

Dialogue Earth

England & Wales · Charity number 1125378

Details

Other names	CHINA DIALOGUE TRUST
Status	Registered
Legal form	Charitable company
Company number	06477262
Registered	2008-08-06
Register	View on the Charity Commission register

Contact

Address	15 Printing House Yard Hackney Road London E2 7PR
Phone	07542 525 859
Email	INFO@DIALOGUE.EARTH
Website	www.chinadialogue.net

Activities

Objects: A) TO ADVANCE THE EDUCATION OF THE PUBLIC (INCLUDING IN PARTICULAR THE PUBLIC OF THE PEOPLE'S REPUBLIC OF CHINA) IN THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT; AND B) TO PROMOTE FOR THE BENEFIT OF THE PUBLIC THE CONSERVATION PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT AND IN PARTICULAR BUT NOT SO AS TO RESTRICT THE PRECEDING WORKING, THE PHYSICAL AND NATURAL ENVIRONMENT IN THE PEOPLE'S REPUBLIC OF CHINA.

Activities: The China Dialogue Trust promotes communication across barriers of language and culture on environment and climate change in order to inform, educate and build a global consensus for equitable and constructive solutions to urgent problems. We do this through the production, publication and dissemination of news and analysis.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** OVERSEAS
- China
- India
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,444,442	£2,613,380	£1,059,463	25
2023-12-31	£2,603,630	£2,818,063	£1,228,401	26
2022-12-31	£2,702,140	£3,029,186	£1,442,834	24
2021-12-31	£2,837,477	£2,590,640	£1,769,880	19
2020-12-31	£2,945,461	£2,050,491	£1,523,043	18

Trustees

Name	Role	Appointed
Alexander Benet Northcote	Chair	2025-01-08
Burnham Matthew Savage		2022-07-26
Caroline Holtum		2022-07-26
Daniel Leo Horn-Phathanothai		2019-11-26
David Thomas		2022-07-26
Dr Louisiana Lush PhD		2022-11-22
Jie Zhou		2022-07-26
Ning Jin		2024-07-16
Professor Collins Odote Oloo		2023-07-11
SUSAN HITCH		2016-10-25

Dialogue Earth

England & Wales - Charity number 1125378

Accounts

REGISTERED COMPANY NUMBER: 06477262 (England and Wales)
REGISTERED CHARITY NUMBER: 1125378

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024
FOR
DIALOGUE EARTH
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

DIALOGUE EARTH

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FOR THE YEAR ENDED 31ST DECEMBER 2024

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DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2024**

The Trustees, who are also Directors of the Company for the purposes of Company Law, present their annual report and audited financial statements for the year ended 31st December 2024.

INTRODUCTION

Dialogue Earth (known as China Dialogue Trust until April 2024) has a long-standing record of promoting accurate information on climate change and advancing public understanding of environmental issues.

While global headlines are dominated by conflict and power struggles, the climate emergency continues to escalate - both as a direct threat and a threat multiplier. To limit global temperature rise to below 1.5C, the world needs to halve greenhouse gas emissions by 2030. This must be achieved while upholding ecological integrity and ensuring social justice. As the world's largest emitter, China plays a central role. Amid rising geopolitical tensions, dialogue and understanding remain essential.

Dialogue Earth works to raise global awareness of climate change, environmental protection, sustainable development and the urgency of a low-carbon future. Our online platform, <https://dialogue.earth>, offers high-quality environmental journalism in a wide range of formats, including articles, opinion pieces, explainers, multimedia features and news digests. Our output spans original investigations, expert commentary and accessible analysis, as well as research and policy-focused reporting tailored to diverse global stakeholders. We bring particular focus on China's trade and investment in developing countries and the resulting environmental impacts - stimulating informed dialogue among our key target audiences.

Today, Dialogue Earth is internationally recognised for its unique model: bringing local voices to global audiences and sharing stories of hope, action and change with stakeholders and communities. We also facilitate international cooperation through workshops, forums and capacity-building initiatives that help organisations make decisions grounded in accurate, accessible information.

In addition to our core focus on climate change, we address other urgent environmental challenges, including pollution, marine conservation, the extractive industries and biodiversity loss. Since our founding in 2006 as chinadialogue.net, we have served as a platform for sharing insights on China's environmental progress with English-speaking audiences while also providing international experience in sustainable development to Chinese readers. In this way, we seek to bring light rather than heat to crucial debates and to identify solutions to complex problems.

In 2024, we changed our name to Dialogue Earth to reflect our evolved mission and global reach. At the same time, we consolidated our flagship platform China Dialogue and its sister sites - The Third Pole, Diálogo Chino and China Dialogue Ocean - into a single multilingual website.

Headquartered in London, UK, Dialogue Earth has teams based in South and Southeast Asia, Africa and Latin America. Our editorial and engagement work remains committed to accurately portraying China's development impacts across the Global South through geopolitically even-handed reporting and constructive dialogue. Our approach is delivered via reporting in multiple languages, workshops and media partnerships.

DIALOGUE EARTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which Dialogue Earth is established are:

- a. To advance the education of the public (including in particular the public of the People's Republic of China and across the Global South) in the conservation, protection and improvement of the physical and natural environment; and
- b. To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment and, in particular, but not so as to restrict the preceding wording, the physical and natural environment in the People's Republic of China.

DIALOGUE EARTH**REPORT OF THE TRUSTEES**
FOR THE YEAR ENDED 31ST DECEMBER 2024

OBJECTIVES AND ACTIVITIES**Activities, Achievements and Performance****Review of the Period****Introduction**

In 2024, Dialogue Earth continued to raise public awareness of environmental challenges and foster informed dialogue on effective solutions - particularly regarding China's global role - through our multilingual online content and reporting. Our staff and partners contributed to this work by attending and facilitating a mixture of project-based workshops and major international events, including COP29 and other key climate and biodiversity forums. These engagements enabled us to share insights, build strategic relationships and bring evidence from our international reporting into high-level discussions.

Rebrand

In April 2024, China Dialogue Trust and its suite of websites - chinadialogue.net, thethirdpole.net, dialogochino.net and chinadialogueocean.net - officially relaunched as Dialogue Earth, consolidated under one unified brand and website, <https://dialogue.earth>. This significant milestone in our strategy followed a year-long process involving extensive audience research and collaboration with brand consultants, Revolt. As part of this, a total of 18 social media accounts were updated, with over 50 posts coordinated via a central campaign plan. These reached more than 23 million people - generating over 120,000 post engagements, 84,000 video views and more than 13,000 visits to the new site. Our launch email, sent to more than 17,000 readers, received overwhelmingly positive feedback that affirmed our continued focus on China and the Global South. The rebrand also included a legal name change, trademark clearance and successful acquisition of the <https://dialogue.earth> domain. Internally, the rebrand has unified previously siloed teams, streamlined workflows and strengthened global collaboration - boosting staff morale and laying the foundations for more cohesive reporting and greater impact.

A key engagement opportunity following our rebrand was Dialogue Earth's participation in London Climate Action Week (LCAW) in June 2024. Our regional editors hosted an online panel discussion via Twitter Spaces, sharing insights from recent stories and exploring cross-cutting themes. With contributors representing Southeast Asia, Brazil, China, Africa and the UK, the online event stood out for its breadth of regional perspectives.

Events

During the period covered by this report, Dialogue Earth's activities have included:

- Delivering a regional workshop on China's investments and environmental rights in Latin America: Dialogue Earth co-hosted a workshop in Santiago, Chile, with the Raoul Wallenberg Institute (RWI), Millennium Nucleus on the Impacts of China in Latin America and the Caribbean (ICLAC) and the Latin American Faculty of Social Sciences (FLACSO), exploring Chinese investments, green transitions and environmental rights in Latin America. The event formed part of a four-region series aimed at developing cumulative insights and learning materials on the concept of "Global China."

- Hosting a regional workshop on just transitions and China's role in the Mekong: Dialogue Earth co-hosted a public panel and closed-door workshop in Bangkok, Thailand, with the (RWI) and Institute of Security and International Studies (ISIS) Thailand at Chulalongkorn University. The event explored China's influence on sustainable development in the Mekong region, focusing on trade and investment, environmental rights, journalism and Global China. It formed the second in a four-region series aimed at deepening understanding and dialogue on China's global environmental footprint.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2024**

OBJECTIVES AND ACTIVITIES

- **Hosting a regional workshop on China's role in the Mekong and environmental futures:** Dialogue Earth organised a workshop in Bangkok bringing together civil society representatives, Chinese experts and regional actors from Thailand, Cambodia, Myanmar and China. The event focused on building regional capacity and understanding regarding China's environmental influence on the Mekong region and featured keynote talks, panel discussions and participatory sessions on stakeholder mapping and strategy development.

- **Co-hosting a workshop on climate resilience in small-scale fishing communities:** Dialogue Earth and China Blue co-hosted a workshop in Bali, Indonesia, bringing together NGOs from China and Indonesia to discuss shared challenges facing small-scale coastal communities. The event focused on locally driven responses to climate change and overfishing, and explored opportunities for cross-border collaboration between grassroots organisations working on marine and environmental issues.

- **Co-hosting a workshop on just energy transitions and global partnerships in Latin America:** Dialogue Earth partnered with Heinrich Böll Stiftung to co-host a two-day workshop in Mexico City on the geopolitics of clean and just energy transitions. Bringing together participants from civil society, academia, journalism and policy, the event explored the roles of China, the US and the EU in supporting just transitions across the Global South. The workshop formed part of a broader editorial collaboration focused on China's influence in Latin America's energy and infrastructure sectors.

Dialogue Earth staff also attended and spoke at a number of key global events in 2024, including the World Economic Forum in Dalian, China; COP29 in Baku, Azerbaijan; the Conference of the Parties to the Convention on Biological Diversity (CBD COP16) Biodiversity Conference in Cali, Colombia; INC-5 plastic treaty negotiations in Busan, South Korea; EU Raw Materials Week in Brussels, Belgium; the World Resources Institute's #ConnectKaro 2024 in New Delhi, India; and the 12th Congress of the Alliance of Independent Journalists (AJI) in Jakarta, Indonesia. Additional highlights included workshops and panels in Mexico City, Nairobi, Buenos Aires, Berlin, Johannesburg, Washington, D.C. and London - all reflecting Dialogue Earth's global engagement across climate, media and international cooperation.

Dialogue Earth's then CEO, Sam Geall, represented the organisation at a number of significant events throughout the year, including presenting a report at the British Embassy in Bangkok focused on China's role in the Mekong region. He attended a Wilton Park conference on China as a development actor, chaired a panel at Dialogue Earth's workshop in Santiago, Chile, and led a Twitter Space session for London Climate Action Week. Additionally, he facilitated Dialogue Earth's New York Climate Week discussion event at Henry Luce Foundation and delivered a seminar at Boston University School of Public Health.

Reporting

Throughout 2024, Dialogue Earth continued to raise awareness of global climate and environmental challenges through its in-depth journalism and multimedia storytelling. We published a total of 460 articles, opinion pieces, photo stories, news digests and explainers across the following editorial themes:

- **Just and Equitable Energy Transitions:** We explored the shift to clean energy in the Global South, with a particular focus on Latin America and Southeast Asia. Our reporting examined equitable industrialisation, post-coal development pathways and just transition frameworks, while also highlighting China's pivotal role in providing financing, technology and infrastructure to these regions. We covered the politics and environmental implications of critical and transition minerals, and analysed how national and subnational climate strategies are shaping the energy landscape.

- **Climate Action, Adaptation and Diplomacy:** We highlighted stories of climate mitigation, adaptation and resilience in those regions most vulnerable to climate change. Our coverage of global diplomacy, including COP29 and preparations for COP30, examined how multilateral commitments play out at a local level. By engaging with a wide range of policymakers and civil society actors, our reporting supported informed decision-making and local ownership of climate policy and adaptation strategies.

DIALOGUE EARTH**REPORT OF THE TRUSTEES**
FOR THE YEAR ENDED 31ST DECEMBER 2024**OBJECTIVES AND ACTIVITIES**

- **Environmental and Social Impacts:** Dialogue Earth investigated the local consequences of large-scale development projects, such as infrastructure expansion, mining operations, industrial fisheries and pollution. We placed special emphasis on environmental degradation, biodiversity loss, transboundary water conflicts and community displacement - particularly in ecologically sensitive or politically unstable regions.

- **Oceans, Fisheries and Marine Conservation:** We promoted ocean health and community resilience through in-depth reporting on marine ecosystems, fisheries management and the global seafood trade. By focusing on Southeast Asia, West Africa and Latin America, we analysed the roles of China and regional actors in shaping ocean governance and sustainable marine policies.

- **Pollution, Waste and the Plastics Treaty:** We investigated the toxic impacts of pollution, paying particular attention to plastics and the transboundary waste trade in Southeast Asia. Our work tracked global plastics treaty negotiations and highlighted the role of informal waste workers, while documenting broader impacts on soil, water, human health and ecosystems across the region.

- **Forests, Land and Indigenous Stewardship:** We addressed deforestation and forest protection through multimedia storytelling rooted in Indigenous knowledge and community perspectives, connecting local stewardship to global forest conservation goals. Our reporting covered traditional land management practices, the threats posed by extractive industries, traceability in forest finance and policy frameworks, such as the CBD 30x30 pledge.

- **Indigenous and Local Knowledge:** We launched the Indigenous Voices Fellowship to amplify underrepresented Indigenous perspectives in environmental journalism. Bringing together storytellers from eight countries from across the Global South, the fellowship supported reporting on topics ranging from ecosystem restoration and food sovereignty to environmental defence, climate finance and Indigenous participation in global forums such as COP30.

- **Geopolitics and Global Power Shifts:** Our reporting explored China's engagement with the Global South and analysed how it compares with strategies from the EU, US and other emerging alliances. We explored issues such as debt diplomacy, green industrial policy, climate cooperation and shifting geopolitical alignments that influence global development and sustainability pathways.

- **Accountability and Environmental Justice:** Through our investigative journalism, we exposed failures in market-based climate solutions, including an exposé on "phantom" carbon offset projects in the rice sector. Our work advanced rights-based approaches to environmental protection, with a particular focus on water governance, land rights and displacement caused by the impact of climate change, particularly in South Asia.

- **Strengthening Climate Communication and Collaboration:** Dialogue Earth worked to expand access to reliable, multilingual climate information by tackling misinformation, encouraging open public dialogue and amplifying underrepresented voices. We also supported journalists and media platforms across China, South Asia, Southeast Asia, Latin America and Africa through training, editorial support and partnerships, helping to build local capacity and foster cross-border collaboration.

Among Dialogue Earth's most-read stories of the year were powerful investigations and features from across Asia, Africa and Latin America, as well as China. In Brazil, Silvia Lisbo and Carla Ruas exposed the health impacts of industrial agriculture on children, while in Zimbabwe, Bernard Chiguvare reported on how lithium mining is forcing young people out of school. From Nepal and Afghanistan came stories of growing climate vulnerability, with Surendra Phuyal highlighting the risks posed by the unstable Tsho Rolpa glacial lake, and Ruchi Kumar exploring how the international isolation of the Taliban is preventing those most affected by climate change from having a voice in global negotiations. In China, Feng Yingxin reported on efforts to halt destructive net dumping in the Zhoushan fishing ground, shining a spotlight on critical threats to marine life.

DIALOGUE EARTH**REPORT OF THE TRUSTEES**
FOR THE YEAR ENDED 31ST DECEMBER 2024

OBJECTIVES AND ACTIVITIES

Included in Dialogue Earth's editorial output this year were 16 photo stories capturing the human face of environmental change across the globe. In Indonesia, Nopri Ismi documented the struggle of traditional squid fishers on the Bangka Belitung islands, where expanding marine tin mining is threatening an age-old livelihood. From Brazil's Xingu Indigenous territory, Flávia Milhorange reported how small-scale solar energy is transforming remote Amazonian villages, reducing energy inequality and empowering communities. Meanwhile, in Huasco, Chile, Nicole Kramm exposed life in a so-called "sacrifice zone," where coal pollution continues to take a toll on local health. Together, these photo stories not only captured the landscapes and people that bring our articles to life, they helped us to tell stories in ways that are often more powerful than words alone.

Another highlight of 2024 was the successful development and launch of Dialogue Earth's first Massive Open Online Course (MOOC), designed to strengthen climate reporting for early-career African journalists. The course was created in collaboration with partners and experts across seven African countries, and prioritised accessibility, localisation and relevance to its target audience. Following extensive content development and testing, the MOOC went live in English, featuring six interactive modules optimised for mobile and low-bandwidth use. The call for applications received by far the most engagement of any story published this year, with almost 378,000 clicks in total. Nearly 3,000 users from 38 countries completed the course, with overwhelmingly positive feedback. Two in-person workshops in Johannesburg and Nairobi further extended its impact by building peer networks and practical reporting skills. The MOOC has already contributed to a growing body of original journalism, including stories on Ghana's disappearing coastal communities, the disproportionate effects of flooding on people with disabilities in Nigeria and the threat of sea-level rise to Banjul, capital of The Gambia.

Through all of its activities in 2024, Dialogue Earth aimed to ensure that policymakers, environmental professionals, journalists and the general public across diverse regions - including China, Latin America, Africa, South and Southeast Asia, Europe, the US and the UK - had timely access to high-quality, insightful and nuanced information on a wide range of critical environmental and climate issues. Through a combination of investigative reporting, in-depth analysis, multimedia storytelling and targeted engagement, we sought to inform decision-making, amplify underrepresented voices and foster greater understanding of the complex challenges and solutions shaping the global environmental landscape.

Board Update

2024 also marked a transition in Board leadership. Our outgoing Chair, Joan MacNaughton, stepped down after having helped steer Dialogue Earth through a period of significant strategic change and growth. In her place, we were delighted to welcome Benet Northcote. Benet brings over two decades of experience in sustainability and communications across a number of sectors, including senior roles at Greenpeace UK, the John Lewis Partnership and within the Royal Household. He is currently founding partner at the sustainability agency, Four32, and also chairs the Conservative Environment Network. His strategic perspective and deep commitment to environmental protection make him an invaluable addition to Dialogue Earth as we enter our next phase of growth and global engagement.

Partnership and Collaboration

We continue to work closely with many partners, networks and organisations internationally, including: China Association for NGO Cooperation (CANGO); Foreign Enterprise Services Corporation (FESCO); Asia Clean Energy Forum (ACEF); Centre for Research on Energy and Clean Air (CREA); China Blue; the Roundtable on Sustainable Palm Oil (RSPO); Raoul Wallenberg Institute (RWI); University of Nairobi; Wits University, Johannesburg; the China Global South Project (CGSP); Climate Tracker; Global Development Policy Center Boston University; the Millennium Nucleus on the Impacts of China in Latin America and the Caribbean (ICLAC), Chile; ClimateTracker; University of The Gambia; Chulalongkorn University, Bangkok; International Centre for Integrated Mountain Development (ICIMOD), Nepal; the World Bank; the World Resources Institute; and Eco-Business, Singapore.

DIALOGUE EARTH**REPORT OF THE TRUSTEES**
FOR THE YEAR ENDED 31ST DECEMBER 2024

OBJECTIVES AND ACTIVITIES**Public benefit**

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the preceding paragraphs, specifically on the "Objectives and Aims" and "Activities, Achievements and Performance" for the year, relate in detail the benefit that the Charity provides to the public.

FINANCIAL REVIEW**Financial position**

Our financial year runs from 1st January to 31st December. In 2024, the charity ran a deficit of £168,938 on a total income of £2,444,442 (2023: a deficit of £214,433 on income of £2,603,630). As at 31st December 2024, the charity held funds totalling £986,697 (2023: £1,059,704).

Remuneration statement

To set pay and rewards properly for employees, it is necessary to make informed judgements while also adhering to Dialogue Earth's governance and constitutional arrangements. Trustees are legally and constitutionally responsible for setting rates of pay, and this responsibility cannot - and should not - be wholly delegated to private agencies or independent experts.

