

Environmental Defense Fund Europe

Annual Report and Financial Statements

Year ended 30 September 2020

Charity number: 1164661

Company number: 09217493

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Reference and Administrative Information

Other Names	Environmental Defense Fund, Environmental Defense Fund Ltd (former name), Environmental Defence Fund Europe/UK (former name), EDF Europe/UK, EDF Europe, EDF UK, Environmental Defence Fund
Directors	Katherine Lorenz Carl Ferenbach Jens Dag Ulltveit-Moe Lord Brian Griffiths Christopher Cole Lance West Connie Hedegaard (Appointed 16 th September 2020) Andrea Monge (Appointed 19 th November 2020) Ravi Gurumurthy (Appointed 19 th November 2020) Roland Kupers (Appointed 16 th September 2020)
Registered Office	3 rd Floor 41 Eastcheap London EC3M 1DT
Company Registration Number	09217493
Charity Registration Number	1164661
Accountants	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Auditors	BDO LLP 55 Baker Street London W1U 7EU
Bankers	Wells Fargo Capital Finance (UK) Limited 33 King William Street London EC4R 9AT

Report of the trustees for the year ended 30 September 2020

The trustees are pleased to present their annual directors' report together with the financial statements of the charitable company for the year ended 30 September 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act 2006 purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

No single entity can do all that is needed to address today's urgent environmental problems - not the United States, not Europe, not the global business community, certainly not Environmental Defense Fund alone. Nevertheless, by working in partnership with many others, we can make a difference.

As we expand our platform in Europe, we have assessed what needs to be done to meet the most pressing challenges that cross national boundaries. We looked at how we are best positioned to help; based on the strengths we bring to the table and the good work others are doing. The results are captured in our European Strategic Plan: ***Charting a Course for EDF Europe***, which shares our vision for the coming years and sets out our strategies and approaches. In working towards these goals, we will remain alert and flexible, responding to new scientific discoveries, technological innovations and social trends and pursuing important opportunities as they arise.

Objectives and activities

The objects of the Charity are for the public benefit to promote:

- the advancement of the conservation, protection and improvement of the physical and natural environment;
- the advancement of the education of the public with particular reference to the conservation, protection and improvement of the physical and natural environment; and
- the promotion of sustainable development by:
 - the preservation, conservation, and the protection of the environment and the prudent use of resources;
 - the promotion of sustainable means of achieving economic growth and regeneration; and

- sustainable development means “*development which meets the needs of the present without compromising the ability of future generations to meet their own needs*”.

The charity Trustees consider that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charity Commission and that the benefits that the charity provides are not unreasonably restricted.

Europe so often leads the world in safeguarding the environment and human health, from its major advances on climate to its protections for species and habitat, and its ambitious standards for clean air, clean water, safer chemicals and greener products. Yet we still face many challenges. Tackling global climate change requires unprecedented action, our seas are still under great pressure, our land does not sustain the protective web of biodiversity and habitats it once did, and human health is still too often impaired due to poor environmental conditions.

To help deliver solutions on the scale of these problems, Environmental Defense Fund Europe will reach out to new audiences, unlock additional resources, and deploy both tried and tested tools and innovative approaches, adding further diversity to the European environmental movement.

Hallmarks of Environmental Defense Fund Europe’s approach include:

- working across the political spectrum;
- presenting a positive vision;
- investing in science and data analysis;
- using legal and economics expertise to design solutions; and
- working with strategic partners across all sectors.

Charting a Course for EDF Europe

EDF has a 50-year track record in the US of using economics, science, and partnerships to provide pragmatic solutions to the world’s most pressing environmental problems. To increase its overall effectiveness, EDF will expand its European presence in the coming years. It will do this by expanding its engagement in the heart of decision making in Brussels and across Europe. We will collaborate with politicians, policy makers, businesses and academia to hasten the transition to a carbon free economy, develop and implement ambitious environmental policies across Europe, and share learnings from Europe to other parts of the globe.

By developing a significant presence in Brussels and raising our profile as a global organisation, we will ensure that we can disseminate the best science and economics to achieve cohesive solutions that are effective locally, regionally and globally.

Goals

Energy

Accelerated adoption of clean energy in all sectors has reduced carbon emissions (against a 2017 baseline) and contributed to improvements in air quality, while allowing for strong growth in the economy.

Measuring methane emissions

Measured methane emissions from global oil and gas infrastructure to help identify emissions mitigation opportunities within Europe.

Reducing methane emissions

European countries and companies make strong commitments to reduce methane emissions, consistent with achieving a 45% global reduction by 2025.

Climate

Europe meets its commitments under the Paris Agreement, pledging to cut emissions by at least 55% by 2030 (from a 1990 baseline).

Carbon Pricing

That carbon pricing is effective in reducing emissions across all sectors, including through the European Union Emissions Trading Scheme (EU-ETS) and through ICAO and IMO for international aviation and shipping.

Oceans

Establish Europe as a world leader in addressing climate change impacts on fisheries.

Air Quality

Advance innovation in air pollution monitoring and control around the world to tackle the growing crisis of urban air quality. Working with diverse partners on the ground around the world, we are advancing scientific and policy tools to support solutions that deliver cleaner air and healthier communities.

Achievements and performance

Measuring methane emissions

Methane is a potent greenhouse gas, responsible for at least 25% of current human-caused global warming. Environmental Defense Fund Europe has coordinated international research with over 100 partners, measuring methane emissions from global oil and gas infrastructure. To date, we have published more than 50 papers in peer-reviewed scientific journals.

In 2020, our research characterised city emissions in Hamburg, Germany, and Utrecht, the Netherlands. Further studies in the UK, France, Spain, Poland, and Romania were released in early 2021. These findings will help identify emissions mitigation opportunities within Europe.

