

Company Number: 4184478
Charity Number: 1086559

WORLD ENERGY COUNCIL
(A Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

WORLD ENERGY COUNCIL
YEAR ENDED 31 DECEMBER 2008

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**WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2008**

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

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

NAME

Barnés, Francisco	
Bundgaard-Jensen, Asger	* (term ended 7 November 2008)
Drouin, Richard	
Gadonneix, Pierre	* + # ± ^ ∅
García, Elías Velasco	*
Jain, C.P.	* + # ±
Kim, Younghoon David	
de Franco Medeiros, Norberto	*
M'Mukindia, Mary	+ # ±
Nadeau, Marie-José	* ^
Sambo, Abubakar	
Teyssen, Johannes	
Ward, Graham	* ∅ (term began 8 November 2008)
Zhang, Guobao	

* *Member of Finance Committee* ∅ *Member of Compensation Committee*
+ *Member of Nominations Committee* ± *Member of Studies Committee*
Member of Programme Committee ^ *Member of Communications & Outreach Committee*

COMPENSATION COMMITTEE (SUBCOMMITTEE OF THE BOARD OF TRUSTEES)

Chair: Pierre Gadonneix; Member: Graham Ward

FINANCE COMMITTEE (SUBCOMMITTEE OF THE BOARD OF TRUSTEES)

Chair: Graham Ward CBE, MA, FCA; Members: Norberto Franco de Medeiros, Marie-José Nadeau, Rainer J. Abbenseth, C.P. Jain, Mary M'Mukindia, Elias Velasco Garcia

NOMINATIONS COMMITTEE (SUBCOMMITTEE OF THE BOARD OF TRUSTEES)

Chair: Pierre Gadonneix; Members: C.P. Jain; Mary M'Mukindia

SECRETARY GENERAL

Gerald Doucet (deceased, 4 October 2008)
Kieran O'Brien (acting, effective 5 October 2008)

REGISTERED OFFICE

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

AUDITORS

Horwath 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

INVESTMENT MANAGERS

RCM (UK) Ltd.	HSBC Charity Common Investment Funds
Black Rock Investment Funds	HSBC Global Liquidity Fund
Charities Aid Foundation (CAF)	Schroders Unit Trusts Limited
CCLA Investment Management Ltd (COIF)	

WORLD ENERGY COUNCIL
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The Board of Trustees, who are also the Directors of the World Energy Council ("the Charity"), present their annual report for the year ended 31 December 2008 under the Companies Act 1985 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 World Energy Council and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (2005).

REFERENCE AND ADMINISTRATIVE DETAILS

The World Energy Council ("WEC") 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 1.

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 page 1.

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 94 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 Chair of the World Energy Council serves as Chair of the Executive Assembly.

The Trustees recognise the importance of communicating with members and of soliciting their views, input and ideas. Such communication is carried out both formally – through surveys, questionnaires, letters and emails – and informally – through direct contact, at the initiative of the member and at meetings. In particular, the views of members are heard during the annual Executive Assembly, when various matters, such as the plan for the next work cycle, the budget, new initiatives and changes in strategy, are brought before the members for open discussion.

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 on the Officers' Council.

The Memorandum and Articles provide for at least twelve Trustees (officers), who are elected by the Executive Assembly and report to it. The Executive Assembly has delegated to the officers 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.

The officers have established three subcommittees which report to them: Compensation, which reviews staff compensation and bonuses; Nominations, which nominates new Trustees for the approval of the Executive Assembly; and Finance, which oversees the financial affairs of WEC and WSL. The Trustees meet at least two times 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.

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

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STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

New trustees receive an induction pack containing policy and other documents governing the work of the officers' council 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 meets with new trustees to orient them to their responsibilities when they are elected, and the WEC chair and other currently serving officers may also meet with new trustees to discuss their duties and responsibilities.

CHIEF EXECUTIVE/SECRETARY GENERAL

The secretary general serves as the chief executive of the charity and its trading subsidiary. He is responsible for the day-to-day management of the charity's affairs under the oversight of the trustees and serves as an ex officio, non-voting member of the officers' council. He is assisted by a group of senior managers at the London office.

GROUP STRUCTURE

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

- WEC Charity, which is a UK registered charity and a UK company incorporated under the laws of England and Wales; and
- WEC Services Limited ("WSL"), the Charity's wholly owned trading subsidiary and a separately registered UK company.

WEC 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 shall not be paid to or distributed among the members of the WEC, but shall 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 profits that would otherwise be available for distribution. During 2008, WSL made an operating profit of £5,000 (2007: £392,000).

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 2008, these included:

- Preparatory work and data gathering for the 2010 edition of the triennial publication, the *Survey of Energy Resources*. The 2010 edition will be ready in time for a major launch in 2010 and will be highlighted at the 2010 World Energy Congress.
- Ongoing preparations for the 2010 World Energy Congress in Montreal, which will feature major sessions focusing on key energy issues, a large technical exhibition, presented papers and posters, the presentation of the Charity's studies and research from the 2008-2010 work programme and a youth programme.