In deciding on levels of pay for all staff, the following factors will be taken into account: the purpose, aims and values of Dialogue Earth; individual competencies; organisational strategy and need; ability to pay; performance; the broader employment offer; and considerations around recruitment and retention. These factors are not exhaustive, and any decision will inevitably involve an element of discretion on the part of the Trustees.

Reserves Policy

The Trustees recognise the need to hold reserves to allow for the protection of core activities in the event of income shortfalls and to promote balanced, long-term strategic planning to enable the charity to carry out its objectives.

The Trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. Based on this review, the Trustees recognised the need to hold a general reserve and that the size of this reserve should be related to the level of ongoing financial commitments. The Trustees decided that as a guide, the organisation should aim to keep its general reserves at a level equalling approximately three months of core expenditure. Core expenditure is calculated to include staff costs and committed overheads. The guide level of reserves at the end of December 2024 should be approximately £360,000. At the year end, the general reserves (excluding designated funds) of the charity stood at £186,676 (2023: £365,195). Please refer to the balance sheet on page 18 to see how the general reserves figure is arrived at.

Going concern

The Trustees note that Dialogue Earth has reported a deficit in both 2024 and 2023. These deficits have been funded from historic reserves, in particular from restricted reserves where project income is received in advance (i.e. in past financial periods). Accordingly, restricted funds have been spent down as the charity delivered projects funded in previous financial periods. Dialogue Earth continues to benefit from long-standing relationships with key funders and having considered the value of pledged and prospective funding, as well as cash flow forecasts, the Trustees are of the opinion that the charity remains a going concern. This assessment has been made in respect of a period of at least one year from the date of approval of these accounts.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2024**

FUTURE PLANS

Following our rebrand as Dialogue Earth in April 2024, we will continue to consolidate our new identity in 2025 and advance our mission to inform and connect global audiences on climate and environmental issues.

Over the year ahead, we will:

- Continue to produce high-quality, multilingual content, including in-depth analysis, policy explainers, investigative reporting and multimedia features;
- Host impactful workshops, roundtables and events that bring together diverse stakeholders around urgent environmental challenges;
- Strengthen collaborations with climate and environmental organisations in China and across the Global South;
- Build new partnerships that extend our reach and enhance the impact of our journalism;
- Foster open, informed dialogue on environmental issues through both in-person and online convenings.

We will also be entering a period of leadership transition. After nearly two decades with the organisation, Sam Geall stepped down as CEO at the end of May 2025. Sam joined Dialogue Earth - then China Dialogue Trust - in 2006 and became CEO in 2021. During his tenure, he led the organisation through a significant strategic transition, navigating complex challenges while ensuring it remained true to its founding mission. Under his leadership, Dialogue Earth rebranded to reflect its global scope and deepened its commitment to even-handed, locally grounded environmental journalism. He maintained a strong focus on the organisation's core values, championing high-quality, impactful reporting and inclusive engagement. In the first part of 2025, our Board of Trustees will be actively recruiting a new CEO to lead Dialogue Earth into its next phase.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

i. Structure

Dialogue Earth was incorporated as a company limited by guarantee on 18th January 2008 and obtained charitable status on 6th August 2008.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the Annual General Meeting to serve for a period of three years.

The Members have each undertaken to contribute a maximum of £1 in the event that the company is wound up.

The charity owns a trading subsidiary, Dialogue Services Ltd. (Company Registration Number: 8854972), which was incorporated on 21st January 2014. The trading subsidiary supports our revenue stream from translation services and occasional consultancy services.

ii. Governance

The charity receives generous support from its Board of Trustees. The Board meets three times a year to evaluate the charity's governance and advise on its long-term strategy. The Finance, Audit and Risk Committee supports the Board in fulfilling its responsibilities for ensuring the adequacy of risk management, internal controls and governance arrangements, and for ensuring that the charity's funds are used efficiently and effectively. Dialogue Earth also has a Nominations Committee to help ensure the timely recruitment and appointment of Trustees to the Board and its sub-committees.

iii. Management

The Trustees meet regularly throughout the year and are inducted through detailed briefings.

New Trustees are recommended to the Board by existing members or by the Chief Executive Officer based on their experience and expertise in the charity's work. Trustees are supported by the Chair and onboarded by the COO and CEO. Trustees joining the Finance, Audit and Risk Committee receive a further induction with the finance team. Training opportunities are shared with the Board on an ad hoc basis.

The Chief Executive Officer of Dialogue Earth was Sam Geall (until May 2025), working closely with Tallulah Staple, the Chief Operations Officer.

The Dialogue Earth website is managed by the editorial and digital teams in London under the direction of the Managing Editor, Chris Davy, and our Production Manager, Lushan Huang. The management of the website is further supported by our Technical Advisory Board, made up of Maddie Clingan, Jignesh Vaducha, Greg Walton and Need Rehman, who provide expertise and advice on a voluntary basis.

Our China team, based in London, is led by our China Director, Lin Zi.

The South and Southeast Asia teams were managed by Soraya Kishtwari (until May 2025), Asia Pacific Editor, and regional team members across South and Southeast Asia. The Latin America team is managed by Pat Moore, our Latin America Editor, supported by our Latin America Managing Editor, Fermín Koop, in Argentina, and regional team members in Brazil, Mexico, Peru and Argentina.

Our Global China Project Manager, Tom Baxter, supports our Africa team, and Daniel Cressey, our Ocean Editor, coordinates our marine-focused work.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key risks

The Senior Management Team maintains a risk register, which is reviewed in depth annually by the Finance, Audit and Risk Committee and shared with the full Board.

During the year, key risks identified included financial resilience in a challenging fundraising environment. This was mitigated through the appointment of a dedicated development manager. The CEO transition was also recognised as a considerable risk to organisational stability and is being addressed through comprehensive succession planning and a robust recruitment process.

Significant steps have already been taken to strengthen cyber security and IT systems, with further improvements planned in the coming months. Risks to the safety of staff and reporters working in higher-risk countries were managed through detailed risk assessments and contingency planning for travel.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06477262 (England and Wales)

Registered Charity number

1125378

Registered office

15 Printing House Yard
Perseverance Works
London
E2 7PR

Trustees

Ms S Hitch
D L Horn-Phathanothai
Ms C Holtum
J Harkness (resigned 27/11/2024)
T Walkley (resigned 5/3/2024)
Ms J Zhou
D Thomas
M Savage
Dr L Lush
Dr C O Odote
Ms J MacNaughton (resigned 10/11/2024)
Ms N Jin (appointed 16/7/2024)
A Northcote (appointed 8/1/2025)

Company Secretary

Ms T Staple

Senior Statutory Auditor

Shona Wardrop C.A.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Contact Details

Chief Executive Officer

Dr S Geall (resigned 30/05/2025)
Ms T Staple (Interim Chief Executive from 02/06/2025)

Telephone number

07542 525 859

Website

<https://dialogue.earth>

Bankers

HSBC Bank PLC
The Helicon
1 South Place
London
EC2M 2UP

CHANGE OF NAME

The charitable company passed a special resolution on 21st March 2024 changing its name from China Dialogue Trust to Dialogue Earth.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Dialogue Earth for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIALOGUE EARTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The Auditors, Chariot House Limited, are willing to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by order of the board of Trustees on 28 July 2025..... and signed on its behalf by:

Benet Northcote

.....
A Northcote - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIALOGUE EARTH

Opinion

We have audited the financial statements of Dialogue Earth (the 'charitable company') for the year ended 31st December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DIALOGUE EARTH**

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIALOGUE EARTH

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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

Based on our understanding of the charity and its activities, and through discussion with the Trustees and management, we identified the principal risks of material misstatement both at the financial statement level and at the assertion level.

We considered these risks in the light of various factors including the level of complexity, subjectivity, uncertainty, potential management bias, fraud, materiality and any other relevant factors. We considered the extent to which these would have a material impact on the financial statements and designed our audit work accordingly.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewed significant or unusual transactions to identify their underlying supporting rationale
- We inspected the minutes of meetings of those charged with governance, and made direct enquiries of management and the board of Trustees concerning the charity's policies and procedures relating to:

Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

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 were indicative of a potential bias and tested significant transactions that were unusual or those outside the normal course of business.

We also:

- discussed and reviewed the charity's business model and forward planning to assess going concern
- communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- carried out substantive testing on income and expenditure
- re-performed reconciliations of control accounts, and recalculated items such as depreciation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DIALOGUE EARTH**

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Shona Wardrop

Shona Wardrop C.A. (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

28 July 2025

Date:

DIALOGUE EARTH**STATEMENT OF FINANCIAL ACTIVITIES**
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2024

		Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Environment and Climate Change		623,657	1,800,274	2,423,931	2,595,702
Investment income	2	<u>20,511</u>	<u>-</u>	<u>20,511</u>	<u>7,928</u>
Total		<u>644,168</u>	<u>1,800,274</u>	<u>2,444,442</u>	<u>2,603,630</u>
 EXPENDITURE ON					
Charitable activities	4				
Environment and Climate Change		<u>832,980</u>	<u>1,780,400</u>	<u>2,613,380</u>	<u>2,818,063</u>
 NET INCOME/(EXPENDITURE)		(188,812)	19,874	(168,938)	(214,433)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>432,671</u>	<u>795,730</u>	<u>1,228,401</u>	<u>1,442,834</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>243,859</u></u>	<u><u>815,604</u></u>	<u><u>1,059,463</u></u>	<u><u>1,228,401</u></u>

The notes form part of these financial statements

DIALOGUE EARTH (REGISTERED NUMBER: 06477262)**BALANCE SHEET**
31ST DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	10	7,833	-	7,833	17,433
Investments	11	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		7,933	-	7,933	17,533
CURRENT ASSETS					
Debtors	12	187,961	-	187,961	238,066
Cash at bank		<u>167,284</u>	<u>819,413</u>	<u>986,697</u>	<u>1,059,704</u>
		355,245	819,413	1,174,658	1,297,770
CREDITORS					
Amounts falling due within one year	13	<u>(103,081)</u>	<u>(3,809)</u>	<u>(106,890)</u>	<u>(86,902)</u>
NET CURRENT ASSETS		<u>252,164</u>	<u>815,604</u>	<u>1,067,768</u>	<u>1,210,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		260,097	815,604	1,075,701	1,228,401
CREDITORS					
Amounts falling due after more than one year	14	<u>(16,238)</u>	<u>-</u>	<u>(16,238)</u>	<u>-</u>
NET ASSETS		<u>243,859</u>	<u>815,604</u>	<u>1,059,463</u>	<u>1,228,401</u>
FUNDS	16				
Unrestricted funds:					
General fund				186,676	365,195
Beijing operations fund				49,350	50,043
Fixed Asset designated fund				<u>7,833</u>	<u>17,433</u>
				243,859	432,671
Restricted funds				<u>815,604</u>	<u>795,730</u>
TOTAL FUNDS				<u>1,059,463</u>	<u>1,228,401</u>

The notes form part of these financial statements

DIALOGUE EARTH (REGISTERED NUMBER: 06477262)

BALANCE SHEET - continued
31ST DECEMBER 2024

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

28 July 2025

The financial statements were approved by the Board of Trustees and authorised for issue on
and were signed on its behalf by:

Benet Northcote

.....
A Northcote - Trustee

The notes form part of these financial statements

DIALOGUE EARTH**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31ST DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(91,958)</u>	<u>(289,534)</u>
Net cash used in operating activities		<u>(91,958)</u>	<u>(289,534)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,560)	(9,241)
Interest received		<u>20,511</u>	<u>7,928</u>
Net cash provided by/(used in) investing activities		<u>18,951</u>	<u>(1,313)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(73,007)	(290,847)
Cash and cash equivalents at the beginning of the reporting period		<u>1,059,704</u>	<u>1,350,551</u>
Cash and cash equivalents at the end of the reporting period		<u><u>986,697</u></u>	<u><u>1,059,704</u></u>

The notes form part of these financial statements

DIALOGUE EARTH**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31ST DECEMBER 2024**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(168,938)	(214,433)
Adjustments for:		
Depreciation charges	11,160	10,508
Interest received	(20,511)	(7,928)
Decrease/(increase) in debtors	50,105	(58,048)
Increase/(decrease) in creditors	<u>36,226</u>	<u>(19,633)</u>
Net cash used in operations	<u>(91,958)</u>	<u>(289,534)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/24 £	Cash flow £	At 31/12/24 £
Net cash			
Cash at bank	<u>1,059,704</u>	<u>(73,007)</u>	<u>986,697</u>
	<u>1,059,704</u>	<u>(73,007)</u>	<u>986,697</u>
Total	<u>1,059,704</u>	<u>(73,007)</u>	<u>986,697</u>

The notes form part of these financial statements

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31ST DECEMBER 2024**1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling which is the functional currency of the entity, and are rounded to the nearest £1.

Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and at least twelve months from the date of signing of the accounts, and on that basis the charity is considered to be a going concern.

Preparation of consolidated financial statements

The financial statements do not contain consolidated financial information as the parent of a group. The subsidiary undertaking has been excluded from consolidation as its inclusion is not material for the purpose of giving a true and fair view.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Where grants are received during the year under review but any terms and conditions have not yet been met and the charity does not therefore have entitlement to the funds, the grant is deferred under Grants in Advance in the Balance Sheet.

Grants from government and other agencies have been included as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to projects on a basis consistent with the use of resources.

Charitable activities and support costs

The costs of charitable activities comprise expenditure on the Trust's primary charitable purposes as described in the Trustees' Report. Such costs include the costs of maintaining, editing and developing the website.

Support costs represent indirect charitable expenditure. In order to carry out the activities of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

These costs are allocated out to the activities they are supporting on the basis described in the notes.

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES - continued**Tangible fixed assets**

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, except where funded by Restricted grants and then they are written off in the year of purchase and are stated at cost less depreciation.

Depreciation

All tangible fixed assets, are depreciated on the straight-line method over their estimated useful lives as follows:

Computer equipment - 3 years.

Taxation

The Charity is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Taxes Purposes. Accordingly the Charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

The Charity has various funds for which it is responsible:-

Unrestricted funds - are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds. This includes designated funds which the Trustees have allocated for specific purposes or fixed asset funds.

Restricted funds - comprise monies raised for, or their use restricted to, a specific purpose or contributions subject to donor-imposed conditions.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements or in the Trustees' report for Restricted funds.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

DIALOGUE EARTH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

1. ACCOUNTING POLICIES - continued

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

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

There are no estimates and assumptions that are considered to have a significant risk of causing a material adjustments to the financial statements in a future period.

Financial instruments

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

Financial Assets

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Financial Liabilities

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 discounts due.

2. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>20,511</u>	<u>7,928</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**3. INCOME FROM CHARITABLE ACTIVITIES**

		2024	2023
	Activity	£	£
Project Income - Other Fees Receivable	Environment and Climate Change	16,294	302,778
Grants and Donations	Environment and Climate Change	<u>2,407,637</u>	<u>2,292,924</u>
		<u>2,423,931</u>	<u>2,595,702</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
European Climate Foundation	811,224	173,266
Rockefeller Brothers Foundation	232,193	240,098
Henry Luce Foundation	130,088	56,724
Oak Foundation	220,000	348,334
Waterloo Foundation	40,000	40,000
Packard Foundation	152,413	285,187
Hewlett Foundation	227,426	228,839
Raoul Wallenberg Institute	163,824	171,523
Ford Foundation	157,725	-
Woodrow Wilson Center	14,225	9,485
Other Grants	72,422	61,125
Mott Foundation	31,003	131,169
Children Investment Fund	-	245,363
African Climate Foundation	74,276	267,686
State University of Michigan	1,924	1,938
Tara Climate	30,962	31,342
IMS	-	845
Centre for Research on Energy and Clean Air	22,605	-
Heinrich Boll Stiftung	13,557	-
Foreign, Commonwealth and Development Office	10,000	-
Institute of Development Studies	<u>1,770</u>	<u>-</u>
	<u>2,407,637</u>	<u>2,292,924</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Environment and Climate Change	<u>2,213,112</u>	<u>400,268</u>	<u>2,613,380</u>

5. SUPPORT COSTS

	Management £
Environment and Climate Change	<u>400,268</u>

Support costs, included in the above, are as follows:

Management

	2024 Environment and Climate Change £	2023 Total activities £
Establishment	157,550	154,658
Office	91,805	105,367
Legal and Professional	5,981	10,786
Accountancy	43,807	42,168
Other	17,161	24,540
Website	59,479	53,754
Audit	7,800	7,200
Currency revaluation	5,525	79,850
Depreciation of tangible and heritage assets	<u>11,160</u>	<u>10,508</u>
	<u>400,268</u>	<u>488,831</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	11,160	10,508
Auditors' remuneration	5,500	5,000
Auditors' remuneration - non audit services	<u>2,300</u>	<u>2,200</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no Trustees' remuneration or other benefits for the year ended 31st December 2024 nor for the year ended 31st December 2023

Trustees' expenses

Expenses totalling £310 in respect of travel reimbursements were paid to 2 Trustees (2023: £2,521 to 4 Trustees) during the year.

8. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,165,605	1,152,830
Social security costs	122,115	121,961
Other pension costs	46,608	38,429
	<u>1,334,328</u>	<u>1,313,220</u>

In addition to the above £30,604 (2023: £32,293) was paid to employees in Beijing.

The average monthly number of employees during the year was as follows:

	2024	2023
Editorial	18	19
Administration	3	3
Management	<u>4</u>	<u>4</u>
	<u>25</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	2
£90,001 - £100,000	<u>1</u>	<u>-</u>
	<u>4</u>	<u>4</u>

Key Management (being the Trustees and senior management team) remuneration (comprising gross salary, employers' national insurance and employers' pension) totalled £374,074 (2023: £400,141).

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Environment and Climate Change	1,258,947	1,336,755	2,595,702
Investment income	<u>7,930</u>	<u>(2)</u>	<u>7,928</u>
Total	<u>1,266,877</u>	<u>1,336,753</u>	<u>2,603,630</u>
EXPENDITURE ON			
Charitable activities			
Environment and Climate Change	<u>1,252,562</u>	<u>1,565,501</u>	<u>2,818,063</u>
NET INCOME/(EXPENDITURE)	14,315	(228,748)	(214,433)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>418,356</u>	<u>1,024,478</u>	<u>1,442,834</u>
TOTAL FUNDS CARRIED FORWARD	<u>432,671</u>	<u>795,730</u>	<u>1,228,401</u>

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2024	37,550
Additions	<u>1,560</u>
At 31st December 2024	<u>39,110</u>
DEPRECIATION	
At 1st January 2024	20,117
Charge for year	<u>11,160</u>
At 31st December 2024	<u>31,277</u>
NET BOOK VALUE	
At 31st December 2024	<u>7,833</u>
At 31st December 2023	<u>17,433</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**11. FIXED ASSET INVESTMENTS**Unlisted
investments
£**MARKET VALUE**

At 1st January 2024 and 31st December 2024

100**NET BOOK VALUE**

At 31st December 2024

100

At 31st December 2023

100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Dialogue Services Limited

Registered office:

Nature of business: translation and interpreting

Class of share:

Ordinary

%
holding
1002024
£2023
£

Aggregate capital and reserves

100

100

The result for the year was £nil (2023: ££nil).

12. DEBTORS2024
£2023
£

Amounts falling due within one year:

Trade debtors

22,353

-

Amounts owed by group undertakings

6,661

836

Other debtors

162

402

Prepayments and accrued income

130,603208,646159,779209,884

Amounts falling due after more than one year:

Other debtors

28,18228,182

Aggregate amounts

187,961238,066

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Trade creditors	18,854	11,852
Social security and other taxes	30,346	31,289
Other creditors	44,477	36,561
Accrued expenses	<u>13,213</u>	<u>7,200</u>
	<u>106,890</u>	<u>86,902</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Other creditors	<u>16,238</u>	<u>-</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	96,581	96,581
Between one and five years	<u>169,359</u>	<u>265,940</u>
	<u>265,940</u>	<u>362,521</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**16. MOVEMENT IN FUNDS**

	At 1/1/24 £	Net movement in funds £	Transfers between funds £	At 31/12/24 £
Unrestricted funds				
General fund	365,195	(188,812)	10,293	186,676
Beijing operations fund	50,043	-	(693)	49,350
Fixed Asset designated fund	17,433	-	(9,600)	7,833
	432,671	(188,812)	-	243,859
Restricted funds				
China	(34,635)	168,135	7,538	141,039
Latin America	68,885	(23,747)	59,346	104,484
Southeast Asia	38,006	(23,517)	3,341	17,830
South Asia	(1,361)	(2,448)	5,805	1,996
Africa	102,444	(95,598)	(749)	6,097
Global	433,160	45,704	(63,756)	415,107
Oceans	189,231	(48,655)	(11,525)	129,050
	795,730	19,874	-	815,604
TOTAL FUNDS	<u>1,228,401</u>	<u>(168,938)</u>	<u>-</u>	<u>1,059,463</u>

The transfers during the year have been made to align the restricted fund balances with specific donors in each region following a re-classification exercise carried out in 2023.