As part of a long-term collaboration with the Netherlands Institute for Space Research (SRON), we are using satellite data from the European Space Agency to distinguish regional oil and gas emissions worldwide. In 2020, we provided the first satellite-based emissions measurements in the US and Mexico, with further regions to be published in 2021. This groundbreaking work is critical to understand how civil society can use methane emissions measurements from space.

Enabling ambitious methane legislation

Reducing global oil and gas methane emissions is the fastest and most effective way to slow global warming. In July 2020, the European Commission (EC) issued its Sector Integration and Hydrogen Strategies, which both address methane emissions within a long-term transformation of Europe's energy system. Later, in October 2020, the EC released a Methane Strategy to help deliver its European Green Deal climate goals. The strategy acknowledges reducing oil and gas methane emissions caused as key to delivering the most immediate impact. In 2021, the EC will introduce new legislation to enact these strategies, including domestic methane in June and imports later in the year.

These instrumental developments follow the Environmental Defense Fund Europe's work with a network of EU stakeholders and decision-makers to drive ambitious methane reform. Our goal is to reduce global oil and gas methane emissions 45% by 2025, which will deliver the same 20-year climate benefit as closing one-third of the world's coal plants.

Cleaning up shipping

Shipping is the lifeblood of global trade, transporting 80% of the world's cargo. Currently, shipping emits the same amount of greenhouse gases as Germany, the world's sixth most polluting country, and the sector's emissions are on the rise. In 2018, the International Maritime Organization (IMO) pledged to halve the sector's emissions by 2050 from 2008 levels. However, this ambition falls short of the Paris Agreement, which would require the

sector to decarbonise by 2050 to align with the 2C target.

Environmental Defense Fund Europe works with maritime stakeholders to clean up shipping and reduce its emissions over a full lifecycle. As a knowledge partner of the Getting to Zero Coalition, we have driven the progressive part of the industry to commit to an introduction of zero-emissions vessels by 2030.

Comprehensive policies and guidance will enable industry to make confident steps towards truly sustainable maritime fuels. Our report, *Exploring the relevance of ICAO's Sustainable Aviation Fuels framework for the IMO*, identified how lessons from the aviation sector can inform regulations that fast-track a shift to zero-carbon fuels. As described in our reports, *Sailing on Solar* and *Electrofuels for Shipping*, the transition to zero-carbon shipping can draw USD billions of investment, especially in developing countries.

Building resilient oceans

Climate change and overfishing present a major threat to ocean ecosystems and the communities that rely on them. Warmer temperatures are driving fish toward cooler waters, impacting marine biodiversity and local livelihoods. Over decades, Environmental Defense Fund has worked with governments, communities and other stakeholders to establish sustainable fisheries using co-management practices.

Developing cutting-edge research and tools, we introduce policies and practices that allow fish and fishermen to thrive. In 2020, we made important progress in the EU, building on previous fisheries reform in the Americas. In September 2020, Portugal strengthened its national fisheries law, becoming the second EU country to allow small-scale fisheries to be co-managed by fishermen at a national level.

Together with partners — ANP/WWF Portugal, Center for Marine Science (CCMAR) from the University of Algarve, the National Oceans and Atmospheric research institute (IPMA), and the Oceano Azul Foundation (FOA) — in Portugal, we plan to advance co-management practices in the Algarve Octopus fishery and will expand our work with EU partners to build ocean resilience. We believe that establishing a strong co-management system backed by science in this important fishery can be an example for other small-scale fisheries in southern Europe.

Protecting health with cleaner air

Air pollution is the largest environmental health risk in Europe, causing 400,000 premature deaths a year. Together with the Mayor of London, health and science experts, Environmental Defense Fund Europe launched Breathe London, a pilot project to map and measure air pollution across the capital. At the end of 2020, Breathe London was handed to a new consortium, representing a long-term commitment by the Mayor of London to ensure hyperlocal air quality monitoring remains a vital public health resource.

Supporting our ongoing advocacy efforts in London, we are sharing data analyses

measuring the impact of air pollution and traffic congestion during COVID-19 restrictions as the city looks to build back better. As a result, we have developed new relationships with key NGOs and increased public awareness of the air pollution problem and Environmental Defense Fund Europe's work. The Breathe London network demonstrates how global cities can leverage lower-cost air pollution monitors to map and measure harmful pollution, enabling communities, governments and companies to take action.

Development and Operations

Jill Duggan's appointment as Executive Director for Environmental Defense Fund Europe supports a shift in focus towards the EU, supporting policymaking around the EU Green Deal. With a population of around 500 million people, the EU is pushing for net zero carbon emissions by 2050 and cuts of at least 55% against 1990 by 2030. EU decisions are important in pushing momentum for global action — from China, India and the United States. Our shift in focus to the EU brings a change in the funding landscape as well. We are increasingly pursuing government funding from entities such as the European Commission, individual governments, and institutional funding from foundations. Diversifying our funding streams by tapping into new sources will help us grow and expand. To deliver on the new strategic direction of EDF Europe, we are actively recruiting senior level staff, focusing on Brussels, the heart of EU policymaking, and across the EU to ensure our understanding fully reflects the economic and political diversity of the bloc. Our ambitious goals require that we hire people with the experience, networks and knowledge to fulfil our vision.

While the vaccine for COVID-19 is being distributed, staff remain working from home and will continue to do so until it is safe to reopen the office.

Financial review

Expenditure

Direct expenditure for the year ended 30 September 2020 totalled £3,790k (2019: £2,815k). Of the total expenditure, £2,038k was considered unrestricted (2019: £2,188k) and £1,752k was subject to donor restrictions (2019: £628k).

