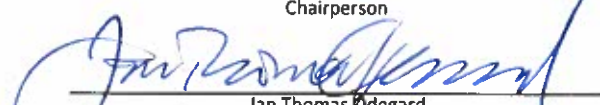


Balance as of 31.12.2019

Assets		2019	2018
Fixed assets			
Office equipment	Note 8	1 244 080	-
Stocks Donira	Note 15		480 000
Total fixed assets		1 244 080	480 000
Current assets			
Debitors	Note 9	18 093 828	11 035 001
Cash and cash equivalents	Note 11	135 725 647	99 930 771
DNB liquidity fund	Note 11	20 294 304	64 251 630
Total current assets		174 113 779	175 217 402
Total Assets		175 357 859	175 697 402
Equity and liabilities			
Equity with self-imposed restrictions			
Project Fund		55 824 902	43 417 484
Equity with externally imposed restrictions			
Telethon Fund		37 918 903	74 392 547
Other Equity			
Operating Fund		22 121 430	23 463 003
Total Equity		115 865 235	141 273 034
Pension obligations Note 13			
Short-term liabilities			
Public charges and holiday pay		8 681 321	7 259 257
Project funds outstanding		42 702 302	20 200 488
Other short-term liabilities		8 109 001	6 964 622
Total short-term liabilities		59 492 623	34 424 367
Total equity and liabilities		175 357 859	175 697 402

Oslo, 20 August 2020


Svein Tveitdal
Chairperson

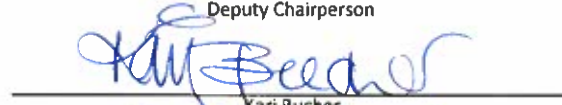

Jan Thomas Oddegard


Tine Larsen

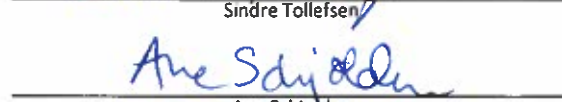

Torgveit K. Normann


Øyvind Eggen
Executive Director


Petra Storstein
Deputy Chairperson


Kari Bucher


Sindre Tollefsen


Ane Schjolden
Employee representative

Annual Activity Accounts

		2019	2018
Income:			
Unrestricted Funds:			
Donations - unrestricted	Note 2	32 415 100	22 900 323
Administration grant		11 548 649	9 146 056
Core funding, Ministry of Climate and Environment		1 683 000	1 683 000
Total financial assets		286 142	162 183
Total unrestricted funds		45 932 892	33 891 562
Restricted funds:			
Donations - restricted	Note 2	13 219 730	9 855 373
Project income, Norad		89 354 628	78 717 122
Project Income, Programme for Indigenous People, Norad			
Project Income, Climate Programme, Norad		43 672 833	33 605 634
Project Income, Indigenous Municipalities - Colombia, Norad		5 743 000	
Project Income, Eastern Indonesian Forest Forum, MFA		9 144 000	
Project Income, Other Donors		14 830 796	13 870 363
Information grant, Norad		3 153 829	2 632 187
Total restricted funds		179 118 816	138 680 678
<i>Income Telethon (Interests)</i>		1 256 500	1 376 534
Total funds at disposal		226 308 208	173 948 774
Costs:			
Fundraising - procurement of funds		11 347 120	8 325 615
Costs allocated to RFN's primary objectives			
Project costs	Note 6	211 898 457	169 237 491
Information costs		6 901 882	4 606 550
Total costs allocated to RFN's primary objectives	Note 5	218 800 339	173 844 041
Administration / Operations	Note 4	21 568 548	15 230 630
Total Costs	Note 7	251 716 007	197 400 287
Results from Activities		-25 407 799	-23 451 513
Results from Activities, without Telethon		11 065 845	10 020 404
Allocated to unrestricted funds			
Equity without restrictions (Operating Fund) as of 01.01.		23 463 003	17 789 556
Equity without restrictions (Operating Fund) as of 31.12.		22 121 430	23 463 003
Allocated to equity with self-imposed restrictions (Project Fund)			
Equity with self-imposed restrictions (Project Fund) as of 01.01.		43 417 484	36 475 552
Equity with self-imposed restrictions (Project Fund) as of 31.12.		55 824 902	43 417 484
Allocated to equity with external restrictions (Telethon Fund)			
Equity with external restrictions (Telethon Fund) as of 01.01.		74 392 547	110 459 438
Equity with external restrictions (Telethon Fund) as of 31.12.		37 918 903	74 392 547
TOTAL EQUITY	Note 14	115 865 235	141 273 034