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	644,168	(832,980)	(188,812)
Restricted funds			
China	804,195	(636,060)	168,135
Latin America	87,628	(111,375)	(23,747)
Southeast Asia	89,836	(113,353)	(23,517)
South Asia	64,793	(67,241)	(2,448)
Africa	76,200	(171,798)	(95,598)
Global	483,648	(437,944)	45,704
Oceans	193,974	(242,629)	(48,655)
	1,800,274	(1,780,400)	19,874
TOTAL FUNDS	<u>2,444,442</u>	<u>(2,613,380)</u>	<u>(168,938)</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2024**16. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General fund	297,186	14,315	53,694	365,195
Beijing operations fund	102,470	-	(52,427)	50,043
Fixed Asset designated fund	18,700	-	(1,267)	17,433
	418,356	14,315	-	432,671
Restricted funds				
China	303,094	(337,729)	-	(34,635)
Latin America	10,904	57,981	-	68,885
Southeast Asia	35,017	2,989	-	38,006
South Asia	40,556	(41,917)	-	(1,361)
Africa	-	102,444	-	102,444
Global	241,917	191,243	-	433,160
Oceans	392,990	(203,759)	-	189,231
	1,024,478	(228,748)	-	795,730
TOTAL FUNDS	<u>1,442,834</u>	<u>(214,433)</u>	<u>-</u>	<u>1,228,401</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,266,877	(1,252,562)	14,315
Restricted funds			
China	130,965	(468,694)	(337,729)
Latin America	173,471	(115,490)	57,981
Southeast Asia	88,066	(85,077)	2,989
South Asia	74,149	(116,066)	(41,917)
Africa	269,624	(167,180)	102,444
Global	400,362	(209,119)	191,243
Oceans	200,116	(403,875)	(203,759)
	1,336,753	(1,565,501)	(228,748)
TOTAL FUNDS	<u>2,603,630</u>	<u>(2,818,063)</u>	<u>(214,433)</u>

DIALOGUE EARTH

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31ST DECEMBER 2024**

16. MOVEMENT IN FUNDS - continued

Restricted Funds:

- **China:** This work focused on strengthening Dialogue Earth's role as a global hub for climate communications about China, using expert-driven storytelling to shape discourse that supports an early and ambitious emissions peak before 2030.
- **Southeast Asia:** This work fostered regional dialogue and storytelling on Southeast Asia's environmental challenges by highlighting China's role in water governance, clean energy and critical minerals, while supporting civil society and just transitions.
- **South Asia:** This work delivered investigative reporting on Asia's climate, water and biodiversity crises, while building regional journalism capacity through cross-border collaboration, multimedia storytelling and support for underrepresented voices.
- **Latin America:** This work examined the role of China in Latin America's shift to clean energy by raising awareness of environmental and social impacts, supporting informed dialogue and promoting just transitions through investigative reporting and geopolitical analysis.
- **Ocean:** This work supported Dialogue Earth to build global understanding of ocean health, overfishing and climate impacts, advancing equitable and sustainable solutions while engaging China in dialogue with Latin America and Southeast Asia.
- **Africa:** This work supported the growth of climate journalism in Africa through training, reporting grants and multimedia resources. It advanced coverage of energy infrastructure, sustainable development, climate justice and China-Africa cooperation amid growing economic and environmental challenges.
- **Global:** This work advanced informed decision-making around Chinese trade and investment by enhancing dialogue on human rights and climate justice, while also amplifying indigenous voices on climate issues through multilingual stories and policy engagement.

Designated Funds

There are two designated funds from unrestricted reserves:

- Beijing operations fund: costs paid in advance and committed to operating in Beijing;
- Fixed asset fund: the net book value of fixed assets that are not available for general use by the charity.

DIALOGUE EARTH

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2024

17. EMPLOYEE BENEFIT OBLIGATIONS

The charitable company operates a defined contribution pension scheme with contributions being made by both employer and employees at variable rates. Total pension costs in the current year amounted to £46,608 (2023: £38,429). At the year end £9,741 was due to the provider (2023: £6,93).

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2024.

DIALOGUE EARTH**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31ST DECEMBER 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Investment income		
Deposit account interest	20,511	7,928
Charitable activities		
Project Income - Other Fees Receivable	16,294	302,778
Grants and Donations	<u>2,407,637</u>	<u>2,292,924</u>
	<u>2,423,931</u>	<u>2,595,702</u>
Total incoming resources	2,444,442	2,603,630
EXPENDITURE		
Charitable activities		
Wages	1,165,605	1,152,830
Social security	122,115	121,961
Pensions	46,608	38,429
Educational Programmes	<u>878,784</u>	<u>1,016,012</u>
	2,213,112	2,329,232
Support costs		
Management		
Establishment	157,550	154,658
Office	91,805	105,367
Legal and Professional	5,981	10,786
Accountancy	43,807	42,168
Other	17,161	24,540
Website	59,479	53,754
Audit	7,800	7,200
Currency revaluation	5,525	79,850
Depreciation	<u>11,160</u>	<u>10,508</u>
	<u>400,268</u>	<u>488,831</u>
Total resources expended	<u>2,613,380</u>	<u>2,818,063</u>
Net expenditure	<u>(168,938)</u>	<u>(214,433)</u>

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 06477262 (England and Wales)
REGISTERED CHARITY NUMBER: 1125378

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023
FOR
DIALOGUE EARTH
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

DIALOGUE EARTH

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FOR THE YEAR ENDED 31ST DECEMBER 2023

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DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2023**

The Trustees, who are also Directors of the Company for the purposes of Company Law, present their annual report and audited financial statements for the year ended 31 December 2023.

INTRODUCTION

Dialogue Earth (known as China Dialogue Trust during the period covered by these accounts) has a long-standing track record of promoting accurate information about climate change and educating the public about environmental issues.

Conflicts and contests for power dominate the headlines. Meanwhile, the climate emergency is accelerating rapidly and is now both a direct threat and threat multiplier. The world must halve global greenhouse-gas emissions before 2030 to keep global temperature rise below 1.5 degrees. We must achieve this while protecting ecological integrity and ensuring social justice. China, the world's biggest emitter, has a central role. Despite growing tensions, dialogue and understanding remains essential.

Dialogue Earth focuses on improving global awareness of climate change, environmental protection, sustainable development, and the need for a low-carbon future. Our online platform <https://dialogue.earth> provides high-quality environmental education content, including research reports, policy briefs, and book reviews on environmental and climate change issues and the related effects of China's trade and investment, particularly in developing countries. This stimulates the exchange of information and ideas among our key target audiences.

Dialogue Earth today is internationally recognised for its unique model, which brings local voices to global audiences and stories of hope, action and change to stakeholders and communities. Dialogue Earth also advances communication and cooperation on climate change through activities such as workshops and forums. Through capacity building, Dialogue Earth supports related organisations to make informed decisions based on a sound bedrock of accurate information.

Besides climate change, Dialogue Earth is also dedicated to raising public awareness of other environmental challenges including pollution prevention, the impact of extractive industries, marine environmental protection and biodiversity conservation. Since it was founded in 2006, then as the platform www.chinadialogue.net, Dialogue Earth has promoted dialogue on environmental protection, introducing the progress of China's environmental protection to the English-speaking world through its multilingual websites while bringing the experience of international sustainable development to a Chinese audience.

We seek to bring light, rather than heat, to crucial debates, and to identify solutions to complex problems.

In 2024, we renamed China Dialogue Trust as Dialogue Earth to better reflect our current strategy. We consolidated our flagship online platform, 'China Dialogue' and our other environmental communications projects: The Third Pole, Diálogo Chino and China Dialogue Ocean onto a single website in multiple languages

Dialogue Earth is headquartered in London, United Kingdom, and has teams based in South and Southeast Asia, Africa and Latin America. We are committed to accurately portraying China's development impacts across the Global South through geopolitically even-handed reporting and constructive dialogue. Our approach is delivered through reporting in multiple languages, workshops, and media partnerships.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2023**

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which Dialogue Earth is established are:

- a. To advance the education of the public (including in particular the public of the People's Republic of China and across the Global South) in the conservation, protection and improvement of the physical and natural environment; and
- b. To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment and, in particular, but not so as to restrict the preceding wording, the physical and natural environment in the People's Republic of China.

OBJECTIVES AND ACTIVITIES

Activities, Achievements and Performance

Review of the period

Through 2023, we have continued to make a meaningful contribution to create higher public awareness about the environmental challenges faced by the world and to facilitate conversations about solutions to our environmental problems and China's unique role in these. Dialogue Earth has been carrying out its valuable work through a range of online activities including workshops, seminars and information distribution.

The year saw staff transitions. Our Founder, Isabel Hilton, moved on from the organisation after 17 years of dedicated and visionary work that enabled the organisation to prosper and flourish. Isabel stepped down from her role as CEO at the beginning of 2021 thereafter and continued her work as our Founder, supporting our current CEO, Sam Geall, during a transitional period. Her work leaves an invaluable legacy and the team is honoured to have worked with her.

In September, we hosted our inaugural Founders Lecture, at which Isabel reflected on her journey with the organisation. This brought together staff, trustees and supporters in an evening of celebration and anticipation of new beginnings.

During the period covered by this report, Dialogue Earth's activities has included:

- Organising an influential convening to amplify our existing work and foster dialogue on sustainable fisheries in West Africa. After researching and publishing impactful investigative stories, translated to maximise reach, concerning the impact of China's trade and investment on fisheries, we organised Charting a Blue Future for West African-China Cooperation on Sustainable Fisheries (May 2023): a Track 1.5 and Track II dialogue series, co-hosted with the University of the Gambia, which brought together representatives from academia, NGOs, journalism, blue economy industries, government ministries and UN bodies from Ghana, The Gambia, Mauritania, and Senegal, for a high-level in-person workshop;
- Organising an in-person workshop which included capacity building sessions and dialogues between key stakeholders. Critical Minerals for the Energy Transition Reporting workshop was delivered in partnership with the Africa China Reporting Project at Wits University. The goal of the workshop was to discuss and learn about the issue of critical minerals for the energy transition from diverse perspectives;
- Organising an in-person ocean panel Feeding Fish to Fish: What are the alternatives? Speakers from ocean journalism, science, and policy discussed a sustainable future for aquafeeds as well as sustainable alternatives to wild-caught fish for feed and what levers can help the industry switch to more sustainable feed. The event was attended by professionals from the industry and ocean communities;
- Organising a webinar Ocean Acidification: Exploring the Ripple Effects on Local Fisheries and Livelihoods with a panel including Prof Steve Widdicombe, Dr Jan Newton, the co-director of the Washington Ocean Acidification Center, and Sheck Sherif, the co-chair of the Ocean Acidification Africa (OA-Africa) Network and a PhD researcher at Queen's University Belfast; and,
- Sending reporters and editors to major global conferences including Our Ocean, UNFCCC COP28, and CITES to cover issues across oceans, climate change, wildlife trade and biodiversity.

OBJECTIVES AND ACTIVITIES

Dialogue Earth's CEO, Sam Geall, represented the organisation at a number of key events throughout the year, including; speaking at the Oxford University China-Africa Network 2023 conference with a discussion on the future of China's overseas finance, and the role of Chinese capital and technology in climate action in Africa; joining a panel with Dr. Chunping Xie, LSE and Professor Denise van der Kamp, Oxford School of Global and Area Studies to discuss climate, energy and environment at the Sino-UK PolicyLab event at the UK Houses of Parliament for cross-sector knowledge exchange on China in the Integrated Review Refresh; giving an overview of climate policy, the green stimulus, insights ahead of COP28, and on the methane action plan at Oxford Institute of Energy Studies for their China Energy Research Programme. In Bangkok, Sam delivered a speech to the Australian Embassy on the role of China in Southeast Asia's energy transitions.

Throughout 2023, Dialogue Earth continued to work to raise awareness of key climate change and environmental concerns. These include:

- Advancing energy transitions;
- Climate change mitigation, adaptation, resilience, and diplomacy;
- Creating more sustainable food and agriculture systems;
- Threats to wildlife and biodiversity;
- Preventing air, water, and soil pollution;
- Protecting the world's oceans and preserving sustainable fisheries;
- Greening business and financial practices;
- Avoiding deforestation and the negative environmental impacts of forest-risk commodities;
- Achieving environment rights and justice for affected communities; and,
- Ensuring access to clean and safe water.

We sought to ensure that key audiences such as policymakers, environmental professionals and general public in multiple geographies including China, Latin America, Africa, South and Southeast Asia, Europe and the UK had access to high-quality, in-depth information about these topics. Key themes in our provision of information included the global trade in fish and seafood and its impact on ocean health and communities; efforts to make the supply chain for palm oil more sustainable; the impact of climate change on the glaciers of the Hindu Kush Himalaya region; and the changing social and environmental footprint of China's trade and investment in Latin America.

Partnership and collaboration

We continue to work closely with many partners, networks and organisations internationally, including: CANGO, FESCO, ACEF, CREA, China Blue, the Roundtable on Sustainable Palm Oil (RSPO), the Raoul Wallenberg Institute; the University of Nairobi; Wits University, Johannesburg; the China Global South Project; Climate Tracker; Global Development Policy Center, Boston University; The Millennium Nucleus on the Impacts of China in Latin America and the Caribbean (ICLAC), Chile; ClimateTracker, The University of The Gambia, Chulalongkorn University, Bangkok; International Centre for Integrated Mountain Development (ICIMOD), Nepal; the World Bank; Southeast Asia Globe (until its closure); and Eco-Business, Singapore.

Public benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the preceding paragraphs, specifically on the "Objectives and Aims" and "Activities, Achievements and Performance" for the year, relate in detail the benefit that the Charity provides to the public.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2023**

FINANCIAL REVIEW

Financial position

Our financial year runs from January 1st to December 31st.

In 2023, the charity ran a deficit of £214,433 on total income of £2,603,630 (2022: deficit of £327,046 on income of £2,702,141). At 31 December 2023, the charity held funds totalling £1,228,401 (2022: £1,442,834).

Remuneration statement

To set the pay and rewards properly for employees there is a need to make informed judgements as well as adhering to the Dialogue Earth governance and constitutional arrangements. Trustees are legally and constitutionally responsible for setting rates of pay and this responsibility cannot and should not be wholly delegated to private agencies or independent experts.

In deciding on levels of pay for all staff the following factors will be taken into account, the purpose aims and values of Dialogue Earth, competences, the strategic plan and need, ability to pay, performance, the wider 'employment offer' and recruitment and retention. These factors are not exclusive, and any decision will inevitably include an element of discretion on the part of trustees.

Reserves Policy

The trustees recognise the need to hold reserves to allow protection of core activities in the event of income shortfalls and to promote balanced, long-term strategic planning to enable the charity to carry out its objectives.

The trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. Based on this review the trustees recognised the need to hold a general reserve and that the size of this reserve should be related to the level of ongoing financial commitments. The trustees decided that as a guide the organisation should aim to keep its general reserves at a level equalling approximately three months of core expenditure. Core expenditure is calculated to include staff costs and committed overheads. The guide level of reserves at the end of December 2023 should be approximately £270,000. At the year end, the general reserves of the charity stood at £365,195 (2022: £297,186). Please refer to the balance sheet on page 15 to see how the general reserves figure is arrived at.

Going concern

The trustees note that Dialogue Earth has reported a deficit in both 2023 and 2022, however this is following surpluses in 2021 and 2020 in particular when the charity experienced a sharp increase in funding. Accordingly, restricted funds have been spent down as the charity delivered projects funded in previous financial periods. Dialogue Earth continues to benefit from long-standing relationships with key funders, and having considered the value of pledged and prospective funding as well as cash flow forecasts the trustees are of the opinion that the charity remains a going concern. This assessment has been made in respect of a period of at least one year from the date of approval of these accounts.

FUTURE PLANS

As outlined above, in early 2024, the China Dialogue Trust was legally renamed and rebranded as Dialogue Earth, the first major milestone in its new strategy to build on the work of the last 17 years by repositioning itself to more effectively reach a global audience and to continue to build its reputation, extend its networks and develop new partnerships.

Throughout the year, we aim to:

- continue to create high-quality content of in-depth analysis, policy briefs, research projects and blog posts;
- deliver high impact multi-stakeholder workshops and events;
- expand our links with climate change and environment-related organisations in China and across the global south;
- form new relationships and partnerships;
- continue to promote cooperation and communication through events, roundtable discussions and seminars on climate change and other environmental affairs;
- redevelop and consolidate our current suite of websites into one single site, to better serve our growing audiences.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

i. Structure

Dialogue Earth was incorporated as a company limited by guarantee on 18 January 2008 and obtained charitable status on 6 August 2008. In accordance with a legal transfer of undertakings dated 23 October 2008, the assets and liabilities of China Dialogue Ltd. (Company Registration Number: 05825437) were transferred to the charity as at midnight on 30 September 2008.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the Annual General Meeting to serve for a period of three years.

The Members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

The charity set up a trading subsidiary, Dialogue Services Ltd. (Company Registration Number: 8854972), which was incorporated on 21st January 2014. The trading subsidiary supports our revenue stream from translation services and occasional consultancy services.

ii. Governance

The charity receives generous support from its executive board. The executive board meets three times a year to evaluate the governance of the charity and advise on its long-term strategy. The finance, audit and risk committee supports the board in their responsibility for ensuring the adequacy of risk management, internal control and governance arrangements, and that charity funds are used efficiently and effectively. In 2023, the trustees established a board sub-committee to support the executive team with fundraising, named the development committee. Additionally, the nominations committee supports the board in the ongoing and timely recruitment and appointment of Trustees to the executive board and committees.

iii. Management

The trustees meet regularly throughout the year and are inducted through detailed briefings.

New trustees are recommended to the board by existing members or by the chief executive officer based on their experience and expertise of the charity's work. Trustees are supported by the Chair and onboarded by the COO and CEO, Trustees joining the finance, audit and risk committee receive a further induction with the finance team. Training opportunities are shared with the board on an ad hoc basis.

The chief executive officer of Dialogue Earth is Sam Geall, working closely with Tallulah Staple, the chief operating officer. The Dialogue Earth website is managed by the editorial and digital teams in London under the direction of the managing editor, Chris Davy and Lushan Huang, our production manager. Our China team, based in London, is led by our China director, Lin Zi.

The South and Southeast Asia teams are managed by Soraya Kishtwari, Asia Pacific editor, supported by our South Asia managing editor, Omair Ahmed, based in Delhi, India, and regional team members in India, Nepal, Bangladesh, Pakistan, Thailand, Vietnam and Indonesia

The Latin America team is managed by Pat Moore, our Latin America Editor, supported by our Latin America managing Editor, Fermin Koop, in Argentina, and regional team members in Brazil, Mexico, Peru and Argentina.

Our Global China project manager, Tom Baxter supports our Africa team, and Daniel Cressey our ocean editor coordinates our marine focused work.

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Key risks

The senior management team maintains a risk register which is reviewed in-depth annually by the finance, audit and risk committee and is shared with the full board. Throughout the year, the predominant risks identified were geopolitical and relate to sensitivity to working with China. The mitigation for this risk has been addressed through our strategy, and through the rebranding from China Dialogue Trust to Dialogue Earth.

