COOL EARTH ACTION

Annual Report 2025/26

COOL EARTH ACTION
DIRECTOR'S INTRODUCTION
for the year ended 31 January 2026

A word from the Chair

Dr Tony Juniper CBE, Chair, Cool Earth Action

The headlines of the past year have been sobering. From record-breaking temperatures to devastating floods in our partnership regions, the triple threat of climate volatility, legislative rollbacks and environmental degradation has become a familiar part of our lives.

The message from Cool Earth, however, is that when global leadership falters, we still have a roadmap to tackle the climate crisis. Our model is simplicity itself. By putting our trust and unconditional cash directly into the hands of the world's most effective conservationists, we have achieved what was once thought impossible. Today, 99% of the forest protected by the indigenous people we partner with remains standing.

Scaling this impact is our next challenge. The hurdles we face are not technical but political. Given the global community still allocates billions to climate finance, if we can shift just a fraction of these budgets toward direct community support, it is entirely possible that Cool Earth's model can halt rainforest destruction.

This is why I am more optimistic about our ability to deliver community led ecosystem protection than at just about any time in my career. Even against the toughest of backdrops, 10,000 individuals, companies and foundations backed Cool Earth's pioneering work. When extreme flooding hit, your donations reached communities within 48 hours. When catastrophic fires threatened whole landscapes, funding was there to support local action even quicker.

With new partnerships coming to life in Papua New Guinea, Columbia and beyond the evidence that our approach is unbeatable just keeps building. We are proving that when you back people, you protect the planet. Thank you so much for your unwavering trust.

Director's Introduction

This year, the partnerships Cool Earth has cultivated over nearly two decades delivered exceptional impact. As our chair and our team never tire of pointing out, open source data shows that up to 99% of the forest we help protect remains standing. As one of our team aptly remarked, it is a figure almost "too good to be true." Yet this is what happens when we trust those on the frontlines.

This level of success is almost unheard of in conservation. It is a direct result of the support and trust of over 10,000 individual, corporate, and foundation funders. Your faith in our model, combined with the tireless commitment of Indigenous peoples, has created an unrivalled track record of climate action at a time when global leadership often falters.

While political priorities shift, the reality of the climate crisis does not. Our teams and partners in Papua New Guinea, Cameroon, Colombia and Peru have shown that the many threats to forest can be overcome by combining multi-generational knowledge with innovative technology. From Basic Income pilots in the Amazon to thwarting logging in Papua New Guinea and amplifying the voices of those who put us in with a chance of beating the climate crisis, your collective trust has been the catalyst for impact.

Thank you for making it all happen.

Matthew Owen, Director, Cool Earth Action

Cool Earth exists to back people, protect rainforest and fight the climate crisis

We're changing the way rainforest is protected

For decades, traditional conservation methods have failed simply because they ignore one simple solution:

People.

We partner with people who want to protect the rainforest they call home. We trust them to make the best decisions for their families and forests, because when people have real control, lasting change is possible.

We provide direct cash, data and training for projects that reduce pressure on the forests and improve community health, income and resilience.

Every partnership is led locally. Communities set the priorities and we work alongside them to make those plans happen.

How we work:

Communities get in touch
We work on the frontlines of deforestation, in places where rainforests and the people who depend on them are most at risk. Sometimes communities approach us; sometimes we are introduced through trusted local partners.

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We align on priorities
Local people are at the centre of every decision. No two communities are the same, but they share a common aim to protect their land and improve life for the next generation.

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We find the best ways to help
Together we identify what each community needs - from livelihoods and cash to data and tools - and design support that fits.

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We create long-term impact
This leads to long-term change, stopping deforestation while improving lives and building resilience.

Trust: the secret weapon in effective climate action

"What I value most about Cool Earth's work is their transparency and the respect they have for us. They have never told us to do things their way. They have always respected our decisions, our Indigenous autonomy."

Adelaida Bustemante, Cutivireni, Peru

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 2026.

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 2019).

OBJECTIVES AND ACTIVITIES

Cool Earth is a network of community led conservation partnerships. It works alongside people living in rainforests to keep trees standing over the long-term. Cool Earth's founding principle is that people who live in rainforests must determine its future. Without this, rainforest destruction will remain a key driver of the climate crisis.

Cool Earth was created in 2007 to provide grant funding to rainforest communities and NGOs that work alongside them. The charity has worked to protect at-risk forest and ensure the voices of people who live in rainforests lead decisions that affect their future. To date, 99% of the forest protected by Cool Earth and its partners since 2007 remains standing.

Cool Earth strives to ensure power over planning and spending within communities themselves. Progress has been made (to date, 61% of programming spend is locally directed) but there is still much to do.

