

Annual Report 2021-22

Centre for Sustainable Energy
(a company limited by guarantee)

Report and financial statements for
the year ended 31 March 2022

COMPANY 2219673

CHARITY 298740

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Reference & administrative details

Company

2219673

Charity

298740

Registered office

St James Court
St James Parade
Bristol BS1 3LH

Trustees

Peter Capener MBE
Ariane Crampton
Andrew Darnton
Dr Jane Dennett-Thorpe
Peter Ellis
William Gillis
Bill Hull
Felicity Jones
Anne Obey OBE **Chair of Trustees**
Shantha Shanmugalingam
Dr Chris Vernon
Kaye Welfare **Company Secretary**

Chief Executive

Simon Roberts OBE

Bankers

HSBC Bank plc
62 George White Street
Bristol BS1 3BA

Auditors

Bishop Fleming LLP
10 Temple Back
Bristol BS1 6FL

Solicitors

TLT LLP
One Redcliff Street
Bristol BS1 6TP



Introduction from the Chair of Trustees

We have seen another year of growth at CSE, with record demand for our services supporting people struggling with fuel poverty, increasing numbers of communities and local councils seeking our help to support practical, impactful net zero action and a continued programme of research and policy influence focused on making the energy system greener, smarter and fairer.

The continued impact of the Covid-19 pandemic, compounded by the collapse of dozens of energy companies and unfolding energy crisis, meant the people we supported faced more desperate circumstances than ever before, with limited choices in the energy market as suppliers stopped offering attractive fixed term deals. Our advice team, funders and partners all rose to the challenge, securing record levels of direct funding and support to pass straight through to households most in need.



Anne Obey OBE
Chair of Trustees

Despite this challenging context, we delivered significant results in 2021-22 including:

- Our freephone household energy advice service saw a record number of calls: 25,000 enquiries from over 15,000 clients, saving them over £3.2m (with over £570,000 in vouchers and direct grants to householders to help with affordability).
- Scaling up and developing our low carbon retrofit support services – recruiting and training a team of eleven Retrofit Assessors and Coordinators and working with local authorities and communities across our local area to ramp up the installation of home energy efficiency measures.
- Supporting more than 7,000 community and local authority representatives and running grants schemes which distributed around £500,000 during the year to local communities and groups to run fuel poverty, climate action or community energy projects.
- Expanding the reach and functionality of our Impact Community Carbon Footprinting tool to provide free comparative data on local carbon emissions to urban and rural communities across England, Scotland and Wales.
- Producing new national guidelines on community engagement for onshore wind developments, published by national government.
- Completing our EU-funded Horizon 2020 project THERMOS, which is revolutionising heat network planning; it now has over 2,000 users across 70 countries.
- Supported BEIS in development of national heat zoning policies, undertaking heat zone modelling work for six core cities under the City Decarbonisation Delivery Programme and in parallel leading qualitative research to understand stakeholder views and attitudes on heat zones and being required to connect to heat networks.
- Influencing national policy, particularly in relation to supporting vulnerable and fuel poor households through the energy crisis, the need for supply chain development in the low carbon retrofit market and tools and approaches needed to achieve fairness in the evolving smarter energy market.
- Highlighting issues with Ofgem's price cap methodology in our True Cost of the Rising Energy Price cap report.

Cont ...

Introduction from the Chair of Trustees **cont**

- Contributing to COP26 where we shared our work on diversity and fairness – including the focus of Bright Green Future, our national youth leadership programme, on working towards increased diversity in the energy and environmental sector.

These considerable achievements are testament to the commitment and initiative of our staff and volunteers, and the valued support, challenge and advice provided by the board of trustees during the year. Furthermore, they were delivered whilst expanding and investing in the operational resources, processes and systems needed for a charity of our size. During the year we expanded our Finance & Operations team and our Development & Communications team, restructured other delivery teams and embedded a model of ongoing, post-pandemic hybrid working across the organisation.

The year ended on 31 March 2022 with a record rise in the energy price cap, rising inflation and a cost-of-living crisis that threatens millions more people with falling into fuel poverty. This, alongside a post-pandemic increase in UK carbon emissions, means CSE's services, expertise and insight are needed more than ever.

By working across all levels – with households, communities, local authorities and national policy makers – we aim in the year ahead to leverage our impact further, supporting more people than ever to take action on fuel poverty and the climate emergency – and working to ensure the transition to a net zero energy system is grounded in the reality of people's lives.

Anne Obey OBE
Chair of Trustees



Our Chief Executive, **Simon Roberts OBE** suffered a stroke in May 2022 and, while he is making good progress with his recovery, he has been unable to work since. He is therefore unable to jointly author this foreword, despite steering the charity through the financial year we are reporting on, his 20th year as Chief Executive. We are grateful for the huge number of messages received from colleagues and friends from across the sector, all of which have been passed on and gratefully received. We are pleased to report that Simon is making a strong recovery and we look forward to his return to CSE over the next year.





The Trustees present their annual report together with the audited financial statements of the Centre for Sustainable Energy for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm

that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable

in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives & activities

CSE supports people and organisations across the UK to tackle the climate emergency and end the suffering caused by cold homes. We do this by sharing our knowledge, practical experience and policy insights.

We are in the business of societal change. Our vision is a world where sustainability is second nature, carbon emissions have been cut to safe levels and fuel poverty has been replaced by energy justice. Our mission is to share our knowledge and practical experience to empower people to change the way they think and act about energy.

