

CIO Registration No. 1179578

Company Registration No. CE014895 (England and Wales)

BRITISH GAS ENERGY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

BRITISH GAS ENERGY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Deacon CBE W Gillis M McGillicuddy A Gohil M Corti R Kennedy	(Appointed 21 March 2024) (Appointed 19 June 2024) (Appointed 19 June 2024)
Chief Executive Officer	Jessica Taplin	
CIO registration number	1179578	
Auditor	Azets Audit Services Westpoint Lynch Wood Peterborough Cambridgeshire United Kingdom PE2 6FZ	
Bankers	National Westminster Bank plc PO Box 15 Cathedral Square Peterborough Cambridgeshire PE1 1HW	

BRITISH GAS ENERGY TRUST

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BRITISH GAS ENERGY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Trustees' Report

The Trustees are pleased to present their report, together with the financial statements for the Charitable Incorporated Organisation (CIO), British Gas Energy Trust, for the year 1 April 2023 to 31 March 2024. The CIO British Gas Energy Trust is referred to as the Trust throughout this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and comply with the Trust's governing document, the Charities Act 2011 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 2019). The British Gas Energy Trust which incorporates the Scottish Gas Energy Trust, is an independent Charitable Trust established in 2004. Whilst it remains solely funded by British Gas the Trust is a separate entity, with an independent Board of Trustees.

Our mission: To alleviate the detrimental impact of poverty

We seek to deliver on our mission by helping people in, or at risk of, financial hardship meet their energy needs and manage their energy costs through support, education and raising awareness of sound money management.

Charitable Objectives

The Trust, while conducting its activities, is mindful of the legal requirement for all its charitable aims to be for the public benefit. The public benefits provided by the Trust include:

- Provision of grants to charitable organisations to provide fuel debt advice services in communities.
- Provision of grants to individuals to alleviate fuel debt.
- Provision of other grants, aligned to the Trust's objectives, to help people manage indebtedness.

Strategic aims

- To help people avoid the burden of energy debt, make informed energy choices, and improve their money management skills. We envisage that this will lead to healthier homes and enhanced well-being.
- To enhance the capacity of the organisations we fund: enabling the development and provision of holistic support, money, energy, and advice services; to provide breadth and depth of support to people in financial hardship.

In September 2020, the Trustees approved a Strategic Framework for the Trust from 2020-2026. The framework directly informed the Trust's Theory of Change (ToC). The ToC defines our mission, aims, objectives and the outcomes we seek to deliver.

As a charity we seek to uphold the values of kindness, empathy, respect and working in an innovative, agile, and collaborative way.

BRITISH GAS ENERGY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Introduction from Arvinda Gohil OBE, Chair, British Gas Energy Trust

As incoming Chair I am delighted to mark 20 years since the Trust was established to help fight the detrimental impact of poverty. In that time the Trust has invested nearly £200 million to combat fuel poverty, providing support to over 700,000 individuals across Britain.

Over the past year (April 2023-March 2024) the help offered by the Trust has been critical for many people during a period of continuing high inflation, high energy prices and heightened cost of living. Faced with rising need, the Trust has consistently risen to the challenge, directly supporting over 64,000 people via its three charitable objectives; funding organisations to provide fuel debt advice services in communities, providing grants to individuals to alleviate fuel debt, and the provision of other grants to help people manage indebtedness.

The recently published Oxford Economics research into the Trust's Programmes, shows that our approach leads to meaningful positive impact. During this accounting period the Trust's activities in England created £40 million in net benefits to society, £7 million in Scotland, and £2 million in Wales. This illustrates the cumulative societal impact of combining practical support, in the form of grants and emergency vouchers, with holistic person-centred support to change lives for the better.

This tangible positive impact would not have been possible without the ongoing support of our funder. Trustees were delighted this year to receive a commitment of an additional £20 million of term gift funding, index linked to inflation to preserve its value, from British Gas over the next ten years. This will help us to continue the fight against the detrimental impacts of poverty across Britain. This long-term funding is a first for the Trust and the sustainability and increased planning flexibility it provides will support the Board's planning for the future.

We are well placed to work with our partners to provide longer-term financial security to the 41 frontline money and energy charities that deliver vital support services in fuel-poor communities and to groups most affected by the detrimental impact of poverty. The Board has committed this funding to further the delivery of charitable activities in the two coming years. The Trust will continue to support individuals across multiple areas of need, be it energy debt or health related issues, improving standards of living and leading to more positive outcomes for the household.

