



Earthworm

20
19

■ ANNUAL
REPORT

For the year ending
31 December 2019

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CHAIRMAN'S LETTER



More than ever before, ensuring that the products we consume on a daily basis are having a positive impact on the ecosystems and people around us is a top priority. It's an immense task, it's necessary and it's urgent; it's at the heart of our work.

2019 was a year of significant change for the organisation: our founder stepped away, and, after 20 years of existence, we went from being called The Forest Trust to Earthworm Foundation.

In doing so, the organisation also went from being a registered charity in the UK to becoming a Swiss foundation, moving to our head office in Nyon, Switzerland.

The name change was made because The Forest Trust no longer reflected all the work the organisation was doing - not just to protect forests, but soil and oceans, too, along with our work to improve human rights.

We wanted a name to describe who we are and what we do, turning to nature to find an animal that behaved similarly to the organisation. That is, going into the roots of supply chains, out into the field, allowing buyers and suppliers to communicate with one another, bridging collaboration between NGOs and companies, or communities and agricultural businesses.

Despite the organisation taking a financial loss for the year, we believe this was us taking one step back in order to take many more forward. I'd like to thank all the staff and members of the Foundation for the hard work they put in throughout 2019. It is with your efforts that we are able to overcome any obstacle in the way, growing our impact around the globe.

With all the changes described above, there is one thing at the very core of our organisation that will always remain the same, and that is our values. Compassion, Courage, Humility, Truth, and Respect – these have been the guiding principles of our work for the past 20 years, and they will be, for as long as we continue to make a difference in this world.

Eric Bouchet, Chairman

OUR VALUES

Our values are our greatest asset. They guide us forward and serve as the cultural cornerstone, as we interact with businesses, stakeholders and our peers. It is no coincidence that our first step to engage people in our work always puts values at the center of the conversation.

OUR CORE



VALUES ARE:

HUMILITY

We strive to make humility a trademark of everything we do – we do not boast about our achievements, we share them so that others may benefit; we do not claim to have all the answers, we open up to others to work on solutions; We do not see ourselves as morally superior, we merely share our truths and hope to inspire.

TRUTH

To carry our mission forward, we must be able to face the truth, open ourselves to accepting it and speak from that place, especially when it goes against the consensus.

COURAGE

Courage for us is about being bold and trusting. It is about facing the unknown or the tension while trusting yourself and others to be able to overcome it.

RESPECT

All our interactions with peers, stakeholders and ourselves are grounded in respect – Respect of perspectives, dignity and boundaries.

COMPASSION

Our work is, above all, with people. And to connect with people, it is crucial that we be able to see their perspectives and understand their feelings towards an issue. The chaotic nature of our work also requires us to be compassionate towards ourselves and our peers so that we may not compromise our own values.

OUR WORK

When the organisation first started out, our mission was to protect forests. Since then, our work has expanded outside forest boundaries into regenerating soils, protecting the rights of workers and communities and building farmer resilience.



OVER
28
commodities

While working on the resilience of product supply chains, we realised that understanding the interdependence between people, climate and habitats and finding social and environmental solutions for the land, with its people is key to creating sustainable products.

OVER
15
countries

This is why our mission has now evolved to regenerate key landscapes that products come from - restoring forests and soils within these landscapes, ensuring people there thrive, and carbon is stored.

OVER
100
members and partners

Regenerating key landscapes isn't an easy mission. We will be using the knowledge we have acquired working in supply chains of over 28 commodities including palm oil, cocoa, pulp & paper, biomass, charcoal, coconut, flavours & fragrances, hazelnuts, natural rubber, seafood, sugarcane, wood, our experience of working with farmers, local communities and workers in over 15 countries, and of building a range of tools including a satellite monitoring system (Starling) and an independent monitoring system by local people (Kumacaya) to help us achieve this.

