



**Trustees' report and audited financial statements for
the year ended 30 June 2019**

Possible is the operating name of The 10:10 Foundation, registration number 1157363.

The 10:10 Foundation is a charitable incorporated organisation (CIO) registered with the Charity Commission.

Registration number 1157363.

**The registered address of the CIO is:
c/o CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place
78 Cannon Street
London
EC4N 6AF**

**The principal operating address is:
8 Delancey Passage
London
NW1 7NN**

Trustees

The following people served as trustees during the period and up to the date of this report as shown:

Colin Baines (appointed 24/10/18)
Nicola Clegg* (appointed 24/10/18)
Jack Cunningham*
Catriona Currie (appointed 24/10/18)
Simon Erskine (appointed 24/10/18)
Richard Furniss (appointed 24/10/18)
Laura Gilmore (resigned 24/10/18)
Alex Jelly * (resigned 24/10/18)
Howard Johns * (resigned 3/10/19)
Carly McLachlan*
Paula Owen
Tom Saunders (appointed 24/10/18)
Georgina Stevens
Martyn Williams (resigned 24/10/18)

* denotes members of the Finance and Fundraising Committee

Honorary Officers

Chair

Howard Johns (resigned 3/10/19)
Carly McLachlan (appointed 3/10/19)

Treasurer

Simon Erskine (appointed 24/10/18)

Hon. Secretary

CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place
78 Cannon Street
EC4N 6AF

Accountants

Goldwins Limited
75 Maygrove Road
London
NW6 2E

Introduction

The past year has seen a tectonic shift in the British public's relationship with the climate challenge and unfolding environmental crises. We are now in a new paradigm for climate action. A confluence of events has left 10:10 (and others in the green NGO sector) standing in a completely different landscape to the one we have been working in for the past ten years.

2018's deadly summer heatwave and droughts set the stage for the IPCC's terrifying 1.5°C report to land far more heavily than past scientific projections of catastrophe, sparking a national conversation about the "rapid, far-reaching and unprecedented changes in all aspects of society" scientists said are now needed. Swedish teen Greta Thunberg's lonely climate vigil outside their environment ministry snowballed into a global movement of young people demanding far more from governments. David Attenborough told the UN that "the collapse of human civilization is on the horizon" if we don't act, a message that was immediately reinforced by winter wildfires in Wales.

The BBC released a new bombshell documentary *Climate change: the facts* into the midst of the unfeasibly successful Rebellion Week, in which Extinction Rebellion activists shut down whole sections of central London for days on end, demanding that politicians 'tell the truth'. In May, Green parties swept the Euro elections in a #greensurge and the Committee on Climate Change published fresh analysis recommending the UK move to a more ambitious Net Zero target. In June, Theresa May legislated for it - Net Zero is now law. All of this has led to concerns about climate change and the environment climbing to third place (a record high) amongst the British public - ahead of the economy and immigration.

These shifts have profound implications for how Possible should position ourselves to have the most impact over the next few years. Therefore, this new strategy doesn't just set our direction for the next three years, it takes us firmly into the 2020s. What does climate change action in the 2020s look like?

The next decade looks set to be ushered in on the back of a surge in public climate concern, a mushrooming of new social movements demanding radical climate action, and growing evidence of climate impacts. As such, all of our work over the next few years must be geared towards achieving the step change in climate action so urgently required throughout the 2020s.

It's increasingly acknowledged that we now face multiple 'ecological crises', beyond climate change, caused by human activity. Each crisis has its specific causes, but at root they share in common economic models predicated on ecological overreach. More positively, an expanded understanding of the challenges points towards solutions that can deliver co-benefits. In particular the biodiversity crisis and habitat loss is being accelerated by a changing climate, while an essential and large component of averting climate breakdown will be the restoration of natural systems able to draw down carbon into the soils (the only proven 'negative emissions technology' we have). Extraordinarily ambitious efforts in countries such as China, Ethiopia and Pakistan to plant *billions* of trees shows what is possible, and what will be necessary to reverse a global trend of deforestation.

Extract from Possible's Strategic Plan 2019-22

Our vision, mission and theory of change

Our vision

A zero-carbon society, built by and for the people of the UK.

Our mission

Inspiring people in the UK to take courageous climate action for a rapid zero-carbon transition.

Our theory of change

At Possible, we know we need to tackle climate change, and we need to move fast.

