



TUSK TRUST

**REPORTS AND FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2008**

REGISTERED U.K. CHARITY NUMBER 803118

**Hetherington and Co
Accountants and Registered Auditors
Second Floor, 289 Green Lanes
Palmer's Green, London N13 4XS**

TUSK TRUST

INDEX TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2008

	Page No.
Reference and Administrative information	1
Trustees' Report	2-10
Auditors' Report	10-12
Consolidated Statement of Financial Activities	13
Consolidated Balance Sheet	14
Notes to the Financial Statements	15-34

TUSK TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2008

ROYAL PATRON

HRH Prince William of Wales, KG

HON. LIFE PRESIDENT

Sir Christopher Lever Bt

TRUSTEES

David Ian Rawlinson (Chairman)
Pierre Andre Mourgue-D'Algue
Lord St John of Bletso
The Hon. Stephen Watson
James Lindsay
Dr Samantha Corsellis
Philip Cayford QC (Hon Treasurer)
Reggie Heyworth
Sir Timothy Ackroyd Bt

MANAGEMENT

Chief Executive: Charles Mayhew MBE
Projects Manager (Africa): Sarah Watson
Fund Raising Manager: Adele Emmett
Finance Manager: Andree Hall

PRINCIPAL OFFICE ADDRESS

5 Townbridge House,
High Street,
Gillingham, Dorset
SP8 4AA
Tel: 01747 831005
www.tusk.org

CHARITY NUMBER

803118

BANKERS

HSBC Private Bank (UK) Ltd
78 St James's Street
London SW1A 1JB

AUDITORS

Hetherington and Company
Accountants and Registered Auditors
Second Floor, 289 Green Lanes
Palmers Green, London N13 4XS

SOLICITORS

Wilson's Solicitors LLP
Steynings House
Summerlock Approach
Salisbury, Wiltshire
SP2 7RJ

TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The Trustees present their report and the audited consolidated financial statements of the Charity and its subsidiary for the year ended 31st December 2008. The financial statements have been prepared in accordance with the accounting policies set out in note 1 on pages 15 to 17 and comply with the Charity's Trust Deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Tusk Trust was formed by a Declaration of Trust on 9 March 1990 and registered with the Charity Commission on 4th April 1990. A Scheme of the Charity Commission making certain alterations to the Trust Deed was approved on 10 May 2005. HRH Prince William of Wales KG announced that he was to become Royal Patron of Tusk on 19th December 2005.

Trustees

The Trustees are appointed by the Board of Trustees and serve for three years after which period they may put themselves forward for re-appointment at the next Annual General Meeting. The Trust Deed provides for a minimum of two and a maximum of ten Trustees. As part of their initial training and induction, newly appointed Trustees are provided with an information pack about the Charity and are given a briefing as well as details concerning their duties and responsibilities as custodians of the Trust.

The following persons served as Trustees during the year:-

David Ian Rawlinson (Chairman)
Pierre Andre Mourgue-D'Algue
Lord St John of Bletso
The Hon. Stephen Watson
James Lindsay
Dr Samantha Corsellis
Philip Cayford QC (Hon Treasurer)
Reggie Heyworth
Sir Timothy Ackroyd Bt

In accordance with the Trust Deed, David Ian Rawlinson, Pierre Andre Mourgue-D'Algue, Lord St John of Bletso, Dr Samantha Corsellis and Reggie Heyworth retired and were re-elected to the Board on 18th September 2008.

The Board meets formally on a quarterly basis.

Risk Management

The Trustees have taken all reasonable steps to minimise the foreseeable risks in the Charity's operations. The Charity's reserve policy combined with the recent establishment of the Tusk Foundation as an endowment is evidence of the Trustees' intention to protect the Charity against any significant downturn in revenue or any sustained period of financial uncertainty.

At the end of 2008, the Board felt that in light of the global recession and the anticipated reduction in voluntary contributions combined with an increased ratio of restricted funds, it would be prudent to increase the general reserves held by the Charity from the equivalent of 6 months to 9 months working capital.

TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Furthermore, the Trustees have identified and considered the following potential risks arising from the economic down turn: –

- A reduction in donor funding because of the economic conditions
- Financial distress amongst existing and potential donors
- Failure of other donor agencies, NGO's, or individuals on whom Tusk projects may be co-dependent
- Budgetary risks in the supported projects

Whilst the Trustees and the executive team will continue to monitor closely the above risks, the Board are confident that all necessary steps are being taken to mitigate the potential impact of these occurring over the next two years.

Organisational structure

Tusk Trust is managed on a daily basis by a small executive team, based in Dorset in the UK and headed by the Chief Executive, Charles Mayhew MBE, who is also one of the founders of the Charity. The other members of UK office staff comprise the Fundraising Manager, Adele Emmett, and the Finance Manager, Andree Hall.

The executive team is completed by Sarah Watson, who formerly worked in Tusk's UK office, but has for the last three years been employed as the Charity's Projects Manager (Africa) and is permanently based in Kenya.

The Chief Executive reports to the Chairman of the Trustees on a weekly basis. The Board meets formally on a quarterly basis, but individual Trustees maintain regular contact with the office staff and make periodic visits to the office in Gillingham. There is regular and valuable communication between the Trustees themselves and between the Trustees and the executive team. Various sub-committees have been established to meet periodically and advise the Board on specific areas of interest – these include: Finance, Investment, Remuneration, and Small Grants.

As part of the Charity's governance procedures during the year, all four members of the executive staff and six of the Trustees conducted a variety of fact-finding visits to a number of Tusk projects.

Fundraising initiatives and events are organised by the executive team under the auspices of Tusk Trust Trading Limited, a wholly owned subsidiary of the Charity, which transfers its profits to the Charity under the Gift Aid scheme.

OBJECTIVES AND ACTIVITIES

Mission Statement

To deliver effective protection for Africa's wildlife and natural heritage in conjunction with sustainable development and environmental education programmes designed to help alleviate poverty amongst rural communities.

Whilst the preservation of wildlife and wilderness areas remains at the heart of Tusk's work, the programmes supported by the Charity cover a broad spectrum of related initiatives covering three main themes; protecting wildlife, supporting communities and promoting education.

TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Tusk Trust is recognised as being one of the world's leading African wildlife conservation charities and has successfully initiated, funded, and supported a significant number of important conservation projects across the African continent. While Tusk's primary objective is to promote the protection of endangered species, including such species as the black rhino, African wild dog, cheetah, gorilla, chimpanzee and turtle, the Trustees recognise that education, sustainable rural development, and the involvement and support of local communities are all essential components for the long term success of conservation.

The Charity's holistic approach means that a large number of the projects supported involve assisting rural communities to establish sustainable development programmes, many of which are linked to eco-tourism or other nature based enterprises. These initiatives not only provide valuable employment, but also help to alleviate poverty by generating alternative revenue to improve healthcare, schooling, water, and security in otherwise extremely poor rural areas. In turn, these projects are designed to directly benefit wildlife conservation and have led to a dramatic reduction of poaching, human wildlife conflict and the rehabilitation of natural habitat.

Tusk also regards the broadening of environmental education amongst young Africans as a cornerstone for the survival of wildlife and its diminishing habitat. The Charity supports a number of dynamic schools and specialist environmental education centres, which act as 'bush classrooms' and expose children to the need for better sustainable management of their natural environment. Tusk's successful 'PACE' education films and resource pack has now been adopted right across the Continent.

Details of the significant activities which contributed to achieving the objectives of the Charity are provided within the financial review

FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

The year to December 2008 proved to be a period of consolidation for Tusk Trust and its wholly owned subsidiary Tusk Trust Trading Ltd (whose summarised individual results can be found in note 20). The Trustees are pleased to report that income exceeded expectations in light of the impact of the global credit crisis and resulting falls in global markets, and which particularly manifested itself in the second half of the year. The Charitable Group achieved modest growth of 3.0% for the year under review with gross consolidated income totalling £1,890,041. Revenue includes £1,133 of donations received by the Charity's other wholly owned subsidiary, Tusk Australia Pty Ltd. The amount represents the subsidiary's only source of income since it was incorporated in December 2007. The Trustees are also satisfied with the amount spent on Charitable Activities, which was £1,322,199 (2007: annualised at £1,396,200*).

The results on page 13 reveal a consolidated surplus of £195,939 for the year under review (2007: annualised at £130,126*) of which £89,175 was contributed by Tusk Trust Trading Ltd. The surplus also includes a small contribution of £458 by Tusk Australia Pty Ltd. At the year end date the consolidated reserves of the Charitable Group stood at £819,751.

