THE ENVIRONMENT CENTRE (TEC)

England & Wales · Charity number 1031482

Details

Other names	SOUTHAMPTON ENVIRONMENT CENTRE LIMITED
Status	Registered
Legal form	Charitable company
Company number	02881225
Registered	1994-02-21
Register	View on the Charity Commission register

Contact

Address	The Environment Centre Equity & Law House 14-15 Brunswick Place Southampton SO15 2AQ
Phone	02380 336172
Email	enquiries@environmentcentre.com
Website	www.environmentcentre.com

Activities

Objects: (1) THE ADVANCEMENT OF EDUCATION OF THE PUBLIC IN ALL MATTERS CONCERNING THE ENVIRONMENT. (2) THE PRESERVATION AND PROTECTION OF THE ENVIRONMENT.

Activities: Provides practical support to individuals, communities, local authorities and businesses wanting to enhance their environment, reduce their use of natural resources and improve their lifestyles and local communities.

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Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Prevention Or Relief Of Poverty, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** IN PRACTICE SOUTHAMPTON AND SURROUNDING DISTRICT
- Hampshire
- Isle Of Wight
- Southampton City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,571,001	£1,542,164	£661,811	26
2024-03-31	£1,787,444	£1,636,031	£632,974	26
2023-03-31	£1,479,340	£1,332,007	£481,561	21
2022-03-31	£802,055	£749,547	£334,228	14
2021-03-31	£729,033	£730,215	£281,720	13

Trustees

Name	Role	Appointed
Alexander Howison		2017-05-11
Alexia Sara Drakakis		2014-10-30
Jillian Frances Ghanouni		2025-10-23
Patrick James		2018-04-26
Roger Charles Munford		2025-10-23

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THE ENVIRONMENT CENTRE (TEC)

England & Wales - Charity number 1031482

Accounts

Charity Registration No. 1031482

Company Registration No. 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

10 Bridge Street
Christchurch
Dorset
BH23 1EF

THE ENVIRONMENT CENTRE (TEC)

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THE ENVIRONMENT CENTRE (TEC)

COMPANY INFORMATION

Trustees	Mr P James Ms A S Drakakis Mr A Howison Mr I Nelson Dr A Whitehead MP	
Other officers	A Goulden A Brand	Chief Executive Finance Manager
Charity number	1031482	
Company number	02881225	
Registered office	14-15 Brunswick Place Southampton Hampshire SO15 2AQ	
Auditor	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF	

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

As an independent Environmental Charity tEC's missions is:

- The advancement in education of the public in all matters concerning the environment.
- The preservation and protection of the environment by;
    - The provision of practical support and advice to all individuals and organisations wanting to enhance their environment and reduce their use of natural resources.
    - Raising awareness of environmental issues within all sections of the community.
    - The adoption of sustainable practices amongst the general public, schools and businesses.

The activities of the charity can include:

For Local Authorities and Government-led organisations

- Support Local Authorities with their responses to the climate emergency and adaptation strategies
- The Provision of a free phone advice line for front line staff and members of the public on matters such as fuel poverty, energy efficiency, air quality, waste and recycling, water saving and the grants available for energy efficiency home improvements
- Data interpretation and mapping services
- Response to local and national consultations
- Bid writing Services
- In house training on energy efficiency, sustainability and fuel poverty
- Assistance with ongoing HECA reporting
- Working with Local Authorities to develop sustainable policies, strategies and action plans
- Outreach events promoting sustainability through schools, community or council events
- Offering advice and guidance on accessing funding for environmental projects

For individuals;

- Free phone advice on: 0800 804 8601 for Southampton and Hampshire residents or 0800 260 5907 for Portsmouth for impartial advice on energy efficiency, keeping warm and well in the home and simple ways to live more sustainably
- Home Visits - to provide bespoke advice on Energy Efficiency and sustainability in the home.
- Guidance on accessing grants and loans and hand-holding support with applications for funding for the most vulnerable
- Energy surgeries in public spaces
- Energy awareness events
- Outreach Mobile advice at community centres, supermarkets, libraries and similar locations

For schools:

- School assemblies and environment-themed activities
- Environmental education workshops
- Road shows, storytelling and fun days to encourage engagement on climate change and sustainability issues
- Staff and governor training in energy and environmental issues
- Water, waste and energy audits

For business:

- Energy and Environmental Audits
- Data interpretation and mapping services
- Guidance on Environmental Management Systems
- Sustainability Strategies
- Green Travel Plans
- In house environmental training
- In house business road shows
- Free phone advice line
- Renewables Feasibility Studies

The Trustees review our aims, objectives and activities each year to ensure that we remain focused and have given due regard to public benefit when planning the charity's activities.

Achievements and performance

Significant activities and achievements against objectives

We continue to run our major fuel poverty, energy efficiency and air quality projects in Southampton, Portsmouth and Hampshire and have achieved some really impressive results.

Over the past year we have:

- Assisted 4,412 households over the phone, by email and at community events/workshops resulting in over £2.25million estimated gains or savings
- Facilitated the installation of 237 large energy efficiency measures including external wall insulation, cavity wall insulation, loft insulation, solar PV, air source heat pumps and essential heating system repairs or replacements. The installation of these measures has resulted in estimated lifetime energy bill savings of more than £963,800 and estimated lifetime carbon savings of more than 2,000 tCO2e.
- Trained 142 frontline workers on energy, affordable warmth and air quality matters
- Secured funding for a retrofit advice service, My Home Made Better
- Recruited, trained and supported 53 Clean Air Champions and engaged 250 health care professionals on air quality across Southampton.
- Led local promotion of Clean Air Night and highlighted local action to tackle air pollution during this year's Clean Air Day

This year we benefited from support from Hampshire County Council's behavioural insights team during the pre-launch of the My Home Made Better service. The team's expertise allowed us to develop a deeper understanding of how our communications can be adapted to influence and motivate householders to take action around retrofit topics.

Business Plan

Of great significance to tEC is the forthcoming changes to local government.

The Hampshire, Southampton, Portsmouth and the Isle of Wight area has been approved by Government for fast-tracked devolution. This will see the region in control of decision making and spending on transport, housing, education, healthcare and local economic development. Elections for the major of Hampshire and the Isle of Wight are due to take place in May 2026 and whoever is elected will lead a new strategic combined authority.

Local government reorganisation is also scheduled to follow and in 2028 the current two-tier system of county councils and district/borough councils will be replaced with unitary councils across the area.

These large-scale changes present both opportunity and threat to the organisation:

Threat in terms of a potential change of policy towards the net zero agenda, a reduction in funding for affordable warmth, retrofit or air quality projects and potentially the loss of key individuals within local authority departments.

Opportunity in terms of the potential for a more coordinated cross-county approach to these agendas and the potential to bid for substantial funding to drive change through larger projects.

We are also waiting on the much-anticipated announcements on the detail of the Warms Home Plan coming in November. Through the plan we are hoping to see much greater public engagement with the net-zero debate, the consolidation of a variety of funding and financing options under a single brand, a concerted effort to make low carbon heating an attractive option for the public and more training and support for supply chains. We are also expecting to see more emphasis placed on Local Authority delivery.

Finally, with increasing incidents of extreme weather we are looking to expand our advice and support into adaptation. We are already offering advice and support during heatwaves and can see this expanding into flood resilience and vector borne diseases as the climate continues to change.

With reference to the above and in consideration of other local and organisational factors The Board of Trustees and the Senior Management Team have agreed on a number of key actions which will help to focus our efforts over the next year.

In the next year tEC will seek to:

- Keep up-to-date with all developments concerning Devolution and local authority reorganisation and engage with decision makers as this significant change takes place
- Work with Local Authorities and Third Sector partners to explore and present the opportunities associated with action on climate and nature to the new Mayoral candidates
- Continue to deliver our new My Home Made Better project providing free and impartial advice on energy efficiency and low carbon technologies to the self-funded market. Delivering this service alongside our affordable warmth projects will provide consistency in the advice given and co-benefits in terms of the advice line and digital offering being accessible and relevant to all homeowners
- Work with a consortium of Local Authorities, third sector organisations and the Net Zero Hubs to identify opportunities to support the role out of advice, support and energy efficiency works under the Government's Warm Homes Plan
- Continue to work with Southampton City Council on improving and promoting its Southampton Healthy Homes offer and support its Green City vision and initiatives. Southampton is investing significant resource into supporting fuel poor households in the city and through their discretionary funding tEC is able to support many more households than would otherwise have been the case.

- Investigate opportunities to support community energy projects in Southampton and beyond
- Investigate funding opportunities for climate adaptation projects
- Continue to successfully deliver Hitting the Cold Spots project and look for additional funding to expand the reach and scope of the scheme.
- Work with the other Local Authorities on their Net Zero plans particularly with regards to decarbonising housing and improving air quality.
- Secure funding outside of the Local Authorities to allow us to engage with the public on issues of climate change and sustainable lifestyles.
- Endeavour to expand our work looking at minimum energy efficiency standards in the Private Rented Sector
- Build upon our success in delivering Air Quality work and seek additional funding to deliver activities aimed at highlighting the issue and improving air quality in the region.
- Continue to successfully work with a consortium of local charities to deliver Advice in Southampton work and expand the visibility of the group.
- Deliver work under the Flexible Eligibility element of ECO, and LAD/HUG schemes for Southampton, Hampshire and Portsmouth Authorities.
- Continue working closely with Southampton City Council, Portsmouth City Council and Hampshire County Council on projects of mutual benefit - particularly Fuel Poverty and energy efficiency Projects
- Continue to work with the Southampton Warmth for All Partnership and Hampshire Energy Efficiency partnership to promote our services, ;earn from other schemes and investigate opportunities to support large scale regional energy efficiency and fuel poverty projects.
- Continue to investigate opportunities to diversify away from delivering energy efficiency and Fuel Poverty projects. Of particular interest are community energy projects, renewable technologies, battery storage, Air Quality, Waste, Circular Economy and Water projects.
- Continue to develop our communications strategy and raise the profile of the organisation
- Continue to improve the staff development, training and remuneration package
- Continue to establish and maintain a strong network of relevant contacts

Risk Management

The following risks have been identified as relevant to the business:

- Significant risk from changes in local policy towards Net Zero and energy efficiency
- There is a potential that by seeking to deliver able to pay retrofit work alongside our existing affordable warmth and air quality projects that we will overextend ourselves. This is compounded by the fact that certain funding bodies do not allow sufficient mobilisation time or resource for project management and organisational costs.
- Working with financially challenged Local Authority partners is a real risk to the organisation. Whilst the likelihood of any LA's issuing a section 114 notice has diminished slow payment and a lack of consistency in terms of contract and payment profiles remains a cause for concern.
- There is increasing competition from a number of organisations operating in the retrofit and fuel poverty arena. Whilst we don't view these as a particular risk at present there is the potential for them to dilute our message and, in the worst case, for vulnerable households not to receive the full range of support that is available to them through Local Authority and tEC managed schemes.
- Whilst a significant increase in the number of staff at tEC has allowed us to support many more vulnerable households it has had an impact on the team leads and particularly the SMT. Training, HR and ongoing support all take time away from other duties and create competing priorities.
- We are dealing with an increasing numbers of clients with complex needs that often require multiple interventions. This is extremely time consuming and often very difficult to manage in conjunction with other elements of our projects.
- The SMT and team leads are under some pressure. We work in a fast paced environment and run complicated multifaceted projects. Our finance manager for example currently only works 3 days a week and is having to deal with nearly double the number of staff and invoices than when she first joined tEC
- Burn out of certain key members of staff is a concern
- Hybrid working continues to present challenges in terms of how best to support staff members and how to monitor and review their work when they are at home.
- There still remain some operational risks from COVID and flu with the potential of multiple staff contracting the virus and associated risks to (and from) our client group
- There continues to be concern over the effects of the economic downturn, and the increasing costs of living. At the same time demand for our services is increasing exponentially.

Mitigation Strategy

A number of strategies have been initiated in order to mitigate identified risks:

- Keeping up to date with developments concerning Devolution and Local Authority reorganisation is seen as crucial during this period of significant change.
- The board and SMT continue to be mindful of staff capacity, particularly with the senior managers who have been working extremely hard on their own projects and also on a variety of additional initiatives to improve organisational processes. We will continue to monitor and look to act quickly where necessary.
- The board and SMT are acutely aware of the need to carefully consider which projects to bid for and work on. There are many opportunities presently and we are committed not to chase funding or to agree to work which will put additional strain on staff. New projects must not only align with our charitable aims and business plan they must also be deliverable, and not at the expense of staff well-being. Again, the SMT will carefully monitor staff workload and capacity and look to redeploy and recruit quickly if more projects come on line.
- Emphasis has also been placed on partnership working with other TSO's to allow tEC to expand its operations and access alternative sources of funding.
- Strong emphasis continues to be placed on securing additional funding to deliver existing projects going forward and we continue to talk to our partners about the need for more staff resource to support growing numbers of residents contacting us.
- We will update and adopt a range of policies and procedures, particularly around our support structures, training, remote working and reviews. These are designed to complement the new projects coming online and continued hybrid working arrangements. The aim is for us all to feel confident with what we are doing and feel engaged and supported.
- We continue to follow COVID and flu recommendations and have adopted a range of measures including advising staff to get their vaccinations, wash their hands regularly, where masks when appropriate, ventilate the office space and stay away from work if they feel unwell.
- We continue to work closely with Southampton City Council and other Hampshire Authorities to investigate opportunities of mutual benefit.
- The Chief Executive will continue to network and develop new business links with relevant individuals and organisations.

Financial review

Reserves policy

The incoming resources for this accounting period amounted to £1,571,001 (2024 - £1,787,444) of which the operating surplus on activities was £28,837 (2024 - £151,413). The aim is to achieve a minimum of reserves of the equivalent of six months of overheads expenses.

Under the memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, however to trustees continue to maintain the remit not to invest in anything other than its staff.

As at the year end charity had reserves of £661,811 (2024 - £632,974) of which £112,997 (2024 - £48,846) represents restricted funds and £nil (2024: £30,000) in designated funds.

Risk Register

Risk	Likelihood LMH	Impact LMH	Mitigation	Impact after mitigation LMH
Changes in local policy to energy climate and nature as Devolution progresses	M	H	Keep abreast of all developments in this area and liaise with decision makers to advocate for support	L
Delayed Payment from Local Authorities	M	H	Regular invoicing and prompt follow up. SMT to carefully monitor cash flows and cash in bank Diversify funders	L
Poor Staff retention due to high volume of work and low moral	M	H	Board and SMT to consider which projects to bid for carefully. SMT to carefully monitor staff moral. SMT to benchmark salaries to ensure that we are paying as competitive rate Where necessary Recruit quickly and proactively	L
Multiple staff illness – particularly during the colder and busier winter months	M	H	Offering free flu vaccinations, hybrid working, hand and desk sanitising protocols	L

Structure, governance and management

Governing Document

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482. The Board of Trustees with advice from the Charities Commission amended their Memorandum and Articles in June 2020. Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association the trustees are approved by a unanimous vote of the existing board of trustees following a successful interview process. The process includes the Chief Executive obtaining satisfactory references and ensuring that the nominated trustees fully understand their obligations to the charity. New trustees can be nominated throughout the year and are approved to the board at the quarterly board meetings. There is no limit to the time a trustee may serve.

As the majority of the work undertaken by the charity is in partnership with local authorities of Hampshire and the Isle of Wight, the charity welcomes nominees from these authorities. Nominees appointed from local authorities are subject to the appointment process of these bodies and the guidelines on appointment to public office as they apply to Local Government nominees.

Trustee introduction and training

Before being nominated new trustees are briefed by the Chief Executive on their legal obligations under the charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes and minimum commitment expected from the new trustee. They also learn in situ about the organisation structure, business plan and recent financial performance of the charity. Having been nominated, the new trustee will meet key employees and be provided with access to operation procedures. They will be encouraged to attend appropriate events to gain greater knowledge of the charity's activities and to help in the undertaking of their role.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P James
Ms A S Drakakis
Mr A Howison
Mr C R Rowland (Resigned 24 April 2025)
Mr I Nelson
Dr A Whitehead MP

Recruitment and appointment of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Induction and training of trustees

Organisation

The Board of Trustees administers the charity and meets formally on a quarterly basis; however meetings on specific matters are arranged as and when required. The Chief Executive is appointed by the trustees to manage the day to day operation of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and activity performance. The trustees are supplied with financial information quarterly and an activity and funding report every six months (or more frequently should need arise).

