



# WORLD ENERGY COUNCIL ANNUAL REPORT 2020

Annual Report and Accounts for the Year Ended 31 December 2020

# WORLD ENERGY COUNCIL

World Energy Council  
(A Company Limited by Guarantee)  
Annual Report and Accounts  
For the Year Ended 31 December 2020

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# MESSAGE FROM THE CHAIR

JEAN-MARIE DAUGER

Welcome to the World Energy Council's Trustees' Annual Report and Accounts for 2020.

It was a turbulent year for the energy industry and, of course, for all of humanity. And while we have navigated the ups and downs of the Covid pandemic, its impact on energy and on our lives, we have also continued our collective work toward the shared vision of humanising energy.

I offer my sincere thanks to our staff and the honourable volunteers – Officers, Executive Chairs, Standing Committee members, advisors, partners, patrons and working group experts – who have shaped and delivered our ambitious programme of work aimed at progressing a better energy future for all. And, of course, my utmost gratitude extends to our network of members for their tireless support for the Council's activities through 2020.

At a time of uncertainty driven by global pandemic, economic volatility, and geopolitical, technological and environmental change, the Council's members share an important commitment to work together to fulfil our collective agenda of more energy and climate neutrality to secure the benefits of sustainable energy for all.

Throughout the year, the Council has worked to help our members and the wider energy-plus community navigate successful energy transition at the global, regional, national and community-level. Now more than ever, the important role of the World Energy Council in convening international energy stakeholders is vital.

In closing, I would like to reiterate my appreciation to our staff, members and stakeholders who have not only navigated the Council through a challenging year but have led us to thrive. You have set the bar high as we begin a new, exciting year.

# MESSAGE FROM THE SECRETARY GENERAL AND CEO

DR ANGELA WILKINSON

At the start of 2020, and as the newly appointed and first female Secretary General and CEO of our vehemently independent 97-year-old world energy community and charitable organisation, I was looking forward to the next 100 years. I still am!

No one could have predicted how remarkable a year 2020 would be for the world. The Covid-19 crisis is also pivotal moment for the world energy industry. Our whole community has pulled together, time and time again to exchange experiences and share outlooks, to support recovery planning and in response to the challenges of securing more energy and climate neutrality in an era of energy for people and planet. Our new imperative on humanising energy has rapidly come of age in the new post-pandemic context of affordability and energy justice concerns.

Our ability to convene inclusive, thoughtful and impactful global energy leadership dialogue, which catalyse and sustain new and effective cooperation is grounded in the local depth and global breadth of experiences and expertise of our open to all and pragmatic worldwide community. Our increasingly diverse community extends beyond the classical energy industry to all energy players and includes investors, technology entrepreneurs and other sectors.

I am indebted to the World Energy Council Secretariat for their emotional and intellectual support, hard work and dedication. Their resilience amidst the COVID crisis, their camaraderie in working throughout an exceptionally tough year, and their agility in adapting to new ways of working, ensured that we delivered all essential Council commitments.

We also kept our focus on co-creating our common future and growing our unique value proposition – further strengthening our worldwide community and the Council’s offerings, diversifying revenue streams, enhancing strategic alliances, delivering highly efficient operations and driving to impact. We shared our crisis-focussed scenarios to 2024 and launched the World Energy Transition Radar.

Our unique heritage, as the open, pragmatic and independent world-wide energy community, has never been more needed. We strive to enable stronger, connected energy societies to flourish through crisis and build forward together.

It is not easy to be impartial and impactful. We do not advocate for any single technology, country, company or solution and instead strive, as we have for nearly 100 years, to be independent and practical as we uphold access to modern energy as the ultimate connector of peoples and geographies, and hopes and fears. We support societies to join-the-dots between multiple interests, issues and individuals in order to manage the complex process of global energy transition along regionally diverse pathways.

Whatever next, I am reassured by your expressions of support and continued commitment. Together as the most diverse and vital world energy community, we will continue to strengthen and grow as we approach our centennial anniversary.

# WORLD ENERGY COUNCIL 2020 AT-A-GLANCE

The global Covid-19 pandemic has been a fundamental test of leadership for the energy industry. Throughout 2020, the World Energy Council analysed the ongoing impact of the pandemic on energy as well as the responses and changing expectations of the worldwide energy industry, drawing on surveys of our energy community in nearly 100 countries and the Council's expertise in impartial and actionable energy futures thinking.

The ongoing surveys not only provided insight into the crisis' impacts but enabled the development of plausible and alternative Covid-19 Post-Crisis Scenarios of what might happen. Organisations, governments, innovators and experts have actioned these scenarios to stress test and design post-pandemic strategies and to navigate how to emerge from the Covid-19 shock as a more resilient society and continue to accelerate a successful global energy transition.

Throughout the crisis, it is important to remember that the day-to-day business of the worldwide energy community continued – the world may have stopped, but the lights stayed on. And the ongoing work of the World Energy Council – from the production of insights to the convening of leaders – is no exception.

WORLD ENERGY COUNCIL

ANNUAL REPORT 2020

- January:**
  - New Insights Brief: Five Steps to Energy Storage *More on the Council's Insights tools: page 9*
  - Start-Up Energy Transition Awards 2020 *More on the Council's energy+ engagement activity: page 10*
  - Future Energy Leaders Programme Nominations *More on the Council's energy+ engagement activity: page 10*
- February:**
  - World Energy Issues Monitor 2020: Decoding new signals of change *More on the Council's Insights tools: page 9*
- March:**
  - Africa Energy Indaba 2020 *More on the Council's events and dialogues: page 11*
  - First 'Quick Pulse' Covid Survey: Managing Through Crisis - Business Continuity Preparedness *More on the Council's Insights tools: page 9*
  - Launch of Digital Resilience Webinar Series: Cyber risks amidst COVID-19 *More on the Council's events and dialogues page 11*
- April:**
  - World Energy Covid Scenarios *More on the Council's Insights tools: page 9*
- May:**
  - New Insights Brief: The Role of Transmission Companies in the Energy Transition *More on the Council's Insights tools: page 9*
  - First Digital Event in New 'Road to Congress 2022' Series *More on the Council's events and dialogues: page 11*
- June:**
  - World's First World Energy Transition Radar *More on the Council's Insights tools: page 9*
- July:**
  - Hydrogen Global Charter grows to 9 key stakeholders with addition of Siemens Energy *More on the Council's energy+ engagement activity: page 10*
- September:**
  - Hydrogen Global Charter grows to 10 key stakeholders with addition of Fronius International GmbH *More on the Council's energy+ engagement activity: page 10*
- October:**
  - All-Digital World Energy Week LIVE 2020: Connecting Energy Societies *More on the Council's events and dialogues: page 11*
  - 2020 World Energy Trilemma Index *More on the Council's Insights tools: page 9*
  - Expanded Communications focus with hiring of FTI Consulting
- November:**
  - The Case for a Narrative Which Humanises Energy *More on the Council's vision: page 16*

## PRE-PANDEMIC "BUSINESS AS USUAL"

## COVID-19 CRISIS: UNDERSTANDING IMMEDIATE IMPACTS AND ACTIONS

## NAVIGATING THE CRISIS AND PREPARING FOR WHAT COMES NEXT

## UNDERSTANDING AND SHAPING THE POST-PANDEMIC AGENDA

Immediately after the pandemic hit, the Council began running a series of agile surveys of our worldwide energy community on the impacts, actions and shifting expectations of the global health emergency for the energy industry.

As the world continued to learn how to cope with the impacts of the global pandemic, the Council developed the tools to prepare for what comes next – the longer-term implications for energy sectors and the outlook for global energy transition.

As the world strived to emerge from the crisis, the Council developed tools and facilitated dialogues to enable the global energy community to see through the fog of uncertainty, enhance a strategic conversation on recovery plans, and facilitate a global transition that humanises energy.

# TRUSTEES' REPORT

The Board of Trustees, who are also the Directors of the Company, present their annual report for the year ended 31 December 2020 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for the year.

The financial statements comply with current statutory requirements, the Articles of Association of the Charity, FRS 102 and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (Charity SORP FRS 102).

## OUR MISSION

To promote the sustainable supply and use of energy for the greatest benefit of all people

## OUR VISION

Humanising energy

## OBJECTIVES AND ACTIVITIES

The Charity's objectives include:

1. Collating data about and undertaking research into the means of supplying and using energy for, in both the short and long term, the greatest social benefit and least harmful environmental impact, and publishing or otherwise disseminating the useful results of such research
2. Undertaking actions including, but not limited to, the holding of congresses, workshops and webinars, to facilitate such supply and use of energy
3. Collaborating with other organisations in the energy sector with compatible goals

## PUBLIC BENEFIT

The Trustees confirm that they have complied with their duty in 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. The Trustees further confirm that the activities of the World Energy Council are carried out, in line with its objects, for the public benefit as described in this report.

Energy plays a key role in the lives of everyone on the planet, from contributing to the provision of basic needs, such as sanitation, cooking, heating and lighting to supporting healthcare, education, transportation and communication.

## HOW DO WE DO THIS

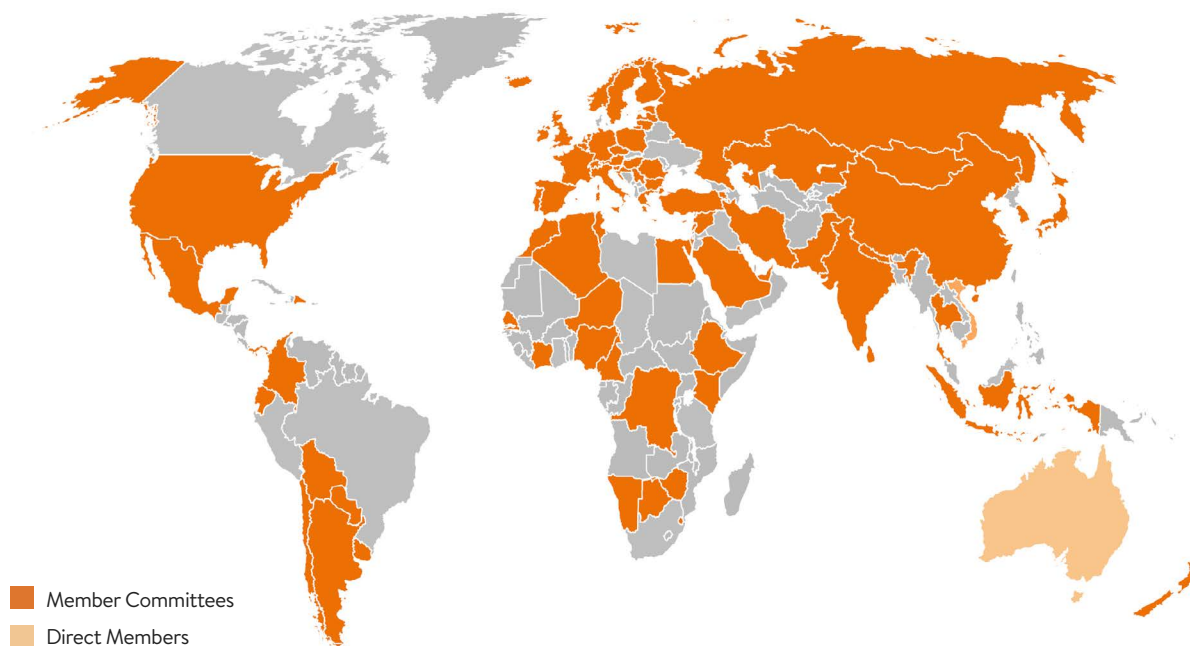
The Council's **insights, tools, programmes and events benefit** the public good by:

- Informing and supporting policymakers and other decisionmakers with tools that enable sound energy systems policy, a strong regulatory framework and the long-term thinking required for investment in energy infrastructure, which ultimately benefit the general public



- Providing information to opinion-influencers, including the media, on critical energy issues
- Assisting governments, companies and communities to work together to deliver a sustainable energy future and manage energy transition as appropriate to their context and situation; with the intended end result being a better, cleaner, more efficient world where energy supplies are secure, affordable and sustainable
- Raising awareness of energy issues and their impact on future generations
- Addressing social equity, that is, the importance of working to find ways to supply commercial and sustainable energy to those who do not currently have it (often, the poorest people in both rural and urban areas of developing countries) as well as to those who cannot afford it
- Supporting talent development and capacity building of the next generation of energy leaders and educating young professionals
- Supporting and managing energy transition innovators and start-ups, providing the most promising innovators with access to key decision-makers, investors, and markets

## HOW WE WORK



## INSIGHTS ON THE ENERGY TRANSITION

The Council engages members and partners in developing new insights on energy transition and transformation of energy systems that meet the challenge of sustainable energy for the benefit of all people and planet. Through our content, delivered through interactive tools, actionable insights and collaborative activities, the Council brings perspectives and timely insights on the implications of structural changes as well as the fast moving, broad landscape of innovations that are transforming energy systems, from within and beyond the conventional energy system. This work is produced within our Insights department and its activities are overseen by the Studies Committee.



