

COOL EARTH ACTION

Annual Report 2018

Cool Earth Action
Company number: 06053314
Charity number: 1117978

This Annual Report includes the Trustees' Annual Report, the Auditor's Report and the Financial Statements for the year ended 31 January 2018.

COOL EARTH ACTION
TRUSTEES' ANNUAL REPORT
for the year ended 31 January 2018

The trustees present their report and the financial statements for Cool Earth Action (also known as and referred to as "Cool Earth") for the year ended 31 January 2018.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association of the charitable company, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The charitable objectives for which the charity is established are as follows:

Cool Earth provides grant funding to rainforest communities to support their work in protecting at-risk forest and ensure their voice is heard in agreements that affect the future of rainforest. It also promotes a greater understanding of the role that forest communities play in keeping rainforest ecosystems intact and the role that rainforests play in the supporting life across the planet.

The charity Cool Earth believes that local people are the best custodians of the forest. As such, rainforest villages are at the heart of all of their projects with communities playing the central role in determining how funds are spent to protect their forest.

Cool Earth's community-led model has protected rainforest in partnerships across Brazil, Ecuador, Peru, the Democratic Republic of the Congo and Papua New Guinea. To date, these projects have saved 900,000 acres of at-risk rainforest through partnerships with over 5,500 rainforest partners.

Public Benefit

Under Section 17 of the Charities Act 2011, the trustees have followed the Charity Commission's guidance on public benefit. Cool Earth aims to achieve the following objectives:

- To provide grant funding to rainforest communities to support their work in protecting at-risk forest, and ensure their voice is heard in agreements that affect the future of rainforest.
- To promote a greater understanding of the role that forest communities play in keeping rainforest ecosystems intact, and the role that rainforests play in supporting life across the planet.

Benefits and beneficiaries

The charity strives to promote sustainable development for the benefit of the public. In doing so, the charity provides the following range of benefits:

- Preventing the destruction of rainforest through community-led conservation.
- Protecting habitats for rainforest biodiversity.
- Mitigating climate change through preventing the release of CO₂ from deforestation.
- Building capacity in rainforest communities.
- Educating the general public on the importance of rainforest protection.

These benefits are, in particular, provided to the following range of beneficiaries:

- Rainforest communities in South America, the Democratic Republic of the Congo and Papua New Guinea.
- The general public, schools and educators across the UK and internationally.

Trustees' assessment of public benefit

In monitoring the progress of the charity in terms of delivery of public benefit, the trustees use the following measures of success and gather evidence accordingly:

- Developing projects where the rainforest would otherwise be destroyed, and which are strategically located to protect neighbouring forest.
- Assessing and measuring the amount of forest saved and quantity of CO₂ stored by each project through satellite mapping and carbon measurement.
- Monitoring the biodiversity within the project and neighbouring areas to assess protection of fauna and flora.
- Evaluating the effectiveness of community investments, focusing particularly on income generated from the sale of sustainable, non-timber rainforest products.

CHARITABLE ACTIVITIES

In pursuance of the charitable objectives, the charity undertakes the following principal charitable activity:

Partner Development (also referred to as Programmes)

Cool Earth supports or provides funding to a number of projects overseas, in particular, in Peru, Papua New Guinea and the Democratic Republic of the Congo. These projects involve:

- Investment in the protection and conservation of rainforest that without Cool Earth's support, would otherwise be cleared within eighteen months.
- Investment in sustainable community enterprises that are consistent with rainforest protection.
- Building the capacity of local partners to improve the livelihoods of people living within and near to Cool Earth's projects.
- Supporting local Non-Governmental Organisations ("NGOs") in their conservation activities.

ACHIEVEMENTS AND PERFORMANCE

Achievements and Strategy

2017 Impact:	901,679	ACRES SAVED
	216,402,960	TREES PROTECTED
	234,436,540	TONNES OF CO ₂ STORED

Having celebrated Cool Earth's tenth anniversary in 2017, much work has been done to ensure the organisation's purpose is clear and achievable. Like all charities, Cool Earth must also be vigilant to the risk of becoming moribund and self-serving. A strategic review has therefore been undertaken to focus resources on impact and, where necessary, restructure underperforming elements.

Cool Earth continues to work towards an ultimate goal of tropical deforestation having no role in climate change. The organisation's focus on forming partnerships with rainforest communities to halt deforestation is deliberately experimental in style. At the heart of Cool Earth's work is a three-level monitoring regime that evaluates the outcomes for rainforest canopy, biodiversity and the sustainability of forest protection of community partnerships.

Cool Earth does not use a single theory about how change happens in the rainforest communities in which we work. A context-specific approach is always necessary but there are also general lessons to learn, principles to apply, ethical codes to comply with and best practices to implement. While every rainforest community is unique, there are always similarities with others. The whole is unique, but the parts may be quite familiar.