The evolution of the Trust as an organisation has continued in 2023/24, with a focus on increasing our capacity and capability to ensure the successful delivery of funding and support for partner organisations.

As of 31 March 2024, the audited accounts indicate that the Trust had reserves of £11.7 million, with almost 95% of these reserves committed to grants over the coming two years. As a Board we are aware of the precarious funding situation facing frontline money and energy advice charities and have committed over £5 million of designated funding to provide continuing support to ongoing activity from 2024-2026 from reserves.

As Trustees we are all very grateful for the dedication and hard work of the CEO and staff team and are thankful to our partner organisations and those who provide support services to the Trust. I would also like to take this opportunity to thank outgoing Chair Helen Charlton and Trustees Albert Chong, Laurie Lee, and Sheila Wheeler, who stepped down this year, for their contribution and support to the Trust.

Arvinda Gohil, Chair

British Gas Energy Trust

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Outcomes of Trust charitable activities:

64,488 people directly helped across England, Scotland, and Wales in the financial year 2023/24, an increase from 21,000 in 2020/21.

The Trust, along with our partner organisations, support individuals facing challenging circumstances, such as long-term illness and disability, which are linked with a higher likelihood of being in fuel poverty.

The Depth of Need

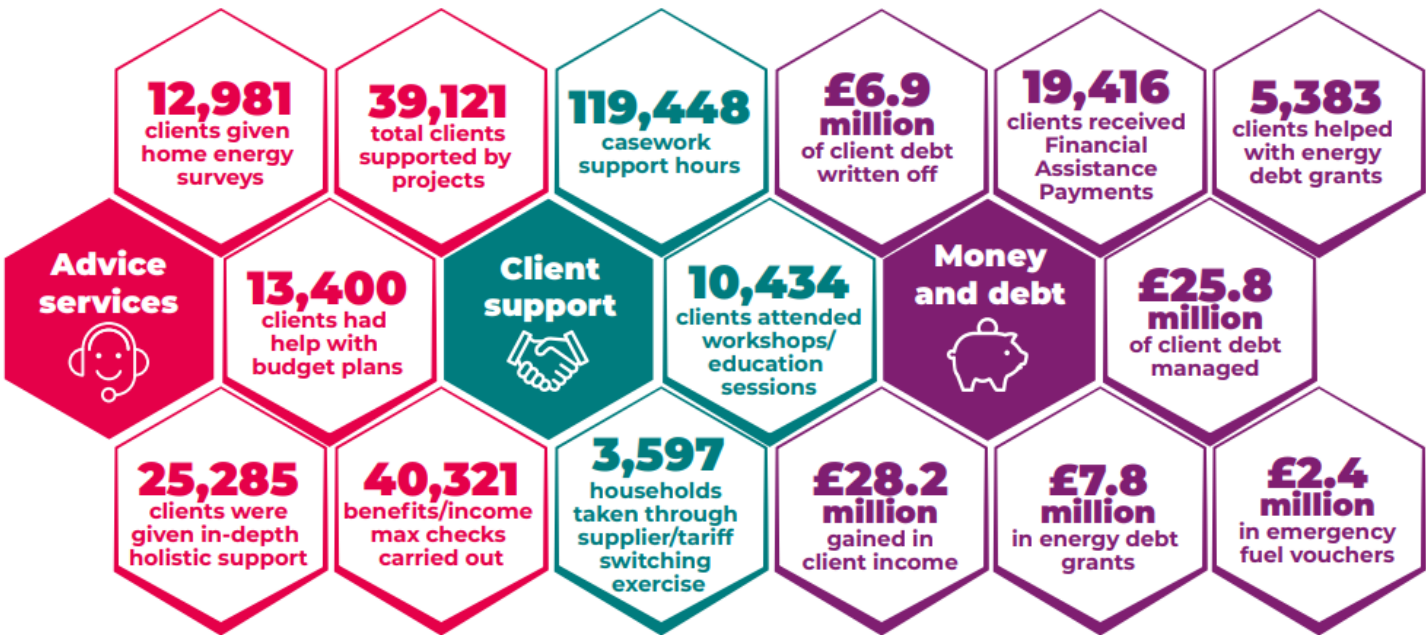
The number of households in fuel poverty has seen a significant increase across Britain since 2020. In England, the number of fuel poor households rose from 4.3 million to 8.9 million from 2020 to 2023, according to one measure. In Scotland, the same measure suggests the number of fuel poor households is expected to have risen from 610,000 to 980,000 between 2019 and 2023.

