

Company Number: 4184478
Charity Number: 1086559

WORLD ENERGY COUNCIL
(A Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

**WORLD ENERGY COUNCIL
YEAR ENDED 31 DECEMBER 2010**

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WORLD ENERGY COUNCIL
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 DECEMBER 2010

TRUSTEES

Trustees of the World Energy Council Charity (WEC) are also directors of WEC Services Limited (WSL).

NAME

Barnés, Francisco	(term ended 30 September 2010)
Drouin, Richard	(term ended 30 September 2010)
Feroli, Jorge	+ # ± ^ (resigned 6 September 2010)
Gadonneix, Pierre	* + # ± ^ ∅
Jain, C.P.	* + # ± ^ (term ended 30 September 2010)
Kim, Younghoon David	
de Franco Medeiros, Norberto	# ± * (term ended 30 September 2010; appointed Interim Chair, Programmes, as of 1 October 2010)
Meyers, Kevin	(term began 1 October 2010)
Nadeau, Marie-José	* # ∅ ± ^
Naqi, Abbas	
Sambo, Abubakar	
Shin, Heon Cheol	(term began 1 October 2010)
Statham, Brian	* + # ± ^ (term began 1 October 2010)
Teyssen, Johannes	
Vargas Lleras, José Antonio	(term began 1 October 2010)
Ward, Graham CBE, MA, FCA	* ∅ ≠
Zhang, Guobao	

* <i>Member of Finance Committee</i>	∅ <i>Member of Remuneration Committee</i>
+ <i>Member of Nominations Committee</i>	± <i>Member of Studies Committee</i>
# <i>Member of Programme Committee</i>	^ <i>Member of Communications & Outreach Committee</i>
≠ <i>Indicates Senior Independent Director</i>	

SUBCOMMITTEES OF THE BOARD OF TRUSTEES

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for recommending to the Board the compensation, pension arrangements, performance criteria and performance-related pay for the Secretary General and other members of the senior management.

Chair: Pierre Gadonneix

Members: Marie-José Nadeau; Graham Ward; Brian Statham (appointed 11 January 2011); Norberto de Franco Medeiros (appointed 11 January 2011)

FINANCE COMMITTEE

The Finance Committee is responsible for the budget, annual accounts, long-term financial commitments of WEC and recommending the appointment of the auditor. It also serves as the Audit Committee.

Chair: Graham Ward CBE, MA, FCA

Members: Pierre Gadonneix (ex officio); Klaus-Dieter Barbknecht (appointed 1 October 2010); Per-Olof Granström (appointed 1 October 2010); Brian Statham (appointed 1 October 2011); Marie-José Nadeau

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NOMINATIONS COMMITTEE

The Nominations Committee is responsible for nominating new Trustees/Directors and for developing the slate of nominees for appointment to the Standing Committees.

Chair: Pierre Gadonneix

Members: Norberto de Franco Medeiros; Marie-José Nadeau; Brian Statham

SECRETARY GENERAL

Dr. Christoph Frei

REGISTERED OFFICE

World Energy Council, Regency House, 1-4 Warwick Street, London, W1B 5LT, UK

AUDITORS

Crowe Clark Whitehill LLP, St Bride's House, 10 Salisbury Square, London, EC4Y 8EH, UK

BANKERS

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

SOLICITORS

Archon Solicitors, Martin House, 5 Martin Lane, London, EC4R 0DP, UK (personnel)

Fishman & Co., 131 Baker Street, London W1U 6SE (lease and premises)

Jeffrey Green Russell Solicitors, Waverley House, 7-12 Noel Street, London W1F 8GQ (commercial contracts)

Laura Devine Solicitors, 11 Old Jewry, London EC2R 8DU (immigration and visas)

INVESTMENT MANAGERS

Black Rock Investment Funds

Charities Aid Foundation (CAF)

CCLA Investment Management Ltd (COIF)

HSBC Charity Common Investment Funds

RCM (UK) Ltd.

Schroders Unit Trusts Limited

WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2010

The Board of Trustees, who are also the Directors of the Charity, present their annual report for the year ended 31 December 2010 under the Companies Act 2006 and the Charities Act 1993, together with the audited financial statements for the year.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association of the Charity and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (2005).

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 2.

The present Trustees, and any past Trustees who served during the year, are also listed on page 1. The Trustees of the Charity serve as its Officers Council and are also Trustees of the WEC Foundation and Directors of WEC Services Limited, the Charity's trading subsidiary.

Further legal and administrative details are set out on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is governed by a Memorandum and Articles of Association, which were adopted on 21 March 2001.

WEC's members are autonomous Member Committees in 91 countries. Each Member Committee is entitled to be represented in the Executive Assembly, which is the ultimate governing authority for the Charity. The Executive Assembly meets once a year to conduct the business of WEC. All Member Committees have one vote in the Executive Assembly, regardless of size or subscription category.

The Memorandum and Articles specify the composition of the Board of Trustees (officers). Trustees are elected by the Executive Assembly and report to it. The Trustees meet at least twice a year to discuss strategy, assess operational/investment performance, review financial reports and set the budgets. Decisions of the officers are ratified by the Executive Assembly.

The Trustees recognise the importance of communicating with members and soliciting their views, input and ideas. Such communication is carried out both formally – through surveys, questionnaires and formal meetings – and informally – through direct contact, by email and telephone. In particular, the views of members are heard during the annual Executive Assembly, when various matters, such as the Charity's work programme, the budget, new initiatives and changes in strategy, are brought before the members for open discussion.

The Executive Assembly has delegated to the Trustees responsibility for managing the business affairs and property of WEC and WSL, for ensuring that the policies approved by the Executive Assembly are implemented and for overseeing the performance of the Secretary General, whom it appoints at its discretion. To help carry out these duties, the officers have established three subcommittees of the Officers Council: Remuneration; Nominations; and Finance. The terms of reference are summarised and lists of members for each subcommittee are provided on page 1.

The Executive Assembly has delegated responsibility for the Charity's charitable activities (work programme) to three Standing Committees: Communications and Outreach; Programmes; and Studies. The chairs of these Standing Committees serve as Trustees of the Charity and Directors of the company.