The way we produce and use energy needs to change. It's one of the main causes of the climate emergency. At the same time, many people in the UK can't keep their homes warm in winter, even though it's essential for their health and wellbeing. We believe this is unacceptable and being able to afford to keep healthily warm in winter is a basic right for everyone; and we believe we owe it to current and future generations for the UK to reduce carbon emissions rapidly to virtually zero.

All our work is dedicated to achieving this positive vision. It's what we mean by 'sustainable energy' and it's why we exist. In practical terms, this means we focus on:

- Tackling fuel poverty so people can afford to heat their homes – by delivering effective local home energy advice services across the West of England, Somerset and Wiltshire – and more widely across Southern and South-West England.
- Supporting communities and councils across the UK to design and deliver effective local projects which help address fuel poverty, reduce carbon emissions and tackle the climate emergency.
- Delivering research, tools and policy insights which help to make our energy system fairer and ensure no one is left behind in the net zero transition.
- Inspiring and supporting young people to become environmental leaders and working towards more inclusivity in the energy and environmental sectors.

- Testing and nurturing new ideas to improve impact, accelerate change and engage new audiences in cutting carbon emissions and ending cold homes.
- Using our experience and evidence to shape better decision-making, using research, expert analysis and our direct experience to influence local and national policy makers.

These approaches provide different, but connected, ways of achieving impact and influence. Together they will help us accelerate the transition to a genuinely sustainable energy future.

Our work is delivered in partnership with many others – national and local government, community groups, the energy industry, academics, businesses, and other energy charities across the country. At any given time, CSE has more than 120 different and separately funded projects underway.

Our website, www.cse.org.uk, has more information about our work and gives free access to many tools, publications and resources, including our popular energy advice leaflets and videos. This sharing of knowledge and practical experience is central to CSE's mission; doing it well enables others to take action and accelerates change.

INDEPENDENT
LOCAL
POSITIVE
CANDID
PEOPLE
INQUISITIVE
DATA
BRISTOL
HOME
TENACIOUS
WARMTH
FOCUS
RESEARCH
VISION
INFLUENCE
HOPE
PRACTICAL
CHANGE
COLLABORATE
ENGAGE
OPEN
FUTURE
EMPOWER
CARING
CHALLENGE
TOGETHER
POLICY
ADVICE
JUSTICE
PIONEERING
INSIGHT
OPTIMISM
TOGETHER

Impact!

During 2021-22 our energy advisors supported **24,881** enquiries from around 15,145 people, saving them over **£3.2m** (an average of £213 per household) – the highest demand for our advice service to date.



Over the last year, we've supported more than **7,000** community members, volunteers, and local authority representatives, providing support to **160** community groups, delivering **114** CSE events and attending **110** events hosted by key stakeholders. We worked with over **300** local authority officers and councillors and administered community grants with awards to **90** community groups totalling around **£500,000**.



Our energy advisors attended around **100** events during the year, reaching at least **1,500** people.

Our renewed focus on increasing diversity in our Bright Green Future environmental leadership programme saw **48%** young people of colour attending the first cohort starting in September 2021, compared to **20%** people of colour in cohorts from previous years.



Through our high-quality education and youth leadership programmes, we reached approximately **500** young people helping them become influential energy activists in their own homes, communities and schools.



Our Thermos tool which is revolutionising heat network planning now has over **2,000** users across **70** countries.



CSE's staff team grew to **90** staff (full-time equivalent) in March 2022, an increase from 71 in March 2021.



Impact!

As a result of our Bright Green Future environmental leadership programme for 16 to 19-year-olds:

57%

felt it had helped them make an **informed** decision about their education choices.

75%

reported increased **confidence**.

89%

reported increased **knowledge** of sustainability issues.



Policy and awareness raising

- We continued to lobby for improved planning policy to address climate change locally. Building on our previous work with the Town and Council Planning Association calling for stronger reference to climate change within the National Planning Policy Framework, during the year we worked with a coalition of environmental bodies to produce a **Joint Statement on Planning for the Climate Crisis** calling for a Ministerial Statement on the issue.
- We continued our partnership and influencing work with national and local campaigns to address fuel poverty and forums on the cost-of-living crisis. This has included supporting the development of the newly formed **Cost-of-Living Alliance**; ongoing input into the **End Fuel Poverty Coalition**; representation on Bristol City Council's winter crisis group; and focused meetings with stakeholders to coordinate messaging over energy price rises.
- We responded to influential government strategies released over the last year, including the **Heat and Buildings Strategy** and the **Government Energy Strategy** pointing out its complete failure to propose a sustained and scaled up programme to insulate homes.
- We continued our engagement with Bristol One City Climate Strategy through influential roles on the One City Environmental Sustainability Board and on Bristol's Advisory Committee on Climate Change.
- Through our media work we achieved coverage with the potential to reach over **85 million** people, sharing our practical energy advice and advocating for a smarter, green and fairer energy system.

A particular highlight was working with **Channel 4 Dispatches** to help produce a documentary on **Why are your Energy Bills so High?**



Achievements & performance

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13 Solving the heat decarbonisation conundrum

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15 Inspiring young people to become environmental leaders and giving voice to under-represented perspectives



centre for
sustainable
energy

Tackling the energy crisis and supporting people in fuel poverty

Our energy advice changes lives, helping to improve people's mental and physical health as well as cutting energy bills and carbon emissions ...



Our advice service is needed more than ever as everyone across the UK deals with huge increases in their energy bills. People on lower incomes, many of them in vulnerable circumstances including those with health conditions or on prepayment meters have been the hardest hit.

