from Bangladesh, Guyana, Indonesia, Panama, Suriname, and Thailand. This project promotes sustainable, community-based territorial management and self-determined development in the participating communities' areas. In 2010 work included community capacity-building on rights and biodiversity issues; strengthening community institutions and organizations; community-based biodiversity monitoring; community mapping and development of community-based land management plans; research on climate change impacts, vulnerability, and adaptation; and documentation and transfer of traditional knowledge on sustainable use and customary laws. FPP also supported partners with advocacy and lobby work at national levels, and to influence and monitor international policymaking, in particular under the Convention on Biological Diversity. This work was funded by Swedbio, the Darwin

Initiative, Oxfam-Novib, the EC, and Christensen. Under the Peoples and Parks project, with funding from Ford Foundation, follow-up was done to support indigenous and local communities to engage in local and national level dialogue to promote their rights in relation to protected areas and to build their capacity on this issue. This was done with partners in Suriname, Uganda, Cameroon, Central African Republic, and Thailand.

DIRECTORS & TRUSTEES

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year under review were:

S Ozinga	C A Marr	T Rivera Zea: appointed 7 June 2010
J Kenrick	J Phipps	S Siakor : appointed 27 June 2010
P Wolvekamp	J Carino	
C Yong	S P Finn	
C Dobson		

All the trustees are eligible to remain on the board of trustees for a five year term at which time they are eligible for re-election at the Annual General Meeting.

The Board of Trustees are entitled to appoint additional Trustees and the methods, policies and procedures within the Charity for recruitment, appointments, induction and training for Trustees are currently under review.

ORGANISATION STRUCTURE

The Charity is administered by the trustees who meet annually and have regular contact throughout the year. At the annual Trustees Meeting the governing document is reviewed to ensure activities remain within permitted guidelines. Marcus Colchester has overall delegated responsibility as chief executive officer for the management of the Charity and the day to day administration of the Charity is delegated to an Executive Committee comprising senior staff and consultants who meet formally on a quarterly basis and report to the Trustees on any issues arising.

LEGAL STATUS

The Charity was incorporated as a Company limited by guarantee on 29 October 1999 and registered as a Charity on 24 August 2000.

The liability of the company's members for its debts is limited to their guarantee to contribute such amounts as may be required not exceeding £1 to the assets of the company if it should be wound up whilst he/she is a member or within one year after he/she ceases to be a member.

The Charity is also registered as a Dutch Stichting.

FINANCIAL REVIEW

The Charity received grants of £1,564,678 during the year and the total incoming resources amounted to £1,593,226. Total outgoing resources amounted to £1,785,859 of which £1,704,627 was expended on direct charitable activities: £66,286 on the costs of running the office and £14,946 on other Governance costs.

Details of funding sources are shown in Note 2 to the accounts and details of how expenditure has met the objectives is detailed in the summary of activities earlier in this report.

Total funds at 31 December 2010 amounted to £543,487 of which £274,629 related to Restricted Funds and £268,858 was available for unrestricted purposes.

The Trustees are satisfied that the charity's activities during the year have met their objectives and are satisfied with the financial position at the year end.

RESERVES POLICY

The trustees have reviewed the Forest Peoples Programme's needs for reserves in line with the guidance issued by the Charity Commission where the term "reserves" describes that part of a charity's income funds that is freely available for its general purposes at the trustees' discretion in furtherance of any of the charity's objects.

The Trustees believe that the Forest Peoples Programme should hold financial reserves (an Emergency Operating Reserve (EOR)) because:

- i) It has no endowment funding and is entirely dependent for income upon donor funding from year to year which is inevitably subject to fluctuation and
- ii) It requires protection against and the ability to continue operating despite catastrophic or lesser but damaging events.

The trustees believe that the minimum level of the EOR should be the equivalent of six months' (non project funded) organisational operating costs plus three months salary commitments for all staff. This is currently approximately £230,000 and has been built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable activities. At 31 December 2010, the unrestricted income reserves were £268,858.

FUTURE PLANS

The Trustees plan to carry out similar projects and activities during the coming year to meet the objectives and aims of the charity.