Assembling these parts into partnerships that create sustainable, community-led conservation outcomes is the strategy that is guiding Cool Earth's next five years of operation. It is the reason why learning from a series of partnerships managed by Cool Earth's in-country teams is being combined with local NGO partnerships to assemble a comprehensive knowledge resource. This resource will not be a one-size blueprint for rainforest protection, but it will provide a comprehensive toolbox of proven approaches for community-led conservation.

These outcomes are ambitious. The history of tropical deforestation is characterised by villages dependant on rainforest being overwhelmed by the advance of logging, ranches and plantations. Cool Earth's focus on rainforest communities reflects the role they can play in blocking these external drivers. It also recognises that slash and burn agriculture is a growing contributor to forest loss and 70% of all tropical deforestation now occurs in areas of under 25 hectares¹.

This combination of external and internal threats to community rainforest has rarely been addressed by conservation NGOs and governments. This may be because it overlays common regional trends (growing demand for agricultural land, charcoal and timber and the construction of roads that facilitate access to the forest) with local complexities (clan-based land rights, customary land use practices). As such, Cool Earth's future effectiveness will depend on its ability to draw lessons from the past ten years of forest protection and to monitor and evaluate the findings from an expanded portfolio of community-led partnerships.

Challenges and Learning

A decade of operations in the Amazon and Congo Basins and Papua New Guinea has created an imposing learning resource. Over the next five years, Cool Earth will focus on leveraging this resource to develop community partnerships protecting rainforest in as many settings as possible.

To achieve this, Cool Earth has reviewed the Monitoring, Evaluation and Learning (MEL) regimes in each partnership to ensure consistency in the data generated and best-in-class evidence of future impact.

The ambition of Cool Earth is to be able to compare the impact of different approaches to rainforest protection in different contexts and draw conclusions that will be of value to communities, governments and institutional funders. This has necessitated considerable investment in MEL capacity both in the UK and overseas to ensure it underpins every part of the organisation. Whilst upgrading Cool Earth's programmes, the impact of community partnerships continues to grow with forest protected rising 28% to 901,679 acres. This reflects existing partnerships securing tenure over adjoining forest and adding new annexes.

Headlines showing number of acres protected ignores Cool Earth's work alongside communities to build robust household economies and healthier villages. In the areas where Cool Earth operates, village-led conservation is not simply the most effective means of halting destruction, it is often the only force resisting destruction and degradation. Rather than list every partnership intervention, the following examples illustrate the range and variety of Cool Earth's work to reinforce the role of local people.

Progress in PNG slowed for two months at the beginning of the 2017/2018 year and in the run up to and during national elections. Communication between our UK team and PNG field team was difficult and the community associations, who lead on prioritisation and implementation weren't able to lead as much activity. Cool Earth has since taken steps to improve connections with individuals in-country and is looking at options to partner with local NGOs in the future. These connections, along with the new staff members, will help to ensure the continuity of activity and regularity of updates during tricky times.

¹ PRODES, INPE, 2016

More widely, progress has been hampered by ongoing disputes in PNG. There has been conflict around benefit sharing with people who own land in the community but live outside the area. Cool Earth has worked alongside local government land mediators to maintain transparency with all landowners and strengthened local support for the partnership through the community association.

A challenge encountered in both PNG and Peru this year was internal disputes over the placing of camera traps. A number of landowners in PNG questioned the direct benefit it would bring them, while people in Peru were worried that the cameras would be used to take pictures of people. Cool Earth address these concerns, providing clearer explanations on the importance of monitoring biodiversity and the role that camera trapping plays in achieving this.

The lesson here is that all uses of technology in partner communities need to be explained clearly and iteratively over time to as many community members as possible, and it must also be culturally appropriate.

A key learning in Peru has been that changing behaviour can take time and requires consistent support and training. This has been most evident in our nutrition work, where communities have struggled to adapt their diets to include unfamiliar ingredients and tastes. Cool Earth is funding cooks who can introduce new ideas to the communities, encouraging ways of cooking these new ingredients and incorporating them into favourite recipes.

Safeguarding

The issues raised by allegations of sexual exploitation within development charities are salient for every charity working in humanitarian relief, development and community led conservation. The only action that Cool Earth needed to make following these allegations and the UK government's safeguarding summit was to reconfirm the existing safeguarding policy to staff and partners and publish it more prominently on the Cool Earth website.

Cool Earth had responded in December 2017 to the Charities' Commission alert issued "that safeguarding should be a key governance priority for all charities, not just those working with groups traditionally considered at risk." The *Code of Conduct* and *Safeguarding Policy* sit alongside all Cool Earth's policies in the Staff Handbook and additional human resources staff and systems have been added to ensure training is conducted regularly.