Related parties

The charity's continued success lays in its steadfast commitment and ability to remain independent, apolitical and non-campaigning.

The charities wholly owned subsidiary, Environment Centre Enterprises Limited, was established to operate any commercial environmental work deemed to not be solely charitable, but which supported environmental best practice or materials to support environmental best practice. In 2024/25 and the previous year this company did not undertake activity or trading.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

The trustees report was approved by the Board of Trustees.

Mr P James
Trustees

28 November 2025

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of The Environment Centre (TEC) for the purpose of company law, are responsible 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ENVIRONMENT CENTRE (TEC)

Opinion

We have audited the financial statements of The Environment Centre (TEC) (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the legal and regulatory principles in the Charity SORP
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. These include Health and Safety, employment law, building insurance, public liability insurance and licencing. The Trustees use an external firm for Health and Safety and employment law, as they believe this will ensure up to date knowledge and systems are used.
- We considered and reviewed the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. These include the review of authorisation limits for bank transactions and authorisation for BACS payments.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. These include Health and Safety, Employment Law and Licencing. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-forauditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx.
This description forms part of our auditor's report.

Use of our report

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

Lucy Filer FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Christchurch

1 December 2025

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	**3**	-	53,615	53,615	1,000	154,623	155,623
Charitable activities	**4**	557,288	952,963	1,510,251	575,047	1,050,361	1,625,408
Investments	**5**	7,135	-	7,135	6,413	-	6,413
Total income		564,423	1,006,578	1,571,001	582,460	1,204,984	1,787,444
Expenditure on:							
Charitable activities	**6**	599,737	942,427	1,542,164	385,631	1,250,400	1,636,031
Total expenditure		599,737	942,427	1,542,164	385,631	1,250,400	1,636,031
Net income/(expenditure) and movement in funds		(35,314)	64,151	28,837	196,829	(45,416)	151,413
Reconciliation of funds:							
Fund balances at 1 April 2024		584,128	48,846	632,974	387,299	94,262	481,561
Fund balances at 31 March 2025		548,814	112,997	661,811	584,128	48,846	632,974

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE ENVIRONMENT CENTRE (TEC)

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	**12**		27,682		32,084
Investments	**13**		1		1
			27,683		32,085
Current assets					
Debtors	**14**	217,691		252,111	
Cash at bank and in hand		536,766		429,492	
		754,457		681,603	
Creditors: amounts falling due within one year	**15**	(120,329)		(80,714)	
Net current assets			634,128		600,889
Total assets less current liabilities			661,811		632,974
The funds of the charity					
Restricted income funds	**18**		112,997		48,846
Unrestricted funds	**19**		548,814		584,128
			661,811		632,974

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

The financial statements were approved by the trustees on 28 November 2025

Mr P James
Trustees

Company registration number 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**24**		101,009		227,161
Investing activities					
Purchase of tangible fixed assets		(870)		(26,238)	
Investment income received		7,135		6,413	
Net cash generated from/(used in) investing activities			6,265		(19,825)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			107,274		207,336
Cash and cash equivalents at beginning of year			429,492		222,156
Cash and cash equivalents at end of year			536,766		429,492

1 Accounting policies

Charity information

The Environment Centre (tEC) is a registered charity, registration number 1031482, company number 2881225, limited by guarantee in England and Wales. The registered office is Equity & Law House, 14-15 Brunswick Place, Southampton, SO15 2AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income, including grant income and income for services supplied, is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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

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

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustee's meeting and reimbursed expenses.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	20% straight line
Motor vehicles	8 years reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Taxation

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

1.13 Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.
trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms on receivables.

1.14 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if the charity does not have unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date, they are presented as non current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective method.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The trustees have considered whether there are any critical judgements required in the preparation of these accounts and have concluded that there are non requiring disclosure.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	-	53,615	53,615	1,000	154,623	155,623

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Environmental project activities	557,288	952,963	1,510,251	575,047	1,050,361	1,625,408

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	7,135	6,413

6 Expenditure on charitable activities

	2025	2024
	£	£
Direct costs		
Staff costs	779,610	664,704
Depreciation and impairment	5,272	5,384
Office expenses	25,940	34,635
Light and heat	1,545	3,349
Travel and subsistence	5,712	3,373
Repairs and maintenance (including rent and rates)	26,898	25,734
Advertising	17,691	14,293
Books, periodicals and project materials	654,960	872,875
Bank charges	531	600
Irrecoverable VAT	4,495	4,059
	1,522,654	1,629,006
Share of support and governance costs (see note 7)		
Support	19,510	7,025
	1,542,164	1,636,031
Analysis by fund		
Unrestricted funds	599,737	385,631
Restricted funds	942,427	1,250,400
	1,542,164	1,636,031

7 Support costs allocated to activities

	Total 2025	Total 2024
	£	£
Consultancy	12,010	2,249
Auditors remuneration	7,500	4,776
	19,510	7,025

8 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	5,272	5,384

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

10 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
	26	26

Employment costs	2025	2024
	£	£
Wages and salaries	688,566	600,834
Social security costs	55,931	46,388
Other pension costs	35,113	17,482
	779,610	664,704

No employee received emoluments of more than £60,000 during the year. The total employee benefits of the key management personnel of the charity were £115,404 (2024 - £110,005).

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2024	15,743	76,275	24,882	116,900
Additions	-	870	-	870
At 31 March 2025	15,743	77,145	24,882	117,770
Depreciation and impairment				
At 1 April 2024	15,743	67,988	1,085	84,816
Depreciation charged in the year	-	3,547	1,725	5,272
At 31 March 2025	15,743	71,535	2,810	90,088
Carrying amount				
At 31 March 2025	-	5,610	22,072	27,682
At 31 March 2024	-	8,287	23,797	32,084

13 Fixed asset investments

	Add investments 1
	£
Cost or valuation	
At 1 April 2024 & 31 March 2025	1
Carrying amount	
At 31 March 2025	1
At 31 March 2024	1

14 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	91,998	64,703
Other debtors	118,402	176,843
Prepayments and accrued income	7,291	10,565
	217,691	252,111

15 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		52,297	40,326
Deferred income	16	5,000	-
Trade creditors		33,302	33,364
Other creditors		1,739	-
Accruals		27,991	7,024
		120,329	80,714

16 Deferred income

	2025 £	2024 £
Other deferred income	5,000	-

Government grants and support are recognised under the accruals basis and recognised in the period to which the income relates.

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	5,000	-
Movements in the year:		
Deferred income at 1 April 2024	-	-
Resources deferred in the year	5,000	-
Deferred income at 31 March 2025	5,000	-

17 Retirement benefit schemes

Defined contribution schemes	2025 £	2024 £
Charge to profit or loss in respect of defined contribution schemes	35,113	17,482

17 Retirement benefit schemes (Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	At 31 March 2025
	£	£	£	£
Retrofit	-	76,750	(73,977)	2,773
HHS2 - Practical measures	-	30,000	(1,968)	28,032
HSF6 - SCC	-	50,000	(44,926)	5,074
HSF6 - HCC	-	270,454	(218,408)	52,046
HSF5	-	227,752	(227,752)	-
Southampton City Council	2,577	145,366	(145,369)	2,574
Innovation and Enforcement Grant	3	-	-	3
Carbon Offset Fund	2,856	-	-	2,856
Covid Winter Fund	2,592	-	-	2,592
HSF5 - HCC	-	22,000	(22,000)	-
CSE	-	4,214	(4,214)	-
Francis Winham Foundation	12,230	53,615	(48,798)	17,047
HCC - C4C Grant	22,401	47,223	(69,624)	-
Hampshire Energy Advice Service	5,974	79,204	(85,178)	-
HSF4 - SCC	213	-	(213)	-
	48,846	1,006,578	(942,427)	112,997

18 Restricted funds **(Continued)**

Previous year:	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
Hitting the Cold Spots - HHS2	43,713	29,500	(73,213)	-
Southampton City Council	2,606	168,729	(168,758)	2,577
Innovation and Enforcement Grant	2,508	-	(2,505)	3
Carbon Offset Fund	2,856	90,307	(90,307)	2,856
Covid Winter Fund	2,592	-	-	2,592
Francis Winham Foundation	-	154,623	(142,393)	12,230
HCC - C4C Grant	16,638	458,194	(452,431)	22,401
HSF3 - Capital	19,426	-	(19,426)	-
Hampshire Energy Advice Service	3,923	203,632	(201,581)	5,974
HSF4 - SCC	-	99,999	(99,786)	213
	94,262	1,204,984	(1,250,400)	48,846

18 Restricted funds **(Continued)**

The specific purposes for which the funds are to be applied are as follows:

Retrofit - Grant funding to deliver the My Home Made Better retrofit advice project across Southampton, Hampshire and Portsmouth. The grant covers delivery costs for tEC and its delivery partners, Energy Alton, Petersfield Climate Action Network (PeCAN) and Winchester Action on Climate Change (WinACC)

HHS2 Practical measures - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

HSF6 - SCC - The grant is for project work relating to Household Support Fund 6, for energy and keep warm advice and support targeted towards vulnerable Southampton city households, particularly those with older people and/or disabled/chronically unwell occupants

HSF6 - HCC - Funding to provide direct guidance, advice and support to households (within the HCC boundary) on a range of energy-related topics, delivered through a mix of remote and face-to-face help, depending on need; and to provide capital grants to eligible homeowners, for heating and or hot water repairs or replacements

HSF5 - The grant is for project work relating to Household Support Fund 5, for energy and keep warm advice and support targeted towards vulnerable Southampton city households, particularly those with older people and/or disabled/chronically unwell occupants.

Southampton City Council (SCC) - Heating and installation at various addresses on behalf of Southampton City Council.

Innovation and Enforcement Grant- To raise property standards by ensuring that all properties being rented out not only meet the Minimum Energy Efficiency Standards (MEES) but are free from any category one and two hazards as defined by housing health and safety rating system (HHSRS), with a particular focus on heating and insulation of the property.

Covid Winter Fund - Delivery of utility voucher support on behalf of Portsmouth City Council (Covid Winter Fund).

HSF4 -SCC - The Household Support Fund vulnerable households - particularly those with older people and/or disabled/chronically unwell occupants. The grant covered staff costs as well as grant increased our capacity/enabled us to provide energy and keep warm advice and support, targeted towards practical items/measures to help households keep warm or reduce energy and water costs

18 Restricted funds (Continued)

Carbon Offset Fund- All major developments in Southampton should (as far is a reasonably practicable) comply with the cities ambition for new builds to be Zero Carbon. The primary aim of the Carbon Offset Scheme is to achieve significant carbon reductions on site and to get as close to zero carbon as possible. Once all efforts have been made to achieve this standard any additional calculated carbon emissions will be offset by paying into a carbon offset fund. Offset payments are then collected from developers at an agreed rate using the Section 106 mechanism and ring fenced for carbon reduction/fuel poverty interventions for low income or vulnerable households. tEC administers this fund on behalf of Southampton City Council and is paid a management fee for doing so.

Francis Winham Foundation - A charitable trust that we apply to, on behalf of older residents for heating/ energy efficiency works.

Hampshire Energy Advice Service - Hampshire Energy Advice Service (HEAS) support vulnerable households across Hampshire who are struggling to keep warm and well. The project aims to increase the provision of affordable warmth advice across the region to meet the significant increase in demand as a result of the energy crisis. Through our proposed activities we will directly support 3,800 households over the phone, via email, with face-to-face energy advice at events & one-to-one appointments. It will enhance collaboration between partners, maximize efficiency and build capacity to tackle fuel poverty across Hampshire. In addition we will provide practical support through distributing energy saving packs to those most in need.

HCC C4c Grant - The Hampshire County Council Connect for Communities grant was to provide practical support for low income and vulnerable households.

CSE - Grants for individual households via the CSE-administered SSEN Enabling Works Fund. The Enabling Works Fund supports more installations of grant-funded energy efficiency measures.

HSF5 - HCC - Funding to provide direct guidance, advice and support to households (within the HCC boundary) on a range of energy-related topics, delivered through a mix of remote and face-to-face help, depending on need; and to provide capital grants to eligible homeowners, for heating and or hot water repairs or replacements**.**

Funds Only in Relation to 2024:

Hitting the Cold Spots (RDF/WCC) - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

HSF3 - Capital - The grant was awarded for project work relating to Household Support Fund 3 (1st October 2022 – 31st March 2023), energy and keep warm support targeted towards vulnerable households - particularly those with older people and/or disabled occupants. The grant was used to provide practical items/measures to households and for TEC staff costs directly related to the purchasing and distribution of items, and the administration and reporting requirements of this funding.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Designated	30,000	-	-	(30,000)	-
General funds	554,128	564,423	(599,737)	30,000	548,814
	584,128	564,423	(599,737)	-	548,814

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Designated	30,000	-	(30,000)	30,000	30,000
General funds	357,299	582,460	(533,826)	(30,000)	375,933
	387,299	582,460	(385,631)	-	584,128

The designated fund represents amounts designated by the Board in respect of a potential office move, dilapidations, IT and office equipment, staff training and development, match funding and upkeep of the company vehicle. This fund has now been released to unrestricted reserves as no longer deemed necessary.

20 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 31 March 2025:			
Tangible assets	27,682	-	27,682
Investments	1	-	1
Current assets/(liabilities)	521,131	112,997	634,128
	548,814	112,997	661,811

20 Analysis of net assets between funds (Continued)

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 March 2024:			
Tangible assets	32,084	-	32,084
Investments	1	-	1
Current assets/(liabilities)	552,043	48,846	600,889
	584,128	48,846	632,974

21 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2025	2024
	£	£
Within one year	14,809	14,809
Between two and five years	55,939	6,100
	70,748	20,909

22 Related party transactions

There were no related party transactions during the current or prior year.

23 Charity status

The Charity is a Charity limited by guarantee. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of winding up.

24	Cash generated from operations	2025	2024
		£	£
	Surplus for the year	28,837	151,413
	Adjustments for:		
	Investment income recognised in statement of financial activities	(7,135)	(6,413)
	Depreciation and impairment of tangible fixed assets	5,272	5,384
	Movements in working capital:		
	Decrease in debtors	34,420	54,707
	Increase in creditors	34,615	22,070
	Increase in deferred income	5,000	-
	Cash generated from operations	101,009	227,161

THE ENVIRONMENT CENTRE (TEC)

England & Wales - Charity number 1031482

Accounts

Charity Registration No. 1031482

Company Registration No. 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

10 Bridge Street
Christchurch
Dorset
BH23 1EF

THE ENVIRONMENT CENTRE (TEC)

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THE ENVIRONMENT CENTRE (TEC)

COMPANY INFORMATION

Trustees	Mr P James Ms A S Drakakis Mr A Howison Mr C R Rowland Mr I Nelson Dr A Whitehead MP	
Other officers	A Goulden A Brand	Chief Executive Finance Manager
Charity number	1031482	
Company number	02881225	
Registered office	14-15 Brunswick Place Southampton Hampshire SO15 2AQ	
Auditor	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF	

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

As an independent Environmental Charity tEC's missions is:

- The advancement in education of the public in all matters concerning the environment.
- The preservation and protection of the environment by;
    - The provision of practical support and advice to all individuals and organisations wanting to enhance their environment and reduce their use of natural resources.
    - Raising awareness of environmental issues within all sections of the community.
    - The adoption of sustainable practices amongst the general public, schools and businesses.