FUNDRAISING ACTIVITIES

The Trustees review the Charity's fundraising activities at the Annual General Meeting and the Executive Committee also monitors progress on fundraising activities at its quarterly meetings to ensure all known sources of funds are approached for financial support.

PUBLIC BENEFIT

The Trustees have regard to the Charity Commissioners' guidance on public benefit and the activities carried out are consistent with the requirements. The overseas projects carried out are to assist local communities to improve their living conditions and environment.

RISK MANAGEMENT POLICY

The trustees confirm that they identify and review on an annual basis the major risks to which the charity is exposed and have established systems to manage these risks and have implemented procedures designed to minimise any potential impact on the Charity should these risks materialise. During the year actual risk assessments were carried out on governance, fundraising, competition, operations, information technology, finances and legal compliance.

RELATED PARTIES

There were no related party transactions during the year.

TAXATION STATUS

The Company is a Charity within the provisions of the ICTA 1988 (Income and Corporation Taxes Act) and hence no corporation tax is payable.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company Law and Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and are required to:

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

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information (as defined by Section 418(2) of the Companies Act 2006) of which the company's auditors are unaware and each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

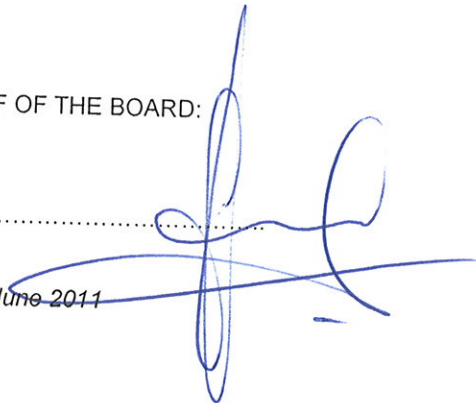
The Auditors, Petersons Accountants Limited, have expressed their willingness to continue in office.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

ON BEHALF OF THE BOARD:

.....
DIRECTOR

Dated: 14th June 2011

A large, stylized handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned over the signature line and extending to the right.

We have audited the Financial Statements of Forest Peoples Programme for the year ended 31 December 2010 on pages 8 to 19 which comprise the Statement of Financial Activities including the Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Charitable 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 Charitable 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 Statements (set out on page 4), the Trustees' (who are also the directors of the charitable company for the purposes of 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). These standards require us to comply with the Auditing Practices Boards (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 Trustees' Annual Report 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 December 2010, 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 applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

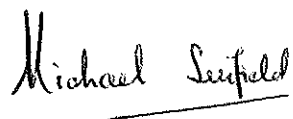
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



Michael Sinfield (Senior Statutory auditor)
For and on behalf of
Petersons Accountants Limited

Chartered Accountants
and Statutory Auditors

Harvestway House
28 High Street
Witney
Oxon OX28 6RA

Dated: 17 June 2011

STATEMENT OF FINANCIAL ACTIVITIES
[incorporating an income and expenditure account]
For the year ended 31 December 2010