<p>*Due to the decision in 2007 to change the Charity's year-end, the previous financial statements were based upon a period of 18 months when gross revenue amounted to £2,741,004 (annualised at £1,827,336).</p>

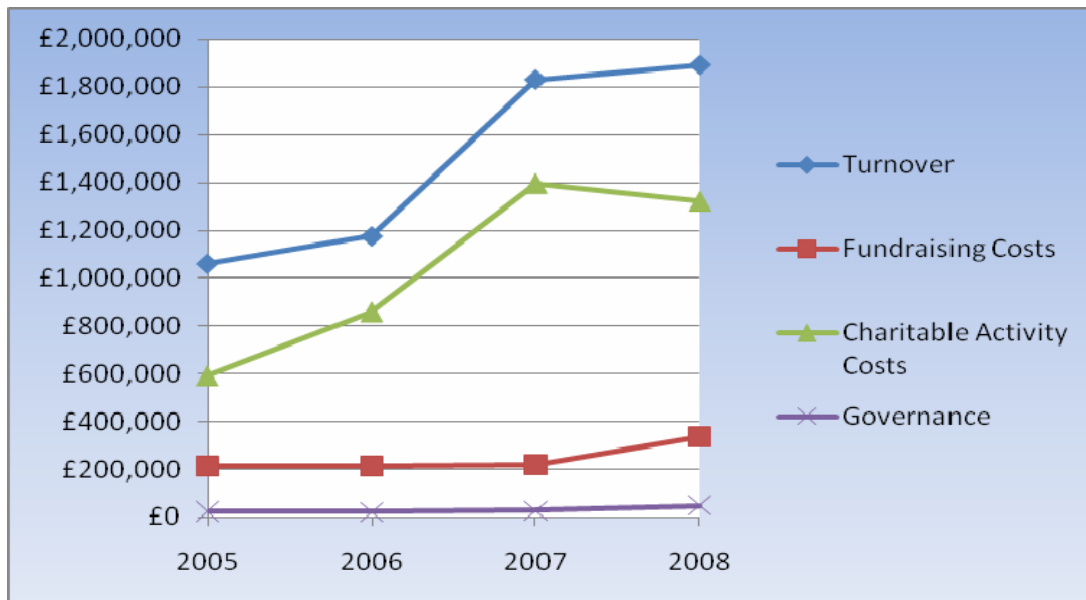
TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The Trustees feel that it is important to set the 2008 results in the right context as they follow a period (2006-2007) of strong growth during which the charity had benefited from two significant 'one-off' contributions totalling £520,000. With clear signs of a looming recession combined with the unprecedented credit crisis, the Board had anticipated that revenue in the latter part of 2008 could be negatively impacted. However, the Charity was fortunate to benefit from a highly successful fundraising initiative undertaken by BlackRock Investment Management, which raised £240,000.

During the period, Tusk USA Inc, the charity's not-for-profit associate based in Santa Fe, New Mexico, contributed US\$ 292,472 (2007: US\$ 297,460*) in grants to projects. Tusk USA was administered on a purely voluntary basis in 2008, however its Board has recently appointed a fundraising administrator and it is expected that Tusk USA will continue to build its donor base and revenue over the next two years.

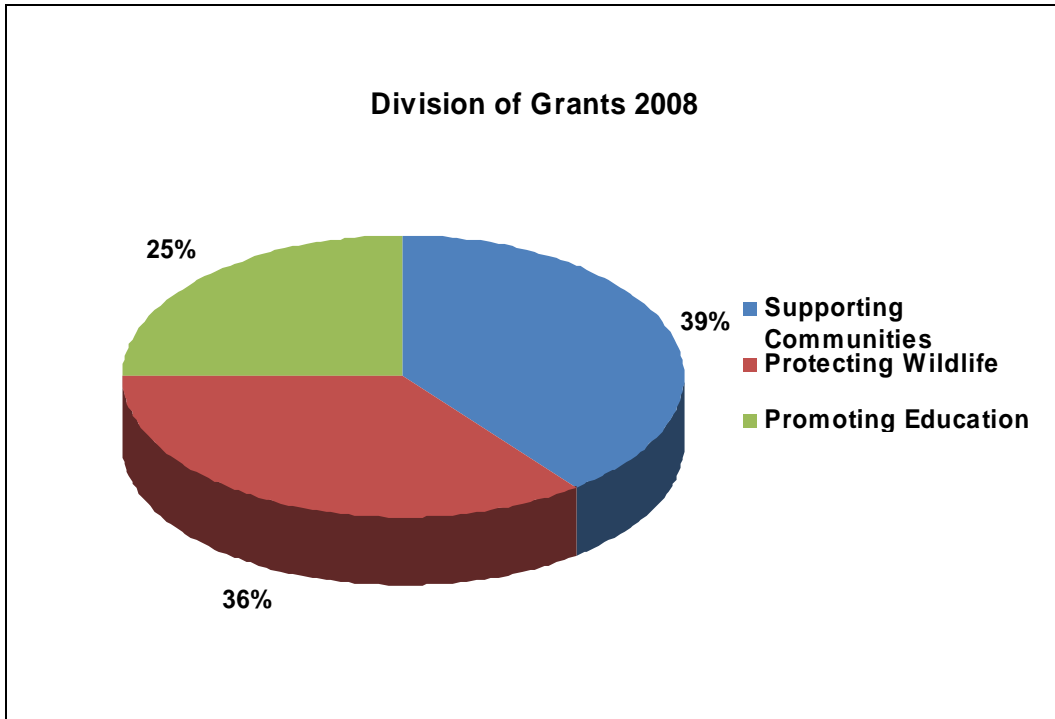


Project Funding

A total of £1,091,351 (2007: £1,204,263*) was paid out in grants towards the Charity's conservation, development and education programmes across Africa during the 12 months with a further £440,833 (2007: £426,183) being either designated or restricted as at 31st December 2008 and awaiting drawdown of funds by project managers. However, with the worsening economic environment, the Trustees are satisfied that the level of project investment in 2008 remains relatively consistent with those achieved in 2007 and justifies Tusk's reputation for maximising the investment of donor funds into the field.

The number of projects being actively supported has increased to 46 (2007: 41) in 17 countries. The grants have enabled the Board to pursue its aim of providing ongoing support to long-term conservation programmes, which embrace education and / or sustainable development amongst areas rich in biodiversity and requiring protection.

TUSK TRUST
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008



Notable Achievements

There have been some major achievements during the year under review; including a record-breaking amount raised at the Safaricom Marathon in Northern Kenya in June 2008, and the enormous success of the Cycle of Life Expedition which successfully bicycled from Namibia to Kenya visiting 15 Tusk funded projects and in the process raised over £160,000 for the Charity.

On the project front, the Namunyak community of northern Kenya voted to increase the area of their community lands under conservation management from 75,000 hectares to 324,000 hectares. This landmark decision demonstrates a clear vote of confidence in this flagship Tusk conservation initiative, which now protects the whole of the Mathews Mountain Range, a host of wildlife populations and provides a real benefit to a community of more than 70,000 people.

A Changed World

The latter months of 2008 were spent in recognition that the very serious reversal in global economic conditions would inevitably result in greater financial and political uncertainty and a very changed landscape for Tusk and the voluntary sector as a whole. The need for precise and careful husbandry of the Charity's resources has been accentuated by the severity of this global downturn.

In response, the Trustees have reinforced the focus on maintaining its low cost base and its strong working relationships in all countries of operation and sectors of activity. This is designed to ensure that every grant is precisely directed, and the results accounted for to donors. The Charity's cost/income ratio continues to be amongst the lowest in its peer group. Indeed these results have again been achieved with a minimal administrative team, which at the year-end consisted of 4 staff (2007: 4 staff).

TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

It is a different set of challenges to those faced in recent years, with greater hardship and pressures bearing particularly upon the world's poorest nations, some of which are home to Tusk's flagship projects. Our response must be the same – to continue bringing sustainable long-term solutions to our programmes. And while the Trustees recognise that all are affected by these events, including our donors, the need for the ongoing support of our donors and supporters is as great as ever.

Three Pillars of Conservation

Over many years the work of Tusk has developed into the three focus areas of conservation, community development, and education. These have been implicit in the work since the earliest days, but as Tusk's reach has extended it has been possible to support particular interests in these focus areas for our donors and projects alike.

In conservation, protection of endangered species and safeguarding existing populations of wildlife and their supporting habitat lies at the heart of Tusk's work. Meanwhile, efforts to bring tangible benefits to *communities* from conservation has led to 504,000 people directly or indirectly deriving the financial benefits from employment and a reduction in human wildlife conflict. Our *education* theme remains the backdrop to long term sustainability, and recent programmes have not only focused on building schools and environmental education centres for young people, but also on providing ranger courses in South Africa and support for a Masai guide school in Kenya. Our PACE project has now reached thousands of students while our other conservation projects are directly supporting 270 schools, educating approximately 72,300 children.

