



The  
carbon  
community

Annual Report 2019 / 2020



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The Carbon Community is a UK Registered Charity number 1187231 and formed as a private company limited by guarantee, registration number 12273280.



# A Letter from our Trustees

With huge thanks for all our supporters, partners and volunteers, The Carbon Community had a very exciting and successful 2020, despite the challenges of the ongoing Covid Pandemic. We started the year by closing our first land purchase in April in the Brecon Beacons, Wales. This 170-acre site is a special place, lying in spectacular scenery with fine views over the Brecon Beacons. It already contains some ancient woodland, specimen trees and beautiful walks, it is connected by existing footpaths and bridleways including the Heart of Wales Line Walk, and direct train connections all the way from Swansea to Shrewsbury. We are in the final stages of planning a to create a new broadleaf forest there to be called the Glandwr Forest.

The site is also a scientific research site with potential for global importance. Over the last 18 months we have been working with a consortium of leading environmental scientists from Crowther Lab (ETH Zurich), Imperial College, Kew Gardens, and the University of Sheffield to maximize carbon capture in tree and soil. Under the guidance of our Scientific Advisory Board, we have dedicated 28-acres of the site to a ground-breaking scientific field trial, testing different nature-based solutions to maximize carbon capture. The incremental impact on carbon sequestration in forestry from this work could be significant, potentially changing the way that forests are created and restored around the world.

For this project, we awarded research grants to Imperial College and Kew Gardens to accelerate the science of recovering CO<sub>2</sub> from the atmosphere. This is unusual for an environmental charity, but we believe that nature-based solutions, together with meaningful reductions in emissions, are our best chance of climate restoration. Without field trials of these solutions, and the research grants to run them, critically important scientific discoveries languish in laboratories, unproven at scale, and unable to be widely deployed.

Many people feel that the climate crisis is an overwhelmingly big problem, and that there is little they can do to make a difference. Part of our mission is to show how each of us can personally make a difference by getting involved, with an emphasis on young people. This is the 'Community' in Carbon Community.

Looking forward, our focus is to combat the environmental crisis with nature-based science and to help change people's wider behaviour by getting them personally involved in nature and environmental science. We all need to reduce our CO<sub>2</sub> emissions – this is arguably the biggest and one of the most urgent challenges faced by humankind and our planet today.

We believe that shifts in behaviour are best achieved through a personal connection with nature and environmental science: i.e. getting people personally involved in the battle against CO<sub>2</sub> emissions is much more likely to have a lasting resulting in individuals reducing their own carbon footprint.

To this end, in 2021 we plan to begin opening up the Glandwr Forest to selected communities, providing opportunities to volunteer, connect with nature, get involved in woodland creation, citizen science and discover a beautiful part of the UK.

Thank you for your support.

*Charles, Heather and Jane*

# Highlights



The site of the new Glandwr Forest has fine views overlooking the Brecon Beacons.

This 170 acre upland site has been used for sheep farming for many generations, and in 2021 will be transformed into a new broadleaf forest.

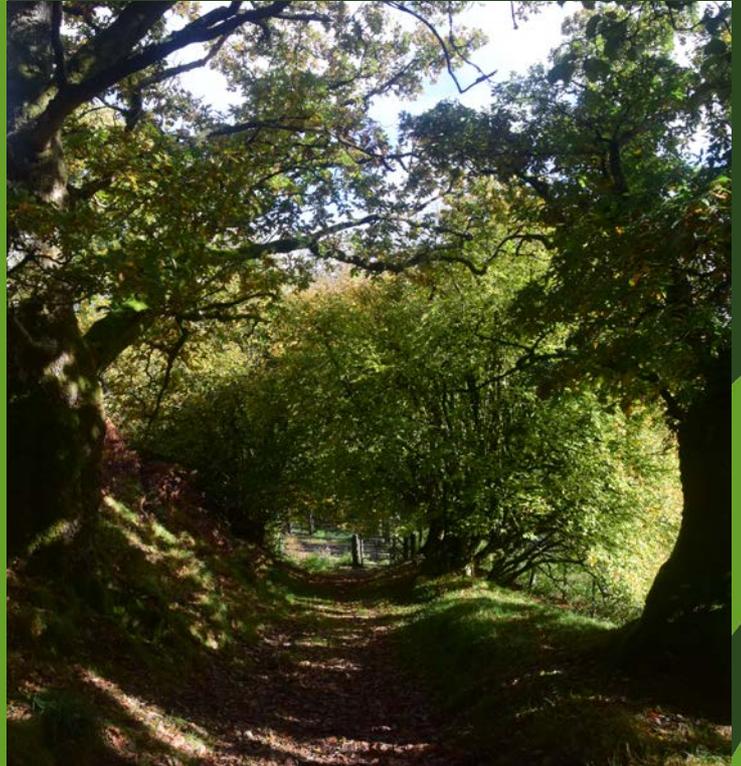
In 2020 we planted our first trees on our new site in the Brecon Beacons.