Our advice tackles the root causes of fuel poverty – cold homes, low incomes and high energy bills. This involves increasing people's awareness of energy efficiency or helping to insulate or improve their home – as well as providing support on tariffs, bills and assisting with fuel debt. Our free energy advice line supports people struggling with their energy bills and our projects provide more in-depth casework support for those with ongoing and more complex fuel poverty issues.

In 2021-22 our advisors dealt with almost 25,000 separate enquiries (a record number) from 15,000+ households saving them over **£3.2m** collectively on their fuel bills.

As well a growth in demand for our support, there has also been a big shift in the type of advice we are giving. It takes much longer to help people now due to their increasingly complicated circumstances. Rather than speaking to a caller once or twice, we are helping them repeatedly and more people are coming to us for help with energy debts and access to financial support.

We are speaking to more people whose mental health is suffering and callers are increasingly in distress and having to make tough choices about essentials like energy, food and clothes. A few years ago, it was rare for us to speak to someone who was feeling suicidal; now it's a regular occurrence. Our advisors have all received suicide awareness training and our safeguarding policy has been expanded to add additional layers of support.

In 2021-22, in addition to running our freephone energy advice helpline (across the West of England, Somerset and Wiltshire), we delivered fuel poverty advice projects and services providing targeted and tailored support.

These include [**Western Power Distribution's PowerUp advice service**](#) in South West England, Bristol [**Tenants Advice \(TEA\) service**](#) – and for Bristol City Council social housing tenants, [**Warm Homes and Money \(WHAM\)**](#), our fuel poverty partnership single point of contact service which is used as a national exemplar of best practice by both Ofgem and Public Health England. We developed our council and public health funded advice programmes - [**Warm & Safe Wiltshire**](#) and [**Safe & Warm Somerset**](#). We also launched and delivered the first year of a new advice service for Scottish & Southern Energy Network customers across their Southern England region.

Our True Cost of the Rising Energy Price cap report highlighted issues with Ofgem's price cap methodology and called on Government for:

- A national insulation programme for England that delivers solid wall insulation to fuel poor households, boosting employment and training via an accompanying apprentices' programme.
- A separate price cap for prepayment meter customers due to the barriers this most vulnerable group faces in accessing the energy market.
- Redesign of standing charges so that customers only pay the fixed costs associated with their own supply.
- Funding for energy advice. Energy advice services like CSE's are overwhelmed and there is no central funding for in-depth local fuel poverty support. A national network of local providers is needed to ensure consistent support for the most vulnerable households.

Shaping places for sustainable energy

Locality matters. The needs and solutions for net zero vary between places, and everyone needs to understand and buy in to local changes. That's why stakeholder engagement and local governance is so central to CSE's planning work with councils and communities ...

We help local authorities and communities to develop actionable plans, prioritise the next best steps to reduce carbon emissions and put their plans into action. This year, we delivered net zero studies for Liverpool City Council and Barnsley District Council utilising the principles of [Local Area Energy Planning: The Method](#) developed by CSE with input from the Energy System Catapult.

We updated our [Impact Community Carbon Calculator](#) – a free, online tool providing small communities with easy-to-understand data about where most carbon emissions come from in their area. We expanded its reach to cover Scotland and Wales as well as England, and added an option for ward level, in addition to parish-level analysis. People and communities use this information to work together and agree the best activities to cut emissions. So far, the calculator has supported thousands of people and around 300 local councils.

We also provided advice and training to thousands of councillors, planners, and people in local communities so that they better understand the changes needed and their role in making them happen.

We worked in Birmingham (the largest metropolitan borough in England) alongside the city council and the Birmingham Route to Zero Taskforce to deliver our innovative [3D - 'Data to Decarbonise in a Decade' project](#). This centred on a unique energy data hub, designed by CSE to support city-wide applications of energy-related data as well enabling delivery of local community projects using data to reduce carbon emissions. Seven community-run climate action projects in Birmingham were awarded £10,000 each to use the free open-source data for climate initiatives covering

housing, travel, waste, energy and emissions.

CSE was commissioned by the Department for Business, Energy & Industrial Strategy (BEIS) to lead new [community engagement guidelines for on-shore wind developments](#) – some 15 years after we first drafted the original. This guidance addresses good practice in community engagement and the process for agreeing a suitable community benefits package. Alongside this, we published our detailed [Community Engagement and Benefits for Onshore Wind in England: Qualitative research on good practice](#) report.

Our report into [Enabling Community Energy in the North East of England](#) – one of the least active parts of the country for community energy – was published in Autumn 2021. Funded by the regional Local Enterprise Partnership, North of Tyne Combined Authority, Durham County Council and South Tyneside Council, it has helped them kickstart a programme of support and activity.

“Ashamedly, I really didn't know much of this so our carbon literacy training from CSE was very interesting and helpful, it's really gone up my agenda of priorities.”

Participant, Essex carbon literacy training for planners.

Scaling up low carbon housing retrofit

We're taking on the tough but crucial challenge to scale up home retrofit service – both working with local authorities on funded schemes and developing services for households able to self-fund their home energy improvements. Improving home energy standards will literally insulate people from future energy price rises, tackling fuel poverty, boosting local economies and supporting new skilled jobs in the building trades ...



In the UK we are facing two big problems: rising energy prices and the urgent need to reduce carbon emissions if we're to reach net zero by 2050. Improving our housing energy performance, often called 'retrofit', is one of the best solutions to both these issues.

