

THE GLOBAL WARMING POLICY FOUNDATION

FINANCIAL STATEMENTS

PERIOD 15 JULY 2009 TO 31 JULY 2010

THE GLOBAL WARMING POLICY FOUNDATION

I N D E X

Period 15 July 2009 to 31 July 2010

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THE GLOBAL WARMING POLICY FOUNDATION

GENERAL INFORMATION

Period 15 July 2009 to 31 July 2010

Charity Registration number	1131448
Company number	06962749
Directors	The Rt Hon The Lord Lawson (Chairman) The Rt Hon The Lord Barnett The Lord Donoughue The Rt Hon Lord Fellowes GCB GCVO QSO Rt Rev Peter Forster Sir Martin Jacomb Henri Lepage Baroness Nicholson of Winterbourne The Lord Turnbull KCB CVO
Honorary Treasurer	Sir James Spooner
Registered office	1 Carlton House Terrace London SW1Y 5DB
Independent examiner	M V Waterman FCA Dixon Wilson Chartered Accountants 22 Chancery Lane London WC2A 1LS
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Legal advisers	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH Darbys Solicitors LLP 52 New Inn Hall Street Oxford OX1 2DN

THE GLOBAL WARMING POLICY FOUNDATION

CHAIRMAN'S STATEMENT

Period 15 July 2009 to 31 July 2010

I am happy to present the first annual report and accounts of the Global Warming Policy Foundation.

The Foundation was launched on 23 November 2009 as an all-party and non-party think tank and educational charity, with a commitment in particular to advancing the understanding of the policy options that might be adopted in response to global warming, and in so doing to improve the level of debate on this important issue.

I am most grateful to all our donors for making the Foundation's launch and existence possible, to our eminent Board of Trustees for their wise guidance and constructive support, to our excellent honorary Treasurer for his diligence and hard work, and to our Director, Benny Peiser, for the outstanding way in which he has run the Foundation's affairs and, in so short a time, established it as a leading voice in the climate debate.

I felt it necessary in the months leading up to the launch to devote more of my time to seeking funding than has been possible since the launch. As a result, we had, at 31 July 2010, a comfortable balance at the bank. This was deliberate: it would not have been responsible to launch the Foundation, and to recruit staff, without the assurance of a reasonable period of financial solvency. But since the Foundation has to all intents and purposes no source of income other than private donations, and since its expenditure is, inevitably, steadily rising as its activities grow, further funding of necessity remains a priority.

There has been criticism in some parts of the media and elsewhere that we do not disclose the identity of our donors. In this we are not alone. Few think tanks do so. Unlike most other charities, think tanks tend to operate in controversial areas: indeed, that is part of their *raison d'être*. It is understandable that donors do not wish to be publicly engaged in controversy. This is particularly true of GWPF, where the soil we till is highly controversial, and anyone who puts their head above the parapet has to be prepared to endure a degree of public vilification. For that reason we offer all our donors the protection of anonymity.

However, in order to reassure those who might otherwise doubt our complete independence, our Protocol for the Acceptance of Gifts lays down that we do not accept donations either from the energy industry or from anyone with a significant interest in the energy industry. This was formally resolved at the first meeting of our Board of Trustees. Nor, for that matter, do we accept money from government.

The Foundation was launched on the eve of the United Nations climate change conference in Copenhagen in December 2009. The timing was deliberate. What was entirely fortuitous was that it coincided with the leaking of a mass of emails from the Climatic Research Unit of the University of East Anglia. While the content of the emails had little bearing on either the truth or falsity of the current majority view of climate science, the disreputable behaviour of several of the climate scientists involved was, to say the least, disturbing, and ours was the first voice to call for an independent inquiry into the matter.

This, coupled with the failure of the Copenhagen conference to endorse a legally binding global decarbonisation agreement of any kind, has led to a greater degree of open-mindedness about climate issues and the future course of global warming policy than had previously existed, to which I believe the GWPF has been able to make a significant contribution. There remains, however, a particular problem in the United Kingdom, which under the previous Labour government enacted, uniquely in the world, a unilateral legally-binding commitment to massive decarbonisation, a commitment which its Conservative/Liberal Democrat coalition successor has stridently continued. The fact that there is therefore no political policy debate on this issue in the UK makes the role of our Foundation all the more necessary.

THE GLOBAL WARMING POLICY FOUNDATION

TRUSTEES' ANNUAL REPORT

Period 15 July 2009 to 31 July 2010

Creation

The Global Warming Policy Foundation ("the Foundation") was incorporated as a company limited by guarantee with no share capital. The Foundation is registered as a charity under reference 1131448.

Governing instrument

The governing instruments are the Memorandum and Articles of Association.

Objects

The Global Warming Policy Foundation is an all party and non-party think tank and an educational charity. Its main purpose is to advance the public understanding of global warming and of its possible consequences, and also of the measures taken or proposed to be taken in response to such warming.

Public benefit

The Trustees, having regard to the Public Benefit guidance published by the Charity Commission in accordance with section 4 of the Charities Act 2006, consider that the purpose and activities of the Foundation satisfy the requirements of the public benefit test set out in section 3 of the same act."