The activities of the charity include:

For Local Authorities and Government-led organisations

- Support Local Authorities with their responses to the climate emergency and adaptation strategies
- The Provision of a free phone advice line for front line staff and members of the public on matters such as fuel poverty, energy efficiency, air quality, waste and recycling, water saving and the grants available for energy efficiency home improvements
- Data interpretation and mapping services
- Response to local and national consultations
- Bid writing Services
- In house training on energy efficiency, sustainability and fuel poverty
- Assistance with ongoing HECA reporting
- Working with Local Authorities to develop sustainable policies, strategies and action plans
- Outreach events promoting sustainability through schools, community or council events
- Offering advice and guidance on accessing funding for environmental projects

Strategies for achieving aims and objectives

For individuals;

- Free phone advice on: 0800 804 8601 for Southampton and Hampshire residents or 0800 260 5907 for Portsmouth for impartial advice on energy efficiency, keeping warm and well in the home and simple ways to live more sustainably
- Home Visits - to provide bespoke advice on Energy Efficiency and sustainability in the home.
- Guidance on accessing grants and loans and hand-holding support with applications for funding for the most vulnerable
- Energy surgeries in public spaces
- Energy awareness events
- Outreach Mobile advice at community centres, supermarkets, libraries and similar locations

Criteria used for assessing success

For schools:

- School assemblies and environment-themed activities
- Environmental education workshops
- Road shows, storytelling and fun days to encourage engagement on climate change and sustainability issues
- Staff and governor training in energy and environmental issues
- Water, waste and energy audits

Public benefit

For business:

- Energy and Environmental Audits
- Data interpretation and mapping services
- Guidance on Environmental Management Systems
- Sustainability Strategies
- Green Travel Plans
- In house environmental training
- In house business road shows
- Free phone advice line
- Renewables Feasibility Studies

Activities

The Trustees review our aims, objectives and activities each year to ensure that we remain focused and have given due regard to public benefit when planning the charity's activities.

Achievements and performance

Significant activities and achievements against objectives

We continue to run our major fuel poverty, energy efficiency and air quality projects in Southampton, Portsmouth and Hampshire and have achieved some really impressive results.

Over the past year we have:

- Assisted 5,824 households over the phone, by email and at community events/workshops
- Facilitated the installation of 273 large energy efficiency measures including external wall insulation, cavity wall insulation, loft insulation, solar PV, air source heat pumps and essential heating system repairs or replacements. The installation of these measures has resulted in estimated lifetime energy bill savings of more than £1,095,500 and estimated lifetime carbon savings of more than 1,865 tCO_2e.
- Trained 397 frontline workers on energy, affordable warmth and air quality matters
- Launched a healthcare professionals air quality project, to recruit clean air champions, in partnership with Southampton City Council and Global Action Plan.
- Led local promotion of the first Clean Air Night and highlighted local action to tackle air pollution during this year's Clean Air Day
- Won two awards – "Southampton Business Award for sustainability" from Southampton Chamber of Commerce and "Best Partnership 2024" award from National Citizens Advice for Advice in Southampton
- Created printed and digital resources in various accessible formats

This year we've made significant improvements in offering accessible resources to ensure we reach a larger audience. We've created home energy resources in four different languages and in Easy Read (a recognised format for audiences with learning difficulties). The Hitting The Cold Spots project website also has a substantial accessibility menu including 100+ languages, dyslexia-friendly tools, screen readers and more.

Business Plan

The flash general election in July has resulted in a change of Government and a significant shift in energy and environmental policy.

Highlights include the setting up of a new energy generation company – **Great British Energy** which will be headquartered in Scotland.

Labour have pledged that Great British Energy will partner with energy companies, local authorities, and co-operatives to install thousands of clean power projects. The new Government plan to work with the private sector to double onshore wind, triple solar power, and quadruple offshore wind by 2030. Of particular interest to tEC is that local communities will be invited to come forward with local energy projects.

Also of interest **The Warm Homes Plan** is designed to improve energy efficiency in British homes with investment of an extra £6.6 billion over the next parliament, doubling the previous planned government investment, to upgrade five million homes.

The Warm Homes Plan will offer grants and low interest loans to support investment in insulation and other improvements such as solar panels, batteries and low carbon heating designed to cut bills. Again, the plan is to work with the private sector, including banks and building societies, to provide further private finance to accelerate home upgrades and low carbon heating.

There are also plans to ensure homes in the private rented sector meet minimum energy efficiency standards (**MEES)** by 2030.

With reference to the above and in consideration of a number of other local and organisational factors The Board of Trustees and the Senior Management Team have produced a business plan which will help to focus our efforts over the next year.

In the next year tEC will seek to:

- Successfully roll out our new our home energy efficiency retrofit offer in partnership with a range of Local Authorities and Third Sector Organisations. Supporting households in the able to pay sector is seen as key to the objectives of the charity. Delivering this service alongside our affordable warmth projects will provide consistency in the advice given and co-benefits in terms of the advice line and digital offering being accessible and relevant to all homeowners
- Work with a consortium of Local Authorities to identify opportunities to support the role out of energy efficiency works under the Government's new Warm Homes Plan
- Continue to work with Southampton City Council on improving its Southampton Healthy Homes offer and support its Green City vision and initiatives. Southampton is investing significant resource into supporting fuel poor households in the city and through their discretionary funding tEC is able to support many more households than would otherwise have been the case.
- Investigate opportunities to support community energy projects in Southampton and beyond
- Continue to successfully deliver Hitting the Cold Spots project and look for additional funding to expand the reach and scope of the scheme.
- Work with the other Local Authorities on their Net Zero plans particularly with regards to decarbonising housing and improving air quality.
- Secure funding outside of the Local Authorities to allow us to engage with the public on issues of climate change and sustainable lifestyles.
- Endeavour to expand our work looking at minimum energy efficiency standards in the Private Rented Sector

- Build upon our success in delivering Air Quality work and seek additional funding to deliver activities aimed at highlighting the issue and improving air quality in the region.
- Continue to successfully work with a consortium of local charities to deliver Advice in Southampton work and expand the visibility of the group.
- Deliver work under the Flexible Eligibility element of ECO, and LAD/HUG schemes for Southampton, Hampshire and Portsmouth Authorities.
- Continue working closely with Southampton City Council, Portsmouth City Council and Hampshire County Council on projects of mutual benefit - particularly Fuel Poverty and energy efficiency Projects
- Continue to work with the Southampton Warmth for All Partnership and Hampshire Energy Efficiency partnership to promote our services, ;earn from other schemes and investigate opportunities to support large scale regional energy efficiency and fuel poverty projects.
- Continue to investigate opportunities to diversify away from delivering energy efficiency and Fuel Poverty projects. Of particular interest are community energy projects, renewable technologies, battery storage, Air Quality, Waste, Circular Economy and Water projects.
- Continue to develop our communications strategy and raise the profile of the organisation
- Continue to improve the staff development, training and remuneration package
- Continue to establish and maintain a strong network of relevant contacts

Risk Management

The following risks have been identified as relevant to the business:

- Financial risks from working with financially challenged Local Authority partners is a real risk to the organisation. Whilst the likelihood of any LA's issuing a section 114 notice has diminished slow payment and a lack of consistency in terms of contract and payment profiles remains a cause for concern.
- There is a potential that by seeking to deliver able to pay retrofit work alongside our existing affordable warmth and air quality projects that we will overextend ourselves. This is compounded by the fact that certain funding bodies do not allow sufficient mobilisation time or resource for project management and organisational costs.
- There is increasing competition from a number of organisations operating in the retrofit and fuel poverty arena. Whilst we don't view these as a particular risk at present there is the potential for them to dilute our message and, in the worst case, for vulnerable households not to receive the full range of support that is available to them through Local Authority and tEC managed schemes.
- Whilst a significant increase in the number of staff at tEC has allowed us to support many more vulnerable households it has had an impact on the team leads and particularly the SMT. Training, HR and ongoing support all take time away from other duties and create competing priorities.
- We are dealing with an increasing numbers of clients with complex needs that often require multiple interventions. This is extremely time consuming and often very difficult to manage in conjunction with other elements of our projects.
- The SMT and team leads are under some pressure. We work in a fast paced environment and run complicated multifaceted projects. Our finance manager for example currently only works 3 days a week and is having to deal with nearly double the number of staff and invoices than when she first joined tEC
- Burn out of certain key members of staff is a concern
- Hybrid working has now firmly bedded in and in the majority of cases brings with it benefits for both the organisation and employee. However it does also continue to present challenges in terms of how best to support staff members and how to monitor and review their work when they are at home.
- There still remain some operational risks from COVID and flu with the potential of multiple staff contracting the virus and associated risks to (and from) our client group
- There continues to be concern over the effects of the economic downturn, and the increasing costs of living. At the same time demand for our services is increasing exponentially.
- Recruiting staff remains challenging and we are having to look at our offer carefully as other organisations increase their pay in response to a shortage of suitable candidates.

Mitigation Strategy

A number of strategies have been initiated in order to mitigate identified risks:

- The board and SMT continue to be mindful of staff capacity, particularly with the senior managers who have been working extremely hard on their own projects and also on a variety of additional initiatives to improve organisational processes. We will continue to monitor and look to recruit quickly where necessary. We may also need to consider additional support for the finance and office manager.
- The board and SMT are acutely aware of the need to carefully consider which projects to bid for and work on. There are many opportunities presently and we are committed not to chase funding or to agree to work which will put additional strain on staff. New projects must not only align with our charitable aims and business plan they must also be deliverable, and not at the expense of staff well-being. Again the SMT will carefully monitor staff workload and capacity and look to redeploy and recruit quickly if more projects come on line.
- Emphasis has also been placed on partnership working with other TSO's to allow tEC to expand its operations and access alternative sources of funding.
- Strong emphasis continues to be placed on securing additional funding to deliver existing projects going forward and we continue to talk to our partners about the need for more staff resource to support growing numbers of residents contacting us.
- We have recruited another two members of staff to help cope with the increased demand on our services. It is likely that we will look to recruit again in the near future
- We will update and adopt a range of policies and procedures, particularly around our support structures, training, remote working and reviews. These are designed to complement the new projects coming online and continued hybrid working arrangements. The aim is for us all to feel confident with what we are doing and feel engaged and supported.
- We continue to follow COVID and flu recommendations and have adopted a range of measures including advising staff to get their vaccinations, wash their hands regularly, where masks when appropriate, ventilate the office space and stay away from work if they feel unwell.
- We continue to work closely with Southampton City Council and other Hampshire Authorities to investigate opportunities of mutual benefit.
- The Chief Executive will continue to network and develop new business links with relevant individuals and organisations.

The board have created a risk register to help identify, prioritise and further mitigate the identified risks.

Financial review

Reserves policy

The incoming resources for this accounting period amounted to £1,787,444 (2023 - £1,479,340) of which the operating surplus on activities was £151,413 (2023 - £147,333). The aim is to achieve a minimum of reserves of the equivalent of six months of overheads expenses.

Under the memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, however to trustees continue to maintain the remit not to invest in anything other than its staff.

As at the year end charity had reserves of £632,974 (2023 - £481,561) of which £48,846 (2023- £94,262) represented restricted funds and £30,000 (2023 - £30,000) designated funds.

Structure, governance and management

Governing Document

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482. The Board of Trustees with advice from the Charities Commission amended their Memorandum and Articles in June 2020. Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association the trustees are approved by a unanimous vote of the existing board of trustees following a successful interview process. The process includes the Chief Executive obtaining satisfactory references and ensuring that the nominated trustees fully understand their obligations to the charity. New trustees can be nominated throughout the year and are approved to the board at the quarterly board meetings. There is no limit to the time a trustee may serve.

As the majority of the work undertaken by the charity is in partnership with local authorities of Hampshire and the Isle of Wight, the charity welcomes nominees from these authorities. Nominees appointed from local authorities are subject to the appointment process of these bodies and the guidelines on appointment to public office as they apply to Local Government nominees.

Trustee introduction and training

Before being nominated new trustees are briefed by the Chief Executive on their legal obligations under the charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes and minimum commitment expected from the new trustee. They also learn in situ about the organisation structure, business plan and recent financial performance of the charity. Having been nominated, the new trustee will meet key employees and be provided with access to operation procedures. They will be encouraged to attend appropriate events to gain greater knowledge of the charity's activities and to help in the undertaking of their role.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P James
Ms A S Drakakis
Mr A Howison
Mr C R Rowland
Mr I Nelson
Dr A Whitehead MP

Recruitment and appointment of trustees

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Induction and training of trustees

Organisation

The Board of Trustees administers the charity and meets formally on a quarterly basis; however meetings on specific matters are arranged as and when required. The Chief Executive is appointed by the trustees to manage the day to day operation of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and activity performance. The trustees are supplied with financial information quarterly and an activity and funding report every six months (or more frequently should need arise).

Related parties

The charity's continued success lays in its steadfast commitment and ability to remain independent, apolitical and non-campaigning.

The charities wholly owned subsidiary, Environment Centre Enterprises Limited, was established to operate any commercial environmental work deemed to not be solely charitable, but which supported environmental best practice or materials to support environmental best practice. In 2023/24 and the previous year this company did not undertake activity or trading.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

The trustees report was approved by the Board of Trustees.

Mr P James

Trustees

18 December 2024

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of The Environment Centre (TEC) for the purpose of company law, are responsible 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ENVIRONMENT CENTRE (TEC)

Opinion

We have audited the financial statements of The Environment Centre (TEC) (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the legal and regulatory principles in the Charity SORP
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. These include Health and Safety, employment law, building insurance, public liability insurance and licencing. The Trustees use an external firm for Health and Safety and employment law, as they believe this will ensure up to date knowledge and systems are used.
- We considered and reviewed the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. These include the review of authorisation limits for bank transactions and authorisation for BACS payments.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. These include Health and Safety, Employment Law and Licencing. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-forauditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx.
This description forms part of our auditor's report.

Use of our report

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

Dean Pullen FCCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Christchurch

18 December 2024

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	**3**	1,000	154,623	155,623	12,422	10,056	22,478
Charitable activities	**4**	575,047	1,050,361	1,625,408	637,778	817,371	1,455,149
Investments	**5**	6,413	-	6,413	1,713	-	1,713
Total income		582,460	1,204,984	1,787,444	651,913	827,427	1,479,340
Expenditure on:							
Charitable activities	**6**	385,631	1,250,400	1,636,031	533,826	798,181	1,332,007
Total expenditure		385,631	1,250,400	1,636,031	533,826	798,181	1,332,007
Net income/(expenditure)		196,829	(45,416)	151,413	118,087	29,246	147,333
Transfers between funds		-	-	-	(4,322)	4,322	-
Net movement in funds	**8**	196,829	(45,416)	151,413	113,765	33,568	147,333
Reconciliation of funds:							
Fund balances at 1 April 2023		387,299	94,262	481,561	273,534	60,694	334,228
Fund balances at 31 March 2024		584,128	48,846	632,974	387,299	94,262	481,561

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE ENVIRONMENT CENTRE (TEC)

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	**12**		32,084		11,230
Investments	**13**		1		1
			32,085		11,231
Current assets					
Debtors	**14**	252,111		306,818	
Cash at bank and in hand		429,492		222,156	
		681,603		528,974	
Creditors: amounts falling due within one year	**15**	(80,714)		(58,644)	
Net current assets			600,889		470,330
Total assets less current liabilities			632,974		481,561
The funds of the charity					
Restricted income funds	**18**		48,846		94,262
Unrestricted funds	**19**		584,128		387,299
			632,974		481,561

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

The financial statements were approved by the trustees on 18 December 2024

Mr P James
Trustees

Company registration number 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash generated from operations	**24**		227,161		17,951
Investing activities					
Purchase of tangible fixed assets		(26,238)		(10,132)	
Investment income received		6,413		1,713	
Net cash used in investing activities			(19,825)		(8,419)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			207,336		9,532
Cash and cash equivalents at beginning of year			222,156		212,624
Cash and cash equivalents at end of year			429,492		222,156

1 Accounting policies

Charity information

The Environment Centre (tEC) is a registered charity, registration number 1031482, company number 2881225, limited by guarantee in England and Wales. The registered office is Equity & Law House, 14-15 Brunswick Place, Southampton, SO15 2AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

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

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

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustee's meeting and reimbursed expenses.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	20% straight line
Motor vehicles	8 years reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Taxation

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

1.13 Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.
trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms on receivables.