During 2021-22 we completed a range of projects funded through the Warm Homes Fund and delivered in partnership with local authorities, that helped to get heating and insulation measures installed in low income, fuel poor households in Wiltshire, Bristol and Somerset.

We also saw an explosion of demand from local authorities for support for delivery of Green Homes Grant Local Authority Delivery Scheme (LADS) programmes. We rose to the challenge, recruiting and training a team of Retrofit Coordinators and Retrofit Assessors who have since been instrumental in helping households in the West of England, Somerset and Wiltshire secure grant-funded insulation and glazing as well as the installation of low carbon heating.

Throughout the year, we've been scaling up our self-funded home retrofit support under our **'Futureproof'** brand including developing website functionality to enable people to book and pay for retrofit assessments online. We continued to run virtual retrofit events linked to Futureproof including a series of **free retrofit webinars** to inspire and inform homeowners about home retrofit challenges and opportunities.

CSE secured grant funding to develop our skills, capacity and retrofit-related services, including through the Energy Redress Fund and the Community

Renewal Fund – which has also enabled us to offer a limited number of subsidised retrofit surveys for local households.

Finally, we teamed up with Ricardo to support administering the Social Housing Decarbonisation Fund for BEIS, assessing bids from housing associations, helping to select winning schemes and providing a monitoring role for selected successful projects. This work, combined with our breadth of local authority scheme support and practical retrofit services for households, gives us a deep understanding of the current market and complexities associated with delivering high-quality retrofit works. There remains an urgent need to invest in retrofit skills and jobs and develop a much stronger supplier and installer base.

According to the latest **fuel poverty tables** there are two million fuel poor households whose homes have uninsulated solid walls. This is unacceptable in a situation when energy bills are spiralling and public money is being used to keep energy prices down.

But as troubled, short-lived national government grant schemes have shown, a UK-wide home retrofit scheme is far from simple to deliver. But it is possible and should be our ambition. We're calling on Government to introduce an urgent programme of home insulation to help permanently cut bills alongside **a retrofit skills strategy**. This would create jobs and expand the skills we need to retrofit more homes across the UK.

Solving the heat decarbonisation conundrum

Decarbonising UK heating is one of the most challenging pieces in the net zero puzzle. Our data analysts and software engineers build tools that help identify the cost-optimal solutions at building, community and city-levels. These support policymakers, local authorities, the energy industry and communities to make better investment decisions when planning local decarbonisation programmes ...

Heat networks are crucial to decarbonisation, with the Committee on Climate Change estimating that around 18% of UK heat will need to come from heat networks by 2050 to support net zero targets. We are nowhere near this goal and local authorities and energy system planners need expert help to identify the best locations for heat networks in their areas.

Key to this is our open-source heat network planning tool **THERMOS**. Developed by CSE, THERMOS (Thermal Energy Resource Modelling and Optimisation System), reduces the time and cost associated with heat network planning, producing results for free in a fraction of the time of existing technology. THERMOS is revolutionising the way opportunities for low-carbon heat networks are identified and evaluated.

Our software developers created a unique modelling tool which estimates the energy demand of every building in a chosen geographical area and deploys a set of purpose-built algorithms to optimise the design and layout of local heating and cooling networks.

THERMOS fills a gap in the world of heat decarbonisation planning and is already being applied widely around the world with some 2000 users from energy agencies, urban planning offices, universities and engineering consultancies across 70 countries.

In 2021-22 we successfully implemented a system for tiered subscriptions, with free basic functionality retained but more sophisticated options available through subscription.

Using THERMOS, we completed delivery of heat zone modelling work for six cities under the Government's City Decarbonisation Delivery Programme (CDDP) which ran to December 2021.

In January 2022 following a competitive process, CSE was successfully appointed as Model Development Consultants for BEIS's Heat Network Zoning Pilot. CSE's role is developing modelling software to identify heat network zones within individual cities based on the heat demand characteristics of local buildings and geography. Our model uses innovative heat mapping and demand estimation techniques and a unique network optimisation algorithm to automate the zoning process.

This heat network zoning work is the culmination of over ten years of heat mapping and modelling experience within CSE, including development of the **London Heat Map**, zoning techniques for **Local Area Energy Planning** studies and development of THERMOS.

Later in the year, we kicked off delivery of new Act!on Heat (Horizon Europe) project led by Germany's Fraunhofer Institute which brings together THERMOS with their 'Hotmap' tool to offer cities across Europe high level and then detailed heat and building decarbonisation analysis.



Making the energy system fairer

We show how changes to the energy system affect different consumers, helping to prevent increasing inequality in the UK and working to ensure no one is left behind in the transition to net zero ...



The energy system needs to get much smarter to reach net zero targets and respond to the continuing energy crisis. But can it get smarter in ways which ensure widespread consumer participation and share the costs and benefits of the transition fairly? Can we have a net zero energy system which is both smart and fair? This is the focus of our ground-breaking Smart and Fair? research programme.

While energy industry and policymakers are committed to ensuring 'no one is left behind', we found there was no detail on what this might look like in practice. Our work has started to provide that detail and is producing tools and analytical techniques that can reveal it further.

The findings to date are having influence with Ofgem and the Department for Business, Energy and Industrial Strategy (BEIS) and the Scottish Government's Just Transition Commission. In November, CSE's Chief Executive, Simon Roberts, [spoke at COP26](#) on the importance of achieving a just transition to net zero and how that can be done.