Our Beneficiaries

When comparing the Trust’s beneficiaries to national benchmarks, the Trust is able to disproportionately reach groups identified as being more likely to be at risk of fuel poverty. For example, beneficiaries of the funded organisations programme are, compared to the population, more likely to be unemployed , more likely to claim universal credit , and more likely to have a long-term illness and/or disability - groups that have all been shown to be more at risk of being in fuel poverty.

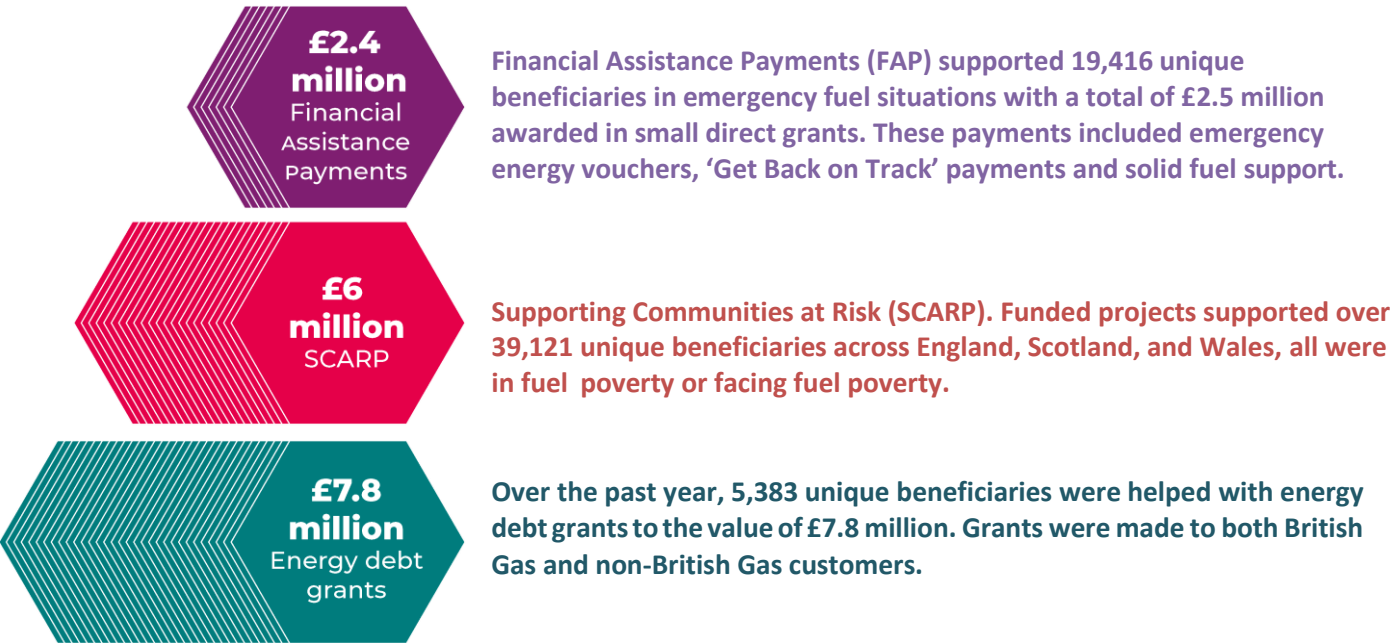
Gillian, Community Advisor, Zinithiya Trust: “Zynthia set up the Trust almost 15 years ago and her main inspiration was to help families out of poverty. The range of work we do can be very varied. We can have a lady come in and have us read a letter for her to explain what it is. Or we could have someone that’s come in with thousands of pounds worth of debt and doesn’t know where to look, doesn’t know where to turn. And we can support them from start to finish, getting things sorted and their life back on track. The Zynthia Trust would not survive without the support of the British Gas Energy Trust.”

Our Impact



BRITISH GAS ENERGY TRUST
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Expenditure via charitable grants



Further information on Trust Programmes:

Supporting Communities at Risk:

The Financial period saw funding awarded to 44 projects to provide money and energy advice support, with a focus on ensuring services were available to respond to the growing numbers of clients with complex needs. Funding enabled energy advisors to provide 119,448 casework hours on energy and money advice across England, Scotland, and Wales.