NOTES

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 a 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

	2019	2018	2017	2016	2015
Rainforest Guardians (regular private donors)	13 429 824	12 382 423	11 452 109	10 234 544	9 283 345
Amazonas brenner	11 465 551				
Other individual contributions	858 259	1 047 420	861 515	1 076 638	1 192 185
Choice Hotels				0	3 328 000
Hafslund	14 048 659	15 072 185	13 763 863	10 985 397	8 265 980
Rema 1000	1 000 000	999 500	3 000 000	3 000 000	2 500 000
Other contributions from business	2 242 004	1 060 812	1 054 799	972 805	970 600
Web collection / Online store	1 336 125	1 151 521	1 110 780	1 171 018	884 926
Lottery		1 074			
Others	1 249 408	1 040 762	1 202 719	1 372 392	1 136 693
Total donations	45 629 830	32 755 696	32 445 785	28 812 794	27 561 729
To unrestricted funds	32 410 100	22 900 323	23 792 111	20 368 026	20 228 541
To restricted funds / projects	13 219 730	9 855 373	8 653 674	8 444 768	7 333 188
Total unrestricted funds	32 410 100	22 900 323	23 792 111	20 368 026	20 228 541
Total donations	45 629 830	32 755 696	32 445 785	28 812 794	27 561 729
Fundraising Costs	11 347 120	8 325 615	6 403 312	6 176 882	7 953 010
Fundraising Efficiency	75,4 %	75,0 %	80,5 %	78,7 %	71,3 %
Five year average of Fundraising Efficiency	76,0 %				

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

The Fundraising Efficiency for 2019 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 513 526 at a purchase price of 252787 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 2019, administrative costs distributed amounted to 665 000 NOK for the communication department and 535 000 NOK for the marketing department.

4) Share of cost spent on administration

	2019	2018	2017	2016	2015
Administration cost	21 568 548	15 230 630	13 606 068	12 824 156	13 285 483
Total costs	251 716 007	197 400 287	173 985 007	163 151 798	194 774 479
Share of cost to administration	8,6 %	7,7 %	7,8 %	7,9 %	6,8 %

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

Costs allocated to RFN's primary objectives	218 800 339	173 844 041	153 975 627	146 684 258	138 822 961
Total costs	251 716 007	197 400 287	173 985 007	163 151 798	160 061 454
Share of cost spent on RFN's primary objectives	86,9 %	88,1 %	88,5 %	89,9 %	86,7 %

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	62 710 350	35 433 150	6 942 000	17 149 600	3 185 600
Rights-based forest management in Southeast Asia	49 905 615	30 101 872	5 506 962	11 406 200	2 890 581
Rights-based forest management in Central Africa	26 879 140	17 771 470	-	7 377 670	1 730 000
Global framework for sustainable forest management	9 762 470	5 548 136	2 381 834	-	1 832 500
Total cooperation agreement with Norad	149 257 575	88 854 628	14 830 796	35 933 470	9 638 681
Climate Programme, Norad	43 672 833	43 672 833			-
Climate Programme, Indigenous Municipalities - Colombia	5 743 000	5 743 000			
Eastern Indonesia Forest Facility - EIFF	9 144 000	9 144 000			
Other projects - DRC office	2 214 305	500 000			1 714 305
Loss and provision for loss on project funding	1 866 744				1 866 744
Total other project expenses	62 640 882	59 059 833			3 581 049
Total Rainforest Foundation projects	211 898 457	147 914 461	14 830 796	35 933 470	13 219 730

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

7) Operating costs	2019	2018	2017	2016	2015
Salaries	37 917 187	31 390 883	27 455 563	23 872 428	34 371 882
Employers' insurance contribution	6 069 431	4 961 690	4 387 986	3 836 582	5 365 600
Pension costs	3 395 493	2 598 563	2 748 770	2 516 767	2 570 862
Other personnel costs	2 997 078	1 913 622	1 536 556	1 614 840	2 020 888
Total personnel costs	50 379 189	40 864 758	36 128 874	31 840 618	44 329 232
Depreciation	414 693	56 761	248 019	423 199	475 075
Other operating costs	200 922 125	156 478 768	137 608 114	129 887 982	149 970 172
Total operating costs	251 716 007	197 400 287	173 985 007	163 151 798	194 774 479