The Chair of the World Energy Council serves as Chair of the Executive Assembly. S/he is elected by the Executive Assembly for a three-year term and may be re-elected once. Before election, nominees for the position of WEC Chair are required to disclose to the Nominations Committee and the board their other significant commitments which might affect their ability to carry out the duties of WEC Chair. Once elected, the chair is required to notify the board of any change in commitments. Such commitments and the likely effect of these are noted in the annual report.

WORLD ENERGY COUNCIL
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The current WEC Chair is the retired CEO of a major global energy company and while he still has some commitments to that company, he is able to devote a significant amount of time to WEC. His non-WEC commitments do not affect his ability to attend board meetings or to carry out his work as WEC Chair.

The performance of the WEC Chair is evaluated annually by the board. The Chair, Finance, is evaluated by members of the Finance Committee. The criteria for these evaluations are developed and approved by the board and the Finance Committee respectively and are based on process performance. The evaluations of both officers were carried out in 2010 in accordance with the agreed criteria and process.

All Trustees/Directors, including the WEC Chair, are reviewed by the Board prior to appointment and at least annually thereafter to ascertain whether they appear to be independent in character and judgement and whether there are any relationships or circumstances which are likely to affect, or could appear to affect, their judgement. Specific criteria for determining a Director's/Trustee's independence include whether s/he:

- has been an employee of the company or group within the last five years;
- has, or has had within the last three years, a material business relationship with the company, either directly, or as a partner, shareholder, director or senior employee of a body that has such a relationship with the company;
- has received or receives remuneration from the company apart from a director's fee (if applicable);
- participates in a performance-related pay scheme, or is a member of the company's pension scheme;
- has close family ties with any of the company's advisers, directors or senior employees;
- holds cross-directorships or has significant links with other directors through involvement in other companies or bodies;
- represents a significant shareholder; or
- has served on the board for more than nine years from the date of their first election.

Based on these criteria, all current directors appear to be independent.

The Chair of Finance serves as the senior independent director and is available to WEC members if they have concerns which have not been resolved through the normal channels of Chairman or Secretary General or when the problem is such that these contacts are inappropriate.

Trustees are elected for three-year terms and may be re-elected once. Trustees must be a constituent member or employed by a constituent member of a WEC national Member Committee and are expected to be familiar with and promote WEC's work, participate in meetings of the board and Executive Assembly and support their own travel and other expenses associated with serving as a Trustee.

A CV for each nominee for a Trustee/Director position is provided to Executive Assembly prior to the election. The briefing note which accompanies the nominations state why the board believes each Trustee/Director should be elected or re-elected, the latter being based on the nominee's performance during their previous term.

New trustees receive an induction pack containing 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 WEC Chair brief new Trustees on their responsibilities when they are elected and new Trustees may also meet with other currently serving officers to discuss their duties and responsibilities.

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ATTENDANCE AT BOARD AND SUBCOMMITTEE MEETINGS

The following shows individual Trustee/Director attendance at the meetings of the board and its subcommittees in 2010:

BOARD (OFFICERS COUNCIL) MEETINGS

	June	September
Gadonneix (Chair)	√	√
Barnes		√
Drouin		√
Feroli	√	n/a
Jain	√	√
Kim	√	√
Medeiros	√	√
Nadeau	√	√
Naqi	√	√
Sambo	√	√
Teyssen		√
Ward	√	√
Zhang		

FINANCE COMMITTEE MEETINGS

	May	September	December
Ward (Chair)	√	√	√
Abbenseth	√	√	n/a
Barbknecht	n/a	n/a	√
Gadonneix (representative)	√	√	√
Granström	n/a	n/a	√
Jain	√	√	n/a
Medeiros		√	n/a
Nadeau	√	√	√
Statham	n/a	n/a	√

NOMINATION COMMITTEE MEETINGS

	May
Gadonneix	√
Jain	√
Nadeau	√
Feroli	√

REMUNERATION COMMITTEE MEETINGS

	November	December
Gadonneix (Chair)	√	√
Nadeau	√	√
Ward	√	√

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CHIEF EXECUTIVE/SECRETARY GENERAL

The Secretary General serves as the chief executive of the Charity and of its trading subsidiary. The Memorandum and Articles of Association set out the responsibilities of the Secretary General, which include carrying out the decisions of the Executive Assembly and the Officers Council and engaging members of staff to undertake WEC's work. The Secretary General has also been delegated responsibility for the day-to-day management of the Charity's affairs under the oversight of the Trustees and serves as ex officio, non-voting Secretary of the Officers' Council. He is assisted by a group of senior managers in the London office.

In accordance with the revised UK Financial Reporting Council's (FRC) Code of Corporate Governance, the Memorandum and Articles were amended in 2010 specifically to prohibit the chief executive from becoming the WEC Chair.

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 WEC's members is limited to an amount no greater than £1. If WEC is wound up or dissolved and there remains any property, it is not to be paid to or distributed among the members of WEC but is to be given or transferred to some other charity or charities having objects similar to the Objects of WEC.

WSL 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 Memorandum and Articles of Association.

WSL makes a gift aid payment no later than 30 September of the following year to the Charity, after due provision for the financial requirements of any business carried on by the company which would absorb or extinguish taxable profits that would otherwise be available for distribution. During 2010, WSL made an operating profit of £149,000 (2009: £83,000).

WSL's primary activities and outcomes for the reporting period were focused on carrying out trading and commercial partnership activities on behalf of the Charity to generate revenue to support the WEC work programme. For 2010, these included:

- Publication of the 2010 edition of the triennial *Survey of Energy Resources* for distribution at the 2010 World Energy Congress;
- A joint agreement with the Financial Times to provide advertising for the Congress in its energy supplements at no cost to WSL in return for being designated as an official media partner for the Congress;
- Organisation of the 2010 World Energy Congress in Montreal, Canada, in September; the Congress was a record-breaking event, with over 7,000 attendees.

Results of these activities are disclosed in Note 14 of the consolidated financial statements and in the separate financial statements for WSL.