1.14 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if the charity does not have unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date, they are presented as non current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective method.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The trustees have considered whether there are any critical judgements required in the preparation of these accounts and have concluded that there are non requiring disclosure.

3 Income from donations and legacies

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£
Donations and gifts	1,000	154,623	155,623	972	10,056	11,028
Grants	-	-	-	11,450	-	11,450
	1,000	154,623	155,623	12,422	10,056	22,478

4 Income from charitable activities

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£
Environmental project activities	575,047	1,050,361	1,625,408	637,778	817,371	1,455,149

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	6,413	1,713

6 Expenditure on charitable activities

	2024 £	2023 £
Direct costs		
Staff costs	664,704	513,898
Depreciation and impairment	5,384	2,009
Office expenses	34,635	19,611
Light and heat	3,349	2,406
Travel and subsistence	3,373	3,696
Repairs and maintenance (including rent and rates)	25,734	22,002
Advertising	14,293	28,771
Books, periodicals and project materials	872,875	728,632
Bank charges	600	485
Irrecoverable VAT	4,059	3,085
Bad debts	-	2,365
	1,629,006	1,326,960
Share of support and governance costs (see note 7)		
Support	7,025	5,047
	1,636,031	1,332,007
Analysis by fund		
Unrestricted funds	385,631	533,826
Restricted funds	1,250,400	798,181
	1,636,031	1,332,007

7 Support costs allocated to activities

	Total 2024 £	Total 2023 £
Consultancy	2,249	236
Other accounting fees	-	61
Auditors remuneration	4,776	4,750
	7,025	5,047

8 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	5,384	2,009

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	26	21

Employment costs	2024 £	2023 £
Wages and salaries	600,834	464,913
Social security costs	46,388	35,555
Other pension costs	17,482	13,430
	664,704	513,898

10 Employees (Continued)

No employee received emoluments of more than £60,000 during the year. The total employee benefits of the key management personnel of the charity were £110,005 (2023 - £102,954).

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	15,743	74,919	-	90,662
Additions	-	1,356	24,882	26,238
At 31 March 2024	15,743	76,275	24,882	116,900
Depreciation and impairment				
At 1 April 2023	15,743	63,689	-	79,432
Depreciation charged in the year	-	4,299	1,085	5,384
At 31 March 2024	15,743	67,988	1,085	84,816
Carrying amount				
At 31 March 2024	-	8,287	23,797	32,084
At 31 March 2023	-	11,230	-	11,230

13 Fixed asset investments

	Add investments 1 £
Cost or valuation	
At 1 April 2023 & 31 March 2024	1
Carrying amount	
At 31 March 2024	1
At 31 March 2023	1

14 Debtors

	2024	2023
Amounts falling due within one year:	**£**	**£**
Trade debtors	64,703	41,586
Other debtors	176,843	258,052
Prepayments and accrued income	10,565	7,180
	252,111	306,818

15 Creditors: amounts falling due within one year

	2024	2023
	£	**£**
Other taxation and social security	40,326	31,789
Trade creditors	33,364	15,451
Accruals and deferred income	7,024	11,404
	80,714	58,644

16 Government grants

Government grants and support are recognised under the accruals basis and recognised in the period to which the income relates.

17 Retirement benefit schemes

	2024	2023
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	17,482	13,430

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Hitting the Cold Spots - HHS2	43,713	29,500	(73,213)	-	-
Southampton City Council	2,606	168,729	(168,758)	-	2,577
Innovation and Enforcement Grant	2,508	-	(2,505)	-	3
Carbon Offset Fund	2,856	90,307	(90,307)	-	2,856
Covid Winter Fund	2,592	-	-	-	2,592
Francis Winham Foundation	-	154,623	(142,393)	-	12,230
HCC - C4C Grant	16,638	458,194	(452,431)	-	22,401
HSF3 - Capital	19,426	-	(19,426)	-	-
Hampshire Energy Advice Service	3,923	203,632	(201,581)	-	5,974
HSF4 - SCC	-	99,999	(99,786)	-	213
	94,262	1,204,984	(1,250,400)	-	48,846

18 Restricted funds **(Continued)**

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
	-	-	1,596,362	-	1,596,362
Hitting the Cold Spots - HHS2	40,271	29,500	(26,058)	-	43,713
Clean Air Network	90	-	-	(90)	-
Resilient Community fund	7,567	-	(7,754)	187	-
Southampton City Council	1	149,933	(147,328)	-	2,606
Innovation and Enforcement Grant	10,173	-	(7,665)	-	2,508
Innovation and Enforcement Grant	-	130,660	(127,804)	-	2,856
Covid Winter Fund	2,592	-	-	-	2,592
Switched on Portsmouth	-	-	(4,118)	4,118	-
Francis Winham Foundation	-	10,056	(10,056)	-	-
HCC - C4C Grant	-	400,000	(383,362)	-	16,638
HSF3 - Capital	-	40,700	(21,274)	-	19,426
Hampshire Energy Advice Service	-	66,578	(62,655)	-	3,923
Public Health	-	-	(107)	107	-
	60,694	827,427	(798,181)	4,322	94,262

18 Restricted funds **(Continued)**

The specific purposes for which the funds are to be applied are as follows:

Hitting the Cold Spots (HHS2/RDF/WCC) - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

Big Energy Saving Network (BESN) - Providing advice to vulnerable consumers on energy issues and training frontline workers to enable them to provide advice on energy issues to their clients.

Clean Air Network (CAN) - Co-facilitation of the Southampton Clean Air Network which brings together individuals and organisations committed to reducing air pollution in the city, so that they can support and share resources with each other, and encourage and inspire others to take action.

Resilient Community Fund (SSEN) - A 2 year project designed to reach out to multiple vulnerable and disadvantaged communities in Hampshire, who might not otherwise be able to access help and advice. tEC supports households in these communities with face-to-face energy advice at outreach events or through referrals from engaged services. By reaching out to these communities we aim to reduce their risk of fuel poverty and support them with staying warm and well in their homes.

Southampton City Council (SCC) - Heating and installation at various addresses on behalf of Southampton City Council.

Innovation and Enforcement Grant- To raise property standards by ensuring that all properties being rented out not only meet the Minimum Energy Efficiency Standards (MEES) but are free from any category one and two hazards as defined by housing health and safety rating system (HHSRS), with a particular focus on heating and insulation of the property.

Covid Winter Fund - Delivery of utility voucher support on behalf of Portsmouth City Council (Covid Winter Fund).

HSF4 -SCC - The Household Support Fund vulnerable households - particularly those with older people and/ or disabled/chronically unwell occupants. The grant covered staff costs as well as grant increased our capacity/enabled us to provide energy and keep warm advice and support, targeted towards practical items/ measures to help households keep warm or reduce energy and water costs

18 Restricted funds **(Continued)**

Carbon Offset Fund- All major developments in Southampton should (as far is a reasonably practicable) comply with the cities ambition for new builds to be Zero Carbon. The primary aim of the Carbon Offset Scheme is to achieve significant carbon reductions on site and to get as close to zero carbon as possible. Once all efforts have been made to achieve this standard any additional calculated carbon emissions will be offset by paying into a carbon offset fund. Offset payments are then collected from developers at an agreed rate using the Section 106 mechanism and ring fenced for carbon reduction/fuel poverty interventions for low income or vulnerable households. tEC administers this fund on behalf of Southampton City Council and is paid a management fee for doing so.

Switched on Portsmouth (SOP) - A two year project designed to reach out to vulnerable and disadvantaged communities in Portsmouth to reduce their risk of fuel poverty and support them to stay warm and well in their home. It will complement, and extend the reach of existing activities through a single point of contact for affordable warmth advice and support in the city.

Francis Winham Foundation - A charitable trust that we apply to, on behalf of older residents for heating/ energy efficiency works.

Hampshire Energy Advice Service - Hampshire Energy Advice Service (HEAS) support vulnerable households across Hampshire who are struggling to keep warm and well. The project aims to increase the provision of affordable warmth advice across the region to meet the significant increase in demand as a result of the energy crisis. Through our proposed activities we will directly support 3,800 households over the phone, via email, with face-to-face energy advice at events & one-to-one appointments. It will enhance collaboration between partners, maximize efficiency and build capacity to tackle fuel poverty across Hampshire. In addition we will provide practical support through distributing energy saving packs to those most in need.

HCC C4c Grant - The Hampshire County Council Connect for Communities grant was to provide practical support for low income and vulnerable households.

HSF3 - Capital - The grant was awarded for project work relating to Household Support Fund 3 (1st October 2022 – 31st March 2023), energy and keep warm support targeted towards vulnerable households - particularly those with older people and/or disabled occupants. The grant was used to provide practical items/measures to households and for TEC staff costs directly related to the purchasing and distribution of items, and the administration and reporting requirements of this funding.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Designated	30,000	-	(30,000)	30,000	30,000
General funds	357,299	582,460	(355,631)	(30,000)	554,128
	387,299	582,460	(385,631)	-	584,128

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Designated	30,000	-	-	-	30,000
General funds	243,534	651,913	(533,826)	(4,322)	357,299
	273,534	651,913	(533,826)	(4,322)	387,299

The designated fund represents amounts designated by the Board in respect of a potential office move, dilapidations, IT and office equipment, staff training and development, match funding and upkeep of the company vehicle.

There is no specific date of expected expenditure for the designated fund.

20 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 March 2024:			
Tangible assets	32,084	-	32,084
Investments	1	-	1
Current assets/(liabilities)	552,043	48,846	600,889
	584,128	48,846	632,974

20 Analysis of net assets between funds (Continued)

	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£
At 31 March 2023:			
Tangible assets	7,956	3,274	11,230
Investments	1	-	1
Current assets/(liabilities)	379,342	90,988	470,330
	387,299	94,262	481,561

21 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2024	2023
	£	£
Within one year	14,809	13,974
Between two and five years	6,100	18,147
	20,909	32,121

22 Related party transactions

There were no related party transactions during the current or prior year.

23 Charity status

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

24	Cash generated from operations	2024	2023
		£	£
	Surplus for the year	151,413	147,333
	Adjustments for:		
	Investment income recognised in statement of financial activities	(6,413)	(1,713)
	Depreciation and impairment of tangible fixed assets	5,384	2,009
	Movements in working capital:		
	Decrease/(increase) in debtors	54,707	(154,349)
	Increase in creditors	22,070	24,671
	Cash generated from operations	227,161	17,951

THE ENVIRONMENT CENTRE (TEC)

England & Wales - Charity number 1031482

Accounts

Charity Registration No. 1031482

Company Registration No. 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

tc accounts · tax · legal · financial planning

10 Bridge Street
Christchurch
Dorset
BH23 1EF

THE ENVIRONMENT CENTRE (TEC)

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C R Rowland Ms A S Drakakis Mr A Howison Mr P James Mr I Nelson Dr A Whitehead MP
Other officers	A Goulden, Chief Executive A Brand, Finance Manager
Charity number	1031482
Company number	02881225
Principal address	Equity & Law House 14-15 Brunswick Place Southampton SO15 2AQ
Registered office	14-15 Brunswick Place Southampton Hampshire SO15 2AQ
Auditor	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF

The trustees present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C R Rowland
Ms A S Drakakis
Mr A Howison
Mr P James
Mr I Nelson
Dr A Whitehead MP

Structure, governance and management

Governing Document

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482. The Board of Trustees with advice from the Charities Commission amended their Memorandum and Articles in June 2020. Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association the trustees are approved by a unanimous vote of the existing board of trustees following a successful interview process. The process includes the Chief Executive obtaining satisfactory references and ensuring that the nominated trustees fully understand their obligations to the charity. New trustees can be nominated throughout the year and are approved to the board at the quarterly board meetings. There is no limit to the time a trustee may serve.

As the majority of the work undertaken by the charity is in partnership with local authorities of Hampshire and the Isle of Wight, the charity welcomes nominees from these authorities. Nominees appointed from local authorities are subject to the appointment process of these bodies and the guidelines on appointment to public office as they apply to Local Government nominees.

Trustee introduction and training

Before being nominated new trustees are briefed by the Chief Executive on their legal obligations under the charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes and minimum commitment expected from the new trustee. They also learn in situ about the organisation structure, business plan and recent financial performance of the charity. Having been nominated, the new trustee will meet key employees and be provided with access to operation procedures. They will be encouraged to attend appropriate events to gain greater knowledge of the charity's activities and to help in the undertaking of their role.

Organisation

The Board of Trustees administers the charity and meets formally on a quarterly basis; however meetings on specific matters are arranged as and when required. The Chief Executive is appointed by the trustees to manage the day to day operation of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and activity performance. The trustees are supplied with financial information quarterly and an activity and funding report every six months (or more frequently should need arise).

Related parties

The charity's continued success lays in its steadfast commitment and ability to remain independent, apolitical and non-campaigning.

The charities wholly owned subsidiary, Environment Centre Enterprises Limited, was established to operate any commercial environmental work deemed to not be solely charitable, but which supported environmental best practice or materials to support environmental best practice. In 2022/23 and the previous year this company did not undertake activity or trading.

Objectives and activities

As an independent Environmental Charity tEC's missions is:

- The advancement in education of the public in all matters concerning the environment.
- The preservation and protection of the environment by;
    - The provision of practical support and advice to all individuals and organisations wanting to enhance their environment and reduce their use of natural resources.
    - Raising awareness of environmental issues within all sections of the community,
    - The adoption of sustainable practices amongst the general public, schools and businesses.

The activities of the charity include:

For Local Authorities and Government-led organisations

- Support Local Authorities with their responses to the climate emergency and adaptation strategies
- The Provision of a free phone advice line for front line staff and members of the public on matters such as fuel poverty, energy efficiency, air quality, waste and recycling, water saving and the grants available for energy efficiency home improvements
- Data interpretation and mapping services.
- Response to local and national consultations
- Bid writing Services
- In house training on energy efficiency, sustainability and fuel poverty
- Assistance with ongoing HECA reporting
- Working with Local Authorities to develop sustainable policies, strategies and action plans
- Outreach events promoting sustainability through schools, community or council events
- Offering advice and guidance on accessing funding for environmental projects

For individuals;

- Free phone advice on: 0800 804 8601 for Southampton and Hampshire residents or 0800 260 5907 for Portsmouth for impartial advice on energy efficiency, keeping warm and well in the home and simple ways to live more sustainably
- Home Visits - to provide bespoke advice on Energy Efficiency and sustainability in the home.
- Guidance on accessing grants and loans and hand-holding support with applications for funding for the most vulnerable
- Energy surgeries in public spaces
- Energy awareness events
- Mobile advice at shopping centres, supermarkets, libraries and similar locations

For schools:

- School assemblies and environment-themed activities
- Environmental education workshops.
- Road shows, storytelling and fun days to encourage engagement on climate change and sustainability issues.
- Staff and governor training in energy and environmental issues
- Water, waste and energy audits.

For business:

- Energy and Environmental Audits
- Data interpretation and mapping services
- Guidance on Environmental Management Systems
- Sustainability Strategies
- Green Travel Plans
- In house environmental training
- In house business road shows
- Free phone advice line
- Renewables Feasibility Studies

The Trustees review our aims, objectives and activities each year to ensure that we remain focused and have given due regard to public benefit when planning the charity's activities.