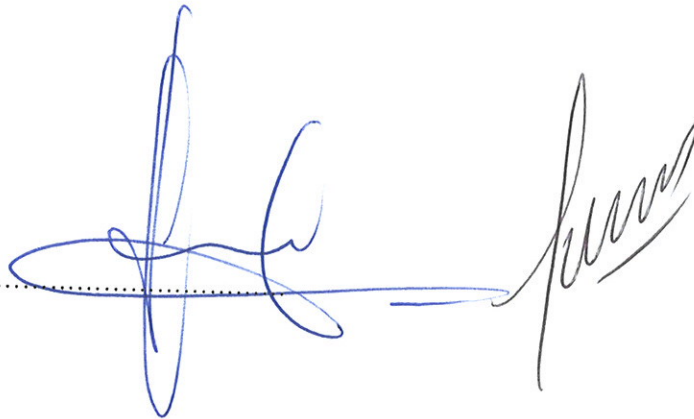
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources					
Incoming resources from Charitable Activities					
Grants	2	-	1,564,678	1,564,678	1,496,292
Donations		15,307	7,328	22,635	15,960
Publications		-	-	-	684
Other Sundry Income		-	-	-	15,939
FERN payments		4,800	-	4,800	2,625
Incoming resources from Generated funds		<u>20,107</u>	<u>1,572,006</u>	<u>1,592,113</u>	<u>1,531,500</u>
Investment Income					
Bank Interest		1,095	18	1,113	1,748
Total Incoming Resources		<u>21,202</u>	<u>1,572,024</u>	<u>1,593,226</u>	<u>1,533,248</u>
Resources Expended:					
Charitable Activity Costs	4	9,971	1,694,656	1,704,627	1,325,137
Governance Costs – Office	5	9,113	57,173	66,286	69,977
Governance Costs – Other	6	(684)	15,630	14,946	69,644
Contribution to Overheads	9	(109,189)	109,189	-	-
Total Resources Expended		<u>(90,789)</u>	<u>1,876,648</u>	<u>1,785,859</u>	<u>1,464,758</u>
Net Incoming/(Outgoing) Resources	7	111,991	(304,624)	(192,633)	68,490
Reconciliation of Funds:					
Total funds brought forward:		156,867	579,253	736,120	667,630
Total funds carried forward:	10	<u>268,858</u>	<u>274,629</u>	<u>543,487</u>	<u>736,120</u>

The Statement of Financial Activities includes all gains and losses in the year.
All incoming resources and resources expended derive from continuing activities.

	Notes	2010 £	2009 £
CURRENT ASSETS			
Prepayments and Accrued Income		49,039	-
Cash at Bank		840,498	736,120
		<u>889,537</u>	<u>736,120</u>
CURRENT LIABILITIES			
Amounts falling due within one year			
Accruals and Deferred Income		346,050	-
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>543,487</u>	<u>736,120</u>
THE FUNDS OF THE CHARITY:			
Restricted Income Funds	9	274,629	579,253
Unrestricted Income Funds	10	268,858	156,867
TOTAL CHARITY FUNDS:		<u>543,487</u>	<u>736,120</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements on pages 8 to 19 were approved by the Trustees on 14 June 2011 and signed on their behalf by:

.....
TRUSTEE



1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and applicable accounting standards.

Incoming Resources

All income is accounted for gross.

Income from donations and grants is included in incoming resources when these are receivable, over the period of the grant, except when donors impose conditions which have to be fulfilled before the charity becomes entitled to such income. In this case the receipt of income is not included in incoming resources until the pre-conditions for use have been met. Investment income is included when receivable.

Incoming funds received or receivable are recognised as revenue on a basis that matches the amounts concerned with the activity which the income supports. Thus income received in 2010 in respect of activity to be undertaken in 2011 is deferred to 2011 revenue and included in creditors. Income receivable in respect of activity undertaken in 2010, but not received at 31 December 2010, is accrued as 2010 revenue and included in debtors. The amounts deferred and accrued are shown on a contract-by-contract basis in the second column of note 2, with deferred income being shown as a positive amount and accrued income as a negative amount.

In the year ended 31 December 2009 income from donations and grants was included in incoming resources when these were received and were not spread over the period of the grant.

Resources Expended

All expenditure is accounted for gross, including irrecoverable VAT, and is recognised on an accruals basis as a liability is incurred. Expenses are not netted off against related income. Expenditure is allocated to specific projects and administration costs are allocated against projects in accordance with amounts agreed in the project contracts.

Allocation of Costs

Costs are allocated between Charitable Activity Costs and Governance costs. The charitable activity costs include everything directly attributable to the main charitable activities of the company. The Governance costs are split between General Office costs and Other costs of running the Charity.

Contributions to Overheads are apportioned to contracts in accordance with agreed contract terms.