Throughout 2021-22, our focus shifted from a theoretical approach to one grounded in practical applications, real market activity and associated market monitoring, and active policy analysis and advice. Supported by Scottish & Southern Electricity Networks (SSEN), Western Power Distribution (WPD) and the Energy Redress Fund, we began a number of new projects.

We developed the 'Smart and Fair Energy Choices Tool', an innovative new energy advice tool. This bespoke software was developed in-house and allows energy advisors to support households to navigate the increasingly complex array of smart energy products

and services. Using the Smart and Fair 'capabilities lens', the alpha version of the tool (currently being tested) matches house-hold attributes and capabilities to a range of smart energy products, services and tariffs that are ranked by how appropriate and useful they are for the household.

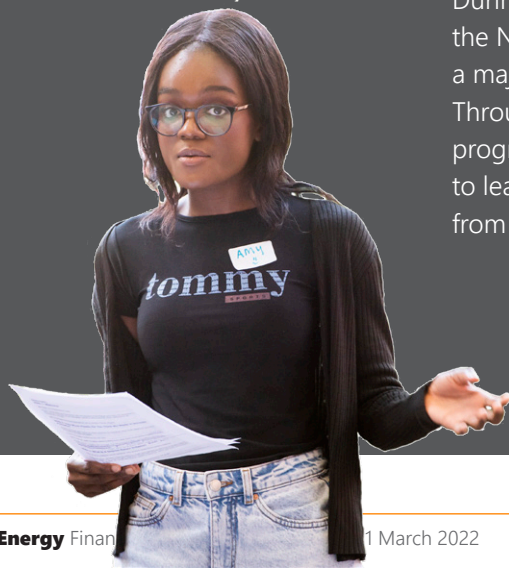
This is backed by our Retail Market Monitoring programme collating the latest information on smart energy offers, products and services in a central database. Importantly, this will include the conditions that consumers must be able to fulfil in order to access any particular service or product – such as digital skills, the ability to be flexible and shift energy use, the availability of off-street parking and private EV charging.

In other connected areas of work, in May 2021 with Sustainability First we published the [final report \(pdf\)](#) of [Smart Energy Meter Data: Public Interest Advisory Group](#) project making specific recommendations to BEIS and Ofgem designed to ensure that the value of smart meter data for public benefit is not overlooked including in energy demand forecasting, and access to aggregated and anonymised data is widened.



Inspiring young people to become environmental leaders and giving voice to under-represented perspectives

Our focus on young people of colour will help ensure future environmental leaders and decision-makers reflect our diverse society ...



We all have to play a part in the climate emergency. CSE is supporting environmental leaders of the future through our national Bright Green Future programme which works with 16-19 year olds from Black, brown and other minority ethnic communities.

People of colour are currently poorly represented in the environment sector, and [Bright Green Future \(BGF\)](#) helps young people to develop leadership skills, provides opportunities for their future career and builds their professional networks. The programme also works to channel the wisdom, energy and enthusiasm of young people into environmental change, by exposing current leaders and decision-makers to a more diverse range of perspectives.

In 2021-22, the fifth cohort of students graduated and a further cohort was recruited and completed the programme. Since pledging to increase our intake young people of colour, 51% of our young people per cohort have been young people of colour with the ambition of reaching 75% young people of colour completing each cohort in future.

During the year, lead partner support was secured from the National Grid Electricity System Operator alongside a major charitable commitment from the Blagrove Trust. Through the partnership with National Grid ESO the programme now offers more opportunities for students to learn about the energy system and receive mentoring from professionals working in the field.

In November, Roy Kareen (BGF programme lead) [spoke at COP26](#) on pathways that respect a more inclusive future and the work of the BGF programme and Bristol's Black & Green Ambassadors.

Alongside BGF, CSE delivered our [Green Influencers](#) project (funded by Ernest Cook Trust) working with 10-14 year olds in the West of England supporting them to design and deliver local projects and take climate action in their communities.

We also completed delivery of a four-year Energy in Schools project (with Samsung and Lancaster University) which developed tools and solutions to address the particular challenges schools face in managing their energy use. There remains a huge opportunity for school communities to understand more about energy use in school buildings by addressing energy management as a [learning tool and as part of climate change discussions](#).

“Before taking part in the BGF programme, I used to think that there should just be specific sustainability jobs, but now I recognise that there doesn't have to be that, but many different jobs can apply sustainability to their everyday work. I was always very into hard sciences – but after being part of BGF I became more interested in social sciences and how environmental issues intersect with people. That has influenced my decisions about education and employment and I likely wouldn't be doing the PhD project I am today if I hadn't changed my mind about this type of research.”

Funders & clients

In 2021-22 CSE secured more than **£4.3m** for its activities, a record level of income. This came from national and local government and associated agencies, industry and charitable sources. Some activities were grant funded while others were delivered as a contract or service. In addition, some funding came via project partners with whom we jointly developed funding proposals.