2019

AT A GLANCE

Starling satellite monitoring data helped the Ivory Coast government rebuild forest cover in the Cavally Forest

Cavally forest is one of **234** classified forests covering an area of **67,593** hectares. It represents one of the last forested areas in a country and could lose all its forest cover by **2034**, if things did not change. By using **Starling**, a deforestation monitoring system we developed with **Airbus**, the government got critical intelligence to address deforestation driven by smallholders planting cocoa in Cavally forest. In 2019, the rate of deforestation **dropped by 7.4%** as compared to 2018.

Published the first-ever directory to reduce risk of child labour in palm oil supply chains in Malaysia

In collaboration with its members, EF developed a directory of social services to help businesses improve the welfare of children living in or near plantations

Worked with partners to protect healthy forest landscapes in Russia

The Dvinsky forest in Russia is one of Europe's last remaining areas of intact forest ecosystems. We focus on using our members' supply chain connections to enable a practical, sustainable way for industry and local communities to continue to thrive while protecting the forest.

Worked with communities in Indonesia diversify their income

With **60%** of the area immersed underwater 6 months per year, farmers in Gambangan are left in poverty and lacking access to electricity. Since **2016**, we have been helping them diversify their income through cattle farming.

We worked with farmers to improve the conditions of the cattle barns. We also helped them improve health and feeding practices for these cattle. A farmers group was established for a more collaborative approach to modern cattle farming. This led to resilience and improved the community's food security. In 2019, we saw the positive impacts of our work with this community whereby income of these farmers grew.

Worked with EF members to empower farmers in Brazil

Palm oil, when produced sustainably, can be a means to prevent further deforestation in the Brazilian Amazon. We worked with stakeholders to ensure palm oil production works for people and the environment.

Installed water well and pumps in Papua New Guinea

In Papua New Guinea, **six out of 10** people don't have access to clean drinking water. For oil palm communities in Oro province access to good water is their biggest challenge. In 2019, we worked with **Nestlé** and **New Britain Palm Oil** to supply **14 water wells** and pumps to Oro communities. The project continues with more water wells being installed in village oil palm estates. For these communities clean, safe water is becoming a reality.



STRENGTHENING

membership & partnership

Throughout the year, Earthworm Foundation made efforts to increase both the number of companies supporting it on its journey and the scope of their commitments. We were joined by the likes of Ferrero, Lipidos Santiga, and Drax, amongst others. We are working with over 100 member companies and 200+ partners to drive meaningful change and create a lasting impact.

We started working with **Ferrero** to evolve its Hazelnut Responsible Sourcing Approach. We carried out three field visits in Turkey and Italy and spent time interviewing and speaking with farmers, seasonal labourers, labour brokers, village heads, local project partners and other actors related to the value chain.

The operator of the UK's largest renewable power generator, **Drax**, also became a member and committed to work towards healthy forests and a sustainable wood pellet supply chain using a '**Healthy Forests Landscapes**' approach.

Through our partnership, we are looking to broaden transformation across the company's supply chain, beyond sustainability compliance.

We also became members of **Tropical Forest Alliance**, to catalyse the power of collective action and drive the world's transition to deforestation-free supply chains.

Last but not least, our list of donors was further expanded by the introduction of **Alcoa Foundation** and the UK Government's **Department for International Development (DFID)**.



IMPROVING farmer livelihoods worldwide

Our programme focusing on small-scale farmers has been working in 13 countries to leverage the power of local and global supply chains by engaging with suppliers, producers and brands to drive change and transformation that creates value for all, particularly for farmers.

In 2019 our project in Indonesia achieved a breakthrough in its replanting efforts by signing a Memorandum of Understanding, resulting in hundreds of farmers officially submitting their proposal for financial support to the Indonesia Oil Palm Plantation Fund Management Agency

As of December 2019, globally:

24'700

Family members have benefitted indirectly from farmers participation

1339

Farmers are implementing best management practices to improve productivity

6175

Farmers have participated actively in our activities

1210

Farmers have diversified their on-farm income activities

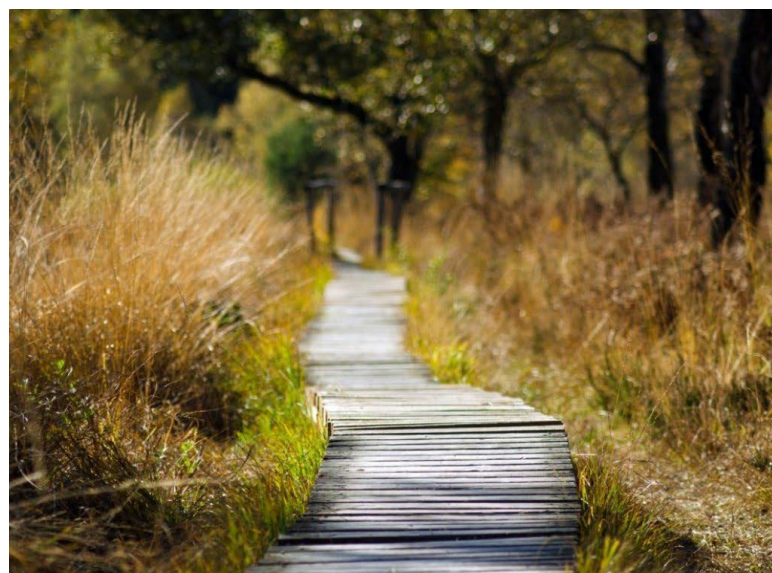
108

Partners (from local to international) are collaborating with us

STRENGTHENING

our work with CSOs (Kumacaya)

Through 2019 we continued to strengthen our ties with local CSOs through Kumacaya. With Kumacaya, aim to accomplish our mission of gathering data through more general signals received from local CSOs, as well as working on the ground with these CSOs on projects.



By 2019,
Kumacaya has rolled out/completed:



Kicked off signals in Riau province, Indonesia with a total of 1500 signals over 6 months expanding now to E.Kalimantan

2

Deep monitoring projects in 2 countries (Indonesia and Liberia)

6

projects on Free, Prior, and Informed Consent

4

projects on worker welfare

3

projects on deforestation impacts on wildlife and communities

“

“I was sceptical at first, thinking this was a way to entrap us.”

This was D. Nyandeh Sieh’s first reaction to Kumacaya, an initiative to bridge the gap between companies and civil society.

“We had been advocating against the company, so naturally there were concerns,” he said. “But after meeting the Kumacaya team, we gained confidence that they wanted to bring change.”

In 2018, Sieh first spoke with James Mulbah from the Kumacaya team. It was these discussions that slowly changed Sieh’s mind. Mulbah and Sieh subsequently began looking for a way to understand long-standing tensions between local communities and a major palm oil company in Grand Kru County, Liberia.

TRANSFORMATION

in key sourcing regions



The Landscape approach identifies and brings in stakeholders that live and work in key, highly biodiverse landscapes together, as lasting land-use planning solutions can only come from them. With this in mind we work to provide tools, space and guidance to stakeholders to build collaborative, participatory local processes for land-use planning involving both upstream and downstream company players, local governments, local civil society, and communities living in or near those areas. The aim is to find solutions that will allow for needed economic development, preservation of habitat and lasting ecosystem services.

Earthworm Foundation leverages our on-the-ground expertise, innovative programming and connection to downstream players in supply chains to support and guide collaborative land-use planning processes in several key, highly biodiverse landscapes.

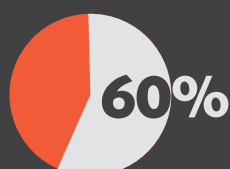


LOCATION:

ACEH TAMIANG, INDONESIA



Aceh Tamiang,
Sumatra, Indonesia



A 60% drop in
deforestation from
2018 to 2019 detected
by Starling



2095 households
directly impacted
in 5 forest-frontier
villages

We covered 12 palm oil concessions
and 2 mills under forest protection
agreements.

We also developed a collective Action
Plan with district government, covering
36 plantations and 10 mills.

3,000+ workers were covered by No
Exploitation agreements with companies.