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

WORLD ENERGY COUNCIL
TRUSTEES' REPORT
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STATEMENT OF TRUSTEES' RESPONSIBILITIES AND CORPORATE GOVERNANCE

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Trustees are responsible for their annual report as well as for preparation of financial statements for each financial year which 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 Charity will continue in operation.

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 1985; and for safeguarding the assets of the Charity and for their proper application as required by charity law, which means they 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 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 has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

RISK MANAGEMENT

The Trustees have introduced a formal risk management process to assess business risks and implement risk management strategies.

The risk management policy and the policy of internal control were updated and reviewed in November 2008. Suggested revisions will be implemented in January 2009 to ensure that the organisation follows current best practice with respect to risk management and in accordance with the Financial Reporting Council's Combined Code on Corporate Governance (June 2008) and the Financial Reporting Council's Internal Control – Revised Guidance for Directors on the Combined Code (October 2005).

The risk assessment is carried out at the last Trustees' meeting of 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. As part of this process, the Trustees also review the adequacy of the Charity's current internal controls. Procedures have been established for reporting failings immediately to appropriate levels of management and to the Trustees.

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RISK MANAGEMENT (CONTINUED)

The main risks to the Charity and the steps taken to address these risks are noted below.

Risk	Risk Protection
Loss of members	Trustees routinely review the health of WEC's Member Committees, look at overall membership numbers, review the member recruitment process and ensure management takes appropriate steps to assist weak or struggling Member Committees,
Loss of WEC Patrons or inability to recruit new Patrons	A revamped Patrons programme which offers more robust benefits will be launched in 2009, and more frequent and effective communications with Patrons will be established.
Failure of the Congress organisers to pay the contractually guaranteed amount, financial failure of the Congress, or a Congress which is considered to have failed programmatically	The Congress organisers are required to make frequent reports to the Trustees, the Finance Committee, the Programme Committee, the Planning Group and management, so that all aspects of the Congress are monitored on an ongoing basis to address problems early on.
The substantial amount of US dollars held by the Charity; although the Charity incurs some US dollar expenses, its main operating currency is sterling.	<p>The majority of the US dollar holdings were converted to sterling in mid-2008. The Trustees agreed that, unless needed to pay US dollar expenses (roughly \$400,000 a year), all future incoming US dollars should be converted to sterling immediately upon receipt.</p> <p>The US dollars received late in 2008 were needed to pay fourth quarter US dollar expenses; therefore, the new procedure of converting new US dollars on receipt will be implemented in 2009.</p>
The Charity's website	IT Department monitors use daily for problems, backs up the website daily and attaches appropriate security and/or use statements to website materials
The membership database and network	IT Department backs up membership database and network daily; appropriate security controls are in place to ensure that no improper use is made of the database or network
The Charity offices and equipment	All recommended insurances are in place (fire, terrorism, contents), with an annual review with the insurance provider and landlord; security system is in place for both the building and the WEC offices; equipment is security tagged

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Risk	Risk Protection
Personnel	Employment solicitor reviews staff policy manual annually; Director of Administration reviews staff policies and procedures routinely and reports any problems to the Secretary General and, as appropriate, the Trustees; appropriate insurances are in place
Contractual obligations	Standard template for contracts is in place with liability and indemnity clauses; major contracts (over £100,000) reviewed by commercial contracts solicitor and reviewed and approved by Finance Committee
Legal issues	Appropriate legal advisors are in place and are consulted as required when legal issues or questions arise; the Secretary General reports any issues or concerns to the Finance Committee
Finances and financial reserves	Monthly monitoring of finances by management; quarterly reporting of financial situation by management to Finance Committee and Trustees; annual audit also provides opportunity for Trustees to assess finances and reserves situation
Insurance	Insurance broker reviews all insurances annually with management to ensure appropriate and prudent coverage; current insurances comply with UK regulations

After reviewing the risks to the Charity at the end of 2008, the Trustees concluded that management has 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.

OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY

The Charity is the leading global multi-energy organisation. Its mission is to promote the sustainable supply and use of energy for the greatest benefit of all people. Its 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.

WEC operates in three-year work cycles, each of which culminates in the triennial World Energy Congress. The incoming Chairman of WEC develops a proposal for the direction or overall "theme" of each work cycle, which is also based on WEC's Mission and Objects and current or emerging energy issues. A draft work programme of studies, technical work and regional activities is developed for the three-year work cycle period. The draft work programme is then reviewed and endorsed by the Officers' Council and must be approved by the Executive Assembly.

The work programme is included as part of the Charity's triennial Business Plan, which also outlines other activities necessary to ensure the health and stability of the Charity, e.g., financial and membership goals.

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ACHIEVEMENTS AND PERFORMANCE

The left-hand column of the table on the following pages lists WEC's Objects and the specific goals and objectives for the 2008-2010 work cycles while the right-hand column lists the actions which WEC took in 2008 to work towards the specific objective.

