

THE BODY SHOP FOUNDATION
(a charity and a company
limited by guarantee)

Report and Financial Statements

Year ended
29 February 2008

THE BODY SHOP FOUNDATION

Annual report and financial statements Year ended 29 February 2008

Contents

Page:

2	Reference and administrative details
3 -19	Trustees' report
20 - 21	Report of the independent auditors
22	Statement of financial activities
23	Balance sheet
24 - 41	Notes to the financial statements

THE BODY SHOP FOUNDATION

Annual report and financial statements Year ended 29 February 2008

Reference and Administrative Details

Auditors

BDO Stoy Hayward LLP
Emerald House
East Street
Epsom
Surrey
KT17 1HS

Trustees

T. Gordon Roddick	(resigned 16 October 2007)
Andrea Alvey	
Jan Buckingham	
Sue Turner	(resigned 28 March 2007)
Julian Simpson	(appointed 27 June 2007)
Lisa Gaynor	(appointed 27 June 2007)
Yvonne Chadwell	(appointed 27 June 2007)
Lady Sylvia Jay CBE	(appointed 7 November 2007)
Jack Keenan	(appointed 7 November 2007)

Bankers

Barclays Bank Plc
74 - 75 East Street
Chichester
West Sussex
PO19 1HR

Trustees are elected by the members of the charitable company.

Secretary and Registered Office

Iain Rubli
Watersmead
Littlehampton
West Sussex
BN17 6LS

Senior Management Team

Chief Executive
Grants Manager
Fundraising and Communications Manager

Lisa Jackson
Debbie Osborne
Adelle Pope

Charity Number 802757

Company Number 02437445

THE BODY SHOP FOUNDATION

Trustees report

Year ended 29 February 2008

The Trustees of The Body Shop Foundation (“The Foundation”), who are also directors of the charitable company for the purposes of Company law, are pleased to present their annual report and audited financial statements for the year ended 29 February 2008.

Remembering Dame Anita: Founder, visionary, dynamo, friend

This year saw the tragic loss of our founder trustee, Dame Anita Roddick on 10 September 2007.

The Body Shop Foundation was founded by Dame Anita Roddick from her absolute determination to address issues which she believed, without question, should have a voice and a helping hand to fight for positive change and social justice.

As a trustee and founder, she always brought ‘something’ to the table. She had always just met someone, or had just read an article or just visited an amazing project or charity on one of her travels. This approach to working truly at a community level for small groups has shaped the Foundation into what it is today.

To say that Anita is ‘gone’ however is not strictly true. She had an ability to go straight to the core and tap in at a different level. She had a great lust for knowledge and life and swept you up in the ride. Her spirit, her fight, her humour and determination live on in all she touched.

Gutsy – yes. Outspoken – of course. Visionary – definitely. Anita was at the start of corporate philanthropy, corporate social responsibility and environmental practices when they were just a glint in the eye of the other high street retailers. Not intentionally or with calculation, but driven by a genuine vision to do good, to be different and daring - with passion, flair and character.

Here at the Foundation we send thanks for the time we’ve had with her, for her work and her vision and pledge to carry on the spirited, innovative and original approach to corporate funding she started.

Structure, Governance and Management

The charitable, limited by guarantee, company was registered with the Charity Commissioners on 8 February 1990. Its registration number is 802757. Its company registration number is 02437445, and the governing document is the Memorandum and Articles of Association.

The Board of Trustees make all decisions on the strategic development of The Foundation. In addition to this, all grants made in excess of £2,000 are approved by trustees at a board meeting. In the event of further information being requested before the board make a decision on funding, the information will be collated and then emailed out to the full board of trustees who will then vote via email.

The Trustees meet up to four times a year for an AGM, two general board meetings, and a budget meeting and also hold an annual vision day to review strategy and focus. During the AGM the Trustees review and approve the communications and fundraising strategies. At least one Trustee is present on all Committees. Each Committee has its decisions ratified by the full Board.

The Trustees delegate the day-to-day administration and decision making involved in doing that to the Chief Executive. Small grants of up to £2,000 can be authorised by the Chief Executive or the Grants Manager. A management summary update on administration, fundraising and the small grants programme are given at all board meetings.

THE BODY SHOP FOUNDATION

Audit Committee/Risk management

Audit Committee Members:

Andrea Alvey	Trustee
Yvonne Chadwell	Trustee
Lisa Jackson	Chief Executive
Debbie Osborne	Grants Manager
Adelle Pope	Fundraising and Communications Manager

The Audit Committee's Terms of Reference are as follows:

Purpose

The board has established an audit committee to support it, and specifically the Chief Executive as Accounting Officer, in her responsibilities for ensuring the adequacy of risk management, internal controls, efficient and effective use of funds and financial governance arrangements within the Charity. In addition this committee is to review the annual audited financial statements of the charity and recommend them to the board.

Composition, attendees, quorum and reporting

- The Audit Committee is a committee of the board of trustees, and reports directly to the board. The Committee comprises of at least two trustees appointed by the board as members, the chief executive and at least two senior managers from The Foundation.
- The Chief Executive and at least one trustee will normally be in attendance at all meetings, with the external auditors as appropriate.
- The Chairman will be appointed by the Board.
- The Committee has the authority of the board to have access to any information or employee of the charity in the course of undertaking its responsibilities, and to obtain outside legal or other independent advice.
- Until otherwise determined by the Committee, a quorum shall consist of three members of the committee.
- The Committee will not meet less than twice a year and additionally as may be necessary.

Specific responsibilities

- To determine the frequency and process of tendering for the external audit service.
- To consider the appointment, resignation or dismissal of the external auditors, to approve their fee annually, and to review their independence and objectivity and matters relating to the provision of non-audit services.
- To formally review the performance of the external auditors annually.
- To review and discuss the nature, plan and scope of the annual audit with the external auditors prior to the audit.
- To review annual financial statements in conjunction with the external auditors before submission to the trustees, focusing particularly on any changes in accounting policies or practices; major judgemental areas; significant adjustments resulting from the audit; material misstatements detected by the auditors that individually or in aggregate have not been corrected, and management's explanations as to why they

THE BODY SHOP FOUNDATION

have not been adjusted; the going concern assumption; and compliance with accounting standards and statutory requirements.

- To consider the external auditor's management letter and the charity's management response and ensure appropriate action is taken.

Trustee Selection, Induction and Training

The Body Shop Foundation's current policy and procedures for Trustee recruitment, selection and induction were reviewed and approved at the 2007 AGM and will be reviewed at each AGM going forward.

Trustees are sought via internal advertising within The Body Shop International and by recommendations from existing Trustees and the management team. The Board of Trustees have identified key roles necessary to complete the responsibilities of the Board of Trustees and recruit with a specific purpose to fill a role/responsibility that becomes vacant. A Skills Audit is conducted annually to review The Foundation's requirements. Trustees serve for a three-year period and may be re-elected.

The Trustees put a great deal of emphasis on finding the right people for the role. Our procedures with regard to recruitment, selection and induction ensure that applicants have a clear understanding of the role – a detailed job description and person specification is issued to all interested parties and eligibility is discussed early on in the process, along with any potential conflicts of interest.

Prior to accepting the position, potential new Trustees are issued with an induction pack with background details of The Foundation and its activities. In addition to this they will spend time in the office with the Chief Executive and other members of the team. A two week period is then given to consider the role and responsibility and the level of commitment that is required before we progress with the legal formalities.

Training and updates are achieved by attendance on charity specific conferences and events as required by individual Trustees.

Social Audit

The social audit process for 2007/08 focused on feedback from grant recipients and regional programme panel members. The aim was to understand what impact our grants activities are having, within the communities in which we grant aid, and to the wider society around the world. Questionnaires were sent to grant recipients and to panel members and the results of these questionnaires were evaluated and reported on by Rita Godfrey of Rita Godfrey Unlimited, independent consultant. These reports show a very encouraging level of satisfaction with The Body Shop Foundation's grant making performance.

These reports have proved extremely helpful in evaluating our overall impact on global funding needs and data from them will be included in our Impact Report 2008. To view these reports please visit our website www.thebodyshopfoundation.com.

Employee Involvement and Employment of the Disabled

The employees meet weekly and are consulted on issues of concern and are kept informed on specific matters directly by management.

The Foundation is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant, employee or volunteer receives less than favourable treatment on the grounds of race, colour, ethnic origin, nationality, gender, marital status, sexual orientation, age, health, disability, employment status or religious belief.