Above all, six core values must remain embedded into everything Cool Earth does:

- People who live in rainforests determine its future;

- Funding decisions are planned, led and implemented by rainforest communities;

- Conservation leadership is from the ground up and is not imposed by Cool Earth or partner NGOs;

- Conservation funding is a transaction that has consequences beyond its monetary value. As such, each transaction must be fair and transparent

- The use of evaluation and monitoring technologies must serve communities, to enhance their, and our, understanding of emerging threats to the forest through an equal exchange of knowledge; and

- When Cool Earth is privileged to have a presence in a community, it keeps intervention to a minimum.

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 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 rainforests; and
- To promote a greater recognition that local leaders and communities must lead and be rewarded for the development of strategies to address the role destruction of the natural world plays in the climate crisis.

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:

- Participating in partnerships to protect rainforest at risk of destruction and degradation;
- Evaluating the effectiveness of indigenous peoples and local communities in protecting rainforest compared to protected areas and privately or state-owned forest; and
- Assessing and measuring the amounts of forest protected and quantities of carbon stored by each partnership through satellite mapping and ground surveying.

Programmes

In 2021 we developed a Programmes Strategy to guide our work until 2026. We continued to work to this framework through 2025, building on two key existing projects, Unconditional Cash Transfers and data, as well as continuing to work with local partners and communities across the three major rainforest biomes on a range of projects to protect rainforest and back indigenous and local people living there.

Each one of our programmes tackles a challenge which is different from the rest.

Did we meet our 2025 goals?

The honest answer, yes and no!

Goal 1: Ensure more cash reaches the rainforest

In 2019 43% of spend supported programmes in Peru and Papua New Guinea. Last year, that reached 60% and we aim to deliver at least 80% by 2030.

Every pound you donated helped each community become more resilient. And resilient communities mean a healthy rainforest.

We can't list it all, but here are some of the things the communities spent the money on:

- Every family had cash for food, medicine and education, meaning offers from extractive industries like logging and mining were less appealing
- Constructed health posts, meaning communities had less distances to travel to for medical help
- Purchased school uniforms, school supplies and paying teachers, because Indigenous education is underfunded
- Provided support and shelter for vulnerable families so they can thrive too
- Installed water tanks to improve health and sanitation for whole communities
- Ensured training and education that empower women, the backbone of community life
- invested in crops and garden improvements, to help sustain families and improve food security

Goal 2: Ensure more people have access to tech and data

59,000 people across the three largest rainforests in the world now have better access to data, training and tools.

In Peru, the results of combining tech with Indigenous wisdom means wildfires in CARE's territory dropped from 25 in 2023 to nine in 2024, and to zero in 2025.

"We strengthen that ancestral wisdom with tools like satellites, weather data and rapid communication, enabling early action before fires turn into disasters."

David Torres, Coordinator & Monitoring Specialist (CARE), Satipo, Peru.

In Cameroon, we worked alongside CCREAD to provide solar panels so communities have access to electricity. One year on CCREAD reports that families are delighted to have a steady source of electricity and that communities are collecting less firewood from the forest.

Over in Papua New Guinea, the new Rainforest Lab is being used by community members to monitor the health of their forest and map important species.

"I help with biodiversity surveys like frog counts, bird watching and tree tagging. I love it because I learn so many new things."

Liddie, Wabumari, Papua New Guinea.

Goal 3: Establish two new partnerships

We said we would start work in Colombia, and we did. In partnership with Equal Rights and The Nature Conservancy, we provided funding and expertise to kick-start a basic income pilot in Colombia. We're in the design phase and aim to start the FPIC (Free, Prior and Informed Consent) process with the communities in early 2026. This ensures that communities are fully informed and freely agree to projects to protect their ancestral land. Maintaining dignity, understanding and respect.

But we didn't manage to start our new partnership in Ghana as we had hoped. Instead we focused our resources on Papua New Guinea, where five new communities asked us for support as pressure from loggers intensified. We're proud to be able to react so quickly in Papua New Guinea and our attention will turn back to Ghana as soon as possible.

Goal 4: Improve the speed of resources

It currently takes 12-18 months from the initial conversation with community leaders to setting up a partnership. But, as we partner with more and more communities we're becoming even more efficient.

Each community is unique and there are many careful considerations to be made, from co-creation and mapping to establishing baselines and making sure everyone has ID so they can open bank accounts. All this, and more, has to happen before the first cash transfer takes place.

When it truly matters, in an emergency, such as wildfires and health emergencies in 2024, and extreme flooding in 2025, we had your donations with communities in 48 hours. That is the strength of flexible, unconditional cash.

Rooted in results

By supporting Cool Earth you are helping to protect 866,998 hectares of rainforest and by protecting the forest, you are helping to lock in 522 million tonnes of carbon each year.

It's now confirmed that together we protect some of the most carbon dense rainforests in the world. New data* shows that our Peru partnerships are located in one of the most carbon dense rainforests on Earth, making it critically important that we protect it.