We also harvested acorns from a sessile oak on the site that is believed to date back to 1715. We've planted these special acorns to create the next generation of oak trees.



# Highlights

The Glandwr Forest already has some fantastic footpaths and is part of the Heart Of Wales line walk, which follows the railway from Shrewsbury to Swansea through some of Wales most beautiful countryside.



In conjunction with our scientific partners, we've also created a 28 acre field trial to test different combinations of nature-based solutions.



Company registration number: 12273280

Charity registration number: 1187231

# The Carbon Community

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 21 October 2019 to 30 September 2020

Ross Brooke Limited  
31a Charnham Street  
Hungerford  
Berkshire  
RG17 0EJ



## Contents

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## The Carbon Community

### Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the period ended 30 September 2020.

#### Trustees

C M Nicholls

H Allen

J K Nicholls

#### Objectives and activities

##### **Objects and aims**

The Carbon Community is a charity dedicated to carbon capture. Focused on natural solutions, we started with a question. 'How do you maximise carbon capture in a forest?' This led to many conversations that helped shape our mission: to accelerate carbon capture in trees and soil, with breakthrough science.

Our founding objects set out in our governing document are as follows:

- "to conserve, improve and protect the physical and natural environment for the public benefit by:
- The creation, promotion and sustainable management of new community forests specifically optimised for maximum carbon sequestration in trees & soil;
- Providing individuals, communities and businesses and other organisations with opportunities to participate in sustainable carbon sequestration projects; and
- to advance the education of the public in the protection, enhancement and rehabilitation of the environment, in particular but not exclusively in relation to reforestation as a means of carbon sequestration, and to promote study and research in such subjects and dissemination of the results of such research and study to the public."

##### **Our Mission:**

Accelerate carbon capture in trees & soil with breakthrough science.

##### **Our guiding principles:**

In parallel with our mission, all of our work is grounded within the following guiding principles:

- **Action:** We plant trees in ways that accelerate carbon capture.
- **Research:** We enable scientists, funding primary research on carbon capture in trees & soil.
- **Education:** Share our findings, learnings and insights with the global community.
- **Advocacy:** To advance planting techniques for trees everywhere.
- **Community:** Strengthening communities, both local to our projects and in locations where our research can help local projects accelerate carbon capture.



# The Carbon Community

## Trustees' Report

### Fundraising disclosures

#### **Public Fundraising:**

The Carbon Community's aim is to raise funds in a respectful way that is aligned with our values. The charity is registered with The Fundraising Regulator. In all of our fundraising we work diligently to comply with the Code of Fundraising Practise and uphold the standards it promotes.

#### **Public benefit**

The public benefits that shape our annual activity are environmental protection and climate restoration.

In shaping our objectives for the year and planning our activities, the trustees have given consideration to the Charity Commission's guidance on public benefit (PB2).

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### *Data Protection*

The Carbon Community places great importance on the security of support and volunteer data and personal information. For information on how the charity uses and protects personal data, please see our privacy policy. <https://www.carboncommunity.org/privacy-policy>

### Achievements and performance

#### **2019/2020 Our First Year in Review**

Our first year as a charity has been a year of laying groundwork to achieve our mission.