This holistic approach to conservation lies at the heart of Tusk's work and its sustainability yielding far-reaching results across a wide range of programmes as described in the 2009 edition of Tusk Talk.

Longstanding supporters of Tusk will know that we have led the charge to support grass roots community initiatives which aim to use a combination of sustainable rural development, conservation and education to provide improved livelihoods for people and much needed protection for wildlife and areas rich in biodiversity. Our early support for the establishment of the Namunyak Wildlife Conservation Trust in northern Kenya is a case in point, and has subsequently led to the successful creation of the much wider collection of community owned and managed conservancies covering nearly 1 million hectares of land under the auspices of the Northern Rangelands Trust (NRT).

In 2008, Tusk Trust signed an important memorandum of understanding with both The Nature Conservancy (USA) and the NRT in which we reiterated our joint commitment to this groundbreaking conservation initiative. We are proud of our support for NRT and many of its individual conservancies. The area now under this common conservation umbrella is more than two million acres.

The reach and impact of Tusk's investment is worth greater inspection. The headline figures show that Tusk sponsored projects are now proactive in conserving a combined landmass of more than 320,500 sq km (ten times the size of Belgium) spread across 17 countries. Within these areas and as a result of Tusk's targeted investment there are 36 endangered species being afforded much needed protection. Furthermore the charity's support has, through direct employment, helped provide a valuable livelihood for 1,376 people.

TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

Reserve Policy

In addition to the amounts held by the Tusk Foundation, or assigned to restricted and designated funds, the Board has, during the year, amended its policy of maintaining a working capital reserve fund to cover the administrative costs of the Trust from a minimum period of six months to nine. Trustees felt in light of the global downturn and the lack of any significant underlying assets that it would be prudent to increase the level of reserves.

At the year end the actual level of working capital and Trustees reserves (excluding the Foundation) stood at £248,301 (2007: £146,219). The target set by the Board is currently £195,000.

This policy will remain under review by the Board.

Grant Policy

Grants are made in accordance with the stated objectives of the Trust to support wildlife related conservation initiatives throughout Africa. Trustees consider project appeals based upon on a number of issues and criteria, focusing on a medium to long-term approach where existing project funding requirements tend to take precedence over new appeals in order to maximise the benefit and long term effectiveness of our support. This policy is particularly relevant in the current recession. The Trustees' long-term aim is to increase the geographical reach of its activities by broadening the spread of its recipient projects as and when it has the financial opportunity and capacity to do so.

Investment Policy

The Trustees continue to adopt a very conservative approach to investments. The transition period from the receipt of funds to grants being made by Trustees is regarded as too swift to warrant any long-term stock or bonds to be held. The Trust's investment income is therefore derived from interest earned on its transient bank deposits. During the year the funds held within the Tusk Foundation remained in cash.

The Board has formed a sub committee to review strategy and investment policy for the Foundation in 2009.

The Tusk Foundation

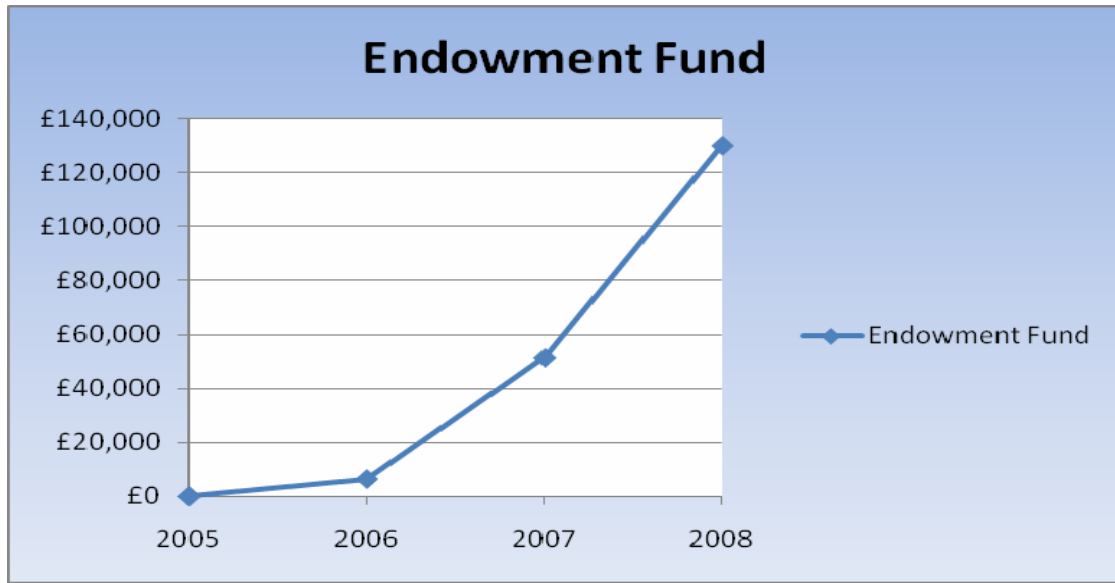
Since last year, the gradual building of a long-term expendable endowment fund as a permanent financial base has continued – with the intention that long into the future Tusk and its portfolio of projects will be better able to weather the inevitable changes in economic circumstances around the world. The intention of the Tusk Foundation is that ultimately it will finance the administrative costs of the charity, thereby supporting the whole fabric of Tusk's day-to-day work. The current uncertain climate emphasises the desirability of achieving this, and underscores our determination to grow this endowment to levels where it is self-sustaining.

The year has seen an increase in donations, including some very valuable legacies, into the Foundation, and a number of 5 year financial commitments into the fund. We intend to highlight The Tusk Foundation as part of Tusk's 20th birthday celebrations planned for 2010.

The Trustees feel that any contribution into the Fund should be regarded as an investment whose value will be multiplied many times over, as it strengthens Tusk's ability to raise funds each year for direct application into the field and thereby increases the proportion of gross revenue used for our work.

TUSK TRUST
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008

Investment into the Tusk Foundation has been led by the Board itself. At the year-end, the total funds held in the endowment fund stood at £130,159 (2007: £51,410). Additional pledges of £50,000 have been received since year end.



The Future

Over the next two years Tusk will maintain its long-standing commitment to its key projects and will seek to safeguard all its core relationships, with a particular focus on:

- Continuing to strengthen and deepen our work across the African Continent, emphasising quality and sustainability of projects.
- Responding where possible to any areas of need accentuated by the current uncertain economic climate.
- Continuing to work and extend our global donor base, with a particular emphasis on the USA.
- Maintaining a focus on organisations which wish to work with Tusk through their Corporate and Social Responsibility programmes.
- Strengthening the Tusk Foundation.

The Board are acutely aware that the economic downturn and its impact may, in the short term, curb the Charity's plans for growth, however the Trustees remain confident that Tusk will be well placed to take advantage of the upturn when it eventually materialises.

TUSK TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

TRUSTEES RESPONSIBILITIES

UK Charity Law requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of the Charity's affairs and of the surplus or deficit for that year. In preparing these accounts the Trustees are required to:

- Select suitable accounting policies and then apply them consistently and from year to year;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the accounts on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operational existence.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the accounts comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The Charity's Auditors, Hetherington and Co, being eligible, offer themselves for reappointment for the ensuing year.

CONCLUSION

The Trustees wish to express their enormous gratitude to Tusk's Royal Patron, HRH Prince William of Wales, the management team, and the Charity's growing number of individual and corporate friends globally for their continued and generous support.

Approved by the Board of Trustees on 16th July 2009 and signed on its behalf by:

David Ian Rawlinson
Chairman

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF TUSK TRUST

We have audited the group and individual financial statements of Tusk Trust for the year ended 31 December 2008 on pages 13 to 34 which comprise the group statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Trustees, as a body, in accordance with section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The Trustees' responsibilities for the preparation of the Trustees' 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 on page 6.

We have been appointed as Auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards in 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 Charities Act 1993. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements; if the Charity has not kept proper accounting records; and if we have not received all the information and explanations we require for our audit.