The Council strongly believes that a whole energy system mindset and a flexible Energy Transition Toolkit are essential to achieving success. The Council's Energy Transition Toolkit includes five transition tools to help users define, better manage, and collaborate effectively on successful energy transitions. These five tools – which can be used individually or in combination – enable the development of new, timely and actionable insights. The flexibility of the Toolkit recognises there are different starting points and a no 'one size fits all' approach to a successful transition. The tools can be used to support interventions on a global, regional, national, sectoral, and/or cross-sectoral basis.

- **World Energy Issues Monitor:** In an era where the energy landscape is undergoing faster and fundamental transformation, energy leaders must pay attention to many different signals of change and distinguish key issues from the noise. The World Energy Issues Monitor provides an annual snapshot of what keeps energy policymakers, CEOs, and leading experts in over 90 countries awake at night. It enables an understanding of the world energy agenda and the evolution of priorities on a historical and geographical basis.
- **World Energy Trilemma Index:** Healthy energy systems are secure, equitable and environmentally sustainable, showing a carefully balanced Trilemma between the three dimensions. Maintaining this balance in context of rapid transition to decentralised, decarbonised, and digital systems is challenging with the risk of passive trade-offs between equally critical priorities. Energy leaders need to manage the competing demands of the energy trilemma. The World Energy Council Energy Trilemma Index is an annual measurement of national energy system performances.
- **World Energy Scenarios:** World Energy Scenarios use innovative collaboration, interactive experiences, rigorous research, and analysis to map out plausible energy futures. The practice of developing and using scenarios emerged as a way to provide an inclusive and strategic framework enabling big picture thinking and deeper assumptions, choices and options. The Council has been developing scenarios for almost two decades.
- **Innovation Insights:** The Innovation work makes sense of the fast-moving pace of the energy transition by digging deeper into the role of technology, policy and social innovation. The series includes discussion papers, virtual discussion hubs and workshops to further engage energy stakeholders and allow for innovation to be shared, adopted, and possibly implemented on a wider scale.
- **Dynamic Resilience:** Dynamic Resilience: Energy systems need to prepare for multiple and complex emerging and evolving risks. Work has focused on learning from the community's experience with the COVID-19 pandemic with resiliency being mainstreamed into the other Insights tools. The Dynamic Resilience Insight Tool and Framework will be reassessed after the pandemic to capture key learnings for emerging risk management and capability building capacity for managing the resilience of energy systems.

[View highlights of our 2020 World Energy Insights work here](#)

## WORKING ACROSS ENERGY COMMUNITIES

The World Energy Council is a member-driven, stakeholder-focused organisation working in support of energy+ communities regardless of country, sector, resource, or technology. Our Networks and Communities department engages with the Council's network to deepen our community, ensure that it reflects the current and future state of energy systems, and deliver real value to members, partners, and other stakeholders. Activities are overseen by the Programme Committee. This Committee works under a regional-based approach to ensure global representation, and also encourages amplification and impact of the Council's activities and messages at the national and regional level.

- **Member Committees:** committees of constituent members leading the energy dialogue, facilitating debate between government, business and other stakeholders, and acting as an important channel of insight and communication at the national level supported by regional and global teams.
- **Partners:** member organisations working directly with the Council and our network to develop insight, share knowledge and facilitate dialogue.
- **Future Energy Leaders:** a global recognition and high-potential programme to develop the next generation of energy leaders and facilitate networking opportunities and participation in the Council's activities.
- **Community Programmes:** targeted engagements focussing on specific energy communities including ministers, innovators, cities, regulators, and start-ups.
- **Institutions:** Major charitable foundations and institutional bodies working with the Council to support sustainability, the climate change agenda, intergovernmental interactions, and regional development organisations.
- **Start-up Energy Transition (SET) and the SET-100 Community:** SET-100 is a global community of energy innovators geared toward accelerating energy transition comprised of those who have been identified as the top 100 most innovative and promising start-ups during the annual Start-up Energy Transition Awards. The Awards process also provides fifteen finalists with the opportunity to pitch their innovation to investors and be connected into the World Energy Council leadership community, facilitating access to new markets and connections, the sharing best practice, and achieving a successful energy transition.

[View highlights of our 2020 energy engagement activities here](#)

## CONVENING AND COMMUNICATING

Engaging and communicating with members, stakeholders, media and diverse audiences is vital to the development of our insights, facilitating new ways of thinking and building awareness of our mission and vision. We achieve this through digital and physical platforms including events and dialogues, public relations, traditional and social media communications, and direct stakeholder communications, to deliver our agenda within a highly competitive and digitally oriented environment. The governing body for this area is the Communications and Strategy Committee.

- **World Energy Congress:** For 100 years, the Council's triennial World Energy Congress has leveraged the collective power of the world energy community to turn inspiration into action. This prestigious and globally recognised flagship event welcomes leaders from all corners of the world as they come together to shape the future of energy.
- **World Energy Week:** World Energy Week is a powerful platform that connects regional realities and priorities with the global energy agenda. Hosted each year by a different country, World Energy Week brings together the entire energy+ community to address whole energy systems challenges and opportunities, drive practical action and create impact.
- **WE Talks:** Beyond the headlines and market statistics, human stories of energy transition are happening around the world every day. Join us for a series of rich conversations that explore what's really happening with energy transition and what it means for societies, communities and individuals. Learn what sparks the drive and passion of some of the most influential leadership voices in the

energy world and beyond. Be a part of our inclusive energy conversations.

- **World Energy Leaders' Summits:** World Energy Leaders' Summits are high-level forums for senior government officials and business leaders from across the full energy spectrum. These exclusive annual gatherings aim to spark dialogue on the critical issues affecting energy transition management and provide a platform to share best practices and embrace new opportunities for collaboration.
- **World Energy Academy:** Provides a broad contextual overview of the energy sector and energy issues for young energy professionals, with the course syllabus based on the Council's content.
- **Communications:** The Council's omni-channel platforms and resources to connect, engage, and inform members and stakeholders on the Council's programmes, projects, and initiatives. These help to grow the organisation and our brand, increase visibility, establish thought leadership, and deepen stakeholder engagement.

[View highlights of our 2020 events and dialogues work here](#)

## 2020 – REVIEW AND ACHIEVEMENTS

AGILE RESPONSE TO THE COVID-19 CRISIS:

### ENABLING ACTION THROUGH INSIGHT

The global Covid-19 pandemic has been a fundamental test of leadership for the energy industry and has prompted further change to the World Energy Council's approach to insights, accelerating an adjustment that began in 2017 from a focus on deep flagship reports to bite sized and agile insights with actionable and timely information and tools. Throughout 2020, under this new approach, we provided insight into the crisis' impacts and helped our global energy+ community to understand the scenarios that might come next and navigate how to emerge from the Covid-19 shock as a more resilient society, while continuing to accelerate successful global energy transition.

The enhanced approach has allowed us to more fully equip the community with the insights necessary for making informed decisions within an energy landscape that is changing fast and fundamentally.

At the start of 2020, the Council released a much-anticipated Insights Brief exploring 'Five Steps to Energy Storage'. The Brief highlighted today's mainstream storage technologies as unlikely to be sufficient to meet future flexibility requirements resulting from further decentralisation and decarbonisation efforts, and concluded that a restricted focus on lithium-ion batteries is putting the development of other cost-effective alternative technologies at risk. A second Insights Brief was published later in the year, in June, examining the role of transmission companies in the energy transition. Produced in collaboration with a Council partner, PwC, this Brief underscored the imperative for electricity grid owners and operators to fundamentally transform themselves to secure a role in a more integrated, flexible and smarter electricity system in the energy transition to a low carbon future.

The Council's flagship World Energy Issues Monitor was published in February, providing unique insight into what keeps policymakers, CEOs and leading experts awake at night, globally, regionally and nationally. The report found that macroeconomic and geopolitical issues were driving global critical uncertainties while issues of technology were central to energy leaders' action priorities. Interestingly, it also found that self-reliance was outpacing regional integration as a key enabler of energy security.

In March, as the COVID-19 pandemic began to impact global industry operations, the Council launched a survey of our worldwide member community and subsequently produced our first two ‘quick pulse’ COVID impact briefs, providing insight into the industry’s experience of and response to the blooming pandemic. These briefs covered business continuity preparedness and provided an outlook for energy systems and energy transition.

Building on these insights, we announced our plausibility based and alternative medium-term World Energy Covid Scenarios in April. Labelled Pause, Rewind, Fast Forward, and Re-record, these scenarios were quickly adopted by the World Energy Council community to explore and navigate the pandemic and prepare for what comes next. These scenarios were then used as the basis for the Council’s development of the world’s first World Energy Transition Radar – a tool that enables the world energy community to see through areas of uncertainty, enhance a strategic conversation on different energy futures and enable orderly global energy transition. In October and December, the Council published two World Energy Transition Radar briefs with the main insights emerging from the real-time signals detected and shared by our global community.

Also in October, the Council released its other flagship publication – the World Energy Trilemma Index – produced in partnership with Oliver Wyman. The Index – which analyses historic trends to enable energy policy makers and stakeholders to track their policy performance over time and compare with others to explore how to improve – revealed the progress of almost 130 countries on policy development and actual performance related to Energy Security, Equity and Environmental Sustainability.

The 2020 World Energy Trilemma Index found that eight countries had achieved the top AAA balance grade, representing top quartile performance in every dimension. It also found that improvement in Sustainability and Security go hand in hand, with sustained investments in wind and solar showing countries with the highest overall scores, such as Switzerland, Sweden and Denmark, had simultaneously reduced emissions while diversifying their energy systems. Of the three dimensions, Equity saw the greatest improvements globally, driven by policy-led efforts to increase access to energy in developing countries.

#### NEW WAYS OF WORKING:

## ENGAGING THE GLOBAL ENERGY+ COMMUNITY

Throughout 2020, the World Energy Council restructured and evolved our communications strategy to focus on agile and adaptable media and stakeholder communications and an expanded and rebranded social media presence. To support this restructuring, staff redundancies were made within the department and external, and contract-based advisors were brought in to lead the revamped communications strategy. Additionally, we led an extensive RFP process resulting in the onboarding of a strategic communications team from the globally recognised consulting firm to support ongoing communications efforts.

While the bulk of these efforts did not take full effect until October of 2020, we have already achieved name recognition and extensive coverage among Tier 1 media, re-established the Council and our executives as energy thought leaders, significantly enhanced the organisational profile, and streamlined our messages to promote our vision and mission more effectively.