- **Action:** We purchased 170 acre site of former farmland just outside the Brecon Beacons National Park in Wales. This site, to be called The Glandwr Forest, will become the home of a beautiful broadleaf forest that will capture carbon for generations.
- **Research:** Our landmark scientific study to accelerate carbon capture has been designed with leading environmental scientists from Imperial College, Kew Gardens, University of Sheffield and ETH Zurich.
- **Education:** We are delighted that a Masters student from Bangor University has confirmed that he will write his thesis on our research study in 2020/21.
- **Community:** We continue to develop partnerships within the environment sector, university community and like-minded businesses. We are delighted that SAP UK Limited has agreed this year to begin raising funds for SAP Forest UK which will be planted within The Glandwr Forest.

# The Carbon Community

## Trustees' Report

### Financial review

The Carbon Community enjoyed a successful year in its first year with donations of £642,261. Our first year of fundraising was largely enabled by founding donations from individuals and funders from the Charities Aid Foundation who are passionate about our cause.

The charity spent a small amount of funds on fundraising £350, and currently does not employ any fundraising staff. It is now beginning to grow its regular giving fundraising program. We are delighted that SAP UK Limited has come on board to raise funds for the creation of SAP Forest UK to be planted within The Glandwr Forest.

The major financial commitment has been the acquisition of the site for The Glandwr Forest for £619,254. This has included an interest-free mortgage of £200,000. The site is previous farmland and is an ideal location for the scientific project which will focus on accelerating carbon capture in afforestation projects. Total Expenditure on charitable activities was £19,267.

As a new organization we are fully run by volunteers. The Trustees would like to extend their sincere thanks to the volunteers who have help build our website, design our branding and helped us with manual work on the site including restoring the bridge and building fences.

### Policy on reserves

In the current stage of TCC's evolution, the Trustees have approved a reserves policy to hold a minimum of three months of reserves and a maximum of nine months of reserves to cover our operating costs.

These reserves will be separate to ensure that we have funds to cover our forward contracts. They will also be separate to ensuring that we have sufficient working capital for tree maintenance due to the time lag in receiving funds from our contract with NRW.

The Trustees will review this Reserves Policy a minimum of once per year. The current level of reserves will be reviewed at each Trustee meeting.

In reviewing our current level of reserves versus our reserves policy, the Trustees have reviewed the forward commitments to our scientific program including the research grant, site preparation and tree planting involved in the research project. The Trustees have also taken into account our ongoing mortgage commitments. With the above in mind, the charity currently holds unrestricted reserves of £9,954 at the end of this financial year which is 8 months of cover for our ongoing costs.

### Investment policy and objectives

#### ***Investment Policy***

The Charity does not have any investments. The Trustees are committed to developing an investment policy when we reach an appropriate stage in our evolution.



## The Carbon Community

### Trustees' Report

#### Plans for future periods

##### ***Aims and key objectives for future periods***

Plans for Future Periods

2021-2030 is the most critical decade of action for our environment and our planet. 2020-2021 will be our second year, and our theme for the year is to move from groundwork to action focused on our guiding principles.

- **Action:** Thanks to the support of Natural Resources Wales, we aim to plant approximately 47 hectares of trees.
- **Research:** Included in our tree planting, will be the planting and launch of our two-year scientific study looking at how to accelerate carbon capture in trees & soil.
- **Education:** Together with local partners, develop education materials on the carbon cycle in line with the new Curriculum for Wales.
- **Advocacy:** Outreach & partnership development with fellow tree-planting organizations.
- **Community:** We look forward to our first school and University undergraduate visits to The Glandwr Forest in 2020/21.

#### Structure, governance and management

##### ***Recruitment and appointment of trustees***

The subscribers to the Memorandum are the first Trustees of the Charity, who shall hold office for such a term of office as they determine. Any person who is willing to act as a Trustee of the Charity and is permitted to be so appointed by law and the articles, may be appointed to be a Trustee by a resolution of the Trustees. A Trustee shall serve a four year term of office (unless the Trustees resolve that he or she should be appointed for a shorter period) and may be reappointed with no limit on the number of consecutive terms of office a Trustee may hold.

##### ***Organisational structure***

The Carbon Community was officially registered at Companies House on 21st October 2019 and by the Charity Commission on 6th January 2020.