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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 and 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;
- 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; and
- 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. 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 for their proper application as required by 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.

RISK MANAGEMENT

The Trustees carry out an annual risk management review to assess business risks and implement risk management strategies, ensure that the organisation follows current best practice with respect to risk management and review the adequacy of the Charity's current internal controls.

Procedures have been established for reporting failings in internal controls immediately to appropriate levels of management and to the Trustees.

The risk assessment is carried out at the last 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.

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In 2010, the main risks to the Charity and the steps taken to address these risks are noted below.

Risk	Risk Protection
Erosion of member base	<ul style="list-style-type: none"> • Regular review of health and activity level of Member Committees • Establishment of new mentor scheme to link stronger and less strong Member Committees for consultation, mentoring and exchange of best practices • Regular review of outstanding subscriptions and arrears and attempts to recoup • Regular communication with MCs directly or through Regional Managers
Loss of WEC Patrons or inability to recruit new Patrons and Global Partners	<ul style="list-style-type: none"> • Two staff exclusively dedicated to "customer care" of existing Patrons and Global Partners and to building up pipeline of potentials • Continued development of enhanced benefits programme for Patrons • Formal contracts for all Patrons and Global Partners to regularise the relationship with WEC
Website, membership database, network	<ul style="list-style-type: none"> • IT Department monitors regularly for problems and backs up daily • Appropriate firewalls and security provisions in place • Back-ups kept offsite
WEC offices and equipment	<ul style="list-style-type: none"> • Recommended insurances in place • Annual fire risk assessment carried out on WEC offices • Security system in place for both building and WEC offices • Equipment security tagged • UK health and safety requirements monitored regularly to ensure compliance and lessen risk of liability
Legal issues	<ul style="list-style-type: none"> • Appropriate legal advisors in place; Secretary General reports any issues or concerns to Finance Committee.

After reviewing the risks to the Charity at the end of 2010, the Trustees concluded that management had taken all prudent and reasonable steps to minimise the overall risks to the organisation; that the current policies and procedures governing risk management are appropriate; and that the system of internal checks and balances they have put in place serves to safeguard the Charity sufficiently against the risks it might face.

MISSION, OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY

The Charity's mission is to promote the sustainable supply and use of energy for the greatest benefit of all people.

The Charity's objects include:

- a. collating data about and undertaking and promoting research into the means of supplying and using energy having, short and long term, the greatest social benefit and the least harmful impact on the natural environment and publishing or otherwise disseminating the useful results of such research;
- b. undertaking actions, including, but not limited to, the holding of Congresses, workshops and seminars, to facilitate such supply and use of energy; and
- c. collaborating with other organisations in the energy sector with compatible goals.

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HOW THE CHARITY'S ACTIVITIES DELIVER PUBLIC GOOD

The Trustees have had due regard for the UK Charity Commission's statutory guidance on public benefit and believes that WEC adheres to this guidance as explained here.

Energy plays a key role in the lives of everyone on the planet, from contributing to the provision of the most basic needs (sanitation, healthcare, cooking, heating, lighting) – to the most sophisticated. WEC's mission is energy-centric, with two chief areas of focus: its studies and research to promote sustainable energy and its leadership dialogue events.

WEC's studies and research are aimed at:

- encouraging sound energy policies to help ensure security of supply and the effective use and provision of energy;
- promoting sustainable energy for all people;
- helping to inform decision-makers and educate consumers about the wise and effective development and use of energy;
- looking at ways to mitigate climate change and increase energy efficiency;
- examining issues and challenges related to energy in both urban and rural areas;
- examining energy rules of trade to allow for the movement of energy-related goods and services across borders;
- promoting access to commercial energy for the nearly 2 billion people in the world who do not currently have such access.

WEC's leadership dialogue events, such as its Congresses, Energy Leaders' Summits and Patron CEO and Ministerial Roundtables, focus on:

- bringing together national and regional energy leaders to exchange ideas, information and best practices;
- gathering representatives from the public/government and private/industry sectors to discuss critical energy challenges;
- encouraging energy leaders to develop solutions to these challenges, with the intended end result being a better, cleaner, more efficient world where energy supplies are secure and affordable and there is universal access to electricity.

2010 – A LANDMARK CONGRESS AND LAUNCH OF THE ENERGY LEADERS' SUMMITS

The 21st World Energy Congress, WEC's signature event, was held in September, 2010, in Montreal, Canada. The Congress was a major success, with over 7,000 attendees – more than any previous Congress by almost 30%. According to feedback from the attendees, the programme, exhibition and social events were outstanding. The Congress was also a financial success.

During the first eight months of the year, much of WEC's work was focused on preparing for the Congress, including coordinating the speakers and sessions; planning and preparing the WEC programme sessions, producing and publishing the studies and reports from the 2008-2010 work cycle for launch at the Congress; and preparing for the annual Executive Assembly (annual members' meeting), which was held immediately prior to the Congress.

WEC also partnered with First Magazine to publish an advertising-based magazine, World Energy Insight (WEI), for distribution to all Congress delegates. The WEI provided a "preview" of Congress themes, topics and speakers and was enhanced with a post-Congress addendum summarizing the Congress outcomes. The addendum was distributed to WEC Member Committees and other WEC stakeholders.

**WORLD ENERGY COUNCIL
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BUILDING ON THE STRATEGIC VISION

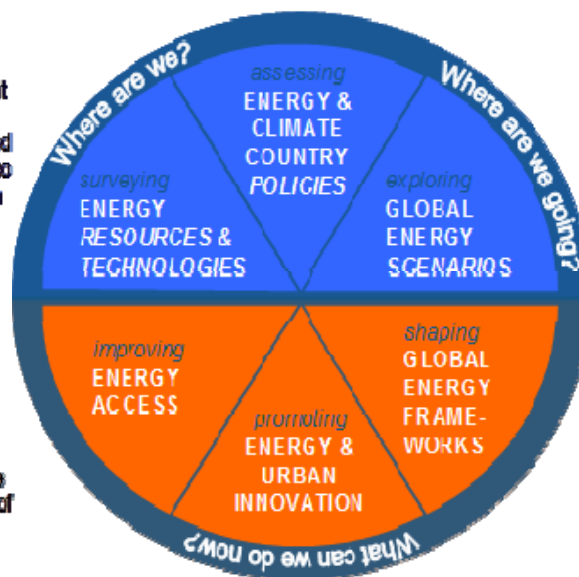
Although much of WEC's focus in 2010 was on the Congress, the Secretary General also reviewed ways to improve coordination of WEC's work to maximise its impact and visibility. After many discussions with members, officers and staff, the Secretary General proposed re-focussing WEC's diverse activities into six main Activity Areas as shown below.