This same agile approach was also applied to our events and engagement activities. Before the COVID crisis halted travel and changed our ways of working and convening, we once again reprised our strategic partnership with the annual Africa Energy Indaba, which took place in Cape Town in March. With a focus on helping to shape energy policy for the African continent, we used the event as an opportunity to convene our Indaba Energy Leaders’ Dialogue, a private forum that brought together 40 top-level participants, as well as our Africa regional meeting.

Shortly after, the Council and the wider energy community acted quickly to ensure continuity of our programming and adapt to new and agile ways of working. We quickly launched a webinar series in collaboration with partner organisation Marsh & McLennan to inform members and other stakeholders about the cyber risks faced by companies amidst the COVID-19 crisis, as well as a global webcast on the impact of COVID-19 on transmission around the globe, held in collaboration with partner organisation PWC.

In June the Council officially launched 'Road to Congress 2022' in partnership with the organisers of the 25th World Energy Congress, the Roscongress Foundation. The first in a series of events looking towards the next World Energy Congress, this high-profile digital broadcast featured an interview with the Russian Minister of Energy, Alexander Novak, together with a panel of leading industry names. The event served to build profile and anticipation in the lead-up to the 25th World Energy Congress in St Petersburg, including the launch of the official Congress theme of 'Energy for Humanity,' and engaged participants on accelerating a better energy future for all in the wake of COVID-19. This live broadcast was held with the support of Rosseti, Global Energy Association, Russia-24 and Bloomberg.

Also launched mid-year was the Council's bold new WE Talks platform - a rich and diverse series of conversations with the most inspirational and refreshing leadership voices in the energy world and beyond. The series contributes to our agile communications strategy, engaging viewers in accessible conversations that go beyond the headlines and the market statistics to tell the human stories of energy transition happening around the world every day. Four episodes were launched in 2020 and a full slate of WE Talks guests has been lined up throughout 2021.

In perhaps the greatest testament to the Council's adaptive and agile approach to ways of working throughout the COVID pandemic, in October World Energy Week LIVE 2020 was transformed from a previously planned in-person event to a fully digital 3-day event featuring some of the most high-profile figures of the energy+ community. The event connected more than 1,500 stakeholders across 116 countries in dynamic regional and global dialogue on key energy issues, driven by the Council's Vision 2025 to humanise energy. It also officially launched the 25th World Energy Congress theme of Energy for Humanity with an interview with the Russian Minister of Energy, Alexander Novak, and special address by Dr Angela Wilkinson. The programme was developed with input from across our member community and the event's success can largely be credited to the successful adaptation to digital engagement and convening from our global World Energy Community.

## ENSURING RESILIENT OPERATIONS, FINANCES, AND PEOPLE

With the London offices closed for effectively a year, the Secretariat team has been working from home. The digital investments made in recent years to enhance digital resilience and remote access, resulted in strong Council preparedness when the shift to remote working took place, and the organisation coped remarkably well with the transition to remote working and maintaining a strong team culture considering the nature of the disruption. However, the challenges associated with working from home for an extended period, and team members having to simultaneously manage other pressures such as home-learning have required adaptations and flexibility to ensure the resilience of staff. These include implementing whole office closures, increased annual leave allocations, promoting flexible working arrangements, and providing kit for staff in their home offices.

The uncertainty of the impact Covid-19 at its onset led to the careful review and reassessment of our 2020 budgets to ensure continued stability of the organisation's finances. Expenditure was considerably curtailed, some of which was achieved by the reduction in international travel, budget reductions, and a freeze on new permanent hires. Expenditure was reoriented towards value generative and development activities, with regular close scrutiny by the Council's Senior Leadership Team and the Finance Committee.



In 2020, our staff resourcing necessarily adopted a more responsive and flexible approach to bringing in new skills and to fill gaps, employing contractors and specialists to meet our needs in a dynamic environment. In line with the expenditure management approaches noted above, and to manage financial uncertainty, the government's furlough scheme was utilised with a number of the team placed on furlough during the year.

Covid-19 also impacted how we resourced and delivered our activities. The impact of social distancing on our convening activities presented challenges that resulted in new cross-team and cross-network upskilling in digital delivery, including digital production, digital facilitation and events for 2020 as well as 2021. Improvements were also made to the London office to incorporate a studio set-up, used during the digital delivery of World Energy Week, and other modifications were also introduced to bring the office into line with Covid-secure requirements for when staff would be permitted to return to the premises.

## EXPANDING OUR GLOBAL MEMBER NETWORK

In 2020, the Council focused on amplification of our mission and vision and more fully engaging our global member network to drive impact in our work to humanise energy. As a result, we achieved substantial activation at the regional and Member Committee level and have incorporated these lessons-learned into our 2021 member engagement strategy.

We also began a coordinated effort to infill the strategic "gaps" in our membership map, resulting in applications for membership in early 2021. In 2020, the Council's members approved Vietnam's application for membership, while sadly, our member committees in Slovakia, South Africa, Ukraine, Chad, Tanzania, and Syria were withdrawn from membership at the end of 2020. At the end of year, the Council had a presence in 81 countries.

We were pleased to welcome Gazprom who joined as a Partner in 2020. The Council had 20 corporate partners in 2020: 12 Partners (sometimes referred to as Patrons) who contributed £752,000 (2019: £894,000) and 8 Supporters (sometimes referred to as Global Partners) who contributed £264,000 (2019: £445,000).

We focused our efforts on having an agile approach to the pandemic and ensuring our members could stay active and continue to enjoy the value of our organization. Our Executive Assembly and regular community governance meetings were successfully held virtually, with high levels of engagement from across the global member community. Additionally, a variety of tools were developed including a guide to producing digital events and space for exchanging best practices. Furthermore, a regional activation strategy was put in place and regional action plans for 2021 were developed.

The Council selected and onboarded new Future Energy Leaders -100 to join our community, bringing together the brightest and most promising young energy leaders from around the world in our three-year development programme. However, it is important to note that the global pandemic and resulting disruptions created challenges for fully engaging this important community, and as a result the changes enacted in 2020 were carried over to 2021. Fortunately, this also provided us with the opportunity to initiate a 5-Year Review with the Future Energy Leaders-100 in order to enhance and further evolve the programme. This process has involved significant investment in the community to build and enhance the value proposition, improve commercial capabilities of the organisation, and develop propositions for new streams such as philanthropic funding.

# LOOKING FORWARD

The impacts of Covid-19 on energy transition and the world energy community will continue to resonate for the foreseeable future and we also anticipate that the delivery of activities by the Council Secretariat and the network national committees will be impacted by national lockdowns and restricted ability to physically convene and engage with stakeholders. Further, the context of a global pandemic will have impacts on the direction and content of the Council's priorities.

As the Council sets out our strategic priorities for 2021, we have planned against a changing context around the world, which includes:

- We anticipate recovery, which may be uneven against a background of uncertainty
- Covid-19 will continue to have deep impacts on the convening capabilities of the Secretariat as well as our broader network of member committees
- A tighter financial context which will be challenging, as we seek to consolidate on ambition and avoid contracting
- COP-26 is anticipated as a major focal point, and honing our message around the multiple "Races to Zero" will be vital
- The change in US Administration will bring new contexts and opportunities to international priorities
- A new international order is evolving, with changing political and economic influencers

Having modernised the Council's operations to enhance relevance and reach and engaged our community in a clarified vision to 2025 to Humanise Energy, in 2021 the Council will continue to: deepen the implementation of our strategy to differentiate our position in an increasingly crowded landscape; activate members in terms of both global thought leadership; diversify revenue streams; and strengthen organisational capabilities.

## THE STRATEGIC PRIORITIES FOR 2021 APPROVED BY THE OFFICERS COUNCIL ARE:



### HUMANISING ENERGY VISION IN ACTION:

The Council must stand out distinctively in a crowded but fragmented landscape. We are finding the Humanising Energy vision has the potential to inspire and engage.



### REVENUE GROWTH AND DIVERSIFICATION:

Our focus will continue to engage in philanthropy and new patrons and have engaged a clear growth strategy for 2021.



### REBUILD GLOBAL COVERAGE AND ACTIVATE REGIONAL DEVELOPMENT:

Our ambition is to fill strategic gaps, and to further our regional development and activation into our network, increasing the contributions of the community.



**FINE TUNE OUR AGILE INSIGHTS ENGINE AND CLARIFY OUR BRAND ESSENCE:**

Ensuring our tools and insights are fit for purpose and aligned to our Humanising Energy agenda, and strengthening our brand power and visibility.



**ON TRACK ON ROAD TO CONGRESS 2022 AND 2025:**

We are successfully executing for 2022 and that our plans for 2025 are in place.



**DEVELOP SECRETARIAT CAPABILITIES AND SUSTAIN NEW WAYS OF WORKING:**

The Council will continue to foster the capabilities and diversity of its people, and bolster the resilience and agility of the Secretariat as a whole.

**TURNING VISION INTO ACTION IN 2021**

Humanising energy is key to securing more energy and climate neutrality. The Council will turn this vision into action through three key focus areas:



Underpinning these focus areas are the ‘soft system’ aspects that recognise the need for a diversity of skills and improved literacy of energy across societies and the articulation of a more granular set of themes.

We also expect to lay the foundations that will enable us to meet revenue growth aspirations including £10m of new revenue by 2025.



# FUTURE PLANS – 2021

To support implementation of the strategy and to embed effective ways of working, a framework for performance management has been approved by the Officers, based on three key performance pillars:

- **Agile:** Workstreams that are responsive to context, including Covid-19
- **Essential:** Continuing to ensure focus and quality on our essential unique assets
- **Growth:** Scoping for new and future growth, essential to the continued sustainability and relevance of the organisation

Despite the impacts of Covid, the organisation has developed robust effectiveness in its new way of working, digital upskilling, and the investments made to improve our cloud resilience and capacity has ensured that we were immediately able to ensure business continuity measures in remote working. Nonetheless, we have remained conscious of Covid-19 impacts on the network of members and partners including downward financial pressures that could further impact our financial position. As such, ensuring the Council strengthens our value proposition to members and our share of voice on energy transition through the plans outlined below will be critical. Further, the impact on operating budgets will continue to require close management to maximise returns for the charity's objectives and ability to meet commitments, and the diversification of income streams to improve long term resilience.

Officers have also considered the organisation's approach to filling strategic gaps and the development of membership at sub-national level. With travel under restriction, filling the strategic gaps in our markets has been slower, but three key member committees have been established in recent months: Kuwait, Norway and the USA. Work continues to (re)established in numerous other countries including Brazil, Ecuador, Australia, and Canada. Considerable focus in 2021 will be on MC and Partner sprints, in addition to growing the propositions for major donors and philanthropy in the spaces for energy literacy and diversity.

Based on their review of the organisation's overall financial and operational health, the Trustees believe that the Charity is stable and will continue to operate but that it must also take the following actions to ensure that it remains viable and strong for the future:



## 2021 COUNCIL PRIORITIES - PERFORMANCE OBJECTIVES



### STRATEGY

Bedding in Humanising Energy - measurable influence and impact  
Establish International Advisory Group (IAG)



### OPERATING MODEL EFFECTIVENESS

Enhance Secretariat & community agility  
Fine tuning organisation and portfolio  
Working smarter- cross team alignment, simplified processes and governance



### EXTERNAL POSITIONING AND RELEVANCE

Global coverage - enlarge council networks & re-invigorate interactions  
Extend leadership in convening digital/hybrid events  
Road to Congress 2022  
Messaging House grid



### FINANCIAL DELIVERY

Disciplined financial delivery and risk management  
Secure additional 0.5M via Patron & Philanthropic sprints streams  
Evaluate & launch innovative new membership channels & mechanisms (e.g. digital supporter)



### PEOPLE

Resilient and high performing team, agile and engaged team culture  
Strengthen relationship management, commercial acumen and energy literacy  
Creative resourcing - secondees, professional & volunteer pools.