*Source: https://www.planet.com/products/forest-carbon/

We are proud of these stats, but they are just half the story. The other half is told through the courage of people like Regina and the villages she protects.

Nine communities standing firm against loggers.

Regina, our Country Manager in Papua New Guinea, explains that a logging company has been lying in wait for over 12 months. They have set up camp near communities to keep the pressure high.

"Their aim is to log as many trees as possible, shipping the timber to China. They enter the communities every few weeks with tempting offers: thick envelopes of cash and empty promises," Regina says.

The loggers arrive with smiles and promises that sound like a politician's pitch: better roads, schools, health centres, roofing iron and water tanks. They sweet-talk communities, saying things like "you can keep your land and other resources, we just want your timber" or "you'll receive royalties to help your families and keep your children in school."

"They like to target leaders and ward councillors first. The loggers know that if they convince one respected figure, others might follow," Regina says.

Cash is a lifeline and loggers know it.

But that's where you come in. In December, you helped raise £200,000 so we could partner with five of the communities, meaning they can keep saying no to the loggers. Because of your support, and their resilience, the forest is still standing. But pressure from the loggers remains high.

In 2026, we'll be doing everything we can to support the communities. We'll provide cash and data, and we'll bring in legal experts where needed. Anything to keep the forest standing and communities resilient.

Thank you for your support.

Regina Kewa, Papua New Guinea Country Manager

Our 2026-2027 Goals:

1. **Papua New Guinea:** Partner with five new communities to halt urgent logging threats. Co-creation begins in early 2026. If it all goes to plan, cash transfers could start at the end of 2026.
2. **Colombia:** Continue our partnership with Equal Right and The Nature Conservancy. In early 2026, we will meet communities to start co-creating a Basic Income pilot that suits their needs and protects forest.
3. **Ghana:** Work with a community near the border of the Bosumtwi Forest Reserve. A programme we hoped to start in 2025, but the logging situation in Papua New Guinea meant we had to prioritise our support there. Our work in Ghana is in the very early stages and conversations with the community about

whether they want support are still ongoing. If we partner, we hope the first cash transfers will take place late 2026.

All this is alongside supporting our existing partnerships in Peru, Cameroon and Papua New Guinea, as we have done for the last 18 years.

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. Cool Earth has two operational hubs in Peru and Papua New Guinea that operate as locally registered organisations. They are regional partnerships that work to ensure local people's rights over the rainforest are exercised. Each hub is led by a Global Head of Department and supported by other members of the Global Leadership Team. As well as programming, each hub also contributes to Cool Earth's finance, human resources, fundraising and communications capacity.

The Peru Hub is made up of nine partnerships that include three indigenous groups. It has a team of 20 staff and 8 consultants. The PNG Hub is composed of five partnerships and has a team of 6 staff and 15 consultants.

The Cool Earth network also includes an exceptional number of locally led organisations that are designing and delivering a people-led approach to forest protection. In Cameroon, Cool Earth continues to work alongside CCREAD who are shaping the future of rainforest conservation in this critical part of the Congo Basin. In Colombia, a new partnership with local communities, the Nature Conservancy and Equal Rights is extending Cool Earth's pioneering Conservation Basic Income Cool Earth will initially protect up to 53,000 hectares of critical rainforest.

The overall strategic direction of the charity is determined by the trustees, who meet formally twice a year and periodically to address exceptional issues. The trustees are responsible for planning and policy making, and accordingly, all key decisions are referred to and taken by the board of trustees. Day to day management is provided by an executive director based in the UK who is supported by a senior leadership group and a team of 36.

STRATEGIC REPORT

Future Plans

In September 2024 Cool Earth's UK and US board met with its senior leadership team and senior managers to initiate a strategic review of the organisations' five year plan to 2030. With a greater focus on evaluation of the scale and cost effectiveness of impact, Cool Earth's strategy is focused on scaling direct community support to protect two million hectares of forest and store half a billion tonnes of carbon.

Cool Earth will continue to pioneer the use of cash and data as the most flexible means of building resilience amongst communities with multi-generational track records of keeping forest standing. The boards and executive will continue to advocate for global climate finance to be delivered directly to people living in rainforests.

Monitoring activity & KPIs

To monitor progress, canopy and carbon metrics will stand alongside an evidence base of almost twenty years of community-led monitoring of the economic, social and ecological changes in rainforest within and surrounding Cool Earth's partnership. Key financial measures include exceeding the growth rates of its peers across individual supporters, corporate donors and trusts and foundations and meeting reserve requirements that safeguard the consistency of partnerships with indigenous and local communities.

Company Information

The trustees of the charity, also the directors of the company, who have held office since 1 February 2025 are as follows:

The principal address and registered address of the charity is Tremough Innovation Centre, Penryn, Cornwall, TR10 9TA.