"I can attest to the transformative impact of the Trust's funding, in enabling three local Citizens Advice offices within the Citizens Advice Essex consortium to place skilled advisers directly in food banks, recognising the undeniable link between food insecurity and fuel poverty."

The Trust's accomplishments, especially in response to rising energy prices, deserve wider recognition. A key strength lies in their collaborative approach, respecting the expertise of funded organizations to address local needs effectively. This autonomy has led to diverse and impactful responses across different organisations"

Martin Lord, Chief Executive, Citizens Advice Essex

Direct Grants

The Trust's direct grants offering consists of the Individual & Families (I&F) Fund, the Energy Support Fund (ESF), and Financial Assistance Payments (FAPs). Both I&F and ESF provide grants to write off fuel debt in full. The main distinction between them is that ESF is exclusively for British Gas customers, whereas both British Gas and non-British Gas customers are eligible for I&F support. Typically, around one in ten individuals accessing I&F support are non-British Gas customers. In 2023-24, I&F supported 1,776 households and ESF supported 3,617 households.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024



I had some debt on my account, and I was struggling in my new home with my toddler adjusting to life as a single parent, to pay my bills. I am so grateful for the help I have received; this has lifted a huge weight off my shoulders."

Grant recipient

White Goods Fund

The Trust launched a new pilot scheme to provide White Goods to households in or at risk of fuel poverty, the scheme launched in the Winter and by the end of the financial year had supported 568 unique beneficiaries with white goods totaling £256,000. The scheme has been welcomed by recipients of the white goods and charities who deem the support vital for both health and food safety, as well as energy efficiency.

Outreach and Education

The Trust's charitable objectives include the prevention and relief of poverty by educating the public about debt awareness and prevention. Over the reporting period the Trust increased its outreach, with the purpose of building awareness and understanding of money and energy advice services and the importance of seeking support for both energy and money worries.

Pop-Ups:

The Trust continued its partnership with the Post Office and British Gas to bring practical support and awareness of money and energy advice to the high street. In total there were 25 Post Office Pop-Up events in communities across England, Scotland, and Wales to help people face the energy crisis; the campaign supported 2,938 people with 7,056 casework hours and will be continuing in 2024/2025.

"The British Gas Energy Trust Post-Office pop-ups allow us to engage with a community that might not otherwise know that we are there. It enables us to provide more support, more holistic support and be able to solve issues that people might be suffering."

Community Engagement and Partnership Officer, Riverside Advice

Trust website and social media:

To increase awareness and access to support, the Trust's website was optimised to provide educational and informative content. Nearly one million people accessed the Trust's website, and engaged with online support portals, blogs, and news articles.

Governance & Oversight:

The Trust, whilst funded by British Gas, operates as a separate and independent charity with decisions and Trustee appointments made by the independent Board of Trustees. Trustees are not remunerated for their roles on the Trustee Board.

The Board of Trustees provides strategic leadership and advice through quarterly meetings of the Board of Trustees and an annual strategic away day. In addition, throughout 2023 / 2024 Trustees were called upon to provide expertise and oversight through quarterly Board sub-committees: the Finance, Audit and Risk Committee (FARC), and the Remuneration and HR Committee (RemComHR) as well as a Trustee Recruitment Task and Finish group.

The Annual budget is set and agreed annually by the Board, covering all agreed income and expenditure allocation, with indicative budgets for two further years prepared as part of the strategic planning and review process, subject to formal annual approval by the Board. Each month, management accounts are prepared comparing the actual budget and any material variances are investigated, and action taken where necessary.

BRITISH GAS ENERGY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

In addition, every quarter the CEO reports to the Board and the Finance Director reports to the Finance Audit and Risk Committee. Trust management accounts are shared quarterly with the Board and monthly with the Treasurer, with the annual financial statements being independently audited.

Alongside the Financial Audit Validera (formerly Haines Watts) conducted an internal audit review 2023/2024 in the following three areas: Funded Organisations, Auriga Services and Financial Controls. Validera identified many areas of good practice in each of the three areas it reviewed and identified areas where there could be improvements, which were implemented in year.

The Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The Trust refers to the Governance Code as part of the annual Governance review alongside abiding by good practice with regards to its relationship with a non-charity.

Trustees set the policy, control, and monitor the Trust's activities and provide good governance, challenge, and oversight in line with the principles of the Charity Governance Code 2017.

