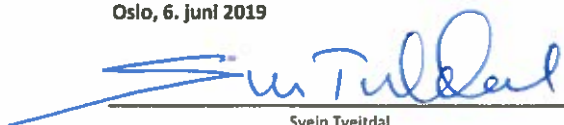


REGNSKOGFONDET

Balance as of 31.12.2018

		2018	2017
Assets			
Fixed assets			
Office equipment	Note 8	-	56 761
Stocks Donira	Note 15	480 000	480 000
Total fixed assets		480 000	536 761
Current assets			
Debitors	Note 9	11 035 001	7 281 095
Cash and cash equivalents	Note 11	99 930 771	97 955 711
DNB liquidity fund	Note 11	64 251 630	83 202 381
Total current assets		175 217 402	188 439 187
Total Assets		175 697 402	188 975 948
Equity and liabilities			
Equity with self-imposed restrictions			
Project Fund		43 417 484	36 475 552
Equity with externally imposed restrictions			
Telethon Fund		74 392 547	110 459 438
Other Equity			
Operating Fund		23 463 003	17 789 556
Total Equity		141 273 034	164 724 546
Pension obligations Note 13			
Short-term liabilities			
Public charges and holiday pay		7 259 257	6 458 270
Project funds outstanding		20 200 488	12 607 110
Other short-term liabilities		6 964 622	5 186 022
Total short-term liabilities		34 424 367	24 251 402
Total equity and liabilities		175 697 402	188 975 948

Oslo, 6. juni 2019



Svein Tveitdal
Styreleder



Petra Storstein
Nestleder



Arvinn Eikeland Gaggli



Karl Bucher



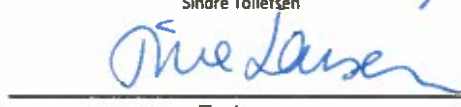
Julie Forchhammer



Sindre Tollefsen



Trygve K. Norman



Tine Larsen



Øyvind Eggen
Daglig Leder



Ane Scholden
Stabsrepresentant

REGNSKOGFONDET

Annual Activity Accounts

	2018	2017
Income:		
Unrestricted Funds:		
Donations - unrestricted Note 2	22 900 323	23 792 111
Administration grant	9 146 056	8 924 839
Core funding, Ministry of Climate and Environment	1 683 000	1 683 000
Total financial assets	162 183	167 292
Total unrestricted funds	33 891 563	34 567 242
Restricted funds:		
Donations - restricted Note 2	9 855 373	8 653 674
Project income, Norad	78 717 122	57 073 552
Project Income, Programme for Indigenous People, Norad		20 289 948
Project Income, Climate Programme, Norad	33 605 634	23 905 592
Project Income, Other Donors	13 870 363	13 388 615
Information grant, Norad	2 632 187	1 846 723
Total restricted funds	138 680 678	125 158 104
<i>Income Telethon (Interests)</i>	1 376 534	1 842 507
Total funds at disposal	173 948 774	161 567 853
Costs:		
Fundraising - procurement of funds	8 325 615	6 403 312
Costs allocated to RFN's primary objectives		
Project costs Note 6	169 237 491	150 047 302
Information costs	4 606 550	3 928 325
Total costs allocated to RFN's primary objectives Note 5	173 844 041	153 975 627
Administration / Operations Note 4	15 230 630	13 606 068
Total Costs Note 7	197 400 287	173 985 007
Results from Activities	-23 451 512	-12 417 154
Results from Activities, without Telethon	10 020 404	13 813 016
Allocated to unrestricted funds	5 673 447	6 241 919
Equity without restrictions (Operating Fund) as of 01.01.	17 789 556	11 547 637
Equity without restrictions (Operating Fund) as of 31.12.	23 463 003	17 789 556
Allocated to equity with self-imposed restrictions (Project Fund)	6 941 932	7 571 097
Equity with self-imposed restrictions (Project Fund) as of 01.01.	36 475 552	28 904 455
Equity with self-imposed restrictions (Project Fund) as of 31.12.	43 417 484	36 475 552
Allocated to equity with external restrictions (Telethon Fund)	1 376 534	1 842 507
Allocated to Telethon costs, including 5% administration	-34 848 450	-28 072 678
Equity with external restrictions (Telethon Fund) as of 01.01.	110 459 438	136 689 609
Equity with external restrictions (Telethon Fund) as of 31.12.	74 392 547	110 459 438
TOTAL EQUITY Note 14	141 273 034	164 724 546

REGNSKOGFONDET

NOTER:

1) Accounting Principles:

The Rainforest Foundation uses the transaction principle and matching principle for accounting of income and expenses.