We read other information contained in the Report of the Trustees, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within it. Our responsibilities do not extend to any other information.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practice Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statement. 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 any material misstatement, whether caused by fraud or other irregularity or error. In forming an opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
TUSK TRUST -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 group's and individual Charity's state of affairs as at 31st December 2008 and of the group's incoming resources and application of resources, in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Hetherington and Co
Accountants and Registered Auditors
Second Floor, 289 Green Lanes
Palmers Green
London N13 4XS

Dated: 16 July 2009

TUSK TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	General Funds £	Designated Funds £	Endowment Funds £	Restricted Funds £	Total for year ended 31.12.08 £	Total for period 1.7.06 to 31.12.07 £
INCOMING RESOURCES							
Incoming Resources from generated funds							
<i>Voluntary income</i>							
Donations and grants	2	545,998	-	-	813,288	1,359,286	2,258,560
<i>Activities for generating funds</i>							
Fundraising events	4	418,512	-	-	-	418,512	448,936
<i>Investment income</i>							
UK bank interest		22,932	-	-	-	22,932	33,508
<i>Other Income</i>							
Foreign currency gains		89,311	-	-	-	89,311	-
Total Incoming Resources		1,076,753	-	-	813,288	1,890,041	2,741,004 *
RESOURCES EXPENDED							
Cost of generating funds							
<i>Cost of generating voluntary income</i>							
<i>Fundraising cost</i>	4	324,353	-	-	9,855	334,208	323,704
Charitable activities	5	482,125	69,213	-	771,730	1,323,068	2,094,301
Governance costs	6	45,431	-	-	3,500	48,931	42,001
Total resources expended	8	851,909	69,213	-	785,085	1,706,207	2,460,006
Net incoming/(outgoing) resources before other recognised gains and (losses)							
		224,844	(69,213)	-	28,203	183,834	280,998
Other recognised gains/ (losses)							
Unrealised gain/ (loss) on revaluation of investment	13	12,105	-	-	-	12,105	(85,808)
Net incoming/(outgoing) resources before transfers							
		236,949	(69,213)	-	28,203	195,939	195,190
Transfer between funds		(134,409)	57,035	78,749	(1,375)	-	-
Net incoming/(outgoing) resources for the year							
		102,540	(12,178)	78,749	26,828	195,939	195,190
Reserves brought forward		146,219	63,383	51,410	362,800	623,812	428,622
Reserves carried forward		248,759	51,205	130,159	389,628	819,751	623,812

*Due to the decision taken in 2007 to change the Charity's year end, the previous financial statements were based upon an 18 month period when gross revenues amounted to £2,741,004 (annualised at £1,827,336).

All amounts relate to continuing activities.

There were no gains or losses other than the net movement on funds stated above.

The notes form part of these financial statements.

**TUSK TRUST
BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Note	31.12.08		31.12.07	
		Group £	Charity £	Group £	Charity £
FIXED ASSETS					
Tangible fixed assets	9	2,608	2,608	2,915	2,915
Investments	10	-	100	-	100
		<u>2,608</u>	<u>2,708</u>	<u>2,915</u>	<u>3,015</u>
CURRENT ASSETS					
Stocks	11	11,233	-	8,897	-
Debtors	12	21,364	71,871	67,783	178,160
Short term investment	13	27,625	27,625	15,520	15,520
Cash at bank and in hand		839,223	770,663	580,071	453,567
		<u>899,445</u>	<u>870,159</u>	<u>672,271</u>	<u>647,247</u>
LESS: CREDITORS FALLING DUE WITHIN ONE YEAR					
	14	<u>82,302</u>	<u>53,574</u>	<u>51,374</u>	<u>26,450</u>
NET CURRENT ASSETS		<u>817,143</u>	<u>816,585</u>	<u>620,897</u>	<u>620,797</u>
NET ASSETS		<u>819,751</u>	<u>819,293</u>	<u>623,812</u>	<u>623,812</u>
FUNDS					
General funds	16	248,759	248,301	146,219	146,219
Designated funds	17	51,205	51,205	63,383	63,383
Restricted funds	18	389,628	389,628	362,800	362,800
Endowment funds	19	130,159	130,159	51,410	51,410
		<u>819,751</u>	<u>819,293</u>	<u>623,812</u>	<u>623,812</u>

Approved by the Board of Trustees on 16 July 2009 and signed on its behalf by:-

.....
David Ian Rawlinson (Chairman)

.....
Philip Cayford QC (Hon Treasurer)

The notes form part of these financial statements.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention, with the exception that the current asset investment is included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the FRSSE and the Charities Act 1993.

1.2 Incoming resources

Voluntary income including donations, gifts, legacies or grants from various individuals, corporations and charitable foundations are recognised where there is entitlement, certainty of receipt and where the amount can be measured with sufficient reliability. Such income is only deferred when:

- a) The donor specifies that the grant or donation must only be used in future accounting periods.
- b) The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income generated from fund raising events is recognised when earned.

Donated goods or services received are included in the Statement of Financial Activities as both intangible income and cost at a value estimated by the Trustees.

All incoming resources are reported gross before expenses.

1.3 Investment income

Investment income relates entirely to bank interest received, which is recognised on an accruals basis.

1.4 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Trust. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and the condition attaching to the grant is outside the control of the Trustees.

Provision for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of the grant payable.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES (Continued)

1.5 Allocation of overheads and support costs.

Overhead and support costs have been allocated across activity categories on a basis consistent with the use of the resource, e.g. salaries allocated on the basis of estimated time spent and office overheads by estimated usage.

(I) Cost of generating funds

These relate to those specific costs incurred in organising and staging fundraising events and seeking voluntary contributions together with attributable support costs.

(II) Charitable activities

(a) Project Management

This represents those specific direct costs incurred in funding conservation projects. They also include support costs for providing logistical support and managing project expenditure.

(b) Appeal Costs

This represents time spent on ascertaining and collating specific projects needs and to form the basis of appeals.

(III) Governance

This represents all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related with statutory audit and constitutional requirements together with attributable support costs.

1.6 Stock

Stock of Tusk merchandise is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.7 Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The rate applicable is:

Computer and office equipment 25%.

1.8 Current asset investments

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

1.9 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between the sale proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and the opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

1.10 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities in the period to which they relate.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES (Continued)

1.11 Consolidation

The group financial statements consolidate those of the Charity and its subsidiary undertaking Tusk Trust Trading Limited drawn up to 31st December 2008.

1.12 Pension costs

Pension costs relates to employers contributions towards the personal pension fund of senior employees of the Charity. These contributions are charged to the income and expenditure account as they become payable.

1.13 Foreign currencies

Assets and Liabilities denominated in foreign currencies are translated into sterling using the exchange rate ruling at the balance sheet date. Transactions in the period are translated using the exchange rate ruling on the date of the transaction. Exchange differences are written off to the Statement of Financial Activities.

1.14 Funds

General funds

General funds are donations and other incoming resources receivable or generated for the objects of the charity without specified purpose.

Designated funds

Designated funds are those funds which the Trustees have set aside from general funds for the benefit of a particular project.

Restricted funds

Restricted funds are specifically donated to the charity where the donor has specified they be used for the benefit of a specific project or for a particular administrative cost.

Expendable endowment funds

Expendable endowment funds relate to those donations received or designated in support of the Charity's activities over the long term. Under the terms of the fund, the primary objective is to preserve the capital whilst the income generated is wholly unrestricted to be applied by the Trustees towards the general charitable purpose of the Trust including the payment of regular staff costs. The terms of the fund also allows for income to be accumulated and for the capital to be spent if the Trustees so determine.

2. DONATIONS AND GRANTS

	General Funds	Endowment Funds	Restricted Funds	Year ended 31.12.08	Total for period 1.7.06 to 31.12.07
	£	£	£	£	£
Legacies	98,749	-	-	98,749	205,000
Intangible income	8,000	-	-	8,000	12,000
Donations from individuals, companies and charitable institutions	439,249	-	813,288	1,252,537	2,041,560
	<u>545,998</u>	<u>-</u>	<u>813,288</u>	<u>1,359,286</u>	<u>2,258,560</u>

Restricted funds include £35,000 (2007: £120,098), specifically received to cover salaries and for 2007 general overhead expenditure as well. Intangible income represents the estimated value of international flights kindly sponsored by British Airways.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

3. ALLOCATION OF SUPPORT COSTS AND OVERHEADS

The breakdown of support costs and how they were allocated between event fundraising costs, charitable activities and governance is shown in the table below:-

Cost type and basis	Year	Event	Charitable Activities		Governance
	ended	Fundraising	Project	Project	
	31.12.08	Activities	Management	Appeals	
	£	£	£	£	£
Salaries & related costs- time basis	258,523	72,795	79,938	79,938	25,852
Office overheads -usage	109,863	31,888	36,534	35,307	6,134
External audit -usage	16,945	-	-	-	16,945
	<u>385,331</u>	<u>104,683</u>	<u>116,472</u>	<u>115,245</u>	<u>48,931</u>

4. FUND RAISING ACTIVITIES

	Group	Group	Net
	Income	Expenditure	Surplus
	£	£	£
General funds			
London Marathon	4,936	7,750	(2,814)
Audi Polo Awards	84,250	46,537	37,713
Amex Lecture	12,344	7,709	4,635
Friends of Lewa Dinner	100,620	30,548	70,072
The Safaricom Marathon 2008	116,441	96,390	20,051
City Championships Clay Shoot	17,100	334	16,766
Kensington Roof Gardens Party	49,095	10,829	38,266
BPCT Dinner	27,969	15,935	12,034
Other Fundraising Activities	5,757	13,493	(7,736)
	<u>418,512</u>	<u>229,525</u>	<u>188,987</u>
Support costs	-	104,683	(104,683)
	<u>418,512</u>	<u>334,208</u>	<u>84,304</u>

All of the above fund-raising activities were undertaken by the Charity's subsidiary Tusk Trust Trading Ltd.