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: Stephens Scown LLP, 2 Kingdom Street, London, W2 6JP

Banker: CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4TA

Auditor: RRL LLP, Peat House, Newham Road, Truro, Cornwall TR1 2DP

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 key management personnel of Cool Earth Action are considered to be Matthew Owen, Dr. Hannah Peck (Deputy Director), Sophie Kisnorbo - Resigned 16 March 2026 (Head of Operations and HR), Isabel Felandro (Head of Programmes), Kaite Helps (Head of Communications and Marketing), Shannon Kessell (Acting Head of Fundraising), and Martin Simonneau (Acting Head of Policy & Advocacy)

The remuneration of the key management personnel 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 the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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; and
- 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.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our Trustees' Annual Report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that 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 are 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, University of Bath, Tropenbos, Equal Right, CCREAD, CARE, ONAMIAP, OMIAASEC, CELCOR, and AidKit.

Cool Earth Action USA Inc. 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 Action USA Inc. does not share trustees or offices with Cool Earth Action but does contribute directly to Cool Earth Action's programmes.

Income and Fundraising

Cool Earth's income for the year was £3.85 million (2024/2025: £4.84 million) and individuals, businesses and foundations continue to be the primary funding source. This outcome was below the target set of maintaining income and reflects the challenging fundraising environment in the UK, particularly from individuals. Funding from trusts and foundations and from corporate supporters met or exceeded expectations.

In 2025, Cool Earth spent over £3.2m on programmatic work, including £2m given directly to communities living in rainforest.

- Donors in the UK & Europe together gave £3.7m
- We added £15k to our reserves, safeguarding the future of the organisation's vital work
- For every £1 we spent on fundraising, we raised £6.80

Cool Earth extends its thanks to all our donors, individuals, long standing corporates and foundations such as Brother and Postcode Lottery, alongside newer supporters such as MOJU. Your generous support means Cool Earth can continue to back people, protect rainforest and tackle the climate crisis.

Fundraising Standards Information

Cool Earth Action fundraising activities are carried out by its UK-based development team, led by the Head of Fundraising and Engagement. The team's approach focuses on building long-term relationships with individuals, businesses, and foundations to ensure diverse and sustainable income. The charity did not engage a professional fundraiser to carry out fundraising activities on its behalf during the year ended 31 January 2026.

The charity is registered with the Fundraising Regulator and is subject to the Code of Fundraising Practice. It is committed to adhering to this code, which sets out the legal, honest, respectful, and open standards for fundraising. There were no reported failures to comply with the Code of Fundraising Practice or the relevant statutory and accounting standards during the reporting period.

The Trustees and the Senior Management Team regularly monitor fundraising activities through annual reviews of the fundraising and communications strategy to ensure financial sustainability, ethical compliance, and efficiency. The charity actively monitors the cost-effectiveness of its fundraising, noting that it successfully raises nine times what is spent on generating funds during the reporting period.

The charity is committed to transparent and ethical fundraising and is pleased to report that there were no formal complaints received by the charity or a person acting on its behalf about its fundraising activities during the year ended 31 January 2026.

Cool Earth Action is committed to protecting vulnerable people and other members of the public from unreasonably intrusive or persistent solicitations, and undue pressure to give, as set out in the Code of Fundraising Practice. All internal fundraising processes are designed to be respectful, clear, and comply with all legal requirements. The Board of Trustees takes responsibility for safeguarding the charity's assets and ensuring reasonable steps are taken for the prevention and detection of fraud and other irregularities. Financial risk mitigation actions, including investments in improved accounting systems and internal controls, directly protect the public's donations and prevent the misappropriation of funds.

Financial Results of Activities and Events

Total income for the year amounted to £3,855,011 (2024/2025: £4,848,211), and total expenditure was £3,840,396 (2024/2025: £3,913,598), resulting in net income of £14,615 (2024/2025: £934,613).

The trustees are satisfied with the financial performance of the charitable company and its financial position at the balance sheet date. A budget process that focused on eliminating costs that do not support the quality of range of Cool Earth's programming ensured income exceeded expenditure for the 18th year. With free reserves of well over £5m and a reinvigorated fundraising strategy, the trustees are confident that existing programming commitments can be maintained and expanded in pursuit of Cool Earth's climate mission.

The charity is nonetheless active in assessing future risks to programming, fundraising and development. The global finance team monitors exposure to foreign exchange swings and a proportion of reserves are kept in currencies that match expenditure to provide a hedge to volatility. Equally, the investment of a proportion of reserves in short duration assets provides liquidity and underpins the availability of cashflow. The charity has entered into no material credit arrangements.

During the previous year a company under the control of Cool Earth was retired from the Register of Companies whilst still carrying a cash balance. These funds have been retrieved from the Treasury Solicitor. In these accounts the funds are therefore returned to reserves.

