

**GLOBAL COOL FOUNDATION**

**(Company limited by guarantee no. 5850277  
registered charity no. 1116673)**

**REPORT AND FINANCIAL STATEMENTS**

**Year ended 30 September 2008**

**GLOBAL COOL FOUNDATION**

(Company limited by guarantee no. 5850277, registered charity no. 1116673)

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**REPORT AND FINANCIAL STATEMENTS**

For the year ended 30 September 2008

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## GLOBAL COOL FOUNDATION

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### REFERENCE AND ADMINISTRATIVE DETAILS

For the year ended 30 September 2008

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<b>Trustees</b>	Tessa Tennant, Chair (appointed 17 September 2008) Dr Tariq Ali (appointed 6 December 2007) James Cameron Julian Knight (appointed 14 November 2007, resigned 22 January 2008) Stephen Lloyd Gareth Hughes (appointed 17 September 2008) Dr Richard Tipper Alex Macgillivray (appointed 17 September 2008) Richard Lord (appointed 17 September 2008)
<b>Executive Director</b>	Caroline Fiennes
<b>Company reg. no.</b>	5850277
<b>Charity reg. no.</b>	1116673
<b>Registered office</b>	2-6 Cannon Street London EC4M 6YH
<b>Auditors</b>	Gotham Erskine LLP Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ
<b>Bankers</b>	National Westminster Bank Plc 50 Ilford Hill Ilford Essex IG1 2AT
<b>Solicitors</b>	Bates Wells & Braithwaite London LLP 2-6 Cannon Street London EC4M 6YH
<b>Website</b>	<a href="http://www.globalcoolfoundation.org">www.globalcoolfoundation.org</a>

**TRUSTEES' REPORT**

**For the year ended 30 September 2008**

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The Trustees, who are also directors of the Charity for the purposes of the Companies Acts, submit their annual report and the financial statements of Global Cool Foundation for the year ended 30 September 2008. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

**Structure, governance and management**

Global Cool Foundation is a company limited by guarantee with charitable status. Its governing document is the Memorandum and Articles of Association.

During this year, the Global Cool Foundation undertook a strategic review, one result of which was that it merged with the Climate Foundation, a foundation set up by the board of the ICE Organisation (whose objective is to make a significant contribution to the mitigation of climate change via the mass mobilisation of consumer purchase power) to focus on changing public behaviour to save carbon. The Trustees of both organisations felt that the organisations' objectives were so similar that their resources were best combined. The merger led to the addition to the Board of: Tessa Tennant (appointed Chair); Gareth Hughes; Alex Macgillivray; and Richard Lord.

New Trustees are identified from a number of sources. There are currently no restrictions on the terms of office of the Trustees, though the Trustees intend to introduce these. The power to appoint new or additional Trustees rests exclusively with the Board of Trustees and requires a majority decision to take effect. Prospective Trustees are briefed on the nature and work of the organisation, invited to meet the Board and if the Board approves, appointed at the next Board meeting.

In addition, Global Cool Foundation hired towards the end of this financial year (August 2008) a new Consultant Executive Director, Caroline Fiennes, to oversee delivery of the campaigns outlined below and the growth of the organisation.

**Approach**

In view of the scale of the threat from climate change and the need to deploy all available resources on the problem, Global Cool Foundation is committed to collaborating with other organizations. We do this in large ways, eg, successfully merging with the Climate Foundation, and also smaller ways – eg, we offered to lend our green carpet for the launch of The Age of Stupid. We are in discussion with another behaviour change programme, Project Genie, about another merger.

**Objectives and activities**

The objects of the Charity are to:

- promote for the benefit to the public the protection of the world's climate systems in such parts of the world and by such charitable means as the Trustees may from time to time think fit,
- advance the education of the public and interested parties in effective reduction of greenhouse gases and to promote and carry out for the public benefit research into the effects of climate change and to publish and widely disseminate the useful results of such research.

**TRUSTEES' REPORT**

**For the year ended 30 September 2008**

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The Charity has two broad streams of activity to achieve these aims:

- 1) Inspiring and enabling low-carbon behaviours in the public, and
- 2) Rolling out low-carbon technologies in less developed countries.