FLAGSHIP PROCESSES

Policy and strategy relevant insight processes with annual updates (e.g. focus area deep-dive) based on own methodology and data, to support sound and robust decision processes of our key constituents (ministers & CEOs).

GLOBAL & REGIONAL AGENDAS

Action and outcome oriented processes where we directly engage and work with relevant stakeholders to advance agendas through exchange and promotion of best practices and building of partnerships



To support and enhance the Activity Areas and provide additional opportunities for member involvement, he also proposed the creation of topical Knowledge Networks, which would consist of WEC members with particular expertise in one of the Knowledge Network topics. The Knowledge Networks would provide content for WEC studies and programmes and ensure consistency of information and messages across all WEC outputs. Each Knowledge Network would also deliver its own reports and define key messages within its mandated area of expertise. The graphic below shows the structure and relationship of the Activity Areas and Knowledge Networks.

		Activity Area					
		Resources & Technol.	Policy Assessment	Urban Innovation	2050 Scenarios	Global Frameworks	Energy Access
Focus Areas	energy & mobility						
	energy efficiency						
	innovative financing mechanism						"Meso Finance"
	green goods & services						
	border tax adjustments						
	village inventory						

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In addition to creating the Activity Areas and Knowledge Networks, the Secretary General suggested examining and possibly re-defining the scope and purpose of the Studies and Programme Committees and eliminating the three-year work cycle, which he felt did not provide on-going visibility for WEC between Congresses. Instead, he proposed that WEC should produce outputs of its work on an annual basis so that there would be a steady stream of "visibility tools" to deliver to WEC members, other key stakeholders and the media.

These proposals were presented to WEC members and approved at the 2010 Executive Assembly.

KEY PERFORMANCE INDICATORS AND EVALUATION OF OVERALL PERFORMANCE

The Secretary General continued to build on the Key Performance Indicators and quantitative goals that were established in 2009. In 2010, the overall achievements were:

- Distributed a second annual Issues Survey of WEC Chairs to help determine which issues were of most concern to the leaders of the Member Committees; for 2010, the survey was also circulated to energy ministers and WEC Patrons. The goals of this exercise were to engage WEC stakeholders and to develop a "moving map" of key issues to shape WEC's future priorities;
- Organised the second annual WEC Secretaries Strategy Session, during the Executive Assembly meetings in Montreal in September, with the goal of bringing together Member Committee Secretaries for a discussion of best practices and the exchange of ideas and information;
- Established a Members Advisory Group of seven Member Committee Secretaries to develop new ways to facilitate communication between members and the London office; to bring member concerns and issues to the attention of relevant staff and/or officers; and to advise the London office on programmes or initiatives which could help support Member Committees;
- Established a Mentor Scheme aimed at partnering active, well established Member Committees with those which need to be strengthened, with the aim of providing one-on-one advice, support and mentoring. A pilot scheme was launched in 2010, with the first pilots between South Africa, Botswana and Namibia, and between Germany and the UK. France has expressed interest in linking with Niger, DR Congo and Côte d'Ivoire, and Colombia aims to partner with Brazil in early 2011;
- Organised a second annual Chairs and Ministers Roundtable, during the Montreal Congress;
- Launched a series of smaller, high-level regional meetings designated as Energy Leaders' Summits (ELS) to further encourage stakeholder/leadership dialogue and bring together key government officials and energy company CEOs in small, off-the-record sessions to hold a frank and open discussion on regional or national energy issues and to examine and discuss critical uncertainties in the energy sector. The first ELS was held in June in Beijing, China, under the sponsorship of Zhang Guobao, the Chinese Energy Minister. A second ELS was held in conjunction with the Congress in Montreal. Both events attracted between 50-80 participants, who gave very positive encouragement for the continuation of the Summits.

The above achievements are set out in general terms. Below are the Key Performance Indicators for 2010, setting out specific, quantitative, objective criteria on which the overall performance of WEC can be evaluated. While WEC met many of its KPIs for the year, it did not reach all of the targets. In 2011, a strong emphasis will be placed on achieving all targets.

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KPI	Target	Achievement	Reached?
Number of responses to annual Issues Survey	>68	65	Target not reached
Number of Member Committees participating in Executive Assembly	>50	63	Target exceeded
Number of Chairs at Chairs Roundtable	>45	43	Target nearly reached
Number of participants at China Energy Leaders' Summit	>50	32	Target not reached
Number of participants at Montreal Energy Leaders' Summit	>50	69	Target exceeded
Paid subscription revenues at end of year	75% (£1,073,000)	82% (£1,134,010)	Target exceeded
Subscription arrears reduction compared to 1 January 2010	Reduced by >£150,000	Reduced by £197,699	Target exceeded
Number of MCs formally signed up for new Mentor scheme	>3	11	Target exceeded
Patrons signed or renewed	>10	0	Target not reached
Global Partners signed	>7	4	Target not reached
Scenarios white paper published and distributed at Congress	Yes	Yes	Target reached and special Scenarios session held at Congress
2010 Assessment update published and distributed at Congress	Yes	Yes	Target reached and special Assessment session held at Congress
World Energy Outlook published and distributed at Congress	Yes	Yes	Target reached; WEI published and distributed in all delegate packs at Congress
Publication and distribution of 2010 Survey of Energy Resources at Congress	Yes	No	Target not reached; SER published post-Congress in electronic format
Publication and distribution of Energy and Urban Innovation (Mega-Cities) report by Congress	Yes	Yes	Target reached and a special session on Mega-Cities was held at the Congress
Publication and distribution of 2010 Energy Efficiency report	Yes	Yes	Target reached and a special session on Energy Efficiency was held at the Congress
Publication and distribution of special report on Shale Gas	Yes	Yes	Target reached