The region of Aceh Tamiang in Indonesia is part of one of the most diverse and beautiful tropical ecosystems on Earth – the Leuser ecosystem. At over 2.6 million hectares (~6.5 million acres), the Leuser Ecosystem is one of largest, unbroken tracts of rainforest in Southeast Asia and most biologically abundant places known to mankind. It also provides a vast array of ecosystem services upon which millions of local people rely. Importantly, its peatlands act as one the largest carbon sinks in the world, making Leuser critical in the global fight against climate change.

We work in Aceh Tamiang, focusing on four mutually-reinforcing areas: land use planning with the local government; capacity-building with companies to instil responsible practices; empowering local communities through capacity-building and mapping support; and scaling up by applying lessons learned in Aceh in new priority landscapes. In 2019, we made a formal partnership with the District government.

LOCATION:

CAVALLY, IVORY COAST



The Cavally Forest Reserve in Ivory Coast covers an area of 67,593 hectares and is home to endangered species such as chimpanzees and the pygmy hippopotamus.

With a 6.4% deforestation rate in 2018 and much of the deforestation taking place in the forest occurring beneath the canopy, it is a difficult forest to preserve.

In the past year, we've been present in Cavally and worked to protect and restore the forest by establishing effective ground surveillance and satellite monitoring alongside community-led restoration of degraded areas. We empowered resilient farmers and communities by creating trust and a joint development vision through field studies and participatory mapping. We created a highly accurate Cavally Forest base map and a monitoring system with quarterly deforestation alerts.



A highly significant (83%) drop in deforestation from Q2 2018 to Q2 2019



Inspiring 200 participants from the agriculture sector, civil society and government agencies at the office of the Prime minister in January 2019

LOCATION: TOMÉ AÇU, PARÁ, BRAZIL



Tomé Açu,
Pará, Brazil



675 Palm oil smallholders engaged to improve farm resiliency, sustainability, and supply chain integration



8 palm oil refinery technical assistance teams trained in conflict mitigation and social management system design

We made formal agreements with 3 partners and had extensive engagement with 3 farmer associations, 2 civil society organisations, and 3 companies.

Pará is the state with both of the largest planted areas of oil palm in Brazil. It has, in recent years, been the most deforested state in the country.

Small farmers are integral to Tomé Açu's palm oil supply as nearly a quarter of all palm plantations are farmed by smallholders. But pressure from agriculture is forcing them to fell forests to increase their land size for additional income.

Through interviews, field mapping, market analysis and stakeholder engagement, Earthworm seeks to improve farmers' productivity and resilience to external pressures.

In 2019, we worked in Pará to improve farmer resilience through diversification and farm practices; protect high conservation value areas through agreements with farmers; and create a sustainable development vision and a land use plan for Tomé Açu.

LOCATION: TOCACHE, PERU



In this landscape, we work to improve the livelihoods of farmers and local communities; support local government in implementing responsible policies and land use plans; and protect forest and critical conservation areas.

Tocache is a key agricultural area with a large presence of cacao and oil palm, two crops that are seeing expansion in Peru. It is surrounded by large tracts of intact forests, borders the new regional conservation area Bosques de Shunté y Mishollo (BOSHUMI), and is located close to two important national parks: the Cordillera Azul Park located to the East and the Rio Abiseo Biosphere to the West.



62,500 ha of potential conservation areas identified through a pilot study



6 leading oil palm and cacao farmer associations trained

Two ministries, a regional government, a provincial government and 14 NGOs have participated in workshops on sustainable approaches to production and sourcing, and agreement has been reached with the Tocache district government to integrate the HCS and HCV results with the district spatial planning process.

LOCATION:

SOILS, SANTERRE, FRANCE



Soils,
Santerre, France

The Santerre region is one of the most fertile landscapes in Northern France. There grows vast quantities of cereals, potatoes and beetroot. The past few decades however, intensive farming practices have created lasting damage to soil fertility and to the wellbeing and resilience of farmers. The Living Soil initiative started in this region in 2018 to show that the interest of farmers, business and society can be brought together to restore the land; that the food supply chain can be mobilized to support a new model of agriculture that increase biodiversity, reduce pollution and capture vast amounts of carbon.