## 2021 PLANNING: HIGH LEVEL AMBITIONS

SUMMARY	ESSENTIAL	AGILE	GROWTH
<b>“Agile Insights Engine”</b> “how to”	Harvesting community intel as source of insight, innovation and impact	Context matters, COP 26, hydrogen bubble, regulatory innovation	Foward thinking thought leadership and energy foresight/futures community in action
<b>New Business Ventures &amp; Partnerships</b> “financial sustainability”	Retain and grow partners	New regional opportunities to generate revenues	Diversification of partnering models in product portfolio
<b>Comms &amp; Engagement</b> “trustworthy voice”	Enhance Brand and Reputation	Deploy best in class skills, competence & technology - digital is moving fast	Tangibly deliver Commercial & Partner objectives
<b>Global Agenda</b> “convening & curation power”	Management of Congress; World Energy Leaders Summit, World Energy Week, and other Council branded events	Evolving and adapting convening platforms (e.g. WE Talks) in a fast moving digital market	Monetisation of convening and curating capabilities through new branding offerings
<b>Networks &amp; Communities</b> “THE world energy community”	Manage membership and reinvigorate interactions	Enhance relevance and resilience of MC business models	Plug global gaps and extend member network to energy-plus; better leverage and commercialise FEL-100 and SET-100
<b>Operations</b> “agile, efficient & fit-for-purpose”	Manage hard and soft infrastructures, compliance, nurturing talent, CRM	Flexible resourcing and kit	Scope and initiate new delivery models: secondee strategy, suppliers (professional/volunteers) pool



# STRUCTURE, GOVERNANCE AND MANAGEMENT

The World Energy Council is a company limited by guarantee and is a registered charity. It is governed by a Council of Trustees, also referred to as the Officers Council, all of whom are also Directors of the company.

## OFFICERS' COUNCIL

The Officers' Council is constituted by the Trustees of the Charity and oversees a robust governance framework. The Charity is governed by Articles of Association, adopted in November 2012 and amended in 2013, 2015 and 2016. The Articles ensure the Charity is compliant with the UK Companies Act 2006 and the UK Charities Act 2011.

The Officers' Council sets the strategic direction and ensures the Charity achieves its objectives. It oversees governance and is responsible for upholding the Charity's values, reviewing key performance targets, and assessing operational and financial performance. It is supported by a number of committees to which it delegates certain authorities. The day-to-day running of the Charity is the responsibility of the Senior Leadership Team (the Key Management Personnel).

The Trustees are appointed for an initial period of three years. Apart from the Chair and Co-Chair, a further extension of three years is permitted in the role to which they have been elected. Trustees must be a constituent member or employed by a constituent member of a national member committee and are expected to be familiar with and promote the Council's work, to participate in meetings of the Board and Executive Assembly and to support their own travel costs and any other expenses associated with serving as a Trustee.

In addition to the Chair and Co-Chair, the Trustees include the Chairs of Standing Committees (see below), the Vice-Chairs of respective regions and regional development, and the Finance Committee Chair.

The Trustees meet at least twice a year to discuss strategy, assess operational and investment performance, review financial reports and set the budgets. The Trustees may, at their discretion, put before the members at the AGM any issues of policy or any other business for discussion and debate. New Trustees receive an induction pack containing a description of Trustees' responsibilities as well as policy and other documents governing the work of the Board and the Charity. The pack also includes a description of the Trustees' fiduciary and legal responsibilities under UK law and other pertinent information necessary for effective and informed decision-making. The Secretary General and Chair brief new Trustees on their responsibilities when they are elected.

During the year one new Trustee was appointed to the Officers Council, and one concluded their term. The Officers' Council comprised 12 Trustees at 31 December 2020. All Trustees are appointed from the membership of the Charity and are Directors of the charitable company, and the charity's subsidiary WSL Limited.

It was convened six times during the year.

## MEMBER COMMITTEES

The Charity's Articles allow for the appointment of member committees. They are entitled to attend all general meetings, including the Annual General Meeting, which is referred to as the Executive Assembly,

to receive the Annual Report and Accounts, to approve the Accounts and annual budget, appoint the auditors, to elect or re-elect Trustees, to approve new member committees and to terminate member committees. Other issues of policy may be put to the members for discussion by the Trustees. All member committees have one vote in the Executive Assembly, regardless of size or subscription category.

Regular contact is maintained with Member Committees, mainly through monthly and ad hoc updates from the Secretariat and periodic communications from the Secretary General.

## FINANCE COMMITTEE

The Finance Committee is responsible for the short- and long-term financial viability of the Charity and effective stewardship of its assets. It reviews and approves for recommendation to the Officers' Council the annual budget, the reserves and investment policies, and oversees management of investments. It reviews the Annual Report and Accounts of the Charity, including accounting policies and any key accounting estimates and judgements, reviews budgets on a three-year forward projection and monitors performance against budget and plan, recommending action where necessary. The Finance Committee also serves as the audit committee, reviewing the effectiveness of the external audit and recommending the appointment of the auditors.

The Committee met eight times during the year.

## NOMINATIONS COMMITTEE

The Nominations Committee is responsible for nominating new Directors and developing the slate of nominees for presentation to the Member Committees. It initiates the search and selection process and makes recommendations for new Trustees as may be necessary. In selecting suitable candidates, the Committee considers a range of factors including relevant skills, experience, diversity and region.

Before election, nominees are required to disclose to the Nominations Committee and the Board any other significant commitments which might affect their ability to carry out their duties and advise them when circumstances change.

## REMUNERATION COMMITTEE

The Committee determines the remuneration and benefits of the Chief Executive, and reviews performance of the Chief Executive against the performance framework. It is chaired by the Chair of the Officers Council and its membership comprises the Chairs of the Standing Committees and the Finance Committee.

The Charity offers a level of remuneration that reflects individual responsibilities and performance, and the overall performance of the organisation. Salaries are positioned in the median of the corporate and charitable sectors and remuneration for roles is validated objectively using market comparators across the public, private and not-for profit sectors. The Charity conducts an annual salary review with increases awarded for individual performance and operates a bonus scheme.

The remuneration framework sets out pay bands clearly and is openly available to employees. This supports the Charity's aim to ensure a culture of transparency, fairness and teamwork and clarity regarding performance and reward philosophy.

The key management personnel for the Charity consist of the Secretary General, the Chief



Operating Officer and Senior Director level staff. The compensation package for the Secretary General, including salary, bonus and benefits, is set annually by the Remuneration Committee and is based on an assessment of UK inflation rates, the salaries of comparable executives in the UK and the financial performance of the Charity. The compensation policy for the other key management personnel, which includes salary, bonus and benefits, is recommended by the Secretary General to the Finance Committee and applied based on achievement of the individual's annual objectives and the Charity's financial performance.

All Trustees are un-remunerated and the Remuneration Committee met once in 2020.

## GOVERNANCE

The Board has reviewed the Council's compliance with best practice principles of the Charity Governance Code in the context of its own standards for board composition and development, remuneration, shareholder relations, accountability and audit. In adopting the Code, the Board assessed its policies and practices and confirmed compliance or made necessary minor updates to elements of the Charity's policies on Risk Appetite, Internal Control, and the Code of Conduct.

In line with the organisation's compliance of the Charity Governance Code, the annual evaluation process has been updated to incorporate broader evaluation of the Officers Council and the Finance Committee to ensure that both are effective governance bodies. The Code is split into seven principles and the evaluation follows these closely. The evaluations are gathered by the Chair of the Finance Committee as the Senior Independent Trustee at the start of each year.

## DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the company (who are also the Trustees of the Charity) during the year are listed at page 36.

All Directors are required to annually attest that they are independent in character and judgement and that there are no relationships or circumstances which are likely to affect, or could appear to affect, their judgement. It is the responsibility of the Board to ensure that all Directors remain independent. All disclosures for 2020 on Related Parties and Independence are set out at Note 16.

The Chair of the Finance Committee serves as the Senior Independent Trustee and is available to members if they have concerns which have not been resolved through the normal channels of the Chair or Secretary General, or when the problem is such that these contacts are inappropriate.

# ATTENDANCE AT BOARD AND SUBCOMMITTEE MEETINGS

The following shows individual Trustee/Director attendance at the meetings of the Board and its subcommittees in 2020:

## BOARD (OFFICERS COUNCIL) MEETINGS

	30/01	14/05	04/06	21/07	01/10	09/12
Al-Muhanna, Ibrahim						
Barbknecht, Klaus-Dieter	✓	✓	✓	✓	✓	✓
Birnbaum, Leonhard	✓	✓	✓		✓	✓
Budargin, Oleg	✓	✓	✓		✓	✓
Carvalho Neto, José da Costa*	✓	✓	✓	✓	✓	✓
Cronenbold, Claudia	✓		✓	✓	✓	✓
Dauger, Jean-Marie	✓	✓	✓	✓	✓	✓
Howard, Michael	✓		✓	✓	✓	✓
Ibrahim, Elham Mahmood	✓	✓	✓	✓	✓	✓
Muraki, Shigeru	✓	✓	✓	✓	✓	✓
Perra, Alexandre	✓	✓	✓		✓	✓
Vargas Lleras, José Antonio		✓	✓	✓	✓	✓
Zaafrani, Omar**						✓

\* concluded his term on 6 October 2020

\*\* appointed to Officers Council on 6 October 2020



## FINANCE COMMITTEE MEETINGS

	30/01	14/05	04/06	14/07	18/08	22/09	10/11	08/12
Barbknecht, Klaus-Dieter (Chair)	✓	✓	✓	✓	✓	✓	✓	✓
Carnegie, John	✓	✓	✓	✓	✓	✓	✓	✓
Cupit, Michael	✓	✓	✓	✓	✓	✓	✓	✓
Dauger, Jean-Marie (ex-officio)	✓	✓	✓	✓	✓	✓	✓	✓
Muraki, Shigeru	✓	✓	✓	✓	✓	✓	✓	✓
Schwieters, Norbert*		✓	✓	✓	✓	✓	✓	✓

\* appointed to Finance Committee on 14 May 2020

## NOMINATIONS COMMITTEE MEETINGS

	16/03	30/09
Barbknecht, Klaus-Dieter	✓	
Birnbaum, Leonhard		✓
Dauger, Jean-Marie	✓	✓
Carvalho Neto, José da Costa*	✓	✓
Vargas Lleras, José Antonio	✓	✓

\* concluded his term on 6 October 2020

## REMUNERATION COMMITTEE MEETINGS

The Remuneration Committee met on 4 December 2019 and reconvened on 9 February 2021.

## STANDING COMMITTEES

The Members have delegated responsibility for the Charity's charitable activities (work programme) to three permanent Standing Committees: Communications and Strategy, Programmes, and Studies. All meet two to three times a year and report to the Members. The Officers are all ex-officio members of these Committees.

The Committees are delegated specific responsibilities by the Officers Council as outlined below. They provide counsel, expertise and governance to the executive team. Standing Committee



members are selected according to their expertise and geographical location to ensure balanced and effective representation over the three years term – from one World Energy Congress to the next.

1. The Communications and Strategy Committee, whose mandate is to oversee matters related to the strategy, impact and visibility of internal and external communications and outreach to stakeholders and audiences including engagement and messaging. This is accomplished through events, media, communication and training. It also oversees the theme and programme of the World Energy Congress.
2. The Programme Committee, whose mandate is to oversee the Charity’s activities which fall under Global and Regional Agendas, in particular comprising the member network of member committees, partners, regional activities and stakeholder relations including government engagement in order that the core constituents of the Council adequately reflect the energy system, to engage and grow our stakeholder community, and increase funding through partnerships and commercialisation of services.
3. The Studies Committees, whose mandate is to oversee the Charity’s global flagship activities of impactful and influential content on the global energy debate. These include reports, analyses, collaborative Insight activities, white papers, and other commentary that advance the Council’s core messages and provide insights on issues of critical importance to energy leaders.