Protocol for the Acceptance of Gifts

The Trustees are satisfied that the self-denying ordinance contained in the Protocol for the Acceptance of Gifts laid down at the first meeting of the Board of Trustees to ensure the Foundation's independence from energy interests is being strictly observed.

Directors and trustees

The names of the directors who have served during the period are set out on page 2.

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees have control of the property and funds of the charity. The three subscribers to the Memorandum, being Lord Lawson, Lord Fellowes and Lord Donoughue may serve as Trustees indefinitely. There should be at least three and not more than twelve Trustees and Trustees other than the founder Trustee shall hold office for a period of three years, but may be reappointed Trustee, provided that they do not act for more than two consecutive terms of office. Trustees may be appointed by ordinary resolution of the members.

At least three Trustee meetings must be held each year, during which a quorum is at least three Trustees.

Organisational structure

The Foundation has established a sub-committee to oversee matters concerning employees, salaries and financial and organisational matters on a day to day basis. Members of the sub-committee are Sir Martin Jacomb (Chairman), Lord Lawson and Sir James Spooner.

Recommendations are put forward to the Trustees at Trustee meetings.

Risk

The Trustees have identified the major risks to which the charity is exposed and have established systems and procedures to mitigate those risks.

THE GLOBAL WARMING POLICY FOUNDATION

TRUSTEES' ANNUAL REPORT

Period 15 July 2009 to 31 July 2010

Reserves

In line with the guidance issued by the Charity Commission, the Trustees have reviewed the need for reserves. The Trustees seek to apply all income in pursuance of the stated objects of the Fund as soon as is reasonably prudent, but are conscious that until the ongoing level of donations and subscriptions is known, sufficient reserves will be maintained to cover at least one year's anticipated expenditure.

The Trustees monitor the level of reserves held at each Trustees meeting.

Connected charities

There are no connected charities.

Financial review

During the year income totalled £503,302, as set out on page 9.

In accordance with the reserves policy stated above, reserves of unrestricted income funds amounting to £373,460 are being held pending distribution.

Financial statements

Accounts are set out on pages 9 to 12. They have been drawn up in compliance with the Companies Act 2006 the relevant provisions of the Charities Act 1993 and the recommendations of the revised Statement of Recommended Practice: Accounting and Reporting by Charities, issued by the Charity Commissioner for England and Wales in 2005.

Audit exemption and special provisions

The trustees have taken advantage of the exemption from audit conferred by Section 477 of the Companies Act 2006 and the accounts for the period are unaudited.

This report is prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

On behalf of the Trustees



The Rt Hon The Lord Lawson
20 October 2010

THE GLOBAL WARMING POLICY FOUNDATION

DIRECTOR'S REPORT

Period 15 July 2009 to 31 July 2010

In our first period of existence (from November 2009 – July 2010) we were not only more successful, but we also made a greater impact than anyone could have foreseen or anticipated.

When we launched the GWPF last November, I outlined the key goal of our foundation – to become the most trustworthy and readily accessible source for media, policy makers and those who wish to be informed of the most reliable and authoritative analysis of both the claims of climate campaigners and government policies currently in place or being discussed.

Our Achievements

We have made significant steps in achieving this goal:

- we have encouraged media to become more balanced in its coverage of climate change
- we have established ourselves as a reliable voice of moderation and intellectual rigour
- we have opened the debate on climate policies among opinion formers and MPs
- we have contributed to the climate debates among MEPs in the European Parliament
- we have attracted some of the world's top scientists and economists as members of our Academic Advisory Council
- we have created a widely visited website that keeps our growing number of Members, and other visitors, informed of key developments in the climate debate
- we are providing an outlet for trustworthy news, intelligent analysis and in-depth reports by members of our Academic Advisory Council and others
- we have helped to moderate the stance of learned societies
- we are beginning to shape the climate and energy debates in the UK and abroad.

We have had extensive media coverage on a number of key issues in the last seven months, in particular on the GWPF's evidence to the parliamentary Climategate hearings and in response to the CRU inquiry reports by Lord Oxburgh and Sir Muir Russell.

We have participated in numerous conferences and debates and have organised GPWF – debates (e.g. between Anthony Giddens and Nigel Lawson) and public meetings (e.g with Steven McIntyre and David Holland).

We have made significant progress in restoring balance and moderation to the climate and energy debates. In the aftermath of Climategate, the Copenhagen failure, and the highly critical report by the InterAcademy Council into defects in the IPCC's structure and management, there has been a noticeable increase in critical reporting on climate issues in the UK media. In most of these cases, the GWPF, directly or indirectly, was involved or featured in these news stories.

As an all-party and non-party educational charity, we are unique. We have developed a distinct set of principles that set us apart from most other stakeholders in the climate debates:

The GWPF does not have an official or shared view about the science of global warming – although we are of course aware that this issue is not yet settled. On climate science, our members and supporters cover a broad range of different views, from the IPCC position through agnosticism to outright scepticism.

Our main focus is to analyse global warming policies and its economic and other implications. Our aim is to provide the most robust and reliable economic analysis and advice.