The sheer scale of action required means it will touch everyone's lives. If we're going to move at the speed required - and if we're going to ensure the new world we build is a fair one - people and communities have to be involved. Politicians, corporations and other established institutions will have to play a key role too, but they will only move fast enough once they know their constituents and customers are on board.

The climate movement must be a mass movement or it simply won't achieve its aims.

For that to happen:

- There must be lots of different, accessible opportunities for people to take part.
- People must know about these opportunities.
- These opportunities must be seen as appealing to a diverse range of people.

To get help us all get there, Possible works to be:

- **Storytellers:** We tell stories about some of the most inspiring people taking action on climate change. We present climate action as accessible, appealing and inviting, something you want to be part of (not just something you feel you have to do).
- **Innovators:** We bring whole new ways to tackle climate change to life, and trail new ways for people to participate in them too.
- **Movement builders:** We help people work together in collective endeavours, connecting communities and technologies to bring new ideas to life, ensuring separate pockets of climate action are more than the sum of their parts and building capacity in those taking action.

Structure, governance and management

The 10:10 Foundation is a charitable incorporated organisation (CIO) registered with the Charity Commission (registration number 1157363) on 6 June 2014. Its governing document is its constitution and the only voting members are the trustees.

The Board of Trustees meets quarterly, as does its Finance and Fundraising Committee which scrutinises these areas and makes recommendations to the Board.

The trustees have delegated the day to day management of the CIO to a senior management team consisting of four directors, one of whom is nominated to be the lead director for a limited period.

In October 2019 we changed the name under which we campaign to Possible.

Our team

The staff in the Possible offices are a small but highly dedicated and skilled team of campaigners, fundraisers, operational staff and communications professionals.

We're run by a team of directors rather than one single CEO, and we're committed to reducing hierarchy wherever possible. Our campaign development process is designed so everyone can pitch an idea for a project and work with others to develop it into a fully formed plan. Mirroring our approach to action on climate change, we know the best ideas don't just come from the top down.

We're committed to our organisational culture, treating it as a project we work continuously on alongside all of our other work. Our staff benefits (for example flexible working policies and paid volunteering leave) are designed to attract the sort of creative, committed people we need for a mission-led organisation but also ensure they won't get burnt out.

We're proud to be a London living wage employer and are committed to removing barriers to work in environmental charities wherever possible.



Highlights of 2018/19

Community action: Bringing people together to make real carbon cuts with immediate benefits.

Change is more sustainable when it's made with others. Moreover, there's no reason why climate action should sit outside of any other areas of our lives. We know there are loads of co-benefits to many forms of climate action - from stronger communities to greater personal wellbeing. That's why, at Possible, we create projects that tap into or create communities of interest and align immediate returns with intangible carbon cuts.



What we did

Projects	Partners	Funders
Tree planting	National Flood Forum, Shropshire Wildlife Trust, City of Trees, National Trust	Aviva, Postcode Local, Hamilton - the musical

- In partnership with the National Flood Forum, completed a community tree-planting project to tackle flooding and climate change in Wolverley - a village in Worcestershire that's been flooded four times in the last decade.

- Used lessons from this to support other tree-planting projects around the country in partnership with the National Trust, Shropshire Wildlife Trust and City of Trees.
- Continued our 2 year project bringing together Hackney Council, ourselves and low carbon heating experts to explore the potential for using heat pumps in parks and green spaces across the borough to provide low carbon heat and sustainable revenue.

Our impact

- Across our tree-planting projects we have planted 17,500 trees and brought together over 150 volunteers to raise awareness of the contribution that they can make towards tackling climate change.
- Raised awareness amongst council staff and public of the potential for heat pumps to decarbonise heat in public buildings.

Energy innovation and positive investment: Trailblazing new business models and technological solutions for our low carbon future.

Generating electricity using renewables is a global success story and has become mainstream. We have switched our focus within these 2 workstreams towards innovation within the heat sector, where successful models are less well known and towards innovative ways in which to access markets for renewable energy.