Achievements and performance

- Assisted 4,131 households over the phone, by email and at community events/workshops
- Facilitated the installation of 241 large energy efficiency measures including external wall insulation, cavity wall insulation, loft insulation, solar PV, air source heat pumps and essential heating system repairs or replacements. The installation of these measures has resulted in an estimated lifetime energy bill savings of £1,136,624 and an estimated lifetime carbon savings of 1,740.46 tCO2e.
- Launched our new website with 30,903 people taking part in 39,951 sessions seeking information and guidance
- Trained 506 frontline workers on energy and housing standards, and affordable warmth matters
- Developed a unique air quality video with Prof Stephen Holgate, UK Air Quality Champion, to highlight the health impacts of wood burning

Business Plan

The Board of Trustees and the Senior Management Team have produced a business plan which helps to focus our efforts. In the next year tEC will seek to:

- Roll out our new and dramatically improved database. This has been designed to help streamline our operations, monitor workloads and reduce time spent on producing project reports for our partners. This should be operational early in the New Year
- Develop our home energy efficiency retrofit offer in partnership with a range of Local Authorities and Third Sector Organisations. Supporting households in the able to pay sector is seen as key to the objectives of the charity and delivering this service alongside our affordable warmth projects will provide consistency in the advice given and co-benefits in terms of the advice line and digital offering being accessible and relevant to all homeowners
- Continue to work with Southampton City Council on improving its Southampton Healthy Homes offer and support its Green City vision and initiatives. Southampton is investing significant resource into supporting fuel poor households in the city and through their discretionary funding tEC is able to support many more households that would otherwise be the case.
- Continue to successfully deliver Hitting the Cold Spots project and look for additional funding to expand the reach and scope of the scheme.
- Work with the other Local Authorities on their Net Zero plans particularly with regards to decarbonising housing
- Secure funding outside of the Local Authorities to allow us to engage with the public on issues of climate change and sustainable lifestyles.
- Endeavour to expand our work looking at minimum energy efficiency standards in the Private Rented Sector
- Build upon our success in delivering Air Quality work and seek additional funding to deliver activities aimed at highlighting the issue and improving air quality in the region.
- Continue to successfully work with a consortium of local charities to deliver Advice in Southampton work and expand the visibility of the group.
- Deliver work under the Flexible Eligibility element of ECO, and LAD/HUG schemes for Southampton, Hampshire and Portsmouth Authorities.

- Continue working closely with Southampton City Council, Portsmouth City Council and Hampshire County Council on projects of mutual benefit - particularly Fuel Poverty and energy efficiency Projects.
- Continue to work with the Hampshire Energy Efficiency partnership to investigate potential funding options for large scale regional energy efficiency and fuel poverty projects.
- Continue to investigate opportunities to diversify away from exclusively delivering Fuel Poverty projects. Of particular interest are home energy efficiency retrofit, renewable technologies, battery storage, Air Quality, Waste, Circular Economy and Water projects.
- Continue to develop our communications strategy and raise the profile of the organisation
- Continue to improve the staff development, training and remuneration package
- Continue to establish and maintain a strong network of relevant contacts

Risk management

The following risks have been identified as relevant to the business:

- There is a potential that by seeking to deliver able to pay retrofit work alongside our existing affordable warmth and air quality projects that we will over extend ourselves. This is compounded by the fact that certain funding bodies do not allow sufficient mobilisation time or resource for project management and organisational costs.
- There is increasing competition from a number of organisations operating in the retrofit and fuel poverty arena. Whilst we don't view these as a particular risk at present there is the potential for them to dilute our message and, in the worst case, for vulnerable households not to receive the full range of support that is available to them through Local Authority and tEC managed schemes.
- Whilst a significant increase in the number of staff at tEC has allowed us to support many more vulnerable households it has had an impact on the team leads and particularly the SMT. Training, HR and ongoing support all take time away from other duties and create competing priorities.
- We are dealing with an increasing numbers of clients with complex needs that often require multiple interventions. This is extremely time consuming and often very difficult to manage in conjunction with other elements of our projects.
- The SMT and team leads are under some pressure. We work in a fast paced environment and run complicated multifaceted projects. Our finance manager for example currently only works 3 days a week and is having to deal with nearly double the number of staff and invoices than when she first joined tEC
- Burn out of certain key members of staff is a concern
- Hybrid working has now firmly bedded in and in the majority of cases brings with it benefits for both the organisation and employee. However it does also continue to present challenges in terms of how best to support staff members and how to monitor and review their work when they are at home.
- There still remain some operational risks from COVID and flu with the potential of multiple staff contracting the virus and associated risks to (and from) our client group
- There continues to be concern over the effects of the economic downturn, and the increasing costs of living. At the same time demand for our services is increasing exponentially.
- Recruiting staff remains challenging and we are having to look at our offer carefully as other organisations increase their pay in response to a shortage of suitable candidates.
- Uncertainty about the direction of Government Policy concerning Energy Efficiency, Air Quality and Sustainability remains challenging

Mitigation Strategy

A number of strategies have been initiated in order to mitigate identified risks:

- The board and SMT continue to be mindful of staff capacity, particularly with the senior managers who have been working extremely hard on their own projects and also on a variety of additional initiatives to improve organisational processes. We will continue to monitor and look to recruit quickly where necessary. We may also need to consider additional support for the finance and office manager.
- The board and SMT are acutely aware of the need to carefully consider which projects to bid for and work on. There are many opportunities presently and we are committed not to chase funding or to agree to work which will put additional strain on staff. New projects must not only align with our charitable aims and business plan they must also be deliverable and not at the expense of staff well-being. Again the SMT will carefully monitor staff workload and capacity and look to redeploy and recruit quickly if more projects come on line.
- Emphasis has also been placed on partnership working with other TSO's to allow tEC to expand its operations and access alternative sources of funding.
- Strong emphasis continues to be placed on securing additional funding to deliver existing projects going forward and we continue to talk to our partners about the need for more staff resource to support growing numbers of residents contacting us.
- We have recruited a further two members of staff to cope with the increased demand on our services.
- We will update and adopt a range of policies and procedures, particularly around our support structures, training, remote working and reviews. These are designed to complement the new projects coming online and continued hybrid working arrangements. The aim is for us all to feel confident with what we are doing and feel engaged and supported.
- We a continue to follow COVID and flu recommendations and have adopted a range of measures including advising staff to get their vaccinations, wash their hands regularly, where masks when appropriate, ventilate the office space and stay away from work if they feel unwell.
- We continue to work closely with Southampton City Council and other Hampshire Authorities to investigate opportunities of mutual benefit.
- The Chief Executive will continue to network and develop new business links with relevant individuals and organisations.

Financial review

The incoming resources for this accounting period amounted to £1,479,340 (2022 - £802,055) of which the operating surplus on activities was £147,333 (2022 - £52,508). The aim is to achieve a minimum of reserves of the equivalent of six months of overheads expenses.

Under the memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, however to trustees continue to maintain the remit not to invest in anything other than its staff.

As at the year end charity had reserves of £481,561 (2022 - £334,228) of which £94,262 (2022- £60,694) represented restricted funds and £30,000 (2022 - £30,000) designated funds.

Statement of trustees responsibilities

The trustees, who are also the directors of The Environment Centre (TEC) for the purpose of company law, are responsible 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees report was approved by the Board of Trustees.

Mr C R Rowland
Trustees
Dated: 24 January 2024

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of The Environment Centre (TEC) for the purpose of company law, are responsible 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Opinion

We have audited the financial statements of The Environment Centre (TEC) (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records; 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the legal and regulatory principles in the Charity SORP
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. These include Health and Safety, employment law, building insurance, public liability insurance and licencing. The Trustees use an external firm for Health and Safety and employment law, as they believe this will ensure up to date knowledge and systems are used.
- We considered and reviewed the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. These include the review of authorisation limits for bank transactions and authorisation for BACS payments.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. These include Health and Safety, Employment Law and Licencing. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures induded: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-forauditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx.
This description forms part of our auditor's report.

Other matters which we are required to address
The company was previously exempt from audit and hence the comparatives within these financial statements are unaudited.

Use of our report

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

TC Group

Dean Pullen FCCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Christchurch

24 January 2024

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and grants	**3**	12,422	10,056	22,478	600	19,550	20,150
Charitable activities	**4**	637,778	817,371	1,455,149	406,481	375,406	781,887
Investments	**5**	1,713	-	1,713	18	-	18
Total income		651,913	827,427	1,479,340	407,099	394,956	802,055
Expenditure on:							
Charitable activities	**6**	533,826	798,181	1,332,007	309,771	439,776	749,547
Net incoming resources before transfers		118,087	29,246	147,333	97,328	(44,820)	52,508
Gross transfers between funds		(4,322)	4,322	-	(7,008)	7,008	-
Net income for the year/ Net movement in funds		113,765	33,568	147,333	90,320	(37,812)	52,508
Fund balances at 1 April 2022		273,534	60,694	334,228	183,214	98,506	281,720
Fund balances at 31 March 2023		387,299	94,262	481,561	273,534	60,694	334,228

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE ENVIRONMENT CENTRE (TEC)

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**10**		11,230		3,107
Investments	**11**		1		1
			11,231		3,108
Current assets					
Debtors	**12**	306,818		152,469	
Cash at bank and in hand		222,156		212,624	
		528,974		365,093	
Creditors: amounts falling due within one year	**13**	(58,644)		(33,973)	
Net current assets			470,330		331,120
Total assets less current liabilities			481,561		334,228
Income funds					
Restricted funds	**16**		94,262		60,694
Unrestricted funds					
Designated funds	**17**	30,000		30,000	
General unrestricted funds		357,299		243,534	
			387,299		273,534
			481,561		334,228

The financial statements were approved by the Trustees on 24 January 2024

Mr C R Rowland
Trustee

Company Registration No. 02881225

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	**22**		17,951		39,696
Investing activities					
Purchase of tangible fixed assets		(10,132)		-	
Interest received		1,713		19	
Net cash (used in)/generated from investing activities			(8,419)		19
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			9,532		39,715
Cash and cash equivalents at beginning of year			212,624		172,909
Cash and cash equivalents at end of year			222,156		212,624

1 Accounting policies

Charity information

The Environment Centre (tEC) is a registered charity, registration number 1031482, company number 2881225, limited by guarantee in England and Wales. The registered office is Equity & Law House, 14-15 Brunswick Place, Southampton, SO15 2AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

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

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

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustee's meeting and reimbursed expenses.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

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

1.14 Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.
trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms on receivables.

1.15 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if the charity does not have unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date, they are presented as non current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective method.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The trustees have considered whether there are any critical judgements required in the preparation of these accounts and have concluded that there are non requiring disclosure.

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Total
	2023	**2023**	**2023**	2022
	£	**£**	**£**	£
Donations and gifts	972	10,056	11,028	20,150
Job retention scheme grant	11,450	-	11,450	-
	12,422	10,056	22,478	20,150
For the year ended 31 March 2022	600	19,550		20,150

4 Charitable activities

	2023	2022
	£	£
Environmental project activities	1,455,149	781,887
Analysis by fund		
Unrestricted funds	637,778	406,481
Restricted funds	817,371	375,406
	1,455,149	781,887

5 Investments

	Unrestricted funds	Total
	2023	2022
	£	£
Interest receivable	1,713	18

6 Expenditure on charitable activites

	Total 2023	**Total 2022**
	£	**£**
Staff costs	513,898	402,398
Depreciation and impairment	2,009	1,044
Other staff costs	-	5
Office expenses	19,611	22,486
Light and heat	2,406	1,027
Travel and subsistence	3,696	1,802
Repairs and maintenance (including rent and rates)	22,002	20,342
Advertising	28,771	20,244
Books, periodicals and project materials	728,632	274,747
Bank charges	485	378
Irrecoverable VAT	3,085	2,144
Bad debts	2,365	-
	1,326,960	746,617
Share of governance costs (see note 7)	5,047	2,930
	1,332,007	749,547
Analysis by fund		
Unrestricted funds	533,826	309,771
Restricted funds	798,181	439,776
	1,332,007	749,547

7 Governance costs

	2023	2022
	£	£
Consultancy	236	18
Other accounting fees	61	62
Independent examiner's fee	-	2,850
Auditors remuneration	4,750	-
	5,047	2,930

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	21	14

Employment costs	2023	2022
	£	£
Wages and salaries	464,913	366,017
Social security costs	35,555	26,061
Other pension costs	13,430	10,320
	513,898	402,398

No employee received emoluments of more than £60,000 during the year. The total employee benefits of the key management personnel of the charity were £102,954 (2022 - £100,637).

10 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2022	15,743	64,787	80,530
Additions	-	10,132	10,132
At 31 March 2023	15,743	74,919	90,662
Depreciation and impairment			
At 1 April 2022	15,743	61,680	77,423
Depreciation charged in the year	-	2,009	2,009
At 31 March 2023	15,743	63,689	79,432
Carrying amount			
At 31 March 2023	-	11,230	11,230
At 31 March 2022	-	3,107	3,107

11 Fixed asset investments

	2023
	£
Cost or valuation	
At 1 April 2022 & 31 March 2023	1
Carrying amount	
At 31 March 2023	1
At 31 March 2022	1

12 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	41,586	57,877
Other debtors	258,052	88,239
Prepayments and accrued income	7,180	6,353
	306,818	152,469

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	31,789	7,914
Trade creditors	15,451	18,203
Accruals and deferred income	11,404	7,856
	58,644	33,973

14 Government grants

Government grants and support are recognised under the accruals basis and recognised in the period to which the income relates.

15 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £13,430 (2022 - £10,320).

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£
Hitting the Cold Spots - HHS2	50,291	39,880	(49,900)	-	40,271	29,500	(26,058)	-	43,713
Big Energy Saving Network	330	-	(406)	76	-	-	-	-	-
Clean Air Network	1,575	-	(1,485)	-	90	-	-	(90)	-
Resilient Community Fund	22,943	-	(15,376)	-	7,567	-	(7,754)	187	-
Raising Standards for Tenants	-	16,838	(22,149)	5,311	-	-	-	-	-
Southampton City Council	5,445	68,844	(74,288)	-	1	149,933	(147,328)	-	2,606
Innovation and Enforcement Grant	12,391	-	(2,218)	-	10,173	-	(7,665)	-	2,508
Carbon Offset Fund	389	47,982	(48,371)	-	-	130,660	(127,804)	-	2,856
Covid Winter Fund	5,142	-	(1,175)	(1,375)	2,592	-	-	-	2,592
Switched on Portsmouth	-	100,412	(103,258)	2,846	-	-	(4,118)	4,118	-
Eastleigh BC	-	1,000	(1,000)	-	-	-	-	-	-
HSG - Prepayment scheme	-	114,000	(114,150)	150	-	-	-	-	-
Francis Winham Foundation	-	6,000	(6,000)	-	-	10,056	(10,056)	-	-
HCC - C4C Grant	-	-	-	-	-	400,000	(383,362)	-	16,638
HSF3 - Capital	-	-	-	-	-	40,700	(21,274)	-	19,426
Hampshire Energy Advice Service	-	-	-	-	-	66,578	(62,655)	-	3,923
Public Health	-	-	-	-	-	-	(107)	107	-
	98,506	394,956	(439,776)	7,008	60,694	827,427	(798,181)	4,322	94,262

16 Restricted funds **(Continued)**

The specific purposes for which the funds are to be applied are as follows:

Hitting the Cold Spots (HHS2/RDF/WCC) - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

Big Energy Saving Network (BESN) - Providing advice to vulnerable consumers on energy issues and training frontline workers to enable them to provide advice on energy issues to their clients.

Clean Air Network (CAN) - Co-facilitation of the Southampton Clean Air Network which brings together individuals and organisations committed to reducing air pollution in the city, so that they can support and share resources with each other, and encourage and inspire others to take action.

Resilient Community Fund (SSEN) - A 2 year project designed to reach out to multiple vulnerable and disadvantaged communities in Hampshire, who might not otherwise be able to access help and advice. tEC supports households in these communities with face-to-face energy advice at outreach events or through referrals from engaged services. By reaching out to these communities we aim to reduce their risk of fuel poverty and support them with staying warm and well in their homes.

Raising Standards for Tenants (RST) - To improve housing conditions for vulnerable residents living in the worst performing privately rented properties. We will do this by raising awareness of Minimum Energy Efficiency Standards (MEES) and housing health and safety rating system (HHSRS) amongst tenants and landlords, as well as increasing energy literacy and empowering tenants to act.

Southampton City Council (SCC) - Heating and installation at various addresses on behalf of Southampton City Council.

Innovation and Enforcement Grant- To raise property standards by ensuring that all properties being rented out not only meet the Minimum Energy Efficiency Standards (MEES) but are free from any category one and two hazards as defined by housing health and safety rating system (HHSRS), with a particular focus on heating and insulation of the property.

Covid Winter Fund - Delivery of utility voucher support on behalf of Portsmouth City Council (Covid Winter Fund).

