

Environmental Defense Fund UK
Annual Report and Financial Statements
Year ended 30 September 2022
Charity number: 1164661
Company number: 09217493

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Reference and Administrative Information

Name change	On 7 th December 2022, the Environmental Defense Fund has renamed to Environmental Defense Fund UK (EDFUK)
Other Names	Environmental Defense Fund Europe (former name), Environmental Defense Fund Ltd (former name), Environmental Defence Fund Europe/UK (former name), EDF Europe/UK, EDF Europe, EDF UK, Environmental Defence Fund
Board of Trustees	Carl Ferenbach (Chairman) Lord Brian Griffiths Ravi Gurumurthy Connie Hedegaard Mark Heising (Appointed 27 th January 2022) Roland Kupers Andrea Monge Hannah Ryder (Appointed 27 th January 2022) Jens Dag Ulltveit Moe Lance West
Registered Office	3 rd Floor 41 Eastcheap London EC3M 1DT
Company Registration Number	09217493
Charity Registration Number	1164661
Auditors	BDO LLP 55 Baker Street London, England. W1U 7EU
Bankers	Citibank 33 Canada Square London E14 5LB

Environmental Defense Fund UK Report of the Trustees for the year ended 30 September 2022

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 2022 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 (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 (EDF) alone. Nevertheless, by working in partnership with many others, we can make a difference.

As we expand our platform in Europe, we will continue to investigate and assess what needs to be done to meet the most pressing challenges that cross national boundaries. 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 objectives 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 reference to the conservation, protection, and improvement of the physical and natural environment.
- 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.
 - 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 the Public Benefit guidance published by the Charity Commission.

The European Union, in a flurry of climate communications and legislation over the last two years has committed in law to achieving climate neutrality by 2050 and to reducing greenhouse gas emissions by at least 55% in 2030 compared to 1990 levels. This also includes a newly agreed overhaul of the European carbon market. This plan now needs to be implemented, but there are still gaps between the goal and the plan of action.

Europe has prided itself on leading action on climate change this century. But its leadership has stumbled a little of late. In the face of conflicting priorities of the pandemic and geopolitics, recent decisions and pronouncements have looked less certain and provided less direction to business and industry.

To help deliver solutions on the scale of these problems, EDFUK 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 EDFUK'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
- Working with strategic partners across all sectors

Charting a Course for EDFUK

EDF has a track record of over 50 years, 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's effort to expand in Europe is well underway with shift in focus from the UK to the broader European continent, with a growing and diverse staff to implement that shift. We continue 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, the EU's policymaking epicentre, 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 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).

Hydrogen deployment

The development of policies across Europe on hydrogen deployment with full consideration of the potential for hydrogen leakage, which as potent greenhouse gases can exacerbate detrimental effects on the climate.

Achievements and performance

Bringing science to Europe's hydrogen debate

Accelerating a transition to clean energy in the EU is key to addressing the current energy crisis as well as the climate emergency. Green hydrogen is an important part of this transition. The European Commission has stated that clean, renewable hydrogen will be essential to replace natural gas, coal and oil, especially in hard-to-decarbonise industries and transport. The EU has stated its intention to produce 10 million tonnes of hydrogen from renewable sources and import another 10 million tonnes by 2030.

2022 Achievements

- The European Commission's Climate Policy Unit (DG CLIMA) has confirmed in bilateral meetings that two EDF UK events in 2021 were successful in first putting the issue of hydrogen leakage on their radar.
- As a result of our ongoing advocacy efforts, the EU's research and innovation funding program Horizon Europe will include a budget line for climate impacts of hydrogen leakage in the 2023 work program.
- EDFUK has been invited to raise the flags of concern – and the potential – of hydrogen as speakers/presenters at events with Chatham House, Reuters and the TED Dilemmas.
- EDFUK has successfully applied for membership in the European Clean Hydrogen Alliance.
- EDFUK has briefed over 20 organizations from civil society and beyond on hydrogen leakage.

Shaping methane regulations

Methane emissions represent about 12% of overall GHG emissions in the EU. 53% of anthropogenic methane emissions come from agriculture, 26% from waste and 19% from energy. Although energy methane emissions only represent a small amount of the overall EU GHG emissions (less than 2%), it is the area where emissions can be reduced quickly at low or no costs. Moreover, the EU is the largest importer of gas in the world: if its legislation also applies to imported fossil fuels, this will have an impact far across its borders.

Over the past two years we have worked across the EU institutions and EU member states to shape an essential methane regulation. As we head towards a final text, we have worked in close collaboration with the European Commission, European Parliament, EU member states, UN Environmental Program as well as representatives from the oil and gas industry to uphold the legislation high level of ambition. Our seat at the table gives us a unique opportunity to put forward solutions that increase the level of ambition and address concerns raised by various stakeholders.

