

Company registration number: 3897720

Charity registration number: 1078994

# Sustainability First

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# **Sustainability First**

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# **Sustainability First**

## **Reference and Administrative Details**

### **Patrons**

Edward Cattle  
Lord Larry Whitty  
Baroness Anne McIntosh  
Lord Robin Teverson

### **Trustees**

John Lunn, Chair  
Edward de Salis Young, Treasurer  
Sarah Deasley  
David Sigsworth  
Derek Lickorish  
Joe Perkins  
Lucy Holdaway  
Steve Harman, Vice Chair  
Eugenio Lupi  
Amy Whitney

### **Secretary**

Claire Williams

### **Senior Management Team**

David Murray, Executive Director  
Claire Williams

### **Charity Registration Number**

1078994

### **Company Registration Number**

3897720

### **Registered Office**

85 Great Portland Street  
First Floor  
London  
W1W 7LT

### **Independent Examiner**

John O'Brien, employee of  
Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

# **Sustainability First**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2024.

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Philip Barton, Chair, resigned 26/09/24
	Professor Gordon Mackerron, resigned 13/06/24
	Sarah Deasley
	David Sigworth
	Derek Lickorish
	Joe Perkins, Treasurer to 26/09/24
	Steve Harman, Vice Chair
	Jade McGhee, resigned 26/09/24
	Lucy Holdaway
	Eugenio Lupi
	Amy Whitney
	Edward de Salis Young, appointed 26/09/24, Treasurer from 26/09/24
	John Lunn, appointed 26/09/24, Chair from 26/09/24

Secretary:

Claire Williams

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 21st December 1999 and recently amended 30th June 2016. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

#### ***Recruitment and appointment of trustees***

Overall management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the memorandum and articles of association. New trustees are sought by recommendation or through advertisement and interviewed, selected candidates are appointed with the agreement of the Board. Day to day project activity is managed and carried out by employees, supported by associates, who are contracted experts in sustainability, and unpaid trustees.

# **Sustainability First**

## **Trustees' Report**

### **Objectives and activities**

#### ***Objects and aims***

The principal objects of the charity are:

- To advance the knowledge and understanding of the environmental, economic and social dimensions of sustainability;
- To undertake and procure research and study, publishing any useful results;
- To promote ideas, actions and changes to further the integration of the quality of life with environmental protection. This includes the combating of climate change and global warming, at a community, regional, national and international level.

#### ***Public benefit***

The main activities undertaken to benefit the public are to procure research on sustainability, promote wider education on sustainability and public interest issues, particularly in water and energy, and publish useful results. These activities benefit the public by advancing the knowledge and understanding of the environmental, economic and social dimensions of sustainability. This is achieved by engaging in research and analysis, publishing the results freely and using research for discussion for key players in the fields of sustainable energy and water. The beneficiaries are the users and future users of energy and water supplies in the UK and the environment in which they live.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Achievements and performance**

During this year Sustainability First has continued to champion progressive thinking and practical solutions at the intersection of energy, water, and climate. Against a backdrop of growing environmental urgency and economic uncertainty, we have worked to amplify unheard voices, challenge outdated governance models, and bring people together to shape a fairer, more sustainable future. From advocating for vulnerable energy consumers to spearheading national conversations on emerging environmental threats, our work has been rooted in collaboration, integrity, and impact. Our funding comes through subscriptions to our Sustainability Leaders programme, project funding for advisory work, grants for specific studies and some donations. This report sets out the highlights from the past year and our ambitions for the road ahead.

#### **Sustainability Leaders Group**

Our new subscription approach to consultancy support continues to go from strength to strength. Representing close to 50% of our annual revenues, our growing group of companies in the energy and water sectors meet for policy roundtable discussions, have quarterly bilateral meetings, enjoy consultancy expertise at a discounted rate, and have cross-sectoral networking opportunities. We will continue to grow this income stream, and the scale of this network in the years ahead.