Fund Accounting

Funds held by the charity are either:

- Unrestricted general funds: these are funds which can be used in accordance with the general charitable objects of the charity at the discretion of the trustees.
- Restricted funds: these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Foreign Currencies

Transactions in foreign currencies are recorded at an average monthly rate during the year, with the exception of the projects funded by the European Union which use the rates set by the European Union each month. Assets and monetary liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Operating Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Irrecoverable Vat

The company is not registered for Vat and all Vat incurred on expenditure is included as part of the cost of the item concerned.

2. GRANTS RECEIVED

	Gross Income 2010 £	Deferred Income 2010 £	Net Income 2010 £	Income 2009 £
Arbeitsgemeinschaft Regenwald und Artenschutz	12,702	-	12,702	14,401
Art Venture	-	-	-	(6,272)
Arcus 3DPM	28,492	(16,620)	11,872	-
AW60 Trust	-	-	-	640
Big Lottery Fund Grant	-	-	-	6,459
Bromley Trust	15,000	-	15,000	15,000
Christensen Fund	30,303	-	30,303	34,247
ClimateWorks Foundation Indonesia	151,316	-	151,316	-
Clinton Foundation	1,515	-	1,515	-
Darwin Fund	67,500	-	67,500	-
DGIS	-	-	-	24,171
Ecology Trust	40,000	-	40,000	-
Esme Fairbairn	-	-	-	20,365
European Commission - ALHRP	-	-	-	10,655
European Commission - Guyana	65,211	-	65,211	-
Ford Foundation Conservation	90,909	(15,152)	75,757	25,685
Ford Foundation Indonesia	89,333	-	89,333	60,606
Ford Foundation Eastern Africa	31,582	-	31,582	4,268
Grundtvig - Forests	(10,000)	-	(10,000)	10,435
Grundtvig - Paper	-	-	-	10,435
Charles Stewart Mott Foundation	75,758	-	75,758	68,493
Network for Social Change	10,829	-	10,829	-
NORAD	309,778	(154,889)	154,889	293,128
North South Institute	9,654	-	9,654	16,039
Oxfam Novib	106,884	-	106,884	43,478
Oxfam Novib and Hivos Evaluation	-	-	-	6,125
Oxfam Novib Gender and Land Rights	-	-	-	86,957
Oxfam Novib LHRP	43,478	-	43,478	69,565
Oxfam Novib Aquaculture	22,629	-	22,629	-
Packard Foundation	-	-	-	171,233
Resources Legacy Fund	-	1,583	1,583	-
RRI Cameroon	6,061	-	6,061	12,109
RRI Indonesia – Conflict Mediation	6,364	-	6,364	-
RRI Indonesia – Customary Rights	6,061	6,667	12,728	-
RRI Indonesia – Legal Reform	3,030	-	3,030	-
RRI Indonesia – Legal Support	9,697	3,333	13,030	-
RRI Indonesia – Private Sector Palm Oil	5,030	-	5,030	-
RRI Indonesia – Spatial Planning	3,030	-	3,030	-
Sub total	1,232,146	(175,078)	1,057,068	998,222

Grants Received (cont'd)

	Gross Income 2010 £	Deferred Income 2010 £	Net Income 2010 £	Income 2009 £
Sub total brought forward	1,232,146	(175,078)	1,057,068	998,222
RRI Land Rights	-	-	-	12,121
RRI Legal Pluralism	22,727	-	22,727	9,091
RRI Liberia	-	-	-	22,976
RRI Manokwari	-	-	-	18,182
RRI Poznan	-	-	-	10,808
RRI REDD Cameroon	32,991	-	32,991	-
RRI Regional Palm Oil	25,455	-	25,455	-
RRI Saramaka	9,091	-	9,091	-
RRI Strategic Response Mechanism	20,000	-	20,000	-
RSPO High Conservation Value Areas	27,220	-	27,220	-
RSPO TFS	30,551	-	30,551	17,478
SIDA	85,644	(57,096)	28,548	-
Sigrid Rausing Trust	125,000	-	125,000	125,000
SSNC	9,332	-	9,332	-
Swedbio and Oxfam Novib – FPBD Grant	161,866	-	161,866	282,414
Woodtiger	28,492	(16,620)	11,872	-
WWF Deutschland	2,957	-	2,957	-
Grand Total	1,813,472	(248,794)	1,564,678	1,496,292

3. TAXATION

The company is a registered charity and as such is exempt from Corporation Tax.