2022 Achievements

- EDFUK has engaged the EU Council (representatives of the governments of the 27 countries of the EU) as it began negotiations on the proposed EU methane regulation in early 2022 to ensure that lobbying from the oil and gas industry is not successful in dilute the text of the regulation.
- Through direct advocacy and high-level events such as EU Methane Week and EU Sustainable Energy Week we have engaged with key Members of the European

Parliament (the legislative body with 705 elected representatives) and the European Commission (the EU's executive branch), providing clear science-based and technical explanations to help inform their decision making.

- EDFUK in-country advocacy has rapidly advanced, with activities now ongoing in Poland, Spain, France, Italy, Germany, and the Netherlands. Media coverage in leading national outlets has also supported our effort to build in influence.
- Through our strategic collaboration with Climate Action Network Europe (CAN) we have also expanded our advocacy reach to Bulgaria, Hungary, and the Czech Republic.

Enhancing our approach to EU Transport

Transport represents almost a quarter of Europe's GHG emissions and is the main cause of air pollution in cities. The transport sector has not seen the same gradual decline in emissions as other sectors: emissions only started to decrease in 2007 and remain higher than in 1990. Within this sector, road transport is by far the biggest emitter accounting for 72% of all GHG emissions from transport in 2019.

By 2030, EDFUK's goal is to lock in policies and investment necessary for shipping, aviation, lorries, buses, and passenger cars to achieve their net zero targets by 2050 while achieving preliminary GHG reductions from these transport modes by at least 5% from global 2020 levels.

2022 Achievements

- EDFUK worked with POLIS, a network of European cities and regions working together on innovative technologies and policies for local transport, to develop the Sustainable Urban Freight project which set out to help cities and regions build strategies to reduce air pollution and carbon emissions from heavy duty vehicles.
- EDFUK chose to support three "instant projects" out of scores of applicants. The winners in Denmark, Italy and Greece received a small amount of funding and some expert support for their projects which were then networked and workshopped. An online course was also produced to reach even more interested parties. We hope to continue this work subject to funding, with a larger number of cities.
- 2022 has been a pivotal year for EU policy on maritime transport, with important developments in the EU's Emissions Trading System (EU ETS) extension to shipping, and the world's first low-carbon fuel standard Fuel EU.
- EDFUK presented research completed in 2021 showing that EU ETS fee for EU's shipping is feasible and a constructive step towards a global measure at the International Maritime Organisation.
- On Fuel EU Maritime, EDFUK spearheaded the call for a zero-carbon fuel mandate, and for direct use of renewable power on board ships. We did so by leveraging our partnerships with other NGOs and key industry associations like Global Maritime Forum and the Maersk McKinney Moeller Center. In the European Parliament's final vote in October, a compromise to include a 2030 zero-carbon fuel mandate was successful whereas the proposal to enhance the reward of onboard renewable power on ships, though ultimately unsuccessful, gathered the most votes of all plenary amendments.
- EDFUK has also established a place for itself in the wider European dialogue to shape shipping's decarbonisation going forward. We took part in panel events organised by key industry players, such as World Shipping Council in Brussels and Maersk McKinney Moeller Center in Copenhagen. We have built relationships with policymakers in the EU's

institutions and honed an effective communications approach that makes use of video and social media, to deliver our main messages to policy makers in a joint campaign with Transport & Environment, a well-established transport NGO in Europe.

Development and Operations

EDFUK continues to establish itself as an environmental non-profit that brings a unique science-based perspective to the major policy debates shaping the future of the European Union. As we deepen our engagement and impact on the continent, we are augmenting our organizational capacity with an influx of staff that reflects the diversity of the policies and politics we hope to shape.

As part of the transformation to an authentically global organisation, EDFUK has undergone a remarkable evolution over the last two years, with its board more European in composition and the team developing from a largely UK-focused team of British and American nationals to a truly pan-European team of experts drawn from across the European continent. The EDFUK team now has staff from 16 countries including Belgium, France, Germany, Greece, Hungary, India, Italy, Malta, Mexico, the Netherlands, Portugal, Spain, Sweden, the United Kingdom, the United States and Vietnam. The EDFUK team at the heart of the EU in Brussels has also grown exponentially which will be reflected by the opening of new expanded office space in 2023.

Financial review

Expenditure

EDFUK's direct expenditure for the year ended 30 September 2022 totalled £5,789k (2021: £4,002k). Of the total expenditure, £5,632k was considered unrestricted (2021: £3,298k) and £158k was subject to donor restrictions (2021: £704k).