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Publication and distribution of European regional report on "Roadmap Towards a Competitive European Energy Market"	Yes	Yes	Target reached and a special presentation of the report was made during the Regional session at the Congress
Publication and distribution of Biofuels report	Yes	Yes	Target reached and a special presentation of the report was made during the Regional session at the Congress
Publication and distribution of 2010 Performance of Generating Plant report	Yes	Yes	Target reached and a special presentation of the report was made during the Congress
Publication and distribution of report on Logistics Bottlenecks	Yes	Yes	Target reached and a special presentation of the report was made during the Congress
Publication and distribution of report on Water for Energy	Yes	Yes	Target reached and a special presentation of the report was made during the Congress
WEC representative present at COP-16 in Cancun	Yes	Yes	Director, Global Agenda, represented WEC at COP-16
New WEC membership database installed and all data transferred from old database	Yes	Yes	Target reached; some clean-up still to do on records, but database functioning and operational
Website visits	>10% increase from 2009	11.9% increase	Target reached
Media profile at Congress	>3x increase over 2007 Congress	5x increase	Target reached, based on media reporting service

OTHER ACTIVITIES

In addition to its main work programme, WEC carries out additional activities which provide operational and/or funding support for the organisation. These are described below.

Membership and Subscriptions

At the core of WEC are its 91 autonomous Member Committees. These Committees pay an annual subscription to belong to WEC, and WEC members volunteer their time and expertise to help carry out WEC's work. Therefore, it is vitally important for WEC to ensure that its Member Committee base is strong. Establishment of the Members Advisory Group and the launch of the WEC Mentor Scheme, along with constant monitoring of all Member Committees' "health" (number of meetings and activities, participation in WEC's work programme, payment of annual subscription, attendance at the EA, etc.) allow WEC to maintain oversight of its members and to forestall problems early on.

In addition, WEC has launched a new member database which will allow for better, more efficient record-keeping of member details, events and other activities.

WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2010

Communication with its members is crucial to WEC, and therefore, two newsletters, WEC Inside (sent out every two weeks) and SecNetNews (sent irregularly) as well as regularly scheduled Skype or telephone calls with the Chairs and/or Secretaries of Member Committees, help with effective member communication.

Patrons' Programme

WEC Patrons are companies or organisations which are already members of a WEC Member Committee and which agree to contribute additional funds to support WEC's work. The Patron income goes directly into the WEC Foundation, a designated fund within the Charity, and is drawn down to provide additional support for WEC's work programme.

At the beginning of 2010, WEC had 17 Patrons, with five of these providing in-kind staff secondments or project support to WEC in lieu of cash contributions. Major sponsors of the 2010 World Energy Congress were also designated as WEC Patrons, which increased the total Patrons by 8, to 25.

Global Partners Programme

In 2010, WEC continued to build the Global Partners programme, which was launched in late 2009. This programme is aimed at attracting innovative energy or energy-related companies and/or national or regional companies seeking to expand their business. These companies, which must be members of at least three national Member Committees, are given access to WEC's global network and the revenues from the programme are used to strengthen Member Committees through an enhanced regional programme, including a series of regional Energy Leaders Summits, the first two of which were held in Beijing, China, in June, 2010, and in Montreal, Canada, in September, 2010.

Project Income and Gifts in Kind

Project income consists of payments from the Congress organisers for the preparation of the *Survey of Energy Resources*, WEC's longest running publication. The latest edition was published in time for the 2010 World Energy Congress. The organisers of the Congress were contractually obligated to pay \$150,000 US to help cover the costs related to the preparation of the Survey. This payment was made to WSL.

Gifts in kind consist of four staff secondments provided by certain WEC Patrons in lieu of cash contributions. In 2010, secondments were provided by TEPCO (Japan), VNG (Germany), SK Energy (Korea) and Daesung (Korea). In addition, Oliver Wyman continued as Project Partner on the Energy and Climate Policy Assessment, contributing staff and other resource support for the study. The gift in kind revenues match the gift in kind expense.

In previous years, WEC showed gifts in kind at the value of one year's Patronage (\$100,000). Beginning with the 2010 accounts, WEC will show gifts in kind at the replacement value.

Congress

The Congress is WEC's most visible and important event, bringing together energy leaders from around the world. It is held every three years, with the most recent one held in Montreal in September, 2010. The next Congress will be held in Daegu, South Korea, in 2013. A contract is signed with the Congress organisers guaranteeing payments to WSL, with the payments covering the organiser's use of the WEC brand, logo and website, the production costs of the Survey of Energy Resources and certain advisory services related to the Congress and provided by WEC and WSL. The Congress revenue is paid to WSL; for the 2010 Congress, the total amount paid to WSL was \$600,000 CAD, translated into sterling as of the dates the payments were received.

Certain expenses associated with the Congress, booked in WSL include the cost of the Global Energy Award, the Energy Leaders' Summit and miscellaneous catering, room rental, equipment and special services requested by WEC and not covered in the Congress contract.

**WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2010**

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Statement of Financial Activities (SoFA) set out on page 20 shows the following results for the year.

Income Generation

Income generation during the year was £2,967,000 (2009: £2,644,000). The primary sources of income were membership subscriptions, the Congress revenues and the WEC Patrons and Global Partners programmes.

Subscription income was £1,349,000 (2009: £1,400,000) for the year.

A healthy recovery of arrears amounting to £197,699 was also made during 2010.

The Patrons contributed £554,000 (2009: £775,000), which was added to the designated fund, the WEC Foundation.

Resources Expended and Services

Total resources expended by WEC and WSL in 2010 amounted to £3,020,000 (2009: £2,797,000). This included expenditures of £1,345,000 (2009: £1,594,000) on the work programme. See Note 3 for further details of resources expended.

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. 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.

WEC'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 mainly achieved through the use of Charity Commission Common Investment and Deposit Funds, which minimise risk by using a spread of professionally selected funds.