THE BODY SHOP FOUNDATION

Iasis

Iasis, a former core project of The Body Shop Foundation, has registered as an independent charity and they are now fully self sufficient in their operations. As a core project they enjoyed much success and we are sure that with their passion and commitment they will continue to do so. Their new charity registration number is 1118660 and for further information on the organisation you can look at their website www.iasis.org.uk. The Body Shop Foundation is very proud of its involvement with the Iasis team and very much looks forward to watching them develop and grow. We wish them great success.

Objectives and Activities

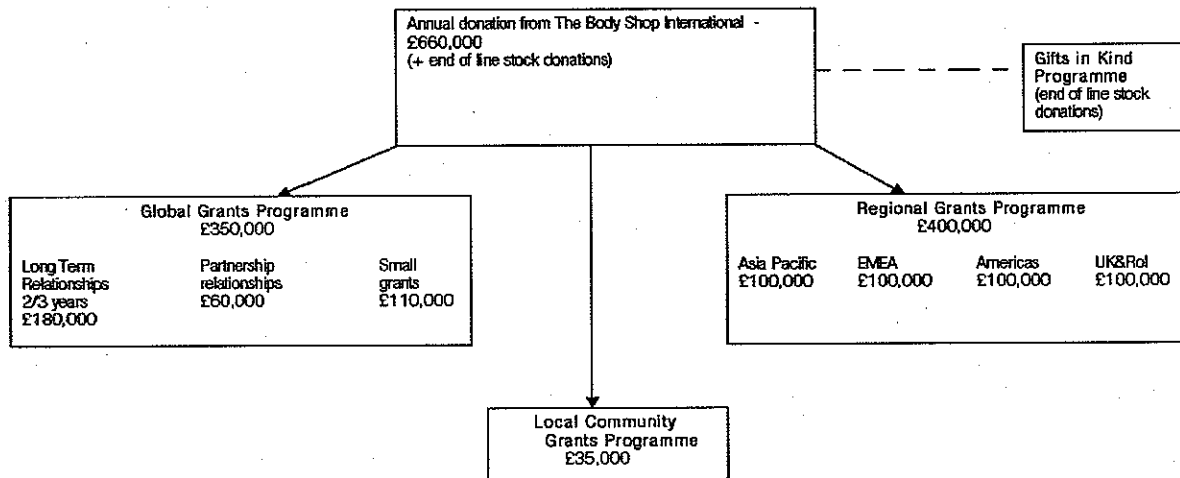
The charity was set up for the following purposes:

- a) the relief of poverty;
- b) the promotion, maintenance, improvement and advancement of education for the public benefit;
- c) the provision of facilities for recreation or other leisure time occupations in the interests of social welfare for the public benefit;
- d) the promotion of any other charitable purpose for the benefit of the public.

The statement of financial activities for the year is set out on page 21 of the financial statements. A summary of the financial results and the work of the charity are set out below.

Grants Programmes

The Trustees of The Body Shop Foundation have structured the grants programmes to ensure maximum impact across all regions of the world to those most in need. Funding is given to groups working on social justice, environmental and animal protection issues. The structure is constructed as shown below.



THE BODY SHOP FOUNDATION

Global Grants Programme

The Global Grants Programme aims to fund issues across the Foundation's overall mission statement of human and civil rights, environmental and animal protection.

The Trustees met in February 2007 and reviewed the structure of grant making within the Global Grants Programme. They decided to change the levels of funding to the following:

- long term relationships of 2-3 years with funding of up to £30,000 per year to groups to help with core funding or long term projects. Feedback from grant recipients has clearly shown a need for long term funding to help organisations plan and organise their activities in a more strategic and effective way.
- partnership funding where grants will be made to organisations which also grant aid or work with small local organisations at ground level thereby using the skills and knowledge of those organisations to best identify projects at a local level with which our grant can be used effectively.
- small grants of up to £5,000 giving the trustees flexibility to support small organisations in need of low level injections of cash.

A total value of grants of £526,061 has been made in this year to 24 organisations under the Global Grants Programme. Of this, £294,226 was grant aided to long term funding relationships.

Regional Funding Programme

The Regional Funding Programmes were set up in 2005 to ensure that the Foundation's global remit was being met and that input from The Body Shop International's global markets was developed in terms of project identification. The Programmes operate across the four market regions of The Body Shop International. These are the Asia Pacific region, the Europe, Middle East and Africa region, the UK and Republic of Ireland region and the Americas region.

Each region has a regional panel with representatives from The Body Shop's employees, franchisees and consultants. Permanent members of each Panel are the Values Representative from each TBS region and the Grants Manager of The Body Shop Foundation. These latter members ensure continuity of administration and control. As is normal, the trustees of the Foundation have final sign off for all grants.

Each region meets annually to decide on their individual funding focuses and strategies, dependent on that region's social and cultural needs. Panel members bring their skills and local knowledge to the meetings in order to best reflect the needs of those communities. In recognition of the successful performance of the regional programmes in their first 2 years, the Trustees of The Body Shop Foundation decided to increase the amount of money that each region would have with which to make grants in 2007. Each region received £100,000 for the year ending February 2008. The following amounts have been spent:

Asia Pacific Region

Asia Pacific has granted £91,964 to 16 organisations within the focus areas of:

- Child Rights
- Poverty
- Environmental Sustainability

Nominations for potential projects from employees of The Body Shop across the Asia Pacific region have increased significantly this year as the programme becomes better known.

THE BODY SHOP FOUNDATION

Europe, Middle East and Africa

Europe, Middle East and Africa have granted £89,801 to 14 organisations within the focus areas of:

- Access to Education, Women and Children's Rights
- Environmental Sustainability/Water

This Panel had two grants rounds and, again, nominations from employees in the region, has increased.

The Americas Region

The Americas region has granted £112,472 to 12 organisations within the focus areas of:

- Green Living – Education and implementation of green living including recycling, pesticides and alternative fuels
- Animal Abuse – rescue and care
- Internet Crimes – including advocacy, trafficking, sex tourism, abuse and self esteem
- Teenage Domestic Violence – including education and self esteem
- Empowering women and children

The Panel had one grants round and spent nearly £100,000 at that meeting. However, as a consequence of local fundraising activities later in the year, the region was able to grant fund a further donation, bringing the total donations to £112,472.

The UK & Republic of Ireland Region

The UK & RoI has granted £90,020 to 10 organisations within the focus areas of:

- Youth awareness on issues of self esteem and protecting the planet

Following on from last year's stated objective for The Body Shop International employees in each region to undertake monitoring trips to funded projects, progress has been made in all regions but with some being more proactive than others. Asia Pacific has been a particularly diligent region with regard to project visits by employees and well presented reports have been submitted to the Foundation on time. However, due to the diverse nature of the region and the fact that some countries have geographical and/or social or political difficulties, not all grant funded projects have been accessible. The other three regions are now developing processes to carry out monitoring trips and it is anticipated that these will increase significantly during 2008, with progress already being made in the EMEA and Americas regions. This level of monitoring is intended to be at a very basic level with guidelines issued to monitors to help them obtain the information we require, both qualitative and quantitative.

These reports are in addition to the formal monitoring and evaluation requirements which funded projects have to meet in report form on a regular basis.

Local Community Grants Programme

The Local Community Grants Programme has replaced the West Sussex Grants programme this year and aims to fund projects in the geographical areas local to The Body Shop International's head offices in Littlehampton, West Sussex and Southwark, London. Money available for this Programme is £35,000 during the year. The grants structure is as follows:

Main grants of up to £10,000 (up to a total value of £20,000)
Grants of £2,000 x 5 totalling £10,000
£200 grants up to a total value of £5,000

THE BODY SHOP FOUNDATION

Total donations for this year have come to £31,000 of which £14,800 were two main grants, £10,000 was 5 grants of £2,000 and an additional £2,000 donated to the Festival of Wick as a one off special donation.

Gifts in Kind Club

The GIK Club has had another successful year with a total of 115 charities registered as members, receiving boxes of The Body Shop end of line product on a quarterly basis. However, the continuation of this Club into 2008 is in doubt due to a problem with obtaining suitable product and it is likely that it will have to close after May 2008.

The Body Shop Voucher allocation

The Body Shop Gift Vouchers are distributed to charities in the UK who are holding fundraising events and who will use the vouchers as prizes. A total of 517 groups received vouchers to the value of £6,065 in 2007/08. This programme has now been handed over to the UK and RoI region to deliver customer service to their regional customers and The Body Shop Foundation will not operate the scheme going forwards.

Fundraising and Communications

We are now in our seventh year of fundraising, adding to the annual donation from The Body Shop International Plc.

With stock donated from The Body Shop International Plc and its manufacturers, we are able to fundraise with end of line or discontinued stock in a number of ways.