Stichting EDF Europe's direct expenditure was £3,011k (2021: £371k) The expenditure covered charitable activities and operational costs.

Income

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

EDFUK received total income of £5,851k (2021: £4,064k) for the year ended 30 September 2022. This included £5,694k of unrestricted funds (2021: £3,310k) and £158k of funds that were subject to a restriction on usage (2021: £754k).

EDFUK ended FY2022 with £62k surplus financial result compared to a £62k surplus a year earlier.

Total funds at the end of FY2022 are £721k (2021: £659k). All net assets held were considered unrestricted.

Conduit funding

During the year, EDFUK received funding on behalf of EDF totalling £27k. These funds were passed directly to EDF at the request of the donor and are not included in the results of EDFUK.

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 Operating Expense which is £2,000k (2021: £727k). The reserves level has been reviewed in light of the COVID-19 pandemic, global inflation, and other relevant factors, and the Trustees assess that the required level of reserves remains appropriate despite this external event. The total unrestricted funds as of 30 September 2022 amounted to £721k (2021: £659k). This includes fixed assets with a Net Book Value (NBV) of £78k (2021: £51k) that are not available for general purposes at the year-end, leaving free reserves at the year-end of £644k (2021: £608k). The Trustees believe 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.

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

Many experts think that the immediate energy crisis will soften in the coming year and prices in Europe will decrease but the need for increased resilience has been visibly demonstrated in the last two years and the need to rapidly transition from fossil fuels has never been more apparent.

In addition to continued work on work areas for 2023, we have a number of new staff taking forward work on the following subjects:

Advancing climate smart agriculture. The EU has several policies that aim to address agricultural greenhouse gas emissions, including methane. However, there is currently no EU-wide emission reduction target specifically for agriculture. New policy reforms are needed to ensure the EU reduces methane emissions enough to meet its share of the Global Methane Pledge. To raise government ambition and advance methane solutions, EDFUK commissioned a gap assessment focusing on the agriculture sector in the EU and in selected member states.

Findings from this report will also help identify potential strategies and inform action to reduce livestock methane emissions at both the EU and member state-levels.

Driving corporate disclosure and influencing investors. Building on EDF's global work on investor insights and reports for several key sectors, EDFUK continues to engage actively in shaping the future of the EU's corporate disclosure requirements as a member of the European Financial Reporting Advisory Group (EFRAG)'s 'Community Sector Groups' on oil and gas, and agriculture. In addition, we have applied to join Platform on Sustainable Finance (to influence future taxonomy). These groups bring together sectoral expertise from industry, finance and CSOs to support the development of mandatory EU sector specific ESG disclosures.

Reducing energy demand in Eastern Europe. There is a sense of war time urgency around the EU's energy transition in Europe. The EU imports 90% of its gas, with Russia providing more than 40% of all gas consumed in the EU. Energy demand reduction through efficiency measures is critical for reducing consumer costs, lowering fuel imports, and lowering emissions. Each member state has very different challenges around energy use and energy demand reduction, and we are looking at the poorest states to see how we can make a difference for the most disadvantaged.

Scoping has begun in Romania for our planned work on energy demand reduction, where we are building an ecosystem of Romanian local partners, stakeholders, and community groups to help drive transformative solutions. Results of current scoping activities will help us design and roll out a call for proposals for 'instant innovative projects' with the highest potential to reduce energy demand at scale. We are also seeking to build on this work in other Eastern European countries, including Bulgaria and Poland.

Fundraising

EDFUK seek to raise funds from individuals, foundations and relevant Government grant making programmes. EDFUK and Stichting EDF Europe receives donations raised by EDF for our work in Europe and direct support received from European sources. Fundraising activities in Europe are closely coordinated between EDF and EDFUK and Stichting 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. EDFUK does not hold or manage a list of contact details for donors' residents in Europe, donating to EDFUK. We have received no complaints. EDFUK's fundraising activity is currently not operating at a level where EDFUK considers it necessary to agree to any voluntary standards. Should it increase, EDFUK will ensure we adopt leading practices and sign up to and meet the appropriate standards.

EDFUK have received no complaints in relation to fundraising activities. Our terms of employment require staff to always behave reasonably; 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

EDFUK is a company limited by guarantee under the Companies Act 2006 and incorporated in England and Wales. EDF, a New York not-for-profit organisation 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 EDFUK 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 has entered into an agreement with EDFUK to pay operating expenses that EDFUK is unable to pay during the period from October 2022 through March 2024.

