

The Carbon Literacy Trust

**Annual Report and
Financial Statements**

for the year ended 30 September 2021

The Carbon Literacy Trust
Report of the Trustees for the year ended 30 September 2021

The Trustees present their annual report and unaudited financial statements for the year ended 30 September 2021.

Reference and Administrative Information

Charity name	The Carbon Literacy Trust
Charity Registration Number	1156722
Registered Office	Green Fish Resource Centre 46-50 Oldham Street Manchester M4 1LE

Trustees

Ali Abbas	Chair
Neil Bradley	
Robin Lawler	
Alexander Ganotis	
Jennifer Wilson	(appointed 30 November 2021)

Key management personnel

The charity has no employees. Management is provided by the board of trustees

Independent Examiner

Paul Cowham MA FCA DChA
Green Fish Resource Centre
46 – 50 Oldham Street
Manchester
M4 1LE

Bankers

The Co-operative Bank
1 Balloon Street
Manchester
M60 4EP

The Carbon Literacy Trust

Report of the Trustees for the year ended 30 September 2021

Structure, governance and management

Company status

The charity is a Charitable incorporated organisation (CIO), number 1156722.

Governing document

Constitution based on the Charity Commission's model constitution for a CIO, whose only voting members are its charity trustees.

Recruitment and appointment of Trustees

Trustees are identified according to the skills, knowledge and experience needed for the effective administration of the CIO, and are appointed by a resolution passed at a properly convened meeting of the charity trustees.

Objectives and activities

Objects and aims

The object of the CIO is to advance the education of the public in the conservation, protection and improvement of the physical and natural environment.

The charity aims to provide the public with an awareness of the environmental, in particular carbon, costs and impacts of everyday activities and the ability and motivation to reduce their environmental impact, including greenhouse gas emissions on an individual, community and organisational basis.

The trustees, in making decisions about how to carry out the charity's purposes, have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties for which the guidance is relevant.

Activities

The charity has worked in partnership with Cooler Projects CIC to deliver The Carbon Literacy Project. Highlights for the year include:

- 50% growth in the total impact of the Project. Starting the year with 15,000 certified learners, the Project ended it with more than 22,000 learners certified as Carbon Literate, new learners having formulated or taken more than 14,000 separate actions to reduce carbon emissions.
- The launch of Government-funded (BEIS) Carbon Literacy Toolkits, made available to public sector organisations nationally free of charge, to accelerate the implementation of Carbon Literacy within the UK public sector.
Toolkits launched during the year and now available include:
 - A Local Authorities Toolkit, including custom versions for Elected Members and for Council Officers;
 - A Toolkit for Universities and separately a customised version for FE Colleges and others;
 - A Toolkit for NHS organisations including a customised version for Ambulance Services.
- The launch of the privately funded Carbon Literacy Toolkit for Social Housing, covering social housing providers nationally;
- The launch of version 2.0 of the Project's Carbon Literacy Knowledge (CLK) e-learning resource, updated with the latest climate science and policy information, and available to cover the Knowledge component of Carbon Literacy within any accredited course;
- The launch of sectoral newsletters for local authorities and universities to help address the growing Carbon Literacy communities within these audiences;

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Report of the Trustees for the year ended 30 September 2021

- The growth of Carbon Literacy internationally, including the establishment of the first substantial Carbon Literacy initiatives in Australia and Australasia;
- Accreditation of the Trust as an official UN observer organisation for the UNFCCC COP26 climate negotiations in Glasgow.

Achievements and performance

The Carbon Literacy Trust was formed in April 2014 to take on the Carbon Literacy Project from Cooler Projects CIC, which had developed the Project to offer everyone who lives, works and studies access to a day's worth of learning on climate change.

To facilitate this process and to ensure the ongoing development of the Project, the Trust decided to appoint Cooler as our delivery partner, and to provide grant funding to them to continue the excellent work they have done to date.

In this period, the Trust has worked closely with Cooler to continue developing relationships with existing and new sectors such as providers of social housing, local authorities, the arts and culture sector, the media sector, construction and engineering, rail and automotive, colleges and universities, national government and NHS, further establishing the Project in Wales and Scotland, and increasing the geographical reach of Carbon Literacy in the UK, Europe and beyond.

The Trust has made good progress with this, and the Project has continued to go from strength to strength, with 22,000 citizens certified as Carbon Literate, 1,974 organisations with Carbon Literate staff, 61 organisations certified as Carbon Literate Organisations, 64 certified consultants, trainers and facilitators, and 6 certified Carbon Literacy Training Organisations all formally accredited by 30 September 2021.

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Report of the Trustees for the year ended 30 September 2021

Financial review and reserves policy

The charity's reserves policy states that it will aim to hold reserves equivalent to 3 months' operating costs (in the region of £75,000) to ensure that the Project can continue to be funded in the event that income is significantly lower than expected.