On-site charity shop

We currently sell the cleaned and repackaged product, along with the sample and returns/damaged stock in a small on-site charity shop on the Watersmead, Head office site.

This shop is manned by volunteers who serve employees of The Body Shop International and surrounding on-site companies.

Going forward, we look to support the incredible work of the diligent volunteers with a part time paid member of the Foundation team, to take this fundraising initiative onward and upwards.

The Big Charity Sales

Our two large product sales for employees of The Body Shop and their friends and family are manned by The Body Shop Foundation team with the aid of around 100-120 volunteers per sale.

Over the course of the weekend, our volunteers will man the tills, sort the stock, pack bags, and help people find items, collect tickets, hand out sweets and information and provide customer service to over 1,000 people coming through the doors.

The Big Charity Community Sales

Owing to the success of The Big Charity Sales, we rolled out a similar sale to local projects, charitable groups and service providers to the local West Sussex community.

Differing to The Big Charity Sales, these shorter sales still require a similar number of volunteers for our slightly bigger sales and again, we call on our volunteers for their experience, helpfulness and energy to help us deliver a professional but fun sale to local groups.

THE BODY SHOP FOUNDATION

Other Stock Fundraising

New City Court Sales: small mobile sales ensuring staff at the London offices have access to charity sale stock. The Body Shop Foundation team administers these sales, with a couple of volunteers manning the tills.

Goodie bags – these mobile, tailored sales are run and manned by The Body Shop Foundation team.

Charity shop in Maesteg, Wales – this permanent shop at the COSi factory in Wales is manned by COSi volunteers and supervised from a distance by The Body Shop Foundation. This shop had a very successful first year, beating the predicted income and was a good new source of income to The Body Shop Foundation. Unfortunately, now that the COSi business has been put in the hands of the receivers and been taken over by Budelpak – our shop has temporarily closed.

Charity Warehouse

Our charity warehouse at Littlehampton continues to provide a good space for cleaning, sorting and storing donated product. This space enables us to take stock quickly and efficiently from our sources and further distribute it through various activities.

Website

In its third year, www.thebodyshopfoundation.org continues to provide the Foundation with a global communication platform and continues to show a healthy footfall into the site.

Total hits are 909,594, with total page hits hitting 340,543. 40.8% of all sessions to the website are for 2-5 pages, showing an interest around the whole site, not just in one area.

We will continue to develop and evolve the website over the coming year as it gives us a strong global presence and a meeting ground for the Regional Funding Panels. Plans are afoot to generate a two-way communication between ourselves and visitors to our website. Our strong branded site and clean, crisp communication continues to ensure that we have a wide reach on our global projects.

Other Communication Tools

The Body Shop Foundation publication – ‘Charity Matters’

We produce our publication ‘Charity Matters’ twice yearly – an internal and external document informing interested parties of current grants, special events and appeals that we are running.

The Body Shop Foundation video

We have the in-house ability to produce specific videos to a specific audience, with little or no cost to The Body Shop Foundation.

This has been used to great effect this year with presentations at executive level, regional conferences, to volunteers and new starters of The Body Shop International. This tool will be a great asset to The Body Shop Foundation going forward next year.

The Body Shop Foundation – Grants Leaflet/Annual Report and Accounts

We produce an annual document detailing all grants made and bi-annually produce an Annual Report and Accounts to feature all information.

THE BODY SHOP FOUNDATION

Achievements and Performance

Funding Achievements

In order to assess whether our grant making activities are having a global impact and are enabling positive social and environmental change, we undertake the following monitoring and evaluation practices:

All funded projects are asked to provide regular reports, dependent on the size and structure of the grant. The levels of information we require are shown below;

Grants under £1,000	One page letter giving brief detail of the use of the grant and achievements at the end of the project or funding period.
One off Grants between £1,000 and £10,000	6 months or completion of project report - no more than 2 sides of paper.
One off Grants over £10,000	6 and 12 month reports.
Grants over £50,000	Full and detailed report form to be completed and returned together with financial breakdowns.
Long term funding	6 monthly reports for duration of project. (Visits by Foundation staff where considered necessary.)

In the event that unsatisfactory reporting is received from a project, the Grants Manager will bring this to the attention of the Trustees of The Body Shop Foundation. The Trustees must then consider any action they wish to take to retrieve or amend grants made.

Our new grants database system, which was installed in 2006, now diarises report dates due and these are followed up by the grants administrator to ensure that we receive information when due. This is proving very successful in terms of retrieving timely reports from all grants areas.

We have also developed a spreadsheet to capture quantitative information on the geographical and issues based grants that we make. This spreadsheet is still being evolved but to date has provided the following statistics;

We have achieved funding across many countries and funding across continents breaks down as follows:

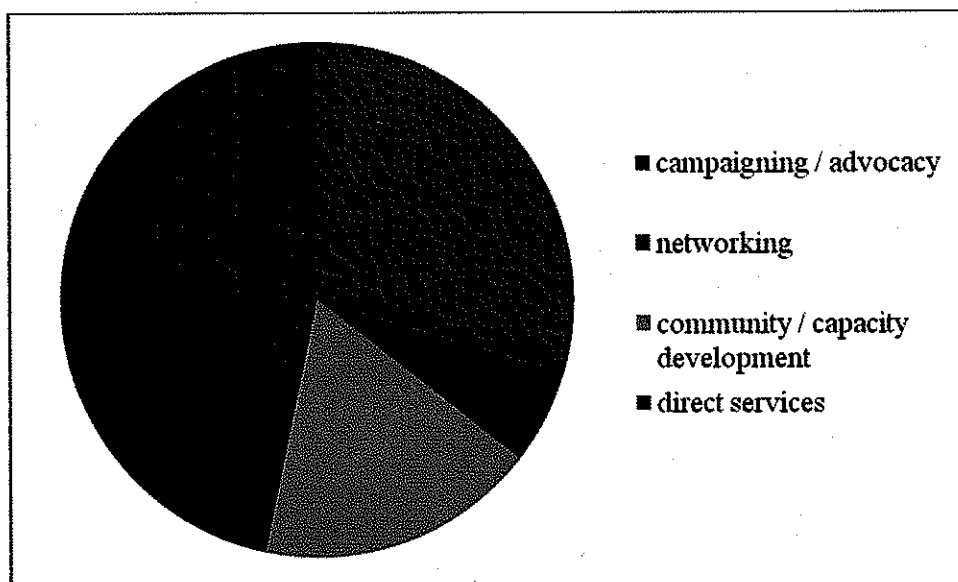
Continent	Number of Grants
Asia	20
Europe	52
African	16
Americas	14
Global*	8

*Global projects are projects whose activities cross all continents.

THE BODY SHOP FOUNDATION

The majority of groups have been funded for specific project based work as opposed to core funding costs and for one year terms only. Six organisations received funding for a period of 2 or 3 years each and the list can be seen in the accounts Note 12.

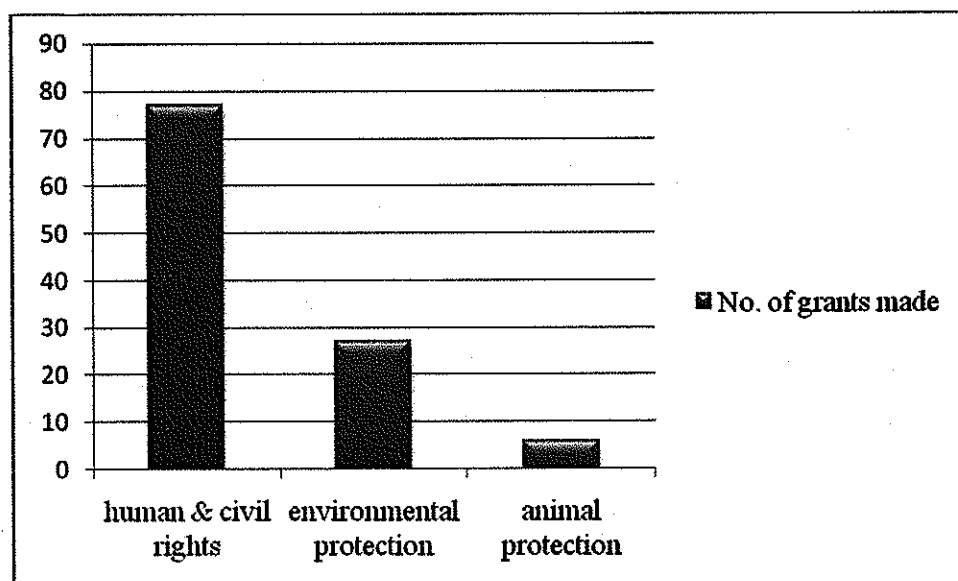
We have also attempted to break down where funding is being directed in terms of whether an organisation is a campaigning/advocacy group, a networking group, a capacity building organisation or a provider of direct services. Many of the grants are given to groups which provide one or more of these types of activities. The following chart shows the breakdown of groups funded that fall within each criteria.