**1) Inspiring and enabling low-carbon behaviours in the public**

***“Dangerous climate change cannot be avoided solely through high level international agreements: it will take behavioural change by individuals and communities”***

***The Stern Review***

In our work to save carbon by changing behaviour of the public, Global Cool Foundation deliberately focuses on:

- Segments of the public who are least engaged in environmental issues and the least likely to have responded to climate change communications to date. That is, we are deliberately seeking an ‘unserved need’. We are advised in our choice of consumer segments by leading market researchers.
- Behaviours which can save the greatest amounts of carbon. We therefore focus on the four largest sources of carbon which an individual can influence:
  - 1) Driving: so we promote public transport and walking / cycling,
  - 2) Energy use in the home: so we promote energy efficiency at home,
  - 3) Flying: so we promote flight-free holidays, and
  - 4) Carbon embedded in purchased goods: so we promote recycling.

During 2007-8, and also 2008-9, Global Cool will work solely in the UK. However, it is the full intention of the Board that we will operate internationally eventually. This is clearly necessary given the scale of emissions and emissions growth abroad. Global Cool Foundation retains its capability to operate internationally, having worked previously in the US, India and Japan.

The Global Cool Foundation runs an on-going campaign, Global Cool, which aims to:

- Re-position key low-carbon behaviours as attractive, and
- Make them easy for people.

This targets a segment identified by the market research firm Cultural Dynamics and called ‘the Now People’. Interested in friends, glamour, having a good time, gadgets, social networking and looking great; they are currently almost totally unengaged by issues around climate, the environment and charity /social justice more broadly. They constitute about 20% of the UK public, and have strong influence over a broader group of around 45%.

**TRUSTEES' REPORT**

**For the year ended 30 September 2008**

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To effectively reach this group, Global Cool works with relevant celebrities and brands which can help raise the profile of the behaviours we promote. We are enormously fortunate to have had supporters including: Cartier, Vodafone, No.10 Downing Street, KT Tunstall, Josh Hartnett and ex-Jane's Addiction front man Perry Farrell, T in the Park, The Big Chill, Fuji Rock, Orlando Bloom, Stephen Fry, Kate Bosworth, Leonardo Di Caprio, the International Indian Film Awards (IIFAs) and Bollywood megastar Amitabh Bachchan.

**2) Rolling out low-carbon technologies in less developed countries**

The Global Cool Foundation acts as a grant-making entity for greenhouse gas reducing field projects. It supports a major programme to roll-out solar power to communities in Zambia. This started in May 2008 and will run for three years.

The programme has two parts:

- Large-scale installations of solar panels in community buildings, such as schools. We aim to install approximately 50-70 systems over 3-4 years. We call this the 'macro' scheme.
- Training local entrepreneurs to build and sell solar charging devices, which can power radios, mobile phones and solar lamps. We provide them with technical training and support in business and marketing skills. We aim to train approximately 360 entrepreneurs over 3-4 years. Based on experience from training schemes in other geographies, we anticipate that 65% of these entrepreneurs will complete the training (i.e. 234 entrepreneurs). We call this the 'micro' scheme.

The Charity has made a 3 year contribution to this programme. It has now raised all the capital for this. The Charity has paid out the costs for the first year of the programme and the capital for the remaining 2 years is shown as a restricted reserve in the Charity's balance sheet.

**Achievements and performance**

In the previous financial period, the Charity began a partnership with Vodafone UK through which the Charity receives proceeds from Vodafone UK's handset recycling scheme. This has generated substantial revenue, which has been used to

- Support the solar work in Zambia. At the close of this financial year, the programme is too young to have produced results yet. However, we have a set of KPIs in place, and a mechanism for measuring them.
- Plan campaigning work in the UK which will start in January 2009, based on the strategy outlined above. The first campaign will focus on promoting recycling, specifically of clothes and will work through a partnership with London Fashion Week. We intend to, for example, re-position the behaviour by having a celebrity 'swish' (clothes swapping party) during London Fashion Week (in February 2009), to generate significant media interest. We will then work through the other behaviours defined above: promoting public transport, home energy efficiency and flight-free holidays.

"Gaining the support of Now People is crucial in any campaign. Sadly few campaigns resonate for Now People... most get put in the 'not yet', 'too worthy' 'too dull' and 'too complicated' boxes. Global Cool – this is Now People think. Note how different [it] is from most campaigns".

– *Campaign Strategy, 2009*

**TRUSTEES' REPORT**

**For the year ended 30 September 2008**

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**Financial review**

The Trustees manage the Charity's capital as best as possible to enable the Charity to achieve its objectives. As a result of the strategic review and merger, the Charity's direction is very clear, and the coming years will see an increased level of activity. The costs of campaigns will therefore increase as will overheads to support a larger organisation. Trustees have not yet developed a reserves policy but will do so in time for the 2009 accounts, and this will take account of this anticipated level of activity. In the meantime the Trustees believe the reserves held at the year end were sufficient and appropriate.