The charity was constituted as a company limited by guarantee and is governed by Memorandum and Articles of Association dated 21 October 2019.

The Trustees are directors for the purpose of company law. In the event of the company being wound down members are required to contribute an amount not exceeding £1.

The charity's  
trustees are:  
C M Nicholls (Chair)  
J K Nicholls  
H Allen

## The Carbon Community

### Trustees' Report

#### Major risks and management of those risks

Through the course of 2019/2020, the Trustees have looked at three areas of risk for The Carbon Community – land acquisition, our science project implementation, and financial resilience. The land for The Glandwr Forest was acquired in March 2020. Third party liability insurance is in place, warning signs have been put in place as appropriate and work has been initiated to protect the access bridge from flooding. A decision was taken in late March to delay the planting of the science project due to covid, this has meant that the project will be delayed to the 2020/2021 planting season with ground prep scheduled to commence in October 2020. To address our long term financial resilience the Trustees are looking at carbon credits and other tools for the long term success of the charity.



## The Carbon Community

### Trustees' Report

#### Reference and Administrative Details

|                                    |   |
|------------------------------------|---|
| <b>Trustees</b>                    | C M Nicholls<br>H Allen<br>J K Nicholls   |
| <b>Principal Office</b>            | 40 Alma Road<br>Windsor<br>Berkshire<br>SL4 3HJ                                       |
| <b>Company Registration Number</b> | 12273280  |
| <b>Charity Registration Number</b> | 1187231   |
| <b>Solicitors</b>                  | IBB Solicitors Capital Court<br>30 Windsor Street<br>Uxbridge<br>Middlesex<br>UB8 1AB |
| <b>Solicitors</b>                  | AgriAdvisor<br>Henllan<br>Pumsaint<br>Llanwrda<br>SA19 8AX                            |
| <b>Bankers</b>                     | Starling Bank Limited<br>3rd Floor<br>2 Finsbury Avenue<br>London<br>EC2M 2PP         |
| <b>Independent Examiner</b>        | Ross Brooke Limited<br>31a Charnham Street<br>Hungerford Berkshire<br>RG17 0EJ        |

#### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 21<sup>st</sup> January 2021 and signed on its behalf by:

*Charles Nicholls*

.....  
C M Nicholls  
Chairman of the board of Trustees

## The Carbon Community

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Carbon Community for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 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 charitable company will continue in business.

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

Approved by the trustees of the charity on 21<sup>st</sup> January 2021 and signed on its behalf by:

*Charles Nicholls*

.....

C M Nicholls  
Chairman of the board of Trustees



## The Carbon Community

### Independent Examiner's Report to the trustees of The Carbon Community

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2020 which are set out on pages 16 to 24.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of The Carbon Community (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Carbon Community are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

Since The Carbon Community's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

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

1. accounting records were not kept in respect of The Carbon Community as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

*Signed by Kerry Hawkins on 21<sup>st</sup> January 2021*

Kerry Hawkins, FCCA, Ross Brooke Limited

31a Charnham Street  
Hungerford  
Berkshire  
RG17 0EJ

Date: 21<sup>st</sup> January 2021

## The Carbon Community

### Statement of Financial Activities for the Period from 21 October 2019 to 30 September 2020

(Including Income and Expenditure Account and Statement of Total  
Recognised Gains and Losses)

|                                    | Note | Unrestricted<br>funds<br>£ | Total<br>2020<br>£    |
|------------------------------------|------|----------------------------|-----------------------|
| <b>Income and Endowments from:</b> |      |                            |                       |
| Donations and legacies             | 3    | <u>642,261</u>             | <u>642,261</u>        |
| Total income                       |      | <u>642,261</u>             | <u>642,261</u>        |
| <b>Expenditure on:</b>             |      |                            |                       |
| Charitable activities              | 4    | <u>(19,267)</u>            | <u>(19,267)</u>       |
| Total expenditure                  |      | <u>(19,267)</u>            | <u>(19,267)</u>       |
| Net income                         |      | <u>622,994</u>             | <u>622,994</u>        |
| Net movement in funds              |      | <u>622,994</u>             | <u>622,994</u>        |
| <b>Reconciliation of funds</b>     |      |                            |                       |
| Total funds carried forward        | 13   | <u><u>622,994</u></u>      | <u><u>622,994</u></u> |

All of the charity's activities derive from continuing operations during the above period.