In terms of levels of funding, 36 projects received grants at a value of £10,000 or over, of which only 6 were higher than £30,000. The levels were dictated by the geographical area to which the funding was directed and the currency value in that region.

In accordance with our mission statement and the aims of the charity we fund groups which we categorise under human and civil rights, animal and environmental protection - the total of grants made in each category is as follows:

THE BODY SHOP FOUNDATION



Fundraising and Communications Achievements and Performance

2007/2008 saw some fantastic results for the Fundraising Department, smashing nearly all targets set and turning in a record-breaking amount of activity.

This year's performance is broken down as follows:

1. On-site charity shop

Over the last year, our volunteers have worked a total of 1,602.5 hours in our shop, through fine weather and foul, reworking the donated stock and turning into cash for our grants programme.

- On-site charity shop turnover: £138,455.24

2. 'The Big Charity Sales'

This year, over the course of two weekends, our volunteers worked:

The Big Charity Sale May 2007	453.0 hours in total
The Big Charity Sale Nov 2007	476.5 hours in total

- The BIG Charity Sale turnover: £93,329

3. Community Sales

Owing to stock issues (including the changes of manufacturer to the company and the success of previous sales), we have only been able to hold one sale this year, although we had provisionally planned for two.

We will continue to assess the stock situation and will endeavour to hold these sales again in the future.

These sales are also assisted by our volunteers and at the last sale, our volunteers worked:
The Big Charity Community Sale October 2007 343 hours in total

- The Big Charity Community Sale turnover: £44,672.24

THE BODY SHOP FOUNDATION

4. Stock Fundraising

New City Court Sales – four times a year, a small sale of a wide variety of products is taken to our London offices at New City Court.

- New City turnover: £9,190.35

Goodie bags – following last year's success, we continued with goodie bag fundraising - the charity goodie bags were sold via The Body Shop at Home UK channels and at a nurses conference. This avenue will be explored and expanded on next year.

- Goodie Bag turnover: £34,368.91

Charity shop in Maesteg, Wales – Originally supervised by COSi employees and, as COSi is now in the hands of the receivers, this shop has had to temporarily close. We are currently discussing the way forward for this shop with the new owners of the site, Budelpak, and it is our intention to continue to run this shop again.

- Charity shop in Maesteg, Wales turnover: £11,663.50

5. Other donations received

We continue to appreciate other 'in-kind' donations from The Body Shop International and other Littlehampton based companies on the Watersmead site including:

- Annual donation to our charitable warehouse premises by The Body Shop International
- Sporadic free rubbish clearance from charity sales, charity shop and charity warehouse by the Waste Management company of The Body Shop International.
- Transport delivery services to drop off donated stock to our charitable warehouse.

Volunteering

2007/2008 was also an incredible year of volunteering for The Body Shop Foundation, again with record-breaking amounts of volunteered time donated to the Foundation.

The breakdown of this volunteering is as follows:

	Annual hours volunteered
The Big Charity Sales	929.5
The Big Charity Community Sales	343.0
Office volunteering	145.5
Charity Shop	1,602.5
Goodie Bag	80.0
Warehouse activity	207.5
Total volunteer hours 2007/2008	3,308

THE BODY SHOP FOUNDATION

We annually refresh our Volunteer Handbook to ensure that we are aligned with the Volunteering Sector, updating and amending wherever necessary. This handbook is distributed to all volunteers prior to volunteering with us and we are currently working on a detailed induction for all volunteers.

A regular Volunteer Update ensures that everyone is kept abreast of all information about The Body Shop Foundation, covering specific issues we are currently funding and up and coming events.

We also send an annual Volunteer Questionnaire to each and every volunteer, asking for feedback on all issues surrounding our volunteering programme. This questionnaire can be completed anonymously or, if a volunteer has an individual query, we would ask for details so we can follow this up. To date, the feedback has been incredibly positive.

Our volunteers make up the backbone of our organisation and we are indebted to their constant support, their unwavering loyalty and their fantastic enthusiasm. When it comes to stock fundraising, we simply would have never reached the success we have without their support.

We would like to take this opportunity to thank each and every one of them for their hard work and their dedication – in whatever form it takes. On behalf of the whole team, our trustees and the projects that your support directly affects – thank you.

The Body Shop Foundation Trading Limited

An application for striking off The Body Shop Foundation Trading Limited, our trading subsidiary, was made to Companies House on the 27 June 2007. The registrar confirmed that the company was dissolved pursuant of Section 652A of the Companies Act 1985 on 11 December 2007.

Financial Review

The charity's income decreased from £1,769,264 to £1,396,780. This decrease in income is due to the fact that in the previous year The Body Shop International had bought forward its financial year ending date from 28 February to 31 December. This has meant that their donations to the Foundation are now paid in January and July annually - previously March and September. The first instalment of £330,000 for their new financial year was received in 06/07 financial year boosting our income significantly.

This year has seen volumes of stock donated by The Body Shop International Plc and COSi (the on-site manufacturers at Watersmead, Littlehampton of The Body Shop product) decrease dramatically, as previously explained. The reduced volumes of stock will mean that expectations for fundraised income in the following financial year will reduce significantly from this year's extremely successful fundraising year.

In addition to the product and the generous annual donation, The Body Shop International offers The Foundation other 'in-kind' services – including office space, furniture, telephone costs, postage costs, legal advice, insurance and IT support.

It is fair to comment that without the on-going, unwavering support from The Body Shop International from all levels, we would have never been able to support so many worthy projects. We use this opportunity of highlighting the mixed and varied donations the company gives us and take this chance to thank them for their incredible help, guidance and support.

Reserves policy

The Trustees are seeking to maintain free reserves of at least six months core operational expenditure. An approximate figure of £123,000 is put to this cost. Currently The Foundation is holding free reserves of £549,077. The Trustees have a major grants round scheduled for 25 June 2008 to disperse a large proportion of these funds in accordance with the charitable objectives above. This will bring the level of free reserves in line with the policy of the charity.

THE BODY SHOP FOUNDATION

Investment policy and returns

At present, the Trustees do not invest the charity's funds in stocks, shares or other such investments. Any funds held in excess of current requirements are kept in a high interest deposit account.

Report on the objectives for the financial year ending February 2008

Monitoring and Evaluation

The following objectives (in boxes) were set at the beginning of the financial year. The outcomes and achievements for each objective are set out beneath each box.

Objectives: In the new financial year we will be conducting an annual review of all documented procedures and systems as per the central procedures manual.

As part of our social audit process we will be obtaining information and feedback on our Regional Funding Programmes as well as identifying tools and a strategy to measure the global effectiveness of our grants.

This is the final year in which we have to input all historical data onto our new grants database. We have already trained volunteers to support this process and already we have input and agreed a large proportion of the data.

All objectives have been achieved to a good standard. Our central procedures manuals have been a huge success in supporting new recruits to existing roles, both that of volunteering and permanent staff.

The Social Audit results are staggering and we can take huge pride in the feedback from both our panel members and our grant recipients across the globe.

It is with a great sigh of relief that we announce that our grants database now has detail and records of every single grant that the Foundation has made since it was founded in 1990!

Governance and Administration

Objectives: We are currently appointing 3 new trustees to our board and their appointments will begin in June 2007. In the new financial year we need to maintain trustee levels of between eight and eleven and will need to recruit three more to cover trustees whose appointments are due to end in 2008. We are finding our new recruitment, selection and induction procedures of great benefit with regard to this process.

This year we are looking to ensure that all Regional Funding Programme panel members have signed the members declaration/conflicts of interest document and that these documents are reviewed quarterly and files kept up to date.

Our new trustees have proved to be a great asset to the board and we have recruited an additional three trustees to join our current board of seven - appointments beginning at our June 2008 AGM. We reviewed our recruitment, selection and induction processes and no amendments have been made.

All documentation with regard to our declarations/conflicts of interest are maintained and now reviewed monthly to ensure that records are kept up to date.

THE BODY SHOP FOUNDATION

Fundraising and Communications

Objectives: This year the fundraising team will be reviewing and updating their current volunteer programme – developing a more detailed database, maintaining accurate records and conducting annual volunteer feedback review. In addition to this they will be rolling out branded and approved templates for all communications on all programmes run by The Body Shop Foundation.