Decisions of EDFUK are made by the Charity's Trustees, who act independently from EDF. EDF may suggest areas of work for consideration by the EDFUK'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). EDFUK consolidates the results of the Stichting on the basis that it has the ability to govern the Stichting's financial and operating policies. The mission of the Stichting follows that of EDF UK and its ultimate parent organisation, EDF. Summary results for Stichting EDF Europe are included in the notes to the financial statements.

The workforce remuneration and key management personnel 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 EDFUK require that the Charity have at least four trustees, two of whom must be independent trustees. EDF as the sole member, appoints Trustees for such term as the sole member specifies.

Trustees of EDFUK 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 EDFUK and will liaise with EDF to ensure such activities coordinate with EDF's work.

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

EDFUK is 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 EDFUK 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, EDFUK 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 both EDFUK and Stichting Environmental Defense Fund 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 EDFUK and provide them regularly with management accounts, which are sufficient to explain the financial position of the Charity.

Risk management

The Trustees of EDFUK 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: the Trustees have identified a 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 are building our internal capability with the hire of senior operational roles in the Netherlands and Belgium. This will be supplemented by expert external support, as required.
- Developing robust business processes: It is critical that the organisation's aims of growth and expansion are supported by a strong and comprehensive foundation of controls and processes. In addition to boosting our capacity and capability through recruitment, we are also investing in systems and technology.

- Reputational risk. The organisation's reputation and credibility are key to our success in successfully advocating for change. To mitigate against the risk to our reputation we regularly 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.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.
- 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)

Date: 6.15.23

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

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 2022 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 UK ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 30 September 2022 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheet, the consolidated statement of cashflow 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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.

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. 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.

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 and the Strategic 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 Strategic report and the Directors' Report, which are included in the Trustees' Report, have 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 misstatement in the Strategic report or 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 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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 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:

Based on our understanding of the charity and the industry in which it operates, we identified that the principle laws and regulations that directly affect the financial statements to be relevant are the Charities Act in the UK, Companies Act 2006, UK GAAP, FRS 102 Charities SORP and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

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 the Parent Charity's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered financial performance and key drivers for any performance targets. We also considered the risks of non-compliance with other requirements imposed by the Charity Commission and we considered to extent to which non-compliance might have a material effect of the financial statements.

- We have 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.
 - Which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.
- 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.
- Identifying and testing the appropriateness of journal entries and other adjustments, with particular focus on unusual account combinations and postings by unexpected users or senior management.
- Challenging the assumptions and judgements made by management for key estimates.


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:

73D8B18FE9AC4C9...
Jill Halford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK
Date 19 June 2023

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

Environmental Defense Fund UK
Consolidated Statement of Financial Activities
(incorporating an income and expenditure account)
For the year ended 30 September 2022

		Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	Note	£	£	£	£	£	£
Income from:							
Charitable activities:							
- Climate initiatives	2	5,616,289	157,616	5,773,905	3,309,583	754,345	4,063,928
Other income	3	77,516	-	77,516	-	-	-
Total income		<u>5,693,805</u>	<u>157,616</u>	<u>5,851,421</u>	<u>3,309,583</u>	<u>754,345</u>	<u>4,063,928</u>
Expenditure on:							
Charitable activities:							
- Climate initiatives	4	5,631,569	157,616	5,789,185	3,298,200	704,093	4,002,292
Total expenditure		<u>5,631,569</u>	<u>157,616</u>	<u>5,789,185</u>	<u>3,298,200</u>	<u>704,093</u>	<u>4,002,292</u>
Net income for the year	5	62,236	-	62,236	11,383	50,252	61,635
Transfers between funds		-	-	-	50,252	(50,252)	-
Net movement in funds		<u>62,236</u>	<u>-</u>	<u>62,236</u>	<u>61,635</u>	<u>-</u>	<u>61,635</u>
Reconciliation of funds:							
Total funds brought forward		659,164	-	659,164	597,529	-	597,529
Total funds carried forward	14	<u>721,400</u>	<u>-</u>	<u>721,400</u>	<u>659,164</u>	<u>-</u>	<u>659,164</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.