The investments of WEC (excluding the WEC Foundation), which consist principally of cash surpluses, are placed in high-interest, short-term deposits and, by policy, may not be invested in equity funds.

WEC Services Ltd. did not hold any investments in 2010.

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 - income from dividends and interest.

Although the Foundation investment policy allows for investments of US dollars (or any other non-sterling-based income) in non-Charity Commission funds, the Foundation currently holds no US dollar investments.

Fund managers for the Charity and the Foundation are listed on page 2 of these financial statements. All funds are invested with top-tier UK banks or other secure institutions, such as Common Deposit and Investment Funds on the Charity Commission list.

WORLD ENERGY COUNCIL
TRUSTEES' REPORT
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In 2010, the investment market remained fairly static and the value of WEC's investments remained at roughly £330,000 over the course of the year.

In 2010, the Trustees authorised a total utilisation of £750,000 plus \$390,000 US from the Foundation fund to support the Charity's work programme.

At the end of 2010, the Foundation's assets totalled £858,000, and the group investments, excluding cash deposits, were valued at £338,000 (2009: £317,000).

Free Reserves

Free reserves available for use by the Charity are deemed to be those that are readily realisable, less funds whose uses are restricted. For 2010, free reserves of £856,000 were held as of 31 December (2009: £472,000).

WEC's reserves policy was revised in September, 2010 by the Trustees, who felt it was prudent to increase the level of reserves to cover the Charity's operating and work programme expenses for up to six months and to include a contingency for unanticipated expenses associated with the newly restructured work programme. The reserves level has thus been set at 40% of the previous year's total cash expenditures. 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 for up to six months, and the remaining 20% are for safeguarding the Charity's work programme commitments and include the aforementioned contingency.

For 2010, the level of reserves required according to the stated policy was £996,800.

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.

EMPLOYEES

The Charity aims to be an organisation where employees enjoy a sense of fulfilment and feel supported and developed. Employees are kept informed about the Charity's strategy, objectives and work programme through regular staff meetings and briefings. Employees are encouraged to make their suggestions and views on the Charity's aims, objectives and work programme known to the Charity's chief executive (Secretary General).

By stated policy, neither WEC nor WSL discriminate nor tolerate discrimination on the grounds of colour, race, ethnic or national origin, religion, age, disability, marital status, sex or sexuality, either in the hiring process or in the workplace. All employees are expected to adhere to this policy.

FUTURE PLANS

Based on the Trustees' review of the organisation's cash flow for the next twelve months; their assessment of the health of the WEC Member Committees and anticipated ability to pay the annual subscriptions; the status of the investment portfolio; and the refocusing on recruiting new Patrons, the Trustees believe that the Charity is stable and will continue to operate.

However, the Trustees believe the Charity must also take the following actions to ensure that it remains viable and strong for the future:

- Continue the smooth implementation of the new Activity Areas and Knowledge Networks to involve members more fully in WEC's work and provide additional value to them;
- Build up the Foundation's cash reserves by renewing current Patrons and recruiting new ones, with the primary focus on signing cash-paying Patrons and a secondary focus on signing Patrons who become Project Partners or provide secondments to WEC;
- Continue to build the Global Partner programme to enhance the Charity's non-restricted cash reserves;

**WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2010**

- Negotiate a contract for the 2013 Congress which provides financial security for WEC and WEC Services, which gives value added to WEC Patrons and Global Partners and which builds on the success of the Montreal event;
- Evaluate whether the current Congress model is the most suitable and beneficial for WEC or whether it should be changed;
- Continue to build on the success of the 2010 Energy Leaders Summits by holding ELSs in strategic locations which provide visibility for WEC;
- Continue to strengthen WEC's visibility and brand recognition through media exposure, strong global studies, global and regional events and speaking opportunities;
- Take all necessary steps to maintain the "good health" of Member Committees through an annual assessment of their involvement in WEC, their constituent member base and their financial health and introduce new programmes, such as enhancing the value proposition, mentoring, direct assistance and exchange of best practices, to assist them;
- Continue to monitor the longer term effects of the global financial crisis on the Charity and its stakeholders and develop safeguards to minimise risks to the Charity's income.

CHANGES IN FIXED ASSETS

The movements in fixed assets during the year are set out in Notes 7 and 8 on page 27 of these financial statements.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the company (who are also the Trustees of the Charity) during the year are listed on page 1. New Directors appointed at the 2010 Executive Assembly in Montreal assumed their seats on 1 October and are also listed on page 1 of this report.

AUDITORS

On 1 October 2010, Horwath Clark Whitehill LLP changed its name to Crowe Clark Whitehill LLP. Crowe Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor.

Approved by the Board on 28 June, 2011, and signed on behalf of the Board by

Pierre Gadonneix
Chair
World Energy Council

Graham Ward, CBE, MA, FCA
Chair
Finance Committee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLD ENERGY COUNCIL

We have audited the financial statements of World Energy Council for the year ended 31 December 2010 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable group'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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

We read all the information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2010 and of the group's incoming resources and application of resources, including its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company 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.

Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

Date: _____, 2011

WORLD ENERGY COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Group Total 2010 £'000	<i>Group Total 2009 £'000</i>
INCOMING RESOURCES			
Income from activities in furtherance of the Charity's objects			
--Subscription fees		1,349	1,400
--Patron income		554	775
--Global Partner Income		38	-
--Project income		32	31
--Gifts in kind		528	209
Activities for generating funds			
--Other income		128	44
Interest		1	4
Dividends		12	12
Congress Income		325	169
Total incoming resources	2d	2,967	2,644
RESOURCES EXPENDED			
Charitable Activities			
--Subscription costs		647	879
--Work programme		1,345	1,594
--Congress expenditure		198	98
--Patron and Global Partner Costs		268	-
--Gifts in kind		528	209
--Grants paid		6	-
Governance costs		28	17
Total resources expended	3	3,020	2,797
Net (outgoing)/incoming resources		(53)	(153)
Other recognised gains and losses			
Gains/(Losses) on investments			
Unrealised investment gains/(losses)		21	44
Net movement in funds		(32)	(109)
Accumulated fund balances brought forward		1,749	1,858
Accumulated fund balances carried forward		1,717	1,749

All of the activities are continuing. There were no recognised gains or losses other than those stated above.