Reserves Policy

As of 31 January 2026, the charity had "free reserves" of £5,830,318 (31 January 2025: £5,932,390). Beyond the requirements of a prudent working capital base, since 2011 Cool Earth has held a Reserves Fund, to ensure it can realise its commitments to community partners even in the event of an income shortfall.

Each year an assessment is made of the funding requirements of each partnership. The 'free reserves' fulfill the funding requirements for every partnership that Cool Earth has entered into and allows for additional partnerships to be added in the current year.

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 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.

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, epidemics 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 undertakes annual reviews of our fundraising and communications strategy. These have put in place strategies to diversify income by geography (an increase in non-sterling funds) and source (a more even division between business, individual and trust funders).

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.

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 17th August 2026 and was signed for and on behalf of the board by:

.... Chair of Trustees Mr Anthony Juniper

17th August 2026

Independent Auditor's Report to the Members of Cool Earth Action

Opinion

We have audited the financial statements of Cool Earth Action (the 'charitable company') for the year ended 31 January 2026 which comprise of the income and expenditure account, the statement of financial activities, the balance sheet, statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2026, 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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions 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' 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' 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' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 13 and 14, 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the laws and regulations that were most significant were those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, and compliance with the Charities Statement of Recommended Practice. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These include data protection regulations, health and safety regulations, Proceeds of Crime Act, Bribery Act and employment legislation. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtain an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities Act 2011, Health and Safety Regulations, Proceeds of Crime Act, Bribery Act and GDPR
- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of meetings and correspondence with regulators;

- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for potential bias.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit approach also considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Performing completeness testing on the donation income
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-forThis description forms part of our auditor's report.

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.

RRL LLP

Josh Stevens ACA (Senior Statutory Auditor)
For and on behalf of RRL LLP
Chartered Accountants
Statutory Auditors

Peat House
Newham Road
TRURO
TR1 2DP

7/9/26

COOL EARTH ACTION
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 January 2026

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2026 £	TOTAL 2025 £
INCOME FROM:					
Donations and legacies	3	2,475,290	1,208,880	3,684,170	4,725,518
Other trading activities	4	730	-	730	2,048
Investments	5	170,111	-	170,111	120,645
TOTAL		2,646,131	1,208,880	3,855,011	4,848,211
EXPENDITURE ON:					
Raising funds	6	(570,299)	-	(570,299)	(512,624)
Charitable activities:					
Project Work	7	(2,169,128)	(1,100,969)	(3,270,097)	(3,400,974)
TOTAL		(2,739,427)	(1,100,969)	(3,840,396)	(3,913,598)
NET INCOME AND NET MOVEMENT IN FUNDS		(93,296)	107,911	14,615	934,613
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 February 2025		5,966,845	281,751	6,248,596	5,313,983
FUND BALANCES CARRIED FORWARD AT 31 JANUARY 2026		5,873,549	389,662	6,263,211	6,248,596

COOL EARTH ACTION
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 January 2025

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2025 £	TOTAL 2024 £
INCOME FROM:					
Donations and legacies	3	4,023,665	701,853	4,725,518	4,856,463
Other trading activities	4	2,048	-	2,048	20,658
Investments	5	120,645	-	120,645	8,493
TOTAL		4,146,358	701,853	4,848,211	4,885,615
EXPENDITURE ON:					
Raising funds	6	(512,624)	-	(512,624)	(514,796)
Charitable activities:					
Project Work	7	(2,071,391)	(1,329,583)	(3,400,974)	(3,836,195)
TOTAL		(2,584,015)	(1,329,583)	(3,913,598)	(4,350,991)
NET INCOME AND NET MOVEMENT IN FUNDS		1,562,343	(627,730)	934,613	534,624
RECONCILIATION OF FUNDS					
Fund balances brought forward at 1 February 2024		4,404,502	909,480	5,313,983	4,779,359
FUND BALANCES CARRIED FORWARD AT 31 JANUARY 2025		5,966,845	281,751	6,248,596	5,313,983

COOL EARTH ACTION
BALANCE SHEET
as at 31 January 2026

	Notes	2026 £	2025 £
FIXED ASSETS			
Intangible assets	11	29,124	31,624
Tangible assets	12	14,107	2,831
		43,231	34,455
CURRENT ASSETS			
Debtors	13	1,232,202	966,867
Cash at bank and in hand		5,099,639	5,306,957
		6,331,841	6,273,823
LIABILITIES			
Creditors: Amounts falling due within one year	14	(111,861)	(59,682)
NET CURRENT ASSETS		6,219,980	6,214,141
TOTAL ASSETS LESS CURRENT LIABILITIES & NET ASSETS		6,263,211	6,248,596
THE FUNDS OF THE CHARITY			
Restricted income funds	15	389,662	281,751
Unrestricted funds	15	5,873,549	5,966,845
		6,263,211	6,248,596