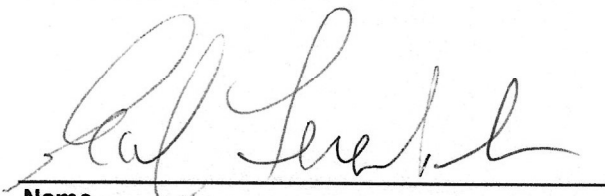
Environmental Defense Fund UK
Consolidated Balance Sheet
As at 30 September 2022

Company registration no. 09217493

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets:					
Tangible assets	8	74,624		42,860	
Intangible Assets	9	<u>2,904</u>		<u>8,238</u>	
			77,528		51,098
Current assets:					
Debtors	10	340,396		161,656	
Cash at bank		<u>1,094,567</u>		<u>1,281,687</u>	
		1,434,963		1,443,343	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(772,461)</u>		<u>(829,277)</u>	
Net current assets			662,502		614,066
Total assets less current liabilities			740,030		665,164
Provisions for liabilities	12		<u>(18,630)</u>		<u>(6,000)</u>
Total net assets			721,400		659,164
Funds					
Restricted funds	13		-		-
Unrestricted funds	13		<u>721,400</u>		<u>659,164</u>
Total funds			721,400		659,164

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 6.15.23
and signed on their behalf by:


Name
Trustee

The attached notes form part of the financial statements.

Environmental Defense Fund UK

Parent Charity Balance sheet

Company registration no. 09217493

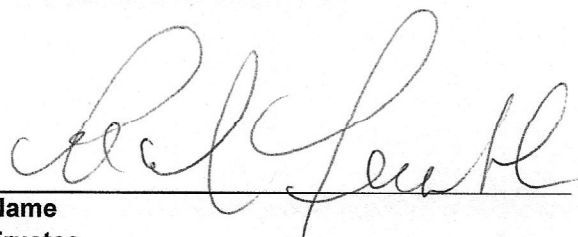
As at 30 September 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets:					
Tangible assets	8	56,644		42,860	
Intangible Assets	9	2,904		8,238	
			<u>59,548</u>		<u>51,098</u>
Current assets:					
Debtors	10	151,277		223,344	
Cash at bank		852,685		1,184,925	
		<u>1,003,962</u>		<u>1,408,269</u>	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(403,239)</u>		<u>(816,863)</u>	
Net current assets			<u>600,723</u>		<u>591,406</u>
Total assets less current liabilities			<u>660,271</u>		<u>642,504</u>
Provisions for liabilities	12		<u>(18,630)</u>		<u>(6,000)</u>
Total net assets			<u><u>641,641</u></u>		<u><u>636,504</u></u>
Funds					
Restricted funds			-		-
Unrestricted funds	13		<u>641,641</u>		<u>636,504</u>
Total funds			<u><u>641,641</u></u>		<u><u>636,504</u></u>

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 surplus for the year was £62,238 (2021: £61,635 surplus).

Approved by the trustees on 6.15.23
and signed on their behalf by:



Name
Trustee

The attached notes form part of the financial statements.

Environmental Defense Fund UK
Consolidated Statement of Cash Flows
For the year ended 30 September 2022

	2022	2021
	£	£
Net cash (used in) / provided by operating activities	101,829	1,169,974
Cash used in investing activities	(72,022)	(20,953)
(Decrease) / increase in cash and cash equivalents in the year	<u>29,807</u>	<u>1,149,021</u>
Cash and cash equivalents at the beginning of the year	1,281,687	132,666
Cash and cash equivalents at the end of the year	<u><u>1,311,493</u></u>	<u><u>1,281,687</u></u>

Reconciliation of net expenditure to net cash flow from operating activities	2022	2021
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	62,236	61,635
Amortisation charge	8,238	10,986
Depreciation charge	37,354	15,537
(Increase) / decrease in debtors	-	881,419
Decrease / (increase) in creditors	-	200,396
Write-down of investment	-	1
Increase in provisions	(6,000)	-
Net cash (used in) / provided by operating activities	<u><u>101,829</u></u>	<u><u>1,169,974</u></u>

Cashflow from investing activities

Purchase of Tangible Fixed Assets	<u>72,022</u>	20,953
	<u><u>72,022</u></u>	<u><u>20,953</u></u>

Changes in Net Funds

	At 01 October 2021	Cash Flows	Non-cash changes	At 30 September 2022
	£	£	£	£
Cash at bank	1,281,687	(187,120)	-	1,094,567
Net cash	<u><u>1,281,687</u></u>	<u><u>(187,120)</u></u>	<u><u>-</u></u>	<u><u>1,094,567</u></u>

The attached notes form part of the financial statements.

Environmental Defense Fund UK

Notes to the financial statements

For the year ended 30 September 2022

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 controlled 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 March 2024. 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 UK
Notes to the financial statements
For the year ended 30 September 2022

1 Accounting policies (continued)

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

Cash at bank 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 £18,630 (2021: £6,000) 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.

Environmental Defense Fund UK
Notes to the financial statements
For the year ended 30 September 2022

1 Accounting policies (continued)

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.

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

Revenue is recognized on the Oceano Azul Foundation grant based on a percentage completion basis over the life of the contract using a best estimate based on supporting budgets and costs submitted. The trustees do not consider there are any further critical judgements or key sources of estimation uncertainty requiring disclosure.