The Trustees would like to thank all of CSE's funding partners and clients for their support for projects undertaken during the year, including:

| |
|---|
| A&M Energy Solutions (Cardiff) |
| AECOM Limited |
| Affordable Warmth Solutions (National Grid Warm Homes Fund) |
| AgilityEco |
| All Seasons Interiors Ltd |
| Anchor Society |
| Arnold Clark Fund |
| Ashley Community Housing |
| Aura Gas Limited |
| Aware Technologies Ltd |
| Barnsley Metropolitan Borough Council |
| Basingstoke and Deane Borough Council |

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|--|
| Barclays Covid-19 Community Relief Funding (via Charities Trust) |
| Bath & North East Somerset Council |
| Baxter Kelly Ltd |
| Bridport Town Council |
| Bristol City Council |
| Bristol Green Capital Partnership |
| British Gas Energy Trust |
| Bruton Town Council |
| C&T Eco Consultants Ltd |
| Cadent Gas |
| Campaign to Protect Rural England |
| Charities Trust |
| Citizens Advice (for Big Energy Saving Network) |
| Citizens Advice Scotland |
| City Energy Network Ltd |
| Climate Guide |
| Climate UK |
| Cobb Charitable Trust |
| Community Home Solutions Ltd |
| Cotswold District Council |
| Department for Business, Energy & Industrial Strategy |
| Department for Levelling Up, Housing & Communities (Community Renewal Fund) |
| Dorset Council |
| Dyson Energy Services |
| Eaga Energy |
| Electricity North West Ltd |
| Energy Saving Trust (Ofgem Energy Industry Voluntary Redress Scheme) |
| The Ernest Cook Trust |
| Essex County Council |
| ESW Construction Services Ltd |
| European Commission (Horizon 2020) |
| European Commission (Sustainable Urbanisation Global Initiative) (via Innovate UK) |
| Evolve Home Energy Solutions |
| Family Action |
| Francis Winham Foundation |
| Friends Provident Foundation |
| Frome Town Council |
| Gower Street Trust |

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|--|
| Greater London Authority |
| Green Key Installations Ltd |
| The Green Register |
| Hawk University |
| Horsham District Council |
| Hubbub Enterprise |
| Iclei Action Fund (on behalf of Tides Foundation) |
| Innov8 Energy Ltd |
| Innovation SP Ltd |
| Installer UK Ltd |
| Joseph Rowntree Charitable Trust |
| Kestrelman Trust |
| Kenneth Miller Trust |
| Land Use Consultants |
| Liverpool City Council (through Eunomia Research and Consulting) |
| LMF Services Ltd |
| Local Energy Oxfordshire |
| Local Trust |
| London Borough of Enfield |
| MCS Charitable Foundation |
| Mendip District Council |
| Midlands Net Zero Hub (via Nottingham City Council) |
| The National Benevolent Charity |
| National Citizens Advice Bureau |
| National Grid ESO |
| National Lottery Community Fund |
| Newby Trust Ltd |
| North Somerset Council |
| North East Local Enterprise Partnership (via North Tyneside Council) |
| Northern Powergrid |
| Ofgem |
| Origin Energy Services |
| Ove Arup and Partners Ltd |
| OVO Energy |
| Portishead Town Council |
| Power to Change Trust |
| Quartet Community Foundation |
| Ramboll UK Ltd |
| Rother District Council |

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|---|
| Royal Society of Wildlife Trusts (The Community Fund Our Bright Future programme) |
| Samsung Electronics UK Ltd |
| School Of Computing and Communications |
| Scottish and Southern Electricity Networks |
| Scottish Hydro Electric Power Distribution Plc |
| Sedgemoor District Council |
| Sheffield City Council |
| Smart Energy West Midlands Ltd |
| Social and Sustainable Capital LLP |
| Somerset Community Foundation |
| Somerset West & Taunton Council |
| South Coast Insulation Services |
| South Gloucestershire Council |
| South Somerset District Council |
| SP Energy Networks |
| St Monica Trust |
| Stellar Energy UK Ltd |
| Stroud District Council |
| Swindon Borough Council |
| Tata Consumer Products Ltd |
| TDS Charitable Foundation |
| Thrive Renewables Plc |
| UK Power Networks |
| UK100 |
| Urban Renewable Power |
| Wales & West Utilities Ltd |
| The Warmer Group |
| Warwickshire and West Midlands Association of Local Councils |
| We Are Pawprint |
| Welsh Assembly Government (via AD Research & Analysis Ltd) |
| Wessex Water Services Ltd |
| West of England Combined Authority |
| West Oxfordshire District Council |
| Western Power Distribution |
| Wiltshire Community Foundation |
| Wiltshire Council |
| Winchester City Council |
| YES Energy Solutions |
| Zing Energy Ltd |

Future strategy

The energy and cost-of-living crisis is dominating the news and political agenda and keeping the energy sector and its impact on people's lives in the spotlight. This, combined with strong and well-established local and national commitments to achieve net zero carbon emissions, underpins and creates an imperative for CSE's existing and future work. This context is central to CSE's current priority work areas, namely:

- 1 Delivery of fuel poverty programmes and advice services to help people suffering greater economic hardship, higher energy costs, and increasingly experiencing more desperate circumstances.
- 2 Place-based local energy planning and delivery for net zero, building on local commitments to tackling the climate emergency and the shift from the public expressing concern about climate change to sharing their desire for local and community action.
- 3 Market development and sustained system change to scale up low carbon home energy retrofit and build quality local supply chains alongside schemes and incentives to grow demand.
- 4 Decarbonising the way we heat buildings, identifying the optimal solutions and facilitating the shift from gas heating to heat pumps and heat networks.
- 5 Research insights, tools and analytical techniques which enable a transition to a smarter, net zero energy system which genuinely embraces the need to achieve fair outcomes and secures wide public participation.
- 6 Inspiring and supporting young people from Black, brown and other minority ethnic communities to be environmental leaders, enhancing their skills and knowledge and give voice to under-represented perspectives in the energy sector.