Stichting EDF Europe's direct expenditure was £428k (2019: £112k) The expenditure covered charitable activities and operational costs.

Income

EDF Europe receives funding and support from a number of generous private individuals and foundations. The remainder of our activity is funded through a grant from EDF Inc. We maintain a restrictive government and corporate donations policy that ensures our objectivity, aligns with our commitment to non-partisanship, and allows EDF Europe to make its work freely available to ensure its widest possible adoption.

EDF Europe received total income of £3,766k (2019: £2,262k) for the year ended 30 September 2020. This included £2,187k of unrestricted funds (2019: £2,144k) and £1,579k of funds that were subject to a restriction on usage (2019: £118k).

EDF Europe ended FY2020 with an unrestricted surplus of £149k compared to a £43k deficit a year earlier.

Total funds at the end of 2019/20 were £598k (2019: £622k). All net assets held were considered unrestricted. Total funds at the end of financial year 2018/19 comprised unrestricted assets of £449k and restricted assets of £173k.

Conduit funding

During the year, EDF Europe received funding on behalf of EDF Inc totalling £48k. These funds were passed directly to EDF Inc at the request of the donor and are not included in the results of EDF Europe.

Reserves policy

Reserves are typically required to bridge the gap between spending and receiving income, and/or to cover. The Trustees believe the ideal level of Reserves is three months of budgeted Operating Expense which is £582k (2019: £337k). The reserves level has been reviewed in light of the Covid-19 pandemic and the Trustees assess that the required level of reserves remains appropriate despite this external event. The total unrestricted funds at 30 September 2020 amounted to £598k (2019: £449k). This includes fixed assets with a Net Book Value (NBV) of £57k (2019: £38k) that are not available for general purposes at the year-end, leaving free reserves at the year-end of £541k (2019: £411k). The trustees feel that the current level of reserves is sufficiently close to target so as not to require specific action. This will however be reviewed annually as the organisation continues to grow.

Going concern

In assessing the impact of COVID-19 on EDF Europe, the Trustees have considered all the matters described in the Trustees' Report, including the potential impact on the group's operations, donations and grant funding. The trustees do expect the impact of COVID-19 to have a material impact on current programmatic strategy and expansion plans. EDF Europe has a signed letter of support from the parent charity Environmental Defense Fund Inc (for the period to the end of May 2022) guaranteeing to cover any shortfalls incurred by EDF Europe that covers the period to the end of May 2022.

As at the date of signing these financial statements, the Trustees' forecasts indicate that the charitable company will be able to maintain liquidity for a period of at least one year following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees therefore consider that no material uncertainty exists that could impact the charitable company's going concern assessment.

Looking to the future

We have shifted our focus for future work to the EU and also look to the opportunities that will arise from the change in administration in the US and the forthcoming climate talks COP26 – due to be held in Glasgow later this year, pandemic permitting.

Recognising our institutional strengths, we are continuing to raise the importance of tackling methane emissions from oil and gas, encouraging the EU to take a global leadership role to address this issue rapidly. We are building on the work on air quality that we have engaged with in London and around the world and have embarked on a project (SURF) to accelerate Zero Emissions Freight Zones in cities in Europe – in collaboration with POLIS, an organisation that works with European cities on sustainable urban transport.

In collaboration with US colleagues we are entering the current debate on the deployment of hydrogen to replace fossil fuels in Europe. Using a scientific evidence base and policy experience we will be seeking funding to take a much more prominent role in the discussions and policy development. We are undertaking gap analysis to focus future work on transport in the EU and also similarly on nature based solutions. We are in discussions with funders and potential partners to expand our work on air quality to Eastern European cities. We are continuing to influence the International Maritime Organisation to take more robust and more urgent action to address the impacts of global shipping and our expanded climate policy team are engaging with European Commission proposals on expansion of carbon trading to new sectors. We have recently launched a Sustainable Aviation Buyers Alliance to generate business support for alternative fuels for aviation.

Our strategy is guided by where our expertise can have the most impact but also by the regional priorities and timelines. We are focusing recruitment on a diverse staff representative of a broad range of appropriate skills and experience to ensure that the policy options we put forward are robust, appropriate and will have impact.

Fundraising

We seek to raise funds from individuals, foundations and relevant Government grant making programmes. EDF Europe receives donations raised by EDF Inc. for our work in Europe and direct support received from European sources. Fundraising activities in Europe are closely coordinated between EDF Inc. and EDF Europe.

We carry out our fundraising in-house, do not currently employ professional fundraising service providers, and do not manage small-scale donations from individuals. EDF Europe does not hold or manage a list of contact details for donors' residents in Europe, donating to EDF Europe. We have received no complaints. Our fundraising activity is currently not operating at a level where we consider it necessary to agree to any voluntary standards. Should it increase, we will ensure we adopt leading practices and sign up to and meet the appropriate standards.

We have received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times; it is not currently necessary to design specific procedures to monitor such activities. When fundraising from individuals in Europe is facilitated in Europe via a dedicated communications channel such as the new website, we will establish the necessary procedures and guidelines to manage that activity.

Structure governance and management

Governing document

Environmental Defense Fund Europe (EDF Europe) is a company limited by guarantee under the Companies Act 2006 and incorporated in England and Wales. Environmental Defense Fund, Incorporated, a New York not-for-profit organisation (“EDF Inc.”), is the sole member of the Charity. The liability of the Member is limited to £1, being the amount that the Member undertakes to contribute to the assets of EDF Europe in the event of its being wound up while it is the Member or within one year after it ceases to be the Member. In addition to the foregoing, EDF Inc. has entered into an agreement with EDF Europe to pay operating expenses that EDF Europe is unable to pay during the period from September 1 2020 through May 31, 2022.