#### **Kickstarting a national conversation on SF6**

SF6 is a highly potent greenhouse gas, widely used by the electricity networks in their equipment. New legislation at EU level makes finding alternatives a priority. However, alternatives that have been piloted typically use “forever chemicals” (PFAS). This raises questions about how networks should balance these concerns given the significant network growth needed to meet net zero. Sustainability First hosted a roundtable seminar on SF6 to start a national conversation on how we manage the use of SF6 and other forever chemicals in our energy networks.

# **Sustainability First**

## **Trustees' Report**

### **Advocating flexibility in regulation**

Sustainability First advocated the importance of flexibility and outcomes based regulation rather than process-led regulation through our input into the price review methodology for the water industry, PR24.

### **Speaking up for unheard voices - Economy 7**

Sustainability First hosted a roundtable on time of use tariffs and the energy price cap, highlighting the need for changes to be made to the price cap to better support and protect vulnerable consumers who may be on the wrong energy tariff. It is estimated that of the 3 million households on Economy 7 tariffs, 50% of these consumers do not have Economy 7 heating systems in their homes anymore, leading to extremely high energy costs in the day (in some cases, three times the capped energy price). We advocated change with Ofgem, and continue to pursue this important policy area as time of use tariffs will become a larger portion of the energy consumer landscape in the future.

### **RIIO3 Energy Price Review**

Sustainability First made formal submissions to the various Ofgem consultations on the future energy price review, known as RIIO 3. We welcomed the focus on the investment needed to meet Net Zero but urged Ofgem to emphasise the companies' own environmental impacts in areas like SF6 emissions, energy losses and methane leakage. We also highlighted the need for wider engagement on the difficult inter-generational questions around the future of the gas networks.

### **Reform of Electricity Market Arrangements (REMA)**

The REMA options being considered represent not just a potential opportunity for consumers but also many potential risks. In the latest consultation from DESNZ on REMA, we continued to urge DESNZ, Ofgem and the NESO to ensure fair outcomes for all end-users.

### **Environmental Performance Assessments**

Ahead of the Environment Agency's consultation, Sustainability First made the case for a fundamental reset on how water company performance for the environment is assessed. Our paper highlighted the need for an independent EPA with robust enforcement powers, embedding key environmental principles, such as precaution and polluter pays, into decision-making. We call for clear monitoring, reporting, and enforcement mechanisms to ensure compliance and the need for collaboration between government, regulators, businesses, and communities for more effective environmental management.

### **Jobs and Skills in Green Technology**

The energy and water sectors need to make a transformative shift to decarbonise, expand and upgrade ageing infrastructure, harnessing the latest technological advancements. This shift presents a huge opportunity to inject fresh, diverse talent into the utilities' workforce through a surge in green tech jobs and skills. Sustainability First hosted a roundtable and then published a report, funded by the Hg Foundation, examining the opportunities and challenges that green tech jobs and skills present to the energy and water sectors.

# **Sustainability First**

## **Trustees' Report**

### **Nature Based Solutions in Water**

We urged the water industry to embrace community and nature-based solutions as part of a wider overhaul of the outdated governance models in water, to safeguard water quality and revive river health. At the annual Fresh Water Conference, hosted by the Chartered Institute for Water and Environmental Management (CIWEM), we outlined transformative recommendations for policy, leadership, and community engagement to tackle the urgent threats facing our waterways. We propose a radical rethink of catchment governance, aligning efforts with the actual pressures on water systems and empowering those best placed to address them: Addressing land use, infrastructure, pollution, and societal behaviours to create a comprehensive plan and integrated management; Collaborative Partnerships aimed at optimising co-investment between public and private entities to address both environmental and social challenges; empowering Catchment Plans by establishing authoritative plans with clear governance structures and a systems-based hierarchy; and promoting adaptive Governance to embrace risk-based, flexible approaches to reflect the complexities of natural systems while ensuring plans remain financeable.