Our last strategic review, on which these priorities are drawn, was conducted by the Senior Leadership Team alongside trustees. This identified the context and funding opportunities for CSE to grow and strengthening our impact across all work areas. It also considered the risks and operational challenges associated with a growing organisation, and the importance of maintaining staff wellbeing, productivity and CSE's positive culture in a period of growth and shifting working arrangements.

Looking forward, we aim to continue to develop and secure funding to deliver new and more influential projects across all these priority work areas. We will also continue our work to strengthen and improve our internal systems and processes. This includes:

- Roll out of essential training to all staff via Virtual College, an online platform which enables delivery of mandatory training, but also records and logs additional professional development.
- Introduction of an Employee Voice Forum to provide a more structured and systematic means of communication and consultation between the Senior Leadership Team and employees on all matters of mutual interest.
- Establishment of an Equalities, Diversity and Inclusion working group which will provide insights and suggestions for improvements to CSE's working practices.
- Planned efficiency improvements through the introduction of improved and more integrated financial, time and project management systems to reduce the time needed for report compilation and improve the timeliness of management information.

Financial review

In the year to 31 March 2022, CSE made a deficit of **£412,681** on its income of **£4.3m**. This followed two years of surplus (2020-21: surplus of £200,774 on a turnover of £3.99m; 2019-20: surplus of £223,356 on a turnover of £3.54m).

Our staff team has nearly doubled in the last 3 years. We recruited 28 new members of staff this year and saw a 27% rise in FTE staff numbers (71 FTE in March 21 to 90 FTE in March 22). The costs associated with recruiting this number of new staff as well as changes to our structure and systems had a large impact on the finances in the year. As well as direct recruitment costs, this growth increased the time spent on recruitment, training and induction of new staff. During the year we also made £146k of planned investments from our Strategic Investment Reserve (mainly in our Household Energy Advice support service, but also our Climate Emergency Support Programme and Research & Analysis tools). The year also saw a number of projects with above-budget costs, which we have addressed with the development and introduction of new project management guidelines. There was also higher than anticipated sickness (partly Covid related) and maternity (five staff had babies in the year) costs during the year.

At the end of the year our reserves (total unrestricted funds) stood at £792,051. We expect growth to slow in the year ahead and staff numbers to stabilize, and we will continue to focus on re-establishing a position of modest profitability part way through the year ahead. We will seek to capitalise on the investment already made in improving our infrastructure, processes and capabilities, to ensure CSE is well positioned to deliver ever-increasing impact in the future.

Reserves policy

Our reserves policy establishes a minimum target for our unrestricted reserves and outlines the approach we take to any reserves in excess of that minimum.

The minimum reserves target takes account of two scenarios: (a) the liabilities which would be faced by the charity if it were to cease operating, and (b) the financial cushion the charity would need to cover losses while it responded to a serious but possible funding crisis without immediately losing valuable staff.

CSE's reserves policy sets a minimum reserves target of £600,000, with a minimum target for net current assets of £450,000 taking account of the diversity of our funding sources. At the end of March 2022, our reserves were in excess of this figure, with total unrestricted funds standing at £792,051 (with £618k in net current assets).

The trustees' aim is to invest reserves above this minimum target through a designated Strategic Investment Reserve in initiatives shaped by the charity's strategic priorities and which have proved difficult to fund from external sources. Such initiatives are designed to help us to increase our impact, explore new approaches, build our capacity and that of others, and/or make the case for funding to external funders. At the end of March 2022 a balance of £154,761 remained allocated for future Strategic Investment Reserve work.

In light of the charity's expansion the trustees will review the reserves policy and associated targets in the coming year.

Structure, governance & management

Constitution

The Centre for Sustainable Energy (CSE) is a registered charity and company limited by guarantee, having no share capital. CSE's Memorandum and Articles of Association are the primary governing documents of the charity.

Policies & structure

The charity operates with a board of volunteer trustees that meets quarterly. The board has also established a Finance Committee which meets and reports to the board periodically.

The trustees have overall responsibility for organisational strategy, financial management and compliance with the purposes of the charity. This responsibility is devolved within a clearly documented framework of delegated powers to the Chief Executive (currently covered by his designated deputy) and the Senior Leadership Team. The Senior Leadership Team maintains and implements the policies of the organisation and the Chief Executive and members of the Senior Leadership Team report to the trustees at each quarterly meeting.

Pay policy for senior staff

All staff at CSE are paid according to a graded salary scale which was established to reflect the differences in responsibility, skills and capabilities required in each role. The ratio between the salaries of the highest (Chief Executive) and lowest paid member of staff (our interns) is currently 4.5.

All staff are entitled to participate in the CSE contributory pension scheme (8% employer contribution, 6% employee contribution) which has also been adopted as our auto enrolment scheme since November 2015.

Public benefit

CSE has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Risk management

The board of trustees has considered the major risks to which CSE is exposed, the systems and procedures in place to mitigate exposure to them and the future actions planned. The Senior Leadership Team and trustees are continuing to develop risk assessment and reporting processes to ensure key risks are regularly assessed and highlighted, in particular in the context of a growing organisation.

The principal risks identified are continuing to secure sufficient funding at the scale needed to support a larger organisation, maintaining productivity and chargeability levels, and risk of loss of key staff and skills due to changing patterns of working and high workloads. Because of the exceptional recent growth of the organisation, these risks are being monitored by the Senior Leadership Team regularly.

There remains an ongoing and key risk to the operational stability of the charity arising from CSE's rapid growth and potential further expansion. During the past year we significantly expanded our Finance and Operations team and plan further development of the team to improve operational support across the organisation.