**Objectives for next financial year**

The Global Cool Foundation intends during the period October 2008 – September 2009 to:

**1) Influence behaviour change**

- Plan, launch and deliver public campaigns around the four key behaviours described above: recycling, public transport, home energy efficiency and flight-free holidays
- Build its audience, ie, the number of people in its target market with whom it regularly communicates, via newsletters, its website, social networking sites (such as Facebook, Twitter)

**2) Support low-carbon technologies**

- Build and expand the programme in Zambia, reaching more communities and entrepreneurs.
- Explore selling the carbon credits generated by the programme.

**3) Strengthen the organisation**

- Re-build the website ([www.globalcool.org](http://www.globalcool.org)) and launch a 'corporate' website [www.globalcoolfoundation.org](http://www.globalcoolfoundation.org);
- Raise awareness of its work and diversify its revenue streams;
- Build an advisory committee to bring additional skills into the organisation; and
- Define a clear process and metrics for measuring success and effectiveness of its work.

As a result of the Strategic Review, the Charity no longer operates the Tonne of Cool campaign though has fulfilled all the obligations made to the public and to donors under that campaign.

**Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems are in place to mitigate the Charity's exposure to the major risks.

**Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

**TRUSTEES' REPORT**

**For the year ended 30 September 2008**

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Company and charity law applicable to charities in England/Wales 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 Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements the Trustees have:

- selected suitable accounting policies and applied them consistently,
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis (unless it is inappropriate to presume that the Charity will continue in operation).

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement of disclosure of information to auditors**

We, as the directors of the company who held office at the date of approval of these financial statements as set out on page 1, each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Preparation of the report**

This report has been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

**Auditors**

The auditors, Gotham Erskine LLP have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

This report was approved and authorised for issue by the Trustees on 17 July 2009 and signed on its behalf by:

**TESSA TENNANT**  
Trustee

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GLOBAL COOL FOUNDATION**

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We have audited the financial statements of Global Cool Foundation for the year ended 30 September 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the Charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditors**

The responsibilities of the Trustees (who are also the directors of Global Cool Foundation for the purposes of company law) for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the Charity's affairs as at 30 September 2008, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

**Gotham Erskine LLP**  
Chartered Accountants  
& Registered Auditors  
Friendly House  
52 - 58 Tabernacle Street  
London EC2A 4NJ

Date:

GLOBAL COOL FOUNDATION (company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating income and expenditure account)

For the year ended 30 September 2008

	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 2008 £	<i>Total 15 months to 30 September 2007 £</i>	
Note					
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	54,824	5,459	60,283	219,562
Activities for generating funds	3	167,714	976,617	1,144,331	205,850
<b>TOTAL INCOMING RESOURCES</b>		<b>222,538</b>	<b>982,076</b>	<b>1,204,614</b>	<b>425,412</b>
<b>RESOURCES EXPENDED</b>					
Cost of generating funds		-	-	-	76,574
Charitable expenditure:					
<i>Inspiring and enabling low-carbon behaviours in the public:</i>					
Million Super Heroes campaign		7,596	53,326	60,922	-
Tonne of Cool campaign		2,056	20,181	22,237	-
Website		37,465	-	37,465	-
Sustainability and carbon offsets		-	-	-	123,368
<i>Rolling out low-carbon technologies in less developed countries:</i>					
Zambia		21,160	148,539	169,699	-
Governance costs		20,759	-	20,759	65,490
<b>TOTAL RESOURCES EXPENDED</b>	4	<b>89,036</b>	<b>222,046</b>	<b>311,082</b>	<b>265,432</b>
Net income/(expenditure)		133,502	760,030	893,532	159,980
TOTAL FUNDS AT 1 OCTOBER 2007		49,129	110,851	159,980	-
<b>TOTAL FUNDS AT 30 SEPTEMBER 2008</b>		<b>£ 182,631</b>	<b>£ 870,881</b>	<b>£ 1,053,512</b>	<b>£ 159,980</b>

**NOTE**

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The annexed notes form part of these financial statements

