

Company No: 01853927
Charity Reg No: 290511
National Energy Action
Operating as NEA
(A Charitable Company Limited by Guarantee)

Report of the Board of Trustees
and
Financial Statements
- for the year ended -
31 March 2025

SATURDAY



AEAIAIWR

A23

06/09/2025

#28

COMPANIES HOUSE

**NATIONAL ENERGY ACTION
(Operating as NEA)**

Report of the Board of Trustees and Financial Statements

for the Year ended 31 March 2025

Contents

TRUSTEES ANNUAL REPORT INCLUDING THE STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2025	3-21
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL ENERGY ACTION.....	22-24
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025	25
BALANCE SHEET AS AT 31 MARCH 2025	26
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025	27
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025	28-43

The Trustees present their Annual Report, including the Strategic Report and the audited financial statements of the Charity for the year ended 31 March 2025.

Reference and administrative details

Company No: 01853927

Charity Reg. No: 290511

Business Address: From 27 June 2025: Wellbar Central, Level 8, 36 Gallowgate, Newcastle upon Tyne, NE1 4TD
To 26 June 2025: 6th Floor, West One, Forth Banks, Newcastle upon Tyne, NE1 3PA

Independent Auditors: PKF Littlejohn LLP, 15 Westferry Circus, London, E14 4HD

Principal Bankers: HSBC Bank plc, Central Square South, Orchard Street, Newcastle upon Tyne, NE1 3AZ

Solicitors: Womble Bond Dickinson, St Ann's Wharf, 112 Quayside, Newcastle upon Tyne NE1 3DX

President: Baroness McIntosh of Pickering

Vice Presidents: Lord Best
David Green OBE
Baroness Hilton of Eggardon
Derek Lickorish MBE
David Porter OBE
Lord Shipley of Gosforth
Lord Whitty

Chief Executive: Adam Scorer

Company Secretary: Tracey Archer

Directors and Trustees: The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and up to the date of signing the financial statements were as follows:

Chair: Claire Durkin (to 22 May 2025)
Iain Deboys (from 22 May 2025)

Trustees: Syed Ahmed (to 25 July 2024)
Karen Cherrett (from 8 July 2024)
Judith Damerell
Iain Deboys
Claire Durkin (to 22 May 2025)
Jacqueline Gardner (to 7 October 2024)
David Hall
Donald Haszczy (from 22 May 2025)
Sarah Hopkins (from 8 July 2024)
Robert Howard
Nusheen Hussain (from 8 July 2024)
Frazer Scott
Professor Philip Taylor (to 25 July 2024)
Helen Walker
Maria Wardrobe OBE
Janet Wood (from 17 March 2025)

Structure, Governance and Management

Governing Document

National Energy Action (NEA), a registered Charity, is a company limited by guarantee and not having share capital is governed in accordance with the provisions contained in its Articles of Association. The Articles of the charity were refreshed in October 2024.

Clause 7 of the Articles of Association provides that every member, as defined by paragraph 8 of the Articles of Association, is liable to contribute a sum not exceeding £1 in the event of the Charity being wound up while a member, or within one year of ceasing to be a member. As at 31 March 2025 there were 12 voting members who are also Trustees of the charity. As part of the review of the Articles of Association in October 2024, Members who were previously designated as Full Members were reclassified as Associate Members, and as a result as at 31 March 2025 there were 711 Associate Members (2024: 374 Full Members and 231 Associate Members).

Operating Name

The Charity operates under the name of NEA.

Operational Management

The Charity Senior Management Team comprises:

Chief Executive	Adam Scorer
Deputy Chief Executive & Programme Director	Audra Peacock
Director of Communities	Peter Sumby
Director of Policy & Advocacy	Peter Smith
Director of Development & Partnerships	Danni Barnes
Director of Homes	Colin Timmins

Appointment of Trustees

Trustees are appointed in accordance with the Articles of Association and are confirmed each year at the Annual General Meeting (AGM) of the Charity. A trustee recruitment exercise was undertaken during 2024-25 which resulted in five new trustees being appointed during the year. Having completed two three-year terms of office, the Chair of the Board stood down in May 2025 and was replaced by an existing Trustee. Recruitment is ongoing as Trustees' terms of office come to an end and replacement trustees are to be appointed during the 2025-26 financial year.

Trustees are recruited via a number of methods including advertising with specialist agencies and websites, and via direct approaches through known contacts and from recommendations which could be through business contacts or personal contacts of trustees, staff, vice-presidents group members and other wide-ranging networks. Our vacancies are also advertised on NEA's website, Charity Job and through NEA's pages on LinkedIn and other social media platforms.

The NEA Board of Trustees comprises individuals who can bring a particular set of skills and expertise to the Board. When there is a need to appoint new Trustees, the Board consider both the external and internal environments and the strategic direction of the charity. They may also carry out a Trustee skills survey to inform their considerations if deemed appropriate. A discussion of the survey results helps to identify any existing or anticipated skills gaps on the Board ensuring that any new appointment to the Board not only complements the knowledge, understanding and diversity of the existing Trustees; but ensures an appropriate range of knowledge, skills and expertise exists to support the charity's work.

Trustee Induction and Training

Trustees meet with the Charity's Chair, other trustees and Chief Executive to discuss the role and responsibilities of being a trustee for NEA, and induction sessions for new Trustees take place with members of the Senior Management Team and Company Secretary. Trustees are provided with a support pack comprising a comprehensive collection of information about the Charity and updates to the pack are notified to all Trustees as changes occur. A secure Trustee webpage exists to hold additional resources for NEA Trustees, although it is anticipated that this will soon be replaced by an online hub to provide a more interactive and up-to-date information service for all Trustees.

As part of on-going training and development, Trustees are provided with opportunities to attend events throughout the year and to attend the Charity's Annual Conference, where major issues concerning the environment in which the charity works are discussed with representatives from providers of energy efficiency services to low-income households, the fuel utilities, health professionals, voluntary organisations, consumer groups, regulatory bodies and

national and local government. The annual conference took place in Liverpool in January 2025 and the AGM took place online in October 2024. The 2025 Conference will take place in January 2026 in Gateshead, just over the water from the charity's home base of Newcastle upon Tyne.

Trustees are also provided with specific training opportunities, as they arise, in areas such as Charity governance and financial matters. Two trustees attended charity governance refresher training, whilst the Board level safeguarding champion continues to attend regular refresher training on the topic. Trustees will continue to complete regular refresher courses in charity governance, finance and safeguarding during the coming year.

NEA continues to strive towards ensuring it employs best practice in its trustees and governance structures as well as in its operations. Work has been completed in producing a complete scheme of delegation for both financial and governance matters, providing a clear framework for both trustees and the senior management team to operate in; and that the policies and processes remain fit for purpose into the future. Work on the action plan to ensure NEA complies with the Charity Governance Code continues with an emphasis on embedding equality, diversity and inclusion across all areas of NEA's work. As part of this work, a significant transformation project has been undertaken during the year, and continues to be developed into 2025-26. The new system provides new financial and project management software with human resources and recruitment platforms which together will make NEA more efficient and fit for purpose going into the future. Alongside this, NEA has been undertaking detailed work to develop and define its culture, values and behaviours and this work will continue well into the new financial year.

A People and Culture Committee is in place. The Committee sets the pay and remuneration of the Charity's key management personnel and any benchmarks, parameters or criteria used in setting their pay, which is benchmarked by external consultants every three years. It also reviews the NEA's terms and conditions of employment and provides guidance and support for staff welfare and organisational cultural matters. The Committee met four times in 2024/25. The Committee is overseeing the culture, values and behaviours work which will include the development of the Workforce and People Strategies and adoption of the values framework which will cover all aspects of NEA's employment, including the embedding of equality, diversity and inclusion to reflect our client base and from the front line staff up to Board level.

Trustees are prohibited by NEA's governing document of receiving payment for their role in governance other than out of pocket expenses. Conflicts of interest are declared at the start of each meeting. There are therefore no declarations to be made regarding any remuneration paid to any serving Trustee.

With the appointment of a new Chair, a review of the governance of the charity is being undertaken, with a view to ensuring that the structure and governing processes of the charity are appropriate for the charity's size and structure going forward. As always, NEA strives for good practice and this will be at the forefront of the review.

Organisation

NEA is administered by a Board of Trustees which meets a minimum of four times each year. The Board has a number of sub-committees including a Committee for Audit, Risk and Finance (CARF) and a People and Culture Committee, both of which met four times a year. A Policy Working Group helps act as a sounding board for the policy team. The Chief Executive is appointed by the Trustees to lead on the management of day-to-day operations, with reference to the scheme of delegation.

At the AGM in 2024, the charity's members voted to amend NEA's Articles of Association. The administration of the charity such as the approval and signing of the statutory year-end financial statements can therefore now be held alongside the usual cycle of Board meetings rather than convening and securing a separate quorate meeting specifically for that purpose.

Risk management

The Trustees have a risk management strategy that comprises:

- A quarterly review of the key risks at each Board meeting together with a status change record;
- Monthly management review of the operational and strategic risks the Charity may face, and the implications of those risks. Considering the controls in place, necessary planned responses are documented;
- Appropriate controls including systems and procedures to avoid, mitigate, transfer or insure those risks identified in the plan; and
- Procedures designed to minimise any potential impact on the Charity should those risks materialise.

The Committee for Audit, Risk and Finance (CARF) ensures that formal processes for risk management are in place and effectively working across the organisation. The Committee met four times in 2024/25.

On reviewing the risk register, Trustees proposed to refocus the charity's risk management approach away from risks to the beneficiaries of the charity, and more toward explicit risks to the sustainability and operational effectiveness of the charity itself. Risks to beneficiaries will continue to condition the operating environment and the strategic choices of the charity. However, an extreme cost of living crisis, where beneficiary risks have been heightened for some time, made identifying effective controls and mitigations to such risks increasingly difficult. Refocusing the approach to risk management in general, as opposed to individual risks borne out of macro-economic circumstances, has enabled the charity to identify more effective controls over risk to the sustainability of the charity.

Working with CARF, the Senior Management Team subjected the current risk descriptors, mitigation actions and risk scores to a rigorous process of challenge and review. After the review process, the current risk register identifies two primary risks that address the core challenge of operating a larger charity on a sustainable basis.

After the review process, the current risk register identifies two primary risks:

- Risk of not securing funding to support the charity at its current size

The charity is unable to secure funding to support current or future services and misses out on opportunities to extend and diversify its core funding streams.

- Changes in the external policy environment

A volatile external policy environment makes constructive relationships with policy makers challenging.

The reduction in, or ending of, public funded schemes or other funding sources results in the charity being unable to put together effective support packages for households.

Both risks speak to the challenge of operating a larger charity on a sustainable basis.

This year, the charity extended its fundraising and corporate partnership success bringing greater diversity and stability to our funding base, especially in activities more difficult to attract grant funding.

We designed and developed new operating systems which began to be introduced at the end of the 2024/25 and which will provide a step change in our management capacity and capability, including our ability to understand real time financial positions and forecast more accurately.

In parallel, a new Values and Behaviours Framework has been developed to ensure that the cultural operating systems are as robust and sustaining of the charity as our Finance, HR and Project Management systems.

The charity created a new Head of People and Culture role to bring a greater level of capability and professionalism to the challenges and opportunities of a mid-sized, geographically dispersed charity.

Our advocacy has ensured the potential impact of changes in the external policy environment on charities such as NEA have been persuasively set out in detail through consistent and positive engagement with key external policy decision makers.

During 2024/25, the charity continued to grow, responding to need and opportunity to contribute to our core strategic objectives. In 2025/26 the charity will develop its next 5-year Strategy on a stronger footing and management capability that matches the scale and activity of the charity.

Public Benefit report

Chair's Report

This is my first Annual Report as Chair of Trustees at National Energy Action. I am honoured to succeed Claire Durkin who has led the Board of Trustees of National Energy Action with great vigour and diligence.