All UK staff who visit overseas partnerships must now be Disclosure and Barring Service (DBS) tested (the standard that replaced CRB tests). Cool Earth also has a strict policy on references. Only factual information can be given, and all requests must be sent to its Director. This was reiterated to all Cool Earth staff on 12 February 2018.

Cool Earth has also operated within strict Free Prior and Informed Consent (FPIC) procedures, ensuring that the communities worked alongside are fully in control of the implementation of projects that affect them. Working with local facilitators to ensure that the cultural sensitivities of the community are respected, Cool Earth staff are always accompanied into the field by trusted facilitators and with the consent of the community. The trustees firmly believe that the days of development NGOs airlifting European and American field staff into overseas programmes are numbered and Cool Earth aims to be in the forefront of applying the principle of subsidiarity to our work.

Data Protection

The year has also seen a heightened understanding of data protection. The introduction of new GDPR legislation in May 2018 was anticipated with the recruitment of a Data and Insight Manager in October 2016. Thanks to this appointment, Cool Earth has exceeded compliance requirements in terms of policies, training and implementation of new regulations.

COOL EARTH ACTION
TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 January 2018

This made it all the more regrettable that a programme team member who had been instrumental in writing the policies determining the security of household survey data from Cool Earth's partnerships, chose not to abide to this policy and removed data from the organisation on insecure devices. This data breach was quickly identified, and three actions were immediately put in place. The Trustees and Information Commissioner's Office were informed, and a full report was provided on the consequences of the breach and the risks to the owners of the data. The services of an external consultant were retained to remove all Cool Earth data from the relevant devices, that also revealed similar data breaches had been undertaken when the individual worked for other employers. The individual has left the organisation and made a substantial contribution to the costs of the security consultant. They were also advised to inform their former employers of their action. All staff continue to receive training on data protection and their responsibilities to behave as trustworthy colleagues.

GOVERNANCE, STRUCTURE AND MANAGEMENT

The charitable company is governed by the rules and regulations set down in its Memorandum and Articles of Association dated 15 January 2007.

The overall strategic direction of the charity is determined by the trustees, who meet formally three times a year. The trustees are responsible for planning and policy making, and accordingly, all key decisions are referred to and taken by the board of trustees.

Company Information

The trustees of the charity, also the directors of the company, who have held office since 1 February 2017 are as follows:

The Rt Hon. Lord Deben
Mr. Johan Eliasch
Mr. Mark Ellingham
The Rt Hon. Frank Field MP DL
The Baroness Jenkin of Kennington
Ms. Cynthia King (resigned 7 March 2017)

The principal address of the charity is Tremough Innovation Centre, Penryn, Cornwall, TR10 9TA and the registered office address of the company is 27 Old Gloucester Street, London, WC1N 3AX.

The charity is registered under the charity number 1117978, and the company is incorporated with the company registration number 06053314.

The trustees have made the following professional appointments:

Solicitor: Berwin Leighton Paisner LLP, Adelaide House, London Bridge, London, EC4R 9HA
Banker: Barclays Bank, Turro Group, Leicester, LE87 2BB
Auditor: RSM UK Audit LLP, Forbury Square, Davidson House, Reading, Berkshire, RG1 3EU
Accountant: RSM Tax and Accounting Limited, 3rd Floor, One London Square, Cross Lanes, Guildford, Surrey, GU1 1UN

Mr. Matthew Owen acts in an executive capacity as the Executive Director of Cool Earth Action and is responsible for the day-to-day management of the charitable company. The remuneration of the Executive Director is decided upon by the board of trustees taking account of performance and the levels of pay in a representative peer group of similar Non-Governmental Organisations.

The trustees are assisted by an Advisory Board of individuals that are neither trustees nor directors.

Trustees' Responsibilities

The trustees, who are the directors of Cool Earth for the purposes of company law, are responsible for preparing their annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 incoming resources and application of resources, including the income and expenditure 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.
- Observe the methods and principles in the Charities SORP.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act, 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from the legislation in other jurisdictions.

Disclosure of Information to the Auditor

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that audit information.

Method of Recruitment, Appointment, Election, Induction and Training of Trustees

The original trustees were the founders of the organisation with particular personal interests in attempting to find a way to actively tackle worldwide climate change issues. As and when a future vacancy arises, or should the required mix of skills, experience and knowledge required with the board of trustees change over time, such matters will be considered when recruiting suitable candidates.

In accordance with the company Memorandum and Articles of Association, the minimum number of trustees should not be less than three, but no maximum limit is dictated. It is likely in the future suitable trustee candidates will be identified by the existing trustees or be referred to the existing trustees through the Advisory Board and/or other interested third parties. Appointment as a trustee is by election and requires an ordinary resolution of the members of the charitable company.

All trustees are made aware of and have access to relevant Charity Commission publications and are regularly briefed by their professional advisers on significant developments within the charity sector that are applicable to the charity's circumstances.