The notes on pages 22 to 30 form part of these financial statements.

WORLD ENERGY COUNCIL
CONSOLIDATED AND CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2010

	Notes	Group 2010 £'000	Charity 2010 £'000	<i>Group 2009 £'000</i>	<i>Charity 2009 £'000</i>
FIXED ASSETS					
Tangible assets	7	215	215	28	28
Investments	8	338	338	317	317
		553	553	345	345
CURRENT ASSETS					
Debtors	9	315	480	515	567
Short term deposits		4	4	4	4
Cash at bank and in hand		1,218	1,015	1,339	1,281
		1,537	1,499	1,858	1,852
CREDITORS: amounts falling due within one year	10	373	335	454	448
NET CURRENT ASSETS		1,164	1,164	1,404	1,404
TOTAL ASSETS		1,717	1,717	1,749	1,749
FUNDS					
	12 & 13				
Unrestricted					
Designated Funds - WEC Foundation		858	858	1,240	1,240
- Gerald Doucet Memorial Fund		3	3	9	9
General		856	856	500	500
		1,717	1,717	1,749	1,749

These financial statements were approved by the Board and authorised for issue on 28 June, 2011, and signed on their behalf by:

Pierre Gadonneix
Chair
World Energy Council

Graham Ward, CBE, MA, FCA
Chair
Finance Committee

The notes on pages 22 to 30 form part of these financial statements.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

1. STRUCTURE OF GROUP

World Energy Council is comprised of two legal entities:

World Energy Council (WEC), a Charity registered under the laws of England and Wales. The WEC Foundation is a designated fund within the Charity which administers and invests income from the Patrons' programme. The proceeds of the investments are used primarily to fund the WEC work programme.

WEC Services Limited (WSL), a company with share capital registered in England, which was incorporated on 18 June, 2001. WSL forms the trading subsidiary of the Charity. A further description of the subsidiary is given in Note 14 and in the separate financial statements for WEC Services Limited.

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in 2005, applicable accounting standards and the Companies Act 2006.

b) Consolidation

The financial statements of the subsidiary are consolidated with those of the Charity on a line-by-line basis. The company claims exemption from the requirement to file an individual statement of profit and loss under section 408 of the Companies Act 2006.

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 as well as all expenditures are allocated to the appropriate fund.

d) Incoming resources

Income includes the gross invoiced value of subscription fees charged to WEC members, Patron income, which represents corporate contributions for work programme purposes and Global Partner income. Patron income is credited directly to the WEC Foundation, a designated fund. Subscriptions from WEC 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 certainty, 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.

Investment income is recognised on a received basis. All other income is recognised on an accruals basis.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

d) Incoming resources (continued)

Gifts received in kind are recognised as income at a reasonable estimate of their gross value to the charity based on what would have to be paid in the open market for an equivalent item, adjusted for discounts. Where the gifts represent a service, a corresponding cost is included in expenditure. Gifts are accounted for on a received basis.

e) Resources expended

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 square metres occupied by each activity in the offices.

Governance costs include those costs incurred in connection with the administration of the Charity and to comply with constitutional and statutory requirements.

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
Office equipment and website development costs	- over 4 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 unrealised gains or losses 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 of the disbursements appear to fall within the charitable objects, and consequently, no tax liability will arise.

k) Irrecoverable VAT

The Charity is not registered for VAT, and accordingly, resources expended are shown gross of irrecoverable VAT.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

l) Cash flow statement

The company is exempt from the requirement of Financial Reporting Standard No. 1 to prepare a cash flow statement, as it is entitled to the filing exemptions as a small company under sections 444 of the Companies Act 2006 when filing accounts with the Registrar of Companies.

m) Operating Leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

	2010	<i>2009</i>
3. RESOURCES EXPENDED	Total	<i>Total</i>
<i>Subscription costs</i>	£000	<i>£'000</i>
Staff costs	262	366
Professional fees	-	17
Membership support	20	7
Bad debts	135	59
Travel and entertainment	148	149
Bank charges and interest	(5)	57
Exchange loss	(44)	116
Support costs	131	108
	647	879
 Work programme		
<u>Project</u>		
SER	29	28
<u>Studies</u>		
Staff costs	193	146
General expenses	33	15
Assessment of Energy Policy and Practices		
Study Group	32	88
Steering Group	3	190
Human Resources	-	23
Water for Energy	2	23
Logistics	4	46
Rules of Trade Task Force	25	20
Mega Cities	9	10
Scenarios	30	24
Support costs	56	46
<u>Technical programme</u>		
Staff Costs	116	94
General expenses	16	9
PGP	24	37
CFFS	7	9
EnEff	60	54
Grid Liability	5	3
Renewables	4	13
Support costs	49	40
<u>Regional programme</u>		
Staff costs	18	23
General expenses	18	16
Asia	25	21

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

3. RESOURCES EXPENDED (CONTINUED)	2010 Total £000	<i>2009 Total £'000</i>
Africa	43	41
Europe	46	51
Inga TF	-	3
LAC	39	43
North America	-	15
Support costs	45	37
<u>Communications & Outreach</u>		
Staff costs	224	211
Miscellaneous	3	2
Website	38	15
Publications	3	26
Consultancy	60	50
Travel and hospitality	18	66
Support costs	68	56
Work Programme total	1,345	1,594
Congress		
Congress expenditure	171	76
Support costs	27	22
	198	98
Patron & Global Partner Costs		
Patron Costs	42	-
Staff Costs	226	-
	268	-
Gift in kind	528	205
Grants paid	6	-
Governance costs		
Audit	21	15
Trustee meetings	7	2
	28	17
TOTAL RESOURCES EXPENDED	3,020	2,797

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

4. SUPPORT COSTS

	2010	<i>2009</i>
	Total	<i>Total</i>
	£'000	<i>£'000</i>
Support costs		
Accommodation costs	156	<i>135</i>
Office services	139	<i>73</i>
Accountancy	-	<i>24</i>
Legal and professional	54	<i>60</i>
Depreciation	27	<i>17</i>
	376	<i>309</i>

These costs are allocated to charitable activities on the basis of square metres occupied by each activity in the offices.