The Trustees provide details of any potential conflicts of interest in a central register, which is reviewed annually.

Management Controls

The Trust's Chief Executive, Jessica Taplin, has delegated authority from the Board of Trustees to oversee and manage the day-to-day operations of the Trust. She leads the Trust and supports the Board in delivering the Trust's strategy, overseeing operations, communications and finance and manages relationships with the grants' administrator, funded organisations, British Gas, and other key stakeholders.

The CEO has continued to strengthen the organisation's capacity and capability to deliver against its charitable objects and develop and grow the relationship with our founder and funder, British Gas. This has been particularly important in a period that has seen British Gas increase funding from £6.9 million in 2021/22 to over £24 million in both 2022/23 and 2023/24. Through the commitment and efforts of the Trust's team, the Trust is an efficient, outcomes-led organisation, with the leadership ensuring operational and strategic rigour whilst identifying and implementing new systems and processes.

The CEO is guided by the following Board-approved operating principles:

- ➡ Maintain high operational standards to help ensure continuous delivery of impactful services and interventions.
- ➡ Ensure all funding provided by British Gas is spent in accordance with the aims of the Charity.
- ➡ Be flexible and seek to accommodate and deliver additional funding initiatives in accordance with any restrictions, regulatory guidance or limitations
- ➡ Ensure that any funding with specific restrictions e.g., WHD, is spent in accordance with the restrictions agreed in terms of expenditure type and timeframe.
- ➡ Remain an intelligent, listening Funder ensuring grant making, monitoring and oversight is efficient and not over burdensome.

BRITISH GAS ENERGY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Financial Controls

The Trust, whilst funded by British Gas, is a separate and independent charity, with funding intentions from British Gas outlined in a Memorandum of Understanding. The Trust will continue to deliver in line with the current strategy and approach until 2026.

The Trust conducts its activities in two ways: *making grants to organisations to provide money and energy advice and related support and services; and making grants to individuals and families to provide relief from energy debt and assistance with other energy and money support measures.*

All charitable activity is underpinned by Warm Home Discount funding and supplemented by additional funding from British Gas. Prior to the 2022/23 financial year the Trust received confirmation from British Gas of the minimum level of core Warm Home Discount funding for the period 2022- 2026; this funding underpins the core programmes that the Trust operates.

During the year, a £20 million ten-year term Gift Agreement was signed with British Gas, creating longer term core financial visibility and support for the Trust. In total over this financial period the Trust received donations of £24 million from British Gas.

Financial Review

As at 31 March 2024 the Trust had reserves of £11.7 million consisting of designated reserves of £5.4 million, restricted reserves of £6.0 million and unrestricted general reserves of £267,000. Cash held at the end of the financial year increased due to:

- ◆ The first receipt of £2 million from British Gas in December 2023 under a ten-year Gift Agreement signed in November 2023. This sum has been committed by the Board to support funded organisations in 2024/25 under the SCARP programme.
- ◆ Income of £5 million from British Gas for the Energy Support Fund; This funding is committed to projects within the programme and, in line with programme timelines and is due to be fully expended by the end of March 2025. See detailed note 14 of the Financial Statements.

Designated reserves

In December 2023 Trustees considered the Trust's level of reserves at a time of severe hardship for many households in or at risk of fuel poverty. The agreement of ten-year gift funding with British Gas in November 2023 had provided greater assurance over future funding for the Trust.

The Trustees approved the release of £5 million from reserves and its designation into a new fund the purpose of which is to give grants to organisations and projects to provide relief from the cost-of-living crisis. This reserve will support grants to funded organisations throughout 2024/25 and 2025/26.

Plans for future periods

British Gas, as the Trust's sole funder, has committed a minimum £8.0 million in 2024/25 through Warm Home Discount funding. Under a ten-year Gift Agreement with British Gas annual gift funding of £2 million, index linked to CPI inflation, will be received each November until 2032.

BRITISH GAS ENERGY TRUST
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Structure Governance and Management

The Trust was entered onto the Charity Commission’s Register of Charities on 16 August 2018 with the registered charity number 1179578. On 28 February 2019, all assets from “British Gas Energy Trust”, charity number 1106218, were transferred to the new CIO.

The Trust is governed by a constitution approved by the Board of Trustees on 20 June 2018. In selecting individuals for appointment as Trustees, the Board gives due regard to the skills, knowledge and experience needed for the effective strategic oversight and administration of the Trust.