Decisions of EDF Europe are made by the Charity’s trustees, who act independently from EDF Inc. may suggest areas of work for consideration by the EDF Europe’s trustees; however, work in these suggested areas will be undertaken only if the trustees of the Charity decide that it will further the Charity’s objects and that it will be effective in the UK and/or wider European context. Program and geographic leaders work collaboratively to identify and maximise opportunities for transformative environmental impact.

Stichting Environmental Defense Fund Europe is a charitable foundation, registered in the Netherlands (Chamber of Commerce Registration no. 72607440) and a company limited by guarantee, incorporated in the Netherlands (Fiscal identity company no. 859171814) under the sole control of EDF Europe. The mission of the Stichting EDF Europe follows that of its parent organisation EDF Europe and its ultimate parent organisation, EDF Inc.

The workforce remuneration and key management personnel (KMP) salaries are reviewed against market pay data. We are also in the process of devising a remuneration policy to ensure workforce pay is within the appropriate market benchmark, parameters and criteria against the UK charity and not for profit sector.

Appointment of trustees

The Memorandum and Articles of Association of EDF Europe require that the Charity have at least four trustees, two of whom must be independent trustees. EDF Inc., as the sole member, appoints trustees for such term as the sole member specifies.

Trustees of EDF Europe have been, and prospective trustees will continue to be, chosen with their knowledge of the European region in mind. In due course, as the Charity gains experience and develops its own organisational capacity, it is anticipated that the Charity’s staff and trustees

will increasingly propose areas of focus and activities to be carried out by EDF Europe and will liaise with EDF Inc. to ensure such activities coordinate with EDF Inc.'s work.

EDF Inc. and EDF Europe work together towards the achievement of common goals and currently share a common Board Chair, which helps to provide co-ordination and consistency.

We are seeking to expand Board membership to include representatives from a wider spectrum of European countries and a greater range of skills, experience and influence.

Trustee induction and training

New EDF Europe trustees are voted on by a majority vote of the board. Upon their approval, new trustees are provided a trustee handbook and organisational orientation. The orientation includes meetings with the board chair, EDF Europe Executive Director, and other members of the organisation's senior leadership team including but not limited to the Chief Administrative Officer and programme teams. The goal of the orientation is to give new trustees the opportunity to ask questions and gain a deeper understanding of the organisation's mission, vision and operations.

Organisation

An Executive Director is appointed by the trustees to manage the day-to-day operations of EDF Europe by implementing the policy and strategy adopted by and within a budget approved by the Trustees. The Trustees provide the manager with a description of his or her role and the extent of his or her authority; and any manager must report regularly to the Trustees on the activities undertaken in managing EDF Europe and provide them regularly with management accounts, which are sufficient to explain the financial position of the Charity.

Risk management

The Trustees of EDF Europe receive regularly updated risk assessments which cover the principal risks and uncertainties that the charity face, including financial, operational and reputational, presented in the form of a risk register that also summarises implementation of policies, processes or procedures to minimise or manage the potential impact on the charity should those risks materialise.

The trustees review the risk register at each board meeting and consider any further steps which may be necessary to manage new as well as previously identified risks. The trustees consider the most serious risks to which the charity is exposed at present to be:

- **Strategic aim of European expansion:** Risk that the strategic aim of European expansion will be delayed due to the need to develop and implement strong operational processes and policies. To mitigate this risk we engaging external partners with specific expertise.
- **Developing robust business processes:** EDF Europe was supported by a combination of contract staff and external experts during the first years of incorporation. As the organisation continues to grow, there is a need to build internal capability to ensure that

the operating environment remains robust. This risk will be managed by mapping and recruiting long-term recruitment needs.

- **Reputational risk.** We carry out media monitoring in Europe and the US and at programme levels to help monitor this risk and regularly review our publications and social media outputs.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence 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 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 group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group'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.

In preparing this Trustees' Report advantage has been taken of the small companies' exemption, including the option not to produce a strategic report.

By order of the board of trustees

A handwritten signature in black ink, appearing to read 'Carl Ferenbach', written in a cursive style.

Carl Ferenbach (Chair)
18th June 2021

INDEPENDENT AUDITOR'S REPORT TO MEMBERS AND TRUSTEES OF ENVIRONMENTAL DEFENSE FUND EUROPE

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 30 September 2020 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources 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.

We have audited the financial statements of Environmental Defense Fund Europe ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 30 September 2020 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheet, the consolidated statement of cash flow 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 Group and the Parent Charitable Company in accordance with the ethical requirements 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 related 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 Group and the Parent 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 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. The other information comprises: Report of the Trustees. 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 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.

Other Companies Act 2006 reporting

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, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustee's 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 by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 in relation to the financial statements, 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 determines 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 Group's and the Parent 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 Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We made enquiries of management, and the Board, including:
 - how they have identified, evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
 - their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company. These include, but are not limited to, compliance with the Companies Act 2006, UK GAAP, FRS 102 Charities SORP, and tax legislation.
- In addition, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or

litigation. We identified the following areas as those most likely to have such an effect: employment law, health and safety legislation, and data protection. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.

- We considered management’s incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Audit response to risks identified

- The Senior Statutory Auditor has assessed and concluded that the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations;
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- We made enquiries of the Board and management;
- We read minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to deferred income on grants received, accruals, and classification of restricted funds.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council’s (“FRC’s”) website at: <https://www.frc.org.uk/auditorsresponsibilities>. This 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.