New trustees will be provided with both an introduction to the charity, its work and their role within it, and with pertinent copies of paperwork.

Relationship with Related Parties

In order to maximise the impact of Cool Earth's activities to support communities to protect rainforest, it is the policy of Cool Earth to develop partnerships with local communities and NGOs. On occasions, Cool Earth has become a significant co-funder of conservation projects with a range of organisations who have been selected on the basis of their experience, record of community engagement and commitment to the aims of Cool Earth. Key partners of Cool Earth over the past year have included Ecotribal, Fauna and Flora International, Jempe, Tsimi, Yakolima and Umukai.

A trading subsidiary of Cool Earth exists (Cool Earth Limited) but has never traded and remains inactive.

Cool Earth Incorporated is an affiliated non-profit organisation in the USA that is registered as tax-exempt under section 501 (c)(3) of the federal law of the United States. Cool Earth Incorporated does not share trustees or offices with Cool Earth Action but does contribute to Cool Earth Action's programmes in Peru.

FINANCIAL REVIEW

Income and Fundraising

Cool Earth's income for the year was £2.3 million (2016/2017: £1.7 million) and individuals, businesses and foundations continue to be the primary funding source.

Financial Results of Activities and Events

Total income for the year amounted to £2,262,272 (2016/2017: £1,671,616), and total expenditure was £1,794,050 (2016/2017: £1,503,555) resulting in net income of £468,222 (2016/2017: £168,061).

The trustees are satisfied with the financial performance of the charitable company and its financial position at the balance sheet date.

Reserves Policy

As of 31 January 2018, the charity had "free reserves" of £2,485,264 (31 January 2017: £2,076,673). Beyond the requirements of a prudent working capital base, since 2011 Cool Earth has been developing a Reserves Fund, so it can realise its commitments to community partners even in the event of an income shortfall. A project reserve of £2.1 million was set as a five-year target, calculated on the basis of 18 months of project funding from 2016. This target had been achieved by 31 January 2017.

Investments Policy

The trustees have wide ranging powers to invest the funds of the charity at their discretion and as they think fit. The charity makes use of a Sterling bank account and a US Dollar bank account to hold all the non-reserve funds of the charity as cash so that they are readily available to expend in support of the charity's activities as and when required by the trustees. Reserves are currently held in high interest deposit accounts and should significant funds be received in the future, the trustees will consider suitable investment opportunities.

Risk and Corporate Governance Matters

The trustees recognise that Cool Earth's range of operations in the UK and overseas expose it to a range of risks. In order to manage these risks appropriately and mitigate their impact on the operation and effectiveness of Cool Earth, the trustees have developed a risk strategy that details categories of risk and appropriate management strategies. A risk register is maintained by the Executive Director, which summarises key risks and which the board reviews on a quarterly basis.

As identified on the risk register, the main risks and the measures taken to mitigate them are as follows:

Risk 1: Natural or human induced hazards, such as floods, forest fires and internal conflict impact on Cool Earth's ability to deliver parallel programmes and complete existing partnerships resulting in risk to personal security of staff, partners, assets and resources in country.

Mitigation Action 1: Country Security plans, and escalation processes, are in place to respond, adapt programmes and prepare contingency plans. During this year Hostile Environment Awareness Training was undertaken by key staff and in-country emergency procedures were updated for all Cool Earth's partnerships.

Risk 2: Failure to sustain levels of overall funding for Cool Earth's partnership commitments.

Mitigation Action 2: Cool Earth undertook a review of our fundraising and communications strategy during 2017. This confirmed the strategies already in place to diversify income by geography (an increase in non-sterling funds) and source (a more even division between business, individual and trust funders). Regular giving now accounts for 30% of total income (up from 17% in 2016/17) and no single funder represents more than 20% of total income.

Risk 3: Ineffective information flow, failure of internal controls, and a dispersed geography of programmes leads to a risk that funds could be misappropriated or incorrectly recorded and information not being available to make informed decisions.

Mitigation Action 3: Investments in improved accounting systems and the development of standard accounting policies, procedures and definitions are currently being rolled out across all partnerships.

PLANS FOR FUTURE PERIODS

Future Strategy

The long-term aims of Cool Earth are consistent with its mission to help fund rainforest protection and inform people of the role local people play in conservation and the role of deforestation in climate change. Plans for 2018/19 are:

- Continue to invest in existing programmes in Papua New Guinea, Peru and the Democratic Republic of the Congo.
- Initiate new partnerships in Papua New Guinea, Mozambique and Cameroon.
- Manage the life-cycle of each community partnership to ensure partners dependency does not develop.
- Put in place business plans for income generation that does not depend on Cool Earth's funding.
- Scope out a portfolio of new partnerships that test the Cool Earth model of community led rainforest protection in a range of environmental, socio-economic and cultural contexts.
- Work alongside the Commonwealth Forestry Association and Royal Commonwealth Society to explore new community partnerships in Tanzania, Guyana and Cambodia.
- Develop Cool Earth's Reserves Fund to safeguard Cool Earth's commitments to partner communities in the event of an income shortfall.
- Diversify income sources to ensure resilience of Cool Earth's revenue, including improving Cool Earth's online performance and increasing income from business supporters.