A further risk to the charity relates to cyber security and IT systems. As a result of this identified risk, significant work - led by a cyber security expert and supported by our operations team - has been undertaken across the year to strengthen the organisation and mitigate this threat.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06477262 (England and Wales)

Registered Charity number

1125378

Registered office

15 Printing House Yard
Perseverance Works
London
E2 7PR

Trustees

D T Burke (resigned 11/7/2023)
Ms S Hitch
D L Horn-Phathanothai
Ms C Holtum
J Harkness
T Walkley (resigned 5/3/2024)
Ms J Zhou
D Thomas
M Savage
Dr L Lush
Dr C O Odote (appointed 11/7/2023)
Ms J MacNaughton (appointed 25/8/2023)

Company Secretary

Ms T Staple

Senior Statutory Auditor

Shona Wardrop C.A.

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

DIALOGUE EARTH

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Contact Details

Chief Executive Officer

Dr S Geall

Telephone number

07542 52 5859

Website

www.chinadialogue.net

Bankers

HSBC Bank PLC

74 Goswell Road

Clerkenwell

London

EC1V 7DA

CHANGE OF NAME

The charitable company passed a special resolution on 4th April 2024 changing its name from China Dialogue Trust to Dialogue Earth.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Dialogue Earth for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

DIALOGUE EARTH

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2023

AUDITORS

The Auditors, Chariot House Limited, are willing to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 5th September 2024 and signed on its behalf by:

Ms J MacNaughton - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIALOGUE EARTH

Opinion

We have audited the financial statements of Dialogue Earth (the 'charitable company') for the year ended 31st December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIALOGUE EARTH

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIALOGUE EARTH

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We identified that the following laws and regulations are central to the charitable company:

- Companies Act 2006
- Charities Act 2011
- Charities SORP 2019
- Health & safety regulations

We did not find any instances of non-compliance or breaches of the legislation framework applicable to the charitable company.

We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We identified that the following areas were of high risk:

- Completeness of income. We performed various audit tests to ensure that income was not materially understated in the financial statements.
- Management override of controls. We performed various audit tests to ensure there was no material management override of controls

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charities Act 2011 and Charities SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of management bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DIALOGUE EARTH**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Shona Wardrop C.A. (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Date: 9th September 2024

DIALOGUE EARTH**STATEMENT OF FINANCIAL ACTIVITIES**
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Environment and Climate Change		1,258,949	1,336,753	2,595,702	2,702,020
Investment income	2	<u>7,928</u>	<u>-</u>	<u>7,928</u>	<u>121</u>
Total		<u>1,266,877</u>	<u>1,336,753</u>	<u>2,603,630</u>	<u>2,702,141</u>
 EXPENDITURE ON					
Charitable activities	4				
Environment and Climate Change		<u>1,252,562</u>	<u>1,565,501</u>	<u>2,818,063</u>	<u>3,029,187</u>
 NET INCOME/(EXPENDITURE)		14,315	(228,748)	(214,433)	(327,046)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>418,356</u>	<u>1,024,478</u>	<u>1,442,834</u>	<u>1,769,880</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>432,671</u></u>	<u><u>795,730</u></u>	<u><u>1,228,401</u></u>	<u><u>1,442,834</u></u>

The notes form part of these financial statements

BALANCE SHEET
31ST DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	17,433	-	17,433	18,700
Investments	11	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		17,533	-	17,533	18,800
CURRENT ASSETS					
Debtors	12	238,066	-	238,066	180,018
Cash at bank		<u>263,974</u>	<u>795,730</u>	<u>1,059,704</u>	<u>1,350,551</u>
		502,040	795,730	1,297,770	1,530,569
CREDITORS					
Amounts falling due within one year	13	(86,902)	-	(86,902)	(106,535)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>415,138</u>	<u>795,730</u>	<u>1,210,868</u>	<u>1,424,034</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>432,671</u>	<u>795,730</u>	<u>1,228,401</u>	<u>1,442,834</u>
NET ASSETS		<u><u>432,671</u></u>	<u><u>795,730</u></u>	<u><u>1,228,401</u></u>	<u><u>1,442,834</u></u>
FUNDS	15				
Unrestricted funds:					
General fund				365,195	297,186
Beijing operations fund				50,043	102,470
Fixed Asset designated fund				<u>17,433</u>	<u>18,700</u>
				<u>432,671</u>	<u>418,356</u>
Restricted funds				<u>795,730</u>	<u>1,024,478</u>
TOTAL FUNDS				<u><u>1,228,401</u></u>	<u><u>1,442,834</u></u>

The notes form part of these financial statements

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 5th September 2024 and were signed on its behalf by:

J MacNaughton - Trustee

DIALOGUE EARTH**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31ST DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(289,534)</u>	<u>(337,912)</u>
Net cash used in operating activities		<u>(289,534)</u>	<u>(337,912)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(9,241)	(23,396)
Interest received		<u>7,928</u>	<u>121</u>
Net cash used in investing activities		<u>(1,313)</u>	<u>(23,275)</u>
Change in cash and cash equivalents in the reporting period		(290,847)	(361,187)
Cash and cash equivalents at the beginning of the reporting period		<u>1,350,551</u>	<u>1,711,738</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>1,059,704</u></u>	<u><u>1,350,551</u></u>

The notes form part of these financial statements

DIALOGUE EARTH**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31ST DECEMBER 2023**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(214,433)	(327,046)
Adjustments for:		
Depreciation charges	10,508	5,600
Interest received	(7,928)	(121)
(Increase)/decrease in debtors	(58,048)	59,131
Decrease in creditors	<u>(19,633)</u>	<u>(75,476)</u>
Net cash used in operations	<u>(289,534)</u>	<u>(337,912)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/23 £	Cash flow £	At 31/12/23 £
Net cash			
Cash at bank	<u>1,350,551</u>	<u>(290,847)</u>	<u>1,059,704</u>
	<u>1,350,551</u>	<u>(290,847)</u>	<u>1,059,704</u>
Total	<u>1,350,551</u>	<u>(290,847)</u>	<u>1,059,704</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and on that basis the charity is considered to be a going concern.

Preparation of consolidated financial statements

The financial statements do not contain consolidated financial information as the parent of a group. The subsidiary undertaking has been excluded from consolidation as its inclusion is not material for the purpose of giving a true and fair view.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Where grants are received during the year under review but any terms and conditions have not yet been met and the charity does not therefore have entitlement to the funds, the grant is deferred under Grants in Advance in the Balance Sheet.

Grants from government and other agencies have been included as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to projects on a basis consistent with the use of resources.

Charitable activities and support costs

The costs of charitable activities comprise expenditure on the Trust's primary charitable purposes as described in the Trustees' Report. Such costs include the costs of maintaining, editing and developing the website.

Support costs represent indirect charitable expenditure. In order to carry out the activities of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

These costs are allocated out to the activities they are supporting on the basis described in the notes.

Tangible fixed assets

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, except where funded by Restricted grants and then they are written off in the year of purchase, and are stated at cost less depreciation.

Depreciation

All tangible fixed assets, are depreciated on the straight-line method over their estimated useful lives as follows:

Computer equipment - 3 years.

Taxation

The Charity is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Taxes Purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

The Charity has various types of funds for which it is responsible:-

Unrestricted funds - are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Restricted funds - comprise monies raised for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements or in the Trustees' report for Restricted funds.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

1. ACCOUNTING POLICIES - continued

Judgements and key sources of estimation uncertainty

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

There are no estimates and assumptions that are considered to have a significant risk of causing a material adjustments to the financial statements in a future period.

Financial instruments

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

Financial Assets

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Financial Liabilities

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 discounts due.

2. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>7,928</u>	<u>121</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2023**3. INCOME FROM CHARITABLE ACTIVITIES**

		2023	2022
	Activity	£	£
Project Income - Other Fees Receivable	Environment and Climate Change	302,778	168,479
Grants and Donations	Environment and Climate Change	<u>2,292,924</u>	<u>2,533,541</u>
		<u>2,595,702</u>	<u>2,702,020</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
European Climate Foundation	173,266	779,185
Rockefeller Brothers Foundation	240,098	244,101
Henry Luce Foundation	56,724	49,473
Oak Foundation	348,334	-
Waterloo Foundation	40,000	10,000
Packard Foundation	285,187	370,325
Moore Foundation	-	316,575
Hewlett Foundation	228,839	220,082
Raoul Wallenberg Institute	171,523	44,173
Woodrow Wilson Center	9,485	4,763
Other Grants	61,125	229,678
Mott Foundation	131,169	43,942
Children Investment Fund	245,363	221,244
African Climate Foundation	267,686	-
State University of Michigan	1,938	-
Tara Climate	31,342	-
IMS	845	-
	<u>2,292,924</u>	<u>2,533,541</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Environment and Climate Change	<u>2,329,232</u>	<u>488,831</u>	<u>2,818,063</u>

5. SUPPORT COSTS

	Management £
Environment and Climate Change	<u>488,831</u>

Support costs, included in the above, are as follows:

Management

	2023 Environment and Climate Change £	2022 Total activities £
Establishment	154,658	120,314
Office	105,367	145,908
Legal and Professional	10,786	1,438
Accountancy	42,168	33,025
Other	24,540	18,714
Website	53,754	77,146
Audit	7,200	6,000
Currency revaluation	79,850	(139,953)
Depreciation of tangible and heritage assets	<u>10,508</u>	<u>5,600</u>
	<u>488,831</u>	<u>268,192</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	10,508	5,600
Auditors' remuneration	5,000	3,800
Auditors' remuneration - non audit services	<u>2,200</u>	<u>2,200</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2023 nor for the year ended 31st December 2022.

Trustees' expenses

Expenses totalling £2,521 in respect of travel reimbursements were paid to 4 Trustees (2022: £nil) during the year.

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,119,437	974,163
Social security costs	121,961	111,362
Other pension costs	38,429	32,729
Redundancy and settlement	33,393	-
	<u>1,313,220</u>	<u>1,118,254</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Editorial	23	21
Administration	<u>3</u>	<u>3</u>
	<u>26</u>	<u>24</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	1	-
£70,001 - £80,000	1	2
£80,001 - £90,000	2	-
£90,001 - £100,000	<u>-</u>	<u>1</u>
	<u>4</u>	<u>3</u>

Key Management (being the Trustees and senior management team) remuneration (comprising gross salary, employers' national insurance and employers' pension) totalled £400,141 (2022:£312,296).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Environment and Climate Change	614,449	2,087,571	2,702,020
Investment income	<u>121</u>	<u>-</u>	<u>121</u>
Total	<u>614,570</u>	<u>2,087,571</u>	<u>2,702,141</u>
EXPENDITURE ON			
Charitable activities			
Environment and Climate Change	<u>678,476</u>	<u>2,350,711</u>	<u>3,029,187</u>
NET INCOME/(EXPENDITURE)	(63,906)	(263,140)	(327,046)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>482,263</u>	<u>1,287,617</u>	<u>1,769,880</u>
TOTAL FUNDS CARRIED FORWARD	<u>418,357</u>	<u>1,024,477</u>	<u>1,442,834</u>

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2023	33,162
Additions	9,241
Disposals	<u>(4,853)</u>
At 31st December 2023	<u>37,550</u>
DEPRECIATION	
At 1st January 2023	14,462
Charge for year	10,508
Eliminated on disposal	<u>(4,853)</u>
At 31st December 2023	<u>20,117</u>
NET BOOK VALUE	
At 31st December 2023	<u>17,433</u>
At 31st December 2022	<u>18,700</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2023**11. FIXED ASSET INVESTMENTS**Unlisted
investments
£**MARKET VALUE**

At 1st January 2023 and 31st December 2023

100**NET BOOK VALUE**

At 31st December 2023

100

At 31st December 2022

100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Dialogue Services Limited

Registered office:

Nature of business: translation and interpreting

Class of share:	%
Ordinary	holding
	100

	2023	2022
	£	£
Aggregate capital and reserves	100	100

The result for the year was £nil (2022: ££nil).

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	167,886	102,470
Amounts owed by group undertakings	836	324
Other debtors	28,584	33,324
Prepayments and accrued income	<u>40,760</u>	<u>43,900</u>
	<u>238,066</u>	<u>180,018</u>

DIALOGUE EARTH**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2023**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade creditors	11,852	30,465
Social security and other taxes	31,289	29,835
Other creditors	36,561	40,235
Accrued expenses	7,200	6,000
	<u>86,902</u>	<u>106,535</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	96,581	96,581
Between one and five years	265,940	362,521
	<u>362,521</u>	<u>459,102</u>

15. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	Transfers between funds £	At 31/12/23 £
Unrestricted funds				
General fund	297,186	14,315	53,694	365,195
Beijing operations fund	102,470	-	(52,427)	50,043
Fixed Asset designated fund	18,700	-	(1,267)	17,433
	418,356	14,315	-	432,671
Restricted funds				
China	303,094	(337,729)	-	(34,635)
Latin America	10,904	57,981	-	68,885
Southeast Asia	35,017	2,989	-	38,006
South Asia	40,556	(41,917)	-	(1,361)
Africa	-	102,444	-	102,444
Global	241,917	191,243	-	433,160
Oceans	392,990	(203,759)	-	189,231
	1,024,478	(228,748)	-	795,730
TOTAL FUNDS	<u>1,442,834</u>	<u>(214,433)</u>	<u>-</u>	<u>1,228,401</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,266,877	(1,252,562)	14,315
Restricted funds			
China	130,965	(468,694)	(337,729)
Latin America	173,471	(115,490)	57,981
Southeast Asia	88,066	(85,077)	2,989
South Asia	74,149	(116,066)	(41,917)
Africa	269,624	(167,180)	102,444
Global	400,362	(209,119)	191,243
Oceans	200,116	(403,875)	(203,759)
	<u>1,336,753</u>	<u>(1,565,501)</u>	<u>(228,748)</u>
TOTAL FUNDS	<u>2,603,630</u>	<u>(2,818,063)</u>	<u>(214,433)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**15. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1/1/22 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	350,697	(63,907)	10,396	297,186
Beijing operations fund	130,662	-	(28,192)	102,470
Fixed Asset designated fund	904	-	17,796	18,700
	482,263	(63,907)	-	418,356
Restricted funds				
Other	1,085,597	-	(1,085,597)	-
Third Pole	161,494	-	(161,494)	-
Dialogo Chino	40,526	-	(40,526)	-
China	-	123,022	180,072	303,094
Latin America	-	(4,239)	15,143	10,904
Southeast Asia	-	(84,608)	119,625	35,017
South Asia	-	(136,450)	177,006	40,556
Global	-	(240,141)	482,059	241,918
Oceans	-	79,277	313,712	392,989
	1,287,617	(263,139)	-	1,024,478
TOTAL FUNDS	1,769,880	(327,046)	-	1,442,834

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2023**15. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	614,569	(678,476)	(63,907)
Restricted funds			
China	748,772	(625,750)	123,022
Latin America	194,848	(199,087)	(4,239)
Southeast Asia	49,474	(134,082)	(84,608)
South Asia	238,729	(375,179)	(136,450)
Global	464,665	(704,806)	(240,141)
Oceans	391,084	(311,807)	79,277
	<u>2,087,572</u>	<u>(2,350,711)</u>	<u>(263,139)</u>
TOTAL FUNDS	<u>2,702,141</u>	<u>(3,029,187)</u>	<u>(327,046)</u>

Restricted Funds:

- China. Our work has been focused on shaping public discourse around China's climate actions, both domestically and through its overseas trade and investment.
- South East Asia. We worked to encourage the development of expertise on China's rise in South East Asia in under-researched and critical areas.
- South Asia. We worked to better inform the public on the manifold drivers and impacts of the climate, water and biodiversity crisis.
- Latin America. We focused on addressing and analysing large-scale energy and infrastructure investments in the region and opportunities for just transitions.
- Oceans. We worked to enhance global understanding of policies and practices in fisheries, conservation, and climate-change mitigation in the global ocean.
- Africa. Our work has been focused on expanding understanding and engagement with climate change and China's role in the region.
- Global. Worked towards fostering better informed policymakers in the global south regarding the impact of Chinese investment, and opportunities for south-south cooperation.

China and South Asia funds are overspent due to costs being spent prior to receipt of funding for both in January 2024.

Designated Funds

There are two designated funds from unrestricted reserves:

- Beijing operations fund: costs paid in advance and committed to operating in Beijing, this fund was reduced during 2022 but is ongoing;
- Fixed asset fund: the net book value of fixed assets that are not available for general use by the charity.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2023.

Accounts

REGISTERED COMPANY NUMBER: 06477262 (England and Wales)
REGISTERED CHARITY NUMBER: 1125378

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022
FOR
CHINA DIALOGUE TRUST
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

CHINA DIALOGUE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2022

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CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2022**

The Trustees, who are also Directors of the Company for the purposes of the Company Law, present their annual report and audited financial statements for the year ended 31 December 2022.

INTRODUCTION

China Dialogue Trust has a long-standing track record of promoting climate change science and educating the public about environmental issues.

The climate crisis impacts ecosystems, economies, and people's livelihoods. With China's established presence on the global stage, China Dialogue Trust aims to facilitate a constructive dialogue on climate change and global environmental issues, promote mutual understanding between China and the world, and inspire higher awareness of the planet's challenges. From the climate emergency to marine pollution, environmental issues concern all the world's citizens. Both the scale of its challenges and the size of its economy means China plays a uniquely important role. Information exchange and dialogue help us to move closer to viable, equitable and real solutions to the climate crisis and ensure a prosperous future.

The scope of China Dialogue Trust's focus includes global awareness on climate change; ecological environment protection; sustainable development, and a low carbon future. China Dialogue Trust runs multiple online platforms that carry high-quality environmental education content, including research reports, policy briefs, and book reviews on environmental and climate change issues that affect China and the world. This stimulates the exchange of information and ideas both among Chinese and non-Chinese audiences.

China Dialogue Trust is internationally recognised for its dissemination of up-to-date information and knowledge on climate change. Its introduction of international best practices, lessons learned and case studies on climate change in China is appreciated by its readers. Its profiling of China's climate actions and low-carbon transition is closely followed by the global environmental community. China Dialogue Trust has also been advancing communication and cooperation on climate change through activities such as workshops and forums. Through capacity building, China Dialogue Trust supports related institutes and organisations to tell better stories about climate change and China's climate policy.

Beside climate change, China Dialogue Trust is also dedicated to public awareness raising of other environmental challenges including pollution prevention, extractive industries, marine environmental protection and biodiversity conservation. Since it was founded in 2006, China Dialogue Trust has been promoting dialogue on environmental protection, introducing the progress of China's environmental protection to the English-speaking world through its multilingual websites while bringing the experience of international sustainable development to a Chinese audience.

Besides its flagship online platform, 'China Dialogue', China Dialogue Trust also manages other environmental communications projects: The Third Pole, Diálogo Chino and China Dialogue Ocean.

The Third Pole, run by China Dialogue Trust's teams based in London and South Asia, supports in-depth, non-partisan and original coverage of all aspects of water in the countries of the Himalayan and the Lancang-Mekong basin, to stimulate informed debate and to promote cooperation on transboundary river management. Over the years, www.thethirdpole.net has established a reputation as the source of accessible, high-quality and balanced material on transboundary water in the Himalayan region.

Diálogo Chino, run by China Dialogue Trust's teams based in London, and across Latin America, aims to address the information gap between China and Latin America by fostering better understanding and communication between academics, government and the business community on the environmental and social impacts of China's activities in Latin America. All content is published in English, Spanish and Portuguese.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2022**

China is now among the world's biggest ocean powers: how China will care for the marine environment will be critical in determining the fate of the ocean. China Dialogue Ocean is dedicated to reporting on, analysing, illuminating and helping to resolve the ocean crisis before it is too late.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which the Trust is established are:

- a. To advance the education of the public (including in particular the public of the People's Republic of China) in the conservation, protection and improvement of the physical and natural environment; and
- b. To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment and, in particular, but not so as to restrict the preceding wording, the physical and natural environment in the People's Republic of China.