16 Restricted funds **(Continued)**

Carbon Offset Fund- All major developments in Southampton should (as far is a reasonably practicable) comply with the cities ambition for new builds to be Zero Carbon. The primary aim of the Carbon Offset Scheme is to achieve significant carbon reductions on site and to get as close to zero carbon as possible. Once all efforts have been made to achieve this standard any additional calculated carbon emissions will be offset by paying into a carbon offset fund. Offset payments are then collected from developers at an agreed rate using the Section 106 mechanism and ring fenced for carbon reduction/fuel poverty interventions for low income or vulnerable households. tEC administers this fund on behalf of Southampton City Council and is paid a management fee for doing so.

Switched on Portsmouth (SOP) - A two year project designed to reach out to vulnerable and disadvantaged communities in Portsmouth to reduce their risk of fuel poverty and support them to stay warm and well in their home. It will complement, and extend the reach of existing activities through a single point of contact for affordable warmth advice and support in the city.

Eastleigh BC - A contribution towards the cost of energy efficiency heating improvements for Eastleigh residents at risk of fuel poverty.

HSG - Prepayment scheme - Delivery of utility voucher support on behalf of Portsmouth City Council (Household Support Grant).

Francis Wiham Foundation - A charitable trust that we apply to, on behalf of older residents for heating/energy efficiency works.

Hampshire Energy Advice Service - Hampshire Energy Advice Service (HEAS) support vulnerable households across Hampshire who are struggling to keep warm and well. The project aims to increase the provision of affordable warmthadvice across the region to meet the significant increase in demand as a result of the energy crisis. Through our proposed activities we will directly support 3,800 households over the phone, via email, with face-to-face energy advice at events & one-to-one appointments. It will enhance collaboration between partners, maximize efficiency and build capacity to tackle fuel poverty across Hampshire. In addition we will provide practical support through distributing energy saving packs to those most in need.

HCC C4c Grant - The Hampshire County Council Connect for Communities grant was to provide practical support for low income and vulnerable households.

16 Restricted funds **(Continued)**

HSF3 - Capital - The grant was awarded for project work relating to Household Support Fund 3 (1st October 2022 – 31st March 2023), energy and keep warm support targeted towards vulnerable households - particularly those with older people and/or disabled occupants. The grant was used to provide practical items/measures to households and for TEC staff costs directly related to the purchasing and distribution of items, and the administration and reporting requirements of this funding.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021	Movement in funds Incoming resources	Balance at 1 April 2022	Movement in funds Incoming resources	Balance at 31 March 2023
	£	£	£	£	£
Designated	30,000	-	30,000	-	30,000
	30,000	-	30,000	-	30,000

The designated fund represents amounts designated by the board in respect of a future office move and dilapidations, staff training and development, upgrade of the company vehicle and match funding.

There is no specific date of expected expenditure for the designated fund.

18 Analysis of net assets between funds

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Tangible assets	7,956	3,274	11,230	3,107
Investments	1	-	1	1
Current assets/(liabilities)	379,342	90,988	470,330	331,120
	387,299	94,262	481,561	334,228

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023	2022
	£	£
Within one year	13,974	13,610
Between two and five years	18,147	31,757
	32,121	45,367

19 Operating lease commitments **(Continued)**

20 Related party transactions

There were no related party transactions during the current or prior year.

21 Charity status

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

22 Cash generated from operations

	2023	2022
	£	£
Surplus for the year	147,333	52,508
Adjustments for:		
Investment income recognised in statement of financial activities	(1,713)	(18)
Depreciation and impairment of tangible fixed assets	2,009	1,044
Movements in working capital:		
(Increase)/decrease in debtors	(154,349)	31,520
Increase/(decrease) in creditors	24,671	(45,358)
Cash generated from operations	17,951	39,696

THE ENVIRONMENT CENTRE (TEC)

England & Wales - Charity number 1031482

Accounts

Charity Registration No. 1031482

Company Registration No. 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

tc accounts · tax · legal · financial planning

10 Bridge Street
Christchurch
Dorset
BH23 1EF

THE ENVIRONMENT CENTRE (TEC)

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THE ENVIRONMENT CENTRE (TEC)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C R Rowland Ms A S Drakakis Mr A Howison Mr P James Mr I Nelson Dr A Whitehead MP
Other officers	A Goulden, Chief Executive A Rumford, Finance Manager
Charity number	1031482
Company number	02881225
Principal address	Equity & Law House 14-15 Brunswick Place Southampton SO15 2AQ
Registered office	14-15 Brunswick Place Southampton Hampshire SO15 2AQ
Independent Examiner	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF
Bankers	Royal Bank of Scotland 156 High Street Southampton Hampshire SO14 2NP

The trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
Mr C R Rowland
Ms A S Drakakis
Mr A Howison
Mr P James
Mr I Nelson
Dr A Whitehead MP

Structure, governance and management

Governing Document

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482. The Board of Trustees with advice from the Charities Commission amended their Memorandum and Articles in June 2020. Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association the trustees are approved by a unanimous vote of the existing board of trustees following a successful interview process. The process includes the Chief Executive obtaining satisfactory references and ensuring that the nominated trustees fully understand their obligations to the charity. New trustees can be nominated throughout the year and are approved to the board at the quarterly board meetings. There is no limit to the time a trustee may serve.

As the majority of the work undertaken by the charity is in partnership with local authorities of Hampshire and the Isle of Wight, the charity welcomes nominees from these authorities. Nominees appointed from local authorities are subject to the appointment process of these bodies and the guidelines on appointment to public office as they apply to Local Government nominees.

Trustee introduction and training

Before being nominated new trustees are briefed by the Chief Executive on their legal obligations under the charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes and minimum commitment expected from the new trustee. They also learn in situ about the organisation structure, business plan and recent financial performance of the charity. Having been nominated, the new trustee will meet key employees and be provided with access to operation procedures. They will be encouraged to attend appropriate events to gain greater knowledge of the charity's activities and to help in the undertaking of their role.

Organisation

The Board of Trustees administers the charity and meets formally on a quarterly basis; however meetings on specific matters are arranged as and when required. The Chief Executive is appointed by the trustees to manage the day to day operation of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and activity performance. The trustees are supplied with financial information quarterly and an activity and funding report every six months (or more frequently should need arise).

Related parties

The charity's continued success lays in its steadfast commitment and ability to remain independent, apolitical and non-campaigning.

The charities wholly owned subsidiary, Environment Centre Enterprises Limited, was established to operate any commercial environmental work deemed to not be solely charitable, but which supported environmental best practice or materials to support environmental best practice. In 2021/22 and the previous year this company did not undertake activity or trading.

Objectives and activities

As an independent Environmental Charity tEC's missions is:

- The advancement in education of the public in all matters concerning the environment.
- The preservation and protection of the environment by;
    - The provision of practical support and advice to all individuals and organisations wanting to enhance their environment and reduce their use of natural resources.
    - Raising awareness of environmental issues within all sections of the community,
    - The adoption of sustainable practices amongst the general public, schools and businesses.

The activities of the charity include:

For Local Authorities and Government-led organisations

- Support Local Authorities with their responses to the climate emergency and adaptation strategies
- The Provision of a free phone advice line for front line staff and members of the public on matters such as fuel poverty, energy efficiency, air quality, waste and recycling, water saving and the grants available for energy efficiency home improvements
- Data interpretation and mapping services.
- Response to local and national consultations
- Bid writing Services
- In house training on energy efficiency, sustainability and fuel poverty
- Assistance with ongoing HECA reporting
- Working with Local Authorities to develop sustainable policies, strategies and action plans
- Outreach events promoting sustainability through schools, community or council events
- Offering advice and guidance on accessing funding for environmental projects

For individuals;

- Free phone advice on: 0800 804 8601 for Southampton and Hampshire residents or 0800 260 5907 for Portsmouth for impartial advice on energy efficiency, keeping warm and well in the home and simple ways to live more sustainably
- Home Visits - to provide bespoke advice on Energy Efficiency and sustainability in the home.
- Guidance on accessing grants and loans and hand-holding support with applications for funding for the most vulnerable
- Energy surgeries in public spaces
- Energy awareness events
- Mobile advice at shopping centres, supermarkets, libraries and similar locations

For schools:

- School assemblies and environment-themed activities
- Environmental education workshops.
- Road shows, storytelling and fun days to encourage engagement on climate change and sustainability issues.
- Staff and governor training in energy and environmental issues
- Water, waste and energy audits.

For business:

- Energy and Environmental Audits
- Data interpretation and mapping services
- Guidance on Environmental Management Systems
- Sustainability Strategies
- Green Travel Plans
- In house environmental training
- In house business road shows
- Free phone advice line
- Renewables Feasibility Studies

The Trustees review our aims, objectives and activities each year to ensure that we remain focused and have given due regard to public benefit when planning the charity's activities.

Achievements and performance

We continue to run our major fuel poverty, energy efficiency and air quality projects in Southampton, Portsmouth and Hampshire and have achieved some really impressive results.

Over the past year we have:

- *Assisted 3,948 households over the phone, by email and community events/workshops*
- Facilitated the installation of 263 large energy efficiency measures including external wall insulation, cavity wall insulation, loft insulation, first time central heating and essential heating system repairs or replacements. The installation of these measures has resulted in an estimated lifetime energy bill savings of £1,293,597 and an estimated lifetime carbon savings of 1,569.34 tCO_2e.
- Helped vulnerable households access small energy grants valued at £167,309
- 20,431 people have taken part in 27048 sessions seeking information and guidance via our website
- Trained 314 frontline workers on energy and housing standards, and affordable warmth matters

The Board of Trustees and the Senior Management Team have produced a business plan which helps to focus our efforts. In the next year tEC will seek to:

- Commission a new website that better communicates our offer and allows visitors to self-serve with advice across a range of topics
- We have commissioned a new database to help streamline our operations and reduce time spend reporting to our partners
- Continue to work with a range of organisations and authorities on Retrofit in the able to pay market
- Continue to work with Southampton City Council on improving its Southampton Healthy Homes offering and support its Green City Vision
- Work with the other Local Authorities on their response to the Climate Emergency
- Secure funding outside of the Local Authorities to allow us to engage with the public on issues of climate change and sustainable lifestyles.
- Endeavour to expand our work looking at minimum energy efficiency standards in the private rented sector
- Continue to successfully deliver Hitting the Cold Spots and look for additional funding to expand the reach and scope of project.
- Build upon our success in delivering Air Quality work and seek additional funding to deliver activities aimed at highlighting the issue and improving air quality in the region.
- Continue to successfully work with a consortium of local charities to deliver Advice in Southampton work and expand the visibility of the group.
- Deliver work under the Flexible Eligibility element of ECO, and LAD/HUG schemes for Southampton, Hampshire and Portsmouth Authorities.

- Continue working closely with Southampton City Council, Portsmouth City Council and Hampshire County Council on projects of mutual benefit - particularly Fuel Poverty and energy efficiency Projects
- Continue to work with the Hampshire Energy Efficiency partnership to investigate potential funding options for large scale regional energy efficiency and fuel poverty projects.
- Continue to investigate opportunities to diversify away from exclusively delivering Fuel Poverty projects. Of particular interest are home energy efficiency retrofit renewables, battery storage, Air Quality, Waste, Circular Economy and Water projects.
- Continue to develop our communications strategy and raise the profile of the organisation
- Continue to improve the staff development, training and remuneration package
- Continue to establish and maintain a strong network of contacts

Risk management

The following risks have been identified as relevant to the business:

- Thankfully the situation with COVID –19 has eased during this period. Like many other organisations we have elected to adopt a hybrid working model going forwards where staff are only required to work in the office for part of the week (generally a minimum of 2 days). This brings with it benefits for both the organisation and employee but it does also presents challenges in terms of how best to support staff members and how to monitor and review their work when they are at home.
- There remain operational risks from COVID and flu with the potential of multiple staff contracting the virus and associated risks to and from our client group
- There is growing concern over the multiple effects of the pandemic, Brexit, economic downturn, and the increasing costs of living. At the same time demand for our services is increasing exponentially.
- Recruiting staff remains challenging and we are having to look at our offer carefully as other organisations increase their pay in response to a shortage of suitable candidates.
- Uncertainty about the direction of Government Policy concerning Energy Efficiency, Air Quality and Sustainability remains challenging

Mitigation Strategy:

A number of strategies have been initiated in order to mitigate identified risks:

- We are looking to update and adopt a range of policies and procedures, particularly around our support structures, training, remote working and reviews. These are designed to complement the new hybrid working arrangements and allow us all to feel confident with what we are doing and feel engaged and supported
- We a continue to follow COVID recommendations and have adopted a range of measures including advising staff to get their vaccinations, wash their hands regularly, where masks when appropriate, ventilate the office space and stay away from work if they feel unwell.
- We are talking to our partners about the need for more staff resource to support growing numbers of residents contacting us.
- We have recruited a further two members of staff to cope with the increased demand on our services.
- We continue to work closely with Southampton City Council and other Hampshire Authorities to investigate opportunities of mutual benefit.
- The SMT continues to carefully monitor staff workload and capacity and look to recruit quickly again if more projects come on line.
- The Chief Executive will continue to network and develop new business links with relevant individuals and organisations.
- Strong emphasis has been placed on securing additional funding to deliver existing projects going forward.
- Emphasis has also been placed on partnership working with LA's and other TSO's to allow tEC access to alternative sources of funding.

Financial review

The incoming resources for this accounting period amounted to £802,055 (2021 - £729,033) of which the operating surplus on activities was £52,508 (2021 - -£1,182). The aim is to achieve a minimum of reserves of the equivalent of six months of overheads expenses.

Under the memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, however to trustees continue to maintain the remit not to invest in anything other than its staff.

As at the year end charity had reserves of £334,228 (2021 - £281,720) of which £60,694 (2021- £98,506) represented restricted funds and £30,000 (2021 - £30,000) designated funds.

Statement of trustees responsibilities

The trustees, who are also the directors of The Environment Centre (TEC) for the purpose of company law, are responsible 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees report was approved by the Board of Trustees.

Mr C R Rowland
Trustees
Dated: 22 December 2022

THE ENVIRONMENT CENTRE (TEC)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ENVIRONMENT CENTRE (TEC)

I report to the trustees on my examination of the financial statements of The Environment Centre (TEC) (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

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

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

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

TC Group

10 Bridge Street
Christchurch
Dorset
BH23 1EF

Dated: 23 December 2022

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	**3**	600	19,550	20,150	23,911
Charitable activities	**4**	406,481	375,406	781,887	705,048
Investments	**5**	18	-	18	74
Total income		407,099	394,956	802,055	729,033
Expenditure on:					
Charitable activities	**6**	309,771	439,776	749,547	730,215
Net incoming/(outgoing) resources before transfers		97,328	(44,820)	52,508	(1,182)
Gross transfers between funds		(7,008)	7,008	-	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		90,320	(37,812)	52,508	(1,182)
Other recognised gains and losses					
Other gains or losses	**10**	-	-	-	62
Net movement in funds		90,320	(37,812)	52,508	(1,120)
Fund balances at 1 April 2021		183,214	98,506	281,720	282,840
Fund balances at 31 March 2022		273,534	60,694	334,228	281,720

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE ENVIRONMENT CENTRE (TEC)

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**11**		3,107		4,152
Investments	**12**		1		1
			3,108		4,153
Current assets					
Debtors	**13**	152,469		183,989	
Cash at bank and in hand		212,624		172,909	
		365,093		356,898	
Creditors: amounts falling due within one year	**14**	(33,973)		(79,331)	
Net current assets			331,120		277,567
Total assets less current liabilities			334,228		281,720
Income funds					
Restricted funds	**15**		60,694		98,506
Unrestricted funds					
Designated funds	**16**	30,000		30,000	
General unrestricted funds		243,534		153,214	
			273,534		183,214
			334,228		281,720

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22 December 2022

Mr C R Rowland
Trustee

Company Registration No. 02881225

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from operations	**21**		39,696		22,335
Investing activities					
Purchase of tangible fixed assets		-		(3,620)	
Interest received		19		71	
Net cash generated from/(used in) investing activities			19		(3,549)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			39,715		18,786
Cash and cash equivalents at beginning of year			172,909		154,123
Cash and cash equivalents at end of year			212,624		172,909

1 Accounting policies

Charity information

The Environment Centre (tEC) is a registered charity, registration number 1031482, company number 2881225, limited by guarantee in England and Wales. The registered office is Equity & Law House, 14-15 Brunswick Place, Southampton, SO15 2AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

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

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

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustee's meeting and reimbursed expenses.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

1 Accounting policies (Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

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

1.14 Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.
trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms on receivables.