COOL EARTH ACTION
TRUSTEES' ANNUAL REPORT (Continued)
for the year ended 31 January 2018

FUNDS HELD AS CUSTODIAN

Although the charity will maintain restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, the charity does not currently hold, and does not intend to hold, any funds as custodian for any third party.

This report was approved by the trustees on 30 October 2018, and was signed for and on behalf of the board by:



..... Trustee
The Rt Hon. Frank Field MP DL

30 October 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COOL EARTH ACTION

Opinion on financial statements

We have audited the financial statements of Cool Earth Action (the 'charitable company') for the year ended 31 January 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COOL EARTH ACTION (Continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Gallagher (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Davidson House,
Forbury Square,
Reading,
Berkshire, RG1 3EU

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COOL EARTH ACTION
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 January 2018

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
INCOME FROM:					
Donations and legacies	3	2,104,743	146,000	2,250,743	1,654,236
Charitable activities	4	1,693	-	1,693	4,233
Other trading activities	5	2,575	-	2,575	1,902
Investments	6	7,261	-	7,261	11,245
TOTAL		<u>2,116,272</u>	<u>146,000</u>	<u>2,262,272</u>	<u>1,671,616</u>
EXPENDITURE ON:					
Raising funds	7	(453,618)	-	(453,618)	(382,005)
Charitable activities: Project Work	8	(1,294,432)	(46,000)	(1,340,432)	(1,121,550)
TOTAL		<u>(1,748,050)</u>	<u>(46,000)</u>	<u>(1,794,050)</u>	<u>(1,503,555)</u>
NET INCOME		<u>368,222</u>	<u>100,000</u>	<u>468,222</u>	<u>168,061</u>
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		<u>368,222</u>	<u>100,000</u>	<u>468,222</u>	<u>168,061</u>
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 February 2017		<u>2,254,301</u>	<u>-</u>	<u>2,254,301</u>	<u>2,086,240</u>
FUND BALANCES CARRIED FORWARD AT 31 JANUARY 2018	17	<u>2,622,523</u> =====	<u>100,000</u>	<u>2,722,523</u> =====	<u>2,254,301</u> =====

COOL EARTH ACTION
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 January 2017

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2017 £	TOTAL 2016 £
INCOME FROM:					
Donations and legacies	3	1,576,654	77,582	1,654,236	1,538,624
Charitable activities	4	4,233	-	4,233	-
Other trading activities	5	1,902	-	1,902	-
Investments	6	11,245	-	11,245	17,768
TOTAL		1,594,034	77,582	1,671,616	1,556,392
EXPENDITURE ON:					
Raising funds	7	(382,005)	-	(382,005)	(350,218)
Charitable activities:					
Programmes	8	(1,043,968)	(77,582)	(1,121,550)	(980,928)
Advocacy & Education		-	-	-	(8,056)
TOTAL		(1,425,973)	(77,582)	(1,503,555)	(1,339,202)
NET INCOME		168,061	-	168,061	217,190
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		168,061	-	168,061	217,190
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 February 2016		2,086,240	-	2,086,240	1,869,050
FUND BALANCES CARRIED FORWARD AT 31 JANUARY 2017	17	2,254,301	-	2,254,301	2,086,240
		=====		=====	=====

COOL EARTH ACTION
BALANCE SHEET
as at 31 January 2018

Company Number: 06053314

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	11	93,429	112,486
Tangible assets	12	43,830	65,142
		<u>137,259</u>	<u>177,628</u>
CURRENT ASSETS			
Investments	13	-	1,500,000
Debtors	14	44,693	71,145
Cash at bank and in hand		2,723,758	588,568
		<u>2,768,451</u>	<u>2,159,713</u>
LIABILITIES			
Creditors: Amounts falling due within one year	15	(183,187)	(83,040)
NET CURRENT ASSETS			
		<u>2,585,264</u>	<u>2,076,673</u>
TOTAL ASSETS LESS CURRENT LIABILITIES & NET ASSETS			
		<u>2,722,523</u>	<u>2,254,301</u>
THE FUNDS OF THE CHARITY			
<i>Restricted income funds</i>	17	100,000	-
<i>Unrestricted funds</i>			
General fund	17	2,622,523	2,254,301
TOTAL CHARITY FUNDS			
		<u>2,722,523</u>	<u>2,254,301</u>