Projects	Partners	Funders
Energy Local - London	Energy Local, Repowering London	Friends Provident, LCEF
Heatseekers Quest		NESTA
Heat Network	Manchester Metropolitan University	UKERC
Powering Parks	Hackney Council	NESTA
Riding Sunbeams	Community Energy South, Network Rail, South West Trains	Innovate UK, Friends Provident



What we did

- [Energy innovation stream] The Heatseekers' Quest was an innovative and fun way to teach people about the contribution which heat generation and heat loss make to climate change.
- [Energy innovation stream] Brought together researchers and academics from all over the country to share their research in our UKERC Heat Network.
- [Positive investment stream] Along with Community Energy South we have set up a not-for-profit company called Riding Sunbeams in order to take forward our project to prove that it is possible to power the rail network using community solar. In partnership with Network Rail we won DfT funding through InnovateUK to carry out a world first demonstration of our technology solution on this frontier.

Our impact

- [[Energy innovation stream] The Heatseekers' Quest provided a tool for groups of people from companies, government and local communities to talk about the importance of Heat in climate change, whereas the Heat Network brought together researchers to pool their ideas in order to start to come up with solutions.
- [Positive investment stream] The innovative Riding Sunbeams projects, First Light and Green Valley Lines, attracted attention from the media and rail industry insiders around the world when they launched.

Sustainability education and public awareness: Showcasing, supporting, celebrating and inspiring climate action everywhere.

Climate change can feel terrifying. Even in a year that has seen some very real climate impacts, it can feel intangible, confusing and easy to put off thinking about. None of these features are conducive to taking the action that is so needed. Possible works to make information about climate change, and more importantly what you can do about it, accessible, interesting, and appealing. We produce beautiful artwork, share simple tips and report on progress.

Projects	Partners	Funders
Aviation		Miller Charitable Trust
Climate Perks		Cobb Trust, Individual donor
Changemakers		Possible supporters



What we did

- Building on our public polling exploring attitudes towards aviation, its climate impact and different proposed behaviour change solutions, we launched our Climate Perks project with employers.
- Through social media and by direct communications we are building a group of supporters who share our messages around their circles of friends, allowing us to quickly start discussions about topical issues.

Our impact

- 3 companies signed up to our Climate Perks policy when it was launched in June 2019. By December this number had risen to 39.
- Across Facebook, Twitter and Instagram we had over 50,000 followers and over 40,000 people had signed up to receive updates on our campaigns.

Public policy campaigns: Fighting to keep people-powered, clean energy flowing in the UK.

Possible's theory of change is rooted in the power of positive, practical action. We believe that real change comes when people get the chance to play a tangible part in making it happen. That means our work is usually about getting people to do things rather than say things. But, where we see policy or regulatory barriers to people taking climate action, we step in and campaign for change.

Projects	Partners	Funders
Blown Away	Conservative Environment Network	Patagonia Foundation
Daylight Robbery	Solar Trade Association	Solar Trade Association



What we did

- Our Blown Away campaign mobilised our supporters throughout the year to raise with MPs the need to remove the block on onshore wind. We were able to work with the Conservative Environment Network to identify Conservatives who were likely to join the campaign. We provided training to supporters on how to lobby their MP.
- Daylight Robbery was a short campaign in partnership with the Solar Trade Association to highlight amongst MPs the impending changes to Feed in Tariff rules which would mean that the owners of new domestic installations would lose money and so make these uneconomic.

Our impact

- 10,400 people lobbied their MP
- 157 MPs signed up to the Blown Away campaign
- Policy replacement for Feed-in Tariff implemented

Financial review

Income for 2018/19 was £553,556, down from £779,858 last year. This was due to the completion of a period of funding from a significant core funder which was expected but which required a restructuring of the organisation in order to make an orderly transition to a lower level of funding. Consequently, expenditure was reduced to £642,904 from £736,496 and with most of the cuts falling on support costs, the deficit on Unrestricted Funds was contained at £6,754. There was a deficit of £82,594 on Restricted Funds due to the expenditure during the year of money received in advance during 2017/18.

As a result of this prudent financial management, unrestricted reserves ended the year at £308,397 which is well above the required 3 months of budgeted expenditure (£192,000) set by our reserves policy.

The trustees have agreed a budget for 2019/20 which allows for a deficit of £50,000 in Unrestricted Funds in order to underpin the relaunch of the organisation following its 10th Anniversary in October.

Principal risks and uncertainties

Organisational risks are monitored by the Management Team under the headings of: Strategic objectives, Sustainability, Compliance, and Reputation. These are reported twice a year at board meetings, along with any operational risks that have occurred in that time, and corrective action agreed.

The nature of our work on climate change makes it inherently difficult to quantify the impact of our work. Each project is measured against agreed strategic objectives within an overall strategic plan and progress reports are made to each board meeting as well as to donors.