The notes on pages 19 to 24 form an integral part of these financial statements.



## The Carbon Community

(Registration number: 12273289)  
Balance Sheet as at 30 September 2020

|  | Note | 2020<br>£             |
|--|------|-----------------------|
| <b>Fixed assets</b>  |      |                       |
| Tangible assets  | 8    | 619,254               |
| <b>Current assets</b>  |      |                       |
| Cash at bank and in hand                                       | 9    | 206,140               |
| <b>Creditors: Amounts falling due within one year</b>          | 10   | <u>(17,400)</u>       |
| <b>Net current assets</b>                                      |      | <u>188,740</u>        |
| <b>Total assets less current liabilities</b>                   |      | 807,994               |
| <b>Creditors: Amounts falling due after more than one year</b> | 11   | <u>(185,000)</u>      |
| <b>Net assets</b>  |      | <u><u>622,994</u></u> |
| <b>Funds of the charity:</b>                                   |      |                       |
| <b>Unrestricted income funds</b>                               |      |                       |
| Unrestricted funds   |      | <u>622,994</u>        |
| <b>Total funds</b>   | 13   | <u><u>622,994</u></u> |

For the financial period ending 30 September 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 16 to 24 were approved by the trustees, and authorised for issue on 21<sup>st</sup> January 2021 and signed on their behalf by:

*Charles Nicholls*

.....  
C M Nicholls  
Chairman of the board of Trustees

The notes on pages 19 to 24 form an integral part of these financial statements.

## The Carbon Community

### Statement of Cash Flows for the Period from 21 October 2019 to 30 September 2020

|   | <b>Note</b> | <b>2020<br/>£</b>     |
|---|-------------|-----------------------|
| <b>Cash flows from operating activities</b>           |             |                       |
| Net cash income                                       |             | 622,994               |
| <b>Working capital adjustments</b>                    |             |                       |
| Increase in creditors                                 | 10          | <u>2,400</u>          |
| Net cash flows from operating activities              |             | 625,394               |
| <b>Cash flows from investing activities</b>           |             |                       |
| Purchase of tangible fixed assets                     | 8           | (619,254)             |
| <b>Cash flows from financing activities</b>           |             |                       |
| Net of new loans received and capital repayments made | 10&11       | <u>200,000</u>        |
| Net increase in cash and cash equivalents             |             | 206,140               |
| Cash and cash equivalents at 21 October               |             | <u>-</u>              |
| Cash and cash equivalents at 30 September             |             | <u><u>206,140</u></u> |

All of the cash flows are derived from acquisitions in the current financial period.



# The Carbon Community

## Notes to the Financial Statements for the Period from 21 October 2019 to 30 September 2020

### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The principal place of business is:

40 Alma Road

Windsor

Berkshire

SL4 3HJ

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

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). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

The Carbon Community 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 notes.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### Income and endowments

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

#### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## The Carbon Community

### Notes to the Financial Statements for the Period from 21 October 2019 to 30 September 2020

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

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

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.



## The Carbon Community

### Notes to the Financial Statements for the Period from 21 October 2019 to 30 September 2020

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

#### 3 Income from donations and legacies

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|---------------------|
| Donations and legacies;                         |                                       |                     |
| Donations from individuals                      | 554,761                               | 554,761             |
| Gift aid reclaimed                              | 87,500                                | 87,500              |
| <b>Total for period ended 30 September 2020</b> | <b>642,261</b>                        | <b>642,261</b>      |