The charity currently doesn't have any unrestricted reserves. However, as the charity doesn't employ staff or have any other financial commitments, and the majority of the liabilities represent money owed to Cooler Projects which are not due until the charity can afford to pay them, the Trustees consider the charity is liquid and a going concern. Plans are in place to build up reserves in line with the policy.

Statement of Trustees' responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Trustees and signed on their behalf by:



..... Ali Abbas

07 / 08 / 2022

..... Date

Independent Examiner's Report to the Trustees of

The Carbon Literacy Trust

I report on the accounts of the charity for the year ended 30th September 2021 which are set out on pages 6 to 17.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under charity law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedure laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Paul Cowham

Paul Cowham FCA DChA
Green Fish Resource Centre
46 – 50 Oldham Street
Manchester
M4 1LE

07 / 08 / 2022

Date

The Carbon Literacy Trust
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 30 September 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income					
Donations and legacies	3	32,915	-	32,915	44,954
Charitable activities	4	150,877	38,466	189,343	286,410
Investments	5	-	-	-	-
Total income		183,792	38,466	222,258	331,364
Expenditure					
Charitable activities	6	114,503	3,466	117,969	151,022
Total expenditure		114,503	3,466	117,969	151,022
Net income/(expenditure) for the year	7	69,289	35,000	104,289	180,342
Transfer between funds		79,704	(79,704)	-	-
Net movement in funds for the year		148,993	(44,704)	104,289	180,342
Reconciliation of funds					
Total funds brought forward		(31,408)	79,704	48,296	(132,046)
Total funds carried forward		117,585	35,000	152,585	48,296

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Carbon Literacy Trust

Balance sheet as at 30 September 2021

	Note	2021	2020
		£	£
Fixed assets			
Intangible assets	12	158,575	30,408
Total fixed assets		158,575	30,408
Current assets			
Debtors	13	15,741	9,893
Cash at bank and in hand		93,920	126,248
Total current assets		109,661	136,141
Liabilities			
Creditors: amounts falling due in less than one year	14	(97,215)	(99,817)
Net current assets/(liabilities)		12,446	36,324
Total assets less current liabilities		171,021	66,732
Creditors: amounts falling due after more than one year	15	(18,436)	(18,436)
Net assets		152,585	48,296
Funds of the charity			
Restricted income funds	16	35,000	79,704
Unrestricted income funds	17	117,585	(31,408)
Total charity funds		152,585	48,296

The notes on pages 8 to 17 form part of these accounts.

07 / 08 / 2022

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

Ali Abbas

Name

Signed



The Carbon Literacy Trust

Notes to the accounts for the year ended 30 September 2021

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

The Carbon Literacy Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

There are no key judgments which the trustees have made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

The Carbon Literacy Trust

Notes to the accounts for the year ended 30 September 2021 (continued)

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

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Notes to the accounts for the year ended 30 September 2021 (continued)

h Expenditure and irrecoverable VAT

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

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

i Intangible fixed assets

Brands and intellectual property are capitalised at cost (or cost when transferred from Cooler Projects CIC) and are depreciated as follows

Brands	5 years
Intellectual property	5 years

l Debtors

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 trade discounts due.

m Cash at bank and in hand

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

n Creditors and provisions

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

o Financial instruments

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

p Pensions

The charity does not currently operate a pension scheme.

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Notes to the accounts for the year ended 30 September 2021 (continued)

2 Legal status of the charity

The charity is a Charitable Incorporated Organisation (CIO), registration number 1156722.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Donations	32,915	-	32,915	44,954
Total	32,915	-	32,915	44,954
<i>Total by fund 30 September 2020</i>	44,954	-	44,954	

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Grants				
Auto Trader	-	35,000	35,000	-
Patagonia - the Tides Foundation	-	3,466	3,466	-
Department for Business, Energy & Industrial Strategy	-	-	-	136,108
Project income				
Individual certification	96,009	-	96,009	92,916
Trainer certification	5,055	-	5,055	4,575
Organisation certification	15,100	-	15,100	16,630
E-learning licences	280	-	280	2,154
Course certification	29,716	-	29,716	10,750
Training	(773)	-	(773)	19,997
Other earned income	5,490	-	5,490	3,280
Total	150,877	38,466	189,343	286,410
<i>Total by fund 30 September 2020</i>	150,302	136,108	286,410	

In the comparative figures, grant income is all restricted and project income is all unrestricted

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Notes to the accounts for the year ended 30 September 2021 (continued)

5 Investment income

	Unrestricted £	Restricted £	2021 £	2020 £
Income from bank deposits	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

6 Analysis of expenditure on charitable activities

	Total 2021 £	Total 2020 £
Carbon Literacy (charitable activity)		
Grants paid for project administration	78,099	128,467
Delivery of training	12,338	6,269
Amortisation of intangible assets	26,083	13,615
Other running costs	999	2,221
Other governance costs		
Independent examination & accountancy	450	450
	<hr/>	<hr/>
	117,969	151,022
	<hr/>	<hr/>
	2021 £	2020 £
Restricted expenditure	3,466	28,404
Unrestricted expenditure	114,503	122,618
	<hr/>	<hr/>
	117,969	151,022
	<hr/>	<hr/>

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Notes to the accounts for the year ended 30 September 2021 (continued)

7 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2021 £	2020 £
Amortisation of intangible assets	26,083	13,615
Independent examiner's remuneration		
- accountancy	350	350
- independent examination	100	100
- corporation tax return preparation and filing	50	50
	<u> </u>	<u> </u>

8 Staff costs

The charity had no employees or staff costs during the year. Management was provided by the trustees who received no remuneration.