Claire Durkin has left NEA in excellent shape. The charity has tripled in size over recent years, in response to the increased level of need, but also in recognition of the potential across the charity to have even greater impact.

The Annual Report shows that NEA is in a sound financial position. It shows strong stewardship and leadership from both Trustees and the Senior Management Team. It shows a charity that has invested in both capacity and capability.

It also demonstrates the unique breadth of NEA. We directly support individual clients and communities who suffer from fuel poverty. We raise awareness of the scale, causes and consequences of fuel poverty. We achieve major change in how fuel poverty is addressed and tackled.

Over the coming year we will see the success of the NEA Warm Homes, Healthy Futures programme, matching fuel poverty support with referrals from a wide range of health professionals in economically marginalised communities. We will see how the UK Government Warm Homes Plan will reset the landscape for fuel poverty support.

As I step into the Chair, I would like to take the opportunity to thank and pay tribute not only to Claire, but to the Trustees of National Energy Action, past and present for their support and encouragement, to Adam Scorer, our Chief Executive.

My most heartfelt thanks are to the whole staff team at NEA who have supported 11,000 clients, trained over 6,700 learners, brought likeminded people together in innumerable conferences, forums, bootcamps and Teams calls and who have harassed, encouraged and supported external policy makers and others to address the root causes and bring about enduring solutions to fuel poverty.

Strategic Review

National Energy Action's mission is that 'everyone should be able to afford to keep their homes warm, healthy and safe'. The activities undertaken by the charity to carry out its charitable purposes are for the public benefit and the charity has complied with its duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties.

We deliver our mission through direct support to people and communities in fuel poverty, by raising awareness of fuel poverty and by bringing about enduring change. We do so across England, Wales and Northern Ireland working with different administrations, delivering different schemes and programmes, meeting diverse needs of clients and communities and by bringing influence to bear with anyone who can shift the dial in favour of those struggling to afford to be warm and healthy at home.

Our Context

In March 2025, the Department for Energy Security and Net Zero reported that 36.3% of households across the UK, some 8.99 million people, spent over 10% of their income (after housing costs) on energy. This figure is up from 35.5% in 2023.

11.0% of households (2.73 million) in England were in fuel poverty under the Low Income, Low Energy Efficiency metric. Fuel poverty remained a deep, enduring issue across Wales, estimated to impact virtually all low-income households in Wales. In Northern Ireland, almost a quarter of households were in fuel poverty.

Throughout 2024/25, households faced relentless energy costs and rising debt. By December 2024, the energy price cap rose 10% to put a 'typical' bill at £1,717 annually, with no support payments to ease the burden.

Domestic energy debt across Great Britain reached £4 billion. Our own polling in 2024/25 showed that nearly half of adults in Great Britain (and 56% in Wales) expected to ration energy over winter. Only 43% in Great Britain and 38% in Wales could comfortably afford heating over winter. Over 40% of Northern Ireland adults were struggling to meet the cost of their energy —rising to 49% for over-65s and 56% for renters.

The support available for people in or at risk of fuel poverty has not kept pace with this reality. In July 2024, the Winter Fuel Payment was restricted to those on Pension Credit or means-tested benefits, leaving 9.3 million fewer people eligible. Many of those older people are in or at risk of fuel poverty.

Our Five-Year Strategy – Every Home Should Be a Warm and Safe Place

NEA has a five-year strategy to drive toward its mission that everyone should be able to afford to keep their home warm and safe. The strategy has a strong focus on our beneficiaries, the alignment of fuel poverty with the net zero agenda and a transformation of our core enabling systems and processes.

The Strategy identified three key priorities for NEA:

- **Tackling the Worst First** and bringing targeted investment to those whose conditions are gravest, whose need is greatest and who have the least ability to act themselves.
- **Support Guaranteed** so good levels of support are available and based on need, not by a series of lotteries; and
- **A Decade of Delivery** not only in energy and net zero policy, but in welfare provision, public health, housing standards and community advice and support.

Key Beneficiaries

The key beneficiaries of NEA's work are low income and other vulnerable households, particularly older people, families with young children and those living with a long-term illness in poorly insulated and under-heated homes. In 2024/25 households at risk during the cost-of-living crisis were a major priority. Additionally, agencies which support these groups benefit from NEA's work including other national charities and service providers. The Trustees have considered the Charity Commission's General Guidance on Public Benefit.

Our 5-year strategy is designed so that all NEA activities whether supporting clients, raising awareness or driving change, contribute to one, two or all of those strategic priorities. It requires NEA to work over successive years to build a broader and stronger movement to eradicate fuel poverty across the UK.

Objectives, strategies and activities

Key objectives for the year and principal activities undertaken

We expanded the reach of our services, supporting more households directly and reaching into more marginalised communities.

We developed major new programmes of work around cold homes related health impacts and community support.

We pushed for change from companies, regulators, and Government to make the energy market more responsive to the need of fuel poor households.

We worked constructively with Government in England, Wales, and Northern Ireland to deliver action to back up fuel poverty strategies.

We stepped up our role as a convenor for the fuel poverty movement, especially with our in-person regional fuel poverty forums.

We began implementing a business transformation programme to make NEA more agile and effective across all our activities.

NEA ends the year bigger, stronger, and better equipped to deliver on our mission and strategy.

During 2024/25 NEA has delivered on its three key priorities of Tackling the Worst First, Support Guaranteed and A Decade of Delivery as detailed below:

Supporting householders

In 2024/25 National Energy Action extended support to many more clients and communities. We focused our support on case management for households in the most vulnerable circumstances addressing deep-seated challenges, often with life-changing outcomes.

In 2024/25 NEA supported thousands of clients:

- **12,477** clients supported through our services

Of which:

- **8,559** received energy advice
- **2,845** received benefits advice

The clients that we supported displayed a high level of need:

- **85%** were already experiencing subjective fuel poverty – for 81% of the time this was due to cost of energy, 30% of the time due to energy inefficiency of the property and 9% because the heating system was not working (often one or more of these reasons)
- **24%** had fuel debt upon entering the service, average of around **£727**

Of clients who received emergency fuel voucher support:

- **77%** were going completely without heating or electricity or severely limiting its use,
- **23%** were falling into debt with their supplier,
- **46%** were close to or already using emergency credit

We know our clients were likely to experience heightened vulnerability:

- **63%** had an income of less than £16,000
- **18%** had an income of less than £8,000
- **67%** had one or more health conditions
- **47%** had dependent children
- **66%** lived in the rented sector

We made a material difference to our clients, bringing direct financial benefits:

- Our Benefits Advice resulted in direct additional financial benefits to clients of £5,643,756
- Energy Advice provided £548,948 of direct benefit
- Crisis & Hardship provided £89,409 of direct benefit
- We issued Energy vouchers to the value of £839,956
- Fuel Debt Relief provided £75,893 for clients
- Energy efficiency measures are calculated to have achieved £989,347 in direct benefits

After being supported by National Energy Action:

- **52%** worried less about paying their energy bills
- **45%** worried less about paying other household bills
- **42%** were able to reduce or pay off energy debt(s)
- **59%** felt more confident in communicating with their energy supplier
- **68%** knew more about saving energy and keeping healthy at home
- **57%** felt more able to understand and manage energy bills
- **40%** said mould or dampness in their home has improved.

Spotlight focus: Warming communities

Warming Communities is a collaborative, community-led approach to energy advice, using 130 partnerships across the county to develop bespoke support for some of the most vulnerable clients in the energy market.

Through these partnerships we have developed insight on best practice and barriers to support in the energy market, advice sector and wider institutions for groups including: neurodivergent individuals; refugees and asylum seekers; domestic violence victims; Gypsy, Roma and Traveller Communities; and many more.

Our Warming Communities projects have responded to specific geographies and demographics of need – recognising that fuel poverty looks and presents differently across the UK. The delivery model and approach that we used meant that we were able to get the right support, delivered in the most appropriate and accessible way, to places where it was most needed.

Spotlight focus: Rebuilding Trust in Fishwick

Our Fishwick external wall insulation project in Preston turned a failed retrofit into an **award-winning regeneration**.

- **Winner** – Regeneration & Retrofit Award, North West Regional Construction Awards

Our evaluation of the project, due to be published in 2025/26, revealed how we:

- Tackled severe damp and mould caused by previous poor installations
- Rebuilt trust with residents and delivered real change with partners Seddon Construction Limited and Aldrock Surveyors Limited

Spotlight focus: Warm Homes, Healthy Futures programme

Our work connecting the dots between health and fuel poverty is one of our strategic priorities over the next few years and beyond. Our Warm Homes, Healthy Futures programme of work is a critical part of this. The programme is funded by the Gas Distribution Network's Vulnerability and Carbon Monoxide Allowance (VCMA) and uses an innovative model which flexibly targets support at households living with health conditions and disabilities across the areas in England, Scotland and Wales that demonstrate high levels of deprivation and high burdens of health inequalities. Crucially, it does so through local delivery partnerships and by developing and deepening our relationships with health and social care professionals.

By March 2025 we had:

- Supported households in more than 50 different places in England, Scotland, and Wales
- Developed partnerships with 17 specialist energy advice and support organisations and more than 30 health and social care referral partners.

Raising Awareness

In 2024/25 NEA used its unique position as a membership organisation, a training provider, a convenor across the fuel poverty movement and as a trusted source of information to increase awareness around fuel poverty issues and increase the capacity of those concerned to address fuel poverty.

We provided a wide range of excellent training courses:

- 6,738 frontline workers trained
- 21 subjects covered
- 5 accredited qualifications

This training provision was provided in many formats including webinars, e-learning platforms, and in person formats.

Our training boosted knowledge and confidence to advise others and develop services across more than 10 **different** sectors from health and education to local authorities and utility companies.

We responded to emerging client needs by creating new courses that will help frontline workers to respond effectively.

We partnered with Waterwise to launch a new course on "Supporting Consumers in the Water and Energy Sector" and introduced a course designed to provide "Mental Health Support for Workers".

Learners reported significant increase in their confidence and capability.

- Knowledge rating by learners as "good/excellent" rose from **30% to 97%**
- Confidence to advise others increased from **30% to 93%**
- For accredited learners, knowledge jumped from **12% to 95%**, and confidence from **11% to 84%**

The reach to clients provided by our learners was an estimated **3.85 million people** in 2024/25, extending our impact through partnership to millions of vulnerable households.

Training in Parliament:

We trained over 100 MP caseworkers on supporting constituents facing fuel poverty and debt. This activity equipped caseworkers with practical tools to assist vulnerable households across the UK.

Energy in education

Our education workshops talk to young people about energy efficiency and fuel poverty in a sensitive and accessible manner. We trained **2,803 students** from primary school to university, embedding energy awareness in education from early on, building resilience, and encouraging peer-to-peer learning.

Spotlight: Energy education in Leicester

Over the last year NEA has increased our engagement with school age children. We delivered 55 education workshops for Key Stage 2 children in schools in Leicester. In this project we worked with 1,646 primary school pupils helping them understand more about the energy they use in their homes and schools. They were empowered to learn about energy. All the schools we worked with rated the knowledge gained by the children and the resources used as either good or excellent.

Spotlight: designing a classroom for the future

In partnership with E.ON and Coventry City Council, we introduced hundreds of Year 5 pupils to renewable energy and sustainability. Students explored how green technology can shape homes, schools and even their future careers. Their creative inventions included a solar-powered pen and a pedal-powered smart speaker.

After the project, students were more likely to:

- Value renewable energy for the planet's future
- Believe they can make a difference to help the planet
- Feel excited about future green careers
- Imagine future jobs that don't even exist yet

We launched three downloadable assemblies for Key Stages 1–3, aligning with PSHE and science curricula. Our work was a great example of how energy related education can provide the opportunity to embed knowledge and behaviours across all ages, which can then have a positive impact across generations.

Helping students live better

We partnered with Students Organising for Sustainability to support university students in private rentals by training them to carry out energy audits and give advice equipping student union officers to guide peers on housing and energy efficiency.