OBJECTIVES AND ACTIVITIES

Activities, Achievements and Performance

Review of the period

Through 2022, we have continued to make a meaningful contribution to create higher public awareness about the environmental challenges faced by the world and facilitate conversations about solutions to our environmental problems and China's unique role in these. Through a range of online activities including workshops, seminars and information distribution, China Dialogue has been operating through the lingering effects of the Covid 19 pandemic and carrying out its valuable work.

During the period covered by this report, China Dialogue has:

- co-hosted a workshop in Stockholm with the Raoul Wallenberg Institute, focused on the role of China at the 50th anniversary of the Stockholm Conference on the Human Environment;
- organised a major workshop at the University of Nairobi with the same partner, "Environmental Law from Below: Grassroots and Human Rights Perspectives on the Human Environment Agenda (Stockholm+50)", and a global team "away day" during the same week, focused on China's role in both contexts;
- co-organised a workshop at Chulalongkorn University in Bangkok, "Towards a green and just recovery in Southeast Asia", with panels on hydropolitics, energy transitions and China's role;
- organised a major side-event at the Roundtable on Sustainable Palm Oil conference in Kuala Lumpur, to which we also invited reporting fellows and organised a successful fieldtrip to see regenerative palm plantations;
- sent reporters and editors to report in Chinese, English and multiple languages at the Our Ocean, COP27, COP19 and COP15 UN conferences on oceans, climate change, wildlife trade and biodiversity, respectively;
- organised an environmental reporting event in Nepal, under the Third Pole Project focused on Asia's climate and water crisis; and,
- collaborated with the Africa-China Reporting Project at Wits University, South Africa, to offer reporting grants to African journalists for investigative articles on climate impacts, mitigation and adaptation, and low-carbon development, including greater capacities around China reporting.

The China Dialogue London team participated in several events at the London Climate Action Week, co-hosting an online panel on "Scaling up renewable energy investment in Africa". China Dialogue's CEO, Sam Geall, represented the organisation here and at many other events, including by speaking at: "Climate coverage and war: Reporting on the energy transition as a security priority" in Berlin; the 31st Economic Forum in Karpacz, Poland; Chatham House, London; and the Oxford Institute for Energy Studies annual China conference.

Partnership and collaboration

Through to the end of 2022, China Dialogue Trust's Beijing project team continued to work closely with China Association for NGO Cooperation (CANGO) under the framework of China's Foreign NGO Law. In collaboration with CANGO, China Dialogue Trust implemented the Communications Capacity Building on Climate Change and Biodiversity Conservation Project. However, due to the ongoing and challenging legal landscape in China, it was necessary to close our Beijing office on 31st December, 2022. Over the course of 2022, three of our team members previously based in Beijing relocated to the London office, where our China team now resides.

Existing partnerships were maintained and developed with networks and organisations internationally. We continue to work closely with many partners, a non-exhaustive list includes: the Roundtable on Sustainable Palm Oil (RSPO), the Raoul Wallenberg Institute; the University of Nairobi; Wits University, Johannesburg; the China Global South Project; Climate Tracker; Global Development Policy Center, Boston University; Chulalongkorn University, Bangkok; International Centre for Integrated Mountain Development (ICIMOD), Nepal; the World Bank; Southeast Asia Globe; and Eco-Business, Singapore.

OBJECTIVES AND ACTIVITIES

The Third Pole

Throughout 2022, The Third Pole continued to work closely with freelance reporters and media outlets across the Himalayan watershed to ensure policymakers, environmental professionals and general readers across the region were presented with high-quality, in-depth coverage of the climate and biodiversity crises. Key themes in our coverage included the impacts and aftermath of unprecedented flooding in Pakistan; the transition from fossil fuels to renewable energy in South Asia; the role of South Asian countries in global climate negotiations; and unsustainable exploitation of the region's biodiversity.

Among The Third Pole's successes in 2022 was a significant increase in syndication of our content among mainstream news outlets in Pakistan; websites includes Dawn, Friday Times and Ary News are now regularly republishing our articles.

Another notable success was a journalists' workshop on the theme of 'Fragility and resilience in the face of climate change in the Hindu Kush Himalayas', held in Nepal in November 2022. The Third Pole team selected 20 journalists to invite to the workshop, representing a balance across country, region and gender, along with experts including the former water minister of Nepal and researchers from the South Asian Institute of Advanced Studies. The workshop saw spirited discussions between experts and journalists about the best ways to cover environmental issues in the Himalayas. Feedback from journalists was very positive, and many of the participants have since had pitches accepted by The Third Pole's editorial team.

Diálogo Chino

Diálogo Chino continued with its strong performance in 2022. We worked closely with Climate Tracker, a climate change journalism training initiative with a strong presence in Latin America. They republished many of our stories and we republished some of theirs and two of our editors participated as speakers in their training programs throughout the year. Diálogo Chino's work exploring the ecological impact of the soy supply chain in Brazil and infrastructure investments that support the soybean trade continued, while the shift from brown to green energy with the lens of just transition was also a key focus.

Public benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the preceding paragraphs, specifically on the "Objectives and Aims" and "Activities, Achievements and Performance" for the year, relate in detail the benefit that the Charity provides to the public.

FINANCIAL REVIEW

Financial position

Our financial year runs from January 1st to December 31st.

In 2022, the charity ran a deficit of £327,046 on total income of £2,702,140 (2021: surplus of £246,837 on income of £2,837,477). At 31 December 2022, the charity held funds totalling £1,442,834 (2021: £1,769,880).

Remuneration statement

To set the pay and rewards properly for employees there is a need to make informed judgements as well as adhering to the China Dialogue Trust governance and constitutional arrangements.

Trustees are legally and constitutionally responsible for setting rates of pay and this responsibility cannot and should not be wholly delegated to private agencies or independent experts.

In deciding on levels of pay for all staff the following factors will be taken into account, the purpose aims and values of China Dialogue Trust, competences, the strategic plan and need, ability to pay, performance, the wider 'employment offer' and recruitment and retention. These factors are not exclusive, and any decision will inevitably include an element of discretion on the part of trustees.

Reserves Policy

The trustees recognise the need to hold reserves to allow protection of core activities in the event of income shortfalls and to promote balanced, long-term strategic planning to enable the charity to carry out its objectives.

The trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. On the basis of this review the trustees recognised the need to hold a general reserve and the size of this reserve should be related to the level of ongoing financial commitments. The trustees decided that as a guide the organisation should keep its general reserves at a level equalling approximately three months of core expenditure. Core expenditure is calculated to include staff costs and committed overheads. The guide level of reserves at the end of December 2022 should be approximately £304,000. At the year end, the general reserves of the charity stood at £297,186 (2021: £350,697).

FUTURE PLANS

In 2023, the China Dialogue Trust will formally adopt its new strategy to build on the work of the last 16 years by repositioning itself to more effectively reach a global audience and to continue to build its reputation, extend its networks and develop new partnerships. In particular, we aim to:

- continue to create high-quality content of in-depth analysis, policy briefs, research projects and blog posts;
- publish a range of longer-form reports and policy briefs and contribute to third party platforms;
- expand our links with climate change and environment-related organisations in China;
- form new relationships and partnerships;
- continue to promote cooperation and communication through workshops, roundtable discussions and seminars on climate change and other environmental affairs;
- redevelop and consolidate our current suite of websites into one single site, to better serve our growing audiences.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

i. Structure

'China Dialogue' is a project administered by the China Dialogue Trust. In addition, the Trust manages other online environmental education platforms, The Third Pole, Diálogo Chino and China Dialogue Ocean.

The China Dialogue Trust (the Trust) was incorporated as a company limited by guarantee on 18 January 2008 and obtained charitable status on 6 August 2008. In accordance with a legal transfer of undertakings dated 23 October 2008, the assets and liabilities of China Dialogue Limited (Company Registration Number: 05825437) were transferred to the Trust as at midnight on 30 September 2008.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the Annual General Meeting to serve for a period of three years.

The Members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

The Trust set up a trading subsidiary, Dialogue Services (Company Registration Number: 8854972), which was incorporated on 21st January 2014. The trading subsidiary supports our growing revenue stream from translation services and occasional consultancy services.

ii. Governance

The Trust receives generous support from its executive board. The executive board meets three times a year to evaluate the governance of the charity and advise on its long-term strategy. The finance and audit risk committee, which is chaired by our treasurer supports the board in their responsibility for ensuring the adequacy of risk management, internal control and governance arrangements, and that charity funds are used efficiently and effectively. The members of the executive board assist with fundraising and partnership building. Additionally, the nominations committee supports the board in the ongoing and timely recruitment and appointment of Trustees to the executive board and committees.

iii. Management

The Trustees meet regularly throughout the year and are inducted through detailed briefings.

New Trustees are recommended to the board by existing members or by the Chief Executive Officer based on their experience and expertise of the charity's work.

The Chief Executive Officer of the Trust is Sam Geall, working closely with Tallulah Staple, the Chief Operating Officer. The China Dialogue website is managed by the London and Beijing team. In London, the website is supported by the digital team. In Beijing, the website is supported by Ma Tianjie, the Beijing Director and Lin Zi, Beijing Operations Manager.

The Third Pole website is managed by Joydeep Gupta, South Asia director, in Delhi and Aron White, Asia Pacific editor, in the London office. The website is also supported by a small editorial team in Delhi, as well as country coordinators in Bangladesh, Nepal and Pakistan.

The Diálogo Chino website is managed by the Latin America Editor, in London.

All of the websites are supported by Lushan Huang, the Production Manager.

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CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06477262 (England and Wales)

Registered Charity number

1125378

Registered office

15 Printing House Yard
Perseverance Works
London
E2 7PR

Trustees

Prof K Brown (resigned 26/7/2022)
S C Tinton (resigned 22/11/2022)
D T Burke
Ms S Hitch
D L Horn-Phathanothai
Ms C Holtum (appointed 26/7/2022)
J Harkness (appointed 26/7/2022)
T Walkley (appointed 26/7/2022)
Ms J Zhou (appointed 26/7/2022)
D Thomas (appointed 26/7/2022)
M Savage (appointed 26/7/2022)
Dr L Lush (appointed 22/11/2022)

Company Secretary

Ms T Staple

Senior Statutory Auditor

J Thacker FCA DChA

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Contact Details

Chief Executive Officer

Dr S Geall

Telephone number

075 4252 5859

Website

www.chinadialogue.net

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Advisers

Bankers

HSBC Bank PLC
74 Goswell Road
Clerkenwell
London
EC1V 7DA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of China Dialogue Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The Auditors, Chariot House Limited, are willing to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20th July 2023 and signed on its behalf by:

D T Burke - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHINA DIALOGUE TRUST

Opinion

We have audited the financial statements of China Dialogue Trust (the 'charitable company') for the year ended 31st December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHINA DIALOGUE TRUST**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We identified that the following laws and regulations are central to the charitable company:

- Companies Act 2006
- Charities Act 2011
- Charities SORP 2019
- Health & safety regulations

We did not find any instances of non-compliance or breaches of the legislation framework applicable to the charitable company.

We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We identified that the following areas were of high risk:

- Completeness of income. We performed various audit tests to ensure that income was not materially understated in the financial statements.
- Management override of controls. We performed various audit tests to ensure there was no material management override of controls

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charities Act 2011 and Charities SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of management bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHINA DIALOGUE TRUST**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

J Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Date: 25th July 2023

CHINA DIALOGUE TRUST**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Environment and Climate Change		614,447	2,087,571	2,702,018	2,837,476
Investment income	2	<u>122</u>	<u>-</u>	<u>122</u>	<u>1</u>
Total		<u>614,569</u>	<u>2,087,571</u>	<u>2,702,140</u>	<u>2,837,477</u>
 EXPENDITURE ON					
Charitable activities	4				
Environment and Climate Change		<u>678,476</u>	<u>2,350,710</u>	<u>3,029,186</u>	<u>2,590,640</u>
 NET INCOME/(EXPENDITURE)		(63,907)	(263,139)	(327,046)	246,837
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>482,263</u>	<u>1,287,617</u>	<u>1,769,880</u>	<u>1,523,043</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>418,356</u></u>	<u><u>1,024,478</u></u>	<u><u>1,442,834</u></u>	<u><u>1,769,880</u></u>

The notes form part of these financial statements

CHINA DIALOGUE TRUST (REGISTERED NUMBER: 06477262)**BALANCE SHEET**
31ST DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	10	18,700	-	18,700	904
Investments	11	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		18,800	-	18,800	1,004
CURRENT ASSETS					
Debtors	12	180,018	-	180,018	239,149
Cash at bank		<u>326,073</u>	<u>1,024,478</u>	<u>1,350,551</u>	<u>1,711,738</u>
		506,091	1,024,478	1,530,569	1,950,887
CREDITORS					
Amounts falling due within one year	13	(106,535)	-	(106,535)	(182,011)
		<u>399,556</u>	<u>1,024,478</u>	<u>1,424,034</u>	<u>1,768,876</u>
NET CURRENT ASSETS					
		418,356	1,024,478	1,442,834	1,769,880
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>418,356</u>	<u>1,024,478</u>	<u>1,442,834</u>	<u>1,769,880</u>
FUNDS	15				
Unrestricted funds:					
General fund				297,186	350,697
Beijing operations fund				102,470	130,662
Fixed Asset designated fund				<u>18,700</u>	<u>904</u>
				418,356	482,263
Restricted funds				<u>1,024,478</u>	<u>1,287,617</u>
TOTAL FUNDS				<u>1,442,834</u>	<u>1,769,880</u>

The notes form part of these financial statements

BALANCE SHEET - continued
31ST DECEMBER 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 20th July 2023 and were signed on its behalf by:

D T Burke - Trustee

The notes form part of these financial statements

CHINA DIALOGUE TRUST**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(337,913)</u>	<u>548,232</u>
Net cash (used in)/provided by operating activities		<u>(337,913)</u>	<u>548,232</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(23,396)	(1,120)
Interest received		<u>122</u>	<u>4</u>
Net cash used in investing activities		<u>(23,274)</u>	<u>(1,116)</u>
Change in cash and cash equivalents in the reporting period		(361,187)	547,116
Cash and cash equivalents at the beginning of the reporting period		<u>1,711,738</u>	<u>1,164,622</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,350,551</u></u>	<u><u>1,711,738</u></u>

The notes form part of these financial statements

CHINA DIALOGUE TRUST**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022****1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(327,046)	246,837
Adjustments for:		
Depreciation charges	5,600	560
Interest received	(122)	(4)
Decrease in debtors	59,131	220,646
(Decrease)/increase in creditors	<u>(75,476)</u>	<u>80,193</u>
Net cash (used in)/provided by operations	<u>(337,913)</u>	<u>548,232</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank	<u>1,711,738</u>	<u>(361,187)</u>	<u>1,350,551</u>
	<u>1,711,738</u>	<u>(361,187)</u>	<u>1,350,551</u>
Total	<u>1,711,738</u>	<u>(361,187)</u>	<u>1,350,551</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and on that basis the charity is considered to be a going concern.

Preparation of consolidated financial statements

The financial statements do not contain consolidated financial information as the parent of a group. The subsidiary undertaking has been excluded from consolidation as its inclusion is not material for the purpose of giving a true and fair view.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Where grants are received during the year under review but relate to a later period the amount is deferred under Grants in Advance in the Balance Sheet.

Grants from government and other agencies have been included as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities and support costs

The costs of charitable activities comprise expenditure on the Trust's primary charitable purposes as described in the Trustees' Report. Such costs include the costs of maintaining, editing and developing the website.

Support costs represent indirect charitable expenditure. In order to carry out the activities of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

These costs are allocated out to the activities they are supporting on the basis described in the notes.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, except where funded by Restricted grants and then they are written off in the year of purchase, and are stated at cost less depreciation.

Depreciation

All tangible fixed assets, are depreciated on the straight-line method over their estimated useful lives as follows:

Computer equipment - 3 years.

Taxation

The Charity is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Taxes Purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

The Charity has various types of funds for which it is responsible:-

Unrestricted funds - are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Restricted funds - comprise monies raised for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements or in the Trustees' report for Restricted funds.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**2. INVESTMENT INCOME**

	2022	2021
	£	£
Deposit account interest	<u>122</u>	<u>4</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Project Income - Other Fees			
Receivable	Environment and Climate Change	168,479	22,154
Grants and Donations	Environment and Climate Change	<u>2,533,539</u>	<u>2,815,319</u>
		<u>2,702,018</u>	<u>2,837,473</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
European Climate Foundation	779,184	384,917
Rockefeller Brothers Foundation	244,100	182,462
Henry Luce Foundation	49,473	47,159
Climateworks Foundation	-	2,202
Department for International Development	-	541,048
Oak Foundation	-	128,334
Waterloo Foundation	10,000	40,000
Packard Foundation	370,325	315,393
Moore Foundation	316,575	366,276
Hewlett Foundation	220,082	394,600
WWF	-	21,646
Carnegie Council for Ethics in International Affairs	-	7,401
Raoul Wallenberg Institute	44,173	4,148
Ford Foundation	-	66,708
Growald Family Fund	-	75,683
Swiss Philanthropy Foundation	-	8,289
Woodrow Wilson Center	4,763	20,247
Other Grants	229,678	54,928
Robert Bosch Foundation	-	42,065
Mott Foundation	43,942	111,813
Children Investment Fund	<u>221,244</u>	<u>-</u>
	<u>2,533,539</u>	<u>2,815,319</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Environment and Climate Change	<u>2,621,042</u>	<u>408,144</u>	<u>3,029,186</u>

5. SUPPORT COSTS

	Management £
Environment and Climate Change	<u>408,144</u>

Support costs, included in the above, are as follows:

Management

	2022 Total activities £	2021 Total activities £
Establishment	120,314	54,590
Office	145,907	69,666
Legal and Professional	1,438	1,401
Accountancy	33,025	30,795
Other	18,714	24,338
Website	77,146	97,862
Audit	6,000	5,160
Depreciation of tangible and heritage assets	<u>5,600</u>	<u>560</u>
	<u>408,144</u>	<u>284,372</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	5,600	561
Auditors' remuneration	3,800	3,010
Auditors' remuneration - non audit services	<u>2,200</u>	<u>2,150</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2022 nor for the year ended 31st December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2022 nor for the year ended 31st December 2021.

8. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	974,163	718,118
Social security costs	111,362	74,994
Other pension costs	32,729	25,924
	<u>1,118,254</u>	<u>819,036</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Editorial	21	18
Administration	<u>3</u>	<u>1</u>
	<u>24</u>	<u>19</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	-	1
£70,001 - £80,000	2	1
£90,001 - £100,000	<u>1</u>	<u>1</u>
	<u>3</u>	<u>3</u>

Key Management remuneration totalled £312,296 (2021:£267,007).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Environment and Climate Change	332,951	2,504,525	2,837,476
Investment income	<u>1</u>	<u>-</u>	<u>1</u>
Total	<u>332,952</u>	<u>2,504,525</u>	<u>2,837,477</u>
EXPENDITURE ON			
Charitable activities			
Environment and Climate Change	<u>526,343</u>	<u>2,064,297</u>	<u>2,590,640</u>
NET INCOME/(EXPENDITURE)	(193,391)	440,228	246,837
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>675,654</u>	<u>847,389</u>	<u>1,523,043</u>
TOTAL FUNDS CARRIED FORWARD	<u>482,263</u>	<u>1,287,617</u>	<u>1,769,880</u>

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2022	9,766
Additions	<u>23,396</u>
At 31st December 2022	<u>33,162</u>
DEPRECIATION	
At 1st January 2022	8,862
Charge for year	<u>5,600</u>
At 31st December 2022	<u>14,462</u>
NET BOOK VALUE	
At 31st December 2022	<u>18,700</u>
At 31st December 2021	<u>904</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022****11. FIXED ASSET INVESTMENTS**

	Unlisted investments £
MARKET VALUE	
At 1st January 2022 and 31st December 2022	<u>100</u>
NET BOOK VALUE	
At 31st December 2022	<u>100</u>
At 31st December 2021	<u>100</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

China Dialogue Services Limited

Registered office:

Nature of business: translation and interpreting

Class of share:	% holding
Ordinary	100

	2022 £	2021 £
Aggregate capital and reserves	100	100

The result for the year was £nil (2021: £nil).