Project costs are distributed as follows:

Share of personnel costs	29 825 505	23 002 000	21 097 000	19 818 000	16 835 761
Share of other operating costs	182 072 952	146 235 491	128 950 302	123 655 043	116 170 336
Total project costs	211 898 457	169 237 491	150 047 302	143 473 043	133 006 097

Remuneration to the general manager of RFN

Salary	841 813
Pension costs	58 202
Other remuneration	35 543

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 50 379 199, of which 29 825 505 is related to project activities and are included in project costs. Total full-time equivalents in 2019 were 63.

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.	412 075
Additions	1 658 773
Disposal	185 037
Acquisition cost at 31.12.	1 885 811
Accumulated depreciations	641 731
Carried forward, value as of 31.12.	1 244 080
Of which, annual depreciation	414 693

9) Receivables

Of this, 12 186 700 NOK is due from project partners. The amount is included in the project transfers for 2020.

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.	3 371 750
Actual loss in 2019 (Ascertained loss RRN, DRC)	-1 372 176
Reduced loss 2018 Walhi Kalteng, Indonesia	334 316
Loss provision of 2% of project costs (see note 6)	1 866 744

Provision for future loss as of 31.12	4 200 634
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Ascertained loss as percentage of project activities	2019	2018	2017	2016	2015
Ascertained loss	1 037 860	1 204 912	262 345	249 411	-
Project volume	211 898 457	169 237 491	150 121 302	143 473 043	133 006 097
Loss percentage in project activities	0,49 %	0,71 %	0,17 %	0,17 %	0,00 %

Percentage loss - average four previous years	0,34 %
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In the mismanagement case regarding RRN, there is a ascertained loss of NOK 1 372 176.

The Rainforest Foundation Norway has 2 active mismanagement cases as of 31.12.2019. The amount allocated is considered to be sufficient for any loss related to these.

11) Restricted bank deposits	2019
Withholding Tax Account	2 268 097
Restricted to projects	72 720 435
Restricted to Telethon	36 827 200
Restricted to rent deposit	861 681

The tax due was paid on 15.01.20.

12) Audit

Expenditure on auditing in Norway is expensed with NOK 165 813.

Expenditure on consulting services in Norway is expensed with NOK 249 594. 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 1 retired pensioners as of 01.01.2019 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.

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 lottery has been stopped due to Covid19 and the book value has been written down to zero.

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

16) Covid 19

In accordance with the rules in NRS 3 regarding events after the balance sheet date, as well as the rules in the Accounting Act regarding going concern, the organization's board of directors and management refer to the ongoing Covid-19 outbreak. The organization is, like almost all businesses, affected by the outbreak. Although the outbreak has not influenced the income in RFN in any substantial way so far the expenditure of program funds is likely to be affected, which again corresponds to income. We expect reduced turnover on our running programs in 2019 whilst we have received additional funding for Covid19 emergency programs. We have upheld normal staffing during the lockdown only reduced by compassionate and sick leaves. The core functions of the organization have been fulfilled in a close to normal way.

How the outbreak will affect the assumptions of going concern will depend on how long the situation will last, what measures the authorities will take, and how the aforementioned risks will actually affect the foundation. However, based on the situation and the information that is available at the present time, the board of directors considers it reasonable to use the assumption of going concern in the preparation of the annual accounts.

Cash Flow Statement

	2019	2018
Activity Account profit/loss for the year	-26 152 649	-23 451 512
Items in the activity accounts that have no direct influence on liquidity:		
+ depreciation stocks	480 000	56 761
+ depreciation equipment	414 693	
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:	894 693	56 761
Investments, divestments and financing		
- acquisition of stocks		
- acquisition of equipment	-1 658 773	
Total for investments, divestments and financing	-1 658 773	-
Other modifications		
+/- accounts receivable and other receivables	-4 761 855	-3 753 907
+/- accounts payable other/ short-term liabilities	21 832 151	20 934 166
+/- changes in obligations	340 472	-11 129 625
+/- accrual accounting items	1 343 510	368 425
Total for other modifications	18 754 279	6 419 060
Total changes to liquidity throughout the year	-8 162 450	-16 975 691
Liquidity holdings as of 1.1	164 182 401	181 158 092
Liquidity holdings as of 31.12	156 019 951	164 182 401