WEC OBJECTS	2008 ACTIVITIES
<p>Collate data about and undertake and promote 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 publish or otherwise disseminate the useful results of such research.</p>	<p>WEC began work on the 22nd <i>Survey of Energy Resources</i>, which gathers data on sixteen energy resources worldwide and analyses the effect on energy supply and demand. In addition, work commenced on an interim update of the data from the 2007 edition of the Survey; this update edition will be released in early 2009.</p> <p>The Performance of Generating Plant database on the WEC website was updated to include the most recent information on plant availability statistics.</p> <p>The Committee on Energy Efficiency Policies and Indicators began gathering data and information on energy efficiency policies and indicators worldwide in order to produce a report for the 2010 Congress.</p> <p>A new global study on Assessment of Energy Policy and Practices was launched in 2008; this major work will gather data on energy policies and practices worldwide and prepare a report to help influence the agenda and outcomes for COP-15 in 2009.</p> <p>In 2008, WEC's Asian members established a Private Public Partnership (PPP) project which collects best practices and programmes of PPP projects which can be replicated and adopted for application in other member economies.</p> <p>WEC's newly redesigned website was launched, allowing both members and non-members to access energy data, statistics, policy statements, position papers and other key energy-related information, including WEC's current and retrospective studies, research reports, policy recommendations and medium-term and long-term projections. The total number of hits following the redesign increased by nearly 35%.</p>

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

WEC OBJECTS	2008 ACTIVITIES
<p>Undertake actions, including but not limited to the holding of Congresses, workshops and seminars, to facilitate such supply and use of energy.</p>	<p>The first ever Energy Leaders Summit, co-sponsored by WEC and the Financial Times, was held in London in September, bringing together CEOs of the leading energy companies worldwide, government representatives, energy experts and the media to discuss "Investment Opportunities in Clean Energy Business". The Summit will become an annual event.</p> <p>The Performance of Generating Plant Technical Committee held four benchmarking workshops on international data exchange, best practices, and technology transfer innovations around the world in 2008.</p> <p>WEC convened sessions, in London and Cape Town, of the Carbon Sequestration Leadership Forum's Stakeholder Dialogue in collaboration with its Cleaner Fossil Fuels Systems Committee and the US Department of Energy.</p> <p>A Cleaner Fossil Fuels Workshop was held in Abu Dhabi to discuss growing concerns about the environmental performance of fossil fuels and ways in which to deploy cleaner, more efficient fossil fuels combustion technologies.</p> <p>In November, a Bi-Regional Forum on "Water and Energy" was jointly hosted by the North American and Latin America/Caribbean regions in Mexico City, with representatives from Member Committees, governments, energy companies and energy organisations in both regions.</p> <p>Two Regional Forums were sponsored by the European Member Committees: the joint annual dialogue with the European Commission on energy issues in the EU, and a high level panel discussion on "Caspian Energy Supplies to Europe".</p> <p>A finance workshop to promote the interest of potential investors in the Grand Inga Hydropower Project in the Democratic Republic of Congo was held in London in April. Government representatives, financiers, policy-makers and WEC members attended.</p>

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

WEC OBJECTS	2008 ACTIVITIES
<p>Collaborate with other organisations in the energy sector with compatible goals.</p>	<p>The Committee on Energy Efficiency Policies and Indicators offered a series of workshops on energy efficiency in collaboration with ADEME, the French environment agency.</p> <p>A new Interconnectivity Task Force will collaborate with CIGRE to develop a report on grid reliability, investment and cross border cooperation; the conclusions of its work will be presented in a report to be completed in 2010.</p> <p>In 2008, WEC established an ongoing high level dialogue with ABAC (APEC) to facilitate cooperation in energy.</p> <p>WEC continued to hold its annual dialogue with the energy department of the European Commission, with the goal of discussing innovative solutions to key energy challenges.</p> <p>A new Biofuels Standards and Technologies Task Force began work in partnership with the International Standards Organisation on a project to identify and evaluate the leading production technologies and the main barriers to an accelerated development and deployment of biofuels standards and technologies worldwide and to formulate recommendations for removal of these barriers.</p>
SPECIFIC GOALS FOR 2008-2010	
<p>Expand the level of access to commercial energy services to all households in the world, with special emphasis on Africa.</p>	<p>WEC signed a Memorandum of Understanding (MoU) with the World Economic Forum's Energy Poverty Action project, which seeks funding to develop small scale, replicable electrification projects throughout Africa, with the aim of bringing affordable commercial electricity supply to rural and peri-urban communities.</p> <p>WEC continued to work to bring together representatives from the government of the Democratic Republic of Congo, outside funders and members of the African Union to explore the potential development of the Grand Inga hydropower project.</p>

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

SPECIFIC GOALS FOR 2008-2010	
	<p>WEC continued to work on facilitating partnerships between governments in developed and developing countries to establish Centres of Excellence for Sustainable Energy. Two such Centres already exist (Philippines and Egypt), with the aim of enhancing regional energy cooperation, promoting best practices and facilitating the transfer of clean technologies to improve energy access.</p>
<p>Increase the availability of secure, reliable, affordable, cleaner energy services in all regions of the world, with a view to doubling global primary energy supplies by 2050.</p>	<p>A Study Group comprised of WEC members began work on a major global study on Energy and Mega Cities, which will examine the demand for energy and the delivery of secure and reliable services in large cities around the world. The study will examine electricity supplies, transportation systems and fuels, housing and water in order to identify needs specific to particular regions. A main goal of the study is to produce specific policy recommendations to help ensure sustainability, vibrant economic activity and quality of life.</p> <p>The new Interconnectivity Task Force began work on a project to identify and demonstrate, both in quantitative and qualitative terms, the potential benefits of properly designed, maintained and operated transmission infrastructure using state-of-the-art technologies and management practices, including "smart grids".</p> <p>As part of the Asia Regional Action Plan, WEC's Asian members launched an EcoPark Project to provide solar and wind power in Mongolia.</p>