## SENIOR LEADERSHIP TEAM

The Senior Leadership Team led by the Chief Executive Officer and Secretary General consists of the key management personnel responsible for the day to day running of the Charity under the authority delegated by the Officers’ Council.

The Secretary General serves as the Chief Executive Officer of the Charity and as Chief Executive Officer of its trading subsidiary. He/She serves as ex officio, non-voting Secretary of the Officers’ Council and is prohibited from becoming the Chair or a Trustee of the Charity. He/She is responsible for carrying out the decisions of the Members and the Board and has delegated responsibility for the day-to-day management of the Charity’s affairs under the oversight of the Trustees.

The Senior Leadership Team proposes to the Council where the Charity should invest its time, money and expertise based on the priorities of the members. It reviews with the Officers Council the key performance objectives and changes to the strategy. It proposes the annual operating budget to the Finance Committee and Officers’ Council for approval and monitors financial performance and risks recommending any changes and mitigations.

## OUR PEOPLE

Our mission and values underpin an organisation that encourages employees to focus on service and delivery, and by challenging ourselves and others to bring value to all our members and stakeholders.

## EMPLOYMENT POLICY

It is the Charity’s policy to provide equal opportunities to job applicants and employees of any race, nationality, ethnic origin, marital status, religion or belief, gender, disability, sexual orientation, age or employment status. The Charity does not condone or tolerate any form of discrimination in its recruitment or employment practices. All employees and applicants are treated on merit, fairly, with respect and dignity, recognised as individuals and valued for the contribution they make, provided fair and equal access to training, development, reward and progression opportunities and are accountable for the impact of their own behaviour and actions. All the Charity’s policies follow these principles.



## PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. Trustees undertake regular reviews of risks facing the World Energy Council. They are also an integral part of the management undertaken by the Senior Leadership Team, where the CEO and COO have accountability for the day to day financial and risk management of the Council's activities

The Trustees believe that through this process a wide range of risks have been identified, quantified and, where appropriate, action taken on a continuing basis to manage business risks. The Trustees have reviewed the risks and consider the strategies for mitigating these risks to be appropriate. The Trustees review the results of the quarterly risk reviews and approve annual audit plan which covers the major risks identified. A more extensive annual risk assessment is carried out in the fourth quarter Trustees' meeting each year and involves identifying the types of risks the Charity faces, prioritising them in terms of potential effect and likelihood of occurrence and identifying means of mitigating them. One method of combating risks and uncertainties is through financial forecasting and scenario planning, and holding appropriate levels of reserves and cash giving time to respond to situations as they arise.

Looking forward, the main risks to the Charity in 2021 and the steps taken to address these risks are noted below.

**Income generation:** Challenging economic conditions arising from Covid-19 present risks to payments from members and revenue generation of partners. Membership income and new Partner development are areas of risk given the increasing competition for Partner contributions and the financial health of member committees. Pressure on member committee budgets can threaten the income streams for the Council and presents a risk to the delivery of the Council's deliverables.

The Secretariat's income is exposed to economic and political factors such as the debt service levels and tax receipts of countries where Ministries of Energy are the Member Committee's key source of funding, especially those whose economies may be directly impacted by oil prices. The ability of Member Committees whose funds are raised from the private sector, including energy companies who may be reducing outgoing costs due to economic conditions and lower demand for energy or other companies impacted by downward economic pressures on Partners and potential Partners' budgets to contribute to the Council. Reduced income is likely to result in drawing on reserves such reserves are considered to be stable due to the conservative spending and cash management in 2020 exercised in the face of economic uncertainty.

Sensitivity testing of budgets for 2021 by the management and the Officers have been undertaken to consider the impacts of sustained major impacts of Covid on budgets, along with clear routes to closely review the budget and reassess as any major changes arise. The Officers are satisfied that the Council's budget assumptions are prudent and adequate.

Membership subscription and Partner income risks are being actively mitigated by a continuous review of priorities, focused agile delivery and development of value proposition, and leveraging of existing and new assets, and active evolution of partnership models from transaction model towards greater sustainability – beyond transactional partnerships. Additionally, a New Business Initiatives Senior Advisor has been onboarded to focus on developing propositions and partnerships. This activity supports the prioritisation of value generation and capacity building of member committees and partners. More recently, major focus has been given to swiftly developing Covid-19 related insights and scenarios which will be of interest to members and to Partners, as well as the active revitalisation and reframing of our value proposition and relevance across communities to strengthen and increase breadth of membership, and deliver tangible benefits and features of value including tools and services. The Board has also approved additional resource to ensure that the organisation can leverage and convert opportunities that have been developed under the new business strategy.

The Congress remains a critical source of revenue and opportunity to promote the Council to partners and new members. The licence fees from the Congress organisers have been flattened out across the three years leading up to the Congress year to reduce peaks and troughs. Whilst the potential risks of low Congress sponsorship or attendance do not directly impact the Council due to the contractual nature of the Congress, income – like subscriptions – is still potentially exposed to the risk of political sanctions.

Noting the lack of physical events for the community in 2020 which would impact Partner and member value proposition, management accelerated the delivery of the Council’s WE Talks initiative to bring digital and virtual facilitated dialogue to the community and public at large, with a view to such activity being potentially income generative in the future.

In line with the Council’s Vision 2025 narrative, and to swiftly address these risks, management have implemented its *High Impact Pivot* growth plan to create revenue opportunities as well as promoting member value, swiftly building capabilities, and leveraging core assets. The ‘High Impact Pivot’ includes the development of an International Advisory Group of key supporting individuals of the Council’s mission to humanise energy transition, to identify and amplify the opportunities for the Council and activate strategic alliances by providing access to networks and funding opportunities.

**Access to talent:** The uncertain impact of Brexit and the UK’s withdrawal from Europe has resulted in increased challenges to the Charity’s ability to hire from a wide pool of talented and diverse applicants. With approximately 80% of staff and interns at the Council on the basis of EU freedom of movement, the Charity has relied heavily on access to EU staff. This risks the quality and delivery of the Council’s activities and could impact our wish to maintain an internationally diverse team that reflects the diversity of our stakeholders.

However, Covid has demonstrated that the Council can operate relatively effectively with its distributed workforce even though long and continued periods of remote working have some negative impacts on organisational culture and collaboration.

The Charity continues to monitor the market closely, ensure that it is visible as an employer of choice that can offer high quality development opportunities for new and existing team members, succession planning, and providing advice to existing EU staff on their continued right to remain in the UK. Creative strategies to bring in additional resource through secondments from partners and members have also been used to good effect.

**Service delivery, resilience, and social isolation measures:** In normal times, the operational capacity of the Secretariat has little additional redundancy, and the operations of the organisation have been stretched to capacity by Covid as well as the Council’s overall strategy implementation. The lockdown requirements for organisations have naturally impacted resilience and capabilities to carry out duties for staff working from home, particularly with regard to technical issues, family duties and space requirements. Whilst the organisation is in good shape in terms of strategy and improved ways of working with excellent digital resilience and means of communication, social isolation requirements for the near future will continue to have an impact on the effectiveness of programme delivery and capacity and the mental health of staff. There is a risk that existing staff resources are stretched beyond capacity, due to intensive and sustained staff workloads, limited resource and an ambitious work programme, particularly where staff departures are unplanned. Additionally, there will be risks associated with a post-lockdown return to the office, including continually-shifting risk assessment criteria and risks that are considered too great to allow staff to return in normal fashion, as well as the dynamic costs of converting to a “Covid secure” environment. These risks are managed through regularly reviewing and prioritising delivery commitments and interdependencies, reducing expected capacity of operations, implementation of flexible working hours, improving access to mental health support through the Employee Assistance programme, furloughing those team members with the greatest need, and regularly reviewing the UK health and safety requirements.

# GROUP STRUCTURE

The World Energy Council consists of two separate but related legal entities:

- The World Energy Council, which is a UK registered charity (“the Charity”) and a UK company incorporated under the laws of England and Wales; and
- WEC Services Limited (“WSL”), the World Energy Council’s wholly owned trading subsidiary and a separately registered UK company incorporated under the laws of England and Wales.

The Charity carries out charitable activities in accordance with the stated Mission and Objects of the organisation. The liability of the members is limited to an amount no greater than £1. If the Charity is wound up or dissolved and there remains any property, it is not to be paid to or distributed among the members but is to be given or transferred to some other charity or charities having objects similar to the Objects of the Council.

WEC Services Limited (WSL), the trading subsidiary, was incorporated on 18 June 2001 and carries out non-charitable trading activities to raise funds on behalf of the Charity. WSL’s share capital is £100 divided into 100 shares of £1 each. If, upon the winding up or dissolution of the company and after the satisfaction of all its debts and liabilities, there remains any property, this is to be given or transferred to the Charity in accordance with the Articles of Association.

WSL makes a gift aid payment to the Charity of its annual taxable profits by no later than 30 September of the following year, after due provision for the financial requirements of any business carried on by company which would absorb or extinguish taxable profits that would otherwise be available for distribution. During 2020, WSL made a pre-tax profit of £96,000 (2019: £1,014,000).

WSL’s primary activities and outcomes for the reporting period were focused on services and projects provided for EPRI, the Swedish Energy Agency, EDSO, and Rosseti.

Results of WSL’s activities are disclosed in Note 15 of these financial statements and in the separate financial statements of WSL.

# FINANCIAL REVIEW AND RESULTS FOR THE YEAR

These accounts have been prepared on a going concern basis under the authority of the Charity's Trustees. The Statement of Financial Activities (SoFA) set out on page 42 shows the following results for the Charity for the year.

Overall, the Charity had a net surplus for the year of £130,000 (2019: £34,000).

As the Covid-19 pandemic spread in first quarter of 2020, the organisation had begun to assess the financial and operational implications of the crisis. This included testing the financial capacity of the Charity to withstand the income streams from the Council's network of member committees and partners being impacted to a significant degree in both 2020 and 2021. Reductions in the Council's income could impact the delivery of objectives and commitments.

The Council's income is exposed to economic and political factors, and our network of member committees are also impacted by economic conditions including private sector performance, energy and oil prices, and tax receipts. As anticipated, the economic conditions and lower demand for energy did impact Partners and their ability to contribute to the Council. Further, member committees were also similarly impacted. However, expenditures were well-managed over the course of the year and payroll expenditure was also reduced as a result of some member of the team being placed on furlough.

Reduced income resulted in reduced operating budgets in 2020 to ensure financial stability and avoid drawing on the Charity's reserves. The Finance Committee, overseen by the Trustees, continues to actively monitor the financial position of the Council and the management continues to refocus priorities to enable agile delivery of value to the membership which will support their capacity to retain membership, the leveraging of existing and new assets, and developing new income streams to support the core activity. The management team is also implementing against a revised budget that reduces operational expenditure and prioritises value generation.

The Charity has forecast that whilst 2021 is anticipated to be economically challenging, there are plans in place to mitigate negative scenarios for both income and expenditure, which will enable continued delivery and operation of the Council. Therefore, the Trustees have concluded that the charity is a going concern and that there are no material uncertainties.

## INCOME GENERATION

Income generation during the year was £4,182,000 (2019: £5,258,000). The primary sources of income were membership subscriptions, Congress revenues and the Partner contributions, which are used to fund core work programmes and the management of the Charity.

Member Committee subscription income was £1,449,000 (2019: £1,619,000) for the year. Member subscriptions were slightly reduced as compared with the previous year as a result of a small number of Member Committees leaving the network.