Additional monies generated during the period by way of donation by those individuals, companies and other charitable institutions who supported the above events totalled just under £334,427 (2007: £158,244). These donations are included in the Statement of Financial Activities under voluntary income.

5. SUMMARY OF CHARITABLE EXPENDITURE

	Conservation	Support	Year	Total
	Grants	costs	ended	for period
	£	£	31.12.08	1.7.06
			£	to
				31.12.07
				£
Project management	1,091,351	116,472	1,207,823	1,906,910
Charitable appeals	-	115,245	115,245	187,391
	<u>1,091,351</u>	<u>231,717</u>	<u>1,323,068</u>	<u>2,094,301</u>

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

5(a) CHARITABLE EXPENDITURE - ANALYSIS OF GRANTS TOWARDS CONSERVATION

Projects funded	General Funds £	Designated Funds £	Restricted Funds £	Year ended 31.12.08 £	Total for period 1.7.06 to 31.12.07 £
Africat	-	-	7,654	7,654	223,073
Borana Education Fund	-	-	2,132	2,132	10,000
Borana Mobile Clinic	-	-	11,500	11,500	4,000
Botswana Predator Conservation	13,698	-	24,552	38,250	43,077
Cheetah Conservation, Botswana	-	-	-	-	370
Cross River Gorilla Project	-	-	-	-	12,169
D Pleydell-Bouverie Memorial Fund	-	-	1,285	1,285	-
Flamingo Research and Protection	-	-	-	-	8,026
Giant Sable Project	-	-	-	-	21,559
Help Int Congo Chimps	-	-	-	-	10,790
Il Ngwesi Conservancy	-	-	-	-	1,300
Ishaqbini (Hirola) Conservancy	-	-	24,537	24,537	19,000
Kanyunga School (Lewa)	-	-	27,716	27,716	18,677
Kasanka Trust	-	5,000	-	5,000	10,000
Kawaza School, Zambia	-	-	1,813	1,813	7,363
Kipsing Conservancy	-	-	19,371	19,371	-
Kibodo Trust	18,000	4,253	30,000	52,253	44,816
Kidai Selous Rhino Project	5,000	-	5,000	10,000	25,888
Koiyaki Maasai Guide School	-	-	58,390	58,390	58,259
Lamu Turtle Conservation	5,592	5,000	324	10,916	17,500
Lefini Gorilla Reserve, Congo	10,000	-	5,950	15,950	28,275
Lelwell Hartebeest Translocation	22,737	1,158	3,926	27,821	-
Lekerruki Conservancy	17,285	16,399	26,275	59,959	10,000
Lewa Wildlife Conservancy	78,747	5,419	18,834	103,000	217,354
Lewa Education Trust	-	-	680	680	-
Ltungai Community Conservancy	-	-	-	-	2,399
Maasailand Preservation Trust	-	22,500	52,284	74,784	84,268
Makgadikgadi Brown Hyena	-	-	10,000	10,000	9,142
Malewa Bush School, Kigio	-	-	2,000	2,000	10,895
Milgis Trust	-	-	2,899	2,899	-
Mkomazi National Park	-	-	72,875	72,875	86,644
Mokolodi Education Centre & Reserve	-	-	31,296	31,296	86,946
Moremi Rhino Project	-	-	-	-	7,935
Carried forward to next page	171,059	59,729	441,293	672,081	1,079,725

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

5(a) CHARITABLE EXPENDITURE - ANALYSIS OF GRANTS TOWARDS CONSERVATION

Projects funded	General Funds £	Designated Funds £	Restricted Funds £	Year ended 31.12.08 £	Total for period 1.7.06 to 31.12.07 £
Balance brought forward from page 19	171,059	59,729	441,293	672,081	1,079,725
Mount Kenya Trust	6,900	-	600	7,500	-
Mukuu Springs Water Project	-	-	4,260	4,260	5,378
Namibian Wild Dog Project	5,000	-	-	5,000	23,050
Namunyak Conservancy	-	-	30,744	30,744	194,083
Northern Rangelands Trust	-	-	78,020	78,020	-
Ntugi School (Lewa)	-	-	10,644	10,644	46,279
OI Donya Wasin Water Project	48	2,500	20,000	22,548	-
OI Esere School Maasai Mara	-	-	12,225	12,225	-
Olare Orok Conservancy	-	-	-	-	2,474
OI Pejeta Conservancy Outreach Programme	7,961	-	7,973	15,934	56,900
PACE	-	-	13,522	13,522	32,812
Painted Dog Conservation	10,000	-	5,591	15,591	33,500
Rekero Conservation Fund	-	-	-	-	2,954
Ruaha Conservation Fund	-	-	-	-	12,634
Ruko Conservancy	-	-	-	-	40,402
Safaricom Marathon Beneficiaries	-	-	86,500	86,500	92,483
Sanga School (Lewa)	-	-	4,580	4,580	6,603
Sera Conservancy	14,000	-	-	14,000	15,500
Save The Rhino Trust, Namibia	-	-	-	-	23,272
Save The Elephants	-	-	-	-	10,000
TM Gate Water Project (Lewa)	-	-	-	-	41,219
Toki Cheetah Fund	-	4,484	741	5,225	-
Walikale Lowland Gorilla Project	9,558	-	2,442	12,000	39,762
Warden Bursary Fund	-	-	-	-	6,713
Uganda Conservation Foundation	12,300	-	1,700	14,000	-
	236,826	66,713	720,835	1,024,374	1,765,743

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

5(a) CHARITABLE EXPENDITURE - ANALYSIS OF GRANTS TOWARDS CONSERVATION

Projects funded	General Funds	Designated Funds	Restricted Funds	Year ended 31.12.08	Total for period 1.7.06 to 31.12.07
Balance brought forward from page 20	236,826	66,713	720,835	1,024,374	1,765,743
<i>Small grants fund beneficiaries:</i>					
African Rainforest Conservancy	-	-	5,000	5,000	-
Alaotran Lemur Project	-	-	-	-	10,000
Bongo Project, Kenya	-	-	2,000	2,000	-
Cape Vulture Project	-	-	-	-	5,000
Cheetah Conservation Fund, Algeria	-	-	-	-	5,000
Chimpanzee Project, Equatorial Guinea	-	-	5,000	5,000	-
Maasai Wilderness Conservation Trust	-	-	-	-	5,000
Manombo Lemur Project	-	-	-	-	5,000
Nyika Vwaza, Malawi	2,500	2,500	4,250	9,250	-
Rabies Project, Tanzania	4,360	-	3,000	7,360	-
South African Wildlife College	-	-	5,000	5,000	-
Tachila Reserve, Botswana	-	-	5,000	5,000	-
Education & Conservation Publications	28,367	-	-	28,367	10,660
	<u>272,053</u>	<u>69,213</u>	<u>750,085</u>	<u>1,091,351</u>	<u>1,806,403</u>

5(b) CHARITABLE EXPENDITURE - ANALYSIS OF SUPPORT COST FOR CONSERVATION BY FUND

	General Funds	Designated Funds	Restricted Funds	Year ended 31.12.08	Total for period 1.7.06 to 31.12.07
	£	£	£	£	£
Support costs- salaries	138,231	-	21,645	159,876	193,435
Support costs-office overheads	71,841	-	-	71,841	94,463
	<u>210,072</u>	<u>-</u>	<u>21,645</u>	<u>231,717</u>	<u>287,898</u>

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

6. GOVERNANCE- ANALYSIS OF SUPPORT COST BY FUND

	General Funds	Designated Funds	Restricted Funds	Year ended 31.12.08	Total for period 1.7.06 to 31.12.07
	£	£	£	£	£
Auditors fees -audit	11,345	-	-	11,345	11,174
Auditors fees-non audit fees	5,600	-	-	5,600	5,600
Support costs- salaries	22,352	-	3,500	25,852	17,961
Support costs-office overheads	6,134	-	-	6,134	7,266
	<u>45,431</u>	<u>-</u>	<u>3,500</u>	<u>48,931</u>	<u>42,001</u>

7. STAFF COST- GROUP

	Year ended 31.12.08	Period 1.7.06 to 31.12.07
	£	£
Wages and salaries	196,755	251,467
Social security Costs	22,044	28,357
Pension costs	8,400	7,200
	<u>227,199</u>	<u>287,024</u>
Other costs of employment	31,324	1,934
	<u>258,523</u>	<u>288,958</u>

One employee was paid a salary between £80,000 and £90,000. No other employee earned more than £60,000 per annum in the financial year (2007: one employee earned between £70,000-£80,000). Retirement benefits are accruing to one employee (2007: two employees) under a personal pension scheme.