Our work in Santerre aims to connect key actors in the food supply chains to the landscape, as well as understand and support regenerative agriculture. We provide local farmers with technical support for their transition towards regenerative practices and develop practical methodologies and tools to measure the evolution of organic matter and carbon content in the soil. We introduce innovative financial mechanisms to reward farmers.

In the past year, we've developed a method for quantifying carbon storage in soils and the GHG balance of farms via the LABEL BAS CARBONE. Another key success was the development within a scientific committee of a method for qualifying the health of agricultural soils.



Accompaniment of more than 100 farmers with a dozen major companies in the agri-food industry



More than 20 field experiments are underway to test agro-ecological and regenerative practices.

CONCLUSION

2019 EF Annual Report

2019 was a key year in our journey. Representing the end of a decade, it was a year of reflection, learning and change. At Earthworm, we set ourselves up to see the bigger picture while enhancing our presence on the ground. We worked to connect boardrooms, farmers, communities, governments and other key stakeholders in order to grow our impact and regenerate the places our commodities come from. We developed tools to catalyse change at a greater pace and on a wider scale.

As we saw forests disappearing, species going extinct and the vulnerable suffering around the world, we recognised that our role of bringing health back to the people and the planet is more essential than ever before.



Earthworm

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INDEPENDENT AUDITORS' REPORT



REPORT OF THE STATUTORY AUDITOR

To the Board of Earthworm Foundation, Nyon

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of Earthworm Foundation (pages 13 to 23) which comprise the statement of financial activities as at December 31, 2019, and the balance sheet, the cash flow statement, the statement of changes in capital, and the notes to the financial statements for the year then ended.

Management's Responsibility

The management is responsible for the preparation of these financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2019 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law and Earthworm Foundation statutes.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of Earthworm Foundation financial statements according to the instructions of the management.

We recommend that the financial statements submitted to you be approved.

We draw your attention to the fact that the board's annual general meeting approving the financial statements has not taken place within six months after the balance sheet date as required by article 699 para. 2 Swiss C.O.

Nigel Le Masurier

Licensed Audit Expert

pp Olivier Griot

Auditor in Charge

Licensed Audit Expert

INDEPENDENT AUDITORS' REPORT

Statement of financial activities (incorporating an income and expenditure account) for the year ended 31 December 2019

All amounts in USD	Note	Total 2019*	Total 2018*
Operating income			
Member and partners contributions		14,046,490	-
Public authorities grants		1,055,676	-
Other grants received		473,415	-
Total		15,575,581	-
Operating expenses			
Personnel expenses	2	(11,665,349)	-
Operating expenses	2	(3,696,976)	-
Depreciation and amortisation		(101,312)	-
Total		(15,463,637)	-
Operating Result		111,944	-
Non-operating result			
Financial result		(1,974)	-
Non-operating result	3	6,969,337	(62)
Extraordinary result		(15,410)	-
Result before change in fund capital		7,063,897	(62)
Change in fund capital		-	-
Annual Result		7,063,897	(62)
Allocation to voluntary retained earning		7,063,897	(62)
Total		-	-

* FER in 2019 / CO in 2018

Key amounts in CHF, see Note 10

Balance sheet as of 31 December 2019

2019 EF Annual Report

All amounts in USD	Note	2019	2018
Cash at bank and in hand		4,823,375	50,397
Debtors	7	5,357,476	12,916
Current Assets		10,180,851	63,314
Financial Fixed Assets		43,861	-
Tangible Fixed Assets	5	92,241	-
Intangible Fixed Assets	6	2,273	-
Fixed Assets		138,375	-
Total Assets		10,319,226	63,314
Creditors	8	849,431	12,916
Deferred income - unrestricted		1,318,866	-
Deferred income - restricted		1,036,636	-
Liabilities		3,204,933	12,916
Retained earning		7,063,897	-
Initial capital (50'000 CHF)		50,397	50,397
Foundation capital		7,114,294	50,397
Liabilities and Foundation capital		10,319,226	63,314