### **Tackling Vulnerability**

Supporting customers in vulnerable situations remains a central focus for Sustainability First. Over the past year, we have successfully advocated for the introduction of minimum standards in the water sector to enhance access to essential services, particularly for those with additional needs. This includes new requirements for water companies to develop, in consultation with stakeholders, comprehensive strategies for supporting both current and future vulnerable customers and those on low incomes. Companies are now expected to transparently report on their progress in these areas, ensuring greater accountability and continuous improvement. We have also inputted into the Cunliffe review to ensure a fairer and more inclusive water sector and supported calls for a water social tariff, with a particular focus on ensuring the working poor are eligible.

We have championed the safeguarding of innovation funding for services aimed at vulnerable customers and community initiatives within the RIIO-3 energy price controls. Our ongoing engagement and research strives to ensure that decisions about the future of energy retail markets and the broader energy transition are made fairly, with particular attention to the needs of low-income households and those at risk of exclusion. Our efforts to address fuel poverty have included partnerships with other NGOs and charities, ministerial meetings to discuss the new fuel poverty strategy, and contributions to research on delivering affordable warmth.

Our vulnerability forecasting has highlighted the increasing and evolving need for support services and inclusive design, reflecting the challenges posed by an aging and increasingly disabled population, as well as the impacts of climate and social change on household and community resilience. We continue to assist utilities in improving their service planning and design through new research and enhanced use of data and insights.

Additionally, we have initiated discussions with the Essential Services Access Network (ESAN) to explore the possibility of coordinating its work in the coming years. Looking ahead, tackling vulnerability will remain a key objective for Sustainability First in 2025 and beyond.

### **Plans for 2025**

Our primary long-term goal is to promote transformative change in the energy and water sectors, achieving a fairer, more sustainable future through research, engagement, and advocacy. The energy and water sectors play a critical role in combating climate change and environmental degradation. By embedding sustainability, they can support a just transition to a decarbonised future. Rising costs and inequitable access to energy and water exacerbate social inequalities. We aim to promote affordability and inclusivity to help rebuild public trust and support consumers living in vulnerable situations. We will aim to engage diverse stakeholders and communities to ensure decision-making better reflects the needs and values of all, including future generations, enhancing inclusivity and societal buy-in.

# Sustainability First

## Trustees' Report

We have five key objectives for the year ahead:

1. **Literacy and Engagement:** We aim to enhance the public's understanding of energy, water, and climate issues through creative and inclusive engagement, empowering informed decision-making.
2. **Policy Advocacy:** We will work to develop evidence-based recommendations and influence policies, regulations, and business practices to further embed sustainability at all levels.
3. **Equity-Centric Solutions:** We will promote the importance of centring affordability and fairness in investment and pricing strategies, to ensure accessibility for all, while safeguarding environmental goals.
4. **Collaboration and Partnerships:** Working with governments, regulators, industry, and communities we aim to co-create innovative, sustainable solutions through collaboration and partnership building.
5. **Transparent Measurement:** Tracking and communicating impact through clear metrics, annual reporting, and stakeholder feedback to ensure accountability and continuous improvement.

### Staff Changes

This year, we said thank you and farewell to our Senior Communications Officer, Clare Davidson, who took up a post in central government, and Sophie Grinnell, our Senior Policy Researcher, who is now Associate Director at Jacobs leading their health impact assessment work. We have recruited replacements for both roles as we continue to need both research and communications expertise and capacity in the organisation. Our two part-time Policy Directors, Zoe McLead and Martin Hurst, completed their short-term contracts in June 2024 but have continued to be involved with Sustainability First as contractors, from time to time.

### Trustee Changes

After many years of support, Phil Barton, Chair, retired from our board of trustees in September. We thank him for his significant contributions to the charity over this time. We also said farewell to Gordon Mackerron who retired from the board, in June and Jade McGhee who resigned from the Board in September. We went through a successful and competitive recruitment process for a new chair and a new treasurer, and welcome John Lunn to the post of Chair and Ed de Salis Young as Treasurer, both were appointed at the September 2024 board meeting.