None of Trustees of the charity were remunerated for their time or reimbursed for expenses incurred in carrying out their duties. (2007: None).

	2008	2007
The average number of persons employed by the Charity during the period was:	<u>4</u>	<u>4</u>

Sponsorship of staff costs

Staff salaries paid in the year were partially funded by generous donations totalling £35,000, accounted for as restricted funds, from The Ernest Kleinwort Charitable Trust and The Rufford Maurice Laing Foundation.

TUSK TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

8. TOTAL RESOURCES EXPENDED -GROUP ONLY

(a) By Category	Staff Costs £	Other Costs £	Year ended 31.12.08 £	Total for period 1.7.06 to 31.12.07 £
Fundraising activities	72,795	261,413	334,208	323,704
Charitable activities:				
Project grants and management	79,938	1,127,885	1,207,823	1,906,910
Appeals	79,938	35,307	115,245	187,391
Governance	25,852	23,079	48,931	42,001
	<u>258,523</u>	<u>1,447,684</u>	<u>1,706,207</u>	<u>2,460,006</u>

(b) By Fund

	General Funds £	Designated Funds £	Restricted Funds £	Year ended 31.12.08 £
Fundraising activities	324,353	-	9,855	334,208
Charitable activities:				
Project grants and management	377,117	69,213	761,493	1,207,823
Appeals	105,008	-	10,237	115,245
Governance	45,431	-	3,500	48,931
	<u>851,909</u>	<u>69,213</u>	<u>785,085</u>	<u>1,706,207</u>

Other costs include travel expenses with an estimated value of £8,000 (2007: £12,000) for international flights kindly sponsored by British Airways.

For the comparative period, other costs included foreign currency exchange losses totalling £11,423.

The amount shown above for fundraising activities relates to expenditure incurred by the Charity's subsidiary on various fundraising events, such as hire of venues, catering and printing.

8.1 PARENT UNDERTAKING

The Charity has taken advantage of the exemption conferred in paragraph 397 of Statement of Recommended Practice 2005, not to publish its own separate Statement of Financial Activities.

Gross incoming resources of the parent undertaking for the period under review was £1,545,834 (2007: £2,416,801). Net incoming resources for the year (including restricted funds) was £195,481 (2007: £195,560).

TUSK TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

9. TANGIBLE FIXED ASSETS

	Office Equipment & Fixtures Group £
Group and Charity	
Cost:	
At 1 January 2008	19,890
Additions in the year	1,446
Eliminated on disposal	-
At 31 December 2008	<u>21,336</u>
Depreciation:	
At 1 January 2008	16,975
Eliminated on disposal	-
Charge for the year	1,753
At 31 December 2008	<u>18,728</u>
Net book value	
At 31 December 2008	<u>£ 2,608</u>
At 31 December 2007	<u>£ 2,915</u>

10. FIXED ASSET INVESTMENTS

	Group £	Charity £
Cost:		
At 31 December 2007 and 31 December 2008	<u>-</u>	<u>100</u>

The Charity's investment represents the cost of its 100% interest in the ordinary share capital of Tusk Trust Trading Ltd, a company incorporated in the United Kingdom.

The Charity also hold 100% interest in the ordinary share capital of Tusk Australia Pty Ltd, a company incorporated in Australia at a cost of AUS\$1.

11. STOCK

	Group 31.12.08 £	Group 31.12.07 £	Charity 31.12.08 £	Charity 31.12.07 £
Goods for resale & promotional purposes	<u>11,233</u>	<u>8,897</u>	<u>-</u>	<u>-</u>

12. DEBTORS

	Group 31.12.08 £	Group 31.12.07 £	Charity 31.12.08 £	Charity 31.12.07 £
Due from subsidiary company	-	-	50,965	114,489
Fundraising income receivable	-	4,112	-	-
Donations receivable	-	-	-	-
Taxation recoverable	16,711	26,571	16,711	26,571
Other debtors and prepayments	4,653	37,100	4,195	37,100
	<u>21,364</u>	<u>67,783</u>	<u>71,871</u>	<u>178,160</u>

TUSK TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

13. SHORT TERM INVESTMENT

Group and Charity	31.12.08	31.12.07
	£	£
As at 1 January 2008 at valuation	15,520	101,328
Realised and unrealised gains and losses	12,105	(85,808)
Carrying value as at 31st December 2008	<u>27,625</u>	<u>15,520</u>

The investment represents a donated holding of 100,000 shares in Save the World Air, Inc, a company incorporated in the United States. The Charity is at present precluded from disposing these shares until certain protocols are lifted.

14. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Charity	Charity
	31.12.08	31.12.07	31.12.08	31.12.07
	£	£	£	£
Due to suppliers	-	378	-	-
VAT Payable	11,740	14,555	-	-
Other taxes and social security	9,480	6,041	9,480	6,041
Accruals and other creditors	61,082	30,400	44,094	20,409
	<u>82,302</u>	<u>51,374</u>	<u>53,574</u>	<u>26,450</u>

14.1 LEASE OBLIGATIONS - CHARITY AND GROUP

The following operating leases are committed to be paid within one year

	Group	Group	Charity	Charity
	31.12.08	31.12.07	31.12.08	31.12.07
	£	£	£	£
Expiring within one year		3692		3692
Expiring in more than five years	7,000	-	7,000	-

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS -GROUP

	General	Endowment	Designated	Restricted	Total
	Funds	Funds	Funds	Funds	31.12.07
	£	£	£	£	£
Fixed assets	2,608	-	-	-	2,608
Current assets	309,343	130,159	51,205	408,738	899,445
Creditors	(63,192)	-	-	(19,110)	(82,302)
	<u>248,759</u>	<u>130,159</u>	<u>51,205</u>	<u>389,628</u>	<u>819,751</u>

16. GENERAL FUNDS

	Group	Charity
	£	£
At 1 January 2008	146,219	146,219
Movement in the year	102,540	102,082
At 31 December 2008	<u>248,759</u>	<u>248,301</u>

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

17. DESIGNATED FUNDS -GROUP AND CHARITY

At 31st December 2008 the following amounts were designated towards conservation projects.

	1 January 2008	Incoming funds	Outgoing funds	Transfers within funds	31 December 2008
Towards Conservation	£	£	£	£	£
Cycle of Life Fund	-	998	-	-	998
Il Ngwesi Conservancy	-	3,500	-	-	3,500
Kasanka Trust	5,000	-	(5,000)	-	-
Kenya Wildlife Trust	-	415	-	-	415
Kibodo Trust	-	1,753	(4,253)	2,500	-
Koiyaki Maasai Guide School	-	9,000	-	2,500	11,500
Lamu Turtle Conservation	5,000	5,000	(5,000)	-	5,000
Lekerruki Conservancy	16,399	-	(16,399)	-	-
Lelwel Hartebeest Translocation	-	-	(1,158)	1,158	-
Lewa Wildlife Conservancy	-	5,419	(5,419)	-	-
Maasailand Preservation Trust	20,000	-	(22,500)	2,500	-
Nyika Vwaza, Malawi	2,500	-	(2,500)	-	-
Northern Rangelands Trust	-	2,560	-	-	2,560
OI Donya Wasin Water Project	-	-	(2,500)	2,500	-
Safaricom Marathon Beneficiaries 2007	10,000	-	-	(10,000)	-
Safaricom Marathon Beneficiaries 2008	-	1,158	-	(1,158)	-
Save the Rhino Trust	-	17,232	-	-	17,232
Sera Conservancy	-	10,000	-	-	10,000
Toki Cheetah Fund	4,484	-	(4,484)	-	-
	63,383	57,035	(69,213)	-	51,205