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

SPECIFIC GOALS FOR 2008-2010	
<p>Improve the public's acceptance of the need for new energy investments and the ways in which clean technologies and efficient practises can slow the rate of increase of greenhouse gas emissions.</p>	<p>The Committee on Energy Efficiency Policies and Indicators began work on an assessment of energy efficiency policies and indicators worldwide, including costs. The Committee also began the annual updating of the energy efficiency indicators on the WEC website.</p> <p>The Cleaner Fossil Fuels Systems Committee held workshops in Dubai and London to promote the deployment of cleaner and more efficient fossil fuels combustion technologies and understanding of the strategic role of fossil fuels in meeting the growing energy demand and securing energy supplies, focusing in particular on the existing and emerging technologies for cleaner use of fossil fuels.</p> <p>The Asian members of WEC began preliminary planning for a possible India-China Summit in 2009 or 2010, which will bring together high level representatives to discuss effective solutions to CO₂ emissions.</p> <p>In October, 2008, WEC's European members held a high-level dialogue between European consumer and supplier companies; attendees included the "energy corridor countries" of Russia, OPEC, the Caspian Basin, North Africa and Turkey.</p> <p>WEC's European members began working on a study titled "European Climate Change Policy beyond 2012". This study aims to present long-term scenarios on GHG emissions and abatement technology and develop a position on how the emission-trading scheme in Europe beyond 2012 should look from the perspective of the energy industry.</p>

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

SPECIFIC GOALS FOR 2008-2010	
<p>Foster more coherent national, regional and global energy policies, effective regulation and standards to support stable and integrated markets for energy services.</p>	<p>A task force of energy company lawyers and economists was convened to collect information, begin the process of evaluating the principles of the World Trade Organisation, the Energy Charter Treaty and the North American Free Trade Agreement and develop recommendations covering energy trade, services and investment which could become a comprehensive chapter of the WTO in a future round of trade negotiations.</p> <p>Work also began on a major study assessing energy policies and practices worldwide. A steering group and study group were constituted in 2008, and the methodology of the study was developed. The study aims to examine the effectiveness of country-specific public energy policies, programmes, regulations and standards and their effectiveness in addressing climate, growth and social development. The outcomes of the study are aimed at influencing decision-making on the post-Bali roadmap leading to COP-14 & 15. To this end, a preliminary White Paper was presented at COP-14 in Poznan, Poland, in December 2008.</p> <p>In 2008, WEC's Asian members established a Private Public Partnership (PPP) project which collects best practices and programmes of PPP projects which can be replicated and adopted for application in other member economies.</p>
<p>Generate energy finance concepts in support of increased investments in more efficient existing and new sustainable energy systems.</p>	<p>WEC launched the Grand Inga project in early 2008, with the goal of bringing together the government of the Democratic Republic of Congo and outside energy companies, financiers and investors to discuss how the Inga Hydropower project could be further developed to provide power to most of the African continent.</p> <p>WEC's European members began preliminary planning on a study titled "Roadmaps towards a Competitive European Energy Market", with a goal of formulating the prerequisites for a successful single market operation and defining milestones towards a fully liberalised European market, including renewable energy sources.</p>

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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

SPECIFIC GOALS FOR 2008-2010	
<p>Increase RD&D in clean technologies wherever possible and accelerate their transfer to developing countries with capacity building for their application and maintenance.</p>	<p>WEC convened two sessions of the Carbon Sequestration Leadership Forum's Stakeholder Dialogue in collaboration with its Cleaner Fossil Fuels Systems Committee and the US Department of Energy, with meetings taking place in London and Cape Town. The goal of these meetings was to discuss carbon sequestration technologies and ways in which this process can help address greenhouse gas emissions, and how such technologies can be applied in both developed and developing countries.</p> <p>A new Biofuels Standards and Technologies Task Force began work on a project to identify and evaluate the leading production technologies, to examine the main barriers to accelerated development and deployment of biofuels standards and technologies worldwide and to formulate recommendations for removal of these barriers.</p>

OTHER ACTIVITIES

In addition to its charitable activities (work programme), WEC also 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 94 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. To help achieve this, WEC senior staff, regional managers and officers try to visit each Member Committee at least once every three years to assess their viability and level of activity, discuss any problems or concerns and present WEC's current work.

In 2008, 36 visits were made to WEC Member Committees. WEC London also carries out a "WEC Champions" programme, where the senior staff and the regional managers are each assigned to be the "client service manager" for one or more of WEC's Category 6-7 Committees to enhance the relationship with and support for these Committees.