Providing the fuel poverty message over many media platforms:

- **5,036** mentions or appearances in print and on broadcast outlets
- Almost **10 million people** reached on our Fuel Poverty Awareness Day
- **21,504** followers across our social media platforms with close to **900,000** accounts reached
- Almost **120,000** people visited our website viewing **860,149** pages

- Almost **1,500** people used our Recite Me Accessibility web function to access content in languages including Tigrinya, Ukrainian, Urdu, Amharic, Arabic, Persian, Taiwanese and Mandarin as well as use features such as magnifier, screenmask, screen reader, font enlarger and ruler.

Building our membership base

Increasing NEA's membership provides more opportunities to share information and insight and offer training and other opportunities to more organisations. During 2024/25 we continued to offer free membership to broaden the fuel poverty movement:

- **716** Standard Members
- **44** Business Supporter Group members

Regional Fuel Poverty Forums

Our events programme meant we could engage with key stakeholders from across sectors, enabling them to join their voices to ours and strengthen our advocacy and campaigns. One of the key ways in which we engage members was through our 20 regional fuel poverty forums which attracted 771 attendees, almost all of whom are actively engaged in supporting fuel poor households in their communities.

These forums make a difference:

- **86%** said they will now be able to better support households directly
- **90%** said they will now be able to better work with others to support households
- **90%** said they now had clearer perspective on policy and advocacy priorities
- **95%** said they were able to meaningfully engage with both existing and new partners
- **99%** of respondents were either 'very satisfied' or 'satisfied' with NEA's Fuel Poverty Forum

Setting the tone on the national stage

National Energy Action's Annual Conference, Liverpool 27–29 January 2025

Over 350 delegates gathered for three days of insight, action, and collaboration. With **36 expert speakers**, including Miatta Fahnbulleh MP and Mayor Steve Rotherham, the event spotlighted urgent action on fuel poverty and the upcoming Warm Homes Plan. There were also opportunities to network with over **20 exhibitors**, to create partnerships that would direct help at households who most need the support.

- **90%** of attendees gained clearer priorities for both immediate and long-term household support
- **69%** felt better equipped to support households directly
- **94%** were satisfied with the event overall
- **90%** made meaningful new connections

Keeping fuel poverty on the parliamentary agenda

We brought our frontline work to Westminster, hosting a drop-in session for MPs and stakeholders. With **30 MPs and staffers** attending, the event showcased practical ways to support constituents facing fuel poverty.

Enhanced understanding of fuel poverty through our research:

- Launched and added over 100 stories to our lived experience library
- Introduced new systems to standardise our approach to evaluation and how we develop and apply our data insights
- Surveyed almost 2,000 people with experience of fuel poverty
- Surveyed almost 600 professionals working to address fuel poverty
- Worked with almost 70 clients to provide us with their direct testimonies
- Spoke with around 800 stakeholders about their experiences
- Collected almost 50 hours of audio testimonies
- Held over 80 stakeholder discussion groups
- Published 7 research reports

- Launched a new Insights to Impact network, putting innovation, learning and collaboration at the forefront of how we apply insight

Raising awareness through our fundraising activities:

- We held our largest ever Great North Run with 29 runners taking part for Team NEA
- Our second annual Walk for Warmth was attended by around 40 people in Newcastle, and others taking part further afield
- Over 100 people took part in fundraising events to support us, including a 6,000km journey challenge and climbing Mt Kilimanjaro!
- We ran our Christmas campaign, Operation Warmth, for a second year, connecting with new and existing supporters, raising life-changing funds for people struggling over winter
- Over 40 individuals and organisations supported us with our Nation's Biggest Housewarming. Activities included cake sales, games and helping to pack our Winter Warmth Support Packs
- Almost 200 volunteers from across 5 organisations spent 33 hours packing 2,500 Winter Warmth Support packs

Achieving enduring change

In 2024/25 National Energy Action campaigned to turn awareness of fuel poverty into decisive action from Governments, parliaments, public bodies and private companies.

Fuel Poverty on the National Agenda

- Our **Manifesto for Homes** shaped national debate, calling for a five-point plan on energy efficiency and legal fuel poverty duties
- After nearly a decade of advocacy, the Energy Secretary announced plans to decarbonise rented homes, directly reflecting our long-term campaign goals
- We led over **100 member organisations** in backing a "worst-first" approach in the new fuel poverty strategy for England, pushing to retain legal targets and focus on lived experience

Raising Standards in the Rented Sector

- Our advocacy helped trigger a UK Government consultation to tighten energy efficiency rules in the private rented sector in England and Wales
- Our evidence helped bring us closer to enhanced tenant protections, enforceable standards, and a 'Warmth First' approach

The Hidden Cost of Rationing Heat

In partnership with Salford University's Energy House, we investigated the real impact of households cutting back on heating. We found that households who turned down the heating in their homes to heat their homes to just 16 degrees, well below safe indoor temperatures, only saved 66 pence a day, but exposed themselves significant health risks.

Making energy efficiency more accessible

- Changes to the **Great British Insulation Scheme** made by the UK Government aligned with our recommendations, unlocking more funding and flexibility to tackle fuel poverty

Putting vulnerability at the heart of regulation

Through sustained engagement with Ofgem, we influenced its 2025/26 strategy to:

- Ensure **fair prices** and **quality service**
- Promote **financial resilience** and **sustainable competition**

Ofgem also committed to long-standing National Energy Action's calls for change including:

- A new **debt relief scheme**
- Tackling **high standing charges**

NEA Cymru: Leading the Fight Against Fuel Poverty in Wales

We gave oral and written evidence to the Senedd Equality and Social Justice Committee, helping shape its inquiry into fuel poverty and the Warm Homes Programme. As a result, the Committee called for:

- Interim fuel poverty targets by September 2025
- A scaled-up Warm Homes Programme
- Urgent rollout of a new area-based scheme

We also presented to the secretariat for the Senedd Cross Party Group on Fuel Poverty and Energy Efficiency, ensuring the issue stays firmly on the political agenda.

Securing Emergency Heating Support

Our campaigning led to a key win: the Nest scheme now guarantees boiler repairs or replacements for all eligible households without heating or hot water, ensuring crisis support even when heat pumps are not viable.

Tackling Local Challenges Head-On

We launched the Gwynedd Fuel Poverty Partnership, targeting the area with Wales' highest fuel poverty rates. This place-based approach addresses unique rural and housing challenges.

A Trusted Voice Across Wales

We engaged regularly with:

- Cabinet Secretaries and Members of the Senedd
- Ofgem, coalitions, advisory panels, and the Archbishop of Wales
- Welsh media and national events on child poverty, financial wellbeing, and digital vulnerability

NEA NI: Putting fuel poverty at heart of policy in Northern Ireland

Shaping a New Fuel Poverty Strategy

We've long called for an updated Fuel Poverty Strategy in Northern Ireland along with a joined-up approach across departments and sectors. During 2024/25, we:

- Engaged directly with the Department for Communities and sat on its Fuel Poverty & Just Transition Reference Panel
- Welcomed the draft strategy's direction, but pushed for clear targets, full funding, and a detailed action plan

Driving a Just Energy Transition

- We provided expert input on net zero policies across all housing tenures
- As a Board Member of EnergyCloud, we supported pilots delivering free hot water to homes using surplus wind energy, funded by the NI Housing Executive.

Securing Support for Vulnerable Households

We responded to key consultations, including:

- Utility Regulator's 2025/26 Forward Work Programme
- Consumer Council NI's Forward Work Programme 2025/26
- Winter Fuel Payment Equality Impact Assessment by the Department for Communities

Our advocacy helped secure an automatic, one-off £100 Pension Age Fuel Support Payment for 250,000 pensioners, a vital safety net after eligibility cuts to Winter Fuel Payment eligibility.

Keeping Pressure on Policymakers

We maintained strong engagement with MPs, MLAs, and key stakeholders to:

- Champion domestic energy efficiency
- Push for oil price regulation (used by 68% of NI households)
- Ensure a just transition that leaves no one behind

Supporting members

By the end of March 2025 NEA had 711 Associate Members of which 203 were Enhanced Members (fee paying) and 508 were Supporting Members (free membership). NEA also has 44 members of its Business Supporters Group (BSG). During 2024/25 NEA held:

- 2 in-person member conferences in Skipton in October 2024 and in London in March 2025. These were attended by 48 delegates representing 23 BSG member organisations. Speakers included representatives from the Department for Energy Security and Net Zero, West Yorkshire Combined Authority, Skipton Building Society, Northern Gas Networks, Impact for Urban Health, and Generation Rent.
- 2 online 'Spotlight' sessions featuring members E.ON Next and Cadent who presented to over 140 NEA Associate Members and Business Supporters.
- In April 2024, a project spotlight session attracted 105 members and focused on best practice guidelines and real-world examples of vulnerability-first approaches. In June 2024, NEA outlined its key priorities for the upcoming general election and the next UK government to an audience of 90 members. In November 2024, a Budget update expanded on these priorities and offered further direction for policy engagement, drawing participation from 212 members.

This interaction with our members enables the sharing of insight and helps to shape NEA policy developments and campaigns.

Key performance indicators

KPIs for 2024/25 were set to ensure the financial position of the Charity remains strong, that internal systems are robust and that the Charity continues to deliver the three strategic aims.

In 2024/25:

Financial Review

NEA had budgeted for a break even budget but has produced a surplus on activities of £1,099,617. The main reasons for the increased surplus is lower staffing costs and higher bank interest receipts than anticipated.

The Statement of Financial Activities (SOFA) shows a net expenditure on unrestricted activities, before transfers, of £326,934 (2023/24: £429,377). The transfers into the Charity's General Reserve are detailed below and the balance on it has increased by £1,565,523 from £4,283,866 at 31 March 2024 to £5,849,389 (2023/24 £952,354 increase). The reason for the positive movement is the transfer of £1,426,551 from the Restricted Reserve to the General Reserve as a result of a surplus being earned on the 2024/25 restricted activities of the Charity.

In accordance with the Reserves Policy, during 2022/23, as there was a significant increase in donations received by the charity, the decision was made by the Board to establish a designated reserve of £1,277,700. During 2024/25, £467,610 of this reserve has been expended and the remaining funds of £693,808 held in this reserve will be expended in future financial years furthering the charitable aims of the charity and will include hardship grants, interventions in relation to the Net Zero Transition agenda and two major Advocacy Campaigns.

SOFA Net Expenditure - Unrestricted Funds	(326,934)
Expenditure incurred from Designated Reserve	467,610
Transfer from Restricted Funds	1,426,551
Unrealised Gain on Listed investments	(1,703)
Increase in General Reserve	<u>1,565,523</u>

Delivery

87% of the work programme was successfully delivered with 3% of the work programme carried forward and 10% rephased into 2025/26 (2024/25: 93% of the work programme delivered with 7% of work programme carried forward).

Management

During 2024/25, NEA has adapted to increased capacity to accommodate demand for services during the current economic climate. The transformation of core processes and systems continues to ensure that NEA remains flexible, robust, and impactful.

Warm Zones CIC

Warm Zones CIC (WZ) was a wholly owned subsidiary of NEA. During 2018/19 Warm Zones Directors placed the company into administration and by the end of the 2018/19 Warm Zones had been placed into liquidation.

At the time of liquidation WZ owed NEA £1,739,001 and all recoverable funds due from the liquidator of WZ were received during 2023/24. Provision has been included in NEA's accounts in previous financial years for the WZ net unrecoverable balance of £1,083,140 (31 March 2024 £1,083,140).

The significant level of provision which has been made has reduced NEA reserves, but the Board is confident that NEA's reserves and financial arrangements are adequate to ensure that the charity remains a going concern.