# Sustainability First

## Trustees' Report

### **Financial review**

Sustainability First reports a net movement in funds for the year ended 31 December 2024 of £2,693 inflow (2023: £117,214 outflow). The income for the year of £ 470,877 (2023: £294,202) was mainly generated from subscriptions to our Sustainability Leaders Programme and a series of projects involving research and analysis as described above. We received a grant from Hg Foundation in 2024 which was applied to a project to identify opportunities for increasing Green tech jobs and skills in the energy and water sectors. We also were awarded a grant by the European Climate Foundation for work over a 15-month period which seeks to demonstrate to a targeted high-level audience of policy and industry decision makers the crucial role of community engagement and embed best practice into decision making.

Other income has been secured in the early months of 2025 which will fund the charity's work going forward. Some of the projects were completed during the year, others were on-going at the end of the year. The total expenditure on charitable activities during the year was £468,184 (2023: £411,416). The reserves carried forward at the end of the period were £191,341 (2023: £188,648). Some expenditure was made completing projects funded in 2023, utilising the designated reserves in the year. The trustees recognise and anticipate that there will be some expenditure out of the reserves to complete the projects that were on-going at the end of the year. The trustees have decided to designate £12,200 (2023: £7,000) of General funds to cover delayed project activities (mainly research and workshops) which will be delivered in 2025. Details will be provided in the Financial Statements to 31 December 2025 in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations at that date. Income will also be used to continue to develop new income streams to allow for an increase in the range of activities undertaken by Sustainability First including dissemination, research and communications.

During 2025, as highlighted earlier in the report, we have already generated income from renewed and new subscriptions to our Sustainability Leaders Network and secured funding for several new projects. Securing income remains a priority for the trustees and staff as Sustainability First continues to improve its financial stability.

### ***Policy on reserves***

The trustees of Sustainability First have considered the Charity Commission Guidance; Charity Reserves : Building Resilience (CC19 updated 14 June 2023), The charity's Policy seeks to: set suitable levels of reserves which the charity should hold; monitor actual reserves against the agreed targets and take action to maintain reserves at the agreed levels. The desired level of unrestricted reserves is discussed by trustees at least annually. The level of any designated reserves is not included in the unrestricted reserves balance.

**Policy on Reserves:** The Trustees consider that the charity should aim to hold sufficient reserves to cover forecast core costs so that the charity may continue in operation; so that existing projects can be completed; and new income can be secured. As most of the Charity's funding is secured on a year-by-year basis rather than being guaranteed, the Trustees consider that they wish to aim to retain sufficient reserves to meet core overhead costs for one year ahead. As a minimum, so as to allow for changes to be made should funding not be secured as hoped, Sustainability First will always aim to maintain sufficient reserves to cover core costs for a minimum of six months. The Trustees have agreed on courses of action the charity will take if reserve levels are forecast to drop below the agreed target levels. The actual and forecast levels of Sustainability First's reserves are noted each quarter via the finance report to Trustees and the policy is considered annually.

# **Sustainability First**

## **Trustees' Report**

### ***Use of reserves and viability***

At the end of 2024 the level of reserves was £191,341. As mentioned above, £12,200 was designated from the General fund to cover costs to complete projects that were on-going at the end of the year, also there were £276 worth of net fixed assets. This effectively left General reserves, not designated, of £178,865 which represented 10.9 months' worth of core operating and development costs, other than those covered by designated funds. Whilst this level is slightly lower than the target, the trustees have examined the projected reserves level in years to come and anticipate that the level can be maintained or increased. New projects and income sources continue to be developed. The Trustees have considered the plans for the future and are confident that the charity remains viable.

### ***Principal risks and uncertainties***

#### ***Main risks***

The trustees have reviewed the risks to the charity during the year and have identified the main risks as relating to: potential loss of key staff and sub-contractors; lack of long term funding as well as new shorter term projects; quality assurance and reputational loss (especially on short term pieces of work and from sub-contracted work with other organisations). Of moderate risk the trustees included: project capacity constraints, possible conflicts of interest and possible breaches of sponsor confidentiality / IP and breaches of GDPR, IT and data security and the forecast reserves level. Other risks considered to be more minor, such as political risks, were also discussed.