4. CHARITABLE ACTIVITY COSTS

	2010 £	2009 £
UK Salaries and Fees	598,053	631,319
Overseas Salaries and Fees	59,748	26,743
Consultants	4,500	-
Travel and Project Monitoring	174,269	109,652
Translation, Publication & Research documents	40,692	46,956
Equipment and Training	18,300	19,867
Evaluation Costs	-	16,185
Indigenous Participation	68,512	72,167
Field Costs	635,648	339,693
Workshops	104,905	62,555
	<u>1,704,627</u>	<u>1,325,137</u>

5. GOVERNANCE COSTS – OFFICE

	2010 £	2009 £
Rent , Rates and Insurance	21,432	22,142
Light and Heat	2,730	3,063
Telephone and Communications	10,568	9,562
Communications and Visibility, Website Design	11,268	18,758
Postage and Stationery	12,187	12,012
Sundry Expenses	8,101	4,440
	<u>66,286</u>	<u>69,977</u>

6. GOVERNANCE COSTS – OTHER

	2010 £	2009 £
Audit	10,600	7,003
Bank Charges	5,807	4,754
Legal Expenses	-	12,672
Exchange Differences	(1,461)	45,215
	<u>14,946</u>	<u>69,644</u>

7. NET INCOMING RESOURCES

	2010 £	2009 £
This is stated after charging:		
Auditor's Remuneration	<u>10,600</u>	<u>7,003</u>

8. STAFF COSTS & TRUSTEES REMUNERATION

	2010 £	2009 £
Wages & Salaries	355,572	341,126
Social Security Costs	34,338	34,142
Total:	<u>389,910</u>	<u>375,268</u>

The average number of full time equivalent employees was 13 (2009 – 12). No employee was paid at a rate of more than £60,000 in the year.

During the year, payments were made to trustees as follows:

- Justin Kenrick received £4,500 for his field work in Cameroon; conducting training and consultations in relation to REDD mechanisms in Cameroon. The payments were authorised and approved by the remaining Board members in recognition of the specialist knowledge of this particular Trustee. The Board agreed that the service was required by Forest Peoples Programme and that it was in the charity's best interests to make the payments.

FOREST PEOPLES PROGRAMME

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2010 (cont'd)

9. RESTRICTED INCOME FUNDS

	At 01.01.10	Incoming Resources	Outgoing Resources	Contributions to Overheads	At 31.12.10
	£	£	£	£	£
ARA	7,956	12,702	15,627	889	4,142
ARCUS	-	28,492	2,200	-	26,292
Bromley Trust	7,500	15,000	15,000	-	7,500
Christensen Fund	-	30,303	30,303	-	-
ClimateWorks Foundation Indonesia	-	151,316	141,771	9,545	-
Clinton Foundation	-	1,515	672	843	-
Darwin Fund	-	67,500	67,500	-	-
Ecology Trust	-	40,000	38,500	1,500	-
Eden Bequest	3,392	5,018	492	-	7,918
European Commission Guyana	-	65,211	66,495	1,668	(2,952)
Ford Conservation	-	90,909	43,117	5,555	42,237
Ford Foundation Indonesia	-	89,333	75,487	4,545	9,301
Ford Foundation Eastern Africa	-	31,582	31,027	-	555
Grundtvig - Forests	10,650	(10,000)	650	-	-
Grundtvig - Paper	10,650	-	8,461	-	2,189
Charles Stewart Mott Fdn	-	75,758	66,885	6,113	2,760
Network for Social Change	-	10,829	10,829	-	-
NORAD	181,990	309,778	292,766	13,389	185,613
North South Institute	4,552	9,654	14,206	-	-
Oxfam Novib	-	106,884	106,884	-	-
Oxfam Novib Gender/ Land Rights	88,803	-	43,029	5,827	39,947
Oxfam Novib LHRP	-	43,478	40,582	2,896	-
Oxfam Novib Industrial Aquaculture	-	22,629	22,607	22	-
Packard Foundation	71,418	-	64,288	7,130	-
Polden Puckham	7,500	-	7,500	-	-
Resources Legacy Fund	-	-	1,583	-	(1,583)
Restricted Donations	-	2,328	-	-	2,328
RRI Cameroon	(328)	6,061	7,735	-	(2,002)
RRI Ind – Conflict mediation	-	6,364	3,892	667	1,805
RRI Ind – Customary rights	-	6,061	11,727	1,000	(6,666)
RRI Ind – Legal Reform	-	3,030	6,915	800	(4,685)
RRI Ind – Legal Support	-	9,697	12,364	667	(3,334)
RRI Ind – P sector palm oil	-	5,030	3,867	533	630
RRI Ind – Spatial Planning	-	3,030	3,699	533	(1,202)
RRI Legal Pluralism	9,221	22,727	30,865	2,667	(1,584)
RRI REDD Cameroon	-	32,991	30,870	2,121	-
RRI Regional Palm Oil	-	25,455	27,626	2,967	(5,138)
RRI SRM/MIFFEE	-	20,000	17,451	-	2,549
RRI Saramaka	12,330	9,091	21,546	-	(125)
RSPO FPIC	2,075	-	-	2,075	-
RSPO HCVAs	-	27,220	13,542	-	13,678
RSPO TFS	1,578	30,551	32,129	-	-
Sub total	419,287	1,407,527	1,432,689	73,952	320,173