In Partnerships, Patrons contributed £808,000 (2019: £894,000), which was added to the designated fund, the WEC Foundation, and Supporters (Global Partners) contributed £342,000 (2019: £445,000) to support the Council's work. As noted in our Review, our ability to grow and service our Partnership base was impacted by our re-organisation and a reduced headcount over the year, reducing Partner income.



WSL, the subsidiary generated income of £99,000 (2019: £1,054,000), predominantly from the Congress flat fee and event services.

## RESOURCES EXPENDED AND SERVICES

Total resources expended by the Charity in 2020 amounted to £5,213,000 (2019: £5,290,000). These included expenditure of £1,684,000 (2019: £2,556,000) on Insights. Note 3 provides a breakdown of resources expended.

WSL expended £3,000 (2019: £40,000) in resources.

Expenditure by the Charity was also reduced in order to manage resource and match with income, and to effectively sequence priority deliverables, most notably the Congress. The key areas where expenditure was prioritised was in Communications & Engagement and Insights.

# FINANCIAL MANAGEMENT POLICIES

## INVESTMENT POLICY AND RETURNS

The Charity and the WEC Foundation, a designated fund within the Charity, have separate investment policies which are reviewed annually. Only the Foundation has funds investments. The policies for both entities have the following objectives:

- Controlling the Charity's investments
- Ensuring the investments are adequately diversified
- Ensuring the investments are appropriate for the capital and income objectives of the Charity

The Charity's overall investment policy is based on a conservative, low-risk approach aimed at preserving capital while still providing modest to good returns. This is achieved primarily through the use of Common Investment and Deposit Funds, which minimise risk by using a spread of professionally selected funds.

The investments of the Charity (excluding the Foundation), which consist principally of cash surpluses, are placed in short-term deposit accounts. By policy, these cash surplus funds may not be invested in equity funds.

WEC Services Ltd. did not hold any investments in 2020.

An additional investment guideline for the Foundation Fund regarding the division between funds aims to maintain the following range for its sterling-based assets:

- Equity based funds – major part of capital monies
- Fixed interest funds – minor part of capital monies
- Cash deposit funds – variable part of short-term cash funds

Although the Foundation investment policy allows for investments of non-sterling-based income, the Foundation currently holds no foreign currency investments.

Fund managers for the Charity and the Foundation are listed on page 37 of these financial statements. All funds are invested with top-tier UK banks or other secure institutions.

In 2020, the Trustees authorised a total utilisation from the Foundation of £900,000 to support the Charity's work programme.

At the end of 2020, the Foundation's assets totalled £1,753,000 (2019: £918,000) and the group's investments, excluding cash deposits, were valued at £486,000 (2019: £534,000).

Whilst performance of investments was lower in 2020 than in 2019, the Trustees note that the investment values were impacted in 2020 by Covid-19 and the expectations of global recession. Noting that investments are held as long-term liquid assets that can be sold if the severity of conditions require and given the low risk approach on investments, the Trustees are of the view that any change to approach could result in higher risks which would not be appropriate for the Council.

The Foundation was established as a mechanism to ensure that the Charity's work programme is financially supported with funds contributed by major donors who are already members of the organisation. These funds come directly to the Charity and are designated, but not restricted. They may be used any time there is a requirement for additional financial support for specific elements of the work programme.

## FUNDS REVIEW

The total reserves at year-end were £2,162,000 (2019 (restated): £2,032,000). Of this, £42,000 (2019: £103,000) were restricted funds, which were funds to support secondee resource; and funds for the UK Member Committee which are used for the running of the UK Member Committee's operations. Designated Funds, which were those held by the Foundation for the purposes of supporting the Charity's work programme and objects were £1,043,000 (2019 (restated): £1,065,000) at year end. The Gerald Doucet Fund totalled £3,000 (2019: £3,000).

Unrestricted funds, predominantly made up of member subscriptions and gift-aid from the subsidiary which are used to fund work programme and objects were £1,074,000 (2019 (restated): £861,000) at year-end.

## FREE RESERVES

Free reserves available for use by the Charity are deemed to be those that are readily realisable, less fixed assets and funds whose uses are restricted or designated. At the end of 2020, the Charity held free reserves of £972,000 (2019 (restated): £736,000).

The Trustees review annually the value of the reserves retained in the form of investments, cash and cash equivalents not held for restricted purposes. They consider the Charity's exposure to major risks in terms of the likely effect on its income sources and planned expenditure in the short to medium term. They also assess the best way to mitigate such risks.

The Council's reserves policy requires sufficient reserves to:

- Cover the Charity's operating and work programme expenses for up to six months
- Include a contingency to cover any shortfall in the existing programme or project funding
- Provide initial funds for future projects to be undertaken



The reserves policy requires reserves to be set at 40% of the previous year's total cash expenditures, including expenditures of the WEC Foundation. WEC Foundation is accounted for as a designated fund to be utilised in support of the Charity's work programme. The Foundation reserves are included when calculating the total reserves on hand. Eighty per cent of reserves are to be used to meet operating expenses and the remaining 20% to safeguard the Charity's work programme commitments.

For 2020, the level of reserves required according to the stated policy was £1,426,000 (2019: £1,246,000). The total reserves are £2,162,000, incorporating the designated funds in the Foundation and Memorial Fund (£1,046,000), restricted funds of £42,000 and the general reserves of £1,074,000. As such, the Trustees are comfortable that the Charity has sufficient reserves to fund its work programme and operate the office for at least six months. The free reserves are cash mainly generated from subscriptions, the World Energy Congress and Global Partners. Such reserves are anticipated to be reduced as a result of the Covid-19 crisis, and total reserves could fall below the required levels even when including designated funds. Designated funds will continue to be drawn down with the approval of the Council's Finance Committee to fund the operations of the Council. The reserves policy is reviewed annually. The Trustees will continue to monitor closely whether the policy needs to be amended to ensure adequate reserves to continue to operate.

The total material amounts committed and falling due within the next twelve months are shown in Note 11. This consists of rent on the current premises.

## CHANGES IN FIXED ASSETS

The movements in fixed assets during the year are set out in Note 7 and Note 8 of these financial statements.



# STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The Trustees are responsible for preparing the annual report and financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice and for ensuring that the annual report and accounts provide:

- A true and fair view of the incoming resources
- The application of such resources for the Charity and group during the year
- Reviewing the state of affairs at the end of the financial year

In preparing these financial statements, the Trustees are required to:

- Ensure that the most suitable accounting policies are established and applied consistently
- Make judgements and estimates which are reasonable and prudent
- Observe the methods and principles in the Charities SORP
- State whether the applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the organisation will continue in operation for the foreseeable future

The Trustees are responsible for ensuring that the Charity has appropriate systems and controls, financial and otherwise, in place. They are also responsible for keeping proper accounting records which at any time disclose with reasonable accuracy the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and for safeguarding the assets of the Charity and their proper application as required by UK charity law, which means the Trustees must take reasonable steps to prevent and detect fraud and other irregularities and to provide reasonable assurance that:

- The Charity is operating efficiently and effectively
- All assets are safeguarded against unauthorised use or disposition and are properly applied
- Proper records are maintained and financial information used within the Charity, or for publication, is reliable
- The Charity complies with relevant laws and regulations

Insofar as each of the Trustees/Directors of the company at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing the audit report) of which the company's auditors are unaware. Each

Trustee/Director has taken all of the steps that s/he should have taken as a Trustee/Director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board on 21 May 2021 and signed on behalf of the Board by



Jean-Marie Dauger  
*Chair of Officers Council*



Klaus-Dieter Barbknecht  
*Chair, Finance Committee*

# REFERENCE AND ADMINISTRATIVE DETAILS

The World Energy Council is a registered charity (No. 1086559) and a registered company (No. 4184478) limited by guarantee and registered under the laws of England and Wales. Its registered office is as shown on page 37.

The present Trustees, any past Trustees who served during the year and new Trustees who have been appointed since last October and who will sign these reports are listed on this page. The Trustees of the Charity serve as its Officers Council and are also Trustees of the WEC Foundation and Directors of WEC Services Limited (WSL), the Charity's trading subsidiary.

Further legal and administrative details are set out on page 34.

TRUSTEES	YEAR APPOINTED	COMMITTEES
Barbknecht, Klaus-Dieter	2014	● ● ●
Birnbaum, Leonhard	2012	● ●
Budargin, Oleg	2014	
da Costa Carvalho Neto, José*	2013	● ●
Cronenbold, Claudia	2016	
Dauger, Jean-Marie (Chair)	2013	(ex officio) ● ● ●
Howard, Michael	2019	
Ibrahim, Elham Mahmood	2016	
al Muhanna, Ibrahim	2016	
Muraki, Shigeru	2016	●
Perra, Alexandre	2019	
Vargas Lleras, José Antonio	2010	● ●
Zaafrani, Omar	2019	

\* concluded his term on 6 October 2020

- Member of Finance Committee
- Member of Remuneration Committee
- Member of Nominations Committee
- Indicates Senior Independent Director



## SUBCOMMITTEES OF THE BOARD OF DIRECTORS

### FINANCE COMMITTEE

**Chair:** Klaus-Dieter Barbknecht

**Members:** John Carnegie; Michael Cupit; Jean-Marie Dauger (ex-officio); Shigeru Muraki; Norbert Schwieters

### NOMINATIONS COMMITTEE

**Chair:** Jean Marie Dauger

**Members:** José da Costa Carvalho Neto\*; Jose Antonio Vargas Lleras; Leo Birnbaum; Klaus-Dieter Barbknecht, Omar Zaafrani

### REMUNERATION COMMITTEE

**Chair:** Jean Marie Dauger

**Members:** Klaus-Dieter Barbknecht; José da Costa Carvalho Neto\*; Jean-Marie Dauger; José Antonio Vargas Lleras; Leo Birnbaum; Omar Zaafrani

### SECRETARY GENERAL AND CHIEF EXECUTIVE OFFICER

Angela Wilkinson

### OTHER SENIOR MANAGEMENT

Tania Baumann, Chief Operating Officer

Chris Gentle, Senior Adviser, New Business Initiatives

Andrew Vickers, Senior Adviser, Communications & Engagement

Martin Young, Senior Director, Insights

### PRINCIPAL AND REGISTERED OFFICE

62-64 Cornhill, London EC3V 3NH

### AUDITOR

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

### BANKERS

Barclays Bank, Piccadilly Corporate Business Centre, Pall Mall Corporate Group, PO Box 15165, London SW1A 1QF, UK

### SOLICITORS

Archon Solicitors, Gresham Street, London, EC4R 0DP, UK (personnel)

Gordon Dadds Solicitors, 6-11 Agar Street, London WC2N 4HN (commercial contracts and property matters)

Laura Devine Solicitors, 100 Cannon Street, London, EC4N 6EU (immigration and visas)

### INVESTMENT MANAGERS

Black Rock (Merrill Lynch) Investment Funds

CCLA Investment Management Ltd (COIF)

Group VAT Registration Number: GB 123 3802 48

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD ENERGY COUNCIL

## OPINION

We have audited the financial statements of World Energy Council ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2020 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

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

## CONCLUSIONS RELATING TO GOING CONCERN

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

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

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



## OTHER INFORMATION

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

adequate and proper accounting records have not been kept; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of trustees' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit; or

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

## **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement set out on page 34, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities

SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were taxation legislation and employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and reviewing agreements for individual income streams to ensure they are recognized in line with the respective accounting policy and the requirements of FRS 102 and the Charities SORP.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas  
 Senior Statutory Auditor  
 For and on behalf of Crowe U.K. LLP Statutory Auditor London  
 Date 10 August 2021