The following Trustees were on the Board during this financial period:

- Hardial Bhogal (resigned 28th September 2023)
- Helen Charlton – Chair (resigned 18th June 2024)
- Albert Chong – Vice Chair (resigned 21st March 2024)
- Susan Deacon
- William Wright Gillis
- Arvinda Gohil (appointed 21st March 2024)
- Laurie Lee (resigned 18th June 2024)
- Mark McGillicuddy
- Sheila Wheeler (resigned 18th June 2024)

Trustees review and assess the risks faced by the Trust in all areas of its work and plan for management of those risks. The risk register is reviewed on a quarterly basis by the Finance Audit and Risk Committee who make recommendations to the Board who review the risk register at each quarterly Board meeting.

Legal Advisors

The Trust’s legal advisors are Farrer & Co, appointed on 1 April 2021 following a competitive process.

Auditor

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

The Trustees' report was approved by the Board of Trustees.

M McGillicuddy

Treasurer and Trustee Dated: 11/12/2024

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BRITISH GAS ENERGY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees 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).

The law applicable to charities in England and Wales 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 of the charity 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;
- state whether applicable accounting standards 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 charity will continue in operation.

The Trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BRITISH GAS ENERGY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

Opinion

We have audited the financial statements of British Gas Energy Trust (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 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 charity'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 Charities Act 2011.

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 Trustees' 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 charity'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 Trustees 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.

BRITISH GAS ENERGY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

BRITISH GAS ENERGY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

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Chartered Accountants
Statutory Auditor

Westpoint
Lynch Wood
Peterborough
Cambridgeshire
United Kingdom
PE2 6FZ

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BRITISH GAS ENERGY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	11,872,614	12,200,000	24,072,614	7,543,000	17,300,000	24,843,000
Investments	4	157,745	-	157,745	39,767	-	39,767
Total income		12,030,359	12,200,000	24,230,359	7,582,767	17,300,000	24,882,767
<u>Expenditure on:</u>							
Charitable activities	5	11,779,739	6,831,762	18,611,501	4,926,160	17,786,275	22,712,435
Net income for the year/ Net movement in funds		250,620	5,368,238	5,618,858	2,656,607	(486,275)	2,170,332
Fund balances at 1 April 2023		5,445,697	663,266	6,108,963	2,789,090	1,149,541	3,938,631
Fund balances at 31 March 2024		5,696,317	6,031,504	11,727,821	5,445,697	663,266	6,108,963

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

All income and expenditure derive from continuing activities.

BRITISH GAS ENERGY TRUST

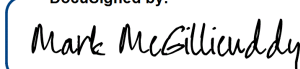
BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	11		13,550		-
Current assets					
Debtors	13	1,015,563		1,918,993	
Cash at bank and in hand		11,009,346		4,522,336	
		12,024,909		6,441,329	
Creditors: amounts falling due within one year	14	(310,638)		(332,366)	
Net current assets			11,714,271		6,108,963
Total assets less current liabilities			11,727,821		6,108,963
Income funds					
Restricted funds	17		6,031,504		663,266
<u>Unrestricted funds</u>					
Designated funds	16	5,429,404		2,944,877	
General unrestricted funds		266,913		2,500,820	
			5,696,317		5,445,697
			11,727,821		6,108,963

The financial statements were approved by the Trustees on

DocuSigned by:



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M McGillicuddy

Trustee

BRITISH GAS ENERGY TRUST**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	21		6,345,385		(1,518,943)
Investing activities					
Purchase of tangible fixed assets		(16,120)		-	
Investment income received		157,745		39,767	
Net cash generated from investing activities			141,625		39,767
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			6,487,010		(1,479,176)
Cash and cash equivalents at beginning of year			4,522,336		6,001,512
Cash and cash equivalents at end of year			11,009,346		4,522,336

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

British Gas Energy Trust is a charitable incorporated organisation registered on 16 August 2018 in England and Wales. The principal address is Farrer & Co LLP, 66 Lincoln's Inn Fields, London, WC2A 3LH.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 £.

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 comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose. Designated funds are shown separately in the accounts for clarity.

Restricted funds are funds which are to be used in accordance with specific instructions imposed by the donor or Trust Deed.

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.