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	102,470	149,925
Amounts owed by group undertakings	324	-
Other debtors	33,324	14,517
Prepayments and accrued income	<u>43,900</u>	<u>74,707</u>
	<u>180,018</u>	<u>239,149</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	30,465	18,440
Amounts owed to group undertakings	-	62,444
Social security and other taxes	29,835	20,561
Other creditors	40,235	25,769
Accruals and deferred income	-	49,637
Accrued expenses	6,000	5,160
	<u>106,535</u>	<u>182,011</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	96,581	8,000
Between one and five years	<u>362,521</u>	<u>48,000</u>
	<u>459,102</u>	<u>56,000</u>

15. MOVEMENT IN FUNDS

	At 1/1/22	Net movement in funds	Transfers between funds	At 31/12/22
	£	£	£	£
Unrestricted funds				
General fund	350,697	(63,907)	10,396	297,186
Beijing operations fund	130,662	-	(28,192)	102,470
Fixed Asset designated fund	<u>904</u>	<u>-</u>	<u>17,796</u>	<u>18,700</u>
	482,263	(63,907)	-	418,356
Restricted funds				
Other	1,085,597	(174,694)	-	910,903
Third Pole	161,494	(113,960)	-	47,534
Dialogo Chino	<u>40,526</u>	<u>25,515</u>	<u>-</u>	<u>66,041</u>
	<u>1,287,617</u>	<u>(263,139)</u>	<u>-</u>	<u>1,024,478</u>
TOTAL FUNDS	<u>1,769,880</u>	<u>(327,046)</u>	<u>-</u>	<u>1,442,834</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2022**15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	614,569	(678,476)	(63,907)
Restricted funds			
Other	1,587,970	(1,762,664)	(174,694)
Third Pole	272,180	(386,140)	(113,960)
Dialogo Chino	227,421	(201,906)	25,515
	<u>2,087,571</u>	<u>(2,350,710)</u>	<u>(263,139)</u>
TOTAL FUNDS	<u>2,702,140</u>	<u>(3,029,186)</u>	<u>(327,046)</u>

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	245,112	(193,391)	298,976	350,697
Beijing operations fund	430,197	-	(299,535)	130,662
Fixed Asset designated fund	345	-	559	904
	<u>675,654</u>	<u>(193,391)</u>	<u>-</u>	<u>482,263</u>
Restricted funds				
Other	721,696	363,901	-	1,085,597
Third Pole	78,481	83,013	-	161,494
Dialogo Chino	47,212	(6,686)	-	40,526
	<u>847,389</u>	<u>440,228</u>	<u>-</u>	<u>1,287,617</u>
TOTAL FUNDS	<u>1,523,043</u>	<u>246,837</u>	<u>-</u>	<u>1,769,880</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	332,952	(526,343)	(193,391)
Restricted funds			
Other	1,745,697	(1,381,796)	363,901
Third Pole	543,000	(459,987)	83,013
Dialogo Chino	<u>215,828</u>	<u>(222,514)</u>	<u>(6,686)</u>
	<u>2,504,525</u>	<u>(2,064,297)</u>	<u>440,228</u>
TOTAL FUNDS	<u><u>2,837,477</u></u>	<u><u>(2,590,640)</u></u>	<u><u>246,837</u></u>

There are two designated funds from unrestricted reserves:

- Beijing operations fund: costs paid in advance and committed to operating in Beijing, this fund was reduced during 2022 but is ongoing;
- Fixed asset fund: the net book value of fixed assets that are not available for general use by the charity.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2022.

Accounts

REGISTERED COMPANY NUMBER: 06477262 (England and Wales)
REGISTERED CHARITY NUMBER: 1125378

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
CHINA DIALOGUE TRUST
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

CHINA DIALOGUE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2021

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CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

The Trustees, who are also Directors of the Company for the purposes of the Company Law, present their annual report and audited financial statements for the year ended 31 December 2021.

INTRODUCTION

China Dialogue Trust has a long-standing track record of promoting climate change science and educating the public about environmental issues.

The climate crisis impacts ecosystems, economies, and people's livelihoods. With China's established presence on the global stage, China Dialogue Trust aims to facilitate a constructive dialogue on climate change and global environmental issues, promote mutual understanding between China and the world, and inspire higher awareness of the planet's challenges. From the climate emergency to marine pollution, environmental issues concern all the world's citizens. Both the scale of its challenges and the size of its economy means China plays a uniquely important role. Information exchange and dialogue help us to move closer to viable, equitable and real solutions to the climate crisis and ensure a prosperous future.

The scope of China Dialogue Trust's focus includes global awareness on climate change; ecological environment protection; sustainable development, and low carbon future. China Dialogue Trust runs multiple online platforms that carry high-quality environmental education content, including research reports, policy briefs, and book reviews on environmental and climate change issues that affect China and the world. This stimulates the exchange of information and ideas both among Chinese and non-Chinese audiences.

China Dialogue Trust is internationally recognised for its dissemination of up-to-date information and knowledge on climate change. Its interpretation of scientific reports by the Inter-government Panel on Climate Change (IPCC) and in-depth analysis of China's climate policy are widely circulated. Its introduction of international best practices, lessons learned and case studies on climate change in China is appreciated by its readers. Its profiling of China's climate actions and low-carbon transition is closely followed by the global environmental community. China Dialogue Trust has also been advancing communication and cooperation on climate change through activities such as workshops and forums. Through capacity building, China Dialogue Trust supports related institutes and organisations to tell better stories about climate change and China's climate policy.

Beside climate change, China Dialogue Trust is also dedicated to public awareness raising of other environmental challenges including pollution prevention and control; marine environmental protection and biodiversity conservation. Since it was founded in 2006, China Dialogue Trust has been promoting dialogue on environmental protection, introducing the progress of China's environmental protection to the English-speaking world through its multilingual websites while bringing the experience of international sustainable development to a Chinese audience.

Besides its main online platform, 'China Dialogue', China Dialogue Trust also manages other environmental communications projects: The Third Pole, Diálogo Chino and China Dialogue Ocean.

The Third Pole, run by China Dialogue Trust's teams based in London and South Asia, supports in-depth, non-partisan and original coverage of all aspects of water in the countries of the Himalayan and the Lancang-Mekong basin, to stimulate informed debate and to promote cooperation on transboundary river management. Over the years, www.thethirdpole.net has established a reputation as the source of accessible, high-quality and balanced material on transboundary water in the Himalayan region.

Diálogo Chino, run by China Dialogue Trust's teams based in London, and across Latin America, aims to address the information gap between China and Latin America by fostering better understanding and communication between academics, government and the business community on the environmental and social impacts of China's activities in Latin America. All content is published in English, Spanish and Portuguese.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

China is now among the world's biggest ocean powers: how China will care for the marine environment will be critical in determining the fate of the ocean. China Dialogue Ocean is dedicated to reporting on, analysing, illuminating and helping to resolve the ocean crisis before it is too late.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which the Trust is established are:

- a. To advance the education of the public (including in particular the public of the People's Republic of China) in the conservation, protection and improvement of the physical and natural environment; and
- b. To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment and, in particular, but not so as to restrict the preceding wording, the physical and natural environment in the People's Republic of China.

OBJECTIVES AND ACTIVITIES

Activities, Achievements and Performance

Review of the period

In 2021, the spread of Covid-19 pandemic continued to impact all areas of life, even as countries made multiple attempts to navigate their way out of repeated and ongoing lockdowns. Travel has continued to be curtailed. Despite the continued impact of this unprecedented public health crisis, we continue to make a meaningful contribution to create higher public awareness about the environmental challenges faced by the world and facilitate conversations about solutions to our environmental problems and China's unique role in it. Through a range of online activities including workshops, seminars and information distribution, China Dialogue has been minimising the pandemic effects and carrying on its valuable work at this challenging time.

In January, Isabel Hilton stepped back as CEO of China Dialogue, and Sam Geall became Acting CEO. At the July board meeting and AGM, he was appointed as CEO. Isabel continues to be involved with China Dialogue Trust acting as Senior Advisor.

During the period covered by this report, China Dialogue has:

Hosted the 2020 China Climate Press Award ceremony. More than 50 communication staff from environmental civil society organisations and professionals engaged in climate reporting attended the meeting to share and discuss the best climate reporting and communications cases and exchange ideas on China's climate story. Representatives from the China Association for NGO Cooperation (CANGO) and Energy Foundation (China) also shared their insights on 'How to tell China's climate story' from different perspectives.

This year, China published its 14th Five Year Plan (FYP). China Dialogue Trust continues to play the role of interpreter and bridge builder on Chinese environmental policy and China's climate actions, shaping global understanding of the country's important role. This was particularly evident following the publication of the 14FYP, with our publication of analyses and insights into this key document and its impact.

China Dialogue's London team focused on key international events planned for 2021, specifically the Kunming Biodiversity COP15, which continued to be postponed due to the pandemic, and COP26, which was held in Glasgow in November. Ahead of the COP, China Dialogue Trust played an influential role with Sam Geall advising on a closed panel of experts convened by the UK government Cabinet Office and COP26 unit. We again participated in London Climate Action Week; Sam spoke on a LCAW panel hosted by Chatham House on the 'climate super year', as 2021 had been dubbed, in light of the major conferences scheduled to take place.

China Dialogue's CEO, Sam Geall, represented the organisation throughout the year at a number of events and talks, including an online panel discussion hosted by IIED and Green Economy Coalition: 'China, ecological civilisation, and green economy vision: 2021 and beyond', a German policymakers roundtable, including German MPs and MEPs, titled 'Climate in the Trilateral EU-US-China Relationships: Virtual Roundtable, and a Chatham House panel on COP26: "China, EU and the United States: Optimistic outcomes and ways forward." Around the Glasgow COP Sam was interviewed by multiple news outlets including ABC News Australia, News Statesman, The Guardian, and BBC World News, on China's impact and role at the conference

OBJECTIVES AND ACTIVITIES

Partnership and collaboration

China Dialogue Trust's Beijing project team continues to work closely with China Association for NGO Cooperation (CANGO) under the framework of China's Foreign NGO Law. In collaboration with CANGO, China Dialogue Trust implemented the Communications Capacity Building on Climate Change and Biodiversity Conservation Project.

Existing partnerships were maintained and developed with networks and organisations internationally. The China Dialogue London team participated in a number of events for London Climate Action Week, and we continue to work closely with the Roundtable on Sustainable Palm Oil (RSPO), and the All-China Environment Federation (ACEF), a national environmental NGO supervised by the Ministry of Ecology and Environment (MEE).

The Third Pole

This year we relaunched thethirdpole.net, to align with the enhanced design, performance and user experience delivered on chinadialogue.net in 2020.

The Third Pole continues to expand its influence and operations across South Asia; by expanding its focus to include climate change more expressly. Themes for this year included climate change, melting glaciers, energy, transboundary river cooperation, pollution, impacts of climate change, the future of energy, with a special focus on the Brahmaputra delta.

In March, we published an op-ed entitled, "Why was Pakistan left out of Biden's climate summit?", written by a prominent South Asia analyst in Washington DC who is well connected in US policy circles. Following the article's publication, the top climate advisor to Pakistan's Prime Minister responded to the article and approached the author to discuss it. A few weeks later, Pakistan was belatedly invited to President Biden's April leaders' summit on climate, as confirmed personally by the PM's climate advisor. The op-ed's author stated that the invitation signalled that the Biden administration had read the TTP article.

Diálogo Chino

Diálogo Chino continued with its strong performance in 2021. We worked in partnership with Colombian platform Armando.info to produce a series of reports on the China-Venezuela energy relationship which garnered the attention of Colombia's Vice President, who tweeted the lead story, saying they must "learn from others' mistakes". It attracted over 50,000 readers on dialogochino.net, and was circulated by influential newsletters, including Sinocism, a mainstay for China-watchers. Diálogo Chino continued exploring alternative pathways including reviewing the ecological impact of the soy supply chain in Brazil and infrastructure investments that support the soybean trade as well as ways to reduce dependence on carbon-intensive agricultural products.

Public benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the preceding paragraphs, specifically on the "Objectives and Aims" and "Activities, Achievements and Performance" for the year, relate in detail the benefit that the Charity provides to the public.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

FINANCIAL REVIEW

Financial position

Our financial year runs from January 1st to December 31st.

In 2021, the charity ran a surplus of £246,837 on total expenditure of £2,590,640. At 31 December 2021, the charity held funds totalling £1,769,880 (2020: £1,523,043).

Remuneration statement

To set the pay and rewards properly for employees there is a need to make informed judgements as well as adhering to the China Dialogue Trust governance and constitutional arrangements.

Trustees are legally and constitutionally responsible for setting rates of pay and this responsibility cannot and should not be wholly delegated to private agencies or independent experts.

In deciding on levels of pay for all staff the following factors will be taken into account, the purpose aims and values of China Dialogue Trust, competences, the strategic plan and need, ability to pay, performance, the wider 'employment offer' and recruitment and retention. These factors are not exclusive, and any decision will inevitably include an element of discretion on the part of trustees.

Reserves Policy

The trustees recognise the need to hold reserves to allow protection of core activities in the event of income shortfalls and to promote balanced, long-term strategic planning to enable the charity to carry out its objectives.

The trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. On the basis of this review the trustees recognised the need to hold a general reserve and the size of this reserve should be related to the level of ongoing financial commitments. The trustees decided that as a guide the organisation should keep its general reserves at a level equalling approximately three months of core expenditure. Core expenditure is calculated to include staff costs and committed overheads. The guide level of reserves at the end of December 2021 should be approximately £434,959. At the year end, the general reserves of the charity stood at £350,697 (2020: £245,112). The Trustees have passed a budget that aims to increase the level of free reserves back to three months by the end of 2022.

Covid-19 Statement

China Dialogue Trust continued to operate without major disruption in light of the Covid-19 pandemic. As reported last year, our financial outlook has not been affected, and it does not appear to be affecting our long-term financial resilience. On the whole, funders have been flexible and understanding of the impact of the pandemic on certain projects, with an ongoing curtailment of funding being spent on travel and events. Like many, we had anticipated when budgeting for the year, or for multi-year projects with budgets set before the pandemic began, normal levels of travel returning in 2021, which was not the case. We have revised project plans and communicated closely with funders to ensure that any budgets affected in this way have been utilised appropriately and according to the confines of any grant agreements.

Operationally, China Dialogue Trust continued to close its offices when the UK government 'work from home' directives were in place. In September, we began trialling a hybrid work approach, which allows staff to work from home two days a week, and this has been positively received.

Again, throughout 2021, colleagues globally have been affected at different points throughout this pandemic, as we have seen waves of infections rise and fall and as the emergence of variants and rollout of vaccines have impacted the response of world leaders. China Dialogue Trust is committed to ensuring the safety of its staff and the individuals we work with across the globe, and will endeavour to support them as they work within the constraints of the pandemic.

FUTURE PLANS

In 2022, the China Dialogue Trust will continue to build on the work of the last 15 years by further consolidating its reputation, extending its networks and building new partnerships. In particular, we aim to:

- continue to create high-quality content of in-depth analysis, policy briefs, research projects and blog posts;
- publish a range of longer-form reports and policy briefs and contribute to third party platforms;
- expand our links with climate change and environment-related organisations in China;
- form new relationships and partnerships;
- continue to promote cooperation and communication through workshops, roundtable discussions and seminars on climate change and other environmental affairs;
- we will relaunch chinadialogueocean.net and dialogochino.net with updated design and functionality in line with chinadialogue.net.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Governing document

i. Structure

'China Dialogue' is a project administered by the China Dialogue Trust. In addition, the Trust manages other online environmental education platforms, The Third Pole, Diálogo Chino and China Dialogue Ocean.

The China Dialogue Trust (the Trust) was incorporated as a company limited by guarantee on 18 January 2008 and obtained charitable status on 6 August 2008. In accordance with a legal transfer of undertakings dated 23 October 2008, the assets and liabilities of China Dialogue Limited (Company Registration Number: 05825437) were transferred to the Trust as at midnight on 30 September 2008.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the Annual General Meeting to serve for a period of three years.

The Members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

The Trust set up a trading subsidiary, China Dialogue Services (Company Registration Number: 8854972), which was incorporated on 21st January 2014. The trading subsidiary supports our growing revenue stream from translation services and occasional consultancy services.

China Dialogue Services took over the ownership of Dao Le Ge Environmental Consulting (Beijing) Co. Ltd at the end of December 2015. In 2020, Dao Le Ge Environmental Consulting was dissolved pertaining to regulation requirements in the People's Republic of China, as China Dialogue Trust seeks to register as a Foreign NGO representative office in China. The China Dialogue team in Beijing has since been operating as a project team under Temporary Activity Permits issued under China's Foreign NGO Management Law.

ii. Governance

The Trust receives generous support from its executive board. The executive board meets three times a year to evaluate the governance of the charity and advise on its long-term strategy. The treasurer meets with the chief operating officer annually to review the projected budgets for the year ahead. The members of the executive board assist with fundraising and partnership building.

iii. Management

The Trustees meet regularly throughout the year and are inducted through detailed briefings.

New Trustees are recommended to the board by existing members or by the Chief Executive Officer based on their experience and expertise of the charity's work.

The Chief Executive Officer of the Trust is Sam Geall, working closely with Tallulah Staple, the Chief Operating Officer. The China Dialogue website is managed by the London and Beijing team. In London, the website is supported by the digital team. In Beijing, the website is supported by Ma Tianjie, the Beijing Director and Lin Zi, Beijing Operations Manager.

The Third Pole website is managed by Joydeep Gupta, South Asia director, in Delhi and Aron White, Asia Pacific editor, in the London office. The website is also supported by a small editorial team in Delhi, as well as country coordinators in Bangladesh, Nepal and Pakistan.

The Diálogo Chino website is managed by Robert Soutar, project director, in London.

All of the websites are supported by Lushan Huang, the Production Manager.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06477262 (England and Wales)

Registered Charity number

1125378

Registered office

15 Printing House Yard

Perseverance Works

London

E2 7PR

Trustees

T M Copsey (resigned 27/7/2021)

Mrs M Mehra (resigned 27/7/2021)

Ms E A Wright (resigned 27/7/2021)

Prof K Brown

S C Tinton

D T Burke

Ms S Hitch

D L Horn-Phathanothai

Company Secretary

Ms T Staple

Senior Statutory Auditor

J Thacker FCA DChA

Auditors

Chariot House Limited

Chartered Accountants

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Contact Details

Chief Executive Officer

Sam Geall

Telephone number

020 7683 2985

Website

www.chinadialogue.net

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Advisers

Bankers

HSBC Bank PLC
74 Goswell Road
Clerkenwell
London
EC1V 7DA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of China Dialogue Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The Auditors, Chariot House Limited, are willing to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 26 July 2022 and signed on its behalf by:

D T Burke - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHINA DIALOGUE TRUST

Opinion

We have audited the financial statements of China Dialogue Trust (the 'charitable company') for the year ended 31st December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHINA DIALOGUE TRUST**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHINA DIALOGUE TRUST

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We identified that the following laws and regulations are central to the charitable company:

- Companies Act 2006
- Charities Act 2011
- Charities SORP 2019
- Health & safety regulations

We did not find any instances of non-compliance or breaches of the legislation framework applicable to the charitable company.