Green Network Energy

During 2020/21, work was carried out on behalf of Green Network Energy (GNE) in relation to the Warm Homes Discount scheme but in January 2021 GNE entered administration. At the time of the administration GNE owed NEA £413,867. During 2024/25, based on an update from the liquidators of GNE in April 2025, the likely recovery rate has improved from 10p - 20p/£ to 17p - 23p/£. This has resulted in a £28,970 release of the GNE bad debt provision which has been processed through the charity's 2024/25 Statement of Financial Activities. As at 31 March 2025 the GNE net unrecoverable balance is £343,510 (31 March 2024 £372,480). The remaining recoverable balance of £70,357 is included within NEA's trade debtor figure at 31 March 2025 (31 March 2024 £41,387) which is disclosed in note 15 and it is expected that the outstanding sum will be received in full.

Principal Income Sources and Fundraising

NEA's income is derived principally from delivery of services for a wide range of organisations. The Statement of Financial Activities shows that total income increased by £2,050,686 from a total of £13,293,157 in 2023/24 to £15,343,843 in 2024/25, a 15% increase. The increase is principally a result of growth in consultancy and sponsorship income during 2024/25.

During 2024/25, £485,920 of income was received from donations which is £669,020 less than the £1,154,940 which was received in 2023/24. The donations received during the year have been from both organisations and individuals. Since 2022/23, predominantly due to both the energy and cost of living crises, NEA's public profile has been raised significantly which has resulted in significant donations. It is the charity's intention to use this income to further its charitable aims and objectives and to this end, the charity established a designated reserve in 2022/23 of £1,277,700. During 2024/25, £467,610 of this designated reserve has been expended and the balance remaining on it as at 31 March 2025 is £693,808. These funds have been used and will be used in future financial years to pay for hardship grants, interventions in relation to the Net Zero Transition agenda and two major Advocacy Campaigns. Consultancy and Sponsorship income have increased significantly in total by £2,553,194 from a total of £3,785,767 in 2023/24 to £6,338,961 in 2024/25. The main reason for this growth can be attributable to the charity being awarded

additional funding for the Warm Homes Healthy Futures programme of works which is funded by a number of organisations which include Cadent, Northern Gas Networks, SGN and Wales & West Utilities.

Grant income has increased slightly by £16,106 from £7,867,776 in 2023/24 to £7,883,881 in 2024/25. The charity continues to be awarded funding by a variety of funders which include National Grid, British Gas, OVO Energy, E.ON Next, EDF Energy, Good Energy, Scottish Power, Octopus Energy and Skipton Building Society. This continued level of grant income has enabled the charity to help more vulnerable, low income households by funding fuel payments, repairs and replacements of boilers and central heating systems, the distribution of winter warmth packs and essential energy efficient household items, and the provision of both welfare benefits and energy advice and training within community settings. From 2022/23 the Fishwick - Preston project's contractors Seddon Construction Limited were funded to repair 45 homes, these homes had failed external wall insulation (EWI) removed and problems caused by damp penetration rectified. New external wall insulation was installed on 43 of those houses – two occupants refused this after the failed EWI had been removed. During 2024/25, Seddon Construction Limited, undertook the final completion of the rectification works and any additional remedial work required under the defect periods for the two phases of work. This project generated income of £319,413 which represents a decrease of income of £1,965,256 when compared to 2023/24.

Fundraising policy

NEA continues to receive income from general public fundraising through fundraising campaigns, events and initiatives. In order to respond to this opportunity, a fundraising team was established within the Fundraising and Partnerships department. The fundraising team continues to comply with both the Charity Commission regulations and the Fundraising Regulator Code of Practice to ensure responsible and ethical fundraising activities. A fundraising Customer Relationship Management (CRM) system was implemented by the team to safeguard donors data and ensure full compliance with the Charity Commission's regulations and the Fundraising Regulator Code of Practice. No complaints have been received to date by the charity regarding its fundraising activities.

Investment powers and policy

Under the Articles of Association, the Charity has the power to invest in any way the Trustees deem appropriate. The Trustees, having regard to the liquidity requirements of operating the Charity, its Reserves Policy and risks inherent in different vehicles for investment, continue to operate a policy of keeping available funds in interest deposit accounts with its bankers HSBC and Santander and with the CCLA Deposit Fund, prioritising security and liquidity ahead of yield.

Grant Making Policy

NEA makes grants to institutions to further each of the three charitable aims. Grants are funded by NEA's funders and the volume and value of grants made are agreed with the funders. Grants are paid subject to the criteria set out by the funder. Further detail of grants awarded to institutions in the year can be found in note 9. In addition, NEA makes grants to individuals under hardship fund arrangements. These cases are referred to NEA by various care and voluntary organisations which work directly with vulnerable families and individuals.

Reserves Policy

The General Reserve which represents an accumulation of surpluses from earned income, is available to enable the Charity to continue to fulfil its objectives, to meet existing commitments and to provide funds for tangible asset replacement and project development. The policy, agreed by the Board of Trustees in May 2025, is reviewed annually and aims to provide sufficient reserves to meet contractual commitments and a risk-assessed level of funds to ensure the charity remains a going-concern over the medium term. The Policy also aims to ensure that reserves are not excessive. The range agreed as appropriate for 2024/25 is £3.6 million to £4.4 million. The Trustees regularly monitor the risks facing the Charity allowing them to test the adequacy of the reserves policy in the light of the prevailing economic situation and the current funding climate. The General Reserve as at 31 March 2025 was £5,849,389 (2023/24: £4,283,866).

During 2022/23, the Board approved the creation of a designated reserve. The designated reserve of £1,277,700 as at 31 March 2023 related to donations received during 2022/23. During 2023/24, £116,282 of this fund was expended and during 2024/25 a further £467,610 was utilised. The remaining funds of £693,808 in this reserve as at 31 March 2025 will be used in future financial years to pay for hardship grants, interventions in relation to the Net Zero Transition agenda and two major Advocacy Campaigns.

Reserves currently exceed the proposed upper reserves level of £4.4m and are expected to increase throughout the medium term to 31 March 2028. The plan to reduce NEA reserves to within the preferred range has been approved by the Board in May 2025.

Going concern consideration

The Board and senior management have considered both the level of reserves and the ongoing impact of the cost of living and energy crises on the charity. Following a review of cash forecasts, planned operations and financial implications; a satisfactory percentage of income has been secured for the next 12 months and there is sufficient anticipated income to cover the costs of the charity well into 2025/26. Taking into account all potential limitations on the delivery of outcomes or the finalising of income streams, over the next 12 months, the charity is satisfied that it remains in a satisfactory financial position as a going concern and it will endeavour to maintain its reserves position.

Plans for the future and new opportunities

Our Three-Year Business Plan

In 2024/25 NEA continued to deliver against our 2022/25 business plan workstreams, and also to prepare for a shift to a more fundamental business transformation programme to design, develop, implement and embed a new set of operating systems across our project management, HR, Finance, Business Intelligence and Knowledge Management functions

The 2022/25 business plan identifies five core challenges and eight key transformation workstreams. The core challenges will inform our annual planning. They are:

1. The cost of living and the energy crises will continue to challenge NEA as an advocate and advice provider. We do not aim to be a large-scale advice provider so we need to be clear what we provide, how we provide it, what the limits and boundaries of that support are and what powerful insight we can generate.
2. Political considerations could threaten progress in some of our key advocacy areas or it could create opportunities for radical changes in the approach to fuel poverty and warm homes. We may need to surf political opportunity, not work within a stable policy regime.
3. Energy Efficiency in fuel poor homes is at the heart of our Strategy. However, action to deliver Warm Homes within the decarbonisation of heat agenda may remain at too small a scale to have a significant impact. Longer term solutions to fuel poverty need to be promoted alongside (or to compensate for inadequate) mitigation action.
4. The composition and regulatory framework for the retail energy market will be subject to significant change. Consolidation of suppliers, reduction of cost base and measures to stabilise the retail market present an opportunity to put in place deeper price protection for low-income households alongside likely changes to the price cap mechanism.
5. How NEA comes out the other end of the COVID restrictions could change the character of the charity as a place to work, our delivery models, our recruitment, accommodation strategies, systems, and procedures. The charity, our people, partners, and clients have a range of preferences and needs.

A number of transitional workstreams are outlined in our business plan to help NEA respond positively to a number of challenges. Delivery on the workstreams is staggered over the three year life of the business plan, but work on all of them is underway. Each workstream is summarised below:

1. Advice Service Strategy

NEA supports thousands of households each year. We do not plan to grow into a large-scale advice provider, but we will continue to provide advice to help households, understand their issues, understand the strengths and weaknesses of support programmes and give NEA authority as an advocate. This delivery also generates important income to fund the charity's campaigning activity. During 2024/25 we were a multi-channel advice provider.

Aim: To structure our advice services to deliver an effective, impactful experience for our clients, allow our teams to work efficiently and with adequate support and to provide the charity with the authority to speak on behalf of fuel poor and vulnerable households.

2. Integrating Policy and Practice

We are the leading advocacy organisation for those in or at risk of fuel poverty. We are also a significant service delivery body. We aim to make an ever clearer and stronger connection between the insight from our engagement with clients and the design and delivery of policy and programme interventions.

Aim: NEA's operational delivery embeds best practice as set out by our policy and advocacy work which is in turn informed by evidence-based insights. Our teams have a better understanding of the work we do in other areas of the organisation, the role they play in delivering our wider strategic agenda, and in turn, the impacts we make for fuel poor households.

3. Flexibility and Efficiency

Covid lockdown changed assumptions about how organisations work and how they deliver against their priorities. At the same time the growth of the charity required NEA to adapt internal systems and ways of working to exploit positive opportunities for the charity and our people.

Aim: To create employment conditions that offer flexibility to colleagues, attract and retain high calibre applicants and that enables the charity to deliver effectively and efficiently for the benefit of our beneficiaries.

4. Diverse and Sustainable Funding

To ensure the sustainability of NEA, as a larger organisation, we need to diversify our sources of funding to permit an increase in unrestricted resource for our advocacy functions and to reduce dependence on the restrictive nature of industry and defined funding. To do this requires a strong review of skills and competencies, ambitions and focus, brand projection.

Aim: We become more active across our core energy sector supporters, more imaginative in our fundraising and partnerships so we can be more impactful both in reach and in outcomes.

5. A Louder Voice

Numbers of people in fuel poverty are unlikely to reduce, opportunities to drive more radical solutions to fuel poverty are available but they exist within a very crowded environment around energy policies, low carbon priorities, health priorities and others. We need to articulate the experience of households in fuel poverty ever more loudly. Our ambition with media, effectiveness in using case studies, clarity of voice and persistence of approach will all need to be up to the job.

Aim: We will grow our advocacy and campaigning capability and impact, to deliver the greatest positive impact for those living in fuel poverty.

6. A Bigger Movement

NEA is part of a bigger fuel poverty movement and the bigger that movement the more effective NEA will be as a campaigner, facilitator of action and delivery partner. The movement is broader than our membership, but that membership is vital to help others see how their priorities fit with fuel poverty alleviation and how small actions add weight and power to a shared mission. We have made good steps but will use the energy crisis and the Net Zero imperative to grow the movement.

Aim: We will not achieve our vision alone, we will grow the network of organisations committed to our vision, to amplify our voice, and raise fuel poverty up the agenda.

7. Business Intelligence

Effective business intelligence relies on equally effective systems and processes. Changes to the design and delivery of projects, partners, funding types, reporting requirements and client information has evolved. As a result, there are too many moving parts to our procedures and we need to make sure that we rationalise, simplify and make these fit for the foreseeable future.

Aim: To transform our internal operating systems to deliver accurate and timely information flows, increasing reporting capability and to support reliable analysis and projection.

8. Evaluating Progress

This business plan begins a significant transformation programme across NEA. We have identified areas which are essential for NEA to move forward effectively and with greater impact. We have also identified inevitable dependencies, contingencies, and pinch points. We will build a culture of open evaluation of success and setbacks to keep our strategy and business plan alive and relevant for staff, SMT and trustees.

Aim: We understand how effective we are in progressing our strategic aims, allowing us the opportunity to share success, review and re-assess our priorities and take corrective actions where required.

Prospects for 2025/26

NEA will revisit our long-term strategic priorities in 2025/26. NEA has grown into a larger charity. In 2024/25 we began a business transformation programme to bring our capabilities, systems and processes into line with our size and complexity.