Annual budgets are set within a longer term financial model to ensure that plans are sustainable. Management accounts and a pipeline of future funding are reviewed quarterly by the Finance & Fundraising Committee prior to each board meeting.

What is Possible

Our challenges and missions for the 2020s

As 10:10 approached its tenth birthday, we've been thinking a lot about change. All the things that have changed in the last decade, and all the things that haven't. Most of all, we've been thinking about the massive challenge that lies ahead for the next ten years.

As the UN's climate scientists told the world last October, what we do in the 2020s matters if we want to keep to 1.5°C global warming. It matters a lot. We're going to have to radically change how we live our lives, from what we eat to how we keep our homes warm, cool and dry to how we move around.

We have to do all of this at an unprecedented scale, and an unprecedented speed. And we have to do all of it whilst also coping with the degree or so of global warming we've cooked up for ourselves already. People sometimes talk about tackling climate change as our generation's "moonshot", but honestly putting a man on the moon looks piddly compared to the challenge in front of us.

To help us meet this challenge, we're going to be making some changes at the 10:10 Foundation.

We're going to keep that same can-do attitude which has always been at the core of our work. We're also keeping our focus on community action. But we're ramping up our ambition, and going to be louder about pushing others to be more ambitious too.

We're going to be focusing our work into five key challenges, all areas we know the public can play a role in speeding up action:

Cleaning up energy - achieving zero carbon power and zero carbon homes.

Working with nature - restoring nature to lock up carbon and protect us from climate impacts.

Changing how we travel - swapping cars for public transport and active travel, planes for trains - and electrifying everything.

Changing what we eat and buy - switching to plant-based diets, ending waste, and learning to have more fun with less.

Talking about the climate crisis - breaking the climate silence, and empowering everyone to understand the crisis we face.

For each of these challenges, we're going to be sharing a range of actions people can take on their own, actions to take with others, and ways to help unlock larger change. These will include the sort of big, bold, eye-catching and adventurous ideas we've become famous for, like solar railways and heat pumps under parks, as well as a new actions blog full of advice for ramping up not only your own climate ambition but everyone else's.

We have taken the opportunity to change our name. From October 10th we have been called **Possible**.

10:10 was a brilliant name for a campaign (we asked people to cut their carbon by 10% in 2010, if you don't remember that far back...) but it was never a great fit for an organisation. For a charity like ours, with our eyes squarely on the future, we can't have a name that looks back to a decade's old campaign.

We think this new name fits our stubborn optimism. Community owned solar railways? Possible. Lift the ban on onshore wind? Possible. Car free cities? Possible. More than triple our government's tree-planting targets? Possible.

Moreover, we know that the thing we're good at - and the thing the people of Britain still badly need - is to beat climate fear with positive, practical projects which help build the world we want to see. We're here to help people not only see that action on climate change is Possible, but build it too.

We're excited about what we think we can achieve in the next decade, but we know we can't do any of it without our amazing supporters. It's only with your support we'll have the impact we need.

Our supporters have always been the greatest instigators and champions of climate action; starting conversations, sharing advice, inspiring others, bugging politicians, spotting opportunities. Together, we show what is Possible.

Trustees and their responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The 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 income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for maintaining 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Trustees on 9/1/2020 and signed on their behalf by:



Carly McLachlan - Chair

Independent examiner's report to the trustees of 10:10 Foundation CIO

I report to the trustees on my examination of the accounts of 10:10 Foundation CIO (the CIO) for the year ended 30 June 2019.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Trust's gross income exceeded £250,000 I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- Accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- The accounts do not accord with those records; or
- The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Anthony Epton

Anthony Epton BA FCA CTA FCIE
Date: *15 January* 2020
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

The 10:10 Foundation

Balance sheet

As at 30 June 2019

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets:					
Tangible assets	9		1,012		1,349
Investments	10		<u>114,304</u>		<u>65,610</u>
			115,316		66,959
Current assets:					
Debtors	11	99,664		61,177	
Cash at bank and in hand		<u>179,277</u>		<u>363,477</u>	
		278,941		424,654	
Liabilities:					
Creditors: amounts falling due within one year	12	<u>(48,717)</u>		<u>(56,725)</u>	
Net current assets / (liabilities)			230,224		367,929
Total net assets / (liabilities)			345,540		434,888
Funds					
	15		37,142		119,736
Restricted funds					
Unrestricted funds:					
Designated funds		20,000		20,000	
General funds		<u>288,398</u>		<u>295,152</u>	
Total unrestricted funds			308,398		315,152
Total funds			345,540		434,888

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

9/9/2020



Name CARLY MCLACHLAN
Trustee

The attached notes form part of the financial statements.