Although Georgia, Guinea and Mali were withdrawn from membership in 2008, Cyprus and the United Arab Emirates were admitted as new members.

Subscription costs in the SoFA are those associated with recruitment and retention of Member Committees, mainly allocations of the cost of staff to prepare and process subscription payments and member services as well as direct costs associated with the Member Committee Visit programme.

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OTHER ACTIVITIES (continued)

Patrons' Programme

WEC Patrons are companies or organisations which are already members of a WEC Member Committee and which agree to contribute \$300,000 US over a three-year period to support WEC's work. The Patron income goes directly into the WEC Foundation, a designated fund within WEC Charity, and is drawn down over the three-year work cycle to cover the costs of carrying out WEC's work programme.

In 2008, WEC had 21 new or continuing Patrons, with three of these providing staff as secondments to WEC in lieu of cash contributions. Major sponsors of the 2010 World Energy Congress are also entitled to be named as WEC Patrons, and in 2008, there were three such major Congress sponsors who joined the Patrons' programme. WEC's revenue target for Patron income for 2008 was £872,000, and due in part to strong recruitment efforts to attract new Patrons and in part to the strengthening of the US dollar, this revenue target was met.

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 next edition will be published in 2010. The organisers of the Montreal 2010 Congress were contractually obligated to pay \$50,000 US for the 2008 costs related to the preparation of the Survey.

Gifts in kind consist of the staff secondments provided by certain WEC Patrons in lieu of cash contributions. In 2008, secondments were provided by Tepco (Japan), VNG (Germany) and Daesung (Korea) for the full year, and these secondments was booked at \$100,000 each, the "cash value" of one year of Patronage. The booked revenue matches the booked expenditure.

Royalties, Publication Sales, Internet Revenues and Other Income

WSL no longer sells WEC publications; instead, these are now available free of charge and in electronic format to WEC members and the general public. Thus there is no longer any income from publication sales.

WSL's commercial partnership with Petroleum Economist to produce a series of advertising-based energy reports ended in December 2007 and was not renewed. Therefore, there are no longer any royalty fees coming into WSL as a result of commercial partnerships.

A new CV Database project was launched in late 2008 to provide a resource for job seekers and employers in the energy industry. The project did not produce any income in 2008, but there is good potential for revenue to be generated going forward.

Other income consists mainly of speaker fees and travel reimbursements.

Congress

The Congress is WEC's most visible and important event, bringing together up to 5,000 energy leaders from around the world. It is held every three years, with the next one to be held in Montreal in September, 2010. A contract is signed with the Congress organisers guaranteeing payments to WSL for the use of the WEC brand, logo and website, as well as for the production costs of the Survey of Energy Resources. The majority of this revenue will come to WSL in 2010, with expenses associated with the Congress also being incurred mainly in 2010, although some preparatory planning took place in 2008 and will continue in 2009.

**WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2008**

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Statement of Financial Activities (SoFA) set out on page 19, shows the following results for the year.

Income Generation

Income generation during the year was £2,924,000 (2007: £2,485,000). The primary sources of income were membership subscriptions and the WEC Patrons' programme. This total is a significant achievement, and the Charity thanks all its Member Committees and supporters, including the 2008 WEC Patrons, for helping to achieve this income level.

Subscription income was £1,310,000 (2007: £1,246,000) for the year. A healthy recovery of arrears was also made. The Patrons contributed £880,000 (2007: £404,000), which was added to the designated fund, the WEC Foundation.

Resources Expended and Services

Total resources expended by WEC and WSL in 2008 amounted to £2,744,000 (2007: £2,444,000). This included expenditures of £1,741,000 (2007: £1,540,000) 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 to preserve capital while still providing modest to good returns. This is mainly achieved through the use of Charity Commission-recommended 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 2008.

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.

After a change to the Foundation investment policy in late 2007 to allow for investments of US dollars (or any other non-sterling-based income) in non-Charity Commission funds, a total of \$3 million US was placed in a conservative, low risk global liquidity fund through HSBC. This fund allows for daily access to funds and provides a higher rate of return than the Treasuries in which the Foundation had previously invested its US dollar assets.

WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2008

FINANCIAL MANAGEMENT POLICIES (continued)

Fund managers for the Charity and the Foundation are listed on page 1 of these financial statements. All funds are invested with top-tier UK banks or other secure institutions, such as Common Deposit and Investment Funds approved by the Charity Commission.

In 2008, the market fluctuated substantially, and WEC saw the value of its sterling-based investments fall. This was offset somewhat by the strengthening of the US dollar, which increased the book value of WEC's US dollar holdings. In addition, a significant book gain was achieved when \$2,000,000 US was converted to sterling in the latter half of the year.

In 2008, the Trustees authorised a total transfer of £1,150,000 to the Charity from the Foundation fund for work programme expenditure.

At the end of 2008, the Foundation's assets totalled £1,586,000, and the group investments, excluding cash deposits, were valued at £273,000 (2007: £365,000).

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 or designated for particular purposes. For 2008, free reserves of £225,000 were held as of 31 December [2007: £127,000].