9. RESTRICTED INCOME FUNDS (cont'd)

Sub total brought forward	419,287	1,407,527	1,432,689	73,952	320,173
SIDA	-	85,644	1,500	1,944	82,200
SSNC	-	9,332	8,723	609	-
Sigrid Rausing Trust	18,501	125,000	83,765	6,465	53,271
Swedbio and Oxfam Novib – FPBD grant	142,716	161,866	238,245	24,355	41,982
Woodtiger	-	28,492	831	1,864	25,797
WWF Deutschland	(1,251)	2,957	1,706	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	579,253	1,820,818	1,767,459	109,189	523,423
Restricted Fund Balances				523,423	
Accrued Income recognised in 2010				11,583	
Deferred Income to be recognised in 2010				(260,377)	
Restricted Fund Balance at 31 December 2010				<hr/>	<hr/>
				£274,629	

Arbeitsgemeinschaft Regenwald und Artenschutz (ARA)
Support of indigenous and tribal peoples in Suriname.

ARCUS

Support to model and document traditional natural resource management practices and traditional knowledge connected to the forest of the Greater Virunga Area, Uganda, DRC and Rwanda.

Bromley Trust

Support for core costs on the Legal and Human Rights Programme in Latin America.

Christensen Fund

Support for the provision of advocacy, legal and technical advice to indigenous communities for promoting self-determined development.

ClimateWorks Foundation- Indonesia

Strengthening the land and resource rights of forest peoples and their community organisations in Indonesia.

Clinton Foundation

Support to develop training and exercise materials specifically in relation to the standard setting processes work in Indonesia

Darwin Fund

Supporting indigenous and local organisations to implement CBD Article 10 (c)

Ecology Trust

Support of forest peoples to secure land and resource rights and to engage with forest and climate change mitigation policy-makers to ensure these rights are respected

Eden Bequest

Funds bequeathed and granted to help secure the rights of the Amerindians of the Guyana Shield.

European Commission Guyana

Sustaining and sustainably managing Wapichan traditional lands in Guyana.

9. RESTRICTED INCOME FUNDS (cont'd)

The Ford Foundation Conservation

Support to provide technical and legal assistance to Indigenous Peoples organisations seeking to promote indigenous rights over natural resources.

The Ford Foundation Indonesia

Support for activities to ensure that international private sector standard-setting processes and codes of conduct related to forest products help secure the livelihood of forest-dependent Indonesians.

The Ford Foundation Eastern Africa

Assisting the indigenous Batwa people of Uganda to pursue land rights claims.