The 10:10 Foundation
Statement of financial activities
(incorporating an income and expenditure account)
For the year ended 30 June 2019

	Note	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Income from:					
Donations and legacies	2	347,585	53,558	401,143	733,724
Charitable activities:	3				
- Community Action		-	65,000	65,000	-
- Positive Investment		-	17,204	17,204	21,526
- Energy innovation		-	58,188	58,188	21,890
Investment income	4	1,078	-	1,078	524
Other income		10,943	-	10,943	2,194
Total income		359,606	193,950	553,556	779,858
Expenditure on:					
Raising funds	5	103,708	-	103,708	138,083
Charitable activities:	5				
- Community Action		43,403	88,558	131,961	43,613
- Positive Investment		19,175	17,204	36,379	49,008
- Sustainability education and public awareness		115,785	8,370	124,155	160,058
- Energy innovation		29,378	136,731	166,109	175,160
- Public policy campaigns		51,025	29,567	80,592	170,573
Total expenditure		362,474	280,430	642,904	736,496
Net income / (expenditure) before net gains / (losses) on investments		(2,868)	(86,480)	(89,348)	43,362
Net gains / (losses) on investments		-	-	-	-
Net income / (expenditure) for the year	6	(2,868)	(86,480)	(89,348)	43,362
Transfers between funds		(3,886)	3,886	-	-
Net movement in funds		(6,754)	(82,594)	(89,348)	43,362
Reconciliation of funds:					
Total funds brought forward		315,152	119,736	434,888	391,526
Total funds carried forward		308,398	37,142	345,540	434,888

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

The 10:10 Foundation
Statement of cash flows
For the year ended 30 June 2019

	Note	2019 £	2019 £	2018 £	2018 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	16		(136,584)		(21,314)
Cash flows from investing activities:					
Interest/ rent/ dividends from investments		1,078		524	
Sale/ (purchase) of fixed assets		-		-	
Sale/ (purchase) of investments		(48,694)		(1,077)	
		_____		_____	
Cash provided by / (used in) investing activities			(47,616)		(553)
Cash flows from financing activities:					
Repayments of borrowing		-		-	
Cash inflows from new borrowing		-		-	
Receipt of endowment		-		-	
		_____		_____	
Cash provided by / (used in) financing activities			-		-
			_____		_____
Change in cash and cash equivalents in the year			(184,200)		(21,867)
Cash and cash equivalents at the beginning of the year			363,477		385,344
Change in cash and cash equivalents due to exchange rate movements			-		-
			_____		_____
Cash and cash equivalents at the end of the year	17		179,277		363,477
			=====		=====

The 10:10 Foundation
Notes to the financial statements
For the year ended 30 June 2019

1 Accounting policies

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 statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP FRS 102 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 (SORP 2005) which has since been withdrawn.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. 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 amounts of assets and liabilities within the next reporting period.

c) Income

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

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

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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.

The 10:10 Foundation
Notes to the financial statements
For the year ended 30 June 2019

1 Accounting policies (continued)

g) Expenditure and irrecoverable VAT

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

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

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

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 5.

i) Operating leases

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

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures and fittings	25% reducing
- Computer equipment	25% reducing

k) Unlisted investments

Investments in community energy companies are held as part of the charity's charitable activities. They are valued at their cost price which is not considered to be materially different from their fair value at the year end.

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 makes contributions to the personal pension schemes of employees based on a percentage of salary.

The 10:10 Foundation
Notes to the financial statements
For the year ended 30 June 2019

2 Income from donations and legacies

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
Trusts and foundations	224,840	25,844	250,684	551,609
Corporate	-	24,304	24,304	83,985
Individuals	122,745	3,410	126,154	98,130
	<u>347,585</u>	<u>53,558</u>	<u>401,143</u>	<u>733,724</u>

Unrestricted income includes £33,340 (2018: £24,999) received from the Joseph Rowntree Charitable Trust, £100,000 (2018: £125,000) from the Esmee Fairbairn Foundation, and £75,000 (2018: nil) from the Generation Foundation.