Fuel poverty numbers will remain at concerning levels. The UK Government's options for decarbonising homes and addressing fuel poverty will be confirmed. Those options may support NEA priorities or NEA may need to adapt to new circumstances.

Demand for our services will remain high, and although we added greater capacity in 2024/25, we will not be able to support everyone who approaches us, and the challenge of supporting clients adequately will not diminish.

Warm Homes, Healthy Futures, our major local programme focused on fuel poor households with health conditions, will be consolidated and deliver strong outcomes for clients. Our retrofit demonstration projects and community support will take shape. We expect these programmes to change the shape of NEA's service delivery and enhance our provision to fuel poor households.

For 2025/26 we will build on internal systems transformation, a new Values and Behaviours framework and the development of a People Strategy to develop the capability across NEA.

Our five-year strategic objectives have proven to be well framed. In 2025/26 NEA will develop our next five-year strategy.

Plans for the future and new opportunities

New 5-year strategy

The 2026/30 Strategy will be developed in the coming year. It will have a stronger focus on the capability required for NEA to achieve its mission. For 2025/26 the charity will build on progress from previous business plan workstreams and consolidate growth, reach and impact. The strategy will be able to build on:

Our Business Transformation Programme; rebooting our internal operating systems, embedding our Values and Behaviours framework and extending our Knowledge Management systems.

Our developing advice and support strategy; consolidating our services, extending our core capability and enhancing standards, increasing our local reach through our Warmer Homes, Healthy Futures programme.

Our influence of the UK Government's Warm Homes Plan; new pathways to warm and healthy homes, a better support and advice ecosystem for vulnerable households and the fair distribution of costs and benefits in the low carbon transition.

Status of these Financial Statements

These financial statements are prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102 and in compliance with the Companies Act 2006, Charities Act 2011 and the Charities SORP 2019. They have been audited in accordance with section 475 of the Companies Act 2006. Accordingly, these Financial Statements are the statutory accounts of National Energy Action for the year ended 31 March 2025.

Statement of Trustees' responsibilities

The Trustees (who are also directors of National Energy Action for the purposes of Company Law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether FRS 102 "The Financial Reporting Standard applicable UK and Republic of Ireland" has 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

The Trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors

PKF Littlejohn LLP were confirmed as Independent Auditors to NEA for 2024/25 at the Annual General Meeting in October 2024.

Statement of disclosure to auditors

- a) So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- b) They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

The Trustees Reports, including the Strategic report, are approved and authorised for issue by order of the Board of Trustees:



Tracey Archer
Company Secretary

Date: 24 July 2025

Independent auditor's report to the members of National Energy Action

Report on the audit of the financial statements

Opinion

We have audited the financial statements of National Energy Action (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities including the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

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 charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the charitable company in this regard to be those arising from the Charities Act 2011, Companies Act 2006 and Financial Reporting Standard 102.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charitable company with those laws and regulations. These procedures included, but were not limited to, enquiries of management and review of minutes of meetings of those charged with governance.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was the potential for management bias in revenue recognition. We addressed this by testing a sample of agreements between the charitable company and its funders to evaluate whether the income and the corresponding

cash receipt or receivable had been recognised appropriately, and to assess the classification of income as either restricted or unrestricted.

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

~~24th July~~  2025

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND
EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025**

	Note	Unrestricted Funds 2024/25	Restricted Funds 2024/25	Total Funds 2024/25	Unrestricted Funds 2023/24	Restricted Funds 2023/24	Total Funds 2023/24
		£	£	£	£	£	£
Income from:							
Generated funds:							
Donations		485,920	-	485,920	554,940	600,000	1,154,940
Investment income	4	179,567	-	179,567	66,704	48,822	115,526
Charitable activities:							
Increase Strategic Action Against Fuel Poverty		-	1,913,652	1,913,652	11,782	2,513,436	2,525,218
Develop and Progress Solutions to Improve Access to Energy Efficiency Products, Advice and Fuel Poverty Related Services in UK Households		-	10,376,318	10,376,318	-	7,934,557	7,934,557
Enhance Energy Efficiency and Fuel Poverty Education and Skills		-	2,373,995	2,373,995	-	1,508,829	1,508,829
Miscellaneous Income		14,390	-	14,390	54,087	-	54,087
Total Income		679,877	14,663,965	15,343,842	687,513	12,605,644	13,293,157
Expenditure on:							
Raising funds:							
Costs of generating donations	7	29,764	-	29,764	17,709	-	17,709
Charitable activities:							
Increase Strategic Action Against Fuel Poverty	6, 8, 9	690,520	1,680,566	2,371,086	760,669	2,102,274	2,862,943
Develop and Progress Solutions to Improve Access to Energy Efficiency Products, Advice and Fuel Poverty Related Services in UK Households	6, 8, 9	278,118	10,209,410	10,487,528	293,189	8,611,570	8,904,759
Enhance Energy Efficiency and Fuel Poverty Education and Skills	6, 8, 9	10,113	1,347,438	1,357,551	35,302	1,094,496	1,129,798
Total Expenditure		1,008,515	13,237,414	14,245,929	1,106,869	11,808,340	12,915,209
Recognised (loss)/gain on Investment assets	19	1,703	-	1,703	312	-	312
Net Income/(Expenditure) Before Transfers and Taxation		(326,935)	1,426,551	1,099,616	(419,044)	797,304	378,260
Transfers between funds	19,20	1,426,551	(1,426,551)	-	1,255,428	(1,255,428)	-
Net Movement in Funds		1,099,615	0	1,099,616	836,384	(458,124)	378,260
Fund balances brought forward at 1 April		5,447,614	2,117	5,449,731	4,611,230	460,241	5,071,471
Fund balances carried forward at 31 March	19, 20 21, 22	6,547,230	2,117	6,549,347	5,447,614	2,117	5,449,731

The statement of financial activities has been prepared on the basis that all income and expenditure derive from continuing activities.

There are no recognised gains and losses other than those passing through the statement of financial activities. There is no material difference between the net resources stated above and their historical cost equivalents.

BALANCE SHEET AS AT 31 MARCH 2025

	Note	2025	2024
		£	£
Fixed Assets			
Tangible assets	14	108,750	44,296
Total Fixed Assets		<u>108,750</u>	<u>44,296</u>
Current Assets			
Debtors	15	2,271,540	1,618,580
Investments	16	4,164	2,461
Cash at bank and in hand		10,480,205	9,299,131
Total Current Assets		<u>12,755,909</u>	<u>10,920,172</u>
Creditors: Amounts falling due within one year	17	(6,315,312)	(5,514,737)
Net Current Assets		<u>6,440,597</u>	<u>5,405,435</u>
Net Assets - Total Assets less Current Liabilities		<u>6,549,347</u>	<u>5,449,731</u>
The Funds of the Charity			
Unrestricted income funds	19	6,547,230	5,447,614
Restricted income funds	20	2,117	2,117
Total Charity Funds		<u>6,549,347</u>	<u>5,449,731</u>

The financial statements on pages 25 to 43 were approved by the Board of Trustees on 24 July 2025 and signed on its behalf by:


Ian Deboys
Chair

Company Number: 01853927

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

	2024/25 Total Funds £	2023/24 Total Funds £
Cash flows from operating activities		
Net cash used in operating activities	1,091,091	1,547,449
Cash flows from investing activities		
Dividends and interest from investments	179,567	115,526
Purchase of fixed assets	(87,881)	(18,616)
Net cash used in investing activities	91,686	96,910
Change in cash and cash equivalents in the reporting period	1,182,777	1,644,359
Cash and cash equivalents at the beginning of the reporting period	9,301,592	7,657,233
Cash and cash equivalents at the end of the reporting period	10,484,369	9,301,592

RECONCILIATION OF CASH AND CASH EQUIVALENTS TO BALANCE SHEET

	2024/25 Total Funds £	2023/24 Total Funds £
Cash and cash equivalents comprise: -		
Investments	4,164	2,461
Cash at bank and in hand	10,480,205	9,299,131
	10,484,369	9,301,592

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024/25 Total Funds £	2023/24 Total Funds £
Net surplus/(deficit) for the reporting period (as per the Statement of Financial Activities)	1,099,616	378,260
Adjustments for:		
Depreciation charges	23,427	19,703
Dividends and interest from investments	(179,567)	(115,526)
(Increase)/decrease in debtors	(652,960)	377,182
Increase in creditors	800,575	887,830
Net cash used in operating activities	1,091,091	1,547,449

1. Charitable status

NEA is registered as a Charity under the Charities Act 2011 and is a company limited by guarantee, incorporated in England. From 27 June 2025 the address of its registered office is Wellbar Central, Level 8, 36 Gallowgate, Newcastle upon Tyne, NE1 4TD. Previous to this date, its registered office was 6th Floor, West One, Forth Banks, Newcastle upon Tyne, NE1 3PA. The charity constitutes a public benefit entity as defined by FRS 102.

2. Constitution and liability of members

NEA is a company limited by guarantee and has no share capital. Clause 7 of the Articles of Association provides that every member, as defined by paragraph 8 of the Articles of Association, is liable to contribute a sum not exceeding £1 in the event of the Charity being wound up while a member, or within one year of ceasing to be a member. As at 31 March 2025 there were 12 voting members who are also Trustees of the charity. As part of the review of the Articles of Association in October 2024, Members who were previously designated as Full Members were reclassified as Associate Members, and as a result as at 31 March 2025 there were 711 Associate Members (2024: 374 Full Members and 231 Associate Members).

3. Statement of Compliance and Accounting Policies

Statement of Compliance

These financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the inclusion of investments at market value, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2019) preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 and the Charities Act 2011 and the Companies Act 2006.

In accordance with the SORP 2019, restricted and unrestricted income and expenditure are separately identified in the financial statements. The net change in the two types of funds is added to the balances brought forward from the previous year, so that the balance of restricted and unrestricted funds at the end of the year is identified on the balance sheet.

The company's functional and presentation currency is the pound sterling.

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 at least one year from the date of authorisation for issue of the financial statements. The Board and senior management have considered both the level of reserves and the current ongoing cost of living and energy crises on the charity. Following a review of cash forecasts, planned operations and financial implications; a satisfactory percentage of income has been secured for the next 12 months and there is sufficient anticipated income to cover the costs of the charity well into 2025/26. Taking into account all potential limitations on the delivery of outcomes or the finalising of income streams, over the next 12 months, the trustees are satisfied that the charity remains in a satisfactory financial position as a going concern and have concluded that it has adequate resources to continue in operational existence for the foreseeable future and thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical Accounting Estimates & Judgements

Income recognition is a critical judgement in establishing NEA's annual income and expenditure and year-end financial position. Accounting Policies 3.1.d and 3.1.e and the procedures that support them are consistently applied in determining the extent to which income is recognised and deferred in NEA's financial statements.

At the time of liquidation WZ owed NEA £1,739,001 and all recoverable funds due from the liquidator of WZ were received during 2023/24. Provision has been included in NEA's accounts in previous financial years for the WZ net unrecoverable balance of £1,083,140 (31 March 2024 £1,083,140).

During 2020/21, work was carried out on behalf of Green Network Energy (GNE) in relation to the Warm Homes Discount scheme but in January 2021 GNE entered administration. At the time of the administration GNE owed NEA £413,867. During 2024/25, based on an update from the liquidators of GNE in April 2025, the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 CONTINUED

likely recovery rate has improved from 10p - 20p/£ to 17p - 23p/£. This has resulted in a £28,970 release of the GNE bad debt provision which has been processed through the charity's 2024/25 Statement of Financial Activities. As at 31 March 2025 the GNE net unrecoverable balance is £343,510 (31 March 2024 £372,480).

The remaining recoverable balance of £70,357 is included within NEA's trade debtor figure at 31 March 2025 (31 March 2024 £41,387) which is disclosed in note 15 and it is expected that the outstanding sum will be received in full.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed below.