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

2 Donations and Grants

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Climate initiatives				
EDF Inc	5,593,501		5,593,501	3,243,226
Clean Air Fund: Breathe London			-	181,879
Clean Air Fund: Data Into Action			-	29,920
Clean Air Fund: Through Traffic			-	39,000
Children's Investment Fund Foundation		5,241	5,241	346,725
Frederick Mulder Foundation			-	10,000
Oceano Azul Foundation		38,168	38,168	50,959
Other Donations	22,788		22,788	56,357
United Nations Environment Programme		114,207	114,207	105,862
Total for climate focused initiatives	<u>5,616,289</u>	<u>157,616</u>	<u>5,773,905</u>	<u>4,063,928</u>

Of the total Donations and Grants recognised in 2021, £754,345 was considered restricted. A breakdown of this income can be found in note 14.

Analysis of turnover by country of destination

		2022	2021
		Total	Total
		£	£
United Kingdom		28,029	653,881
Rest of Europe		152,375	166,821
Rest of the world		5,593,501	3,243,226
		<u>5,773,905</u>	<u>4,063,928</u>

3 Other Income

			2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
FOREX gain	<u>77,516</u>	<u>-</u>	<u>77,516</u>	<u>-</u>

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

4 Analysis of expenditure

	Climate initiatives £	Charitable activities		2022 Total £	2021 Total £
		Support costs £	Governance costs £		
Staff costs	2,782,895			2,782,895	1,912,295
Professional fees	1,884,406			1,884,406	1,590,097
Staff travel	157,686			157,686	8,414
Rent		365,836		365,836	317,197
Office costs		41,088		41,088	46,115
Meetings		348,838		348,838	222
Subscriptions		37,010		37,010	14,574
General Administration		126,396		126,396	33,976
Audit and accounts fee			45,030	45,030	79,402
	4,824,987	919,168	45,030	5,789,185	4,002,292
Support costs	919,168	(919,168)	-	-	-
Governance costs	45,030	-	(45,030)	-	-
Total expenditure 2022	5,789,185	-	-	5,789,185	
Total expenditure 2021	4,002,292	-	-	-	4,002,292

Of the total expenditure incurred in 2022, £5,789,185 was unrestricted (2021: £3,298,200) and £157,616 was restricted (2021: £704,093).

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 UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

5 Net expenditure for the year

This is stated after charging:	2022	2021
	£	£
Operating lease rentals:		
- Property	270,804	271,109
Depreciation	37,354	15,537
Amortisation	8,238	10,986
Auditor's remuneration:		
- Audit fees	45,030	32,760
	<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:	2022	2021
	£	£
Salaries and wages	1,674,521	1,337,054
Social security costs	759,461	187,406
Employer's contribution to defined contribution pension schemes	180,863	201,536
Other staff costs	168,050	150,475
	<u><u>2,782,895</u></u>	<u><u>1,876,471</u></u>

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

	2022	2021
	No.	No.
£60,000 - £69,999	-	1
£70,000 - £79,999	2	2
£80,000 - £89,999	3	-
£90,000 - £99,999	3	-
£100,000 - £109,999	2	1
£110,000 - £119,999	1	1
£120,000 - £129,999	1	-
£130,000 - £139,999	1	-
£140,000 - £149,999	1	1
£150,000 - £159,999	-	-
£160,000 - £169,999	1	-
	<u><u> </u></u>	<u><u> </u></u>

The total employee remuneration the key management personnel were £400,982 (2021: £489,076). Key management personnel were determined to be the Executive Vice President, Regions, Chief Executive Officer and Senior Director of Development in 2022 (Managing Director, Executive Director and Director of Development in 2021).

Redundancy and termination costs relating to employees were £4k (2021: £nil).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Staff numbers

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

	2022	2021
	No.	No.
EDF Europe UK	11	11
Stichting EDF Europe	14	9
	<u><u>25</u></u>	<u><u>20</u></u>

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

7 Taxation

EDF UK and Stichting EDF Europe are exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8 Tangible fixed assets

	Office Equipment 2022 £	Office Equipment 2021 £
Cost		
At the start of the year	65,700	44,747
Additions in year	69,118	20,953
At the end of the year	<u>134,818</u>	<u>65,700</u>
Amortisation		
At the start of the year	22,840	7,303
Charge for the year	37,354	15,537
At the end of the year	<u>60,194</u>	<u>22,840</u>
Net book value		
At the end of the year	<u>74,624</u>	<u>42,860</u>
At the start of the year	<u>42,860</u>	<u>37,444</u>

All of the above assets are used for charitable purposes.