The trustees consider that suitable actions are being taken and controls have been put in place to control and mitigate these risks. These include: reviewing salaries to ensure they are competitive; recruiting more sub-contractors and maintaining their involvement; developing a range of funding initiatives and securing subscription membership renewals; regular Chair/ Executive Director 1:1s, maintaining involvement of a range of associates and improving project management; instigating more regular reviews of the financial position and prospective income between the Treasurer and senior staff; having more core support staff available; continued input from the Remuneration and Personnel Panel which has been looking at personnel matters; ensuring quality control of reports and publications by review processes; holding regular team discussions and sharing project outputs and increasing the methods of communicating with our audiences, sponsors and the public; ensuring sponsors remain satisfied with work produced by discussion with them; seeking new sponsors; improving web-site, branding and communications, benefiting from the advice of the Communications Panel; ensuring all staff and contractors are aware of the need for confidentiality relating to IP and GDPR; keeping a register of interests for trustees, staff and contractors; ensuring suitable insurance policies are in place; maintaining IT capability to store data safely.

In addition to the review of risks which took place during the year, the trustees considered the various Sustainability First policies and procedures and updated these and added to them to reflect the nature of work undertaken. The trustees reviewed the plans for the organisation, continued to implement the 2023 strategy for the next few years and regularly considered how these plans needed to be adapted to deal with the development of the charity.

## **Sustainability First**

### **Trustees' Report**

#### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Sustainability First for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 8 April 2025 and signed on its behalf by:

John Lunn  
John Lunn  
Trustee and Chair

## **Sustainability First**

### **Independent Examiner's Report to the trustees of Sustainability First ('the Company')**

#### **Independent examiner's report to the trustees of Sustainability First ('the Company')**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2024.

#### **Responsibilities and basis of report**

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

Having satisfied myself that the accounts of the Company 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the Company'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 and Fellow of the Association of Charity Independent Examiners, 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 Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

**John O'Brien**

.....

John O'Brien MSc, FAIA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date: 11.06.2025

## Sustainability First

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	26,761	-	26,761	38,300
Charitable activities	3	374,266	66,335	440,601	252,599
Investment income	5	3,515	-	3,515	3,303
Total income		404,542	66,335	470,877	294,202
<b>Expenditure on:</b>					
Charitable activities	6	(404,958)	(63,226)	(468,184)	(411,416)
Total expenditure		(404,958)	(63,226)	(468,184)	(411,416)
Net (expenditure)/income		(416)	3,109	2,693	(117,214)
Transfers between funds		3,109	(3,109)	-	-
Net movement in funds		2,693	-	2,693	(117,214)
<b>Reconciliation of funds</b>					
Total funds brought forward		188,648	-	188,648	305,862
Total funds carried forward	14	191,341	-	191,341	188,648

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 14.

## Sustainability First

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds (as restated) £	Restricted funds (as restated) £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	38,300	-	38,300
Charitable activities	3	250,099	2,500	252,599
Investment income	5	3,303	-	3,303
Total income		291,702	2,500	294,202
<b>Expenditure on:</b>				
Charitable activities	6	(408,916)	(2,500)	(411,416)
Total expenditure		(408,916)	(2,500)	(411,416)
Net expenditure		(117,214)	-	(117,214)
Net movement in funds		(117,214)	-	(117,214)
<b>Reconciliation of funds</b>				
Total funds brought forward		305,862	-	305,862
Total funds carried forward	14	188,648	-	188,648

The notes on pages 14 to 24 form an integral part of these financial statements.

**Sustainability First**  
**(Registration number: 3897720)**  
**Balance Sheet as at 31 December 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	8	276	552
<b>Current assets</b>			
Debtors	9	118,698	13,816
Cash at bank and in hand		304,041	230,391
		422,739	244,207
<b>Creditors: Amounts falling due within one year</b>	10	(231,674)	(56,111)
<b>Net current assets</b>		191,065	188,096
<b>Net assets</b>		191,341	188,648
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		191,341	188,648
<b>Total funds</b>	14	191,341	188,648

For the financial year ending 31 December 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 24 were approved by the trustees, and authorised for issue on 8 April 2025 and signed on their behalf by:

Edward de Salis Young  
Edward de Salis Young  
Trustee and Treasurer

The notes on pages 14 to 24 form an integral part of these financial statements.