Grundtvig – Forests

Grundtvig National Agency funding for Forests and Climate Protection – Merging Topics in Environmental Education

Grundtvig - Paper

Grundtvig National Agency Funding for the project “To Save Paper and Protect Forests”

The Charles Stewart Mott Foundation

Promoting forest peoples’ interests in international forest policy making.

Network for Social Change

Support for empowering indigenous people and reducing the impacts of petroleum exploitation in Peru.

NORAD

Support for the project “Promoting the rights of forest peoples in national and international policy making on REDD” and related forest climate initiatives.

North South Institute

Support of the Amerindian Peoples Association (Guyana) to open dialogue on government and corporate mining policies and practices on or near ancestral lands.

Oxfam Novib

Support of the work of the Forest Peoples Programme generally.

Oxfam Novib Gender and Land Rights

Support to indigenous and forest dependent peoples for the promotion and protection of land rights with a specific focus on gender.

Oxfam Novib LHRP

Implementing international standards on the rights of indigenous and tribal peoples in Latin America.

Oxfam Novib Industrial Aquaculture

Support to fund a working conference of the Mangrove Action Project/Forest Peoples Programme on industrial aquaculture.

Packard Foundation

Support for work in engaging forest peoples with forest and climate change mitigation policy makers to ensure that their natural resource rights are respected in the reducing emissions from deforestation and forest degradation initiatives.

Polden Puckham

Grant received on behalf of Corner House and released to Forest Peoples Programme for its own use.

Resources Legacy Fund

Funds to enable attendance at the Shrimp Aquaculture Stakeholder Meeting, December 2010

9. RESTRICTED INCOME FUNDS (cont'd)**Restricted Donations**

Donations given specifically for support of Baka Communities in Africa.

Rights and Resources Initiative (RRI) Cameroon

Support for consultation and mapping activities that will ensure the meaningful effective participation of the Bagyeli communities in Cameroon who are affected by the reclassification of forests.

Rights and Resources Initiative (RRI) Indonesia-Conflict Mediation

To promote wider comprehension of the use of rights-based approaches to resolve conflicts.

Rights and Resources Initiative (RRI) Indonesia-Customary Rights

To promote wider acceptance of FPIC as an industry norm in Indonesia's forest sector.

Rights and Resources Initiative (RRI) Indonesia-Legal Reform

To strengthen and better coordinate Indonesia's civil society legal reform platform by engagement with the key civil society actors in the legal reform process.

Rights and Resources Initiative (RRI) Indonesia-Legal Support

To build stronger communities, and to promote wider understanding of the possibilities and limits of current tenure and evident bottom-up pressure to secure the rule of law in the forest sector.

Rights and Resources Initiative (RRI) Indonesia-Private Sector Palm Oil

To revise IFC strategy towards the palm oil sector, IBRD strategy for engagement with Indonesian government on forest and land tenure reforms and land acquisitions, and legal and government policy framework on plantation development in Indonesia

Rights and Resources Initiative (RRI) Indonesia-Spatial Planning

To ensure informed and coordinated engagement in spatial planning processes to secure rights and livelihoods prior to lands and forests being allocated to other interests.

Rights and Resources Initiative (RRI) Legal Pluralism

Work to increase regional understanding of plural legal regimes and how they can be used to strengthen the use of custom as a source of rights and in conflict resolution in SE Asia

Rights and Resources Initiative (RRI) REDD Cameroon

Workshop to strengthen the capacity of local communities and indigenous people to advocate for their rights in national Cameroon, regional COMIFAC and global REDD policy making and implementation.

Rights and Resources Initiative (RRI) Regional Networking on Palm Oil

To extend awareness of the threats from palm oil and build greater regional sharing and concerted action on palm oil.

Rights and Resources Initiative (RRI) SRM/MIFEE

To inform communities of their rights and the threats that they face, helping them to organize and coordinate and have a voice in the Merauke Integrated Food and Energy Estates' plan.

Rights and Resources Initiative (RRI) Saramaka

Assisting the Saramaka people with the alternative governance options available for their territory.