We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We identified that the following areas were of high risk:

- Completeness of income. We performed various audit tests to ensure that income was not materially understated in the financial statements.
- Management override of controls. We performed various audit tests to ensure there was no material management override of controls

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charities Act 2011 and Charities SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of management bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHINA DIALOGUE TRUST**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

J Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 26 July 2022

CHINA DIALOGUE TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Environment and Climate Change		332,951	2,504,525	2,837,476	2,945,461
Investment income	2	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Total		332,952	2,504,525	2,837,477	2,945,461
 EXPENDITURE ON					
Charitable activities	4				
Environment and Climate Change		<u>526,343</u>	<u>2,064,297</u>	<u>2,590,640</u>	<u>2,050,491</u>
NET INCOME/(EXPENDITURE)		(193,391)	440,228	246,837	894,970
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>675,654</u>	<u>847,389</u>	<u>1,523,043</u>	<u>628,073</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>482,263</u></u>	<u><u>1,287,617</u></u>	<u><u>1,769,880</u></u>	<u><u>1,523,043</u></u>

The notes form part of these financial statements

CHINA DIALOGUE TRUST (REGISTERED NUMBER: 06477262)**BALANCE SHEET**
31ST DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	10	904	-	904	345
Investments	11	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		1,004	-	1,004	445
CURRENT ASSETS					
Debtors	12	239,149	-	239,149	459,795
Cash at bank		<u>424,121</u>	<u>1,287,617</u>	<u>1,711,738</u>	<u>1,164,622</u>
		663,270	1,287,617	1,950,887	1,624,417
CREDITORS					
Amounts falling due within one year	13	<u>(182,011)</u>	<u>-</u>	<u>(182,011)</u>	<u>(101,819)</u>
NET CURRENT ASSETS		<u>481,259</u>	<u>1,287,617</u>	<u>1,768,876</u>	<u>1,522,598</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>482,263</u>	<u>1,287,617</u>	<u>1,769,880</u>	<u>1,523,043</u>
NET ASSETS		<u>482,263</u>	<u>1,287,617</u>	<u>1,769,880</u>	<u>1,523,043</u>
FUNDS	14				
Unrestricted funds:					
General fund				350,697	245,112
Beijing office costs 2021				130,662	430,197
Fixed Asset designated fund				<u>904</u>	<u>345</u>
				<u>482,263</u>	<u>675,654</u>
Restricted funds				<u>1,287,617</u>	<u>847,389</u>
TOTAL FUNDS				<u>1,769,880</u>	<u>1,523,043</u>

The notes form part of these financial statements

BALANCE SHEET - continued
31ST DECEMBER 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 26 July 2022 and were signed on its behalf by:

D T Burke - Trustee

CHINA DIALOGUE TRUST**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>548,235</u>	<u>541,775</u>
Net cash provided by operating activities		<u>548,235</u>	<u>541,775</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,120)	-
Interest received		<u>1</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(1,119)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		547,116	541,775
Cash and cash equivalents at the beginning of the reporting period		<u>1,164,622</u>	<u>622,847</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,711,738</u></u>	<u><u>1,164,622</u></u>

The notes form part of these financial statements

CHINA DIALOGUE TRUST**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021****1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	246,837	894,970
Adjustments for:		
Depreciation charges	560	335
Interest received	(1)	-
Decrease/(increase) in debtors	220,646	(251,185)
Increase/(decrease) in creditors	80,193	(102,345)
Net cash provided by operations	<u>548,235</u>	<u>541,775</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £	Cash flow £	At 31/12/21 £
Net cash			
Cash at bank	<u>1,164,622</u>	<u>547,116</u>	<u>1,711,738</u>
	<u>1,164,622</u>	<u>547,116</u>	<u>1,711,738</u>
Total	<u>1,164,622</u>	<u>547,116</u>	<u>1,711,738</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, including taking into account any potential impact of the Covid-19 pandemic, and on that basis the charity is considered to be a going concern.

Preparation of consolidated financial statements

The financial statements do not contain consolidated financial information as the parent of a group. The subsidiary undertaking has been excluded from consolidation as its inclusion is not material for the purpose of giving a true and fair view.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Where grants are received during the year under review but relate to a later period the amount is deferred under Grants in Advance in the Balance Sheet.

Grants from government and other agencies have been included as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities and support costs

The costs of charitable activities comprise expenditure on the Trust's primary charitable purposes as described in the Trustees' Report. Such costs include the costs of maintaining, editing and developing the website.

Support costs represent indirect charitable expenditure. In order to carry out the activities of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

These costs are allocated out to the activities they are supporting on the basis described in the notes.

Tangible fixed assets

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised, except where funded by Restricted grants and then they are written off in the year of purchase, and are stated at cost less depreciation.

Depreciation

All tangible fixed assets, are depreciated on the straight-line method over their estimated useful lives as follows:

Computer equipment - 3 years.

Taxation

The Charity is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Taxes Purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

The Charity has various types of funds for which it is responsible:-

Unrestricted funds - are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Restricted funds - comprise monies raised for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**2. INVESTMENT INCOME**

	2021	2020
	£	£
Deposit account interest	<u>4</u>	<u>1</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Project Income - Other Fees			
Receivable	Environment and Climate Change	22,157	7,979
Grants and Donations	Environment and Climate Change	<u>2,815,319</u>	<u>2,937,482</u>
		<u>2,837,476</u>	<u>2,945,461</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
European Climate Foundation	384,917	144,804
Rockefeller Brothers Foundation	182,462	267,676
Henry Luce Foundation	47,159	52,974
Climateworks Foundation	2,202	304,881
Department for International Development	541,048	302,840
Network for Social Change	-	14,200
Oak Foundation	128,334	128,333
Waterloo Foundation	40,000	40,000
Packard Foundation	315,393	400,654
Moore Foundation	366,276	254,859
Hewlett Foundation	394,600	358,175
WWF	21,646	33,578
EU Asia Centre	-	7,039
Climate and Land Use Alliance	-	33,400
Carnegie Council for Ethics in International Affairs	7,401	19,650
Raoul Wallenberg Institute	4,148	15,719
Ford Foundation	66,708	66,831
Growald Family Fund	75,683	77,286
The Pew Charitable Trust	-	5,435
Swiss Philanthropy Foundation	8,289	35,890
Woodrow Wilson Center	20,247	18,401
Quadrature	-	285,734
Other Grants	54,928	69,123
Robert Bosch Foundation	42,065	-
Mott Foundation	<u>111,813</u>	<u>-</u>
	<u>2,815,319</u>	<u>2,937,482</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Environment and Climate Change	<u>2,306,268</u>	<u>284,372</u>	<u>2,590,640</u>

5. SUPPORT COSTS

	Management £
Environment and Climate Change	<u>284,372</u>

Support costs, included in the above, are as follows:

Management

	2021 Total activities £	2020 Total activities £
Establishment	54,590	55,415
Office	69,666	61,538
Legal and Professional	1,401	8,314
Accountancy	30,795	32,770
Other	24,338	13,676
Website	97,862	118,685
Audit	5,160	4,560
Depreciation of tangible and heritage assets	<u>560</u>	<u>335</u>
	<u>284,372</u>	<u>295,293</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	561	335
Auditors' remuneration	3,010	2,460
Auditors' remuneration - non audit services	<u>2,150</u>	<u>2,820</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

8. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	718,118	546,221
Social security costs	74,994	50,884
Other pension costs	<u>25,924</u>	<u>35,399</u>
	<u>819,036</u>	<u>632,504</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Editorial	18	17
Administration	<u>1</u>	<u>1</u>
	<u>19</u>	<u>18</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-
£90,001 - £100,000	<u>1</u>	<u>-</u>
	<u>3</u>	<u>2</u>

Key Management remuneration totalled £267,007 (2020:£189,084).

Salary increase seen in 2021 due to two primary factors: 1) increased head count alongside an increase in FTE staff 2) robust benchmarking exercise undertaken in late 2020 by external HR consultant in partnership with 15 other London-based charities with comparable staffing and organisational structures, which resulted in a salary uptick for most London staff.

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Environment and Climate Change	978,846	1,966,614	2,945,460
Investment income	-	1	1
Total	978,846	1,966,615	2,945,461
EXPENDITURE ON			
Charitable activities			
Environment and Climate Change	355,222	1,695,269	2,050,491
NET INCOME	623,624	271,346	894,970
RECONCILIATION OF FUNDS			
Total funds brought forward	52,029	576,044	628,073
TOTAL FUNDS CARRIED FORWARD	675,653	847,390	1,523,043

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**10. TANGIBLE FIXED ASSETS**

	Computer equipment £
COST	
At 1st January 2021	9,079
Additions	1,120
Disposals	<u>(433)</u>
At 31st December 2021	<u>9,766</u>
DEPRECIATION	
At 1st January 2021	8,734
Charge for year	561
Eliminated on disposal	<u>(433)</u>
At 31st December 2021	<u>8,862</u>
NET BOOK VALUE	
At 31st December 2021	<u>904</u>
At 31st December 2020	<u>345</u>

11. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1st January 2021 and 31st December 2021	<u>100</u>
NET BOOK VALUE	
At 31st December 2021	<u>100</u>
At 31st December 2020	<u>100</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

China Dialogue Services Limited

Registered office:

Nature of business: translation and interpreting

Class of share:	% holding
Ordinary	100

	2021 £	2020 £
Aggregate capital and reserves	<u>100</u>	<u>100</u>
Result for the year	<u>-</u>	<u>-</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	149,925	430,197
Amounts owed by group undertakings	-	7,121
Other debtors	14,517	14,477
Prepayments and accrued income	74,707	8,000
	<u>239,149</u>	<u>459,795</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	18,440	27,788
Amounts owed to group undertakings	62,444	-
Social security and other taxes	20,561	17,170
Other creditors	25,769	21,870
Accruals and deferred income	49,637	30,431
Accrued expenses	5,160	4,560
	<u>182,011</u>	<u>101,819</u>

14. MOVEMENT IN FUNDS

	At 1/1/21	Net movement in funds	Transfers between funds	At 31/12/21
	£	£	£	£
Unrestricted funds				
General fund	245,112	(193,391)	298,976	350,697
Beijing office costs 2021	430,197	-	(299,535)	130,662
Fixed Asset designated fund	345	-	559	904
	675,654	(193,391)	-	482,263
Restricted funds				
Other	721,696	363,901	-	1,085,597
Third Pole	78,481	83,013	-	161,494
Dialogo Chino	47,212	(6,686)	-	40,526
	847,389	440,228	-	1,287,617
TOTAL FUNDS	<u>1,523,043</u>	<u>246,837</u>	<u>-</u>	<u>1,769,880</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**14. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	332,952	(526,343)	(193,391)
Restricted funds			
Other	1,745,697	(1,381,796)	363,901
Third Pole	543,000	(459,987)	83,013
Dialogo Chino	215,828	(222,514)	(6,686)
	<u>2,504,525</u>	<u>(2,064,297)</u>	<u>440,228</u>
TOTAL FUNDS	<u>2,837,477</u>	<u>(2,590,640)</u>	<u>246,837</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	52,029	623,625	(430,542)	245,112
Beijing office costs 2021	-	-	430,197	430,197
Fixed Asset designated fund	-	-	345	345
	52,029	623,625	-	675,654
Restricted funds				
Other	576,044	145,652	-	721,696
Third Pole	-	78,481	-	78,481
Dialogo Chino	-	47,212	-	47,212
	<u>576,044</u>	<u>271,345</u>	<u>-</u>	<u>847,389</u>
TOTAL FUNDS	<u>628,073</u>	<u>894,970</u>	<u>-</u>	<u>1,523,043</u>

CHINA DIALOGUE TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31ST DECEMBER 2021**14. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	978,846	(355,221)	623,625
Restricted funds			
Other	1,491,039	(1,345,387)	145,652
Third Pole	356,513	(278,032)	78,481
Dialogo Chino	<u>119,063</u>	<u>(71,851)</u>	<u>47,212</u>
	<u>1,966,615</u>	<u>(1,695,270)</u>	<u>271,345</u>
TOTAL FUNDS	<u><u>2,945,461</u></u>	<u><u>(2,050,491)</u></u>	<u><u>894,970</u></u>

There are two designated funds from unrestricted reserves:

- Beijing operations: costs paid in advance and committed to operating in Beijing, this fund was extended during 2021;
- Fixed asset fund: the net book value of fixed assets that are not available for general use by the charity.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2021.

Accounts

REGISTERED COMPANY NUMBER: 06477262 (England and Wales)
REGISTERED CHARITY NUMBER: 1125378

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
CHINA DIALOGUE TRUST
(A COMPANY LIMITED BY GUARANTEE)

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

CHINA DIALOGUE TRUST

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FOR THE YEAR ENDED 31ST DECEMBER 2020

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CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees, who are also Directors of the Company for the purposes of the Company Law, present their annual report and audited financial statements for the year ended 31 December 2020.

INTRODUCTION

China Dialogue Trust has a long-standing track record of promoting climate change science and educating the public about environmental issues.

Climate change is already impacting ecosystems, economies, and people's livelihoods. With China's growing presence on the global stage, China Dialogue Trust aims to facilitate a constructive dialogue on climate change and global environmental issues, promote mutual understanding between China and the world, and inspire higher awareness of the planet's challenges. From the climate emergency to marine pollution, environmental issues concern all the world's citizens. Both the scale of its challenges and the size of its economy means China plays a uniquely important role. Information exchange and dialogue help us to move closer to viable, equitable and real solutions to the climate crisis and ensure a prosperous future.

The scope of China Dialogue Trust's focus includes global awareness on climate change; ecological environment protection; sustainable development, and low carbon future. China Dialogue Trust runs multiple online platforms that carry high-quality environmental education content, including research reports, policy briefs, blog posts and book reviews on environmental and climate change issues that affect China and the world. This stimulates the exchange of information and ideas both among Chinese and non-Chinese audiences.

China Dialogue Trust is internationally recognised for its dissemination of up-to-date information and knowledge on climate change. Its interpretation of scientific reports by the Inter-government Panel on Climate Change (IPCC) and in-depth analysis of China's climate policy are widely circulated. Its introduction of international best practices, lessons learned and case studies on climate change in China is appreciated by its readers. Its profiling of China's climate actions and low-carbon transition is closely followed by the global environmental community. China Dialogue Trust has also been advancing communication and cooperation on climate change through activities such as workshops and forums. Through capacity building, China Dialogue Trust supports related institutes and organisations to tell better stories about climate change and China's climate policy.

Beside climate change, China Dialogue Trust is also dedicated to public awareness raising of other environmental challenges including pollution prevention and control; marine environmental protection and biodiversity conservation. Since it was founded in 2006, China Dialogue Trust has been promoting two-way communication on environmental protection, introducing the progress of China's environmental protection to the English-speaking world through its multi-lingual websites while bringing the experience of international sustainable development to a Chinese audience.

Besides its main online platform, 'China Dialogue', China Dialogue Trust also manages other environmental communications projects: The Third Pole, Diálogo Chino, China Dialogue Ocean and India Climate Dialogue.

The Third Pole, run by China Dialogue Trust's teams based in London and South Asia, supports in-depth, non-partisan and original coverage of all aspects of water in the countries of the Himalayan and the Lancang-Mekong basin, to stimulate informed debate and to promote cooperation on transboundary river management. Over the years, the pioneering online forum, www.thethirdpole.net, has established a reputation as the source of accessible, high-quality and balanced material on transboundary water in the Himalayan region.

Diálogo Chino, run by China Dialogue Trust's teams based in London, and across Latin America, aims to address the information gap between China and Latin America by fostering better understanding and communication between academics, government and the business community on the environmental and social impacts of China's activities in Latin America. All content is published in English, Spanish and Portuguese.

India Climate Dialogue, run by China Dialogue Trust's Delhi team, provides access to accurate and unbiased information on climate change in India. The aim of this project is to inform and educate readers on climate change with particular reference to one of Asia's biggest economies and most diverse societies, and seeks to connect the climate debate in India with the global climate discussion.

China is now among the world's biggest ocean powers: how China will care for the marine environment will be critical in determining the fate of the ocean. China Dialogue Ocean is dedicated to reporting on, analysing, illuminating and helping to resolve the ocean crisis before it is too late.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects for which the Trust is established are:

- a. To advance the education of the public (including in particular the public of the People's Republic of China) in the conservation, protection and improvement of the physical and natural environment; and
- b. To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment and, in particular, but not so as to restrict the preceding wording, the physical and natural environment in the People's Republic of China.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Activities, Achievements and Performance

Review of the period

In 2020, the spread of Covid-19 pandemic and its resulting impact led to a global crisis of unprecedented reach and proportion. Cities experienced lockdown, travel bans have been frequently applied and in person activities have been limited. Despite the impact of the public health crisis, we continue to make a meaningful contribution to create higher public awareness about the environmental challenges faced by the world and facilitate conversations about solutions to our environmental problems and China's unique role in it. Through a range of online activities including workshops, seminars and information distribution, China Dialogue has been minimising the pandemic effects and carrying on its valuable work at this challenging time.

During the period covered by this report, China Dialogue has:

Relaunched our flagship website, chinadialogue.net with an enhanced design that is better able to serve the high quality multimedia content and other outputs on the site. We have enhanced performance and user experience, as well as the visual design.

Co-hosted the Marine Biodiversity Conservation and Sustainable Fishery Webinar in Beijing on July 4th, with China Association for NGO Cooperation (CANGO). The event included high-profile guest speakers from the Ministry of Ecology and Environment (MEE), Ministry of Natural Resources (MNR), research institutes and NGOs attended the webinar. The webinar presented the latest analysis and research about the marine protection targets that could be achieved through the Convention on Biological Diversity (CBD). Participants also shared information on sustainable fishery and marine protection.

Co-hosted the 2019 Best Climate Communications Cases online Workshop in Beijing on July 24th with China Association for NGO Cooperation (CANGO). Through the sharing of excellent climate communication cases, the workshop discussed the challenges facing climate reporting and how climate reporting can reach a broader audience. This event was attended by the Director of the Environmental Communications and Education Center of MEE who also gave a speech on climate communications.

China Dialogue's London team actively facilitated and participated in conversations about China's increasingly important global role in environmental governance. China Dialogue Trust's London team also hosted a London Climate Action Week panel on China building back greener after the Covid crisis and a webinar by China Dialogue Ocean, which looked at reporting on China's fisheries.

This year, China announced its ambition to achieve carbon neutrality by 2060. The announcement sparked a huge response and gave rise to speculation as to how this would be achieved. China Dialogue Trust's senior team members continue to play the role of interpreter and bridge builder on Chinese environmental policy and China's climate actions, shaping global understanding of the country's important role.

Among her regular attendance at events, Isabel Hilton, China Dialogue's CEO gave two lectures, one on China's Environmental Policy at University College London, and another at Oxford University's China Centre.

China Dialogue's executive director, Sam Geall also represented the organisation throughout the year at a number of events and talks, including at the European Parliament regular meeting of China delegation regarding the Convention on Biodiversity COP15. Sam chaired China Dialogue's webinar "The Road to Kunming: High-Level Workshop on Biodiversity, Climate and Governance", and the China Dialogue London Climate Action Week panel discussion "All change? US-China climate politics after the US election" on November 18th.

China Dialogue Trust's Beijing Director Ma Tianjie regularly spoke at events organised by think tanks, academic institutions and NGOs about China's environmental developments.

OBJECTIVES AND ACTIVITIES

Partnership and collaboration

China Dialogue Trust's Beijing project team continues to work closely with China Association for NGO Cooperation (CANGO) under the framework of China's Foreign NGO Law. In collaboration with CANGO, China Dialogue Trust implemented the Communications Capacity Building on Climate Change and Biodiversity Conservation Project.

Existing partnerships were maintained and developed with networks and organisations internationally. The China Dialogue London team hosted a number of events for London Climate Action Week, and the team developed a strong relationship with the Roundtable on Sustainable Palm Oil (RSPO). The China Dialogue Trust Beijing team established a new partnership with All-China Environment Federation (ACEF), a national environmental NGO supervised by the Ministry of Ecology and Environment (MEE).

The Third Pole

The Third Pole continues to expand its influence and operations across South Asia; the project celebrated its 10th anniversary, remembering its launch in 2010 and looks ahead to the coming decade. Themes for this year included melting glaciers, energy, transboundary river cooperation, pollution, impacts of climate change, the future of energy, with a special focus on the Ganges River and the Mekong River.

Diálogo Chino

Diálogo Chino reached a still growing audience in Latin America in 2020. Its series of articles on the main obstacles to greater supply chain sustainability, raising awareness of under-reported risks, and exploring alternative pathways included reviewing the ecological impact of the soy supply chain in Brazil and infrastructure investments that support the soybean trade as well as ways to reduce dependence on carbon-intensive agricultural products.