DocuSigned by:

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Jill Halford (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor
London,
United Kingdom

Date: 21 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Environmental Defense Fund Europe
Consolidated Statement of Financial Activities
(incorporating an income and expenditure account)
For the year ended 30 September 2020

	Note	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Income from:							
Charitable activities:							
- Supporting the EU	2	2,186,075	1,578,666	3,764,741	2,143,873	117,500	2,261,373
Other income	3	1,083	-	1,083	415	-	415
Total income		<u>2,187,158</u>	<u>1,578,666</u>	<u>3,765,824</u>	<u>2,144,288</u>	<u>117,500</u>	<u>2,261,788</u>
Expenditure on:							
Charitable activities:							
- Supporting the EU	4	2,038,222	1,751,869	3,790,091	2,187,679	627,630	2,815,309
Total expenditure		<u>2,038,222</u>	<u>1,751,869</u>	<u>3,790,091</u>	<u>2,187,679</u>	<u>627,630</u>	<u>2,815,309</u>
Net movement in funds		148,936	(173,203)	(24,267)	(43,391)	(510,130)	(553,521)
Reconciliation of funds:							
Total funds brought forward		<u>448,593</u>	<u>173,203</u>	<u>621,796</u>	<u>491,984</u>	<u>683,333</u>	<u>1,175,317</u>
Total funds carried forward	15	<u><u>597,529</u></u>	<u><u>-</u></u>	<u><u>597,529</u></u>	<u><u>448,593</u></u>	<u><u>173,203</u></u>	<u><u>621,796</u></u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

Environmental Defense Fund Europe
Consolidated Balance Sheet
As at 30 September 2020

Company registration no. 09217493

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets:					
Tangible assets	8	37,445		7,908	
Intangible Assets	9	<u>19,224</u>		<u>30,210</u>	
			56,669		38,118
Current assets:					
Debtors	11	1,043,075		824,758	
Cash at bank and in hand	17	<u>132,666</u>		<u>62,346</u>	
		1,175,741		887,104	
Liabilities:					
Creditors: amounts falling due within one year	12	<u>(628,881)</u>		<u>(303,426)</u>	
Net current assets			546,860		583,678
Total assets less current liabilities			603,529		621,796
Provisions for liabilities	13		<u>(6,000)</u>		<u>-</u>
Total net assets			597,529		621,796
Funds					
Restricted funds	14		-		173,203
Unrestricted funds	14		<u>597,529</u>		<u>448,593</u>
Total funds			597,529		621,796

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the trustees on 18th June 2021
and signed on their behalf by:



Carl Ferenbach (Chair)

The attached notes form part of the financial statements.

Environmental Defense Fund Europe**Parent Charity Balance sheet**

Company registration no. 09217493

As at 30 September 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets:					
Tangible assets	8	37,444		7,907	
Intangible Assets	9	19,224		30,210	
Investments	8	<u>1</u>		<u>1</u>	
			56,669		38,118
Current assets:					
Debtors	11	1,041,583		809,694	
Cash at bank and in hand	17	<u>132,666</u>		<u>62,346</u>	
		1,174,249		872,040	
Liabilities:					
Creditors: amounts falling due within one year	12	<u>(650,049)</u>		<u>(302,747)</u>	
Net current assets			524,200		569,293
Total assets less current liabilities			580,869		607,411
Provisions for liabilities	13		<u>(6,000)</u>		-
Total net assets			574,869		607,411
Funds					
Restricted funds	14		-		173,203
Unrestricted funds	14		<u>574,869</u>		<u>434,208</u>
Total funds			574,869		607,411

The financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

As permitted by section 408 of the Companies Act 2006, the Parent Charitable Company's profit and loss account has not been included in these financial statements. The deficit for the year was £32,542 (2019: £567,905 deficit).

Approved by the trustees on 18th June 2021
and signed on their behalf by:



Carl Ferenbach (Chair)

The attached notes form part of the financial statements.

Environmental Defense Fund Europe
Consolidated Statement of Cash Flows
For the year ended 30 September 2020

	2020	2019
	£	£
Net cash provided by operating activities	105,885	17,750
Cash used in investing activities	(35,565)	(9,183)
increase in cash and cash equivalents in the year	<u>70,320</u>	<u>8,567</u>
Cash and cash equivalents at the beginning of the year	62,346	53,779
Cash and cash equivalents at the end of the year	<u><u>132,666</u></u>	<u><u>62,346</u></u>

Reconciliation of net expenditure to net cash flow from operating activities	2020	2019
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(24,267)	(553,521)
Amortisation charge	10,986	10,986
Depreciation charge	6,028	1,275
(Increase) / decrease in debtors	(218,317)	436,124
Increase in creditors	325,455	122,886
Increase in provisions	6,000	-
Net cash provided by operating activities	<u><u>105,885</u></u>	<u><u>17,750</u></u>

Cashflow from investing activities

Purchase of Tangible Fixed Assets	35,565	(9,183)
	<u><u>35,565</u></u>	<u><u>(9,183)</u></u>

Changes in Net Funds

	At 01 October 2019 £	Cash Flows £	Non-cash changes £	At 30 September 2020 £
Cash at bank and at hand	62,346	70,320	-	132,666
Net cash	<u><u>62,346</u></u>	<u><u>70,320</u></u>	<u><u>-</u></u>	<u><u>132,666</u></u>

The attached notes form part of the financial statements.

Environmental Defense Fund Europe
Notes to the financial statements
For the year ended 30 September 2020

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102) and the Companies Act 2006. The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. These financial statements have been prepared in accordance with provisions applicable to companies' subject to the small companies' regime.

1.1 Basis of Consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary undertaking Stichting Environmental Defense Fund Europe on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure account for the charity has not been presented because it has taken advantage of the exemption afforded by the Charities SORP.