The financial statements on pages 24 to 43 were approved by the trustees and authorised for issue on 17th August 2026, and are signed on their behalf by

Trustee

DATE: 17th August 2026

Company Number: 06053314

COOL EARTH ACTION STATEMENT OF CASH FLOWS
for the year ended 31 January 2026

	Notes	2026 £	2025 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by operating activities	17	(363,129)	2,156,552
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends, interest and rents from investments		170,111	120,645
Purchase of intangible fixed assets		-	(18,000)
Purchase of tangible fixed assets		(14,300)	(5,407)
Short term investment withdrawn/(deposited)		-	-
Net cash provided by/(used in) investing activities		155,811	97,238
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		(207,318)	2,253,790
Cash and cash equivalents at the beginning of the reporting period		5,306,957	3,053,167
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	18	5,099,639	5,306,957

1. ACCOUNTING POLICIES

Company Information

Cool Earth Action is a private company limited by guarantee incorporated in England and Wales. The registered office is Tremough Innovation Centre, Penryn Campus, Penryn TR10 9TA, with the principal place of business being the same.
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 2019).
The financial statements are prepared in Sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

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, 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.

1. ACCOUNTING POLICIES (Continued)

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.
Grants receivable including government grants are accounted for in the year in which the Charity is entitled to receipt. A legacy or bequest is recognised in the financial statements when the certainty of receipt and the amount receivable has been established. 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.

Legacies

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of legacy income, in whole or in part, is only made when probate has been granted, the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

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.

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.

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS
(Continued) for the year ended 31 January 2026

Termination benefits

Termination benefits are payable when an employee's employment is terminated by the charity before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits as a liability and an expense when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without realistic possibility of withdrawal, or providing termination benefits as a result of an offer to encourage voluntary redundancy.

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.

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.

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS
(Continued) for the year ended 31 January 2026

3. DONATIONS AND LEGACIES	Unrestricted Funds £	Restricted Funds £	TOTAL 2026 £	TOTAL 2025 £
Donations received from individuals and on-line through the charity's website	1,397,824	806,761	2,204,585	2,173,829
Other donations received from corporate and other similar supporters	513,563	376,943	890,506	1,200,931
Income from Legacies	36,449	-	36,449	250,000
Grants	520,314	25,176	545,490	1,093,325
Donations in kind:				
Training	7,140	-	7,140	-
Marketing	-	-	-	7,433
	2,475,290	1,208,880	3,684,170	4,725,518

The charity has been notified of its inclusion as a beneficiary in one estates. At the year end, the amounts receivable from these estates cannot be reliably quantified. In accordance with the charity's accounting policy that legacy income is only recognised when receipt is probable and the amount can be measured reliably, these legacies have not been included in the current year's income. The legacies will be recognised in the accounts in the period when the recognition criteria are met.

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2026 £	TOTAL 2025 £
Shop sales and other similar income	730	-	730	2,048
	730	-	730	2,048

5. INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	TOTAL 2026 £	TOTAL 2025 £
Bank interest receivable on short term cash deposits	170,111	-	170,111	120,645
	170,111	-	170,111	120,645

6. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	TOTAL 2026 £	TOTAL 2025 £
Direct costs	213,571	-	213,571	143,358
Support costs - see note 9 (30%)	356,728	-	356,728	369,265
	570,299	-	570,299	512,624

7. PROGRAMMES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2026 £	TOTAL 2025 £
Direct costs	1,336,762	1,100,969	2,437,731	2,539,355
Support costs - see note 8 & 9 (70%)	832,366	-	832,366	861,619
	2,169,128	1,100,969	3,270,097	3,400,974

8. CHARITABLE ACTIVITY EXPENDITURE

	Activities undertaken directly	Grants Funding of Activities	Support costs	TOTAL
Peru	1,859,479	-	634,921	2,494,400
PNG	383,974	-	131,108	515,083
Cameroon CCREAD	-	144,277	49,263	193,540
Go Conscious Earth	-	50,000	17,073	67,073
	2,243,454	194,277	832,366	3,270,097

9. SUPPORT & GOVERNANCE

	Unrestricted Funds				
	Support Costs	**Governance Costs**	**Restricted Funds £**	**TOTAL 2026 £**	**TOTAL 2025 £**
Donations in kind:					
Training costs		7,140	-	7,140	7,433
Staff costs (15%) - note 10	789,013	139,238	-	928,251	927,569
Staff recruitment, training and welfare (30%)	34,128	14,626	-	48,754	50,343
Travel and subsistence expenses (15%)	19,954	3,521	-	23,476	25,574
Premises operating lease costs (30%)	32,457	13,910	-	46,367	42,814
Other premises costs (40%)	3,528	2,352	-	5,880	6,025
Communications costs (60%)	19,109	28,663	-	47,772	72,057
Other costs (50%)	4,905	4,905	-	9,810	12,867
Legal and professional fees (10%)	13,119	1,458	-	14,576	11,223
Auditor's remuneration:					
Audit fee (100%)	-	24,000	-	24,000	20,000
Accountancy and advisory services (100%)	-	12,518	-	12,518	33,439
Amortisation (25%)	1,875	625	-	2,500	10,933
Depreciation - owned assets (25%)	2,269	756	-	3,025	4,368
Exchange losses	15,024	-	-	15,024	6,239
	935,381	253,713	-	1,189,094	1,230,884