The financial statements on pages 13 to 27 were approved by the trustees and authorised for issue on 30 October 2018, and are signed on their behalf by



..... Trustee
The Rt Hon. Frank Field MP DL

30 October 2018

COOL EARTH ACTION
STATEMENT OF CASH FLOWS
for the year ended 31 January 2018

	Notes	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	19	680,457	475,504
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends, interest and rents from investments		7,261	11,245
Purchase of intangible fixed assets		(39,518)	(96,058)
Purchase of tangible fixed assets		(13,010)	(30,116)
Short term investment withdrawn/(deposited)		1,500,000	(1,500,000)
Net cash used in investing activities		<u>1,454,733</u>	<u>(1,614,929)</u>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		2,135,190	(1,139,425)
Cash and cash equivalents at the beginning of the reporting period		<u>588,568</u>	<u>1,727,993</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	20	2,723,758 =====	588,568 =====

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 January 2018

1. ACCOUNTING POLICIES

Company Information

Cool Earth Action is a private company limited by guarantee incorporated in England and Wales. The registered office is 27 Old Gloucester Street, London, WC1N 3AX and the principal place of business is Tremough Innovation Centre, Penryn, Cornwall, TR10 9TA.

The company's principal activity is disclosed in the trustees' annual report.

Basis of Accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention.

Within the definitions of FRS 102, the charitable company, which is limited by guarantee, is a public benefit entity.

The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the charitable company's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Going Concern

The charitable company is fundamentally dependent upon the continuing financial support of sponsors, supporters and other key funders to remain a going concern. The trustees have formulated financial plans for the future, and as at the date of adoption of these financial statements and on the basis of estimated future cash flows, the trustees are of the opinion that the charitable company will be able to continue its activities and meet all of its liabilities as they fall due for a period of at least twelve months from the date of the adoption of these financial statements. Therefore, these financial statements have been prepared on the going concern basis.

Income

All income is included in the statement of financial activities when the charitable company is entitled to the funds, receipt is probable, and the amount can be quantified with reasonable accuracy. Donations are normally brought into account when received and are stated gross of any attributable tax recoverable.

Government and institutional grants are accounted for on a receivable basis. Donations and grants given for specific purposes are treated as restricted income.

All other income, including investment income, is accounted for on a receivable basis as and when earned by the charity.

Gifts In Kind

The value of gifts in kind is recognised as income where the gross value to the charitable company can be assessed with reasonable accuracy. Where this is not the case, the nature of the gift is disclosed.

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 January 2018

1. ACCOUNTING POLICIES (Continued)

Foreign Currencies

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. All exchange gains or losses are included in the statement of financial activities in the period to which they relate.

Expenditure

All expenditure is accounted for on an accruals basis inclusive of any irrecoverable Value Added Tax and is allocated as direct costs in the statement of financial activities where the costs can be identified as being directly related to raising funds or to charitable activity. Where costs cannot be directly attributed, they are allocated to categories on a basis consistent with the budgeted use of the resources concerned or in proportions based upon a suitable ratio applicable to the nature of the cost involved.

Grants payable are recognised in the period in which the approved offer is conveyed to the recipient in those cases where the offer is conditional, such grants being recognised only when the conditions attaching to the award are fulfilled. Grants offered subject to conditions, which have not been met at the balance sheet date, are noted as a potential commitment, but are not treated as a liability.

Governance costs comprise specific direct costs incurred by the charity in relation to operating the charitable company as a charitable company, which includes audit fees, and a proportion of certain other support costs allocated to governance by the trustees.

Intangible Fixed Assets

All intangible assets purchased costing more than £1,000 that have a useful economic life that exceeds one year are capitalised and classified as intangible fixed assets. Intangible fixed assets are stated at historical cost less amortisation. Amortisation is provided on all intangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Website on a 33% straight-line basis

Tangible Fixed Assets

All tangible assets purchased costing more than £1,000 that have a useful economic life that exceeds one year are capitalised and classified as tangible fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Office & computer equipment on a 33% straight-line basis

Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are therefore classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

COOL EARTH ACTION
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 for the year ended 31 January 2018

1. ACCOUNTING POLICIES (Continued)

Financial Assets and Liabilities

The charitable company's debtors and creditors that meet the definition of either a financial asset or a financial liability are initially recognised at the transaction value and thereafter are stated at amortised cost using the effective interest method.

Fund Accounting

The general fund comprises the accumulated surpluses of unrestricted income over expenditure, which is available for use in furtherance of the general objectives of the charitable company.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the trustees. The use of designated funds remains at the discretion of the trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the period end are carried forward in the balance sheet.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no specific judgements, estimates and assumptions that were critical to the preparation of these financial statements.