1.2 Going concern

In assessing the impact of COVID-19 on EDF Europe, the Trustees have considered all the matters described in the Trustees' Report, including the group's operations, the impact on donations and grant funding. With this in mind, the Trustees can confirm there are enough funds to support the programmatic operations of EDF Europe. Despite the global pandemic, Environmental Defense Fund Europe is in a good position and maintaining its current programmatic strategy and expansion plans. The trustees also deem the future risk to income streams to be negligible as a result of the signed letter of support from Environmental Defense Fund Inc. This letter demonstrates that the parent company has a legal obligation to cover the shortfalls up to May 2022. The trustees have made suitable inquiries and considered the charity's forecasts, including cash flow, updated in the context of the COVID-19 pandemic and covering a period of at least 12 months from the date of approval of these financial statements. In making our assessment, the Trustees did not consider there to be any material uncertainty relating to events or conditions that individually or collectively may cast significant doubt on the company's ability to continue as a going concern.

1.3 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

1.4 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity, which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations, which the donor has specified, are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Environmental Defense Fund Europe
Notes to the financial statements
For the year ended 30 September 2020

1.5 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the charity's environmental programmes and activities. Support costs have been allocated to expenditure on charitable activities.

1.7 Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1.8 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Provisions for dilapidations totalling £6,000 (2019: £5,000) are the best estimate of costs for the repairs and redecoration of office premises to return to good order before vacating in July 2025.

1.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.11 Intangible Assets

Intangible assets relate to website development costs. Where the charitable companies' websites are expected to generate future revenues in excess of the costs of developing those websites and all other capitalisation criteria are met, expenditure on the functionality of the website is capitalised and treated as an intangible fixed asset. The capitalised website development costs are subsequently amortised to 'administrative' expenses on a straight line basis over 4 years, except for those that are 'assets under construction', where no amortisation charge is incurred until the asset is complete.

Environmental Defense Fund Europe
Notes to the financial statements
For the year ended 30 September 2020

1.12 Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures and fittings - 20% straight-line basis

1.13 Foreign Currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

1.14 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the trustees have made the following judgements: Determine whether conditions included in income from grants have been met. In forming this judgement, trustees considered that conditions relating to a grant from the Children's Investment Fund Foundation had not been fully met and entitlement to the associated income had not unconditionally passed. Income of £91,153 has therefore been deferred until such time that the conditions have been fully satisfied. Otherwise, the trustees do not consider there are any further critical judgements or key sources of estimation uncertainty requiring disclosure other than those already described within note 1.

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

2 Donations and Grants

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Supporting the EU				
EDF	2,152,005	-	2,152,005	2,089,873
Thirty Percy	-	150,000	150,000	-
Alta Advisers	-	-	-	50,000
Anonymous Major Gift UK	-	-	-	24,000
Clean Air Fund	-	904,201	904,201	-
Children's Investment Fund Foundation	-	406,097	406,097	-
Frederick Mulder Foundation	25,000	-	25,000	25,000
Fundacion SHA	-	3,297	3,297	-
Levine Family Foundation	-	2,400	2,400	-
Oceano Azul Foundation	-	-	-	22,500
Other Donations	9,070	-	9,070	-
Rodel Foundation (via EDF Inc.)	-	110,671	110,671	-
SEM Charitable Trust	-	-	-	45,000
Diego and Veronique De Giorgi	-	2,000	2,000	5,000
Total for Supporting the EU	2,186,075	1,578,666	3,764,741	2,261,373

Of the total Donations and Grants recognised in 2019, £117,500 was considered restricted. A breakdown of this income can be found in note 15.

Analysis of turnover by country of detention

	2020 Total	2019 Total
	£	£
United Kingdom	1,473,768	124,000
Rest of Europe	28,297	47,500
Rest of the world	2,262,676	2,089,873
	3,764,741	2,261,373

3. Other Income

	Unrestricted	Restricted	2020 Total	2019 Total
	£	£	£	£
Interest Receivable	1,083	-	1,083	415

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

4 Analysis of expenditure

	Charitable activities				
	Supporting the EU	Support costs	Governance costs	2020 Total	2019 Total
	£	£	£	£	£
Staff costs	1,449,967	-	-	1,449,967	1,231,564
Professional fees	2,032,873	-	-	2,032,873	989,763
Staff travel	23,016	-	-	23,016	206,906
Rent	-	133,072	-	133,072	135,315
Office costs	-	54,657	-	54,657	101,637
Meetings	-	19,483	-	19,483	65,055
Subscriptions	-	11,611	-	11,611	43,749
General Administration	-	34,012	-	34,012	9,855
Audit and accounts fee	-	-	31,400	31,400	31,465
	3,505,856	252,835	31,400	3,790,091	2,815,309
Support costs	252,835	(252,835)	-	-	-
Governance costs	31,400	-	(31,400)	-	-
Total expenditure 2020	3,790,091	-	-	3,790,091	-
Total expenditure 2019	2,815,309	-	-	-	2,815,309

Of the total expenditure, £2,038,222 was unrestricted (2019: £2,187,679) and £1,751,869 was restricted (2019: £627,630).

Professional fees relate to third party services utilised in order to meet charitable objectives, as well as services required to maintain the operational aspects of the Charity, such as HR and accountancy.

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

5 Net expenditure for the year

This is stated after charging:	2020	2019
	£	£
Operating lease rentals:		
- Property	133,072	135,315
Depreciation	6,028	1,275
Amortisation	10,986	10,986
Auditor's remuneration:		
- Audit fees	26,500	31,465
	<u><u> </u></u>	<u><u> </u></u>

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2020	2019
	£	£
Salaries and wages	917,228	654,682
Social security costs	108,280	74,389
Employer's contribution to defined contribution pension schemes	84,127	46,634
Other staff costs	340,332	455,859
	<u><u>1,449,967</u></u>	<u><u>1,231,564</u></u>

The following number of employees received employee benefits (excluding employer pension) greater than £60,000 during the year:

	2020	2019
	No.	No.
£60,000 - £69,999	1	-
£70,000 - £79,999	1	-
£80,000 - £89,999	1	-
£90,000 - £99,999	-	-
£100,000 - £109,999	2	1
£110,000 - £119,999	-	-
£120,000 - £129,999	-	-
£130,000 - £139,999	-	1
£140,000 - £149,999	-	-
£150,000 - £159,999	-	1
	<u><u> </u></u>	<u><u> </u></u>

Other staff costs comprised US employee staff costs recharged to the UK in respect of various EDF Europe programme costs, which includes the work on the Energy, Office of the Chief Scientist (OCS), Climate and Oceans programmes in Europe.