Support costs are allocated directly based on activity and thereafter using the ratios, which are based on estimated assessed impact of the costs involved. The percentage of costs allocated as governance is disclosed above where relevant. Support costs are currently split 30:70 between raising funds and programmes.

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS
(Continued) for the year ended 31 January 2026

10. STAFF COSTS

		2026 No.	2025 No.
The average monthly number of persons employed by the charitable company (excluding trustees) during the year was, as follows:			
UK Staff		17	16
Overseas Staff		23	20
UK Staff costs		£	£
	Wages	737,691	753,730
	Employers NI	80,223	78,870
	Employers Pension Costs	18,836	17,728
	Contractors	81,788	77,242
		918,538	927,570
Overseas Staff Costs			
	Employed staff costs	595,600	430,610
	Contractors	127,124	104,109
		722,724	534,719
Total Staff Costs		1,641,262	1,462,289

During the year, one employee earned total emoluments in the range £60,000 to £70,000 (2024/2025: one employee in the range £60,000 to £70,000).

During the year, one employee earned total emoluments in the range £110,000 to £120,000 (2024/2025: one employee in the range £110,000 to £120,000).

The highest paid employee is part of the key management team.

During the year, the total amount of employee benefits received by key management personnel for their services to the charitable company amounted to £418,286 (2024/2025: £329,529).

No trustee received any remuneration for services provided to the charity as a trustee during the current or previous year.
During the year, trustees' expenses reimbursed totalled £427 (2025: £239). These related to travel and subsistence costs incurred in connection with trustee duties.

Included in staff costs are termination payments totalling £51,199 (2025:£nil). At the year-end no balance was outstanding.

Retirement benefit schemes

Defined contribution schemes
The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to income and expenditure in respect of the defined contribution schemes was £18,604 (FY25 £17,728)

At the year end £4,309 contributions were outstanding (FY25 £6,999)

11. INTANGIBLE ASSETS

	Website £
Cost:	
01 February 2025	142,065
Additions	-
Disposals	(25,200)
Saturday, January 31, 2026	116,865
Amortisation:	
01 February 2025	110,441
Charge for the year	2,500
Disposals	(25,200)
31 January 2026	87,741
Net book value:	
31 January 2026	29,124
31 January 2025	31,624

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS
(Continued) for the year ended 31 January 2026

12. TANGIBLE ASSETS

	Office & computer equipment £
Cost:	
01 February 2025	62,200
Additions	14,300
Disposals	(6,682)
31 January 2026	69,818
Depreciation:	
01 February 2025	59,370
Charge for the year	3,025
Disposal	(6,682)
31 January 2026	55,711
Net book value:	
31 January 2026	14,107
31 January 2025	2,831

13. DEBTORS

	2026 £	2025 £
Amounts falling due within one year:		
Trade debtors	183,136	574,552
Other debtors	2,049	1,427
Prepayments and accrued income	1,047,017	390,889
	1,232,202	966,868

COOL EARTH ACTION
NOTES TO THE FINANCIAL STATEMENTS
(Continued) for the year ended 31 January 2026

14. CREDITORS	2026 £	2025 £
Amounts falling due within one year:		
Trade creditors	51,640	25,939
Other taxation and social security costs	3	-
Other creditors	3,839	7,005
Accruals	56,379	26,738
	111,861	59,682

15. THE FUNDS OF THE CHARITY	Balance at 31 January 2025 £	Income £	Expenditure £	Balance at 31 January 2026 £
Restricted income funds:				
Peru fund	-	200,053	(200,053)	-
PNG fund	-	99,579	(99,579)	-
Forest Research- PNG	-	25,176	(7,928)	17,248
Forest Research- Peru	-	91,450	(91,450)	-
Cash Transfer Peru	-	240,153	(240,153)	-
Cash Transfer PNG	-	170,209	(67,656)	102,553
Cocao- Peru	-	169,494	(169,494)	-
Fish Farming- Peru	-	80,355	(80,355)	-
Solar Lighting - PNG	-	52,410	(7,625)	44,785
Unconditional Cash Transfers	281,751	80,000	(136,675)	225,076
	281,751	1,208,880	(1,100,969)	389,662
Unrestricted income funds:				
General fund	5,966,845	2,646,131	(2,739,427)	5,873,549
	6,248,596	3,855,011	(3,840,396)	6,263,211

- **The Peru fund** was originally set up in 2009 to conserve not less than 1,000 acres of endangered rainforest through the Ashaninka project in Peru and to provide support to the local communities. The Peru restricted fund is still used to account for specific donation income received for the benefit of Cool Earth's projects in Peru and the related restricted expenditure.