We regard observational evidence and understanding the present as more important and more reliable than computer modelling or predicting the future.

Above all we seek to educate the media, politicians and the public, in a newsworthy way, on the subject in general and on the misinformation to which they are all too frequently being subjected at the present time.

THE GLOBAL WARMING POLICY FOUNDATION

DIRECTOR'S REPORT

Period 15 July 2009 to 31 July 2010

The key to the success of GWPF is the trust and credibility that we have earned in the eyes of a growing number of policy makers, journalists and the interested public. In our relationship with our members, with MPs, the media and our wider readership, it is the most important quality that we have. This is of great relevance today in light of scientific scandals and the public's loss of trust in climate scientists and politicians.

This public trust is our most important asset. It has been accumulated as a result of the commonsensical and moderate positions we have taken, the integrity of our foundation and the credibility of our actions.

I am confident of our ability to continue to deliver similarly excellent results in the future.

I would like to take this opportunity to express my thanks to all those who have supported the GWPF during its first year of existence.

Dr Benny Peiser
London, 20 October 2010



THE GLOBAL WARMING POLICY FOUNDATION

I N D E P E N D E N T E X A M I N E R ' S R E P O R T

Period 15 July 2009 to 31 July 2010

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE GLOBAL WARMING POLICY FOUNDATION**

I report on the accounts of the Trust for the period ended 31 July 2010 which are set out on pages 9 to 12.

Respective responsibilities of trustees and examiner

The charity's Trustees are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3) of the Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act); and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.


Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
- to keep accounting records in accordance with section 41 of the Act; and
 - to prepare the accounts which accord with the accounting records and to comply with the accounting requirements of the Act

have not been met; or

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



M V WATERMAN FCA

7th January 2010

THE GLOBAL WARMING POLICY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

Period 15 July 2009 to 31 July 2010

	Note	2010 £
Income and expenditure		
Incoming resources		
Voluntary income – membership fees		8,186
Voluntary income – donations		494,625
Investment income – interest receivable		491
Total incoming resources		<u>503,302</u>
Resources expended		
Operating costs		128,342
Governance costs	1	1,500
Total resources expended		<u>129,842</u>
Net incoming resources		<u>373,460</u>
Net movement in funds for the year		373,460
Total funds brought forward		-
Total funds carried forward		<u>373,460</u>

All amounts are in respect of continuing operations.

BALANCE SHEET

At 31 July 2010

	Note	2010 £
Fixed assets		
Tangible fixed assets	2	3,350
Current assets		
Debtors – accrued income		484
Cash at bank		377,940
		<u>378,424</u>
Creditors: amounts falling due within one year		
Accrued expenses and deferred income	3	8,314
Net current assets		<u>370,110</u>
Total net assets		<u>373,460</u>
Represented by:		
Unrestricted funds		<u>373,460</u>

Trustees' statement

For the year period 15th July 2009 to 31 July 2010, the Foundation was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Foundation to obtain an audit of its accounts for the period in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions of provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

The financial statements on page 9 to 12 were approved by the Trustees on 20 October 2010 and signed on their behalf by:



The Rt Hon The Lord Lawson

THE GLOBAL WARMING POLICY FOUNDATION

ACCOUNTING POLICIES

Period 15 July 2009 to 31 July 2010

The financial statements have been prepared in accordance with applicable accounting standards, the Companies Act 2006 and with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005). The particular accounting policies adopted are described below.

Basis of accounting

These financial statements have been prepared under the historical cost convention.

Fixed assets and depreciation

A full year's depreciation is provided on fixtures and fittings and equipment at rates calculated to write off the cost of the assets, less residual value, over their expected useful life as follows:

Fixtures and fittings	–	20% straight line basis
Computer equipment	–	33.33% straight line basis

Incoming resources

Receipts in respect of membership fees are carried forward to the extent they relate to periods after the year end. All donations are recognised in the accounting period in which they are received.

Resources expended

Expenditure is recognised on an accruals basis.

THE GLOBAL WARMING POLICY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Period 15 July 2009 to 31 July 2010

1. Governance costs	2010
	£
Accountancy fees	1,500
	<u>1,500</u>

2. Tangible fixed assets			
	Fixtures & fittings	Computer equipment	Total
	£	£	£
Cost			
At 15 July 2009	-	-	-
Additions	334	4,624	4,958
At 31 July 2010	<u>334</u>	<u>4,624</u>	<u>4,958</u>
Depreciation			
At 15 July 2009	-	-	-
Charge for the period	67	1,541	1,608
	<u>67</u>	<u>1,541</u>	<u>1,608</u>
Net book value			
At 31 July 2010	<u>267</u>	<u>3,083</u>	<u>3,350</u>

3. Accrued expenses and deferred income	£
Accruals	1,500
Deferred income	6,814
	<u>8,314</u>

4. Trustees

Trustees are not remunerated.

During the period, the Rt Hon The Lord Lawson was reimbursed £1,306 with regards to sundry expenses.

5. Tax

The company does not have any taxable sources of income and is therefore tax exempt.