2019

Statement of Cash Flow for the year ended 31 December 2019

2019 EF Annual Report

All amounts in USD	2019
Operating expenses	
(Deficit)/surplus for the year	7,063,897
Interest received	(2,210)
Depreciation of tangible fixed assets	98,836
Amortisation of intangible fixed assets	2,473
Loss on disposals of tangible fixed assets	2,460
(Increase)/decrease in debtors	(5,344,560)
Increase in creditors	3,192,017
Foreign exchange (gain)/losses on cash	141,511
Net cash inflow from operating activities	5,154,424
Investing:	
Interest income	2,210
Purchase of tangible fixed assets	(193,540)
Purchase of intangible fixed assets	4,746
Inflows from disposal (selling) of fixed asset	-
Net Cash outflow from investing	(186,584)
Increase in cash and equivalent in the year	4,967,840
Cash and equivalents at the beginning of the year	50,397
Effects of exchange rates	(141,511)
Cash and equivalents at the end of the year	4,876,726
Analysis and reconciliation of Net Funds	
Cash at bank and in hand beginning of the year	50,397
Effect of exchange rates	141,511
Cash Flow movement	4,914,489
Cash at bank and in hand end of the year	4,823,375

Statement of changes in capital for the year 2019

2019 EF Annual Report

Currency: USD	Balance End 2018	Allocations	Appropriation	Total change	Balance End 2019
Fund capital	-	-	-	-	-
Initial capital	50,397	-	-	-	50,397
Retained earning	-	6,027,260	-	6,027,260	6,027,260
Foundation capital	50,397			7,063,897	6,077,657

Notes to the financial statements for the year ended 31 December 2019

1. PRINCIPAL ACCOUNTING POLICIES

General information

The Earthworm Foundation, Nyon, Switzerland (hereafter "the Foundation") was established in accordance with the Articles 80ff of the Swiss Civil Code. The Foundation is registered since 7 March 2018 in the Commercial register of the Canton of Vaud.

The Foundation promotes internationally positive interactions and relationships between nature and people by:

- the preservation, conservation and the protection of the environment and the prudent use of resources,
- the relief of poverty and the improvements of the of the conditions of life in socially and economically disadvantaged communities,
- the promotion of responsible and ethical means of achieving economic growth and regeneration, and
- the education of the public in the conservation, protection and improvement of the natural environment.

The annual average number of full-time positions in the reporting year, as well as in the previous year, did not exceed 250.

Accounting policies

The financial statements of the Foundation have been prepared in accordance with the provisions of the Swiss Code of Obligations and in accordance with the Swiss GAAP FER, in particular Swiss GAAP FER 21 relating accounting for charitable non-profit organisations. The recommendations have been established for organisations seeking to present their financial statements to reflect a true and fair view of the financial situation.

Earthworm Foundation decided to introduce these recommendations and applies them for the first time in 2019. As permitted by Swiss GAAP FER, only the comparative information in the balance sheet is presented in accordance with Swiss GAAP FER. The comparative information of the Statement of activities is presented in accordance with Swiss law. The Statement of cash flow and the Statement of changes in capital are presented for 2019 only.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will inure to Earthworm Foundation and can be reliably estimated.

Contributions

Contributions are recognised in the statement of operations once they definitively belong to Earthworm Foundation. They are considered as unrestricted funds, unless the donor stipulates a specific restriction. When the donor wishes to see a contribution allocated to a specific cause, the contribution is considered to be a restricted fund. Restricted funds that have not been used at the end of the year are presented in a separate section of the balance sheet.

Funding contracts

Income from funding contracts signed between donors and Earthworm Foundation is recognised in the year in which the financed expenditure is incurred. Outstanding grant amounts at year-end that will be used in future years are deferred in the balance sheet.

Other income

Other income (e.g. Donations) are recorded on a cash basis.