1.15 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if the charity does not have unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date, they are presented as non current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective method.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3 Donations and legacies

	Unrestricted funds	**Restricted funds**	**Total**	Total
	2022	**2022**	**2022**	2021
	£	**£**	**£**	£
Donations and gifts	600	19,550	20,150	5,600
Job retention scheme grant	-	-	-	18,311
	600	19,550	20,150	23,911
For the year ended 31 March 2021	18,311	5,600		23,911

4 Charitable activities

	2022	2021
	£	£
Environmental project activities	781,887	705,048
Analysis by fund		
Unrestricted funds	406,481	378,435
Restricted funds	375,406	326,613
	781,887	705,048

5 Investments

	Unrestricted funds	Total
	2022	2021
	£	£
Interest receivable	18	74

6 Expenditure on charitable activites

	Total 2022	**Total 2021**
	£	**£**
Staff costs	402,398	342,101
Depreciation and impairment	1,044	1,608
Other staff costs	5	-
Office expenses	22,486	18,371
Light and heat	1,027	707
Travel and subsistence	1,802	1,371
Repairs and maintenance (including rent and rates)	20,342	34,616
Advertising	20,244	9,072
Books, periodicals and project materials	274,747	298,865
Bank charges	378	382
Irrecoverable VAT	2,144	3,530
Bad debts	-	(18)
Computer and website costs	-	1,755
	746,617	712,360
Share of governance costs (see note 7)	2,930	17,855
	749,547	730,215
Analysis by fund		
Unrestricted funds	309,771	334,893
Restricted funds	439,776	395,322
	749,547	730,215

7 Governance costs

	2022	2021
	£	£
Legal fees	-	2,840
Consultancy	18	12,000
Other accounting fees	62	65
Independent examiner's fee	2,850	2,950
Charitable activities	2,930	17,855

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
	14	13

Employment costs	2022	2021
	£	£
Wages and salaries	366,017	311,137
Social security costs	26,061	21,840
Other pension costs	10,320	9,124
	402,398	342,101

No employee received emoluments of more than £60,000 during the year. The total employee benefits of the key management personnel of the charity were £100,637 (2021 - £99,824).

10 Other gains/(losses)

	Unrestricted funds	Total
	2022	2021
	£	£
Foreign exchange gains	-	(62)

11 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	**£**	**£**
Cost			
At 1 April 2021	15,743	64,787	80,530
At 31 March 2022	15,743	64,787	80,530
Depreciation and impairment			
At 1 April 2021	15,743	60,636	76,379
Depreciation charged in the year	-	1,044	1,044
At 31 March 2022	15,743	61,680	77,423
Carrying amount			
At 31 March 2022	-	3,107	3,107
At 31 March 2021	-	4,152	4,152

12 Fixed asset investments

	2020
	£
Cost or valuation	
At 1 April 2021 & 31 March 2022	1
Carrying amount	
At 31 March 2022	1
At 31 March 2021	1

13 Debtors

	2022	2021
Amounts falling due within one year:	**£**	**£**
Trade debtors	57,877	98,383
Other debtors	88,239	61,767
Prepayments and accrued income	6,353	23,839
	152,469	183,989

14 Creditors: amounts falling due within one year

	2022	2021
	£	**£**
Other taxation and social security	7,914	41,456
Trade creditors	18,203	29,507
Accruals and deferred income	7,856	8,368
	33,973	79,331

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Hitting the Cold Spots - HHS2	50,291	39,880	(49,900)	-	40,271
Big Energy Saving Network	330	-	(406)	76	-
Clean Air Network	1,575	-	(1,485)	-	90
Resilient Community Fund	22,943	-	(15,376)	-	7,567
Raising Standards for Tenants	-	16,838	(22,149)	5,311	-
Southampton City Council	5,445	68,844	(74,288)	-	1
Innovation and Enforcement Grant	12,391	-	(2,218)	-	10,173
Carbon Offset Fund	389	47,982	(48,371)	-	-
Covid Winter Fund	5,142	-	(1,175)	(1,375)	2,592
Switched on Portsmouth	-	100,412	(103,258)	2,846	-
Eastleigh BC	-	1,000	(1,000)	-	-
HSG - Prepayment scheme	-	114,000	(114,150)	150	-
Francis Winham Foundation	-	6,000	(6,000)	-	-
	98,506	394,956	(439,776)	7,008	60,694

15 Restricted funds **(Continued)**

The specific purposes for which the funds are to be applied are as follows:

Hitting the Cold Spots (HHS2/RDF/WCC) - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

Big Energy Saving Network (BESN) - Providing advice to vulnerable consumers on energy issues and training frontline workers to enable them to provide advice on energy issues to their clients.

Clean Air Network (CAN) - Co-facilitation of the Southampton Clean Air Network which brings together individuals and organisations committed to reducing air pollution in the city, so that they can support and share resources with each other, and encourage and inspire others to take action.

Resilient Community Fund (SSEN) - A 2 year project designed to reach out to multiple vulnerable and disadvantaged communities in Hampshire, who might not otherwise be able to access help and advice. tEC supports households in these communities with face-to-face energy advice at outreach events or through referrals from engaged services. By reaching out to these communities we aim to reduce their risk of fuel poverty and support them with staying warm and well in their homes.

Raising Standards for Tenants (RST) - To improve housing conditions for vulnerable residents living in the worst performing privately rented properties. We will do this by raising awareness of Minimum Energy Efficiency Standards (MEES) and housing health and safety rating system (HHSRS) amongst tenants and landlords, as well as increasing energy literacy and empowering tenants to act.

Southampton City Council (SCC) - Heating and installation at various addresses on behalf of Southampton City Council.

Innovation and Enforcement Grant- To raise property standards by ensuring that all properties being rented out not only meet the Minimum Energy Efficiency Standards (MEES) but are free from any category one and two hazards as defined by housing health and safety rating system (HHSRS), with a particular focus on heating and insulation of the property.

Carbon Offset Fund- All major developments in Southampton should (as far is a reasonably practicable) comply with the cities ambition for new builds to be Zero Carbon. The primary aim of the Carbon Offset Scheme is to achieve significant carbon reductions on site and to get as close to zero carbon as possible. Once all efforts have been made to achieve this standard any additional calculated carbon emissions will be offset by paying into a carbon offset fund. Offset payments are then collected from developers at an agreed rate using the Section 106 mechanism and ring fenced for carbon reduction/fuel poverty interventions for low income or vulnerable households. tEC administers this fund on behalf of Southampton City Council and is paid a management fee for doing so.

Covid Winter Fund - Delivery of utility voucher support on behalf of Portsmouth City Council (Covid Winter Fund).

15 Restricted funds **(Continued)**

Switched on Portsmouth (SOP) - A two year project designed to reach out to vulnerable and disadvantaged communities in Portsmouth to reduce their risk of fuel poverty and support them to stay warm and well in their home. It will complement, and extend the reach of existing activities through a single point of contact for affordable warmth advice and support in the city.

Eastleigh BC - A contribution towards the cost of energy efficiency heating improvements for Eastleigh residents at risk of fuel poverty.

HSG - Prepayment scheme - Delivery of utility voucher support on behalf of Portsmouth City Council (Household Support Grant).

Francis Wiham Foundation - A charitable trust that we apply to, on behalf of older residents for heating/ energy efficiency works.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds	
	Balance at 1 April 2021	**Incoming resources**	**Balance at 31 March 2022**
	£	**£**	**£**
Designated	30,000	-	30,000
	30,000	-	30,000

The designated fund represents amounts designated by the board in respect of a future office move and dilapidations, staff training and development, upgrade of the company vehicle and match funding.

There is no specific date of expected expenditure for the designated fund.

17 Analysis of net assets between funds

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Tangible assets	3,107	-	3,107	4,152
Investments	1	-	1	1
Current assets/(liabilities)	270,426	60,694	331,120	277,567
	273,534	60,694	334,228	281,720

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
Within one year	13,610	14,639
Between two and five years	31,757	45,367
	45,367	60,006

19 Related party transactions

There were no related party transactions during the current or prior year.

20 Charity status

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

21	Cash generated from operations	2022	2021
		£	£
	Surplus/(deficit) for the year	52,508	(1,182)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(18)	(74)
	Foreign exchange differences	-	62
	Depreciation and impairment of tangible fixed assets	1,044	1,608
	Movements in working capital:		
	Decrease/(increase) in debtors	31,520	(22,189)
	(Decrease)/increase in creditors	(45,358)	44,110
	Cash generated from operations	39,696	22,335

THE ENVIRONMENT CENTRE (TEC)

England & Wales - Charity number 1031482

Accounts

Charity Registration No. 1031482

Company Registration No. 02881225 (England and Wales)

THE ENVIRONMENT CENTRE (TEC)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

tc accounts · tax · legal · financial planning

10 Bridge Street
Christchurch
Dorset
BH23 1EF

THE ENVIRONMENT CENTRE (TEC)

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THE ENVIRONMENT CENTRE (TEC)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C R Rowland Ms A S Drakakis Mr A Howison Mr P James Mr I Nelson Dr A Whitehead MP
Other officers	A Goulden, Chief Executive A Rumford, Finance Manager
Charity number	1031482
Company number	02881225
Principal address	Equity & Law House 14-15 Brunswick Place Southampton SO15 2AQ
Registered office	14-15 Brunswick Place Southampton Hampshire SO15 2AQ
Independent Examiner	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF
Bankers	Royal Bank of Scotland 156 High Street Southampton Hampshire SO14 2NP

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
Mr C R Rowland
Ms A S Drakakis
Mr A Howison
Mr P James
Mr I Nelson
Dr A Whitehead MP

Structure, governance and management

Governing Document

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482. The Board of Trustees with advice from the Charities Commission amended their Memorandum and Articles in June 2020. Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of Trustees

As set out in the Articles of Association the trustees are approved by a unanimous vote of the existing board of trustees following a successful interview process. The process includes the Chief Executive obtaining satisfactory references and ensuring that the nominated trustees fully understand their obligations to the charity. New trustees can be nominated throughout the year and are approved to the board at the quarterly board meetings. There is no limit to the time a trustee may serve.

As the majority of the work undertaken by the charity is in partnership with local authorities of Hampshire and the Isle of Wight, the charity welcomes nominees from these authorities. Nominees appointed from local authorities are subject to the appointment process of these bodies and the guidelines on appointment to public office as they apply to Local Government nominees.

Trustee introduction and training

Before being nominated new trustees are briefed by the Chief Executive on their legal obligations under the charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes and minimum commitment expected from the new trustee. They also learn in situ about the organisation structure, business plan and recent financial performance of the charity. Having been nominated, the new trustee will meet key employees and be provided with access to operation procedures. They will be encouraged to attend appropriate events to gain greater knowledge of the charity's activities and to help in the undertaking of their role.

Organisation

The Board of Trustees administers the charity and meets formally on a quarterly basis; however meetings on specific matters are arranged as and when required. The Chief Executive is appointed by the trustees to manage the day to day operation of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and activity performance. The trustees are supplied with financial information quarterly and an activity and funding report every six months (or more frequently should need arise).

Related parties

The charity's continued success lays in its steadfast commitment and ability to remain independent, apolitical and non-campaigning.

The charities wholly owned subsidiary, Environment Centre Enterprises Limited, was established to operate any commercial environmental work deemed to not be solely charitable, but which supported environmental best practice or materials to support environmental best practice. In 2021/20 and the previous year this company did not undertake activity or trading.

Objectives and activities

As an independent Environmental Charity tEC's missions is:

- The advancement in education of the public in all matters concerning the environment.
- The preservation and protection of the environment by;
    - The provision of practical support and advice to all individuals and organisations wanting to enhance their environment and reduce their use of natural resources.
    - Raising awareness of environmental issues within all sections of the community,
    - The adoption of sustainable practices amongst the general public, schools and businesses.

The activities of the charity include:

For Local Authorities and Government-led organisations

- Support Local Authorities with their responses to the climate emergency and adaptation strategies
- The Provision of a free phone advice line for front line staff and members of the public on matters such as fuel poverty, energy efficiency, air quality, waste and recycling, water saving and the grants available for energy efficiency home improvements
- Data interpretation and mapping services.
- Response to local and national consultations
- Bid writing Services
- In house training on energy efficiency, sustainability and fuel poverty
- Assistance with ongoing HECA reporting
- Working with Local Authorities to develop sustainable policies, strategies and action plans
- Outreach events promoting sustainability through schools, community or council events
- Offering advice and guidance on accessing funding for environmental projects

For individuals;

- Free phone advice on: 0800 804 8601 for impartial advice on energy efficiency, keeping warm and well in the home and simple ways to live more sustainably
- Home Visits - to provide bespoke advice on Energy Efficiency and sustainability in the home.
- Guidance on accessing grants and loans and hand-holding support with applications for funding for the most vulnerable
- Energy surgeries in public spaces
- Energy awareness events
- Mobile advice at shopping centres, supermarkets, libraries and similar locations

For schools:

- School assemblies and environment-themed activities
- Environmental education workshops.
- Road shows, storytelling and fun days to encourage engagement on climate change and sustainability issues.
- Staff and governor training in energy and environmental issues
- Water, waste and energy audits.

For business:

- Energy and Environmental Audits
- Data interpretation and mapping services
- Guidance on Environmental Management Systems
- Sustainability Strategies
- Green Travel Plans
- In house environmental training
- In house business road shows
- Free phone advice line
- Renewables Feasibility Studies

The Trustees review our aims, objectives and activities each year to ensure that we remain focused and have given due regard to public benefit when planning the charity's activities.

Achievements and performance

Despite the ongoing situation with COVID we have continued to run our major fuel poverty, energy efficiency and air quality projects in Southampton, Portsmouth and Hampshire and have achieved some really impressive results.

Over the past year we have:

- Assisted 2,944 households over the phone, by email and community events/workshops
- Facilitated the installation of 136 large energy efficiency measures including external wall insulation, cavity wall insulation, loft insulation, first time central heating and essential heating system repairs or replacements. The installation of these measures has resulted in an estimated lifetime energy bill savings of £509,295 and an estimated lifetime carbon savings of 1,247.96 tCO_2e
- Helped vulnerable households access small energy grants valued at £77,499
- 17,854 people have taken part in 24,789 sessions seeking information and guidance via our website
- Trained 63 frontline workers on energy and housing standards, and affordable warmth matters
- Delivered two Green Home Grant webinars, reaching 147 people
- Delivered 9 energy and housing standards talks, reaching 96 landlords and tenants
- Coordinated a target leaflet mail out to 18,497 priority households on the health impacts of wood burning

We have also been successful in securing the Hitting the Cold Spots contract for an additional two years.

During this period we have also moved to smaller offices which has realised some savings for the charity and implemented a number of other austerity measures to help keep service costs as low as possible.