18. RESTRICTED FUNDS -GROUP AND CHARITY

	1 January 2008	Incoming funds	Outgoing funds	Transfers within funds	31 December 2008
Towards Conservation	£	£	£	£	£
21st Leaders Foundation, Mozambique	-	1,922	-	-	1,922
African Rainforest Conservancy, Tanzania	-	5,000	(5,000)	-	-
Africat	5,274	4,561	(7,654)	-	2,181
BlackRock Fund	-	83,054	-	-	83,054
Bongo Project, Kenya	-	2,000	(2,000)	-	-
Borana Education Fund	2,132	-	(2,132)	-	-
Borana Mobile Clinic	-	11,500	(11,500)	-	-
Botswana Predator Conservation	-	24,552	(24,552)	-	-
Cheetah Conservation, Botswana	-	200	-	-	200
Chimfunshi Chimpanzee Sanctuary	42	-	-	-	42
Chimpanzee Project, Equatorial Guinea	-	5,000	(5,000)	-	-
Cycle of Life Fund	-	50,112	-	-	50,112
D Pleydell-Bouverie Memorial Fund	24,926	100	(1,285)	(5,000)	18,741
Il Ngwesi Conservancy	346	96	-	-	442
Ishaqbini (Hirola) Conservancy	-	24,537	(24,537)	-	-
Kanyunga School	11,658	16,058	(27,716)	-	-
Kawaza School, Zambia	1,813	-	(1,813)	-	-
Kibodo Trust	30,900	607	(30,000)	-	1,507
Carried forward to next page	77,091	229,299	(143,189)	(5,000)	158,201

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

18. RESTRICTED FUNDS -GROUP AND CHARITY

Towards Conservation	1 January 2008 £	Incoming funds £	Outgoing funds £	Transfers within funds £	31 December 2008 £
Balance brought forward from page 26	77,091	229,299	(143,189)	(5,000)	158,201
Kipsing Conservancy	19,371	-	(19,371)	-	-
Koiyaki Maasai Guide School	11,916	52,728	(58,390)	-	6,254
Lamu Turtle Conservation	274	900	(324)	-	850
Lefini Gorilla Reserve, Congo	1,000	17,950	(5,950)	-	13,000
Lekerruki Conservancy	-	26,275	(26,275)	-	-
Lelwel Hartebeest Translocation	-	-	(3,926)	3,926	-
Lewa Education Trust	-	3,588	(680)	-	2,908
Lewa Wildlife Conservancy	2,953	21,300	(18,834)	-	5,419
Maasailand Preservation Trust	26,453	39,056	(52,284)	-	13,225
Makgadikgadi Brown Hyena	-	10,000	(10,000)	-	-
Malewa Bush School, Kigio	-	2,000	(2,000)	-	-
Milgis Trust	-	2,899	(2,899)	-	-
Mkomazi Wild Dog Project	-	25,000	(25,000)	-	-
Mkomazi National Park	54,856	12,320	(47,875)	-	19,301
Mokolodi Education Centre & Reserve	61,454	1,275	(31,296)	-	31,433
Mount Kenya Trust	600	-	(600)	-	-
Mukuu Springs Water Project	-	4,260	(4,260)	-	-
Munanda Primary School	-	26,000	-	-	26,000
Namunyak Conservancy	-	30,944	(30,744)	-	200
Nyika Vwaza, Malawi	-	4,250	(4,250)	-	-
Northern Rangelands Trust	5,051	72,969	(78,020)	-	-
Ntugi Secondary School	-	10,644	(10,644)	-	-
Oi Donya Wasin Water Project	20,000	-	(20,000)	-	-
Olesere School, Maasai Mara	11,875	350	(12,225)	-	-
Oi Pejeta Conservancy Outreach Programme	-	7,973	(7,973)	-	-
PACE	45,588	17,355	(13,522)	-	49,421
Painted Dog Conservation	541	50	(5,591)	5,000	-
Rabies Project, Tanzania	-	3,000	(3,000)	-	-
Ruko Conservancy	-	250	-	-	250
Sacred Forest Film Project	11,029	-	-	-	11,029
Safaricom Marathon Beneficiaries	7,780	100,446	(86,500)	(3,926)	17,800
Sanga School	-	7,098	(4,580)	-	2,518
Save the Rhino Trust	-	3,061	-	-	3,061
Selous Rhino Trust, Tanzania	-	5,000	(5,000)	-	-
Sera Conservancy	2,125	-	-	-	2,125
South African Wildlife College	-	5,000	(5,000)	-	-
Tachila Reserve, Botswana	-	30,000	(5,000)	-	25,000
Toki Cheetah Fund	1,468	906	(741)	-	1,633
UCF (Waterways project)	-	1,700	(1,700)	-	-
Walikale Lowland Gorilla Project	-	2,442	(2,442)	-	-
Total for conservation	361,425	778,288	(750,085)	-	389,628
Towards fixed assets	1,375	-	(1,375)	-	-
Towards salaries and overheads	-	35,000	(35,000)	-	-
	362,800	813,288	(786,460)	-	389,628

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

DESIGNATED & RESTRICTED FUNDS EARMARKED FOR CONSERVATION

Cycle of Life Fund

The fund represents monies raised by the Cycle of Life Expedition in support of various Tusk projects visited by the expedition en route from Namibia to Kenya.

Il Ngwesi Conservancy, Kenya

The fund represented was used to support the Il Ngwesi community development work in Kenya.

Kasanka Trust, Zambia

The fund which was fully expended during the period related to support given towards the operating costs of the conservation work undertaken in Kasanka National Park.

Kenya Wildlife Trust, Kenya

The amount relates to a grant made by the Trustees in support of the work of the Amboseli and Tsavo Game Scouts

Kibodo Trust, Kenya

The balance carried forward at the year end represents funds held for the ongoing development of conservation in the Kibodo area along Kenya's northern coastline.

Koiyaki Maasai Guide School, Kenya

The balance carried forward at the year end represented amounts held to support the cost of tuition and bursaries provided to Maasai students attending the Koiyaki Guide School.

Lamu Turtle Conservation, Kenya

The fund represented a grant made in support of the Turtle protection programme operating in Lamu.

Lekerruki Conservancy, Kenya

The fund which was fully expended during the period related to support given towards the ongoing development of this community managed conservancy.

Lelwel Hartebeest Translocation, Kenya

The fund which was fully expended during the period related to emergency support given to meet the costs of capturing and relocating a rare antelope species from land sold for settlement.

Lewa Wildlife Conservancy, Kenya

The fund represented various donations in support of the ongoing conservation work within the Lewa Wildlife Conservancy.

Maasailand Preservation Trust, Kenya

The balance carried forward at the year end represented amounts held to support the conservation programmes managed by the Maasailand Preservation Trust in the Chyulus.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

DESIGNATED & RESTRICTED FUNDS EARMARKED FOR CONSERVATION

Nyika Vwasa, Malawi

The fund which was fully expended during the period related to support given towards the purchase of costs a tractor and trailer for conservation work in Nyika Vwaza, Malawi.

The Northern Rangelands Trust, Kenya

The fund represents the unexpended balance of monies set aside and given towards the operating costs of this organisation and in support of its community conservation.

OI Donya Wasin Water Project, Kenya

The fund which was fully expended during the year relates to monies donated and held to assist with the construction of a water improvement scheme to benefit the Samburu community.

Safaricom Marathon Beneficiaries, Kenya

The fund represented the net sums raised by overseas runners competing in the charity's annual Safaricom Marathon in Kenya and earmarked for nominated beneficiaries including Lewa and the Northern Kenyan community conservation programmes.

Save the Rhino Trust, Namibia

The fund represents funds earmarked to support the ongoing operating costs of the camel supported ranger team protecting the desert rhinos of Namibia.

Sera Conservancy, Kenya

The fund relates to a grant and monies set aside to support a programme to restock Sera with wildlife.

Toki Cheetah Fund, Kenya

The fund represents monies donated and held in support of the cheetah programme at OI Pejeta Conservancy.

18.1 RESTRICTED FUNDS EARMARKED FOR CONSERVATION - Continued

21st Leaders Foundation, Mozambique

The fund represents funds raised in support of conservation activities in Mozambique.

African Rainforest Conservancy, Tanzania

The amount represents an Artemis Small Grant awarded and paid during the year towards a project to enhance community forest management in Ruvu South, Tanzania.

Africat Cheetah and Leopard Project, Namibia

The balance carried forward at the year end represents funds held for the ongoing development of the Cheetah rehabilitation project in Namibia.

BlackRock Fund

This fund represents monies raised by BlackRock Investment Management in support of a portfolio of Tusk conservation, education and community development projects across Africa.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

18.1 RESTRICTED FUNDS EARMARKED FOR CONSERVATION - Continued

Bongo Project, Kenya

The fund represents an Artemis Small Grant awarded and paid during the year in support of wildlife clubs actively working to protect the highly threatened Bongo in Kenya.

Borana Mobile Clinic

The fund represents the balance of monies given by a donor towards the operating costs of this mobile clinic servicing rural communities.

Botswana Predator Conservation Programme

The fund which was fully expended during the period related to support given towards the ongoing conservation of African Wild Dog and related education activities in Botswana.

Cheetah Conservation Project, Botswana

The fund represents a donation received in support of Cheetah conservation work being undertaken in Botswana.