Project grants are recorded as income in line with expenditure of grant funds.

Unused funds are returned to donor at year end or by completion of the project.

Donations are recorded as income when received and distributed to the projects according to the obligations in the project agreements.

The remaining income is used for the purpose of the Rainforest Foundation or earmarked for projects through a commission to the project fund.

VAT compensation is charged as cost reduction and not as income in the annual accounts.

As a general rule for assessment and classification of assets and liabilities: Assets intended for permanent ownership or use are classified as fixed assets.

Other assets are classified as current assets. Receivables to be repaid within one year are classified as current assets.

For the classification of short-term and long-term liabilities, corresponding criteria have been used.

Fixed assets are valued at acquisition cost, but are written-down to fair value when the fall in value is expected to be permanent.

Fixed assets with a limited economic lifespan are depreciated according to plan. Current assets are valued to the lowest of acquisition cost and fair value.

Short-term liabilities are recognized in the balance sheet at nominal amount received at the date of establishment, regardless of any subsequent interest rate changes.

Transactions in foreign currencies are converted using the exchange rate at transaction date.

Monetary items in foreign currencies are converted to Norwegian kroner (NOK) using the exchange rate on balance sheet date.

Exchange gains and losses are recognized under Other Financial Items in the accounting period.

In accordance to Norwegian Tax Law, RFN is not considered taxable.

The Cash Flow Statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term liquid investments.

2) Donations

	2018	2017	2016	2015	2014
Rainforest Guardians (regular private donors)	12 382 423	11 452 109	10 234 544	9 283 345	7 077 595
Other individual contributions	1 047 420	861 515	1 076 638	1 192 185	1 305 553
Choice Hotels			0	3 328 000	3 046 690
Hafslund	15 072 185	13 763 863	10 985 397	8 265 980	2 055 669
Rema 1000	999 500	3 000 000	3 000 000	2 500 000	
Other contributions from business	1 060 812	1 054 799	972 805	970 600	575 065
Web collection / Online store	1 151 521	1 110 780	1 171 018	884 926	433 280
Lottery	1 074				
Others	1 040 762	1 202 719	1 372 392	1 136 693	1 302 807
Total donations	32 755 696	32 445 785	28 812 794	27 561 729	15 796 659
To unrestricted funds	22 900 323	23 792 111	20 368 026	20 228 541	8 902 411
To restricted funds / projects	9 855 373	8 653 674	8 444 768	7 333 188	6 894 248
Total unrestricted funds	22 900 323	23 792 111	20 368 026	20 228 541	8 902 411
Total donations	32 755 696	32 445 785	28 812 794	27 561 729	15 796 659
Fundraising Costs	8 325 615	6 403 312	6 176 882	7 953 010	7 091 176
Fundraising Efficiency	75,0 %	80,5 %	78,7 %	71,3 %	55,1 %
Five year average of Fundraising Efficiency	74,0 %				

The Fundraising Efficiency shows the percentage of private donations left after subtracting the costs of getting them.

The Fundraising Efficiency for 2018 is still improving, mainly due to the increase in business contributions, but also because the previous year's commitment to increase revenue from Rainforest Guardians now makes a significant contribution to RFN's income.

* Sales of 390 493 at a purchase price of 223 033 are excluded from the calculation of the Fundraising Efficiency.

3) Allocation of administration costs

RFN allocate costs related to administration to both the communication department and the marketing department.

Their respective share is based on the departments' number of work-months in relation to the total number of work-months in the organization.

For 2018, administrative costs distributed amounted to 420 000 NOK for the communication department and 472 500 NOK for the marketing department.

4) Share of cost spent on administration

	2018	2017	2016	2015	2014
Administration cost	15 230 630	13 606 068	12 824 156	13 285 483	10 804 045
Total costs	197 400 287	173 985 007	163 151 798	194 774 479	150 079 170
Share of cost to administration	7,7 %	7,8 %	7,9 %	6,8 %	7,2 %

5) Share of cost spent on RFN's primary objectives

Costs allocated to RFN's primary objectives	173 844 041	153 975 627	146 684 258	138 822 961	132 183 949
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Total costs	197 400 287	173 985 007	163 151 798	160 061 454	150 079 170
Share of cost spent on RFN's primary objectives	88,1 %	88,5 %	89,9 %	86,7 %	88,1 %

Costs allocated to RFN's primary objectives consist of project cost and information cost.