The Board of Trustees and the Senior Management Team have produced a business plan which helps to focus our efforts. In the next year tEC will seek to:

- Continue to work with Hampshire County Council to support with its Climate Change Strategy and upskill our staff to be able to offer broad sustainability advice
- Improve our digital offering to allow more people to access advice on a range of topics online
- Continue to work with Southampton City Council on improving its Southampton Healthy Homes offering and support its Green City Vision
- Work with the other Local Authorities on their response to the Climate Emergency
- Secure funding outside of the Local Authorities to allow us to engage with the public on issues of climate change and sustainable lifestyles.
- Endeavour to expand our work looking at minimum energy efficiency standards in the private rented sector
- Continue to successfully deliver Hitting the Cold Spots and look for additional funding to expand the reach and scope of project.
- Build upon our success in delivering Air Quality work and seek additional funding to deliver activities aimed at highlighting the issue and improving air quality in the region.
- Continue to successfully work with a consortium of local charities to deliver Advice in Southampton work and expand the visibility of the group.
- Continue to explore opportunities to deliver work under the Flexible Eligibility element of ECO, and LAD schemes for Southampton, Hampshire and Portsmouth Authorities.
- Continue working closely with Southampton City Council, Portsmouth City Council and Hampshire County Council on projects of mutual benefit - particularly Fuel Poverty and energy efficiency Projects
- Continue to work with the Hampshire Energy Efficiency partnership to investigate potential funding options for large scale regional energy efficiency and fuel poverty projects.
- Continue to investigate opportunities to diversify away from exclusively delivering Fuel Poverty projects. Of particular interest are renewables, battery storage, Air Quality, Waste, Circular Economy and Water projects.
- Continue to develop our marketing strategy, brand and logo and our website resources.
- Continue to promote our data analysis and mapping services
- Continue to improve the staff development, training and remuneration package
- Continue to establish and maintain a strong network of contacts

Risk management

The following risks have been identified as relevant to the business:

- The ongoing situation with COVID –19 and a multitude of risks associated with the pandemic including the physical and mental health and wellbeing of staff and vulnerable clients
- Operational risk with the potential of multiple staff contracting the virus
- Risks to and from our client group
- tEC's inability to carry out face to face or outreach work which represent a good number of our KPI's
- Limited funding opportunities with increased competition for dwindling resources
- Economic downturn and recession
- Lack of staff resource and difficulties in recruiting and training staff remotely to respond to a surge in demand for affordable warmth and sustainability services
- Lack of funding from Local Authorities and continued changes to services and key members of staff
- Economic downturn and recession
- Continued Local Authority Cuts
- Uncertainty about the direction of Government Policy concerning Energy Efficiency, Air Quality and Sustainability
- Lack of access to ECO
- Lack of diversity in current projects
- Increased competition from other businesses/charities for decreasing funds

Mitigation Strategy:

A number of strategies have been initiated in order to mitigate identified risks:

- We continue to operate strict COVID 19 precautions which includes a range of measures to protect our staff and clients from the risk of infection
- We a continue to predominately work from home in accordance with Government and internal guidelines
- We continue to implement a number of other austerity measures.
- We have recruited a further two members of staff to cope with the increased demands of delivering our services particularly during COVID
- We have submitted change requests to a number of our funders to allow us to deliver our projects in a different way, particularly on improving our digital offering and virtual support services
- We will continue to work closely with Southampton City Council and other Hampshire Authorities to investigate opportunities of mutual benefit.
- The SMT continues to carefully monitor staff workload and capacity and look to recruit quickly again if more projects come on line.
- The Chief Executive will continue to network and develop new business links with relevant individuals and organisations.
- Strong emphasis has been placed on securing additional funding to deliver existing projects going forward.
- Emphasis has also been placed on partnership working with LA's and other TSO's to allow tEC access to alternative sources of funding.

Financial review

The incoming resources for this accounting period amounted to £729,033 (2020 - £502,289) of which the operating deficit on activities was £1,120 (2020 - £45,730). The aim is to achieve a minimum of reserves of the equivalent of six months of overheads expenses.

Under the memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, however to trustees continue to maintain the remit not to invest in anything other than its staff.

As at the year end charity had reserves of £281,720 (2020 - £282,841) of which £98,506 (2020- 151,017) represented restricted funds and £30,000 (2020 - £30,000) designated funds.

Statement of trustees responsibilities

The trustees, who are also the directors of The Environment Centre (TEC) for the purpose of company law, are responsible 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).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees report was approved by the Board of Trustees.

Mr C R Rowland
Trustees
Dated: 15 December 2021

THE ENVIRONMENT CENTRE (TEC)

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ENVIRONMENT CENTRE (TEC)

I report to the trustees on my examination of the financial statements of The Environment Centre (TEC) (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

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

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

1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

TC Group

10 Bridge Street
Christchurch
Dorset
BH23 1EF

Dated: 16 December 2021

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income from:					
Donations and grants	**3**	18,311	5,600	23,911	460
Charitable activities	**4**	378,435	326,613	705,048	501,490
Investments	**5**	74	-	74	339
Total income		396,820	332,213	729,033	502,289
Expenditure on:					
Charitable activities	**6**	334,893	395,322	730,215	548,019
Net incoming/(outgoing) resources before transfers		61,927	(63,109)	(1,182)	(45,730)
Gross transfers between funds		(10,599)	10,599	-	-
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		51,328	(52,510)	(1,182)	(45,730)
Other recognised gains and losses					
Other gains or losses	**10**	62	-	62	229
Net movement in funds		51,390	(52,510)	(1,120)	(45,501)
Fund balances at 1 April 2020		131,824	151,016	282,840	328,342
Fund balances at 31 March 2021		183,214	98,506	281,720	282,841

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE ENVIRONMENT CENTRE (TEC)

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**11**		4,152		2,138
Investments	**12**		1		1
			4,153		2,139
Current assets					
Debtors	**13**	183,989		161,800	
Cash at bank and in hand		172,909		154,123	
		356,898		315,923	
Creditors: amounts falling due within one year	**14**	(79,331)		(35,221)	
Net current assets			277,567		280,702
Total assets less current liabilities			281,720		282,841
Income funds					
Restricted funds	**15**		98,506		151,017
Unrestricted funds					
Designated funds	**16**	30,000		30,000	
General unrestricted funds		153,214		101,824	
			183,214		131,824
			281,720		282,841

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 15 December 2021

Mr C R Rowland
Trustee

Company Registration No. 02881225

THE ENVIRONMENT CENTRE (TEC)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	**21**		22,332		23,761
Investing activities					
Purchase of tangible fixed assets		(3,620)		(1,602)	
Interest received		74		339	
Net cash used in investing activities			(3,546)		(1,263)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			18,786		22,498
Cash and cash equivalents at beginning of year			154,123		131,625
Cash and cash equivalents at end of year			172,909		154,123

1 Accounting policies

Charity information

The Environment Centre (tEC) is a registered charity, registration number 1031482, company number 2881225, limited by guarantee in England and Wales. The registered office is Equity & Law House, 14-15 Brunswick Place, Southampton, SO15 2AQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1 Accounting policies **(Continued)**

1.5 Resources expended

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

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

Governance costs include the costs attributable to the charity's compliance with constitutional and statutory requirements, including independent examination, strategic management and trustee's meeting and reimbursed expenses.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
Computers	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

1 Accounting policies **(Continued)**

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Taxation

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

1.14 Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.
trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms on receivables.

1.15 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if the charity does not have unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date, they are presented as non current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective method.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3 Donations and Grants

	Unrestricted funds	**Restricted funds**	**Total**	Total
	2021	**2021**	**2021**	2020
	£	**£**	**£**	£
Donations and legacies	-	5,600	5,600	460
Job retention scheme grant	18,311	-	18,311	-
	18,311	5,600	23,911	460
For the year ended 31 March 2020	-	460		460

4 Charitable activities

	2021	2020
	£	£
Environmental project activities	705,048	501,490
Analysis by fund		
Unrestricted funds	378,435	277,678
Restricted funds	326,613	223,812
	705,048	501,490

5 Investments

	Unrestricted funds	Total
	2021	2020
	£	£
Interest receivable	74	339

6 Expenditure on charitable activites

	Total 2021	**Total 2020**
	£	**£**
Staff costs	342,101	302,756
Depreciation and impairment	1,608	4,113
Other staff costs	-	258
Office expenses	18,371	17,479
Light and heat	707	1,591
Travel and subsistence	1,371	7,236
Repairs and maintenance (including rent and rates)	34,616	38,938
Advertising	9,072	4,258
Books, periodicals and project materials	298,865	169,852
Bank charges	382	327
Irrecoverable VAT	3,530	2,701
Third party grant distributions	-	(7,587)
Bad debts	(18)	(140)
Computer and website costs	1,755	2,890
	712,360	544,672
Share of governance costs (see note 7)	17,855	3,347
	730,215	548,019
Analysis by fund		
Unrestricted funds	334,893	334,188
Restricted funds	395,322	213,831
	730,215	548,019

7 Governance costs

	2021	2020
	£	£
Legal fees	2,840	455
Consultancy	12,000	
Other accounting fees	66	42
Independent examiner's fee	2,950	2,850
Charitable activities	17,855	3,347

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
	13	10

Employment costs	2021	2020
	£	£
Wages and salaries	311,137	273,314
Social security costs	21,840	20,310
Other pension costs	9,124	9,132
	342,101	302,756

No employee received emoluments of more than £60,000 during the year. The total employee benefits of the key management personnel of the charity were £99,824 (2020 - £105,094).

One member of key management personnel was furloughed for three weeks in May 2020 when there was a great deal of uncertainty about funding and the activities of the organisation going forward. Because he wasn't supporting the delivery of core services at that point the SMT and board agreed that in order to save money it would be sensible to place him on furlough for a short period whilst the overall picture became clearer.

10 Other gains/(losses)

	Unrestricted funds	Total
	2021	2020
	£	£
Foreign exchange gains	(62)	(229)

11 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	**£**	**£**
Cost			
At 1 April 2020	15,743	61,167	76,910
Additions	-	3,620	3,620
At 31 March 2021	15,743	64,787	80,530
Depreciation and impairment			
At 1 April 2020	15,743	59,028	74,771
Depreciation charged in the year	-	1,607	1,607
At 31 March 2021	15,743	60,635	76,378
Carrying amount			
At 31 March 2021	-	4,152	4,152
At 31 March 2020	-	2,138	2,138

12 Fixed asset investments

	2020
	£
Cost or valuation	
At 1 April 2020 & 31 March 2021	1
Carrying amount	
At 31 March 2021	1
At 31 March 2020	1

13 Debtors

	2021	2020
Amounts falling due within one year:	**£**	**£**
Trade debtors	98,383	89,786
Other debtors	61,767	63,587
Prepayments and accrued income	23,839	8,427
	183,989	161,800

14 Creditors: amounts falling due within one year

	2021	2020
	£	**£**
Other taxation and social security	41,456	21,228
Trade creditors	29,507	9,067
Accruals and deferred income	8,368	4,926
	79,331	35,221

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds			
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Hitting the Cold Spots - HHS2	102,782	52,348	(104,839)	-	50,291
Big Energy Saving Network	477	-	(147)	-	330
Clean Air Network	1,575	-	-	-	1,575
Resilient Community Fund	25,401	-	(2,458)	-	22,943
Raising Standards for Tenants	-	13,205	(15,050)	1,845	-
Southampton City Council	3,702	66,755	(65,012)	-	5,445
Innovation and Enforcement Grant	13,124	-	(733)	-	12,391
Carbon Offset Fund	2,156	31,478	(33,245)	-	389
National Emergency Trust	-	8,711	(8,711)	-	-
Public Health	1,799	-	(3,985)	2,186	-
Switched on Portsmouth	-	61,608	(68,176)	6,568	-
COVID 19 Crisis Fund Redress	-	42,794	(42,794)	-	-
Gosport Borough Council	-	1,000	(1,000)	-	-
Eastleigh Borough Council	-	500	(500)	-	-
IT Grant	-	9,814	(9,814)	-	-
COVID Winter Fund	-	44,000	(38,858)	-	5,142
	151,016	332,213	(395,322)	10,599	98,506

15 Restricted funds **(Continued)**

The specific purposes for which the funds are to be applied are as follows:

Hitting the Cold Spots (HHS2/RDF/WCC) - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

Big Energy Saving Network (BESN) - Providing advice to vulnerable consumers on energy issues and training frontline workers to enable them to provide advice on energy issues to their clients.

Clean Air Network (CAN) - Co-facilitation of the Southampton Clean Air Network which brings together individuals and organisations committed to reducing air pollution in the city, so that they can support and share resources with each other, and encourage and inspire others to take action.

Resilient Community Fund (SSEN) - A 2 year project designed to reach out to multiple vulnerable and disadvantaged communities in Hampshire, who might not otherwise be able to access help and advice. tEC supports households in these communities with face-to-face energy advice at outreach events or through referrals from engaged services. By reaching out to these communities we aim to reduce their risk of fuel poverty and support them with staying warm and well in their homes.

Raising Standards for Tenants (RST) - To improve housing conditions for vulnerable residents living in the worst performing privately rented properties. We will do this by raising awareness of Minimum Energy Efficiency Standards (MEES) and housing health and safety rating system (HHSRS) amongst tenants and landlords, as well as increasing energy literacy and empowering tenants to act.

Southampton City Council (SCC) - Heating and installation at various addresses on behalf of Southampton City Council.

Innovation and Enforcement Grant- To raise property standards by ensuring that all properties being rented out not only meet the Minimum Energy Efficiency Standards (MEES) but are free from any category one and two hazards as defined by housing health and safety rating system (HHSRS), with a particular focus on heating and insulation of the property.

Carbon Offset Fund- All major developments in Southampton should (as far is a reasonably practicable) comply with the cities ambition for new builds to be Zero Carbon. The primary aim of the Carbon Offset Scheme is to achieve significant carbon reductions on site and to get as close to zero carbon as possible. Once all efforts have been made to achieve this standard any additional calculated carbon emissions will be offset by paying into a carbon offset fund. Offset payments are then collected from developers at an agreed rate using the Section 106 mechanism and ring fenced for carbon reduction/fuel poverty interventions for low income or vulnerable households. tEC administers this fund on behalf of Southampton City Council and is paid a management fee for doing so.

National Emergency Trust- Administered by Hampshire and Isle of Wight Community Foundation and designed to support Hampshire residents through the pandemic. Tec was awarded £8,710.84 to help low income households across Hampshire at risk from fuel poverty.

Public Health (PH) - £10,000 grant funding was provided by Public Health Southampton to support the Environment Centre (tEC)'s Raising Standards for Southampton Tenants project in reducing fuel poverty.

15 Restricted funds **(Continued)**

Switched on Portsmouth (SOP) - A two year project designed to reach out to vulnerable and disadvantaged communities in Portsmouth to reduce their risk of fuel poverty and support them to stay warm and well in their home. It will complement, and extend the reach of existing activities through a single point of contact for affordable warmth advice and support in the city.

COVID 19 - Crisis Fund Redress - The COVID-19 Crisis fund is an emergency fund to support households in vulnerable situations during the COVID-19 pandemic, to maintain adequate energy supplies for health and wellbeing and to avoid self-disconnection. The fund was established in recognition of the additional burden for COVID 19 outbreak is having on vulnerable households, who may struggle to pay their fuel bills due to loss of income or increased fuel use.

IT Grant - Southampton Voluntary Service secured £100k from Southampton City Clinical Commissioning Group to help the voluntary and charitable sector with essential IT upgrades to support and enhance the new models of working in response to the ongoing COVID 19 pandemic. tEC was awarded £9814.75 on the 4th December 2020

COVID Winter Funds - Funding from the Department of Work and Pensions passed through to Portsmouth City Council. Portsmouth commissioned tEC to distribute Fuel Vouchers to Fuel Poor residents on pre-payment meters.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds	
	Balance at 1 April 2020	**Incoming resources**	**Balance at 31 March 2021**
	£	**£**	**£**
Designated	30,000	-	30,000
	30,000	-	30,000

The designated fund represents amounts designated by the board in respect of a future office move and dilapidations, staff training and development, upgrade of the company vehicle and match funding.

17 Analysis of net assets between funds

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Tangible assets	4,152	-	4,152	2,138
Investments	1	-	1	1
Current assets/(liabilities)	179,061	98,506	277,567	280,702
	183,214	98,506	281,720	282,841

18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2021	2020
	£	£
Within one year	14,639	6,787
Between two and five years	45,367	1,029
	60,006	7,816

19 Related party transactions

There were no related party transactions during the current or prior year.

20 Charity status

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

21	Cash generated from operations	2021	2020
		£	£
	Deficit for the year	(1,182)	(45,730)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(74)	(339)
	Foreign exchange differences	62	229
	Depreciation and impairment of tangible fixed assets	1,607	4,113
	Movements in working capital:		
	(Increase)/decrease in debtors	(22,189)	86,926
	Increase/(decrease) in creditors	44,108	(21,439)
	Cash generated from operations	22,332	23,760