We will develop a communications network to ensure that all interested parties are receiving updates and information about The Body Shop Foundation and that we are maximizing all opportunities to distribute information on the activities of The Body Shop Foundation – be it fundraising, or awareness raising through all the channels open to us.

To ensure that we continue to enjoy the success with our stock fundraising, our objectives for the next year are as follows:

- *Try to maintain fundraised income levels as per the audited figures for year ending Feb 2007*
- *Ensure that we are utilising and maximising all supplier/manufacturer opportunities through our charity warehouse*
- *Monitor, support and assess the new financial operating procedures within the charity shop, including implement a 'Running a Charity Shop' workbook*
- *Maximise our volunteer assistance and implement two new volunteer stock sorts to assist the Gifts in Kind programme and also in the production of goodie bags, utilising the CSV week in October 2007*
- *Develop and produce top line The Body Shop Foundation gift products using charitable donated stock and with the assistance of our volunteers, to include information about The Body Shop Foundation.*

Our volunteering programme goes from strength to strength and we take huge pride in the feedback received from our volunteers on an annual basis. Our volunteer handbook is constantly evolving to keep up with the ever changing guidelines on best practice and new regulations that are brought into force. Our volunteer update communications are a big hit and we have incredible levels of response when we send out a call to action.

Our communications networks are constantly developing and growing and the style with which we communicate seems to maintain individual's interest and desire for more information.

With regard to our fundraising objectives, these have been achieved to a high standard with all expectations exceeded and achieving a record breaking year on fundraised income through The Body Shop International's product stock donations.

Plans for the future

Our objectives and plans for 2008/09 are both exciting, and with such a small team, quite challenging!

Governance

- Produce 3 year strategy document and create a user friendly powerpoint presentation document for presentation to the team, trustees and The Body Shop International Executive committee. Focusing on innovation and development.
- Link with L'Oreal Foundation and with L'Oreal organisation to ensure a greater understanding of what we do.
- Produce our first IMPACT Report.

Foundation Aims (Grants programmes)

- Review global grants programme focus and advance committee concept.
- Further develop monitoring and evaluation visits - all regions.

THE BODY SHOP FOUNDATION

- Increase nominations from regions.
- Research and develop programmes in partnership with the Values areas of The Body Shop International. i.e. Child Trafficking programme.
- Develop schools grants programme within the local community fund (Secondary schools, NCC and West Sussex areas – school student council (Pilot scheme).

Communications and Fundraising

- Increase communications across all regions on all programmes to increase involvement and encourage ownership.
- Inspire leaders into opening the line of communications.
- Develop image database to support increasing demand for video's etc.
- Review annual stock levels and suppliers/supplies, ensuring we are maximising all opportunities to maintain current levels.
- Develop stock fundraising opportunities at The Body Shop Internationals Head Office in Wake Forest, Raleigh, North Carolina, USA, using our current templates for both a charity shop and a Big Charity Sale.
- Review our charity shop at Watermstead with particular attention to volunteers, supervision, lone worker, till ops etc. Develop communications opportunities with the customers.
- Develop fundraising forum/committee – annual meeting of minds.
- CSV week: Raise awareness of the Foundation whilst providing volunteering opportunities for the company.

Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking steps for the prevention and detection of fraud and other irregularities.

The Trustees listed are the only directors of the charitable company.

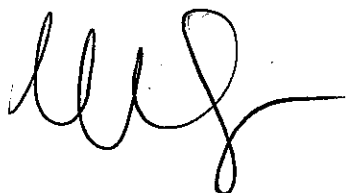
THE BODY SHOP FOUNDATION

Auditors

All of the current trustees have taken all of the steps that they ought to have taken to make themselves aware of any information needed by the charitable company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP has expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

On behalf of the Trustees



JULIAN SIMPSON

Date: 23/5/08

Report of the Independent Auditors to the members of The Body Shop Foundation

We have audited the financial statements of The Body Shop Foundation for the year ended 29 February 2008 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the trustees report is consistent with those financial statements. We also report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.


We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the Independent Auditors to the members of The Body Shop Foundation (*continued*)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity at 29 February 2008, and of its incoming resources and resources expended, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the trustees' report is consistent with the financial statements.



BDO STOY HAYWARD LLP

Chartered Accountants and Registered Auditors

EPSOM

Date: 23 May 2008

THE BODY SHOP FOUNDATION

Statement of financial activities (Incorporating an income and expenditure account) Year ended 29 February 2008

	Note	Unrestricted funds £	Restricted funds £	Total funds 2008 £	Total funds 2007 £
Incoming resources					
Voluntary income	2	698,157	13,288	711,445	1,126,835
Activities for generating funds:					
Merchandising income	3	674,161	-	674,161	636,340
Investment income	4	11,174	-	11,174	6,089
Total incoming resources		1,383,492	13,288	1,396,780	1,769,264
Resources expended					
Costs of generating funds:					
Fundraising costs		56,399	-	56,399	57,477
Merchandising costs	3	412,758	-	412,758	395,972
		469,157	-	469,157	453,449
Charitable expenditure:					
Human and Civil Rights		610,900	7,812	618,712	681,530
Animal and Environmental Protection		434,092	5,476	439,568	224,884
Medical		187	1,002	1,189	46,291
Governance costs		38,323	-	38,323	36,258
		1,083,502	14,290	1,097,792	988,963
Total resources expended	5	1,552,659	14,290	1,566,949	1,442,412
Net (resources expended)/incoming resources for the year		(169,167)	(1,002)	(170,169)	326,852
Fund balances brought forward at 1 March 2007	14	699,971	1,002	700,973	374,121
Fund balances carried forward at 29 February 2008	14	530,804	-	530,804	700,973

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The deficit for the year for Companies Act purposes comprises the net incoming resources was £170,169 (2007: surplus of £326,852)

The notes on pages 24 to 41 form part of these financial statements.

THE BODY SHOP FOUNDATION


**Balance Sheet
As at 29 February 2008**

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	9	9,416	18,041
Investments		-	1
		<u>9,416</u>	<u>18,042</u>
CURRENT ASSETS			
Debtors	10	7,087	9,796
Cash at bank and in hand		698,997	757,976
		<u>706,084</u>	<u>767,772</u>
CREDITORS: amounts falling due within one year	11	(144,368)	(84,841)
NET CURRENT ASSETS		<u>561,776</u>	<u>682,931</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		571,132	700,973
CREDITORS: amounts falling due after one year	12	(40,328)	-
NET ASSETS		<u>530,804</u>	<u>700,973</u>
FUNDS			
Designated		71,726	45,425
Unrestricted		459,078	654,546
Restricted		-	1,002
TOTAL FUNDS	14	<u>530,804</u>	<u>700,973</u>

These financial statements were approved and authorised for issue by the Board, and are signed on its behalf by:

Trustee

Date:



23/5/2008

The notes on pages 24 to 41 form part of these financial statements.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements
29 February 2008

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" (revised 2005), the Companies Act 1985 and applicable accounting standards.

The company is exempt from the requirement to prepare consolidated financial statements by virtue of Section 248 of the Companies Act 1985 as the group it heads qualifies as a small sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

(b) Company Status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity, and which have not been designated for specific purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

(d) Incoming Resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. The charitable company receives donated goods from The Body Shop International Plc in the form of written-off cosmetics and toiletries, which are passed on to beneficiaries. These have been valued on the discounted basis used for the sale of similar products by The Body Shop International Plc to its own employees. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements

29 February 2008

1 ACCOUNTING POLICIES *(continued)*

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Costs of generating funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Grants payable are charged in the year when an obligation arises in accordance with the requirements of the Statement of Recommended Practice, and are allocated to appropriate charitable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Such costs are reallocated across relevant areas of resources expended using a combination of time apportionment and annual activity in each area.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

(f) Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost or valuation including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation on a straight line basis over their expected useful economic lives as follows:

Office equipment	over 2 – 3 years
Vehicles	over 1 – 3 years

(g) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

(h) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

(i) Pensions

Contributions to the charity's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they become payable.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements

29 February 2008

1 ACCOUNTING POLICIES (continued)

(j) Intangible income

Donated facilities such as office space and professional advice have been valued by the charitable company and included in voluntary income. An equivalent amount has been charged as expenditure.

(k) Operating leases

Annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2 VOLUNTARY INCOME

	2008 £	2007 £
Individuals	17,945	26,142
Corporate donors	675,000	1,069,657
Gifts in kind	18,500	31,036
	<u>711,445</u>	<u>1,126,835</u>

Gifts in kind comprise donations from The Body Shop International Plc as detailed in note 1(j). A corresponding amount is included within expenditure.