The total employee benefits including pension contributions and national insurance contributions of the key management personnel were £313,132 (2019: £378,901). Key management personnel were determined to be the interim Managing Director (MD), Executive Director (ED) and Director of Development in 2020, in line with the prior year period.

Staff costs relating to Stichting Environmental Defense Fund Europe totalled £185,552 (2019: £65,637) and are included within other staff

Redundancy and termination costs relating to employees were £105,051 (2019: £16,131).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020	2019
	No.	No.
Charitable activities	<u>15</u>	<u>14</u>
	<u><u>15</u></u>	<u><u>14</u></u>

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

7 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8 Tangible fixed assets

	Office Equipment £	Investment in Subsidiary £	Total £
Cost			
At the start of the year	9,182	1	9,183
Additions in year	35,565	-	35,565
Disposals in year	-	-	-
At the end of the year	<u>44,747</u>	<u>1</u>	<u>44,748</u>
Amortisation			
At the start of the year	1,275	-	1,275
Charge for the year	6,028	-	6,028
Eliminated on disposal	-	-	-
At the end of the year	<u>7,303</u>	<u>-</u>	<u>7,303</u>
Net book value			
At the end of the year	<u>37,444</u>	<u>1</u>	<u>37,445</u>
At the start of the year	<u>7,907</u>	<u>1</u>	<u>7,908</u>

All of the above assets are used for charitable purposes.

9 Intangible fixed assets

	Website Development £	Total £
Cost		
At the start of the year	43,942	43,942
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>43,942</u>	<u>43,942</u>
Amortisation		
At the start of the year	13,732	13,732
Charge for the year	10,986	10,986
Eliminated on disposal	-	-
At the end of the year	<u>24,718</u>	<u>24,718</u>
Net book value		
At the end of the year	<u>19,224</u>	<u>19,224</u>
At the start of the year	<u>30,210</u>	<u>30,210</u>

All of the above assets are used for charitable purposes.

10 Stichting Environmental Defense Fund Europe

Stichting EDF Europe is an independent registered charity under the laws of The Netherlands (Chamber of Commerce Registration number 72607440) and a company limited by guarantee, incorporated in The Netherlands (Fiscal identity company number 859171814), located at Reguliersgracht 79, 1017 LN Amsterdam, The Netherlands. Summary results for Stichting EDF Europe are included in notes 19 and 20.

11 Debtors

	Group 2020 £	Group 2019 £	Parent Charity 2020 £	Parent Charity 2019 £
Other debtors	9,334	210,518	9,334	210,518
Amounts owed by EDF Inc.	946,123	562,414	946,123	548,842
Prepayments	49,755	51,826	48,263	50,334
Accrued income	37,863	-	37,863	-
	<u>1,043,075</u>	<u>824,758</u>	<u>1,041,583</u>	<u>809,694</u>

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

12 Creditors: amounts falling due within one year

	Group 2020 £	Group 2019 £	Parent Charity 2020 £	Parent Charity 2019 £
Trade creditors	69,331	58,713	68,604	58,034
Other creditors	35,761	35,500	35,761	35,500
Accruals	386,563	62,899	386,563	62,899
Amounts owed to group undertakings	-	-	21,895	-
Taxes and Social Security	29,573	146,314	29,573	146,314
Deferred income	107,653	-	107,653	-
	<u>628,881</u>	<u>303,426</u>	<u>650,049</u>	<u>302,747</u>

13. Provisions for liabilities

	Group 2020 £	Group 2019 £	Parent Charity 2020 £	Parent Charity 2019 £
Opening balance	-	-	-	-
Additions	6,000	-	6,000	-
Amounts charged against the provision	-	-	-	-
Closing balance	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>

The provision above has been made to cover the cost of dilapidations expected to arise at the end of the lease term on the new London property. This provision is expected to be utilised in 2025. The £5k dilapidations in FY2018/19 related to the old London property and this was recognised within accruals.

14 Analysis of net assets between funds - current year (Group)

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	56,669	-	56,669
Net current assets	546,860	-	546,860
Provisions for liabilities	6,000	-	6,000
Net assets at the end of the year	<u>609,529</u>	<u>-</u>	<u>609,529</u>

Analysis of net assets between funds - previous year

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	38,118	-	38,118
Net current assets	410,475	173,203	583,678
Net assets at the end of the year	<u>448,593</u>	<u>173,203</u>	<u>621,796</u>

Analysis of net assets between funds - current year (Parent Charity)

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	56,669	-	56,669
Net current assets	524,200	-	524,200
Provisions for liabilities	(6,000)	-	(6,000)
Net assets at the end of the year	<u>574,869</u>	<u>-</u>	<u>574,869</u>

Analysis of net assets between funds - previous year

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	38,118	-	38,118
Net current assets	396,090	173,203	569,293
Net assets at the end of the year	<u>434,208</u>	<u>173,203</u>	<u>607,411</u>