Accounting Policies

The following principal accounting policies have been consistently applied:

3.1 Income

Income receivable by NEA is included in the financial statements at its gross value. All costs associated with generating, earning or collecting income are shown separately as expenditure. Where income included VAT, the VAT element was due to HMRC, not NEA. That VAT is, therefore, excluded from NEA's financial statements.

- a. **Income from donations** is recognised in the year in which it is received. When donations have been promised but not received, they are not recognised.
- b. **Investment income** - dividends arising on listed investments and interest arising on bank deposits, are recognised on a receivable basis.
- c. **Miscellaneous income** – relates to reimbursement of long-term ill-health costs via insurance arrangements, recharge of the costs of a seconded employee and third-party reimbursement of employees travel and subsistence costs.
- d. **Income from charitable activities** is principally derived from carrying out work that helps regulated private sector organisations meet statutory obligations to alleviate fuel poverty which contributes to NEA's aims and objectives. Income is recognised to the extent that:
 - Conditions relating to entitlement to the income have been met;
 - The monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably; and
 - It has been received or its receipt is probable.

Assessments are made regularly during the year to identify:

- Income that should rightly be included in the financial statements; and
- Any receipts, entitlement to which is dependent on successful delivery of agreed outputs or other conditions that have not yet been met.

This continuous process, supplemented by additional assessment after the year end, informs the extent to which income is recognised in the financial statements.

Charitable activities income also includes:

- Grants from Government departments, devolved administrations and other public bodies;
 - Sponsorships;
 - Subscriptions of members and Business Supporters Group (BSG); and
 - Sales of training courses, examinations, materials and publications, event fees and consultancy.
- e. **Deferred income** - Income from Charitable Activities, both restricted and unrestricted, to which entitlement does not exist until earned in future accounting years is treated as deferred income (See notes 17 and 18).

3. Statement of Compliance and Accounting Policies (continued)

3.2 Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT that cannot be recovered.

a. Expenditure on raising funds

Costs incurred in raising funds are separately accounted for. These include the costs of raising donations and managing investments. NEA does not undertake any trading for the specific purpose of raising funds. The Charity's principle trading activity is training, which is a charitable activity, under NEA's charitable objectives.

b. Expenditure on charitable activities

Expenditure on charitable activities relates to work that contributes to NEA's charitable objectives. It includes the costs of delivering the services and products that are required by funders, listed above under the policy relating to income from charitable activities. Also included are costs of any core activities that contribute to charitable objectives but are not funded by specific income sources.

Charitable expenditure includes all expenditure relating to NEA's charitable objectives, including the direct cost of supporting charitable activities and projects, depreciation and profits/losses on disposal of fixed assets used wholly or mainly for charitable activities and, where applicable, the writing off of assets as part of project expenditure. In attributing costs to expenditure headings, expenditure involving more than one heading has been apportioned based on staff time.

Governance costs include work to comply with statutory and constitutional requirements, audit, legal advice for Trustees and an element of apportioned support costs. These costs form part of expenditure on charitable activities.

c. Support costs

Support costs include all costs that cannot be analysed directly to expenditure on charitable activities or expenditure on raising funds. They are apportioned to activities on the basis of the staff time directly recorded against those activities.

d. Operating leases

Rentals payable under operating leases are accounted for on a straight-line basis over the term of the lease.

e. Pensions

NEA operates a defined contribution scheme for its salaried employees. Pension costs are charged as expenditure in the year to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

f. Grants payable

Grants paid to beneficiaries under any hardship fund arrangement are referred to NEA by various care and voluntary organisations which work directly with vulnerable families and individuals. Other grants are paid subject to the criteria of the funder. Grants are funded via sponsors of individual programmes (see note 9).

g. Transfers between funds

Transfers between funds primarily reflect transfers of resources from unrestricted funds to meet the additional costs of restricted fund activities not covered by restricted income, surpluses on restricted fund activities that funders allow NEA to retain and transfers to or from designated funds for specific, otherwise unrestricted, purposes.

3. Statement of Compliance and Accounting Policies (continued)

3.3 Identifying costs with activities

A large proportion of NEA's expenditure relates to employee costs. Time recording and project accounting systems are used to identify those costs with each activity.

Support costs, which are not directly identifiable with specific activities, are apportioned in proportion to time directly recorded against each activity. They include finance, human resource management, ICT, administration, premises and general office supplies and equipment.

Other costs relating directly to individual projects are identified with each activity, using the project accounting system.

3.4 Fixed assets

Tangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided to write off, by annual instalments, the cost of tangible fixed assets over their estimated economic lives as follows:

Leasehold properties	- Straight-line over the primary period of the lease
Furniture, fittings and equipment	- Straight-line generally over 5 years

If purchased before 1 October a full year's depreciation is charged in the year of purchase. If purchased after 30 September no depreciation is charged in the year of purchase. Tangible fixed assets costing less than £1,000 are not capitalised. Finance costs are not capitalised. Impairment reviews of tangible fixed assets are carried out on a regular basis. Impairment losses, when they arise, are treated as additional depreciation in the year that they are identified.

Intangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Website development costs are recognised as an intangible asset when all of the following criteria are demonstrated:-

- The technical feasibility of designing the website so that it will be available for use;
- The intention to complete the website and use it;
- The ability to use the website;
- How the website will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use the website; and
- The ability to measure reliably the expenditure attributable to the website design during its development.

Depreciation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives: -

- Website development costs 3 years.

If there is an indication that there has been a significant change in depreciation rate or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

Intangible assets costing more than £1,000 are capitalised if their expected economic life is greater than one year. Depreciation is provided to write off, by equal annual instalments, the cost over their estimated economic lives, normally not more than 3 years. If purchased before 1 October a full year's depreciation is charged in the year of purchase. If purchased after 30 September no depreciation is charged in the year of purchase.

3. Statement of Compliance and Accounting Policies (continued)

3.5 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

3.6 Debtors

Income due from debtors at 31 March is prudently assessed in accordance with the policy relating to income from charitable activities, described above.

Provision is made in the financial statements for any specific debts which are expected to be irrecoverable. Provision is also made for debts whose recovery is assessed as being doubtful. Doubtful debts are assessed with regard to their age, the debtor, the reason for the debt, the size of the debt and viability, including any likely cost, of taking further recovery action.

The great majority of NEA's income is from public sector and large private sector organisations that are regarded as being at a lower of risk of failing financially. A prudent approach is also taken to the inclusion of income in the financial statements.

3.7 Investments

Investments are made only in basic financial instruments. Investments in listed shares are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities. Reserves and short-term surplus funds are placed in cash deposits with major UK banks.

3.8 Liabilities

Liabilities include trade and other creditors, taxes and social security costs, including obligations to make future payments. They are recognised in the financial statements as resources expended as soon as legal and/or constructive obligations arise.

3.9 Holiday Entitlement

Provision is made for the cost of untaken holiday entitlement as at 31 March each year. A provision of £76,262 is made in 2024/25 (2023/24: £64,464) financial statements, in addition to a provision of £3,278 (2023/24: £5,739) for permanent health insurance (PHI) costs relating to accrued holiday entitlement.

3.10 Short term deposits and cash

Reserves, which are maintained to help ensure that NEA can continue to deliver its charitable objectives, and receipts that are held in the short-term before being used to meet expenditure, are deposited with Santander and COIF Charities Deposit Account. The principal aims are to ensure that such funds are secure and are available at the time they are needed. Short-term deposits also achieve a rate of return that contributes to NEA's charitable activities. A managed level of cash is held available for immediate use and very short-term cash-flow. Short-term deposits that mature in less than three months are shown as cash-equivalents in the cash flow statement.

3. Statement of Compliance and Accounting Policies (continued)**3.11 Fund Accounting**

Funds held by the Charity are either:

- Restricted – which can only be used for specific purposes within the objects of the Charity. Restrictions arise when specified by the funder or when funds are raised for particular specified purposes; or
- Unrestricted – which can be used for any of the charitable objects at the discretion of the Trustees.

Within the unrestricted funds, amounts may be set aside by the Trustees to be used for particular purposes. The aims and use of designated funds are set out in notes to the financial statements.

Transfers between funds are made:

- Between unrestricted and restricted funds to meet expenditure on restricted activities that is not fully funded, and surpluses made on restricted funds projects, which funders allow NEA to retain; and
- To and from designated funds, usage of which is at Trustees' discretion, designated funds remain unrestricted.

3.12 Post Balance Sheet events

Any events that have occurred after the end of the financial year that have, or are likely to have, a material effect on the value of assets or liabilities must be noted and explained in the financial statements. Although the financial statements are prepared on a historic basis for the year up to 31 March, it is important that the users of the financial statements are also made aware of any subsequent events that may materially affect the Charity.

4. Investment Income

	2024/25	2023/24
	£	£
Bank Interest	179,567	115,526
Total	179,567	115,526

5. Grants Received

NEA receives grants from a range of funders. The grants are usually for specific projects with requirements to deliver specified outputs, making them performance related. Funders also generally require grants to be expended solely on projects with geographic or charitable aim limitations, making them restricted funds under charity accounting rules. As projects have discrete start and end dates, there is not necessarily continuity of funding from individual sources across financial years.

Income from Charitable Activities includes grants from the following sources: –

	2024/25	2023/24
	Total	Total
	All	All
	Restricted	Restricted
	£	£
Companies in the energy sector - other	7,160,045	6,727,585
UK central, devolved and local government and the EU	213,807	222,706
Trusts and foundations	403,631	161,855
Housing Associations	19,902	17,898
Other non-profit organisations	86,495	722,983
Companies in the property sector	-	12,749
Companies in the water sector	-	2,000
	7,883,880	7,867,776
Other restricted income	6,780,085	2,452,039
Total restricted income	14,663,965	10,319,815

6. Analysis of charitable expenditure

2024/25	Direct Staff Costs £	Grant Funded £	Direct Costs £	Support Costs £	Total 2024/25 £
Aim					
1 Increase Strategic Action Against Fuel Poverty	1,127,930	309,918	520,330	412,908	2,371,086
Develop and Progress Solutions to Improve Access to Energy					
2 Efficiency Products, Advice and Fuel Poverty Related Services in UK Households	4,419,479	3,189,185	1,117,482	1,761,382	10,487,528
3 Enhance Energy Efficiency and Fuel Poverty Education and Skills	568,981	-	438,676	349,894	1,357,551
	6,116,390	3,499,102	2,076,488	2,524,184	14,216,165

2023/24	Direct Staff Costs £	Grant Funded £	Direct Costs £	Support Costs £	Total 2023/24 £
Aim					
1 Increase Strategic Action Against Fuel Poverty	1,291,596	697,360	351,118	522,868	2,862,942
Develop and Progress Solutions to Improve Access to Energy					
2 Efficiency Products, Advice and Fuel Poverty Related Services in UK Households	2,744,641	3,909,440	1,098,224	1,152,454	8,904,759
3 Enhance Energy Efficiency and Fuel Poverty Education and Skills	634,188	-	234,789	260,822	1,129,799
	4,670,425	4,606,800	1,684,131	1,936,144	12,897,500

Other direct costs include irrecoverable VAT input tax amounting to £157,160 (2023/24: £289,605). 2024/25 Aim 2 and 3 direct costs include a release of the bad debt provision of £12,662 and £16,309 respectively, for the GNE irrecoverable debt. 2023/24 Aim 2 direct costs include a £29,821 release of the bad debt provision for the Aim 2 WZ debt. 2022/23 Aim 2 and 3 direct costs include in total a £27,751 provision, £12,129 and £15,622 respectively, for the GNE irrecoverable debt which has been offset by a £52,220 release of the bad debt provision for the Aim 2 WZ debt.

7. Cost of Raising Funds

	Staff Costs £	Support Costs £	Direct Costs £	Total £
2024/25	74,093	21,590	29,764	125,447
2023/24	66,789	20,309	17,709	104,807

8. Allocation of support

The Charity allocates support costs as shown in the table below then further apportions those costs between the charitable activities undertaken. Support costs are allocated on the basis of staff time.