9 Intangible fixed assets

	Website Development 2022 £	Website Development 2021 £
Cost		
At the start of the year	43,942	43,942
Additions in year	2,904	-
At the end of the year	<u>46,846</u>	<u>43,942</u>
Amortisation		
At the start of the year	35,704	24,718
Charge for the year	8,238	10,986
At the end of the year	<u>43,942</u>	<u>35,704</u>
Net book value		
At the end of the year	<u>2,904</u>	<u>8,238</u>
At the start of the year	<u>8,238</u>	<u>19,224</u>

All of the above assets are used for charitable purposes.

10 Debtors

	Group 2022 £	Group 2021 £	Parent Charity 2022 £	Parent Charity 2021 £
Trade debtors	-	-	-	-
Amounts owed by group undertakings	227,552	-	44,358	61,688
Prepayments	112,844	129,236	106,919	129,236
Accrued income	-	32,420	-	32,420
	<u>340,396</u>	<u>161,656</u>	<u>151,277</u>	<u>223,344</u>

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

11 Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Parent Charity 2022 £	Parent Charity 2021 £
Trade creditors	262,744	35,416	101,706	35,416
Other creditors	91,148	12,358	56,508	12,358
Accruals	402,381	676,953	247,467	665,384
Amounts owed to group undertakings	-	56,663	-	55,818
Taxes and Social Security	-	31,311	-	31,311
Deferred income	16,188	16,576	16,188	16,576
	<u>772,461</u>	<u>829,277</u>	<u>421,869</u>	<u>816,863</u>

12 Provisions for liabilities

	Group 2022 £	Group 2021 £	Parent Charity 2022 £	Parent Charity 2021 £
Opening balance	6,000	-	6,000	-
Additions	12,630	6,000	12,630	6,000
Amounts charged against the provision	-	-	-	-
Closing balance	<u>18,630</u>	<u>6,000</u>	<u>18,630</u>	<u>6,000</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 utilized in 2025.

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

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	77,528	-	77,528
Net current assets	662,502	-	662,502
Provisions for liabilities	(18,630)	-	(18,630)
Net assets at the end of the year	<u>721,400</u>	<u>-</u>	<u>721,400</u>

Analysis of net assets between funds - previous year

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	51,098	-	51,098
Net current assets	614,066	-	614,066
Provision for liabilities	(6,000)	-	(6,000)
Net assets at the end of the year	<u>659,164</u>	<u>-</u>	<u>659,164</u>

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

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	59,548	-	59,548
Net current assets	600,723	-	600,723
Provisions for liabilities	(18,630)	-	(18,630)
Net assets at the end of the year	<u>641,641</u>	<u>-</u>	<u>641,641</u>

Analysis of net assets between funds - previous year

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	51,098	-	51,098
Net current assets	591,406	-	591,406
Provision for liabilities	(6,000)	-	(6,000)
Net assets at the end of the year	<u>636,504</u>	<u>-</u>	<u>636,504</u>

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

14 Movements in funds - current year (Group)	At 01 October 2021 £	Income £	Expenditure £	Transfers £	At 30 September 2022 £
Restricted funds:					
Children's Investment Fund Foundation	-	5,241	(5,241)	-	-
Oceano Azul Foundation	-	38,168	(38,168)	-	-
United Nations Environment Programme	-	114,207	(114,207)	-	-
Total restricted funds	-	157,616	(157,616)	-	-
Unrestricted funds:					
General funds	659,164	5,693,804	(5,631,570)	-	721,398
Total unrestricted funds	659,164	5,693,804	(5,631,570)	-	721,398
Total funds	659,164	5,851,420	(5,789,186)	-	721,398
Movements in funds - current year (Parent Charity)	At 01 October 2021 £	Income £	Expenditure £	Transfers £	At 30 September 2022 £
Restricted funds:					
Children's Investment Fund Foundation	-	5,241	(5,241)	-	-
Oceano Azul Foundation	-	38,168	(38,168)	-	-
United Nations Environment Programme	-	114,207	(114,207)	-	-
Total restricted funds	-	157,616	(157,616)	-	-
Unrestricted funds:					
General funds	636,504	2,586,112	(2,586,112)	-	636,504
Total unrestricted funds	636,504	2,586,112	(2,586,112)	-	636,504
Total funds	636,504	2,743,728	(2,743,728)	-	636,504