WEC's reserves policy stipulates that total unrestricted reserves of 20% of cash expenditures from the previous year are required, not counting the unrestricted but designated funds of the WEC Foundation. Of this reserve, 80% is intended to meet operating expenses for at least two months. The remaining 20% is intended to safeguard the Charity's work programme commitments in the event of delays in receipt of Patron income, lower than expected earnings by the WEC Foundation or a lower than expected performance by the trading subsidiary. For 2008, the level of reserves required according to the stated policy was £483,000. The Trustees have noted the difference between free reserves and the stated policy but are convinced there are sufficient reserves within the WEC Foundation to support the work programme.

The Trustees review annually the value of the reserves retained in the form of investments, cash and cash equivalents not held for restricted purposes or designated projects. 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. With income, the major risks are a decline in subscription revenues, failure to meet the Patrons' programme targets, a significant downturn in the market and failure of the Congress organisers to pay the contracted amount to the Charity.

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, work programme and business plan known to the Charity's Chief Executive (Secretary General).

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

**WORLD ENERGY COUNCIL
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2008**

FUTURE PLANS

Overall, the Trustees believe the Charity is stable and in sound financial condition but believe the Charity must take the following actions to ensure it remains viable and strong for the future:

- Seek to maintain organisational stability following the death of the previous Secretary General in October, 2008 and pending the arrival of a new Secretary General in April, 2009;
- Assess any potential risks which the global financial crisis may impose on the Charity and develop safeguards to minimise those risks;
- Continue to maintain a stable membership base by ensuring it offers a strong "value proposition" for members;
- Ensure the effectiveness of the Patrons' programme in order to attract the Patron revenue necessary to fund current and future work programmes;
- Attract additional special funding related to the 2008-2010 work programme;
- Develop new revenue streams for the Charity and, in particular, for its trading subsidiary;
- Seek additional partnerships with other organisations which benefit the Charity financially or which support its goals or enhance its visibility;
- Continue to strengthen its global visibility and its image as the voice of the energy industry.

CHANGES IN FIXED ASSETS

The movements in fixed assets during the year are set out later in 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 Mexico City Executive Assembly assumed their seats on 8 November and are also listed on page 1 of this report.

AUDITORS

A resolution to reappoint Horwath Clark Whitehill LLP was approved by the Board at the Annual General Meeting in November, 2008.

Approved by the Board on 7 May 2009, 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 2008 which comprise the Consolidated Statement of Financial Activities, the Charity and Consolidated Balance Sheets and related notes set out on pages 21 to 29. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 21 to 23.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of Trustees and Auditors

The responsibilities of the directors, who are also the charity trustees for the purposes of charity law, for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company and the group as at 31 December 2008 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

Horwath Clark Whitehill LLP
Chartered Accountants and Registered Auditors

St Bride's House
10 Salisbury Square
London EC4Y 8EH

WORLD ENERGY COUNCIL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	Restricted £'000	Unrestricted £'000	Group Total 2008 £'000	Group Total 2007 £'000
INCOMING RESOURCES					
Voluntary Income					
Donations		-	9	9	-
Income from activities in furtherance of the Charity's objects					
--Subscription fees		-	1,310	1,310	1,246
--Patron income		-	880	880	404
--Project income		(37)	34	(3)	58
--Gifts in kind		-	205	205	152
Activities for generating funds					
--Royalties, publication sales, internet revenues		-	-	-	49
--Other income		-	85	85	35
Interest		-	43	43	54
Dividends		-	15	15	16
Foreign Exchange gain		-	380	380	-
Congress Income		-	-	-	471
Total incoming resources	2d	<u>(37)</u>	<u>2,961</u>	<u>2,924</u>	<u>2,485</u>
RESOURCES EXPENDED					
Charitable Activities					
--Subscription costs		-	754	754	631
--Work programme		-	1,741	1,741	1,540
--Congress expenditure		-	28	28	105
--Gifts in kind		-	205	205	152
Governance costs		-	16	16	16
Total resources expended	3	<u>-</u>	<u>2,744</u>	<u>2,744</u>	<u>2,444</u>
Net incoming resources		(37)	217	180	41
Other recognised gains and losses					
Gains/(Losses) on investments					
Realised (loss)		-	-	-	(4)
Net income for the year		(37)	217	180	37
Unrealised investment (losses)/gains		-	(92)	(92)	1
Net movement in funds		(37)	125	88	38
Accumulated fund balances brought forward		37	1,733	1,770	1,732
Accumulated Fund balances carried forward		<u>-</u>	<u>1,858</u>	<u>1,858</u>	<u>1,770</u>

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

The notes on pages 21 to 29 form part of these financial statements.