3 MERCHANDISING INCOME AND COSTS

	Donated Goods £	Sale Donated Goods £	Total 2008 £	Total 2007 £
Merchandising income	338,188	335,973	674,161	636,340
Cost of sales	335,970	13,204	349,174	328,827
Administrative expenses	2,218	61,366	63,584	67,145
Merchandising expenses	338,188	74,570	412,758	395,972
Surplus	-	261,403	261,403	240,368

4 INVESTMENT INCOME

	2008 £	2007 £
Interest receivable	11,174	6,089

THE BODY SHOP FOUNDATION

**Notes To The Financial Statements
29 February 2008**

5 TOTAL RESOURCES EXPENDED

	Staff Costs £	Grants & Admin £	Goods in Kind £	Total 2008 £	Total 2007 £
Fundraising costs	38,608	16,866	925	56,399	57,477
Merchandising costs	24,192	50,378	338,188	412,758	395,972
Human and Civil Rights	41,268	569,858	7,585	618,711	681,530
Animal and Environmental Protection	29,190	405,014	5,365	439,569	224,884
Medical	-	1,189	-	1,189	46,291
Governance costs	25,163	8,535	4,625	38,323	36,258
Total resources expended	158,421	1,051,840	356,688	1,566,949	1,442,412

	2008 £	2007 £
Other direct costs include		
Auditor's remuneration	6,000	5,500
Accountancy, taxation and other services	2,000	2,000
Depreciation	10,348	11,234

Support costs of £114,970 (2007: £108,769) have been allocated across all resources expended using a combination of time apportionment and annual activity in each area. These costs are largely comprised of payroll costs and other travel related expenditure.

6 ANALYSIS OF GRANTS PAID

Included within the costs of the 'Human and Civil Rights' and 'Animal and Environmental' activity headings are a number of grants paid to institutions, as follows:

	2008 Number	2008 £	2007 Number	2007 £
Grants paid to institutions	110	941,318	114	795,794

A listing of the top 50 grants during the year is given on pages 33 to 41. No grants were awarded to individuals in either year.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

7 TRUSTEES' REMUNERATION

The Trustees neither received nor waived any emoluments during the year (2007: £nil).

Out of pocket expenses were reimbursed to Trustees as follows:

	2008 Number	2007 Number	2008 £	2007 £
Travel	0	1	-	214

8 STAFF COSTS

	2008 £	2007 £
Wages and salaries	137,758	130,373
Social security costs	12,742	12,573
Pension costs	7,921	7,655
	<u>158,421</u>	<u>150,601</u>

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	2008 Number	2007 Number
Cost of generating funds	2	2
Management and administration of the charity	3	3

No employee (2007: nil) received emoluments of £60,000 or more.

THE BODY SHOP FOUNDATION

**Notes To The Financial Statements
29 February 2008**

9 TANGIBLE FIXED ASSETS

	Office equipment £	Vehicles £	Total £
Cost or valuation			
At 1 March 2007	49,192	12,288	61,480
Additions	3,158	-	3,158
Disposals	(2,062)	-	(2,062)
At 29 February 2008	50,288	12,288	62,576
Depreciation			
At 1 March 2007	31,151	12,288	43,439
Charge for the year	10,348	-	10,348
Disposals	(627)	-	(627)
At 29 February 2008	40,872	12,288	53,160
Net book value			
At 29 February 2008	9,416	-	9,416
At 28 February 2007	18,041	-	18,041

10 DEBTORS

Due within one year:

	2008 £	2007 £
Prepayments	3,925	2,181
Accrued income	3,162	7,615
	7,087	9,796

THE BODY SHOP FOUNDATION

**Notes To The Financial Statements
29 February 2008**

11 CREDITORS

Amounts falling due within one year:	2008	2007
	£	£
Charitable commitments	126,736	45,000
Accruals	17,632	39,841
	<u>144,368</u>	<u>84,841</u>

12 CREDITORS

Amounts falling due after one year:	2008	2007
	£	£
Charitable commitments- amounts falling due in one to two years:	40,328	-
	<u> </u>	<u> </u>

13 COMMITMENTS

Annual commitments under non-cancellable operating leases were as follows:

	2008	2008	2007	2007
	Land and	Other	Land and	Other
	Buildings		Buildings	
	£	£	£	£
Leases which expire:				
In two to five years	22,325	-	22,325	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

14 STATEMENT OF FUNDS

	At 1 March 2007 £	Incoming resources £	Resources expended £	Transfers £	At 29 February 2008 £
General reserves	654,546	1,383,493	1,126,828	(452,133)	459,078
Designated funds					
Local Community Grants Programme	695	-	31,000	35,000	4,695
RFP AM	13,915	-	107,421	108,241	14,735
UK	11,988	-	84,150	100,000	27,838
EMEA	5,095	-	90,016	100,000	15,079
AP	1,343	-	91,964	100,000	9,379
Iasis	12,389	-	12,389	-	-
Other (COTE)	-	-	8,892	8,892	-
Total unrestricted funds	699,971	1,383,493	1,552,660	-	530,804
Restricted funds					
RFP AM	-	6,697	6,697	-	-
UK	-	5,965	5,965	-	-
EMEA	-	378	378	-	-
AP	-	-	-	-	-
Iasis	1,002	-	1,002	-	-
Other restricted funds	-	248	248	-	-
Total restricted funds	1,002	13,288	14,290	-	-
Total funds	700,973	1,396,781	1,566,950	-	530,804

The Regional Funding Programmes were set up in 2005 to ensure that the Foundation's global remit was being met and that input from The Body Shop International's global markets was developed in terms of project identification.

A regional panel has been set up in each region, with representatives from The Body Shop's employees, franchisees and consultants. Permanent members of each Panel are the Values Representative from each The Body Shop International region and the Grants Manager of The Body Shop Foundation. The Programmes are in the Asia Pacific region, the Europe, Middle East and Africa region, the UK & Republic of Ireland region and the Americas region.

Iasis provides medical assistance and healthcare to people in crisis, currently in East Timor, Romania, Brazil, Ethiopia and Thailand.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Designated Funds	General Funds	Total
	£	£	£	£
Fund balances at 29 February 2008 are represented by:				
Fixed assets	-	-	9,416	9,416
Current assets	-	77,133	628,951	706,084
Current liabilities	-	(5,406)	(179,290)	(184,696)
Total net assets	<u>-</u>	<u>71,727</u>	<u>459,077</u>	<u>530,804</u>

16 CASH FLOW STATEMENT

The charitable company has used the exemption under Financial Reporting Standard 1 "Cash Flow Statements (revised 1996)", not to prepare a cash flow statement as the charitable company is "small" under the Companies Act 1985.

17 PENSIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension charge represents contributions payable by the charity to the fund.

18 RELATED PARTY TRANSACTIONS

Gordon Roddick, a trustee, is also a trustee of the Amazon Rainforest Foundation, to which The Body Shop Foundation awarded a grant of £50,000 during the year.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements
29 February 2008

THE BODY SHOP FOUNDATION TOP 50 GRANTS THE YEAR ENDED 29 FEBRUARY 2008

1. **BUAV** £60,000.00 – over 2 years

The British Union for the Abolition of Vivisection (BUAV) was founded in 1898 and is the world's leading anti-vivisection campaigning organisation. The BUAV's vision is to create a world in which no one wants or believes in the need to experiment on animals and it is dedicated to using peaceful and responsible campaign techniques to end animal experiments, both nationally and internationally. The grant is made towards the salary for the post of BUAV European Union Policy Officer for 2 years.
2. **Navdanya** £60,000.00 – over 3 years

Navdanya is a women-led movement for biodiversity conservation, sustainable agriculture and farmer's rights and was founded by Dr. Vandana Shiva, a leading environmentalist and a Right Livelihood Award winner in 1987. Funding is for the 'Strengthening community organic trade fair and community food and seed sovereignty in India' project.
3. **Body and Soul** £59,226.00 - over 3 years

Body and Soul is a UK charity supporting children, teenagers and their families who are living with and closely affected by HIV. The charity aims to encompass both peer and professional support, enabling people to cope with the challenges posed by living with a highly stigmatised and incurable condition. Youth Worker for TeenSpirit.
4. **MicroLoan Foundation** £55,000.00 – over 2 years

The MicroLoan Foundation (MLF) is a UK based charity that provides small loans, basic business training and on-going mentoring support to women in sub-Saharan Africa. The loans enable them to develop self-sustainable livelihoods, to feed, clothe and educate their families, and work their own way out of the poverty trap. The grant is given towards setting up a new branch office in Mzimba in north west Malawi.
5. **Amazon Rainforest Foundation (ARF)** £50,000.00

ARF builds upon 7 years of understanding and practical experience gained through the Amazon Coop project in Brazil that comes out of a Body Shop Foundation core project. ARF works with the indigenous people of the Amazon to develop and implement co-operative solutions to preserve the rainforest. Funding is given for core running costs in the UK.
6. **Tropical Forest Trust (TFT)** £40,000.00 – over 2 years

The TFT has been a membership based, not-for-profit organisation since 1999 and officially registered as a UK charity in May 2006. TFT's aim is to protect tropical forests and the communities and biodiversity that depend upon them. The guiding philosophy is to give tropical forests value as fully functioning ecosystems rather than as land cleared for alternative uses, such as agriculture. Funding is given for core running costs.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

7. **Global Action Plan** £21,492.63

Global Action Plan was established in August, 1993 following the Rio Earth Summit. Since its conception, they have tackled the crucial issues of climate change and resource use by helping people at school, at home, at work and in the wider community to make positive changes in their daily lives. The grant is given to support the delivery of the Action At School programme in the UK and to roll out the model in 2 European countries for one year.