**GLOBAL COOL FOUNDATION (Company limited by guarantee)**

**BALANCE SHEET**  
As at 30 September 2008

	Notes	£	2008 £	£	2007 £
<b>FIXED ASSETS</b>					
Investment in subsidiary	8		100		100
<b>CURRENT ASSETS</b>					
Debtors	9	443,201		135,954	
Cash at bank		640,878		64,667	
			<u>1,084,079</u>	<u>200,621</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	10	(30,667)		<u>(40,741)</u>	
<b>NET CURRENT ASSETS</b>			<b>1,053,412</b>		<b>159,880</b>
<b>NET ASSETS</b>			<b><u>£ 1,053,512</u></b>		<b><u>£ 159,980</u></b>
<b>FUNDS</b>					
Restricted funds	11		870,881		110,851
Unrestricted funds - General fund	11		182,631		49,129
<b>TOTAL FUNDS</b>			<b><u>£ 1,053,512</u></b>		<b><u>£ 159,980</u></b>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2007). They were approved, and authorised for issue, by the Trustees on 17 July 2009 and signed on their behalf by:-

\_\_\_\_\_  
TESSA TENNANT, Trustee

The annexed notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 September 2008

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**1. ACCOUNTING POLICIES**

***Basis of preparation of financial statements***

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005, the Companies Act 1985, applicable accounting standards and the Financial Reporting Standard for Smaller Entities (effective January 2007).

The effects of events relating to the period ended 30 September 2008 which occurred before the date of approval of the financial statements by the Executive Committee has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 30 September 2008 and the results for the period ended on that date.

***Company status***

Global Cool Foundation is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

***Fund accounting***

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

***Incoming resources***

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. No incoming resources have been deferred in the current period.

***Resources expended***

All expenditure is accounted for gross and when incurred. Costs of generating funds are those incurred in seeking voluntary contributions. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements. Irrecoverable VAT is treated as part of the expenditure it relates to.

***Investment in subsidiary***

The investment in the Charity's subsidiary (see Note 8) is included in the Charity's Balance Sheet at cost.

**GLOBAL COOL FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 September 2008

**2. VOLUNTARY INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Year ended 30 September 2008 £	Total 15 months to 30 September 2007 £
Global Cool Productions Limited (see Note 8)	50,000	-	50,000	204,840
Donations obtained through "Tonne of Cool" campaign	-	5,459	5,459	14,722
Other donations	4,824	-	4,824	-
	<u>£ 54,824</u>	<u>£ 5,459</u>	<u>£ 60,283</u>	<u>£ 219,562</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Year ended 30 September 2008 £	Total 15 months to 30 September 2007 -
Carbon offset fees	-	-	-	48,929
Ticket levy (see below)	10,784	-	10,784	45,801
Vodafone (see Note 11)	156,930	976,617	1,133,547	101,188
Cartier	-	-	-	9,932
	<u>£ 167,714</u>	<u>£ 976,617</u>	<u>£ 1,144,331</u>	<u>£ 205,850</u>

Ticket levy income was generated from a sponsorship agreement between the Charity, Global Cool Productions Limited and 3rd party entertainment providers.

**4. RESOURCES EXPENDED**

	Direct costs £	Support costs £	Year ended 30 September 2008 £	15 months to 30 September 2007 £
Cost of generating funds	-	-	-	76,574
Charitable expenditure				
<i>Inspiring and enabling low-carbon behaviours in the public:</i>				
Million Super Heroes Campaign	53,326	7,596	60,922	-
Tonne of Cool Campaign	15,000	7,237	22,237	-
Website	29,047	8,418	37,465	
Sustainability and carbon offsets	-	-	-	123,368
<i>Rolling out low-carbon technologies in less developed countries:</i>				
Zambia	148,539	21,160	169,699	-
Total charitable expenditure	<u>245,912</u>	<u>44,411</u>	<u>290,323</u>	199,942
Governance	6,400	14,359	20,759	65,490
	<u>£ 252,312</u>	<u>£ 58,770</u>	<u>£ 311,082</u>	<u>£ 342,006</u>

Direct costs for the Zambia project represent a grant payable to SolarAid to cover project costs in Zambia. Direct costs for Governance are shown in Note 6. Details of Support costs are given in Note 5.

## GLOBAL COOL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2008

#### 5. SUPPORT COSTS

	Year ended 30 September 2008 £	15 months to 30 September 2007 £
Gift in kind staffing (see below)	-	70,718
Consultancy costs - Executive Director	11,534	-
Consultancy costs - Grant Manager	17,000	-
Entertainment	804	-
Telephone	819	-
Travel	3,646	7,107
Legal fees (see Note 7)	13,041	13,261
IT support costs	1,250	-
Accountancy and bookkeeping	10,031	-
Sundry expenses	645	1,028
	<u>£ 58,770</u>	<u>£ 92,114</u>

Until August 2007 the Charity benefited from a Campaign Director and an assistant who were employed by Global Cool Productions Limited (see Note 8). The gift in kind amount is the associated staff costs payable by Global Cool Productions Limited.