# WORLD ENERGY COUNCIL CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	<b>Total 2020 £'000</b>	Restated Total 2019 £'000
<b>Income from:</b>					
<b>Charitable activities:</b>					
Subscription fees		1,449	-	<b>1,449</b>	1,619
Patron income		808	-	<b>808</b>	894
Global partner income		342	-	<b>342</b>	445
Gifts in kind		874	-	<b>874</b>	1,229
Projects		-	82	<b>82</b>	82
<b>Other trading activities</b>					
Congress income		550	-	<b>550</b>	917
Investments		12	-	<b>12</b>	21
Other Income		65	-	<b>65</b>	51
<b>Total income and endowments</b>		<b>4,100</b>	<b>82</b>	<b>4,182</b>	<b>5,258</b>
<b>Expenditure on:</b>					
<b>Expenditure on charitable activities:</b>					
Networks & communities	3	1,288	-	<b>1,288</b>	1,627
Insights	3	1,609	75	<b>1,684</b>	2,556
Communications & Engagement	3	909	-	<b>909</b>	747
Congress Expenditure	3	78	-	<b>78</b>	359
<b>Other expenditure</b>					
Other		11	60	<b>71</b>	-
<b>Total expenditures</b>		<b>3,895</b>	<b>135</b>	<b>4,030</b>	<b>5,290</b>
Net gains/(losses) on investments		(22)	-	<b>(22)</b>	66
Net income/(expenditure)		183	(53)	<b>130</b>	35
Transfer between funds		242	(8)	<b>-</b>	34
Net movement in funds		191	(61)	<b>130</b>	34
Total funds 1 January 2020	14/17	<b>1,929</b>	<b>103</b>	<b>2,032</b>	1,998
<b>Total funds 31 December 2020</b>		<b>2,120</b>	<b>42</b>	<b>2,162</b>	<b>2,032</b>

# WORLD ENERGY COUNCIL CONSOLIDATED AND CHARITY BALANCE SHEET AS OF 31 DECEMBER 2020

	Notes	Group 2020 £000	Charity 2020 £000	Restated	
				Group 2019 £000	Charity 2019 £000
<b>Fixed assets:</b>					
Intangible assets	7	21	<b>21</b>	34	34
Tangible assets	8	81	<b>81</b>	91	91
Investments	9	486	<b>486</b>	534	534
		588	<b>588</b>	659	659
<b>Current assets:</b>					
Debtors		700	<b>702</b>	738	1,126
Short term deposits	10	1	<b>1</b>	1	1
Cash at bank and in hand		1,881	<b>1,791</b>	1,550	1,076
		2,582	<b>2,494</b>	2,289	2,203
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	(1,008)	<b>(1,002)</b>	(916)	(911)
<b>Net current assets</b>		1,574	<b>1,493</b>	1,373	1,292
<b>Total assets</b>		2,162	<b>2,081</b>	2,032	1,951
<b>Funds</b>					
Restricted funds	13	42	<b>42</b>	103	103
Unrestricted					
<b>Designated funds</b>					
WEC Foundation	13	1,043	<b>1,043</b>	1,065	1,065
Gerald Doucet Memorial fund	13	3	<b>3</b>	3	3
General fund	13	1,074	<b>993</b>	861	780
<b>Total funds</b>		2,162	<b>2,081</b>	2,032	1,951

The Charity's total income for 2020 was £4,086,000 (2019: £4,668,000). The Charity made a surplus of £130,000 in the year (2019: £65,000 deficit).

These financial statements were approved by the Board of World Energy Council (Company No. 4184478) and authorised for issue on 21 May 2021 and signed on their behalf by:



Jean-Marie Dauger  
Chair of Officers Council



Klaus-Dieter Barbknecht  
Chair, Finance Committee

The notes on pages 31 to 43 form part of these financial statements

## WORLD ENERGY COUNCIL STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
<b>Cash flows from operating activities:</b>		
Net cash provided by (used in) operating activities	308	586
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	12	21
Proceeds from sale of investments	26	-
Purchase of property, plant and equipment	(15)	(52)
<b>Net cash provided by (used in) investing activities</b>	23	(31)
<b>Change in cash and cash equivalents in the reporting period</b>	331	555
<b>Cash and cash equivalents at beginning of reporting period</b>	1,551	996
<b>Cash and cash equivalents at end of reporting period</b>	1,882	1,551
<b>Reconciliation of cash flows from operating activities from SoFA</b>		
<b>Net income/(expenditure) for the reporting period (as per the SoFA)</b>	130	35
<b>Adjustments for:</b>		
Depreciation charges	38	30
(Gains)/losses on investments	22	(66)
Dividends, interest and rents from investments	(12)	(21)
(Increases)/decrease in debtors	37	640
Increase/(decrease) in creditors	92	(32)
<b>Net cash provided by (used in) operating activities</b>	308	586
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	1,881	1,550
Notice deposits (less than 3 months)	1	1
<b>Total cash and cash equivalents</b>	1,882	1,551

The charity has taken advantage of the exemptions available in FRS 102 from the requirements to present a charity only Cash Flow Statement.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

## 1. COMPANY INFORMATION

World Energy Council is a company limited by guarantee (registered number 4184478), which is incorporated and domiciled in the UK and is a public benefit entity. The address of the registered office is 62-64 Cornhill, London EC3V 3NH.

## 2. ACCOUNTING POLICIES

### A) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the 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.

World Energy Council 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. The Charity has sufficient reserves to operate for at least six months as of the Balance Sheet date in the absence of other income. The Charity receives its income from member subscriptions, Partners and the Congress. Partners are generally on auto-renewing contracts or contracts that require three to six months' notice of non-renewal which allows adequate time for the company to make any adjustments required to its operational budget. The Congress payments are contractually required and do not allow permit non-payment. The Trustees approve annual budgets and forecasts in order to assess whether the company has sufficient liquidity to meet its liabilities as they fall due. The Finance Committee regularly reviews variances to budget, and reports and recommends to the Trustees where adjustments to the budgets are needed, such as if there are unexpected downturn in income. The Directors are confident that expenditure could be suitably controlled in line with cash flow to ensure continued operation of the Charity. The Trustees are conscious of the need to continue to closely monitor the position and make adjustments where necessary. Having regard to the above, the Trustees consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements, which assumes that the company will continue to operate for the foreseeable future.

The functional currency of World Energy Council and its subsidiary is considered to be in pounds sterling as that is the currency of the primary economic environment in which the Charity/Group operates. The consolidated financial statements are also presented in pounds sterling.

### B) CONSOLIDATION

The financial statements of World Energy Council and its subsidiary company (WEC Services Limited – Company No. 4236035) are consolidated, on a line-by-line basis, to produce the Group financial statements. The consolidated entity is referred to as 'the Group'. No separate Statement of Financial Activities has been presented for World Energy Council as permitted by Section 408

of the Companies Act 2006. The Charity has taken advantage of the exemptions in FRS 102 from the requirements to present a Charity-only Cash Flow Statement and certain disclosures about the Charity's financial instruments.

### **C) FUND ACCOUNTING**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are subject to specific restrictions imposed by the donors. These funds are accounted for separately and are only available to be used for the specific purposes for which they were given.

Investment income and gains and all expenditures are allocated to the appropriate fund.

### **D) INCOME**

The major sources of income for the Charity include:

- the gross invoiced value of subscription fees charged to the Council's members
- Partner income, which represents corporate contributions for work programme purposes and is credited directly to the WEC Foundation, a designated fund
- Supporter income, which represents corporate contributions that are non-restricted and non-designated

Subscriptions from members are recognised over the period to which they relate and are spread evenly over the period in line with the benefits received; Patron and Global Partner income is recognised when there is entitlement and receipt is probable, usually when the contract is signed. The income is recognised over the period to which it relates and is spread evenly over the period in line with the benefits received.

The subsidiary of the Charity (WEC Services Limited) derives income mainly from the World Energy Congress held once every three years and other commissioned activities such as event programmes and insights reports.

Investment income is recognised on a received basis. All other income is recognised on an accruals basis. Gifts in kind are received from a number of Patrons and other supporters of the charity either through seconded staff members or by the provision of services, e.g., modelling or advisory support on a specific project. Gifts received in kind are recognised as income at a reasonable estimate of their "fair value" to the Charity.

Where the Gifts represent staff time, the Gift in Kind is valued at the estimated cost to hire this level of staff in the UK job market. For goods or services, the value is calculated based on the estimated cost to procure these goods or services in the open market. Gift in Kind expenditure is apportioned by project and matches Gift in Kind revenue. Gift in Kind revenue is apportioned equally each quarter into the accounts. Gift in Kind expenses are shown as they are incurred or if for staff, on an apportioned quarterly basis.

## E) EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

Support costs comprise the costs of all resources utilised to support the Charity's primary activities and have been apportioned to charitable activities on the basis of the staff resources invested in each activity or project.

## F) TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing more than £500 are capitalised and included at cost, including any incidental expenses of acquisition.

Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful lives as follows:

- Leasehold improvements                      Over 10 years or over the period of the lease if less
- Office equipment                                Over three years

## G) INVESTMENTS

Investments are re-valued to market value as at the balance sheet date and the surplus or deficit on this re-valuation is shown as net gains or losses on investments on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

## H) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All exchange differences are taken to the Statement of Financial Activities.

## I) CASH AND BANK BALANCES

Amounts included in cash at bank and in hand were maintained in interlinked bank accounts; therefore, negative amounts in individual accounts do not represent overdrafts.

## J) TAXATION

Under Sections 466 to 493 Corporation Tax Act 2010, a charity is exempt from tax on its income insofar as it is applied for charitable purposes only. All disbursements appear to fall within the charitable objects and, consequently, no tax liability will arise.

## K) IRRECOVERABLE VAT

The Charity is registered for VAT, but some VAT is irrecoverable, and this is either charged to the SOFA directly or allocated within support costs.

## L) OPERATING LEASES

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred. In the case of the ten-year office lease signed in June of 2014, a 22-month rent-free period was provided by the landlord and has been factored into the accrued rent over the total period of the lease.

## M) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity's accounting policies, which are described in the Note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The judgements and estimates within the financial statements include gifts in kind valuation and the bad debt provision. The accuracy of the estimation of the gifts in kind income and expenditure depends on the value the Charity places on this service. The accuracy of the estimation of the bad debt provision depends on whether suppliers are able to pay their invoices, debts are provided against when it becomes probable the supplier will no longer be able to meet their obligation.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

## N) FINANCIAL INSTRUMENTS

World Energy Council 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 amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise trade and other creditors.

Investments are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

### Carrying amount of financial assets/liabilities

Financial assets that are measured at amortised cost: £2,530k (2019: £2,235k)

Financial liabilities that are measured at amortised cost: £458k (2019: £576k)

Financial assets measured at fair value through the SoFA: £486k (2019: £534k)

### 3. ANALYSIS OF EXPENDITURE

	Direct Costs £'000	Support costs £'000	<b>Total 2020 £'000</b>	Total 2019 £'000
<b>Charitable expenditure</b>				
Networks & communities	998	290	<b>1,288</b>	1,628
Insights	1,440	243	<b>1,683</b>	2,556
Communications & Engagement	601	309	<b>909</b>	747
Congress expenditure	48	30	<b>78</b>	359
	<b>3,087</b>	<b>872</b>	<b>3,959</b>	<b>5,290</b>

### 4. SUPPORT COSTS

	<b>Total 2020 £</b>	Total 2019 £
<b>Support costs categories</b>		
Operations and HR	<b>283</b>	244
Accommodation costs	<b>263</b>	321
Office equipment and services	<b>150</b>	162
Exchange rate	-	-
IT services	<b>46</b>	56
Legal, professional and accountancy	<b>86</b>	103
Restructuring	<b>5</b>	-
Depreciation	<b>38</b>	31
Trustee Expenses	-	-
	<b>872</b>	917
<b>Governance costs</b>		
Audit costs	<b>16</b>	20
Taxation advice (charity)	<b>5</b>	1
VAT advice	<b>3</b>	9
Accounts preparation (Charity)	<b>7</b>	7
Accounts preparation (WSL)	<b>1</b>	1
Other advice	-	-
	<b>32</b>	38



## 5. STAFF COSTS

	<b>2020</b>	2019
	<b>£'000</b>	£'000
Wages and salaries	<b>1,418</b>	1,927
Social security costs	<b>145</b>	174
Staff benefits	<b>23</b>	21
Pension costs	<b>28</b>	35
Other staff costs	<b>70</b>	129
	<b>1,686</b>	2,287

Employer pension contributions of £27,500 (2019: £34,500) were made on the employees' behalf. The average number of employees during the year was 26 (2019: 35).