For 2015, the cost of implementing the Telethon is excluded when calculating the percentage of the cost allocated to RFN's primary objectives because these costs entirely relates to the collection of Telethon funds and not the implementation of RFN's primary objectives.

6) Project costs

Non-transferable project grants are recorded as income the year they are used. Transferable grants are recorded as income the year the contract is signed.

Unused funds as of 31.12 are disposed of in the Balance Sheet sheet as transferable project support. The administration contribution is normally calculated by the project cost. For projects where we have not received the audit report by the end of accounting, the project cost is the transferred funds to our partners abroad.

For these projects, the reported administration contribution is from any unused funds at partner.

	Total expenditure	Norad/MFA	Other*	Telethon	Own funds
Rights-based forest management in the Amazon	54 136 483	30 205 384	7 658 099	13 893 500	2 379 500
Rights-based forest management in Southeast Asia	45 179 659	26 296 619	4 074 861	12 470 500	2 337 679
Rights-based forest management in Central Africa	24 521 229	16 125 435	-	6 825 000	1 570 794
Global framework for sustainable forest management	10 159 389	6 089 684	2 137 402	-	1 932 302
Total cooperation agreement with Norad	133 996 759	78 717 122	13 870 363	33 189 000	8 220 275
		86 937 397			
Climate programme, Norad	33 605 634	33 605 634			-
Other projects	79 164				79 164
Loss and provision for loss on project funding	1 555 934				1 555 934
Total other project expenses	35 240 731	33 605 634	-		1 635 098
Total Rainforest Foundation projects	169 237 491	112 322 755	13 870 363	33 189 000	9 855 373

*Other means international donors such as Ford Foundation, Good Energies Foundation, Packard Foundation and Rainforest Fund Foundation.

7) Operating costs

	2018	2017	2016	2015	2014
Salaries	31 390 883	27 455 563	23 872 428	34 371 882	21 667 683
Employers' insurance contribution	4 961 690	4 387 986	3 836 582	5 365 600	3 559 492
Pension costs	2 598 563	2 748 770	2 516 767	2 570 862	1 181 570
Other personnel costs	1 913 622	1 536 556	1 614 840	2 020 888	1 501 855
Total personnel costs	40 864 758	36 128 874	31 840 618	44 329 232	27 910 600
Depreciation	56 761	248 019	423 199	475 075	418 320
Other operating costs	154 917 614	135 527 011	129 887 982	152 527 686	121 750 249
Total operating costs	195 839 133	171 903 904	162 151 799	197 331 993	150 079 169

Project costs are distributed as follows:

Share of personnel costs	23 002 000	21 097 000	19 818 000	16 835 761	17 262 210
Share of other operating costs	146 235 491	128 950 302	123 655 043	116 170 336	111 600 294
Total project costs	169 237 491	150 047 302	143 473 043	133 006 097	128 862 504

Remuneration to the general manager of RFN

Salary	798 563
Pension costs	65 444
Other remuneration	35 536

No severance pay or bonus has been paid or agreed upon. The general manager is included in the ordinary pension scheme.

Board members do not receive remuneration for their services.

Personnel costs

The Rainforest Foundation's total personnel costs are 40 864 758, of which 23 002 000 is related to project activities and are included in project costs. Total full-time equivalents in 2018 were 53.

8) Depreciation of fixed assets

Fixed assets in the Rainforest Foundation are subject to straight-line depreciation with a depreciation rate of 25%.

Machinery and equipment in the Rainforest Foundation:

Acquisition at 01.01.	1 692 795
Additions	-
Disposal	1 280 720
Acquisition cost at 31.12.	412 075
Accumulated depreciations	412 075
Carried forward, value as of 31.12.	-
Of which, annual depreciation	56 759

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9) Receivables

Of this, 4 758 700 NOK is due from project partners. The amount is included in the project transfers for 2019.

10) Loss provisions

The Rainforest Foundation allocates 2% of total project costs each year to future losses in project activities. This is a change from previous years where the loss provisions has been based on potential loss already identified.