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

Movements in funds - prior year (Group)	At 01 October 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
Restricted funds:					
Clean Air Fund: Breathe London	-	181,879	(181,879)	-	-
Clean Air Fund: Data Into Action	-	29,920	(11,102)	(18,818)	-
Clean Air Fund: Through Traffic	-	39,000	(39,000)	-	-
Children's Investment Fund	-	346,725	(346,725)	-	-
Oceano Azul Foundation	-	50,959	(50,959)	-	-
United Nations Environment Programme	-	105,862	(74,428)	(31,434)	-
Total restricted funds	-	754,345	(704,093)	(50,252)	-
Unrestricted funds:					
General funds	597,529	3,309,583	(3,298,200)	50,252	659,164
Total unrestricted funds	597,529	3,309,583	(3,298,200)	50,252	659,164
Total funds	597,529	4,063,928	(4,002,293)	-	659,164

Movements in funds - prior year (Parent Charity)	At 01 October 2020	Income	Expenditure	Transfers	At 30 September 2021
Restricted funds:					
Clean Air Fund: Breathe London	-	181,879	(181,879)	-	-
Clean Air Fund: Data Into Action	-	29,920	(11,102)	(18,818)	-
Clean Air Fund: Through Traffic	-	39,000	(39,000)	-	-
Children's Investment Fund	-	346,725	(346,725)	-	-
Oceano Azul Foundation	-	50,959	(50,959)	-	-
United Nations Environment Programme	-	105,862	(74,428)	(31,434)	-
Total restricted funds	-	754,345	(704,093)	(50,252)	-
Unrestricted funds:					
General funds	574,869	2,938,878	(2,927,495)	50,252	636,504
Total unrestricted funds	574,869	2,938,878	(2,927,495)	50,252	636,504
Total funds	574,869	3,693,223	(3,631,588)	-	636,504

15 Operating lease commitments

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

	2022 £	2021 £
Less than 1 year	270,804	270,804
2 - 5 years	366,513	637,317
Greater than 5 years	-	-
	637,317	908,121

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

16 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.

17 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 £5,593,501 (2021: £3,243,226) 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 £227,552 (2021: £55,818 creditor was owed to EDF Inc.). Included within the grant from EDF Inc was £3,045,570 to cover the operating costs of the Stichting. This was subsequently regranted by EDF Europe to the Stichting. At the end of the year a debtor balance of £129,536 was owed by EDF Inc. to Stichting.

Mr. Roland Kupers, a board member of EDF UK and of Stichting EDF Europe, was paid Euro 28k by EDF Inc during FY22, under contract as a Senior Science Advisor to the EDF Office of the Chief Scientist.

Mrs. Hannah Ryder, a board member of EDF UK and of Stichting EDF Europe, was compensated via her affiliated legal entity, Development Reimagined Ltd, GBP 6k for the costs associated with travel and accommodation in Gabon at Africa Climate Week.

Mrs. Andrea Mongea, a board member of EDF UK and of Stichting EDF Europe, to be compensated by Stichting EDF Europe for her travel and accommodation expenses incurred during the reported period in the amount of circa GBP 575.

During the reported period, board members of EDF UK and of Stichting EDF Europe Mr. Carl Ferenbach and Mrs. Andrea Monge participated at a dinner meeting with EDF UK management; the personal benefit of the trustees does not exceed GBP 200 for each.

18 Conduit funding

During the year, EDF UK received £27k from the Levine Family Foundation (2021: £48k). The Foundation specified that this funding was intended to support EDF Inc's work on Indonesian fisheries and asked for it to be transferred to EDF Inc. The funding was received into EDF UK's bank account but was immediately transferred, in full, to EDF Inc, in accordance with the Foundation's intention. EDF UK has treated both this and the funds received in FY21 as conduit funding and as such, has not included the donations for either year in its financial results.

19 Post Balance Sheet Events

On November 16, 2022 Stichting EDF Europe entered into an agreement with a 3rd party for lease of office space in Brussels, Belgium which ends January 31, 2032. In lieu of a bank guarantee, the lessor agreed to accept a cash deposit from EDF Inc. of EUR 103,962.50 (USD equivalent \$109,503.70). EDF Inc. provided this deposit on November 30, 2022.

Environmental Defense Fund UK
Notes to the financial statements (continued)
For the year ended 30 September 2022

20 Stichting EDF Europe Statement of Financial Activities	2022			2021		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:						
Donations and grants	3,045,570	-	3,045,570	370,705	-	370,705
Total income	3,045,570	-	3,045,570	370,705	-	370,705
Expenditure on:						
Charitable activities	3,045,457	-	3,045,457	370,705	-	370,705
Total expenditure	3,045,457	-	3,045,457	370,705	-	370,705
Net movement in funds	113	-	113	-	-	-
Reconciliation of funds:						
Total funds brought forward	22,660	-	22,660	22,660	-	22,660
Total funds carried forward	22,773	-	22,773	22,660	-	22,660

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.