3 Income from charitable activities

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
Community Action				
NESTA	-	65,000	65,000	-
Total for Community Action	-	65,000	65,000	-
Positive Investment				
Innovate UK	-	-	-	15,366
Regen	-	-	-	4,167
Imperial College	-	-	-	1,993
Riding Sunbeams	-	17,204	17,204	-
Total for Positive Investment	-	17,204	17,204	21,526
Energy innovation				
Innovate UK	-	-	-	1,259
European Union	-	4,482	4,482	-
UKERC	-	39,194	39,194	-
NESTA	-	7,500	7,500	7,500
London Community Energy	-	7,012	7,012	2,475
Community Energy Wales	-	-	-	8,656
Community Energy South	-	-	-	2,000
Total for Local Supply	-	58,188	58,188	21,890
Total income from charitable activities	-	140,392	140,392	43,416

4 Income from investments

	Unrestricted	Restricted	2019 Total	2018 Total
	£	£	£	£
Bank interest	338	-	338	77
Dividend income	740	-	740	447
	<u>1,078</u>	<u>-</u>	<u>1,078</u>	<u>524</u>

All income from investments in 2018 was unrestricted.

The 10:10 Foundation
Notes to the financial statements
For the year ended 30 June 2019

5 Analysis of expenditure

	Charitable activities										2018 Total £
	Basis of allocation	Cost of raising funds £	Community action £	Positive investment £	Sustainability education and public awareness £	Energy innovation	Policy campaigns	Support costs £	2019 Total £		
Staff costs	Direct	69,391	41,148	25,296	87,920	54,879	50,562	32,335	381,331	500,661	
Direct costs	Direct	17,726	35,328	4,252	10,661	84,890	16,367	-	188,424	145,778	
Grants	Direct	-	44,760	-	-	-	-	-	44,760	-	
Premises	Headcount	-	-	-	-	-	-	35,251	36,261	47,672	
Administration	Headcount	-	-	-	-	11,901	-	14,766	26,667	37,560	
Governance costs	Headcount	-	-	-	-	-	-	5,481	6,481	4,565	
		87,117	121,226	29,548	98,781	151,470	66,929	87,833	642,904	738,496	
Support costs		15,566	10,065	6,405	23,791	13,726	12,810	(82,352)	-	-	
Governance costs		1,035	670	426	1,563	914	653	(5,481)	-	-	
Total expenditure 2019		103,708	131,961	36,379	124,166	165,109	80,992	-	642,904	738,496	
Total expenditure 2018		136,083	43,613	49,008	160,068	175,161	170,673	-	736,486		

Of the total expenditure, £362,474 was unrestricted (2018: £635,712) and £280,430 was restricted (2018: £100,784).

Grants were made to partner organisations (Shropshire Wildlife Trust, The National Trust and City of Trees) for tree planting.

Analysis of expenditure
Comparative figures

	Charitable activities										2018 Total £
	Basis of allocation	Cost of raising funds £	Community action £	Positive investment £	Sustainability education and public awareness £	Energy innovation	Policy campaigns	Support costs £	2019 Total £		
Staff costs	Direct	92,249	24,874	4,327	90,560	113,229	106,443	69,009	600,681	500,661	
Direct costs	Direct	15,639	9,651	40,137	36,184	18,520	24,747	-	146,776	145,778	
Grants	Direct	-	-	-	-	-	-	-	-	-	
Premises	Headcount	-	-	-	-	-	-	47,672	47,672	47,672	
Administration	Headcount	-	-	-	-	-	-	37,560	37,560	37,560	
Governance costs	Headcount	-	-	-	-	-	-	4,565	4,565	4,565	
		107,788	34,525	44,464	126,734	132,749	131,190	159,046	736,466	738,496	
Support costs		29,422	8,626	4,413	32,363	41,189	38,248	(154,461)	-	-	
Governance costs		873	262	131	961	1,223	1,135	(4,565)	-	-	
Total expenditure 2018		136,082	43,613	49,008	160,066	175,161	170,673	-	736,486		

The 10:10 Foundation
Notes to the financial statements
For the year ended 30 June 2019

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2019	2018
	£	£
Operating lease rentals:		
Property	26,000	26,000
Depreciation	337	449
Independent examiner's remuneration:		
Independent examination fees	5,000	4,100
	<u>5,000</u>	<u>4,100</u>

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

Staff costs were as follows:	2019	2018
	£	£
Salaries and wages	323,559	449,086
Social security costs	28,198	42,727
Employer's contribution to defined contribution pension schemes	9,574	8,868
Other employee benefits	-	9,511
	<u>361,331</u>	<u>510,192</u>

No employee earned £60,000 or more (2018:Nil).