## **Sustainability First**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### **1 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Sustainability First meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

##### **Exemption from preparing a cash flow statement**

Under the exemption available to smaller charities the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

##### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.



## **Sustainability First**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### **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 attributed 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 depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

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.

#### **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.

#### **Tangible fixed assets**

Individual fixed assets costing £500.00 or more are initially recorded at cost.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
IT equipment	33.3% straight line

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or 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 interest 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 of the receivables.

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement 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 interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Pension costs charges in the Statement of Financial Activities represent the contributions payable by the charity during the year.

## 2 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Donations from individuals	1,761	1,761	38,300
Grants, including capital grants;			
Grants from other charities	25,000	25,000	-
	26,761	26,761	38,300

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £(as restated)
Membership & sponsorship fees	374,266	-	374,266	250,099
Grants	-	66,335	66,335	2,500
	<u>374,266</u>	<u>66,335</u>	<u>440,601</u>	<u>252,599</u>

#### 4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Hg Foundation	-	47,500	47,500
European Climate Foundation	-	18,835	18,835
The Meads Trust	25,000	-	25,000
Sundry donations	1,761	-	1,761
	<u>26,761</u>	<u>66,335</u>	<u>93,096</u>

#### 5 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	3,515	3,515	3,303
	<u>3,515</u>	<u>3,515</u>	<u>3,303</u>

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Communications	-	-	-	2,063
Accountancy & bookkeeping service	12,600	-	12,600	12,000
Competition & exhibition costs	-	-	-	75
Consultancy fees	197,989	25,922	223,911	132,283
Depreciation	276	-	276	276
Incentive payments	-	-	-	10,540
Insurance	5,241	-	5,241	5,124
Irrecoverable VAT	827	4,227	5,054	2,834
IT consultancy & software	21,730	-	21,730	9,283
Legal & professional	3,172	195	3,367	700
Meals & catering	390	-	390	-
Office accommodation	401	-	401	840
Payroll fees	595	-	595	708
Printing, postage & stationery	56	19	75	133
Subscriptions	9,741	-	9,741	7,612
Sundry expenditure	183	17	200	793
Travel, meetings & conference costs	3,640	401	4,041	9,350
Trustee travel & subsistence	243	-	243	410
Wages, NI & pension	146,458	32,445	178,903	216,392
Bank charges	62	-	62	-
Advertising	1,354	-	1,354	-
	404,958	63,226	468,184	411,416

The figures in note 6 represent expenditure made and committed in the year. The trustees have identified £12,200 of expenditure relevant to projects which represent expected costs of delivery of certain projects in future periods which Sustainability First has indicated to sponsors will be incurred in the forthcoming periods. The trustees have chosen to designate these funds accordingly see notes 14 and 15.

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 7 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
<b>Staff costs during the year were:</b>		
Wages and salaries	158,949	191,550
Social security costs	11,157	14,108
Pension costs	8,797	10,734
	<u>178,903</u>	<u>216,392</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2024 No	2023 No
Average number of employees	<u>4</u>	<u>6</u>

3 (2023 - 5) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £8,797 (2023 - £10,734).

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£90,001 - £100,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel, including the role of Company Secretary, of the charity were £126,640 (2023 - £152,279).

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 8 Tangible fixed assets

	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2024	1,475	1,475
At 31 December 2024	1,475	1,475
<b>Depreciation</b>		
At 1 January 2024	923	923
Charge for the year	276	276
At 31 December 2024	1,199	1,199
<b>Net book value</b>		
At 31 December 2024	276	276
At 31 December 2023	552	552

#### 9 Debtors

	<b>2024 £</b>	<b>2023 £</b>
Trade debtors	58,200	-
Prepayments	7,591	5,686
Accrued income	52,907	8,130
	118,698	13,816

#### 10 Creditors: amounts falling due within one year

	<b>2024 £</b>	<b>2023 £</b>
Trade creditors	3,503	8,375
Other taxation and social security	12,003	1,058
Other creditors	943	-
Accruals	124,886	24,845
Deferred income	90,339	21,833
	231,674	56,111

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 11 Charity status

The charity is a company 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.