Income received in advance for future years has been treated as deferred income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure and it is probable that settlement will be required and the amount of the obligation can be measured reliably. In particular the following policies apply to grants payable:

- Unconditional grants are accrued once the recipient has been notified of the grant award.
- Conditional grants, which are subject to performance conditions, are only accrued when the recipient has been notified of the grant award and any remaining unfulfilled conditions attached to the grant are outside the control of the charity.
- Provisions for grants are made when the recipient has been notified of a grant award, but the timing of the grant or the amount payable remains uncertain.

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees, together with an apportionment of overhead and support costs.

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:

Computers	Over 3 years on a straight line basis
-----------	---------------------------------------

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 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

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 Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probably; or
- the amount has not been communicated in the grant offer and that amount cannot be reliably estimated.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies	Unrestricted funds		Restricted funds		Total		Unrestricted funds		Restricted funds		Total
	2024	2024	2024	2024	2024	2024	2023	2023	2023	2023	2023
	£	£	£	£	£	£	£	£	£	£	£
Donations and gifts	11,872,614	12,200,000	12,200,000	24,072,614	24,072,614	7,543,000	17,300,000	17,300,000	24,843,000	24,843,000	
Donations and gifts											
Donations	11,872,614	1,200,000	1,200,000	13,072,614	13,072,614	7,543,000	1,000,000	1,000,000	8,543,000	8,543,000	
Donations for Winter fund and Energy Support fund	-	11,000,000	11,000,000	11,000,000	11,000,000	-	16,300,000	16,300,000	16,300,000	16,300,000	
	11,872,614	12,200,000	12,200,000	24,072,614	24,072,614	7,543,000	17,300,000	17,300,000	24,843,000	24,843,000	

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	157,745	39,767

5 Charitable activities

	2024	2023
	£	£
Staff costs	517,027	305,967
Direct charitable expenditure	1,080,611	1,470,896
	1,597,638	1,776,863
Grant funding of activities (see note 6)	16,342,333	20,574,305
Share of support costs (see note 7)	456,251	198,805
Share of governance costs (see note 7)	215,279	162,462
	18,611,501	22,712,435
Analysis by fund		
Unrestricted funds	11,779,739	4,926,160
Restricted funds	6,831,762	17,786,275
	18,611,501	22,712,435

6 Grants payable

	2024	2023
	£	£
Grants to institutions:		
Organisational grants	6,027,250	3,466,699
Grants to individuals:		
Energy payments	7,840,348	15,047,687
Financial assistance payments (FAP)	2,474,735	2,059,919
	16,342,333	20,574,305

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Support and governance costs	Support costs		Governance costs		2024		Support costs		Governance costs		2023		Basis of allocation
	£		£		£		£		£		£		
Staff costs	104,802		34,353		139,155		72,051		10,627		82,678		% of time spent
Depreciation	2,570		-		2,570		-		-		-		
Recruitment fees	43,100		28,520		71,620		39,459		-		39,459		Type of cost
Other consultancy	136,082		-		136,082		18,871		137		19,008		Support
Grant management	28,158		-		28,158		19,599		-		19,599		Support
Other support costs	141,539		-		141,539		48,825		-		48,825		Support
Audit fees	-		11,076		11,076		-		9,660		9,660		Governance
Legal and professional	-		102,984		102,984		-		58,335		58,335		Governance
Trustee expenses	-		1,793		1,793		-		59		59		Governance
Trustee insurance	-		8,365		8,365		-		4,258		4,258		Governance
Company Secretarial costs	-		16,308		16,308		-		16,830		16,830		Governance
Evaluations	-		-		-		-		48,000		48,000		Governance
Internal audit fees	-		11,880		11,880		-		14,556		14,556		Governance
	456,251		215,279		671,530		198,805		162,462		361,267		
Analysed between													
Charitable activities	456,251		215,279		671,530		198,805		162,462		361,267		

Governance costs includes payments to the auditors of £11,076 (2023 - £9,660) for audit fees.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 6 of them were reimbursed a total of £1,793 subsistence expenses (2023 - 1 was reimbursed £59).