8. **Africa Now** £20,000.00

Africa Now aims to reduce poverty by promoting entrepreneurship and linking people to sustainable markets and ethical supply chains. Funding is for core costs of maintaining Africa Now's presence in Zimbabwe, to build capacity of local partners and agricultural projects.

9. **BioRegional Development Group** £20,000.00

BioRegional Development Group is an entrepreneurial, independent environmental charity set up to create practical, economically-viable solutions to environmental problems. BioRegional's philosophy is based on the local use of natural or recycled resources and energy, in order to support vibrant regional economies, reduce freight transport and consumption of fossil fuels. Funding is for the One Planet Living Programme.

10. **STOP (Trafficking UK)** £20,000.00 – over 2 years

STOP (Trafficking UK) is a new charity whose primary purpose is to provide relief for anyone who may have been the victim of the human trafficking trade, either by facilitating the provision of housing, financial support, legal advice and medical treatment or by providing treatment for those who have suffered both physical or mental abuse. Funding is to develop the STOP (Trafficking UK) service over the next 2 years.

11. **Iasis** £17,201.87

Iasis was formed in 2000 with the key objective to deliver medical care to those affected by poverty and conflict, focusing on people in rural outposts. They also, wherever possible, aim to respond with medical assistance to disaster and emergency situations bringing in an extensive medical bank of experience. Funding was given to support their core administration costs.

12. **World Development Movement** £15,000.00

The World Development Movement is a democratic membership movement, comprising members, individual supporters, activists and local groups committed to achieving justice for the worlds poor. The grant is given towards the project 'Global Partnerships for Climate Justice'.

13. **The Women's Crisis and Family Outreach Centre (WCFOC)** £13,726.00

The WCFOC is the only domestic violence agency serving Douglas, Elbert and Lincoln Counties and the eastern plains of Colorado, USA. The organisation is dedicated to reducing domestic violence and family conflict through advocacy, empowerment, violence prevention and intervention, services and education. Funding is to assist with support services for teenagers.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

14. **Global Green Grants (GGF)** £10,000.00

GGF strives to promote grassroots environmental movements in developing regions by providing small, timely grants to support local initiatives, organizations and community groups. GGF believes that the power to affect change lies in the hands of the people on the ground who are most impacted by environmental degradation and unsustainable development schemes. Funding is to support GGF grant making programs around the world.

15. **Stakeholder Democracy Network** £10,000.00

Stakeholder Democracy Network helps communities, especially those in the global South where big businesses' impacts are greatest, to communicate and negotiate with other stakeholders whose investments and operations affect their lives, livelihoods and environment. The grant is given towards the project 'Energy democracy in the Niger Delta'.

16. **Stop Climate Chaos** £10,000.00

Stop Climate Chaos is a growing coalition of diverse organisations that wants action on climate change. The organisations span most of the UK's environmental and development groups – from RSPB and WWF-UK to Christian Aid and Oxfam. Funding is given towards the I Count Campaign to engage the public in solutions to climate change.

17. **Casa Amiga** £10,000.00

Casa Amiga works in Ciudad Juarez, Mexico to help women who have been, or are at risk of being, battered and abused. Casa Amiga's mission is to promote a culture without violence based on fairness and respect for the physical, emotional and sexual integrity of the women and children of the community. Funding is given for prevention talks and training inside and outside the Center.

18. **Coalition Against Trafficking in Women(CATW)** £10,000.00

CATW is an international NGO based in New York that promotes women's rights. They work internationally to combat sexual exploitation in all of its forms, especially prostitution and trafficking in women. CATW partners with human rights activists and organisations to carry out prevention projects, programs and advocacy. Funding is for the Prevention Project in Mexico which aims to prevent children from being recruited into the sex industry. It also addresses the demand by discouraging sex tourism.

19. **End Child Prostitution and Trafficking-USA (ECPAT-USA)** £10,000.00

ECPAT-USA was founded to fight against child sex tourism to Asia and in 1996 broadened its mission to focus on ending all forms of sexual exploitation of children. ECPAT-USA is the American arm of ECPAT-International, based in Bangkok. The grant is given towards The Protect Children in Tourism Project. Specifically funds are needed to expand the Project in the State of Quintana Roo, Mexic

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

20. **Green Map System (GMS)** £10,000.00

GMS is based in New York City, but works with a network of nearly 400 locally-led projects in 50 countries. With mapmaking as the medium, GMS promotes sustainability and inclusive citizen participation in communities around the world. Funding is for a two-part program of resource and communications development to enhance place-based learning and promote cross-cultural, sustainability related leadership skills among the 'next generation' of Green Mapmakers.

21. **Green Thumb Theatre** £10,000.00

Green Thumb Theatre is a not for profit organisation based in Vancouver which creates and produces plays that explore social issues relevant to the lives of children, youth, and young adults. Funding is given for the play, *The Invisible Girl*, which is a smart and humorous look at our preoccupation with beauty and popularity. The play explores the issues of bullying and body image in a way that younger children are able to approach and understand.

22. **Madre** £10,000.00

Madre is an international women's human rights organisation that works in partnership with community based women's organisations worldwide to address issues of health and reproductive rights, economic development, education and other human rights. Funding is for work with Madre's partner organisation in Nicaragua, Wangki Tangni to address the unmet needs of indigenous Nicaraguans.

23. **United Animal Nations** £10,000.00

United Animal Nations works in the USA primarily to bring animals out of crisis and into care, and focuses efforts on three main areas: animals who are displaced by disasters; animals who require urgent veterinary care to survive; and horses cast off from the hormone therapy drug industry that are at risk for slaughter. Funding is to help bring public awareness to, and increase outreach for, the PMURescue.org Web site.

24. **Child Wise Ltd** £10,000.00

Child Wise is an Australian charity dedicated to protecting children everywhere. It is the only Australian based organisation working exclusively to prevent the sexual abuse and exploitation of children in Australia, Asia and the Pacific. ChildWise is part of the international ECPAT (End Child Prostitution and Trafficking) network. The grant is given towards the project 'Follow-Up Skills-Based Training in Child Protection and Trauma Counselling' to be held in Myanmar, Laos and Indonesia.

25. **The Philippine Community Fund (PCF)** £10,000.00

PCF is a non sectarian, registered UK charity working in the Philippines as The Philippine Christian Foundation. PCF works in the most depressed areas of the Philippines with communities who are unable to provide for their own and their children's basic needs. The grant is given to build a new classroom at PCF's school building in Manila.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

26. **Dannerhuset** £10,000.00

Dannerhuset is the largest, oldest and most reputable shelter for survivors of domestic violence and women's rights organisation in Denmark, and has had a decisive influence on putting domestic violence on the political agenda. Funding is given towards the launch of a new programme, which aims to chart and analyse the violence and perception of violence which takes place in immigrant families in Denmark.

27. **Faenheller** £10,000.00

Faenheller works in Norway to raise awareness of child sex abuse and to provide support services to survivors of abuse. A telephone hotline is provided and support meetings take place at regular intervals. The group is a self help group run by survivors of abuse. Funding is towards extending the service across Norway, to improve the website and also to hold seminars.

28. **Rainbo** £10,000.00

Rainbo is an organisation of African women in the Diaspora. Rainbo envisions a future for the African continent where women and girls enjoy full rights of citizenship and play an important role in its future. The grant is given towards the Teacher First - Alaam project which will train 30 female teachers to engage 8000 families around the importance of primary education for girls and women's empowerment and towards the Women's Development Program of partner Anglo Community Development Centre which aims to provide literacy, numeric and basic entrepreneurial skills for 60 women in the village.