Expenditure

Expenses incurred by the Foundation are recorded on an accrual basis. Supplies and equipment used by the projects are recorded when the costs are incurred.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognized over their estimated useful lives, using the straight-line method.

Intangible Assets

Intangible assets are acquired separately and are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives.

Other valuation principles

Receivables are stated at their nominal value, less any value corrections. Debts are stated at their nominal value.

2. EXPENSES BY CATEGORY

All amounts in USD	Total 2019	Total 2018
Fund raising and general advertising expenses	1,326,355	-
Administrative expenses	4,149,966	-
Other operational expenses	9,886,004	-
Depreciation and amortisation	101,312	-
Total operating expenses	15,463,637	-

Calculation method Administrative expenses relate to all expenses and time reported as administrative and that are related to the general operation of the organization

3. TRANSFER OF NET ASSETS FROM THE FOREST TRUST UK CHARITY

The Non-operating income shown in the Statement of financial activities is detailed as follow:

All amounts in USD	
Transfer of net assets from TFT	7,624,223
Other non-operating income	2,761
Other non-operating expenses	(657,647)
Non-operating result	6,969,337

In the context of the transfer of The Forest Trust (TFT) registered office from UK to Switzerland; all TFT assets have been transferred as grant to the new legal entity based in Switzerland and named Earthworm Foundation. Please find in the annex 2 the detail of the 7'624'223 USD transferred.

4. EMPLOYEE INFORMATION AND REMUNERATION

The key management personnel of the charity are the 6 members of the Executive Team. The total employee remuneration of the group was 882'206 USD in 2019. No Foundation Board trustee received any remuneration from the Foundation during the year. The Foundation employees by location:

	2019 Number	2018 Number
Europe	56	-
North America	10	-
Central and South America	19	-
Africa	19	-
Asia	109	-
Total	213	-

5. TANGIBLE FIXED ASSETS

2019 EF Annual Report

Currency: USD	Office equipment	Assets Under Construction	Total
Additions	193,536		193,536
Disposals	(29,343)		(29,343)
At 31 December 2019	164,193	-	164,193
Accumulated Depreciation			
Charge of the year	98,836		98,836
Disposals	(26,884)		(26,884)
At 31 December 2019	71,952	-	71,952
Net book value	-		-
At 31 December 2019	92,241	-	92,241

6. INTANGIBLE FIXED ASSETS

Currency: USD	Intangible assets	Assets Under Construction	Total
Additions	4,746	20,111	24,857
Disposals	-	-	-
At 31 December 2019	4,746	20,111	24,857
Accumulated Amortisation			-
Charge of the year	2,473	-	2,473
Disposals	-	-	-
At 31 December 2019	2,473	-	2,473
Net book value	-	-	-
At 31 December 2019	2,273	20,111	22,384

7. DEBTORS

2019 EF Annual Report

Amounts falling due within one year	2019	2018
Debtors	4,089,748	-
Accruals	167,950	-
Accrued income	936,558	-
Other debtors	163,220	12,916
Total debtors in USD	5,357,476	12,916

8. CREDITORS

Amounts falling due within one year	2019	2018
Creditors	427,111	12,916
Accrual liabilities and deferred income	407,079	-
Other creditors	15,241	-
Total creditors in USD	849,431	12,916

9. PENSION LIABILITIES

All amounts in USD	
Earthworm employee Pension Foundation surplus cover 2019	-
Economic benefit 2019	-
Economic benefit 2018	-
Change during the year	-
Personnel costs 2019	464,525
Personnel costs 2018	-

In the year 2018 and 2019 there are no employer contribution reserve.

10. KEY AMOUNTS IN CHF

2019 EF Annual Report

Statement of financial activities

All amounts in CHF	2019	2018
Operating income	15,132,911	-
Operating expenses	(15,024,149)	-
Operating Result	108,762	-
Non-operating result	6,754,373	(61)
Result before change in fund capital	6,863,135	(61)
Annual Result	6,863,135	(61)

Balance sheet

All amounts in CHF	2019	2018
Total Assets	10,025,946	61,514
Liabilities	3,113,846	12,549
Foundation capital	6,912,100	48,965
Liabilities and Foundation capital	10,025,946	61,514

The conversion rates used from USD to CHF for 2018 and 2019 financial years are respectively 0.98018 and 0.97158.