Roundtable on Sustainable Palm Oil (RSPO) FPIC

Free Prior and Informed Consent workshop and handbook.

Roundtable on Sustainable Palm Oil (RSPO) High Conservation Value Areas

Support to explore means of effectively securing HCV areas in palm oil development areas in Indonesia.

Roundtable on Sustainable Palm Oil (RSPO) TFS

Task Force on Smallholders to promote direct smallholder engagement in RSPO meetings and field trials.

Swedish International Development Cooperation Agency (SIDA)

Support to promote peace and reconciliation in Equateur Province, DRC by preventing conflicts from erupting among forest communities who already struggle to sustain their livelihoods.

Swedish Society for Nature Conservation (SSNC)

Support of the European Shrimp Tour 2010

Sigrid Rausing Trust

Promoting justice for Indigenous peoples worldwide, through technical legal support and capacity building at the local, national and international levels.

Swedbio and Oxfam Novib Biodiversity Fund – FPBD Grant

Forest peoples, biodiversity conservation and sustainable livelihoods funded by Swedbio and the Oxfam Novib Biodiversity Fund.

Woodtiger

Support to model and document traditional natural resource management practices and traditional knowledge connected to the forest of the Greater Virunga Area, Uganda, DRC and Rwanda.

WWF Deutschland

Work in the Cameroon Sangha Basin.

10. UNRESTRICTED INCOME FUNDS

	2010 £	2009 £
Balance at 1 January 2010	156,867	130,172
Incoming Resources for the year	21,202	36,827
Outgoing Resources for the year	(18,400)	(84,045)
Contribution to Overheads	109,189	73,913
Balance at 31 December 2010	<u>268,858</u>	<u>156,867</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 December 2010 are represented by:			
Current Assets	268,858	620,679	889,537
Current liabilities	-	(346,050)	(346,050)
Total net assets at 31 December 2010	<u>268,858</u>	<u>274,629</u>	<u>543,487</u>

12. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year ended 31 December 2010 or 31 December 2009.

13. OPERATING LEASE COMMITMENTS

The following operating lease payments for land and buildings are committed to be paid within one year:

	2010	2009
	£	£
Expiring		
Within one year	5,463	-
Between one and five years	<u>12,573</u>	<u>18,036</u>
	<u>18,036</u>	<u>18,036</u>

14. COMPANY LIMITED BY GUARANTEE

The company is limited by Guarantee and not having a share capital and the members of the company undertake to contribute such amounts not exceeding £1 to the assets of the company whilst a member or up to one year after ceasing to be a member.

FOREST PEOPLES PROGRAMME

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 December 2010

Income:	2010 £	2009 £
Grants		
Donations	1,564,678	1,496,292
Publications	22,635	15,960
FERN payments	-	684
Interest	4,800	2,625
Other income	1,113	1,748
	<u>-</u>	<u>15,939</u>
	<u>1,593,226</u>	<u>1,533,248</u>
Expenditure:		
UK Salaries and Fees	598,053	631,319
Overseas Salaries and Fees	59,748	26,743
Consultant Fees	4,500	-
Travel and Project Monitoring	174,268	109,652
Translation, Publications & Research Documents	40,692	46,956
Communications and Visibility, Website Design	11,268	18,758
Equipment and Training	18,300	19,867
Evaluation Costs	-	16,185
Indigenous Participation	68,512	72,167
Field Costs (incl transfers to Partners)	635,648	339,693
Workshops	104,905	62,555
Rent and Rates and Insurance	21,432	22,142
Light and Heat	2,730	3,063
Telephone and Communications	10,568	9,562
Postage and Stationery	12,187	12,012
Sundry Expenses	8,103	4,440
Audit	10,600	7,003
Legal Fees	-	12,672
Bank Charges	5,807	4,754
Exchange Differences	5,009	349
Foreign Exchange(Gain)/ Loss on Year End Balances	(6,471)	44,866
	<u>1,785,859</u>	<u>1,464,758</u>
NET (DEFICIT)/SURPLUS	<u>£(192,633)</u>	<u>£68,490</u>

This page does not form part of the statutory accounts