29. **Teach A Man To Fish ("TAMTF")** £10,000.00

TAMTF works across the developing world with well established local partners, principally schools, to improve the quality and availability of general and skills education for young people. A focus on agricultural education recognises the central role of agriculture in the world's least developed countries as a source of income generation, employment and food security. The grant is given towards the 'Access to education in western Kenya: 'A Sustainable Solution' project.

30. **(NSCA) Environmental Protection UK** £10,000.00

Environmental Protection UK is a national organisation that seeks changes in policy and practice to minimise air, noise and land pollution. They aim to achieve this by bringing together stakeholders such as policy makers, environmental professionals, industry, academics and the public, to inform debates and influence decision-making in order to develop integrated policies and practices to protect our environment. Funding is for the development of a travel calculator designed for children of school age.

31. **Derian House** £10,000.00

Derian House is based in the North West of England and provides three focuses of care, including specialist palliative respite care, palliative and terminal care, bereavement care to children and young people with life limiting and life threatening illnesses from 0-21 years of age. The grant is given to support a Carer through a Youth and Community Program - a three year program to diploma level.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements

29 February 2008

32. **Manor Womens Project** £10,000.00

The Manor Women's Project can boast a 74% success rate in supporting residents of the project in reforming their hitherto Heroine Addictions and Vice activities. The Project aims to provide a minimum rehabilitation programme of two years, providing a 24 Hour and 7 Days per week support network. The grant is made towards the cost of support workers at The Manor Women's Project.

33. **Tai Hafan New Dawn Project** £10,000.00

Tai Hafan is a non-profit making charitable housing association which aims to:

- Empower disadvantaged women, children and young people in all aspects of Life.
- Develop partnerships to identify and provide for the needs of disadvantaged women, in particular those who are survivors of domestic abuse.

Our funding is to finance a part-time mentoring co-ordinator in the Wrexham area to work with young women and their children.

34. **The Esther Benjamins Trust** £10,000.00

The Esther Benjamins Trust was established in 1999 and works to rescue and protect children across Nepal from exploitation and abuse. The Trust works to:

- Rescue children of prisoners locked in jails with their parents. The practice has now been outlawed in Nepal.
- Prevent the trafficking of Nepali girls to work in the Indian circus industry.
- Provide residential childcare for retrieved children and vulnerable siblings who have no family units.

Funding is for activities which are part of the International Award so that children can complete the award and develop their skills and self esteem.

35. **Waste Watch** £10,000.00

Waste Watch is a leading UK environmental organisation working to change the way people use the world's natural resources. Their vision is a less wasteful society, and they believe everyone has a part to play in reducing waste and living more sustainably. The grant is given towards the project New School: New Environment.

36. **Southwark Day Centre, London (SDCAS)** £10,000.00

SDCAS seeks to provide a welcoming environment in which refugees and asylum seekers are given respect and practical support to improve their quality of life and overall well-being. The grant is given towards the employment of a Volunteer Support Worker.

37. **Green Light Trust** £9,840.00

Green Light Trust is an environmental education charity in Norfolk. The cornerstones of their work are: community, children, biodiversity and global kinship. The mission is to bring communities and landscapes to life through 'hands on' learning and the growing of woodlands. The grant is given towards the 'From Seed to Tree' education programme for schools.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements 29 February 2008

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38. **LHS Family and Youth** £9,746.00
- LHS Family and Youth Services in Toledo, Ohio, provides both campus and community-based residential care and treatment to children and youth ages six to twenty-one. Most children and youth are high-risk, difficult-to-manage and have multiple-needs, and are not been able to get help successfully elsewhere. Our funding is for the cost of environmental aspects of a school building, for children with emotional and mental disabilities in Ohio, USA.
39. **Respond** £9,680.00
- Respond provides support for people with learning disabilities whose lives have been affected by trauma, abuse or sexual violence. The grant is given towards continuing the outreach workshops in special schools and community venues.
40. **Children on the Edge** £9,140.40
- Children on the Edge aim to protect and support orphaned and vulnerable children in order to further their rights in accordance with the Convention on the Rights of the Child. Our funding is towards core running/administration costs.
41. **The Elephant Sanctuary** £9,000.00
- The Elephant Sanctuary provides an area of over 2000 acres in Tennessee, USA for elephants who have been rescued from circuses, zoos and other unsuitable captive environments. The Sanctuary provides a spacious and rich environment for captive elephants so they can freely exercise their true nature without intrusion and with respect. Our funding is for new elephant habitats.
42. **Save Our Borneo (SOB)** £7,100.00
- SOB is a Non Government Organisation established in March 2006 and works in cooperation with WWF-FCI program on the protection of forests in Central Kalimantan. In this program SOB initiates the SELANTING alliance to conduct the advocacy [litigation and non-litigation] to forest conversion in Seruyan-Lamandau and Tanjung Puting. The grant is given towards the study and campaign against forest conversion on Tanjung Puting national Park (TPNP) Corridor, Seruyan District, Central Kalimantan, Indonesia.
43. **Burmese Migrant Workers Education (BMWEC)** £7,000.00
- BMWEC is an umbrella organization for over 50 migrant schools along the Thai-Burma Border. The grant is given towards the salaries of eight teachers, the driver and the cook of Hle Bee school for the academic year 2007/08.
44. **Cleanup UK** £5,500.00
- Cleanup UK will tackle the UK's litter problem in an innovative and creative manner. It will, for the first time, unite the estimated 3,000 existing volunteer litter collecting groups around the UK into an active movement and, by creating a sense of fun, community and purpose among those who feel strongly about the litter issue, significantly increase the number of volunteers who collect litter. Funding is for the Cleanup UK pilot project to unite existing volunteer litter collecting groups in order to increase numbers and improve the environment.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements

29 February 2008

45. **Huckleberry Youth Programs (HYP)** £5,000.25

HYP is a critical provider of essential safety net services for at-risk youth and their families in San Francisco and Marin County and has developed and maintained prevention programmes. These programs divert youth from violence, crime and gang involvement, as well as other harmful behaviours, including running away, drug/alcohol abuse, risky sexual activities, and involvement in the juvenile justice system. Our funding is for the VIP (Violence Is Preventable) Girls Program, which was created to divert girls from violent behaviours, either as victims, witnesses, or perpetrators.

46. **Change for Children Association** £5,000.00

Change for Children strives to support sustainable community development in Latin America, Africa and the Caribbean. They do this through the cultivation of long term partnerships with community groups, who are working for positive, long-term social change. They support community initiatives in the areas of primary health care, alternative education, sustainable agriculture, outreach, advocacy and support for children and youth at risk, community empowerment for women and indigenous peoples, and other essential projects as determined by partner communities. The grant is to fund the Environmental Rights and Indigenous Community Management project in the Rio Patuca area of Honduras.

47. **Chaste** £5,000.00

Chaste works in the UK and Albania and with partners in Romania, Nigeria and Canada and aims to:

- Provide direct first line support to those who have been subject to trafficking for sexual exploitation.
- Facilitate safe housing for those who have been sexually trafficked.
- Increase awareness of sexual trafficking and advocate for policy changes by the UK government and the EU to address all aspects of the trafficking cycle - supply, demand, prevention and victim protection.

The grant is given towards the 'Not for Sale' UK Campaign.

48. **End Child Prostitution and Trafficking UK (ECPAT UK)** £5,000.00

ECPAT UK is a children's rights organisation that aims to raise awareness of the international dimensions of commercial sexual exploitation of children. ECPAT UK is a coalition of nine UK organisations: Anti-Slavery International, Barnardo's, Jubilee Campaign; NSPCC, Save the Children UK, The Children's Society, UNICEF UK, World Vision UK and The Body Shop Foundation. Our funding is for core running costs and part coalition membership.

49. **Good Earth Trust** £5,000.00

The Good Earth Trust is a recently registered charity committed to promoting the role of environmentally-sustainable technologies, designed to enable the poorest people, particularly in sub-Saharan Africa, to address their most fundamental domestic and community needs. Our funding is for the water-harvesting project in Nakyenyi Village.

THE BODY SHOP FOUNDATION

Notes To The Financial Statements
29 February 2008

50. Rugmark UK

£5,000.00

Rugmark aims to eradicate illegal child labour from the hand made carpet industry. It is a southern driven initiative focusing on three countries in South Asia – Nepal, India and Pakistan. Licence fees collected from exporters pay for the monitoring and inspection systems, and those collected from importers are used to fund education and welfare programmes in carpet producing areas. Our grant is to develop education packs for schools and re-design the Rugmark UK web site.