5. STAFF COSTS

	2010	<i>2009</i>
	£'000	<i>£'000</i>
Wages and salaries	904	<i>753</i>
Social security costs	119	<i>77</i>
Other staff costs	20	<i>10</i>
	1043	<i>840</i>

During the year, one employee received emoluments between £250,000 and £270,000; one employee received emoluments between £80,000 and £90,000; and one employee received emoluments between £60,000 and £70,000.

No employer pension contribution was made on the above employees' behalf.

The average number of employees during the year, calculated on a full-time equivalent basis, was 12 (2009: 10).

6. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees neither received nor waived any emoluments during the year (2009: £nil). During the year, £6,408 (2009: nil) was reimbursed to or paid on behalf of two Trustees for travel expenses.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

7. TANGIBLE FIXED ASSETS

All tangible fixed assets are held by the Charity.

	Leasehold improvements £'000	Office equipment £'000	Website £'000	Total £'000
Cost				
At 1 January 2010	146	103	193	442
Additions	165	48	-	213
At 31 December 2010	311	151	193	655
Accumulated depreciation				
At 1 January 2010	130	91	193	414
Charge for period	12	14	-	26
At 31 December 2010	142	105	193	440
Net Book Values				
At 31 December 2010	169	46	-	215
<i>At 31 December 2009</i>	<i>16</i>	<i>12</i>	<i>-</i>	<i>28</i>

8. FIXED ASSET INVESTMENTS

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

	2010 £'000	2009 £'000
Market values		
Market value at 1 January 2010	338	273
Unrealised gain/(loss) on investments	21	44
Market value at 31 December 2010	359	317
Historical cost at 31 December 2010	226	226

UK listed investments are held in unit funds. These are represented by:

	2010 £'000	2009 £'000
Fixed interest securities	34	34
Equity shares	304	283
	338	317

The following investments make up over 5% of the portfolio:

	2010 £'000	2009 £'000
Units held		
18,603 CAF UK Equity Growth	26	26
19,666 HSBC Common Fund for Income	22	21
9,653 COIF	97	94
32,744 Schrodgers	84	83
4,601 Dresdner RCM Chariguard UK Equity Fund Income	92	86

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

9. DEBTORS

	Group 2010 £'000	Charity 2010 £'000	<i>Group</i> <i>2009</i> <i>£'000</i>	<i>Charity</i> <i>2009</i> <i>£'000</i>
Trade debtors	227	253	241	241
Amount due from subsidiary company	-	165	-	177
Other debtors	-	-	1	-
Prepayments	45	45	45	45
Accrued income	43	43	228	104
	315	506	515	567

10. CREDITORS: amounts falling due within one year

	Group 2010 £'000	Charity 2010 £'000	<i>Group</i> <i>2009</i> <i>£'000</i>	<i>Charity</i> <i>2009</i> <i>£'000</i>
Trade creditors	107	98	159	156
Taxation and social security costs	51	25	22	22
Accruals	122	119	145	142
Deferred income	82	82	83	83
Other	11	11	45	45
	373	335	454	448

	2010 £'000	2009 £'000
Deferred income reconciliation:		
Balance brought forward	83	32
Received in year	82	83
Utilised in year	<u>(83)</u>	<u>(32)</u>
Balance carried forward	82	83

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11. FINANCIAL COMMITMENTS

Commitments under leases to pay rentals during the year following the year of these financial statements are given in the table below, analysed to the period in which each lease expires. All commitments relate to the Charity.

Obligations under operating leases comprise	Group 2010 £'000	<i>Group 2009 £'000</i>
Land and buildings Expiring between 2 and 5 years	<u>81</u>	<u>81</u>
Fixtures and fittings Expiring between 2 and 5 years	<u>13</u>	<u>13</u>

12. STATEMENT OF FUNDS

	<i>1 Jan 2010 £'000</i>	Income £'000	Expenditure £'000	Investment Gains £'000	31 Dec 2010 £'000
General reserve	500	3,119	(2,763)	-	856
<u>Designated</u>					
Foundation	1,240	554	(957)	21	858
Gerald Doucet Memorial Fund	<u>9</u>	<u>-</u>	<u>(6)</u>	<u>-</u>	<u>3</u>
Total	<u>1,749</u>	<u>3,673</u>	<u>(3,726)</u>	<u>21</u>	<u>1,717</u>

The Foundation fund represents funds set aside at the Trustees' discretion to assist in the further development of the WEC work programme.

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

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13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General £'000	Unrestricted Foundation £'000	Gerald Doucet Memorial Fund £'000	Total £'000
Tangible fixed assets	215	-	-	215
Investments	-	338	-	338
Net current assets	641	520	3	1,164
	<u>856</u>	<u>858</u>	<u>3</u>	<u>1,717</u>

14. SUBSIDIARY COMPANY

The Charity owns the whole of the issued ordinary share capital of WEC Services Ltd, a company registered in England. 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. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. The total net profit is gifted to the Charity. A summary of the results of the subsidiary is shown below.

	Total 2010 £'000	<i>Total 2009 £'000</i>
Turnover	356	<i>200</i>
Administrative expenditure	(215)	<i>(111)</i>
Net profit/(loss)	141	<i>89</i>
Foreign exchange (loss)/gain	8	<i>(6)</i>
Profit on ordinary activities	149	<i>83</i>
Payment under gift aid	(149)	<i>(83)</i>
Retained profit for the year	<u>-</u>	<u><i>-</i></u>

The aggregate of the assets, liabilities and funds was:

Assets	203	<i>183</i>
Liabilities	(203)	<i>(183)</i>
Funds	<u>-</u>	<u><i>-</i></u>

15. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption which is conferred by Financial Reporting Standard No.8, 'Related Party Disclosures' that allows it not to disclose transactions with group undertakings that are eliminated on consolidation.