9 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: Nil).

Aggregate donations from related parties were £nil (2020: £nil).

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

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil).

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Notes to the accounts for the year ended 30 September 2021 (continued)

10 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
Department for Business, Energy & Industrial Strategy	-	136,108
	<u>-</u>	<u>136,108</u>
	<u>-</u>	<u>136,108</u>

There were no unfulfilled conditions and contingencies attaching to this grant.

11 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12 Fixed assets: intangible assets

Cost	Brands £	Intellectual property £	Total
At 1 October 2020	12,000	205,738	217,738
Additions	-	154,250	154,250
Disposals	-	-	-
	<u>12,000</u>	<u>359,988</u>	<u>371,988</u>
At 30 September 2021	12,000	359,988	371,988
	<u>12,000</u>	<u>359,988</u>	<u>371,988</u>
Depreciation			
At 1 October 2020	12,000	175,330	187,330
Charge for the year	-	26,083	26,083
Disposals	-	-	-
	<u>12,000</u>	<u>201,413</u>	<u>213,413</u>
At 30 September 2021	12,000	201,413	213,413
	<u>12,000</u>	<u>201,413</u>	<u>213,413</u>
Net book value			
At 30 September 2021	-	158,575	158,575
	<u>-</u>	<u>158,575</u>	<u>158,575</u>
At 30 September 2020	-	30,408	30,408
	<u>-</u>	<u>30,408</u>	<u>30,408</u>

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Notes to the accounts for the year ended 30 September 2021 (continued)

13 Debtors

	2021 £	2020 £
Trade debtors	15,741	9,893
Other debtors and accrued income	-	-
	<hr/>	<hr/>
	15,741	9,893
	<hr/>	<hr/>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	96,765	99,367
Accruals	450	450
	<hr/>	<hr/>
	97,215	99,817
	<hr/>	<hr/>

The amount falling due within one year under other creditors includes the outstanding costs incurred by Cooler Projects CIC for work undertaken on the Carbon Literacy Project that the Trust has agreed to pay in the year to 30 September 2022.

15 Creditors: amounts falling after more than one year

	2021 £	2020 £
Other creditors	18,436	18,436
	<hr/>	<hr/>
	18,436	18,436
	<hr/>	<hr/>

The amount falling due after more than one year comprises the amount that the Trust has agreed to pay Cooler Projects CIC for work undertaken on the Carbon Literacy Project prior to the handover of the Project and its assets to the Trust.

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Notes to the accounts for the year ended 30 September 2021 (continued)

16 Analysis of movements in restricted funds

	Balance at 1 Oct 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2021 £
Department for Business, Energy & Industrial Strategy	79,704	-	-	(79,704)	-
Auto Trader	-	35,000	-	-	35,000
Patagonia - the Tides Foundation	-	3,466	(3,466)	-	-
	<u>79,704</u>	<u>38,466</u>	<u>(3,466)</u>	<u>(79,704)</u>	<u>35,000</u>
Previous reporting period	Balance at 1 Oct 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2020 £
Department for Business, Energy & Industrial Strategy	-	136,108	(28,404)	(28,000)	79,704
	<u>-</u>	<u>136,108</u>	<u>(28,404)</u>	<u>(28,000)</u>	<u>79,704</u>

The transfers represent monies spent developing intangible assets which have been capitalised

17 Analysis of movement in unrestricted funds

	Balance at 1 Oct 2020 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2021 £
General fund	(31,408)	183,792	(114,503)	79,704	117,585
	<u>(31,408)</u>	<u>183,792</u>	<u>(114,503)</u>	<u>79,704</u>	<u>117,585</u>
Previous reporting period	Balance at 1 Oct 2019 £	Income £	Expenditure £	Transfers £	Balance at 30 Sep 2020 £
General fund	(132,046)	195,256	(122,618)	28,000	(31,408)
	<u>(132,046)</u>	<u>195,256</u>	<u>(122,618)</u>	<u>28,000</u>	<u>(31,408)</u>

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Notes to the accounts for the year ended 30 September 2021 (continued)

18 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	158,575	-	-	158,575
Net current assets/(liabilities)	(22,554)	-	35,000	12,446
Creditors of more than one year	(18,436)	-	-	(18,436)
	<hr/>	<hr/>	<hr/>	<hr/>
Total	117,585	-	35,000	152,585
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>