Chimpanzee Project, Equatorial Guinea

The fund represents an Artemis Small Grant awarded and paid during the year in support of the reintroduction of orphaned chimps to the wild in Equatorial Guinea.

Chimfunshi Chimpanzee Sanctuary, Zambia

The fund represents a modest donation received in support of the ongoing conservation work within the Chimfunshi Chimpanzee Sanctuary, Zambia.

The David Pleydell Bouverie Memorial Fund

The memorial fund was primarily, but not exclusively, established to benefit rhino and other endangered species. Grants from this fund are made out of capital on the recommendation of the Trustees and with the approval of the Pleydell Bouverie family. During the year a grant of £5,000 was awarded to the Painted Dog Conservation Project in Zimbabwe.

Ishaqbini (Hirola) Conservancy, Kenya

The fund which was fully expended during the period related to support from Tusk USA given towards the purchase of a vehicle for this important new community managed conservancy.

Kanyunga School

The fund relates to the balance of funds expended during the year in support of the re-development of this rural primary school neighbouring the Lewa Wildlife Conservancy.

Kawaza School Fund, Zambia

The fund which was fully expended during the year relates to support given by various donors in support of this primary school servicing communities around Luangwa National Park.

Kipsing Conservancy, Kenya

The fund which was fully expended during the year represents the funds donated by the BBC Wildlife Fund to enable the establishment of an important new community conservancy and elephant corridor in Samburu District, Kenya.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

18.1 RESTRICTED FUNDS EARMARKED FOR CONSERVATION - Continued

Lefini Gorilla Reserve, Congo Republic

The amount represents funds received and held in support of the protection of Western Lowland Gorilla reintroduced to Lefini Reserve, Congo Republic.

Makgadikgadi Brown Hyena Project, Botswana

The fund which was fully expended during the period related to funds donated in support of the ongoing conservation and research work on Brown Hyena's in Botswana.

Malewa Bush School, Kenya

The fund which was fully expended during the year represents funds received in support of the environmental education work undertaken at the Malewa Bush School.

Milgis Trust, Kenya

The fund, which was fully expended during the year represents funds received in support of the employment of community game scouts patrolling this remote area of northern Kenya.

Mkomazi National Park, Tanzania

The balance carried forward at the year end represented amounts held to support ongoing conservation and outreach work being undertaken in Mkomazi by George Adamson Trust.

Mkomazi Wild Dog Project

The amount represents a donation received and expended during the year in support of an initiative to breed and reintroduce African Wild Dog to protected areas on the Kenya/ Tanzania border.

Mokolodi Education Centre and Reserve, Botswana

The fund represented various donations in support of the ongoing conservation and environmental education camps undertaken at Mokolodi Nature Reserve.

Mt Kenya Trust, Kenya

The funds held were fully utilised during the year to support the costs of employing game rangers operating around this important mountain forest reserve.

Mukuu Springs Water Project, Kenya

The amount relates to the balance of funds expended during the period on maintenance work to the dam and water improvement scheme installed for the Mukuu community.

Munanda Primary School, Kenya

The fund represents an award from the BlackRock fund in support of the redevelopment of this primary school located on the boundary of Lewa Wildlife Conservancy.

Namunyak Wildlife Conservation Trust, Kenya

The fund represented a small balance carried forward in support of the ongoing conservation work within the Namunyak community managed conservancy.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

18.1 RESTRICTED FUNDS EARMARKED FOR CONSERVATION - Continued

Ntugi School, Lewa Education Programme, Kenya

The fund which was fully expended during the period related to support given by a donor towards the development of this secondary school neighbouring Lewa Wildlife Conservancy.

Olesere Primary School, Maasai Mara, Kenya

The fund which was fully expended during the year relates to funds donated by Artemis to redevelop this primary school on the edge of the Mara Reserve.

OI Pejeta Conservancy Outreach Programme, Kenya

The fund which was fully expended during the year relates to funds raised via a cricket match in support of outreach and educational programmes surrounding OI Pejeta Conservancy.

The Pan African Conservation Education Project (PACE)

The amount carried forward relates to the unexpended balance of monies received from donors to support the distribution of environmental education resources devised by Tusk in conjunction with SIREN.

The Painted Dog Project, Zimbabwe

The fund which was fully expended during the year represents a grant given in support of the project's education centre and to help maintain the anti-poaching patrols in Hwange National Park.

Rabies Project, Tanzania

The amount which was fully expended represents an Artemis Small Grant awarded in support of a rabies vaccination programme around Serengeti National Park.

Ruko (Rugus) Conservancy, Kenya

The fund carried forward relates to support given towards the development of this new community managed conservancy.

Sacred Forest Film Project, Kenya

The amount carried forward relates to funds raised specifically to produce an environmental education documentary currently being made by Norbert Rottcher and Sasha Kamen in Kenya.

Sanga School, Lewa Education Programme, Kenya

The fund carried forward relates to support given by All Hallows School in the UK towards the ongoing development of this primary school neighbouring Lewa Wildlife Conservancy.

Kidai Selous Rhino Project, Tanzania

The fund which was fully expended during the period related to funds donated in support of the purchase of a vehicle for the rangers operating in the Selous Game Reserve.

South African Wildlife College, South Africa

The amount which was fully expended represents an Artemis Small Grant awarded in support of a series of bursaries given to support the training of African game rangers.

Tachila Reserve, Botswana

The amount carried forward represents funds awarded from the BlackRock Fund in support of the proposed development of a new environmental education centre just outside Francistown.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

18.1 RESTRICTED FUNDS EARMARKED FOR CONSERVATION - Continued

Uganda Conservation Foundation (Waterways Project), Uganda

The amount, which was fully expended during the year represents funds awarded under the Artemis Small Grants Fund to establish water-borne game rangers along the shores of Lake Victoria, Uganda.

Walikale Lowland Gorilla Project, DRC

The fund which was fully expended during the period relates to a donation given to assist the further development of the community driven Gorilla conservation project.

19. ENDOWMENT FUND

During 2006 the Trustees put in place an expendable endowment fund in order to support the Trust's activities over the long term. Under the terms of the fund, the primary objective is to preserve the capital whilst the income generated is wholly unrestricted to be applied by the Trustees towards the general charitable purpose of the Trust including the payment of regular staff costs. The terms of the fund also allows for income to be accumulated and for the capital to be spent if the Trustees so determine.

20. SUBSIDIARY UNDERTAKINGS

The subsidiary undertaking, Tusk Trust Trading Ltd, stages and organises fund-raising events.

A summary of the subsidiary undertaking's results for the period is given below:

	Year Ended	Total for period 1.07.06 to 31.12.07 £
Gross income	421,983	451,917
Gross expenditure (excluding gift aided profits to charity)	(332,808)	(324,575)
Net surplus before donating profits to charity	89,175	127,342

At the balance sheet date the aggregate share capital and reserves of the subsidiary undertaking stood at £100 (2007- £100).

During the year under review the subsidiary undertaking, Tusk Australia Pty Ltd, received donations totalling £1,133 (2,500 \$AUS) and incurred expenses of £675. At the date of approving these financial statements this is the total amount received and paid by the subsidiary since its inception in December 2007.

TUSK TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

21. TRANSACTIONS INVOLVING TRUSTEES

During the year the Charity paid £481 (2007 £831) for Trustees indemnity insurance.

22. RELATED PARTY TRANSACTIONS

There is an agreement between the subsidiary Tusk Trust Trading Ltd and the Charity whereby the subsidiary donates its profits otherwise chargeable to corporation tax to its parent at the end of each accounting period. For the year under review the subsidiary donated £89,175 (2007: £127,713) of its profits to the Charity.

Also during the year the Charity charged the above subsidiary a management fee totalling £26,000 (2007: £60,000) for administrative services provided.

At the balance sheet date, the amount owed by Tusk Trust Trading Ltd was £50,965 (2007: £114,489). The following Trustees served as directors of Tusk Trust Trading Limited during the year.

David Ian Rawlinson
Philip Cayford QC

During the year the Charity received grants totalling £159,426 (2007: £224,284) from Tusk USA Inc, a not for profit entity incorporated in Delaware USA.

The Charity is connected to Tusk USA Inc by virtue of having representation on its Board of Directors.

For the year under review, the following served as members of the Board of Tusk USA Inc:

Philip Cayford QC (Trustee)
Charles Mayhew MBE (Chief Executive)

During the year the Charity received interest totalling £592 (2007: £2,222) from Mourgue-D'Algue et Cie, a bank based in Switzerland and in whom Pierre Andre Morgue-D'Algue (Trustee) is a director. The Charity did not pay any bank interest or charges to the above mentioned bank throughout the year (2007: £278).

23. CONTROL

The Charity is ultimately controlled by the Trustees.