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

15 Movements in funds - current year (Group)	At 01 October 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
Restricted funds:					
C40	123,203	-	(123,203)	-	-
Alta Advisers	50,000	-	(50,000)	-	-
Thirty Percy	-	150,000	(150,000)	-	-
Clean Air Fund	-	904,201	(904,201)	-	-
Children's Investment Fund	-	406,097	(406,097)	-	-
Diego and Veronique De Giorgi	-	2,000	(2,000)	-	-
Levine Family Foundation	-	2,400	(2,400)	-	-
Fundacion SHA	-	3,297	(3,297)	-	-
Rodel Foundation	-	110,671	(110,671)	-	-
Total restricted funds	173,203	1,578,666	(1,751,869)	-	-
Unrestricted funds:					
General funds	448,593	2,187,158	(2,038,222)	-	597,529
Total unrestricted funds	448,593	2,187,158	(2,038,222)	-	597,529
Total funds	621,796	3,765,824	(3,790,091)	-	597,529
Movements in funds - current year (Parent Charity)	At 01 October 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
Restricted funds:					
C40	123,203	-	(123,203)	-	-
Alta Advisers	50,000	-	(50,000)	-	-
Thirty Percy	-	150,000	(150,000)	-	-
Clean Air Fund	-	904,201	(904,201)	-	-
Children's Investment Fund Foundation	-	406,097	(406,097)	-	-
Diego and Veronique De Giorgi	-	2,000	(2,000)	-	-
Levine Family Foundation	-	2,400	(2,400)	-	-
Fundacion SHA	-	3,297	(3,297)	-	-
Rodel Foundation	-	110,671	(110,671)	-	-
Total restricted funds	173,203	1,578,666	(1,751,869)	-	-
Unrestricted funds:					
General funds	434,208	2,187,158	(2,046,497)	-	574,869
Total unrestricted funds	434,208	2,187,158	(2,046,497)	-	574,869
Total funds	607,411	3,765,824	(3,798,366)	-	574,869

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

Movements in funds - prior year (Group)	At 01 October 2018 £	Income £	Expenditure £	Transfers £	At 30 September 2019 £
Restricted funds:					
C40 Group	683,333	-	(560,130)	-	123,203
Alta Advisers	-	50,000	-	-	50,000
SEM Charitable Trust	-	45,000	(45,000)	-	-
Oceano Azul Foundation	-	22,500	(22,500)	-	-
Total restricted funds	683,333	117,500	(627,630)	-	173,203
Unrestricted funds:					
General funds	491,984	2,144,288	(2,187,679)	-	448,593
Total unrestricted funds	491,984	2,144,288	(2,187,679)	-	448,593
Total funds	1,175,317	2,261,788	(2,815,309)	-	621,796
Movements in funds - prior year (Parent Charity)	At 01 October 2018 £	Income £	Expenditure £	Transfers £	At 30 September 2019 £
Restricted funds:					
C40 Group	683,333	-	(560,130)	-	123,203
Alta Advisers	-	50,000	-	-	50,000
SEM Charitable Trust	-	45,000	(45,000)	-	-
Oceano Azul Foundation	-	22,500	(22,500)	-	-
Total restricted funds	683,333	117,500	(627,630)	-	173,203
Unrestricted funds:					
General funds	491,984	2,018,238	(2,076,014)	-	434,208
Total unrestricted funds	491,984	2,018,238	(2,076,014)	-	434,208
Total funds	1,175,317	2,135,738	(2,703,644)	-	607,411

16 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Less than 1 year	270,874	235,680
2 - 5 years	908,356	1,083,958
Greater than 5 years	-	94,967
	1,179,230	1,414,605

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.

18 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

During the year the organisation received a grant of £2,152,005 (2019: £2,089,873) from EDF Inc. Included within debtors falling due within one year is an amount owed at the end of the year by EDF Inc. of £946,123 (2019: £562,414). Included within the grant from EDF Inc was £325,000 which was subsequently regranted to the Stichting. At the end of the year a creditor balance of £21,895 was owed by EDF Europe to the Stichting.

Bryony Worthington, CEO, left employment on December 2019. The Charity paid termination payments of £88k (£45k contractual and £43k ex-gratia payment).

Environmental Defense Fund Europe
Notes to the financial statements (continued)
For the year ended 30 September 2020

19 Sticing EDF Statement of Financial Activities	2020			2019		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:						
Donations and grants	325,435	110,671	436,106	126,050	-	126,050
Total income	325,435	110,671	436,106	126,050	-	126,050
Expenditure on:						
Charitable activities	317,160	110,671	427,831	111,665	-	111,665
Total expenditure	317,160	110,671	427,831	111,665	-	111,665
Net movement in funds	8,275	-	8,275	14,385	-	14,385
Reconciliation of funds:						
Total funds brought forward	14,385	-	14,385	-	-	-
Total funds carried forward	22,660	-	22,660	14,385	-	14,385

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

Environmental Defense Fund Europe Ltd
Notes to the financial statements (continued)
As at 30 September 2020

Company registration no. 859171814

20	Stiching EDF Balance Sheet	2020	2020	2019	2019
		£	£	£	£
	Current assets:				
	Amounts due from parent	21,895		15,065	
	Prepayments	1,491		-	
	Cash at bank and in hand	-		-	
		<u>23,386</u>		<u>15,065</u>	
	Liabilities:				
	Creditors: amounts falling due within one year	<u>(727)</u>		<u>(680)</u>	
	Net current assets		<u>22,660</u>		<u>14,385</u>
	Total net assets		<u>22,660</u>		<u>14,385</u>
	Funds				
	Restricted funds	-		-	
	Unrestricted funds:				
	General funds	<u>22,660</u>		<u>14,385</u>	
	Total unrestricted funds		<u>22,660</u>		<u>14,385</u>
	Total funds		<u>22,660</u>		<u>14,385</u>



Carl Ferenbach (Chair)
18th June 2021