3. DONATIONS AND LEGACIES	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
Donations received from individuals and on-line through the charity's website	1,043,478	-	1,043,478	737,151
Other donations received from corporate sponsors and other similar supporters	1,017,765	146,000	1,163,765	917,085
Donations in kind:				
Staff costs	37,500	-	37,500	-
Accommodation costs	6,000	-	6,000	-
	2,104,743	146,000	2,250,743	1,654,236
	2,104,743	146,000	2,250,743	1,654,236

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 January 2018

4. CHARITABLE ACTIVITIES	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
Forest produce sales	1,693	-	1,693	4,233
=====				
5. OTHER TRADING ACTIVITIES	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
Shop sales and other similar income	2,575	-	2,575	1,902
=====				
6. INVESTMENTS	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
Bank interest receivable on short term cash deposits	7,261	-	7,261	11,245
=====				
7. RAISING FUNDS	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
Direct costs	158,798	-	158,798	179,491
Support costs - see note 9	294,820	-	294,820	202,514
	453,618	-	453,618	382,005
=====				
8. PROGRAMMES	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
Direct costs	606,519	46,000	652,519	649,015
Support costs - see note 9	687,913	-	687,913	472,535
	1,294,432	46,000	1,340,432	1,121,550
=====				

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 January 2018

9. SUPPORT & GOVERNANCE COSTS	Support costs £	Governance costs £	TOTAL 2018 £	TOTAL 2017 £
Donations in kind:				
Staff costs	37,500	-	37,500	-
Accommodation costs	6,000	-	6,000	-
Staff costs (85:15) - note 10	443,983	78,350	522,333	361,884
Staff recruitment, training and welfare (70:30)	45,683	19,579	65,262	21,315
Travel and subsistence expenses (85:15)	48,668	8,588	57,256	49,494
Premises operating lease costs (60:40)	49,905	33,270	83,175	19,190
Other premises costs (60:40)	3,176	2,118	5,294	8,758
Communications costs (40:60)	12,178	18,268	30,446	29,910
Other costs (50:50)	6,904	6,904	13,808	12,409
Legal and professional fees (90:10)	40,078	4,453	44,531	94,836
Auditor's remuneration:				
Audit fee	-	12,300	12,300	11,940
Accountancy and advisory services	-	8,607	8,607	5,659
Amortisation (75:25)	43,932	14,643	58,575	36,895
Depreciation - owned assets (75:25)	25,742	8,580	34,322	25,509
Exchange losses/(gains)	3,324	-	3,324	(2,750)
	<u>767,073</u>	<u>215,660</u>	<u>982,733</u>	<u>675,049</u>
	=====	=====	=====	=====

Support costs are allocated directly based on activity and thereafter using the ratios, which are based on estimated assessed impact of the costs involved.

COOL EARTH ACTION
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 for the year ended 31 January 2018

10. STAFF COSTS	2018	2017
	No.	No.
The average monthly number of persons employed by the charitable company (excluding trustees) during the year was, as follows:		
Support staff	16	11
	==	==
	£	£
Staff costs for the above persons:		
Wages and salaries	484,447	325,477
Social security costs	32,165	33,013
Pension contribution pension scheme costs	5,721	3,394
	<u>522,333</u>	<u>361,884</u>
	=====	=====

During the year, one employee earned total emoluments in the range £60,001 to £70,000 (2016/2017: one employee in the range £70,001 to £80,000) and in respect of that one employee the charitable company paid pensions contributions amounting to £20,287 (2016/2017: £2,340).

During the year, the total amount of employee benefits received by key management personnel for their services to the charitable company amounted to £139,532 (2016/2017: £89,328).

No trustee received any remuneration for services provided to the charity as a trustee during the current or previous year. No trustee was reimbursed in respect of expenses incurred on behalf of the charity during the current or previous year.

COOL EARTH ACTION
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 for the year ended 31 January 2018

11. INTANGIBLE ASSETS	Website £
Cost:	
1 February 2017	167,155
Additions	39,518
31 January 2018	<u>206,673</u>
Amortisation:	
1 February 2017	54,669
Charge for the year	58,575
31 January 2018	<u>113,244</u>
Net book value:	
31 January 2018	93,429 =====
31 January 2017	112,486 =====
12. TANGIBLE ASSETS	Office & computer equipment £
Cost:	
1 February 2017	288,284
Additions	13,010
31 January 2018	<u>301,294</u>
Depreciation:	
1 February 2017	223,142
Charge for the year	34,322
31 January 2018	<u>257,464</u>
Net book value:	
31 January 2018	43,830 =====
31 January 2017	65,142 =====