The total employee benefits including pension contributions of the key management personnel were £148,613 (2018: £183,376).

The charity trustees were not paid and did not receive any other benefits from employment with the Foundation in the year (2018: nil). 1 trustee was reimbursed expenses during the year of £205 (2018: No trustees were reimbursed expenses). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Staff numbers

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

	2019	2018
	No.	No.
Raising funds	1.7	2.0
Charitable activities	7.3	8.5
Support	0.5	1.6
	<u>9.5</u>	<u>12.1</u>

8 Taxation

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

The 10:10 Foundation
Notes to the financial statements
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9 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	1,780	1,418	3,198
Additions in year	-	-	-
Disposals in year	-	-	-
At the end of the year	<u>1,780</u>	<u>1,418</u>	<u>3,198</u>
Depreciation			
At the start of the year	1,029	820	1,849
Charge for the year	187	150	337
Eliminated on disposal	-	-	-
At the end of the year	<u>1,216</u>	<u>970</u>	<u>2,186</u>
Net book value			
At the end of the year	<u>564</u>	<u>448</u>	<u>1,012</u>
At the start of the year	<u>751</u>	<u>598</u>	<u>1,349</u>

All of the above assets are used for charitable purposes.

10 Investments

	2019 £	2018 £
Investments at fair value:		
Unlisted investments	14,304	14,304
Cash held on long term deposit	100,000	51,306
	<u>114,304</u>	<u>65,610</u>
Movements		
Market value at the start of the year	65,610	64,533
Additions at cost	48,694	1,077
Disposals at carrying value	-	-
Market value at the end of the year	<u>114,304</u>	<u>65,610</u>

Social or mixed motive investments

All shares held are in community energy companies and were bought as part of the charity's charitable activities.

11 Debtors

	2019 £	2018 £
Trade debtors	4,201	11,075
Other debtors including accrued income	93,902	49,065
Prepayments	1,561	1,037
	<u>99,664</u>	<u>61,177</u>

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	9,744	15,770
Taxation and social security	8,510	10,579
Other creditors	2,943	2,533
Accruals	27,520	27,843
	<u>48,717</u>	<u>56,725</u>

The 10:10 Foundation
Notes to the financial statements
For the year ended 30 June 2019

13 Pension scheme

The charity operates a defined contribution pension scheme. The charity makes contributions to the personal pensions of its employees based on a percentage of salary.

14 Analysis of net assets between funds

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	1,012	-	-	1,012
Investments	100,000	-	14,304	114,304
Net current assets	187,386	20,000	22,838	230,224
Net assets at the end of the year	288,398	20,000	37,142	345,540

15 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
1. Blown Away	-	8,438	5,915	-	2,523
2. Daylight Robbery	-	23,000	23,652	652	-
3. Local Supply - London	8,037	18,329	26,366	-	-
4. Local Supply - RDP	-	4,482	4,482	-	-
5. Powering Parks	-	65,000	49,320	-	15,680
6. Heat Network	-	39,194	40,760	-	(1,566)
7. Heatseekers Quest	7,500	7,500	15,804	804	-
8. Energy Dash	14,304	-	-	-	14,304
9. Riding Sunbeams	-	17,204	17,204	-	-
10. Trees	89,895	504	85,328	-	5,071
11. Community Solar	-	800	3,230	2,430	-
12. Climate Perks	-	2,000	870	-	1,130
13. Aviation	-	7,500	7,500	-	-
Total restricted funds	119,736	193,950	280,430	3,886	37,142
Unrestricted funds:					
Designated funds:					
Fundraising investment	20,000	-	-	-	20,000
Total designated funds	20,000	-	-	-	20,000
General funds	295,152	359,606	362,474	(3,886)	288,398
Total unrestricted funds	315,152	359,606	362,474	(3,886)	308,398
Total funds including pension fund	434,888	553,556	642,904	-	345,540

Purposes of restricted funds

Each of the restricted projects is described in more detail below. Where expenditure was more than income transfers have been made from general funds.

1. Blown Away

A campaign to highlight the popularity of onshore wind, and to lobby for more supportive government policies, supported by donations from trusts, corporates and individuals.