Redundancy payments in the year were made to 3 members of staff and amounted to £26,160 (2019: £nil) as at 31 December 2020 £nil remained outstanding (2019: £nil), these were incurred due to the restructuring process.

The number of employees whose emoluments, excluding employer pension costs but including any termination and redundancy payments, fell within the following bands were:

	<b>2020</b>	2019
<b>Band</b>		
£410,001-£420,000	-	1
£250,001-£260,000	<b>1</b>	-
£130,001-£140,000	-	1
£120,001-£130,000	<b>1</b>	1
£90,001-£100,000	-	2
£80,001-£90,000	<b>1</b>	2
£70,001-£80,000	<b>1</b>	-
£60,001-£70,000	<b>2</b>	2

Compensation for key management personnel, other than the Secretary General, is recommended by the Secretary General to the Finance Committee for approval. The Board's Remuneration Committee is responsible for setting the compensation of the Secretary General. The total compensation for key management personnel for 2019, including any termination and redundancy payments, was as listed below.

	<b>2020</b>	2019
Senior Management remuneration	<b>£746,505</b>	£1,044,373

No employer expenses were waived during the year.



## 6. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees neither received nor waived any emoluments during the year (2019: £nil). Trustees are not eligible for any employee benefits and received none during the year. During the year £nil (2019: £nil) was reimbursed to or paid on behalf of Trustee for travel expenses.

## 7. INTANGIBLE FIXED ASSETS

All intangible fixed assets are held by the Charity.

	Website £'000	Total £'000
Cost		
<b>At 1 January 2020</b>	42	<b>42</b>
Additions	-	-
<b>At 31 December 2020</b>	42	<b>42</b>
Amortisation		
<b>At 1 January 2020</b>	7	<b>7</b>
Charge for the year	14	<b>14</b>
<b>At 31 December 2020</b>	21	<b>21</b>
Net book values		
<b>At 31 December 2020</b>	21	<b>21</b>
At 31 December 2020	35	<b>35</b>

## 8. TANGIBLE FIXED ASSETS

All tangible fixed assets are held by the Charity

	Leasehold improvements £'000	Office Equipment £'000	Total £'000
Cost			
<b>At 1 January 2020</b>	173	33	<b>206</b>
Additions	14	1	<b>15</b>
Disposals	-	-	-
<b>At 31 December 2020</b>	<b>187</b>	<b>34</b>	<b>221</b>
Accumulated depreciation			
<b>At January 2020</b>	95	20	<b>115</b>
Charge for the period	18	6	<b>24</b>
Disposals	-	-	-
<b>At 31 December 2020</b>	<b>113</b>	<b>26</b>	<b>139</b>
Net book values			
<b>At 31 December 2020</b>	<b>74</b>	<b>8</b>	<b>82</b>
At 31 December 2019	78	13	<b>91</b>

## 9. FIXED ASSET INVESTMENTS

All investments are held by the Charity and are held in UK investments.

	2020 £'000	2019 £'000
<b>Band</b>		
Market value at 1 January 2020	534	468
Additions at cost	-	-
Disposals at opening market value	(26)	-
Realised gain on disposal of investments	-	-
Unrealised gain / (loss) on investments	(22)	66
<b>Market value at 31 December 2020</b>	<b>486</b>	<b>534</b>
Total investment value at 31 December 2019	<b>486</b>	534

All fixed asset investments are UK listed investments, which are held in unit funds.

## 10. DEBTORS

	<b>Group 2020 £'000</b>	<b>Charity 2020 £'000</b>	Group 2019 £'000	Charity 2019 £'000
Trade Debtors	<b>502</b>	<b>502</b>	638	561
Amount due from subsidiary company	-	<b>2</b>	-	465
Other Debtors	<b>46</b>	<b>46</b>	45	45
Prepayments and accrued income	<b>152</b>	<b>152</b>	54	54
	<b>700</b>	<b>702</b>	738	1,126

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

	<b>Group 2020 £'000</b>	<b>Charity 2020 £'000</b>	Restated	
			Group 2019 £'000	Charity 2019 £'000
Trade creditors	<b>145</b>	<b>145</b>	164	164
Taxation and social security costs	<b>28</b>	<b>28</b>	52	52
Accruals	<b>308</b>	<b>302</b>	344	341
Deferred Income	<b>522</b>	<b>522</b>	340	339
Other	<b>5</b>	<b>5</b>	15	15
	<b>1,008</b>	<b>1,002</b>	916	911

### Deferred income reconciliation:

Balance brought forward at 1 January 2020 (Restated)	340
Additions in current year	1,290
Release of deferred income	(1,108)
Balance carried forward at 31 December 2020	<u>522</u>

Deferred income balance relates to patron and partner balances relating to future financial years.

## 12. FINANCIAL COMMITMENTS

As at 31 December 2019, the group had future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2020 £'000	2019 £'000
<b>Land and buildings</b>		
Within 1 year	173	172
Between 2 and 5 years	411	579
	<b>584</b>	752
<b>Fixtures and fittings</b>		
Within 1 year	25	25
Between 2 and 5 years	46	71
	<b>71</b>	96

During the year £190,098 (2019: £200,525) of operating lease expenditure has been recognised as expense.

## 13. STATEMENT OF FUNDS

	Restated Balance b/f 1 January 2020 £'000	Income £'000	Expenditure £'000	Investment gains £'000	Transfers £'000	<b>Balance c/f 31 December 2020 £'000</b>
<b>Restricted funds</b>						
WEC UK Committee	68	-	(60)	-	(8)	-
Deep Dive project	18	-	-	-	-	<b>18</b>
Rosatom	17	82	(75)	-	-	<b>24</b>
Total Restricted Funds	103	82	(135)	-	-	<b>42</b>
<b>Unrestricted funds</b>						
General reserve	861	4,100	(3,896)	-	8	<b>1,174</b>
<b>Designated funds</b>						
Foundation	1,065	-	-	(22)	-	<b>1,043</b>
Doucet Memorial fund	3	-	-	-	-	<b>3</b>
<b>Total funds</b>	<b>2,032</b>	<b>4,182</b>	<b>(4,030)</b>	<b>(22)</b>		<b>2,162</b>

The transfer during the year relates to drawings from the Foundation to the general reserve to pay for operations of the Charity.



	Restated Balance b/f 1 January 2019 £'000	Income £'000	Expenditure £'000	Investment gains £'000	Transfers £'000	Restated Balance c/f 31 December 2019 £'000
<b>Restricted funds</b>						
WEC UK Committee	68	-	-	-	(8)	<b>68</b>
Deep Dive project	18	-	-	-	-	<b>18</b>
Rosatom	12	82	(77)	-	-	<b>17</b>
Total Restricted Funds	98	82	(77)	-	-	<b>103</b>
<b>Unrestricted funds</b>						
General reserve	665	4,262	(5,198)	-	-	<b>861</b>
<b>Designated funds</b>						
Foundation	1,232	914	(15)	66	-	<b>1,065</b>
Doucet Memorial fund	3	-	-	-	-	<b>3</b>
<b>Total funds</b>	<b>1,998</b>	<b>5,258</b>	<b>(5,290)</b>	<b>66</b>	<b>-</b>	<b>2,032</b>

The Foundation fund represents funds set aside at the Trustees' discretion to assist in the further development of the Council's work programme; these will be utilised in 2019.

The funds in the Gerald Doucet Memorial Fund are used to support the Council's work with young people, e.g., Future Energy Leaders programme.

The funds shown as "Restricted" are (1) the contributions towards the Rosatom secondee; and (2) amounts paid by the members of the UK WEC Member Committee and held for the management of the UK Member Committee.

## 14. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted		Gerald Doucet Memorial Fund £'000	Restricted Funds £'000	Total £'000
	General £'000	Foundation £'000			
<b>As at 31 December 2020</b>					
Intangible fixed assets	21	-	-	-	<b>21</b>
Tangible fixed assets	81	-	-	-	<b>81</b>
Investments	-	486	-	-	<b>486</b>
Net current assets	972	557	3	42	<b>1,574</b>
	<b>1,106</b>	<b>1,043</b>	<b>3</b>	<b>42</b>	<b>2,162</b>

	Restated <b>Unrestricted</b>		<b>Restricted</b>		
	General £'000	Foundation £'000	Gerald Doucet Memorial Fund £'000	Funds £'000	<b>Total £'000</b>
<b>As at 31 December 2019</b>					
Intangible fixed assets	34	-	-	-	<b>34</b>
Tangible fixed assets	91	-	-	-	<b>91</b>
Investments	-	534	-	-	<b>534</b>
Net current assets	717	550	3	103	<b>1,373</b>
	842	1,084	3	103	<b>2,032</b>

## 15. SUBSIDIARY COMPANY

The Charity owns the whole of the issued ordinary share capital of WEC Services Ltd, a company registered in England (Company Number 4236035; VAT Registration Number GB 123 3802 48). WSL's share capital is £100 divided into 100 shares of £1 each. The subsidiary is used for non-primary purpose trading activities, namely Congresses, non-tax-exempt events and royalties from joint projects. WSL's total annual net profits for the year will be gift aided and paid over to the charity within the next nine months after the year end, and therefore no Corporation tax charge for the year is expected.

A summary of the results of the subsidiary is shown below

	<b>Total 2020 £'000</b>	Total 2019 £'000
<b>Statement on income and Retained Earnings</b>		
Turnover	<b>99</b>	1054
Administrative expenditure	<b>(3)</b>	(40)
Profit before taxation	<b>96</b>	1,014
Taxation	-	-
Profit after taxation	<b>96</b>	1,014
Retained earnings at start of period	<b>81</b>	81
Profit for the year	<b>96</b>	1,014
Gift Aid donation	<b>(96)</b>	(1,014)
Retained earnings at end of period	<b>81</b>	81

	<b>Total 2020 £'000</b>	Total 2019 £'000
The aggregate of the assets, liabilities and funds was:		
Assets	<b>90</b>	551
Liabilities	<b>(9)</b>	(470)
Net Assets	<b>81</b>	81
Retained Profits	<b>81</b>	81
Reserves	<b>81</b>	81

## 16. RELATED PARTY TRANSACTIONS

The total aggregated financial contributions from related parties to which one or more Trustees have a relationship were £118,000.

One Trustee, and Director of the trading subsidiary was the signatory of a Patron contract with EDF valued at £80,000.

One Trustee, who is also a Director of the trading subsidiary, exercises joint control over E.ON a Global Partner of the Council whose contribution was £38,000.

## 17. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made in the accounts as the financial statements included £166,264 of deferred income that met the requirements for recognition prior to 1 January 2019. The prior period adjustment has resulted in a reduction of liabilities in the year ended 31 December 2019 and an increase in unrestricted reserves brought forward as at 1 January 2019.

The comparatives have been restated to take account of this prior year adjustment. The impact of this means that total funds at 1 January 2019 and 31 December 2019, have increased by £166,264. The effect of this change is detailed in the table below:

	At 1 January 2019 £'000	At 31 December 2019 £'000
<b>Reconciliation of Funds</b>		
<b>Funds as previously stated</b>	1,866	1,866
Deferred income	166	166
<b>Funds as restated</b>	<b>2,032</b>	<b>2,032</b>