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 January 2018

13. INVESTMENTS	2018 £	2017 £
Short term cash deposit	-	1,500,000
	=====	=====
14. DEBTORS	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	41,793	6,132
Other debtors	-	600
Prepayments and accrued income	2,900	64,413
	<u>44,693</u>	<u>71,145</u>
	=====	=====
15. CREDITORS	2018 £	2017 £
Amounts falling due within one year:		
Trade creditors	3,723	15,392
Amounts due to Cool Earth Inc.	135,112	37,230
Other taxation and social security costs	10,465	14,228
Other creditors	5,947	50
Accruals	27,940	16,140
	<u>183,187</u>	<u>83,040</u>
	=====	=====
16. FINANCIAL INSTRUMENTS	2018 £	2017 £
Financial assets:		
Debt instruments measured at amortised cost	41,793	1,571,145
	=====	=====
Financial liabilities:		
Measured at amortised cost	31,663	31,532
	=====	=====

COOL EARTH ACTION
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 for the year ended 31 January 2018

17. THE FUNDS OF THE CHARITY

	Balance at 1 February 2017 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 January 2018 £
Restricted income funds:					
Peru restricted fund	-	40,000	(40,000)	-	-
Papua New Guinea restricted fund	-	106,000	(6,000)	-	100,000
	<u>-</u>	<u>146,000</u>	<u>(46,000)</u>	<u>-</u>	<u>100,000</u>
Unrestricted income funds:					
General fund	2,254,301	2,116,272	(1,748,050)	-	2,622,523
	<u>2,254,301</u>	<u>2,262,272</u>	<u>(1,794,050)</u>	<u>-</u>	<u>2,722,523</u>
	=====	=====	=====	=====	=====
	Balance at 1 February 2016 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 January 2017 £
Restricted income funds:					
Peru restricted fund	-	22,600	(22,600)	-	-
Papua New Guinea restricted fund	-	54,982	(54,982)	-	-
	<u>-</u>	<u>77,582</u>	<u>(77,582)</u>	<u>-</u>	<u>-</u>
Unrestricted income funds:					
General fund	2,086,240	1,594,034	(1,425,973)	-	2,254,301
	<u>2,086,240</u>	<u>1,671,616</u>	<u>(1,503,555)</u>	<u>-</u>	<u>2,254,301</u>
	=====	=====	=====	=====	=====

The Peru restricted fund (formerly called the Ashaninka Fund) was originally set up in 2009 to recognise donation income received from Brother International Europe Limited to be used in order to conserve not less than 1,000 acres of endangered rainforest in Cool Earth's Ashaninka project in Peru, and to provide support to the communities in this project. The Peru restricted fund is still used to account for specific donation income received for the benefit of the charitable company's projects in Peru and the related restricted expenditure.

The Papua New Guinea restricted fund was set up in 2017 to account for specific donation income received for the benefit of the charitable company's projects in Papua New Guinea and the related restricted expenditure.

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 January 2018

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 January 2018:	Fixed assets £	Current assets £	Current liabilities £	Total £
Restricted income funds:				
Papua New Guinea restricted fund	-	100,000	-	100,000
Unrestricted income funds:				
General fund	137,259	2,668,451	(183,187)	2,622,523
NET ASSETS	<u>137,259</u> =====	<u>2,768,451</u> =====	<u>(183,187)</u> =====	<u>2,722,523</u> =====

As at 31 January 2017:	Fixed assets £	Current assets £	Current liabilities £	Total £
Unrestricted income funds:				
General fund	177,628	2,159,713	(83,040)	2,254,301
	<u>177,628</u> =====	<u>2,159,713</u> =====	<u>(83,040)</u> =====	<u>2,254,301</u> =====

19. RECONCILIATION OF NET INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES

	2018 £	2017 £
Net income for the reporting period	468,222	168,061
Adjustments for:		
Dividends, interest and rents from investments	(7,261)	(11,245)
Amortisation charges	58,575	36,895
Depreciation charges	34,322	25,509
Decrease in debtors	26,452	196,537
Increase in creditors	100,147	59,747
Net cash provided by operating activities	<u>680,457</u> =====	<u>475,504</u> =====

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	2,723,758	588,568
	<u>2,723,758</u> =====	<u>588,568</u> =====

21. COMMITMENTS UNDER OPERATING LEASES

	2018 £	2017 £
At 31 January 2018, the charitable company was committed to make the following total future minimum payments under non-cancellable operating leases:		
In respect of land & building leases –		
Within one year	23,131	-
	<u>23,131</u> =====	<u>-</u> =====

22. RELATED PARTY TRANSACTIONS

The UK charitable company has enabled the set-up of a similar charity located in the United States of America and called Cool Earth Inc. This US charity has identical charitable objectives and is focused on raising funds from the general public in the USA.

During the year, the UK charitable company collected cash receipts on behalf of Cool Earth Inc. and at the balance sheet date, £135,112 (31 January 2017: £37,230) was owed to Cool Earth Inc.

During the current and previous year, the trustees provided donations-in-kind to the charity by way of incurring expenses personally and not seeking reimbursement from the charity in respect of those expenses.

There were no other related party transactions during the current or previous year.