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Notes to the financial statements
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Purposes of restricted funds (continued)

2. Daylight Robbery

A campaign to restore the export tariff for owners of solar panels which had been removed by the government.

3-4. Local Supply

A number of projects testing models of generating and using energy locally, funded by Friends Provident Foundation and government bodies.

5. Powering Parks

A Nesta funded project with Hackney Borough Council to trial using heat pumps in parks to power nearby buildings.

6. Heat Network

A project funded by UKERC to bring together researchers working on renewable heat solutions.

7. Heatseekers Quest

A fun idea to investigate heat loss from buildings funded by Nesta.

8. Energy Dash

Funds donated by the public to enable the charity to support community energy companies by purchasing their shares.

9. Riding Sunbeams

A project to test the feasibility of using community energy schemes to power electrified railways funded by Innovate UK and corporate partners.

10. Trees

A pilot project funded by two trusts (Postcode Local and Aviva) to test tree planting as a way involving communities, particularly those in flood affected areas, in climate action. This was then rolled out using funds from a promotion with 'Hamilton: the musical'.

11. Community Solar

Installing solar panels donated by a corporate partner to make a community solar installation.

12. Climate Perks

A new employee benefits scheme designed to kickstart the movement for flight-free holiday travel.

13. Aviation

Researching public attitudes to air travel.

Transfers are made from General Funds where the expenditure on a fund exceeds the income received.

Purposes of designated funds

The charity has embarked on a strategy of diversification of its income and the trustees have set aside £20,000 to invest in this over the coming year. This spending was delayed to the impact of GDPR legislation.

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Notes to the financial statements
For the year ended 30 June 2019

16 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2019	2018
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(89,348)	43,362
Depreciation	337	449
Interest, rent and dividends from investments	(1,078)	(524)
(Increase)/ decrease in debtors	(38,487)	(46,753)
Increase/ (decrease) in creditors	(8,008)	(17,848)
Net cash provided by / (used in) operating activities	(136,584)	(21,314)

17 Analysis of cash and cash equivalents

	At 1 July 2018	Cash flows	Other changes	At 30 June 2019
	£	£	£	£
Cash at bank and in hand	363,477	(184,200)	-	179,277
Total cash and cash equivalents	363,477	(184,200)	-	179,277

18 Operating lease commitments

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

	Property 2019	2018
	£	£
Less than 1 year	26,000	26,000
1 - 5 years	30,332	56,332
	56,332	82,332

19 Contingent assets or liabilities

There are no contingent liabilities.

20 Legal status of the charity

The 10:10 Foundation is a charitable incorporated organisation (CIO) registered with the Charity Commission (registration number 1157363) on 6 June 2014. Its governing document is its constitution and the only voting members are the trustees.

21 Related party transactions

Riding Sunbeams Limited is company which is jointly owned by Community Energy South and The 10:10 Foundation. It was established to work with corporate partners and government bodies to develop innovative ways of powering railways using community energy schemes. Income due to the charity from Riding Sunbeams relating to staff time spent on the project (£17,204) has been accrued.

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22 Statement of financial activities

Comparative figures

	Unrestricted £	Restricted £	2018 Total £
Income from:			
Donations and legacies	581,112	152,612	733,724
Charitable activities:			
- Community Action	-	-	-
- Positive Investment	-	21,526	21,526
- Energy innovation	5,360	16,530	21,890
Investment income	524	-	524
Other income	2,194	-	2,194
Total income	589,190	190,668	779,858
Expenditure on:			
Raising funds	138,083	-	138,083
Charitable activities:			
- Community Action	43,613	-	43,613
- Positive Investment	1,140	47,868	49,008
- Sustainability education and public awareness	160,058	-	160,058
- Energy innovation	135,199	39,962	175,161
- Public policy campaigns	157,619	12,954	170,573
Total expenditure	635,712	100,784	736,496
Net income / (expenditure) before net gains / (losses) on investments	(46,522)	89,884	43,362
Net gains / (losses) on investments	-	-	-
Net income / (expenditure) for the year	(46,522)	89,884	43,362
Transfers between funds	(8,453)	8,453	-
Net movement in funds	(54,975)	98,337	43,362
Reconciliation of funds:			
Total funds brought forward	370,127	21,399	391,526
Total funds carried forward	315,152	119,736	434,888

All of the above results are derived from continuing activities.
There were no other recognised gains or losses other than those stated above.
The attached notes form part of these financial statements.