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	14	7
	<hr/>	<hr/>

Employment costs

	2024 £	2023 £
Wages and salaries	579,135	343,106
Social security costs	53,378	32,134
Other pension costs	23,669	13,405
	<hr/>	<hr/>
	656,182	388,645
	<hr/>	<hr/>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 - £70,000	1	-
£90,001 - £100,000	1	1
	<hr/>	<hr/>

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Tangible fixed assets

	Computers £
Cost	
Additions	16,120
At 31 March 2024	16,120
Depreciation and impairment	
Depreciation charged in the year	2,570
At 31 March 2024	2,570
Carrying amount	
At 31 March 2024	13,550

12 Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Bank and cash	11,009,346	4,522,336
Measured at cost	11,009,346	4,522,336
Carrying amount of financial liabilities		
Trade creditors	231,183	197,310
Accruals	56,032	123,676
Other creditors	5,924	3,513
Other taxation and social security	17,499	-
Measured at cost	310,638	324,499

13 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Prepayments and accrued income	1,015,563	1,918,993

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	17,499	-
Deferred income	-	7,867
Trade creditors	231,183	197,310
Other creditors	5,924	3,513
Accruals	56,032	123,676
	310,638	332,366

Notes

15

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Deferred income

	2024 £	2023 £
Deferred income	-	7,867

Deferred income consists of donations received in advance for the next financial year.

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:

	Balance at 1 April 2022 £	Transfers £	Balance at 1 April 2023 £	Movement in funds		Transfers £	Balance at 31 March 2024 £
				Incoming resources £	Resources expended £		
Cessation contingency reserve	369,510	-	369,510	-	-	4,490	374,000
SCARP+ project matched funding	-	1,000,000	1,000,000	-	(1,000,000)	-	-
Energy Support fund	-	1,575,367	1,575,367	-	(1,575,367)	-	-
Fixed asset fund	-	-	-	-	(2,570)	16,120	13,550
SCARP	-	-	-	-	-	5,041,854	5,041,854
	<u>369,510</u>	<u>2,575,367</u>	<u>2,944,877</u>	<u>-</u>	<u>(2,577,937)</u>	<u>5,062,464</u>	<u>5,429,404</u>

The cessation contingency reserve represents anticipated costs of winding up the charity, to cover legal and statutory costs not already included within other commitments.

SCARP+ project matched funding is designated for grants to funded organisations delivering in the community.

The Energy Support fund was for grants that were to be awarded in April and May 2023 for which the restricted funding had not yet been received.

The fixed asset fund reflects the value of fixed assets at the year end.

The SCARP fund is for the payment of organisational grants that have been agreed for the next two years.

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 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 2022	Incoming resources	Resources expended	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
	£	£	£	£	£	£	£
Winter fund and Energy Support fund	1,149,541	16,300,000	(17,379,783)	69,758	11,000,000	(5,965,789)	5,103,969
SCARP+ project	-	1,000,000	(406,492)	593,508	1,200,000	(865,973)	927,535
	<u>1,149,541</u>	<u>17,300,000</u>	<u>(17,786,275)</u>	<u>663,266</u>	<u>12,200,000</u>	<u>(6,831,762)</u>	<u>6,031,504</u>

The Winter fund and Energy Support fund balance is for Debt Write Off Grants.

The SCARP+ project balance is for grants to funded organisations delivering in the communities.

18 Operating lease commitments

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

	2024 £	2023 £
Within one year	98,000	98,000
Between two and five years	98,000	196,000
	<u>196,000</u>	<u>294,000</u>

The CIO is committed to paying management fees as noted above which may increase depending on the volume of grants processed.

19 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:					
Tangible assets	-	13,550	-	13,550	-
Current assets/(liabilities)	266,913	5,415,854	6,031,504	11,714,271	6,108,963
	<u>266,913</u>	<u>5,429,404</u>	<u>6,031,504</u>	<u>11,727,821</u>	<u>6,108,963</u>

BRITISH GAS ENERGY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

20 Related party transactions

Remuneration of key management personnel

The remuneration of the six (2023 - three) members of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	442,567	213,535

The above remuneration includes agency costs paid for the Director of Finance role.

There were no other disclosable related party transactions during the year (2023 - none).

21 Cash generated from operations

	2024 £	2023 £
Surplus for the year	5,618,858	2,170,332
Adjustments for:		
Investment income recognised in statement of financial activities	(157,745)	(39,767)
Depreciation and impairment of tangible fixed assets	2,570	-
Movements in working capital:		
Decrease/(increase) in debtors	903,430	(1,437,023)
(Decrease)/increase in creditors	(13,861)	179,648
(Decrease) in deferred income	(7,867)	(2,392,133)
Cash generated from/(absorbed by) operations	6,345,385	(1,518,943)

22 Analysis of changes in net funds

The charity had no debt during the year.