Note 8 - Allocation of Support Costs (continued)

Charitable Activities						
2024/25	Aim 1	Aim 2	Aim 3	Charitable Activities Total	Cost of Raising Funds	2024/25 Total
	£	£	£	£	£	£
Support staff	161,266	687,930	136,655	985,851	8,432	994,283
Staff training	7,630	32,547	6,465	46,642	399	47,041
Travel & Subsistence	21,813	93,049	18,484	133,346	1,140	134,486
Accommodation and insurances	65,326	278,667	55,356	399,349	3,416	402,765
IT support	24,880	106,132	21,083	152,095	1,301	153,396
Communication costs	13,098	55,872	11,099	80,069	685	80,754
Other general costs	29,794	127,097	25,248	182,139	1,558	183,697
Legal and professional costs	46,010	196,271	38,989	281,270	2,406	283,676
Capital grants/depreciation adjustment	3,800	16,209	3,220	23,229	199	23,428
General Capital Expenditure	39,291	167,608	33,295	240,194	2,054	242,248
	412,908	1,761,382	349,894	2,524,184	21,590	2,545,774

2023/24	Aim 1	Aim 2	Aim 3	Charitable Activities Total	Cost of Raising Funds	2023/24 Total
	£	£	£	£	£	£
Support staff	228,305	503,208	113,884	845,397	8,866	854,263
Staff training	7,734	17,046	3,858	28,638	300	28,938
Travel & Subsistence	27,361	60,306	13,648	101,315	1,063	102,378
Accommodation and insurances	92,331	203,508	46,058	341,897	3,586	345,483
IT support	43,322	95,485	21,610	160,417	1,683	162,100
Communication costs	21,871	48,206	10,910	80,987	850	81,837
Other general costs	35,364	77,946	17,641	130,951	1,374	132,325
Legal and professional costs	41,683	91,874	20,793	154,350	1,619	155,969
Capital grants/depreciation adjustment	5,266	11,606	2,627	19,499	205	19,704
General Capital Expenditure	19,631	43,269	9,793	72,693	763	73,456
	522,868	1,152,454	260,822	1,936,144	20,309	1,956,453

9. Grants Payable

Total grants paid to organisations and to individuals were: -
Grants paid to organisations

2024/25	2023/24
£	£
3,498,043	4,606,801
3,498,043	4,606,801

9. Grants Payable (continued)

During the year, grants were paid out under the following programmes and schemes:

	2024/25 £
Warm Homes Discount - 2,980 grants up to the value of £150 were awarded to individuals to fund fuel payments. This was administered via NEA's WASH energy advice service.	£407,948
142 grants were awarded to individuals to fund new central heating systems.	£419,826
10 grants were awarded to individuals to fund fuel payments. The recipients of the grants were eligible for their energy suppliers' WHD payment but they did not receive it during 2024/25.	£9,197
Smart Energy GB - During 2024, NEA continued its successful partnership with Smart Energy GB to deliver the Smart Energy GB in Communities programme, aiming to engage customers in vulnerable circumstances to ensure they could benefit from the smart meter rollout. Through the programme, NEA awarded grant funding to 15 community partners across the UK with an average value £18,500 to deliver focussed direct and indirect activities including advice, events and bespoke resources to raise awareness of the benefits of smart meters with households without fundamental digital skills.	£278,378
Cadent Reactive Repair - Preferred Management Solutions Limited were funded to provide measures in 278 homes of vulnerable, low income householders in the Cadent network area. The average value of works per household was £2,535 and the householders were referred to NEA by Cadent emergency engineers following a gas emergency and, without assistance, would have been left without heating and/or hot water. The essential work carried out included servicing of "at risk" gas appliances in 22 households as well as both repairing and replacing condemned gas appliances.	£709,511
Community Action Projects - The SSE Crisis, the PHA - Belfast Crisis & Belfast City Council Hardship funds enabled community groups where the prevalence of excess winter mortality has been consistently higher over the past decade to improve their scope and reach by extending opening hours, providing warm spaces whilst raising awareness of fuel poverty and directing solutions which included direct financial support such as boiler repairs and the provision of oil radiators, Winter Warmth packs and oil, gas and electric fuel vouchers. The community groups also provided cookery lessons and exercise sessions for all age groups. The funds helped 1,096 households directly and 569 participants attended the activities undertaken in the community warm spaces.	£190,424
The Malcolm Wicks Memorial Fund - This fund currently supports three postgraduate PhD studentships, one each at the universities of Strathclyde, Salford and Cardiff. Each student receives an annual grant of £9,000. During 2024-25 the Cardiff University student received their second grant of £9,000 and the Salford student received their first grant of £9,000.	£18,000
The NEA Winter Support Funds which were funded from public donations has awarded 1,713 grants to individuals to fund fuel payments and awarded 1,002 grants to individuals to fund measures such as energy efficient household items (e.g. slow cookers, air fryers, microwaves, washing machines, fridge/freezers, dehumidifiers).	£367,482
The Hyde Housing Energy Hardship fund awarded 104 grants to individuals to fund fuel payments.	£19,902
The WWU fund awarded grants to 81 low income households to fund the repair or replacement of gas central heating systems, associated pipework and gas cookers.	£108,061
The SSN Hardship fund awarded grants to individuals to fund fuel payments.	£7,535
During 2024/25 National Grid's Warm Home Prescription scheme provided financial support and in-depth energy advice to clients across England and Wales whom are on a low income or benefits and whom are reliant upon the use of medical equipment in their home, have palliative care needs and are suffering from cancer. The scheme enabled 230 households to receive advice and support from our energy advice team and of those 230 households, 222 of them were each awarded a grant to contribute towards the cost of electrical medical equipment and heating costs, to keep the clients warm and well. The aim of the Energy Systems Catapult's Warm Home Prescription scheme was to help individuals heat their homes to safe temperatures throughout the winter of 2023/24. The scheme was developed for people with chronic respiratory health conditions that are made worse by living in cold homes, to reduce harmful health complications and relieve pressure on the NHS. Household were supported through energy advice, the receipt of fuel payments and the repair or fitting of heating controls. Of the patients supported via this scheme, 79% of recipients found it had a positive impact on their physical health and 70% said that it improved their mental health.	£151,365
The Gas Distribution Network Collaboration fund provided emergency energy top-up vouchers for 339 vulnerable customers on pre-payment meters. The average value of the support to each household was £147.	£52,092
Fishwick/Preston- Seddon Construction Limited were funded to repair 45 homes which have now received rectification work in Fishwick. These homes had failed external wall insulation (EWI) removed and problems caused by damp penetration rectified. New external wall insulation was installed on 43 of those houses – two occupants refused this after the failed EWI had been removed. 2024/25 saw the final completion of these works and any additional remedial work required under the defect periods for the two phases of work.	£145,487
Warm Homes Healthy Futures is a nationally coordinated, locally delivered network of fuel poverty support for people struggling with health conditions made worse by living in a cold home. It connects health professionals to advice services for a seamless and simple referral pathway into expert energy advice and support for their patients. The service delivers energy and benefits advice, community engagement via events, training and awareness, and also provides carbon monoxide alarms and gas appliance servicing.	£565,629
The charity is working with a series of local delivery partners to support delivery of these services within their locality where NEA may have more limited reach and the agencies already have established health partner referral networks in place. As at 31 March 2025 delivery had commenced with 10 partners, and those partners had delivered 926 triage assessments, 740 energy advice and 391 benefit advice sessions, supplied 354 CO alarms, ran events which were attended by 86 people, and provided training to 27 stakeholders.	
Other - Miscellaneous grant awards	24,701

Total grants paid 2024/25: 3,498,043

2023/24: 4,606,801

National Energy Action (Operating as NEA)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 CONTINUED

9. Grants Payable (continued)

During the year, grants were paid out under the following programmes and schemes:

	2023/24 £
Warm Homes Discount	
3,018 grants were awarded to individuals to fund fuel payments with an average award of £134.24. This was administered via NEA's WASH energy advice service.	405,147
137 grants were awarded to individuals to fund new central heating systems.	416,707
10 grants were awarded to individuals to fund fuel payments. The recipients of the grants were eligible for their energy suppliers' WHD payment but they did not receive it during 2023/24.	9,120
Smart Energy GB	
GB in Communities programme, aiming to engage customers in vulnerable circumstances (people living in fuel poverty; people lacking basic digital skills; and people who are carers) to ensure they could benefit from the smart meter rollout. Through the programme, NEA awarded grant funding to 38 organisations across GB to fund a variety of smart meter focussed direct and indirect activities to take place, including advice, events and bespoke resources.	697,360
Cadent Reactive Repair	
Preferred Management Solutions Limited were funded to provide measures in 239 homes of vulnerable, low income householders in the Cadent network area. The essential work carried out included servicing of "at risk" gas appliances as well as both repairing and replacing condemned gas appliances.	473,082
Community Action Projects	
The SSE Crisis, the PHA - Belfast Crisis & Belfast City Council Hardship funds aided the identification of five community groups working across seven localities where the prevalence of excess winter mortality has been consistently higher over the past decade. This enabled communities to improve their scope and reach by extending opening hours, providing warm spaces whilst raising awareness of fuel poverty and directing solutions which included direct financial support, cookery lessons and exercise sessions for all age groups. The funds facilitated the dissemination of 3,000 winter warmth packs across 36 key organisations who deal directly with those in need of support.	109,503
The Great Places Crisis fund awarded 128 grants to individuals to fund fuel payments.	8,701
The Melin Homes Prepayment Meter Crisis fund awarded 36 grants to individuals to fund fuel payments.	2,885
The NEA Winter Support Funds which were funded from public donations has awarded 1,879 grants to individuals to fund fuel payments and awarded grants to individuals to fund measures such as energy efficient household items (e.g. slow cookers, microwaves, washing machines) and warmth items such as bedding & thermal sleepwear.	520,532
The Cadent Special Grant Cases fund delivered extensive improvements to the gas central heating and cooking facilities of a very vulnerable client living in fuel poverty.	5,356
The Hyde Housing Energy Hardship fund awarded 66 grants to individuals to fund fuel payments.	17,898
The WWU fund awarded grants to 113 low income households to fund the repair or replacement of gas central heating systems, associated pipework and gas cookers.	146,918
The SSEN Hardship fund awarded 58 grants to individuals to fund fuel payments.	11,231
National Grid's Warm Home Prescription scheme began during 2023/24 to provide financial support to clients across England and Wales whom are on a low income or benefits and whom are reliant upon the use of medical equipment in their home. The scheme awarded 12 grants to fund fuel payments to contribute towards the cost of electrical medical equipment and heating costs, to keep the clients warm and well.	12,000
Middlesborough. The aim of the scheme was to help individuals heat their homes to safe temperatures throughout the winter of 2023/24. The scheme was developed for people with chronic health conditions that are made worse by living in cold homes, to reduce harmful health complications and relieve pressure on the NHS.	48,513
The Gas Distribution Network Collaboration fund provided emergency energy top-up vouchers for vulnerable customers on pre-payment meters.	2,808
Fishwick/Preston	
Seddon Construction Limited were funded to repair 23 homes that had failed External Wall Insulation and which was installed in 2013 by a failed scheme.	1,718,554
Other - Miscellaneous grant awards	486
Total grants paid 2023/24:	4,606,801
2022/23:	3,353,038

10. Board of Trustees and other key management personnel

In accordance with the Charity's Articles of Association, the members of the Board of Trustees received no remuneration during the year. Travel and subsistence costs were paid for 13 trustees in 2024/25 (2023/24: 8), amounting to £10,048 (2023/24: £8,071).