Provision for future loss as of 01.01.	3 002 425
Actual loss in 2018 (Ascertained loss Walhi Kalteng, Indonesia)	-1 136 127
Actual loss in 2018 (Ascertained loss PSHA, Peru)	-68 785
Loss provision of 2% of project costs (see note 6)	1 555 934

Provision for future loss as of 31.12	3 353 631
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	2018	2017	2016	2015
Ascertained loss as percentage of project activities				
Ascertained loss	1 204 912	262 345	249 411	-
Project volume	169 237 491	150 121 302	143 473 043	133 006 097
Loss percentage in project activities	0,71 %	0,17 %	0,17 %	0,00 %

Percentage loss - average four previous years	0,29 %
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In the whistleblowing case regarding Walhi Kalteng, there is a ascertained loss of NOK 1 136 127.

In the whistleblowing case regarding PSHA, there is a ascertained loss of NOK 68 785.

The Rainforest Foundation Norway has 3 active whistleblowing cases as of 31.12.2018. The amount allocated is considered to be sufficient for any loss related to these.

11) Restricted bank deposits

2018

Withholding Tax Account	1 856 411
Restricted to projects	56 883 576
Restricted to Telethon	81 569 699
Restricted to rent deposit	855 833

The tax due was paid on 15.01.19. Withheld tax funds were lower than the tax deduction at 31.12.18.

12) Audit

Expenditure on auditing in Norway is expensed with NOK 129 130.

Expenditure on consulting services in Norway is expensed with NOK 186 632. These consists of other certification services.

13) Pensions

RFN is obligated to have in place an occupational pension scheme in accordance with the Norwegian Mandatory Occupational Pensions Act, and RFN's pension scheme that satisfies official requirements pursuant to that Act.

RFN has a deposit-based pension scheme that is financed through deposits to an insurance company, and a supplemental, non-insured scheme and tariff-based contractual pension scheme (AFP). RFN previously offered a defined-benefit pension scheme but this was curtailed on 31.12.2014. As a transition scheme there are 3 active and 2 retired pensioners as of 01.01.2018 still in this scheme. As of 2015, the costs of this item will be recorded as costs and be based on invoices submitted by the insurance company because the influence on the accounts from the actuarial calculations of the scheme will be considered insignificant. Every third year,

an actuarial calculation will be done to review the pension obligations pursuant to this scheme, which amounted to NOK 292 056 as of 31.12.2017.

The net pension costs for the period are recorded in the accounts as personnel costs.

The AFP scheme is a defined-benefit multi-enterprise scheme. A scheme of this kind is actually a benefit pension plan, but it is treated in terms of accounting as a defined-contribution plan because there is not sufficient information to calculate a pension obligation. For a defined-contribution plan, RFN has no further payment obligations after the deposits are paid. The deposits are recorded in the accounts as personnel costs when the fall due.

14) Equity

The Operating Fund is equity without internal or external restrictions.

The Project Fund is equity with self-imposed restrictions according to the definitions of The Norwegian Control Committee for Fundraising and the disposal of this can only be done in accordance with a decision by the Board.

The Telethon Fund is equity with external restrictions and shall be used according to the application to NRK and the guidelines they define for use.

The Telethon Fund regulated down with 2 594 975 for the benefit of the Operating Fund due to mva-regulations.

15) Stock holding Donira

The Rainforest Foundation's stake in the lottery company Donira is 12 000 shares (stock denomination value of 1.00), which represents 5% of the company. The estimated value is based on the last used issue price of NOK 40 per stock, amounting to a total of NOK 480 000

Cost price as of 01.01.	480 000
Depriciations	0
Book value	480 000

Cash Flow Statement

	2018	2017
Activity Account profit/loss for the year	-23 451 512	-12 417 154
Items in the activity accounts that have no direct influence on liquidity:		
+ depreciation	56 761	103 019
Difference between pension costs charged as an expense and payments to/from pension schemes		
Total for items in the activity accounts that have no direct influence on liquidity:	56 761	103 019
Investments, divestments and financing		
- acquisition of stocks	-	-480 000
Total for investments, divestments and financing	-	-480 000
Other modifications		
+/- accounts receivable and other receivables	-3 753 907	280 634
+/- accounts payable other/ short-term liabilities	20 934 166	-6 436 951
+/- changes in obligations	-11 129 625	12 063 347
+/- accrual accounting items	368 425	445 768
Total for other modifications	6 419 060	6 352 798
Total changes to liquidity throughout the year	-16 975 691	-6 441 337
Liquidity holdings as of 1.1	181 158 092	187 599 428
Liquidity holdings as of 31.12	164 182 401	181 158 092