WORLD ENERGY COUNCIL
CONSOLIDATED AND CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2008

	Notes	Group 2008 £'000	Charity 2008 £'000	<i>Group 2007 £'000</i>	<i>Charity 2007 £'000</i>
FIXED ASSETS					
Tangible assets	7	38	38	55	55
Investments	8	273	273	365	365
		311	311	420	420
CURRENT ASSETS					
Debtors	9	309	333	365	380
Short term deposits		1,149	1,149	1,012	1,012
Cash at bank and in hand		576	548	526	441
		2,034	2,030	1,903	1,833
CREDITORS: amounts falling due within one year	10	487	483	553	483
NET CURRENT ASSETS		1,547	1,547	1,350	1,350
TOTAL ASSETS		1,858	1,858	1,770	1,770
FUNDS					
Restricted	12 & 13	-	-	37	37
Unrestricted					
Designated Fund - WEC Foundation		1,586	1,586	1,551	1,551
- Gerald Doucet Memorial Fund		9	9	-	-
General		263	263	182	182
		1,858	1,858	1,770	1,770

These financial statements were approved by the Board and authorised for issue on 7 May 2009, and signed on their behalf by:

Pierre Gadonneix
Chair
World Energy Council

Graham Ward, CBE, MA, FCA
Chair
Finance Committee

The notes on pages 21 to 29 form part of these financial statements.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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 1985.

b) Consolidation

The financial statements of the subsidiary are consolidated with those of the Charity on a line-by-line basis.

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 expenditure are allocated to the appropriate fund.

d) Incoming resources

Income represents mainly the gross invoiced value of subscription fees charged to WEC members. Patron income represents corporate contributions for work programme purposes and is credited directly to the WEC Foundation, a designated fund.

The subsidiary of the Charity (WEC Services Limited) derives income mainly from the World Energy Congress held once every three years.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

d) Incoming resources (continued)

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

Gifts received in kind are recognised as income at the amount that would have been received had the gift been made in cash. 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 of 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.

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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 Section 505 of the Income and Corporation Taxes Act of 1998, 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) 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 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

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.

m) Irrecoverable VAT

WEC 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 2008

3. RESOURCES EXPENDED	Unrestricted Fund	2008 Total	2007 Total
	£'000	£000	£'000
Subscription costs			
Staff costs	317	317	279
Professional fees	133	133	-
Membership support	15	15	-
Bad debts	75	75	73
Travel and entertainment	128	128	140
Bank charges and interest	4	4	4
Exchange loss	-	-	12
Support costs	82	82	123
	754	754	631
Work programme			
<u>Project</u>			
CESE	-	-	25
SER	28	28	25
<u>Studies</u>			
Staff costs	132	132	130
General expenses	49	49	40
Survey of Energy Resources	36	36	-
Assessment of Energy Policy and Practices	300	300	-
Rules of Trade Task Force	23	23	-
Mega Cities	1	1	-
Energy & Climate Change Scenarios	-	-	16
Support costs	39	39	263
Support costs	39	39	37
<u>Technical programme</u>			
Staff Costs	101	101	77
General expenses	20	20	9
PGP	43	43	16
CFFS	14	14	10
EnEff	41	41	2
Interconnectivity	10	10	13
Biofuels	1	1	2
GHG database	-	-	12
Support costs	31	31	28
<u>Regional programme</u>			
Staff costs	37	37	28
General expenses	16	16	14
Africa	63	63	56
Asia	36	36	38
Europe	47	47	24
Gulf States	-	-	3
LAC	29	29	50
North America	15	15	38
Support costs	31	31	28
<u>Communications & Outreach</u>			
Staff costs	378	378	251
Miscellaneous	2	2	34
Website	20	20	13
Publications	11	11	11
Consultancy	50	50	124
Travel and hospitality	78	78	48
Support costs	59	59	75
	1,741	1,741	1,540

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

3. RESOURCES EXPENDED	Unrestricted Fund £000	2008 Total £000	<i>2007 Total £'000</i>
Congress			
Congress expenditure	-	-	26
Congress bad debt	-	-	79
Support costs	28	28	-
	<u>28</u>	<u>28</u>	<u>105</u>
Gift in kind	205	205	152
Governance costs			
Audit	14	14	14
Trustee meetings	2	2	2
	<u>16</u>	<u>16</u>	<u>16</u>
TOTAL RESOURCES EXPENDED	<u>2,716</u>	<u>2,744</u>	<u>2,444</u>
4. SUPPORT COSTS	Unrestricted Fund £'000	2008 Total £'000	<i>2007 Total £'000</i>
Support costs			
Accommodation costs	130	130	129
Office services	68	68	78
Accountancy	29	29	43
Legal and professional	21	21	19
Depreciation	20	20	21
Other	1	1	1
	<u>269</u>	<u>269</u>	<u>291</u>

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

5. STAFF COSTS	2008 £'000	<i>2007 £'000</i>
Wages and salaries	907	676
Social security costs	47	45
Other staff costs	10	44
	<u>964</u>	<u>765</u>

During the year, one (2007: one) employee received emoluments between £95,000 and £105,000. One employee received emoluments of between £65,000 and £75,000. Also included within salaries and wages are payments made to a third party company amounting to between £200,000 - £210,000.

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 9 (2007: 9).

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

6. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees neither received nor waived any emoluments during the year (2007: £nil). During the year, nil (2007: £8,221) was reimbursed to Trustees for travel expenses (2007: one Trustee).