India Climate Dialogue

India Climate Dialogue continues to serve as an important platform through which the international community learn about climate developments in India.

Public benefit

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the preceding paragraphs, specifically on the "Objectives and Aims" and "Activities, Achievements and Performance" for the year, relate in detail the benefit that the Charity provides to the public.

FINANCIAL REVIEW

Financial position

Our financial year runs from January 1st to December 31st.

In 2020, the charity ran a surplus of £894,971 on total expenditure of £2,050,491. At 31 December 2020, the charity held funds totalling £1,523,043 (2019: £628,073).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

FINANCIAL REVIEW

Remuneration statement

To set the pay and rewards properly for employees there is a need to make informed judgements as well as adhering to the China Dialogue Trust governance and constitutional arrangements.

Trustees are legally and constitutionally responsible for setting rates of pay and this responsibility cannot and should not be wholly delegated to private agencies or independent experts.

In deciding on levels of pay for all staff the following factors will be taken into account, the purpose aims and values of China Dialogue Trust, competences, the strategic plan and need, ability to pay, performance, the wider 'employment offer' and recruitment and retention. These factors are not exclusive, and any decision will inevitably include an element of discretion on the part of trustees.

Reserves Policy

The trustees recognise the need to hold reserves to allow protection of core activities in the event of income shortfalls and to promote balanced, long-term strategic planning to enable the charity to carry out its objectives.

The trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. On the basis of this review the trustees recognised the need to hold a general reserve and the size of this reserve should be related to the level of ongoing financial commitments. The trustees decided that as a guide the organisation should keep its general reserves at a level equalling approximately three months of core expenditure. Core expenditure is calculated to include staff costs and committed overheads. The guide level of reserves at the end of December 2020 should be approximately £250,024. At the year end, the general reserves of the charity stood at £245,112 (2019: £52,029).

Covid-19 Statement

To date, China Dialogue Trust has been able to continue operating in light of the Covid-19 pandemic. In the short term, our financial outlook has not been affected, however, we are aware that funding and investments may be negatively impacted by the global downturn and that this could affect our long-term financial resilience. At this stage we are not able to quantify what that impact will be, but the situation is being continually monitored. On the whole, funders have been flexible and understanding of the impact of the pandemic on certain projects, with far less funding being spent on travel and events than was budgeted for. We have revised project plans and communicated closely with funders to ensure that any budgets affected in this way have been utilised appropriately and according to the confines of any grant agreements.

Operationally, China Dialogue Trust had to make several adjustments in order to maintain operations, which included closing offices and requiring staff to work remotely. It was anticipated that this would be a short-term measure, but the London team continued working remotely for the remainder of 2020. Staff are currently being consulted on hybrid working arrangements and plans are being made for a phased and safe return to the London office. We also stopped all non-essential travel and asked all employees to follow hygiene and government recommendations.

Colleagues globally have been affected at different points throughout this pandemic, as we have seen waves of infections rise and fall and as the emergence of variants and rollout of vaccines have impacted the response of world leaders. China Dialogue Trust is committed to ensuring the safety of its staff and the individuals we work with across the globe, and will endeavour to support them as they work within the constraints of the pandemic.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

FUTURE PLANS

In 2021, the China Dialogue Trust will continue to build on the work of the last 14 years by further consolidating its reputation, extending its networks and building new partnerships. In particular, we aim to:

- continue to create high-quality content of in-depth analysis, policy briefs, research projects and blog posts;
- publish a range of longer-form reports and policy briefs and contribute to third party platforms;
- expand our links with climate change and environment-related organisations in China;
- form new relationships and partnerships;
- continue to promote cooperation and communication through workshops, roundtable discussions and seminars on climate change and other environmental affairs;
- we will relaunch thethirdpole.net, and chinadialogueocean.net with updated design and functionality in line with chinadialogue.net. We will aim to raise funding to enable us to similarly relaunch dialogochino.net;
- we will consolidate the India Climate Dialogue website into enhanced climate coverage on thethirdpole.net, this will allow us to focus our staff and strategy on a single website and increase the overall value of our coverage in South Asia.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

i. Structure

'China Dialogue' is a project administered by the China Dialogue Trust. In addition, the Trust manages other online environmental education platforms, The Third Pole, India Climate Dialogue, Diálogo Chino and China Dialogue Ocean.

The China Dialogue Trust (the Trust) was incorporated as a company limited by guarantee on 18 January 2008 and obtained charitable status on 6 August 2008. In accordance with a legal transfer of undertakings dated 23 October 2008, the assets and liabilities of China Dialogue Limited (Company Registration Number: 05825437) were transferred to the Trust as at midnight on 30 September 2008.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the Annual General Meeting to serve for a period of three years.

The Members have guaranteed to contribute a maximum of £1 each in the event of the company being wound up.

The Trust set up a trading subsidiary, China Dialogue Services (Company Registration Number: 8854972), which was incorporated on 21st January 2014. The trading subsidiary supports our growing revenue stream from translation services and occasional consultancy services.

China Dialogue Services took over the ownership of Dao Le Ge Environmental Consulting (Beijing) Co. Ltd at the end of December 2015. In 2020, Dao Le Ge Environmental Consulting was dissolved pertaining to regulation requirements in the People's Republic of China, as China Dialogue Trust seeks to register as a Foreign NGO representative office in China. The China Dialogue team in Beijing has since been operating as a project team under Temporary Activity Permits issued under China's Foreign NGO Management Law.

ii. Governance

The Trust receives generous support from its executive board. The executive board meets three times a year to evaluate the governance of the charity and advise on its long-term strategy. The treasurer meets with the chief operating officer annually to review the projected budgets for the year ahead. The members of the executive board assist with fundraising and partnership building.

iii. Management

The Trustees meet regularly throughout the year and are inducted through detailed briefings.

New Trustees are recommended to the board by existing members or by the Chief Executive Officer based on their experience and expertise of the charity's work.

The Chief Executive Officer of the Trust is Isabel Hilton, assisted in the London office by Tallulah Staple, the Chief Operating Officer, and Niamh O'Connor, the Office Assistant. Sam Geall adopted the role of Executive Director in late 2019, and worked on an executive transition plan with then-CEO Isabel Hilton. In early 2021, she stepped down from her role as CEO and Sam became acting CEO. The China Dialogue website is managed by the London and Beijing team. In London, the website is supported by the digital team. In Beijing, the website is supported by Ma Tianjie, the Beijing Director and Lin Zi, Beijing Operations Manager.

The Third Pole website is managed by Joydeep Gupta, South Asia director, in Delhi and Aron White, Asia Pacific editor, in the London office. The website is also supported by a small editorial team in Delhi, as well as country coordinators in Bangladesh, Nepal and Pakistan.

The India Climate Dialogue website is managed by Joydeep Gupta, project director, in Delhi.

The Diálogo Chino website is managed by Robert Soutar, project director, in London.

All of the websites are supported by Lushan Huang, the Production Manager.

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06477262 (England and Wales)

Registered Charity number

1125378

Registered office

15 Printing House Yard
Perseverance Works
London
E2 7PR

Trustees

T M Copsey
J T S Fenby (resigned 19/3/2020)
P J R Luff (resigned 1/9/2020)
Mrs M Mehra
Ms E A Wright
Mrs J-M Gescher (resigned 19/3/2020)
Prof K Brown
S C Tinton
D T Burke
Ms S Hitch
C Parton (resigned 1/9/2020)
D L Horn-Phathanothai

Company Secretary

Ms T Staple

Senior Statutory Auditor

J Thacker FCA DChA

Auditors

Chariot House Limited
Chartered Accountants
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Contact Details

Chief Executive Officer

Isabel Hilton

Telephone number

020 7683 2985

Website

www.chinadialogue.net

CHINA DIALOGUE TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31ST DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Advisers

Bankers

HSBC Bank PLC
74 Goswell Road
Clerkenwell
London
EC1V 7DA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of China Dialogue Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The Auditors, Chariot House Limited, are willing to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 27 July 2021 and signed on its behalf by:

D T Burke - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHINA DIALOGUE TRUST

Opinion

We have audited the financial statements of China Dialogue Trust (the 'charitable company') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHINA DIALOGUE TRUST

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We identified that the following laws and regulations are central to the charitable company:

- Companies Act 2006
- Charities Act 2011
- Charities SORP 2019
- Health & safety regulations

We did not find any instances of non-compliance or breaches of the legislation framework applicable to the charitable company.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHINA DIALOGUE TRUST

We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We identified that the following areas were of high risk:

- Completeness of income. We performed various audit tests to ensure that income was not materially understated in the financial statements.
- Management override of controls. We performed various audit tests to ensure there was no material management override of controls

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charities Act 2011 and Charities SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel when considered necessary. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of management bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

J Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 27 July 2021

CHINA DIALOGUE TRUST**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

		Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Environment and Climate Change		978,846	1,966,615	2,945,461	1,578,087
Investment income	2	-	-	-	2
Total		978,846	1,966,615	2,945,461	1,578,089
EXPENDITURE ON					
Charitable activities	4				
Environment and Climate Change		355,222	1,695,269	2,050,491	1,716,785
NET INCOME/(EXPENDITURE)		623,624	271,346	894,970	(138,696)
RECONCILIATION OF FUNDS					
Total funds brought forward		52,029	576,044	628,073	766,769
TOTAL FUNDS CARRIED FORWARD		<u>675,653</u>	<u>847,390</u>	<u>1,523,043</u>	<u>628,073</u>

The notes form part of these financial statements

BALANCE SHEET
31ST DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	10	345	-	345	680
Investments	11	<u>100</u>	<u>-</u>	<u>100</u>	<u>100</u>
		445	-	445	780
CURRENT ASSETS					
Debtors	12	459,795	-	459,795	208,610
Cash at bank		<u>317,233</u>	<u>847,389</u>	<u>1,164,622</u>	<u>622,847</u>
		777,028	847,389	1,624,417	831,457
CREDITORS					
Amounts falling due within one year	13	(101,819)	-	(101,819)	(204,164)
		<u>675,209</u>	<u>847,389</u>	<u>1,522,598</u>	<u>627,293</u>
NET CURRENT ASSETS					
		<u>675,209</u>	<u>847,389</u>	<u>1,522,598</u>	<u>627,293</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>675,654</u>	<u>847,389</u>	<u>1,523,043</u>	<u>628,073</u>
NET ASSETS		<u>675,654</u>	<u>847,389</u>	<u>1,523,043</u>	<u>628,073</u>
FUNDS	14				
Unrestricted funds:					
General fund				245,112	52,029
Beijing office costs 2021				430,197	-
Fixed Asset designated fund				<u>345</u>	<u>-</u>
				675,654	52,029
Restricted funds				<u>847,389</u>	<u>576,044</u>
TOTAL FUNDS				<u>1,523,043</u>	<u>628,073</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 27 July 2021 and were signed on its behalf by:

D T Burke - Trustee

The notes form part of these financial statements

CHINA DIALOGUE TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>541,775</u>	<u>(233,336)</u>
Net cash provided by/(used in) operating activities		<u>541,775</u>	<u>(233,336)</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,022)
Interest received		<u>-</u>	<u>2</u>
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(1,020)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		541,775	(234,356)
Cash and cash equivalents at the beginning of the reporting period		<u>622,847</u>	<u>857,203</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>1,164,622</u></u>	<u><u>622,847</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	894,970	(138,696)
Adjustments for:		
Depreciation charges	335	341
Interest received	-	(1)
Increase in debtors	(251,185)	(199,509)
(Decrease)/increase in creditors	<u>(102,345)</u>	<u>104,529</u>
Net cash provided by/(used in) operations	<u><u>541,775</u></u>	<u><u>(233,336)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank	<u>622,847</u>	<u>541,775</u>	<u>1,164,622</u>
	<u>622,847</u>	<u>541,775</u>	<u>1,164,622</u>
Total	<u><u>622,847</u></u>	<u><u>541,775</u></u>	<u><u>1,164,622</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, including taking into account any potential impact of the Covid-19 pandemic, and on that basis the charity is considered to be a going concern.

Preparation of consolidated financial statements

The financial statements do not contain consolidated financial information as the parent of a group. The subsidiary undertaking has been excluded from consolidation as its inclusion is not material for the purpose of giving a true and fair view.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Where grants are received during the year under review but relate to a later period the amount is deferred under Grants in Advance in the Balance Sheet.

Grants from government and other agencies have been included as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities and support costs

The costs of charitable activities comprise expenditure on the Trust's primary charitable purposes as described in the Trustees' Report. Such costs include the costs of maintaining, editing and developing the website.

Support costs represent indirect charitable expenditure. In order to carry out the activities of the Charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

These costs are allocated out to the activities they are supporting on the basis described in the notes.

Tangible fixed assets

Recognition and measurement

Fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

All assets costing more than £250 and with an expected useful life exceeding one year are capitalised, except where funded by Restricted grants and then they are written off in the year of purchase, and are stated at cost less depreciation.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation

All tangible fixed assets, are depreciated on the straight-line method over their estimated useful lives as follows:

Computer equipment - 3 years.

Taxation

The Charity is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Taxes Purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

The Charity has various types of funds for which it is responsible:-

Unrestricted funds - are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.

Restricted funds - comprise monies raised for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>-</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**3. INCOME FROM CHARITABLE ACTIVITIES**

		2020	2019
	Activity	£	£
Project Income - Other Fees			
Receivable	Environment and Climate Change	7,979	10,169
Grants and Donations	Environment and Climate Change	<u>2,937,482</u>	<u>1,567,918</u>
		<u>2,945,461</u>	<u>1,578,087</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
European Climate Foundation	144,804	22,784
Rockefeller Brothers Foundation	267,676	152,351
Henry Luce Foundation	52,974	52,996
Climateworks Foundation	304,881	285,630
Department for International Development	302,840	15,047
Marmot Trust	-	2,000
Network for Social Change	14,200	-
Oak Foundation	128,333	-
Waterloo Foundation	40,000	-
Packard Foundation	400,654	356,490
Asia Foundation	-	29,686
Moore Foundation	254,859	274,432
Hewlett Foundation	358,175	266,772
WWF	33,578	34,816
Oxfam	-	16,850
EU Asia Centre	7,039	-
Climate and Land Use Alliance	33,400	-
Carnegie Council for Ethics in International Affairs	19,650	-
Raoul Wallenberg Institute	15,719	7,346
Ford Foundation	66,831	-
Growald Family Fund	77,286	-
The Pew Charitable Trust	5,435	-
Swiss Philanthropy Foundation	35,890	-
Woodrow Wilson Center	18,401	-
Quadrature	285,734	-
Other Grants	<u>69,123</u>	<u>50,718</u>
	<u>2,937,482</u>	<u>1,567,918</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Environment and Climate Change	<u>1,755,198</u>	<u>295,293</u>	<u>2,050,491</u>

5. SUPPORT COSTS

	Management £
Environment and Climate Change	<u>295,293</u>

Support costs, included in the above, are as follows:

Management

	2020	2019
	Total activities £	Total activities £
Establishment	55,415	52,018
Office	61,538	51,504
Legal and Professional	8,314	4,017
Accountancy	32,770	29,072
Other	13,676	8,849
Website	118,685	63,975
Audit	4,560	4,500
Depreciation of tangible and heritage assets	<u>335</u>	<u>335</u>
	<u>295,293</u>	<u>214,270</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	335	341
Auditors' remuneration	2,460	2,400
Auditors' remuneration - non audit services	<u>2,820</u>	<u>2,100</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

8. STAFF COSTS

Staff Costs during the year were as follows :

	2020	2019
	£	£
Salaries and Wages	546,221	403,221
Social security costs	50,884	38,756
Pension costs	<u>35,399</u>	<u>30,132</u>
	<u>632,504</u>	<u>472,109</u>

The average number of employees (excluding temporary and agency staff) analysed by function was as follows:

	2020	2019
	Number	Number
Editorial staff	17	12
Administration staff	<u>1</u>	<u>1</u>
	<u>18</u>	<u>13</u>

Two employees received remuneration in the band £60,000 - £70,000 (2019: one in band £70,000 to £80,000).

Key Management remuneration totalled £210,466 (2019:£165,235).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Environment and Climate Change	376,729	1,201,358	1,578,087
Investment income	<u>2</u>	<u>-</u>	<u>2</u>
Total	376,731	1,201,358	1,578,089
EXPENDITURE ON			
Charitable activities			
Environment and Climate Change	357,006	1,359,779	1,716,785
NET INCOME/(EXPENDITURE)	19,725	(158,421)	(138,696)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	32,304	734,465	766,769
TOTAL FUNDS CARRIED FORWARD	<u>52,029</u>	<u>576,044</u>	<u>628,073</u>

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2020 and 31st December 2020	<u>9,079</u>
DEPRECIATION	
At 1st January 2020	8,399
Charge for year	<u>335</u>
At 31st December 2020	<u>8,734</u>
NET BOOK VALUE	
At 31st December 2020	<u>345</u>
At 31st December 2019	<u>680</u>

11. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1st January 2020 and 31st December 2020	<u>100</u>
NET BOOK VALUE	
At 31st December 2020	<u>100</u>
At 31st December 2019	<u>100</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**11. FIXED ASSET INVESTMENTS - continued****China Dialogue Services Limited**

Registered office:

Nature of business: translation and interpreting

Class of share:	%
Ordinary	holding
	100

	2020	2019
	£	£
Aggregate capital and reserves	<u>100</u>	<u>100</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	430,197	169,840
Amounts owed by group undertakings	7,121	17,251
Other debtors	14,477	13,519
Prepayments and accrued income	<u>8,000</u>	<u>8,000</u>
	<u>459,795</u>	<u>208,610</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	27,788	8,455
Social security and other taxes	17,170	10,366
Other creditors	21,870	19,027
Accruals and deferred income	30,431	161,816
Accrued expenses	<u>4,560</u>	<u>4,500</u>
	<u>101,819</u>	<u>204,164</u>

14. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	52,029	623,625	(430,542)	245,112
Beijing office costs 2021	-	-	430,197	430,197
Fixed Asset designated fund	-	-	345	345
	52,029	623,625	-	675,654
Restricted funds				
Other	576,044	145,652	-	721,696
Third Pole	-	78,481	-	78,481
Dialogo Chino	-	47,212	-	47,212
	<u>576,044</u>	<u>271,345</u>	-	<u>847,389</u>
TOTAL FUNDS	<u>628,073</u>	<u>894,970</u>	-	<u>1,523,043</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**14. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	978,846	(355,221)	623,625
Restricted funds			
Other	1,491,039	(1,345,387)	145,652
Third Pole	356,513	(278,032)	78,481
Dialogo Chino	119,063	(71,851)	47,212
	<u>1,966,615</u>	<u>(1,695,270)</u>	<u>271,345</u>
TOTAL FUNDS	<u>2,945,461</u>	<u>(2,050,491)</u>	<u>894,970</u>

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	32,304	19,725	52,029
Restricted funds			
Other	590,326	(14,282)	576,044
Third Pole	8,787	(8,787)	-
Dialogo Chino	90,883	(90,883)	-
India Climate Dialogue	44,469	(44,469)	-
	<u>734,465</u>	<u>(158,421)</u>	<u>576,044</u>
TOTAL FUNDS	<u>766,769</u>	<u>(138,696)</u>	<u>628,073</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**14. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	376,731	(357,006)	19,725
Restricted funds			
Other	1,006,504	(1,020,786)	(14,282)
Third Pole	85,436	(94,223)	(8,787)
Dialogo Chino	109,418	(200,301)	(90,883)
India Climate Dialogue	-	(44,469)	(44,469)
	<u>1,201,358</u>	<u>(1,359,779)</u>	<u>(158,421)</u>
TOTAL FUNDS	<u>1,578,089</u>	<u>(1,716,785)</u>	<u>(138,696)</u>

During the financial period the trustees created two designated funds from unrestricted reserves:

- Beijing operations: costs paid in advance and committed to operating in Beijing, this fund is expected to be spent in the first three quarters of 2021;
- Fixed asset fund: the net book value of fixed assets that are not available for general use by the charity.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2020.