11. Employees

Staff costs:	2024/25	2023/24
	£	£
Wages and salaries	5,720,869	4,472,236
Social Security Costs	567,351	435,611
Other pension costs	651,811	501,033
Other payments	49,966	41,393
	6,989,997	5,450,273

The average number of employees during the year was: -

	2024/25	2023/24
	Number	Number
Chief Executive & Deputy	2	2
Northern Ireland	6	5
Support Services	15	15
Operations - Communities	58	31
Operations - Development & Partnerships	38	41
Policy and Advocacy	12	12
Communications and External Relations	11	12
Large scale projects	17	3
Income Maximisation	9	9
Total	168	130

Staff receiving emoluments (including taxable benefits in kind but excluding employer's pension and insurance contributions) exceeding £60,000 were as follows:

	2024/25	2023/24
	Number	Number
£70,000 - £79,999	3	3
£80,000 - £89,999	2	2
£90,000 - £99,999	0	0
£100,000 - £109,999	1	1

Total pension contributions for staff members receiving emoluments of more than £60,000 during the year amounted to £57,839 (2023/24: £56,465).

In 2024/25 employee benefits, including employers pension contribution, totalling £622,662 were paid to 6 key management personnel (2023/24: £616,012 to 6 key management personnel).

12. Pension costs

The Charity operates a non-contributory, defined contribution, Group Personal Pension Scheme for its employees, administered by Aegon Scottish Equitable. Employer contributions during the year were £651,811 (2023/24: £501,033). At 31 March 2025, outstanding contributions to be paid over to the Scheme Administrator were £68,265 (31 March 2024: £921).

13. Net expenditure before transfers

Net expenditure before transfers is arrived at after charging:	2024/25 £	2023/24 £
Amounts payable to the auditor for:		
- Audit Fee	23,660	22,750
Other professional and legal fees	343,357	195,881
Depreciation	23,427	19,703
Operating Leases – Land and buildings	277,932	210,970

14. Tangible Assets

	Leasehold properties - short £	Furniture, fixtures & equipment £	Total £
Cost			
1 April 2024	117,711	409,315	527,026
Additions	-	87,881	87,881
31 March 2025	117,711	497,196	614,907
Depreciation			
1 April 2024	99,232	383,498	482,730
Charge for the year	17,903	5,524	23,427
31 March 2025	117,135	389,022	506,157
Net book value at 31 March 2025	576	108,174	108,750
Net book value at 31 March 2024	18,479	25,817	44,296

15. Debtors

	2025 £	2024 £
Trade debtors	1,644,025	1,238,804
Other debtors	4,320	5,382
Prepayments and accrued income	623,195	374,394
Total Debtors	2,271,540	1,618,580

At 31 March 2025 NEA's wholly-owned subsidiary Warm Zones CIC (WZ) which entered liquidation in November 2018 is shown in the trade debtors figure as owing £0 (31 March 2024 £0). During 2023/24 the charity received the final dividend sum of £394,936 from the liquidators of WZ. As at 31 March 2025 the total bad debt provision for the WZ unrecoverable debt is £1,083,140 (31 March 2024 £1,083,140).

Also at 31 March 2025 the trade debtors figure includes the recoverable element of the Green Network Energy (GNE) debt of £70,357 (31 March 2024 £41,387). During 2020/21, work was carried out on behalf of GNE in relation to the Warm Homes Discount scheme but in January 2021 GNE entered administration owing the charity £413,867. GNE is now in liquidation and the liquidators' latest update which was received in April 2025 indicated that the likely recovery rate has improved from 10p - 20p/£ to 17p - 23p/£. This has resulted in a £28,970 release of the GNE bad debt provision which has been processed through the charity's Statement of Financial Activities. As at 31 March 2025 the GNE net unrecoverable balance is £343,510 (31 March 2024 £372,480).

16. Investments

	2025 £	2024 £
Listed investments at market value	4,164	2,461
Historical cost of listed investments	(131)	(131)
Revaluation Reserve	<u>4,033</u>	<u>2,330</u>
Investments have been revalued at the 31 March 2025 closing price quoted on the London Stock Exchange		

The charity also has two wholly owned subsidiaries, Neighbourhood Energy Action Ltd and NEA Ltd, both of which are dormant. The charity's investment in each of its subsidiary undertaking comprises share capital of £2 (2 ordinary shares of £1 each). The charity's investment in its two subsidiaries is not included on the balance sheet as it is immaterial.

17. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	801,645	982,001
Taxation and social security costs	114,555	182,480
Other creditors	2,776	2,817
Holiday pay provision	79,541	70,203
Accruals	509,003	256,724
Deferred income (see note 18)	4,807,793	4,020,512
Total Creditors	<u>6,315,312</u>	<u>5,514,737</u>

18. Deferred Income

Income is recognised when legal entitlement is secured by meeting conditions agreed with funders regarding delivery of projects and other conditions have been met. Income received prior to entitlement is deferred until the income has been earned.

	2025 £	2024 £
Balance at 1 April	4,020,512	3,294,776
Amount released to income during year	(3,738,442)	(811,738)
Amount deferred in the year	4,525,723	1,537,474
Balance at 31 March	<u>4,807,793</u>	<u>4,020,512</u>

19. Unrestricted Income Funds

2025	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers Between Funds £	Net Investment Gain £	Balance at 31 March 2025 £
General Reserve	4,283,866	679,877	(540,905)	1,426,551	-	5,849,389
Unrealised Gain on Investments	2,330	-	-	-	1,703	4,033
Designated Reserve	1,161,418	-	(467,610)	-	-	693,808
	<u>5,447,614</u>	<u>679,877</u>	<u>(1,008,515)</u>	<u>1,426,551</u>	<u>1,703</u>	<u>6,547,230</u>

National Energy Action (Operating as NEA)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 CONTINUED

2024	Balance at 1 April 2023	Income	Expenditure	Transfers Between Funds	Net Investment Gain	Balance at 31 March 2024
	£	£	£	£	£	£
General Reserve	3,331,512	687,513	(990,587)	1,255,428	-	4,283,866
Unrealised Gain on Investments	2,018	-	-	-	312	2,330
Designated Reserve	1,277,700	-	116,282	-	-	1,161,418
	4,611,230	687,513	(1,106,869)	1,255,428	312	5,447,614

20. **Restricted Income Funds**

2025	Balance at 1 April 2024	Income	Expenditure	Transfers Between Funds	Balance at 31 March 2025
	£	£	£	£	£
Increase Strategic Action Against Fuel Poverty	-	1,913,652	(1,680,566)	(233,086)	-
Develop and Progress Solutions to Improve Access to Energy Efficiency Products, Advice and Fuel Poverty Related Services in UK Households	2,117	10,376,318	(10,209,410)	(166,908)	2,117
Enhance Energy Efficiency and Fuel Poverty Education and Skills	-	2,373,995	(1,347,438)	(1,026,556)	-
	2,117	14,663,965	(13,237,414)	(1,426,550)	2,117

2024	Balance at 1 April 2023	Income	Expenditure	Transfers Between Funds	Balance at 31 March 2024
	£	£	£	£	£
Increase Strategic Action Against Fuel Poverty	4,126	2,513,436	(2,102,274)	(415,288)	-
Develop and Progress Solutions to Improve Access to Energy Efficiency Products, Advice and Fuel Poverty Related Services in UK Households	456,115	8,583,379	(8,611,570)	(425,807)	2,117
Enhance Energy Efficiency and Fuel Poverty Education and Skills	-	1,508,829	(1,094,496)	(414,333)	-
	460,241	12,605,644	(11,808,340)	(1,255,428)	2,117

Income and expenditure have been allocated to specific aims, within each of the Charity's main areas of activity, designed to enable the Charity to achieve the objectives contained in its Strategic Plan 2023/29.

Transfers between funds primarily reflect transfers from unrestricted funds to meet the additional cost of restricted fund activities not covered by restricted income and transfers to unrestricted funds of surpluses on restricted fund activities, which funders allow NEA to retain and transfer to the general fund. In 2024/25, £1,426,551 (2023/24: £1,255,428) was transferred from the restricted funds to the unrestricted funds as the Charity made a surplus on its restricted activities.

There were no investment gains or losses on restricted funds in the year ended 31 March 2025 (2023/24: £Nil).

National Energy Action (Operating as NEA)
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025 CONTINUED

Restricted Funds held at 31 March are: -

	2025 £	2024 £
Coventry Hardship Fund & Keeping Coventry Warm Fund	2,117	2,117
	<u>2,117</u>	<u>2,117</u>

21. Analysis of Net Assets between Funds

	2025			2024		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Fixed Assets	108,750	-	108,750	44,296	-	44,296
Net Current Assets	6,438,480	2,117	6,440,597	5,403,318	2,117	5,405,435
Net Assets at the end of the year	<u>6,547,230</u>	<u>2,117</u>	<u>6,549,347</u>	<u>5,447,614</u>	<u>2,117</u>	<u>5,449,731</u>

22. Purposes of Funds

NEA has an annual programme of activities to help meet its strategic aims and these are funded through different sources of income. All of the Charity's activities are aligned to its strategic aims and objectives which are designed to make a positive impact on the alleviation of fuel poverty.

Coventry Hardship Fund and the Keeping Coventry Warm Fund are grant-making funds, the balances of which are Restricted Funds. The balances on these funds at 31 March are shown in note 20 above.

Key information about activities and public benefit is given in the Strategic Report of the Trustees for the year ended 31 March 2025, on pages 3 to 17 of this document.

23. Financial Commitments – Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases.

	2025		2024	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Payable within one year	223,218	34,709	52,198	2,203
Payable between one and five years	455,745	78	221,804	66,266
Payable after five years	-	-	-	-
	<u>678,963</u>	<u>34,787</u>	<u>274,002</u>	<u>68,469</u>

The total value of lease payments recognised as an expense in 2024/25 was £210,970 (2024/25: £177,196).

24. Related Party Disclosures

FRS 102 requires NEA to include in its financial statements the disclosures necessary to draw attention to the possibility that its financial position and profit or loss have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

During 2022/23, the charity was awarded a funding contract by Leicester City Council and the income earned from this contract as at 31 March 2025 is £254,897 (31 March 2024: £330,860). Robert Howard who is a Trustee of the charity is also an employee of Leicester City Council and it is noted that the appropriate protocols have been followed as per the Charity Commission's guidance. Robert Howard was excluded from any discussions or decisions regarding the funding award by Leicester City Council.

The charity's Chief Executive is a Trustee of Energy Action Scotland (EAS) and Frazer Scott who is a Trustee of NEA is also the Chief Executive of EAS. During 2024/25 the charity sold services to EAS which totalled £26,604 (2023/24: £23,149) and EAS sold services to the charity which totalled £347,819 as at 31 March 2025

(31 March 2024: £325). It is noted that the appropriate protocols have been followed as per the Charity Commission's guidance.

During 2024/25, the charity awarded a funding contract to Care & Repair Cymru of £225,000 which covers the period from October 2024 to March 2026. In the year to 31 March 2025, the cost of the services provided by Care & Repair Cymru to the charity totalled £75,300 (31 March 2024: £Nil). During 2024/25 the charity sold services to Care & Repair Cymru which totalled £9,710 (31 March 2024: £312). Karen Cherrett who is a Trustee of the charity is also a Trustee of Care & Repair Cymru and it is noted that the appropriate protocols have been followed as per the Charity Commission's guidance. Karen Cherrett was excluded from any discussions or decisions regarding the funding award to Care & Repair Cymru.

During 2024/25 the charity used the office space of one of the Home Group Limited's properties in Newcastle upon Tyne to host a reception related to the Walk for Warmth charitable event. Permission to use the office space for free was given to the charity by Nusheen Hussain whom is a director of Homes Group Limited as well as a Trustee of NEA. The cost of hiring the office space is estimated at £300.

NEA does not have any other related party transactions with Trustees or their connected persons, other than the expenses disclosed in note 10.

25. Capital Commitments

At 31 March 2025 capital commitments were £270,984 (31 March 2024: £Nil).

The charity is in the process of relocating its Newcastle upon Tyne head office and to that end it has entered into a contract with Ultimate (Commercial Interiors) Limited in March 2025 to fit out the new head office. The total contract value for the fit out is £270,984 and works are due to commence in April/May 2025.