The costs of the Consultant Executive Director and the Grant Manager have been allocated to the activities of the Charity in proportion to their estimated time on those activities. The remaining Support costs have been allocated in proportion to direct costs.

#### 6. GOVERNANCE - DIRECT COSTS

	Year ended 30 September 2008 £	15 months to 30 September 2007 £
Legal fees (see Note 7)	-	36,888
Audit fees	6,000	5,875
Other fees payable to auditors - advice	400	-
	<u>£ 6,400</u>	<u>£ 42,763</u>

#### 7. TRUSTEES

During the year, Bates Wells & Braithwaite London LLP solicitors were paid £13,041 (2007 - £38,302) for legal and professional services. The firm was employed for its specialist knowledge of charity law which was necessary for the work required. Stephen Lloyd, one of the Trustees, is the senior partner of Bates Wells & Braithwaite; the Charity's memorandum of association permits such remuneration. No other Trustees received any remuneration or were reimbursed expenses.

## GLOBAL COOL FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2008

#### 8. GLOBAL COOL PRODUCTIONS LIMITED AND GCF RIGHTS LIMITED

The Global Cool operation started with a commercial company called Global Cool Productions Limited (GCP). There is a loan facility between GCP and Man Group plc., which stipulates that up to £250,000 can be borrowed under this facility for start up capital for Global Cool Foundation.

GCP has now downsized and all its activities have been moved over to Global Cool Foundation. There is now a legal charge over GCP and all of its assets in favour of Man Group plc. GCP is not a subsidiary or associated company of Global Cool Foundation and the GCP shareholders are separate from the Global Cool Foundation's Trustees.

During the period, a final settlement of £50,000 was donated to the Charity by GCP in line with this agreement. The agreement also stipulates that 85% of the net profits of GCP will be paid to Global Cool Foundation.

The Charity has a dormant subsidiary trading company - GCF Rights Limited - which was incorporated on 22 June 2006. This company, whose 100 shares of £1 each (which have not yet been subscribed in cash) all belong to the Charity, has not had any activities since its incorporation in 2006 and its only asset (apart from the £100 receivable for share capital) is intellectual property rights vested in it over the Global Cool name and related matters.

#### 9. DEBTORS

	2008	2007
	£	£
Vodafone (see Note 11)	420,862	135,954
VAT recoverable (see Note 12)	22,339	-
	<u>£ 443,201</u>	<u>£ 135,954</u>

#### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade creditors	24,567	-
Amounts owed to group undertakings (see Note 8)	100	100
Accruals	6,000	40,641
	<u>£ 30,667</u>	<u>£ 40,741</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2008

11. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Carried Forward £
Restricted funds:				
Tonne of Cool	14,722	5,459	(20,181)	-
Vodafone - Zambia and "A Million Super Heroes"	<u>96,129</u>	<u>976,617</u>	<u>(201,865)</u>	<u>870,881</u>
Total restricted funds	<u>110,851</u>	<u>982,076</u>	<u>(222,046)</u>	<u>870,881</u>
General fund	<u>49,129</u>	<u>222,538</u>	<u>(89,036)</u>	<u>182,631</u>
	<u>£ 159,980</u>	<u>£ 1,204,614</u>	<u>£ (311,082)</u>	<u>£ 1,053,512</u>

The Charity's 'Tonne of Cool' campaign offered the public the opportunity to remove one tonne of carbon dioxide from the atmosphere for each £20 donated.

Vodafone pays to the Charity the proceeds of its mobile phone recycling scheme. The use of these funds is agreed with Vodafone. Roughly 14% of this donation was to cover the Charity's overhead costs and has been treated as unrestricted income. The remainder has been earmarked, in accordance with the agreement with Vodafone, to fund the roll out low carbon technologies in Zambia and to support the campaign to inspire and enable behaviour change, which is shown by the original campaign title, "A Million Super Heroes".

All unspent restricted funds at the period-end were represented by net current assets.

12. CONTINGENT LIABILITY

At the year end, the Charity had submitted a claim for the recovery of £22,339 of VAT, which is included within debtors (see Note 9). This claim equates to 100% of the Charity's VAT inputs for the period from September 2006, when the Charity considered it should have been registered for VAT. HM Revenue & Customs have initially rejected the claim, but the Charity has taken professional advice which supports the basis of the claim. While the Charity is confident of eventually receiving the VAT, there is a possibility that all or part of it may not be recovered.