- The PNG fund was originally set up in 2017 to account for specific donation income received for the benefit of Cool Earth's projects in Papua New Guinea (PNG) and the related restricted expenditure.
- The Forest Research funds support the organisation's Rainforest Labs projects that provide data, equipment and training to communities that monitor and protect their rainforest using remote sensing.
- Cacao- Enabling small producers have the tools and ability to produce and commercialise their cacao beans
- Fish Farming -Enabling Fish farmers have the tools and ability to produce fish to diversify protein intake and commercialise their fish catch for local market
- Solar Lighting - Providing reliable light source for household lighting, which creates a safer communities
- The Unconditional Cash Transfers funds support grants made to communities, federations and individuals who protect rainforest.
- Cash Transfers- also known as bridge funds are communal cash payments made directly to the leadership committees of communities to address their needs and priorities such as health, education, agriculture, etc.

The Unrestricted General Fund ensures programming work across the organisation and operations can continue even in the eventuality of poor fundraising performance as outlined in the Reserves Policy.

	Balance at 1 February 2024 £	**Income £**	**Expenditure £**	**Balance at 31 January 2025 £**
Restricted income funds:				
Peru fund	-	167,730	(167,730)	-
PNG fund	-	241,370	(241,370)	-
Forest Research	228,011	30,000	(258,011)	-
Forest Research- PNG	-	34,975	(34,975)	-
Forest Research- Peru	-	144,000	(144,000)	-
Unconditional Cash Transfers	632,604	-	(350,852)	281,751
Cash Transfer Peru	48,867	80,000	(128,867)	-
PNG WASH	-	3,778	(3,778)	-
	909,481	701,853	(1,329,583)	281,751
Unrestricted income funds:				
General fund	4,404,502	4,146,357	(2,584,014)	5,966,845
	5,313,983	4,848,211	(3,913,598)	6,248,596

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 January 2026:	Fixed assets £	Current assets £	Current liabilities £	Total £
Restricted income funds:				
Forest Research- PNG	-	17,248	-	17,248
Cash Transfer PNG	-	102,553	-	102,553
Solar Lighting - PNG	-	44,785	-	44,785
Unconditional Cash Transfers	-	225,076	-	225,076
Unrestricted income funds:				
General fund	43,231	5,942,179	(111,861)	5,873,549
NET ASSETS	43,231	6,331,841	(111,861)	6,263,211

As at 31 January 2025:	Fixed assets £	Current assets £	Current liabilities £	Total £
Restricted income funds:				
Unconditional Cash Transfers	-	281,752	-	281,752
Unrestricted income funds:				
General fund	34,455	5,992,071	(59,682)	5,966,844
NET ASSETS	34,455	6,273,823	(59,682)	6,248,596

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

	2026 £	2025 £
Net income for the reporting period	14,615	934,613
Adjustments for:		
Dividends, interest and rents from investments	(170,111)	(120,645)
Amortisation charges	2,500	10,933
Depreciation charges	3,025	4,368
Loss on disposal of tangible fixed assets	-	-
(Increase)/decrease in debtors	(265,337)	1,338,900
Increase/(decrease) in creditors	52,179	(11,617)
Net cash provided by operating activities	(363,129)	2,156,552

18. ANALYSIS OF NET DEBT

	2025 £	Cashflows £	2026 £
Cash at bank and in hand	5,306,957	(207,318)	5,099,639

19. RELATED PARTY TRANSACTIONS

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. These expenses have not been quantified.

The charity undertook the following transactions with related parties during the year:

Cool Earth US Cool Earth US is a related charity sharing common objectives. During the year, the charity made donations totalling £959,982 (2024/25: £1,080,567) to Cool Earth Action. At the year end the balance of £983,982 was outstanding and included in debtors (2024/25; £nil)

Cool Earth Realisations Ltd

During the 2023/24 financial year a company under common control of Cool Earth was retired from the Register of Companies whilst still carrying a cash balance. The amount of £2,224,071 was retrieved from the Treasury Solicitor at the start of the 2024/25 financial year and returned to reserves.

20. AUDITOR LIABILITY LIMITATION AGREEMENT

For the year ended 31 January 2026, the charity entered into a liability limitation agreement with its auditors, the principal terms of which limit the liability of the auditors to £5million in relation to their responsibilities as auditors of the charity. The date this was agreed by the charity was 13th August 2026.