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 2008	146	93	193	432
Additions	-	3	-	3
At 31 December 2008	146	96	193	435
Accumulated depreciation				
At 1 January 2008	105	79	193	377
Charge for period	15	5	-	20
At 31 December 2008	120	84	193	397
Net Book Values				
At 31 December 2008	26	12	-	38
<i>At 31 December 2007</i>	<i>41</i>	<i>14</i>	<i>-</i>	<i>55</i>

8. FIXED ASSET INVESTMENTS

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

	2008	<i>2007</i>
Market values	£'000	<i>£'000</i>
Market value at 1 January 2008	365	<i>487</i>
Disposals at open market value	-	<i>(123)</i>
Unrealised (loss)/gain on investments	(92)	<i>1</i>
Market value at 31 December 2008	273	<i>365</i>
Historical cost at 31 December 2008	226	<i>226</i>

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

	2008	<i>2007</i>
	£'000	<i>£'000</i>
Fixed interest securities	35	<i>34</i>
Equity shares	238	<i>331</i>
	273	<i>365</i>

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

8. FIXED ASSET INVESTMENTS (CONTINUED)

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

Units held	2008	<i>2007</i>
	£'000	<i>£'000</i>
18,601 CAF UK Equity Growth	20	<i>29</i>
19,666 HSBC Common Fund for Income	23	<i>21</i>
9,653 COIF	84	<i>113</i>
32,744 Schrodgers	65	<i>87</i>
4,601 Dresdner RCM Chariguard UK Equity Fund Income	66	<i>98</i>
	<u>66</u>	<i><u>98</u></i>

9. DEBTORS

	Group	Charity	<i>Group</i>	<i>Charity</i>
	2008	2008	<i>2007</i>	<i>2007</i>
	£'000	£'000	<i>£'000</i>	<i>£'000</i>
Trade debtors	172	172	<i>152</i>	<i>152</i>
Amount due from subsidiary company	-	59	<i>-</i>	<i>40</i>
Other debtors	1	-	<i>-</i>	<i>-</i>
Prepayments	41	41	<i>52</i>	<i>52</i>
Accrued income	95	61	<i>161</i>	<i>136</i>
	<u>309</u>	<u>333</u>	<i><u>365</u></i>	<i><u>380</u></i>

10. CREDITORS: amounts falling due within one year

Trade creditors	337	337	<i>228</i>	<i>227</i>
Taxation and social security costs	21	21	<i>88</i>	<i>22</i>
Accruals	57	53	<i>165</i>	<i>162</i>
Deferred income	32	32	<i>58</i>	<i>58</i>
Other	40	40	<i>14</i>	<i>14</i>
	<u>487</u>	<u>483</u>	<i><u>553</u></i>	<i><u>483</u></i>

	2008	<i>2007</i>
	£'000	<i>£'000</i>
Deferred income reconciliation:		
Balance brought forward	58	<i>21</i>
Received in year	32	<i>58</i>
Utilised in year	(58)	<i>(21)</i>
Balance carried forward	<u>32</u>	<i><u>58</u></i>

WORLD ENERGY COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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 2008 £'000	<i>Group 2007 £'000</i>
Land and buildings Expiring between 2 and 5 years	81	<u>76</u>
Fixtures and fittings Expiring between 2 and 5 years	15	<u>15</u>

12. STATEMENT OF FUNDS

	<i>1 January 2008 £'000</i>	Income £'000	Expenditure £'000	Investment (Losses) £'000	Transfers £'000	31 December 2008 £'000
General reserve	182	1,673	(2,742)	-	1,150	263
<u>Designated</u>						
Foundation	1,551	1,279	(2)	(92)	(1,150)	1,586
Gerald Doucet Memorial Fund	-	9	-	-	-	9
<u>Restricted</u>						
CESE Manila	<u>37</u>	<u>(37)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>1,770</u>	<u>2,924</u>	<u>(2,744)</u>	<u>(92)</u>	<u>-</u>	<u>1,858</u>

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

The CESE Manila fund was used to fund the Centre for Excellence in Sustainable Energy (CESE) project in the Philippines. The remaining funds have been transferred to creditors in accordance with the funding agreement as any unspent funds should be returned.

The funds in the Gerald Doucet Memorial Fund are used to support WEC's Congress Youth Programme and Future Energy Leaders Community.

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13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General £'000	Unrestricted Foundation £'000	Gerald Doucet Memorial Fund £'000	Restricted CESE Manilla £'000	Total £'000
Tangible fixed assets	38	-	-	-	38
Investments	-	273	-	-	273
Net current assets	225	1,313	9	-	1,547
	<u>263</u>	<u>1,586</u>	<u>9</u>	<u>-</u>	<u>1,858</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 and generating royalties from joint projects. In addition, non-tax exempt events are also occasionally carried out by the subsidiary. 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 2008 £'000	<i>Total 2007 £'000</i>
Turnover	39	560
Administrative expenditure	(41)	(169)
Net (loss)/profit	(2)	391
Interest Receivable	-	1
Foreign exchange gain	7	-
Payment under gift aid	(5)	(392)
Retained profit for the year	<u>-</u>	<u>-</u>
The aggregate of the assets, liabilities and funds was:		
Assets	63	110
Liabilities	(63)	(110)
Funds	<u>-</u>	<u>-</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.