#### 12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 13 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2024 £	2023 £
Independent examination	775	700
Other financial services	595	708
	<hr/> 1,370	<hr/> 1,408

## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 14 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
<b>Unrestricted funds</b>					
<i>General</i>					
General	181,648	404,542	(404,958)	(2,091)	179,141
<i>Designated</i>					
Activities	7,000	-	-	5,200	12,200
<b>Total unrestricted funds</b>	<b>188,648</b>	<b>404,542</b>	<b>(404,958)</b>	<b>3,109</b>	<b>191,341</b>
<b>Restricted funds</b>					
Hg Foundation	-	47,500	(44,391)	(3,109)	-
European Climate Foundation (ECF)	-	18,835	(18,835)	-	-
<b>Total restricted funds</b>	<b>-</b>	<b>66,335</b>	<b>(63,226)</b>	<b>(3,109)</b>	<b>-</b>
<b>Total funds</b>	<b>188,648</b>	<b>470,877</b>	<b>(468,184)</b>	<b>-</b>	<b>191,341</b>

The transfer from the Hg Foundation fund to the General fund relates to activities which have ceased, and the release of any restrictions on the use of these funds.

The transfer from the General fund to the Activities fund represents the increase needed for the expenditure identified per the note in note 6.

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

The Designated activities fund is to cover activities (workshops, conferences, travel and sub-contractors) which will be delivered in future periods.

Hg Foundation - Relates to a grant of £50,000 from the Hg Foundation for work relating to the production of a research report exploring green tech jobs and skills in the energy and water sectors in Great Britain.

European Climate Foundation (ECF) - This grant of up to £94,513 for work during 2024 and 2025, seeks to demonstrate to a targeted high-level audience of policy and industry decision makers the crucial role of community engagement and embed best practice into decision making.



## Sustainability First

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 1 January 2023 £	Incoming resources (as restated) £	Resources expended (as restated) £	Transfers £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>					
<i>General</i>					
General	288,862	291,702	(408,916)	10,000	181,648
<i>Designated</i>					
Activities	17,000	-	-	(10,000)	7,000
<b>Total unrestricted funds</b>	305,862	291,702	(408,916)	-	188,648
<b>Restricted</b>					
Hg Foundation	-	2,500	(2,500)	-	-
<b>Total funds</b>	305,862	294,202	(411,416)	-	188,648

#### 15 Analysis of net assets between funds

	<b>Unrestricted</b>			<b>2024</b>
	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total funds</b>
	£	£	£	£
Tangible fixed assets	276	-	-	276
Current assets	382,117	12,200	28,422	422,739
Current liabilities	(203,252)	-	(28,422)	(231,674)
<b>Total net assets</b>	179,141	12,200	-	191,341

  

	<b>Unrestricted</b>			<b>2023</b>
	<b>(as restated)</b>	<b>Designated</b>	<b>(as restated)</b>	<b>Total funds</b>
	<b>General</b>	<b>£</b>	<b>Restricted</b>	<b>£</b>
	£	£	£	£
Tangible fixed assets	552	-	-	552
Current assets	234,707	7,000	2,500	244,207
Current liabilities	(53,611)	-	(2,500)	(56,111)
<b>Total net assets</b>	181,648	7,000	-	188,648

## **Sustainability First**

### **Notes to the Financial Statements for the Year Ended 31 December 2024**

#### **16 Trustees remuneration and expenses**

During the year the charity made the following transactions with trustees:

##### **David Sigsworth**

£Nil (2023: £205) of expenses were reimbursed to David Sigsworth during the year.

##### **Philip Barton**

£243 (2023: £206) of expenses were reimbursed to Philip Barton during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

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

#### **17 Related party transactions**

There were no related party transactions in the year.