#### 4 Expenditure on charitable activities

|   | Unrestricted<br>funds<br>General<br>£ | Total<br>funds<br>£ |
|---|---------------------------------------|---------------------|
| Fundraising costs                               | 350                                   | 350                 |
| Site management                                 | 441                                   | 441                 |
| Independent examiner's fee                      | 2,400                                 | 2,400               |
| Insurance                                       | 453                                   | 453                 |
| Website   | 725                                   | 725                 |
| Printing, postage and stationery                | 340                                   | 340                 |
| Travel and subsistence                          | 137                                   | 137                 |
| Marketing                                       | 6,885                                 | 6,885               |
| Legal and professional fees                     | 7,536                                 | 7,536               |
| <b>Total for period ended 30 September 2020</b> | <b>19,267</b>                         | <b>19,267</b>       |

## The Carbon Community

### Notes to the Financial Statements for the Period from 21 October 2019 to 30 September 2020

#### 5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 6 Independent examiner's remuneration

2020

£

Examination of the financial statements

2,400

#### 7 Taxation

The charity is a registered charity and is therefore exempt from taxation.



## The Carbon Community

### Notes to the Financial Statements for the Period from 21 October 2019 to 30 September 2020

#### 8 Tangible fixed assets

|                       | Land and<br>buildings<br>£ | Total<br>£            |
|-----------------------|----------------------------|-----------------------|
| <b>Cost</b>           |                            |                       |
| Additions             | 619,254                    | 619,254               |
| At 30 September 2020  | <u>619,254</u>             | <u>619,254</u>        |
| <b>Depreciation</b>   |                            |                       |
| At 30 September 2020  | <u>-</u>                   | <u>-</u>              |
| <b>Net book value</b> |                            |                       |
| At 30 September 2020  | <u><u>619,254</u></u>      | <u><u>619,254</u></u> |

#### 9 Cash and cash equivalents

|              | 2020<br>£             |
|--------------|-----------------------|
| Cash at bank | <u><u>206,140</u></u> |

#### 10 Creditors: amounts falling due within one year

|             | 2020<br>£            |
|-------------|----------------------|
| Other loans | 15,000               |
| Accruals    | 2,400                |
|             | <u><u>17,400</u></u> |

#### 11 Creditors: amounts falling due after one year

|             | 2020<br>£             |
|-------------|-----------------------|
| Other loans | <u><u>185,000</u></u> |

The loan of £200,000 is secured by a fixed charge over the Land at Glandwr, Cyngordy.

#### 12 Commitments

##### Grant Commitments

On 14th July 2020 The Carbon Community agreed to make an award of up to £174,572 over 24 months, made up of £90,008 to Kew Gardens and £84,564 to the Waring Lab.

This is a performance-related grant and as no services were provided by the recipients prior to 30th September 2020, no liability is recognised in the accounts with regards to the grant payable.

## The Carbon Community

### Notes to the Financial Statements for the Period from 21 October 2019 to 30 September 2020

| <b>13 Funds</b>           | <b>Incoming<br/>resources<br/>£</b> | <b>Resources<br/>expended<br/>£</b> | <b>Balance at 30<br/>September<br/>2020<br/>£</b> |
|---------------------------|-------------------------------------|-------------------------------------|---|
| <b>Unrestricted funds</b> |                                     |                                     |   |
| General                   | 642,261                             | (19,267)                            | 622,994   |

| <b>14 Analysis of net assets<br/>between funds</b> | <b>Unrestricted<br/>funds General<br/>£</b> | <b>Total funds at<br/>30 September<br/>2020<br/>£</b> |
|--|---|---|
| Tangible fixed assets                              | 619,254                                     | 619,254   |
| Current assets                                     | 206,140                                     | 206,140   |
| Current liabilities                                | (17,400)                                    | (17,400)  |
| Creditors over 1 year                              | (185,000)                                   | (185,000)   |
| Total net assets                                   | <u>622,994</u>                              | <u>622,994</u>  |

#### 15 Related party transactions

Donations from the trustees and their immediate families during the year totalled £554,000.

One of these donations was made via a CAF Charitable Trust.

Heather Allen, a trustee, has provided an interest free secured loan of £200,000 to the charity.

#### 16 Non-adjusting events after the financial period

Carbon Community Trading Limited, a wholly owned trading subsidiary of The Carbon Community, was incorporated on 26.10.2020.





The Carbon Community is a UK Registered  
Charity number 1187231 and formed as a  
private company limited by guarantee,  
registration number 12273280.