11. SUBSEQUENT EVENTS

The global disruptions related to COVID-19 health crisis have impacted the implementation of Earthworm's programs, leading to a slowdown of our activities. While experiencing similar disruptions at Headquarters, the Executive team has taken appropriate steps to limit the negative impact of COVID-19.

Other than the matter discussed above, there have been no material events, favourable or unfavourable, incurred between the balance-sheet date and the date when then financial statements have been authorized for issue that would have impacted these statements.

ANNEX 1: SUPPORTERS DURING 2019 (UNAUDITED)

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3M
AAA Oils and Fats Pte
ADM
ADM Cares
AIPH
Airbus DS Geo SA
Alinea
Anavil Company Ltd.
APP - PT Purinusa
Ekapersada
Auchan
Avon
Avril
Biscuits Bouvard
BLD Plantation Group
BNP PARIBAS
Bonduelle
Bordet
Bunge Lodors Croklaan
Group B.V.
BUT
Carbobois
Carbofrance
Carbonex
Cargill
CASINO
Century
Cerelia
Clorox
Colgate-Palmolive
Enviva

Estice Espas
Feronia
Ferrero
Florin
Floval Groupe
Fuji Oil Holdings Inc
Golden Agri-Resources
Givaudan
GIZ
Golden Veroleum Limited
Groupe Metro
Groupe Rocher
Grupo Bimbo
Grupo Palmas
Gryfskand
Heritage
Hershey
ID Group
IOI Edible Oils SDN BHD
Johnson and Johnson
Keck Seng
Klabin
La Fabril
La Forestiere du Nord
LDC - Louis Dreyfus
Commodities
LeClerc-Acedelec
Les Mousquetaires
Musim Mas Holdings
Natur Aceites
Natures Organics

Nestle
New Britain Palm
Oil - NBPOL
Nordsudtimber
Aktiengesellschaft
Nutriswiss AG
OLAM
PARTNER COFCO
Perechin
Petit Bateau
Pirelli
Pladis
Pro Fair Trade - Ceres Food
Prosper PGC
PVHL - Sateri
PZ Cussons
Reckitt Benckiser
REPSA (Grupo Hame)
Responsible Business
Alliance
Sharma Industries
Shell
SIFCA
Socfin
Society for Corporate
Governance
Sodefor
Sony Pictures
Entertainment
Terra Isara

CHARITABLE TRUSTS

Alcoa Foundation

Maison du
Monde Fondation

ORGANISATIONS

Department for International
Development (DFID)
European Commission
ILO - International Labour
Organisation

IOM – International
Organisation for Migration
Norwegian Agency for
Development Cooperation
(Norad)

Terres Innovantes
UNDP - United Nations
Development Programme

ANNEX 2: THE FOREST TRUST BALANCE SHEET

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ASSETS

Current Assets	31/12/2018	Long Term Assets	31/12/2018
Cash and Bank	6,223,191	Net Tangible Fixed Assets	164,798
Accounts Receivable	3,458,654	Net Intangible Fixed Assets	4,746
Accrued income	996,194	Asset under construction	20,111
Other current assets	370,935		
Total Currents Assets	11,048,974	Total Long Term assets	189,655
TOTAL ASSETS			11,238,629

LIABILITIES

EQUITY

Accounts payable	443,172	Retained earnings	8,637,060
Deferred income	2,532,468	Movement of Funds	(1,012,837)
Accrued salaries	248,847		
Accrued liabilities	209,275		
Other Current Liabilities	180,643		
TOTAL LIABILITIES	3,614,405	TOTAL EQUITY	7,624,223
TOTAL EQUITY and LIABILITIES			11,238,628