A further risk to the organisation has arisen with the absence of the Chief Executive Simon Roberts OBE who suffered a stroke in May 22. CSE's leadership team quickly stepped in to ensure that there was continuity of leadership and critical activities were covered. The trustees acted swiftly to enact changes to delegated powers and the Director of Development and Communications has been given the role of Interim Deputy Chief Executive. Key funders, clients and partners were informed with contingency proposals presented and enacted to cover inputs that would have otherwise been made by the Chief Executive. The Chair of Trustees is providing regular and frequent guidance and support to the Senior Leadership Team. We are pleased to report that Simon is making a strong recovery and is looking to make a progressive return to CSE over the next year.

Statement of trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles of the Charities SORP (FRS 102).
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

Approved by order of the members of the board of trustees on its behalf by:



26.10.2022

Independent auditors' report to the members of Centre for Sustainable Energy

Opinion

We have audited the financial statements of Centre for Sustainable Energy (the 'charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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

Cont ...

Independent auditors' report to the members of Centre for Sustainable Energy cont

related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and members in relation to their own identification and assessment of the risk of irregularities within the entity;

- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and,
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material contracts, agreements and grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be

fundamental to the Charity's ability to operate or avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, with a particular focus around year-end cut off; and,
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will

be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve 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 Auditors' report.

Use of our report

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



David Butler FCA DChA (Senior Statutory Auditor) for and on behalf of Bishop Fleming LLP, Statutory Auditor, 10 Temple Back, Bristol BS1 6FL

Statement of financial activities

| | Unrestricted funds 2022 (£) | Restricted funds 2022 (£) | Total funds 2022 (£) | Total funds 2021 (£) |
|--|--------------------------------|------------------------------|-------------------------|-------------------------|
| Income from: | | | | |
| Donations and legacies note 3 | 4,401 | - | 4,401 | 46,768 |
| Charitable activities note 4 | <u>2,573,441</u> | <u>1,740,972</u> | <u>4,314,413</u> | <u>3,945,394</u> |
| Total income | <u>2,577,842</u> | <u>1,740,972</u> | <u>4,318,814</u> | <u>3,992,162</u> |
| Expenditure: | | | | |
| Charitable activities note 5 | <u>2,961,659</u> | <u>1,769,836</u> | <u>4,731,495</u> | <u>3,791,388</u> |
| Total expenditure | <u>2,961,659</u> | <u>1,769,836</u> | <u>4,731,495</u> | <u>3,791,388</u> |
| Net income/(expenditure) | <u>(383,817)</u> | <u>(28,864)</u> | <u>(412,681)</u> | <u>200,774</u> |
| Transfers between funds note 13 | <u>(28,864)</u> | <u>28,864</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | <u>(412,681)</u> | <u>-</u> | <u>(412,681)</u> | <u>200,774</u> |
| Reconciliation of funds | | | | |
| Funds at the beginning of the period | 1,204,732 | - | 1,204,732 | 1,003,958 |
| Net movement in funds | <u>(412,681)</u> | <u>-</u> | <u>(412,681)</u> | <u>200,774</u> |
| Funds at the end of the period | <u>792,051</u> | <u>-</u> | <u>792,051</u> | <u>1,204,732</u> |

■ The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages [25](#) to [38](#) form part of these financial statements.

Balance sheet as at 31 March 2022

| | 2022 (£) | 2022 (£) | 2021 (£) | 2021 (£) |
|---|--------------------|-----------------------|--------------------|-------------------------|
| Fixed assets | | | | |
| Tangible fixed assets note 10 | | <u>173,830</u> | | <u>193,129</u> |
| Total fixed assets | | 173,830 | | 193,129 |
| Current assets | | | | |
| Debtors note 11 | 1,079,214 | | 1,496,708 | |
| Cash at bank and in hand | <u>1,290,377</u> | | <u>1,114,979</u> | |
| Total current assets | 2,369,591 | | 2,611,687 | |
| Creditors: amounts due within one year note 12 | <u>(1,751,370)</u> | | <u>(1,600,084)</u> | |
| Net current assets | | 618,221 | | 1,011,603 |
| Total assets less current liabilities | | <u>792,051</u> | | <u>1,204,732</u> |
| Net assets | | <u>792,051</u> | | <u>1,204,732</u> |
| Funds | | | | |
| Restricted note 13 | | - | | - |
| Unrestricted note 13 | | | | |
| Designated funds note 13 | 154,761 | | 300,326 | |
| General funds | <u>637,290</u> | | <u>904,406</u> | |
| Total unrestricted funds note 13 | | 792,051 | | 1,204,732 |
| Total funds | | <u>792,051</u> | | <u>1,204,732</u> |

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The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements. • The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime. • The financial statements were approved and authorised for issue by the Trustees on **26.10.2021** and signed on their behalf by Anne Obey OBE:



Statement of cash flows

| | 2022 (£) | 2021 (£) |
|--|--------------------------------|--------------------------------|
| Cash flows from operating activities: | | |
| Net cash used in operating activities (see below) | <u>205,326</u> | <u>603,733</u> |
| Cash flows from investing activities: | | |
| Purchase of tangible fixed assets | (29,928) | (72,610) |
| Proceeds from sale of fixed assets | - | - |
| Net cash provided by investing activities | <u>(29,928)</u> | <u>(72,610)</u> |
| Change in cash and cash equivalents in the reporting period | 175,398 | 531,123 |
| Cash and cash equivalents at the beginning of the reporting period | <u>1,114,979</u> | <u>583,856</u> |
| Cash and cash equivalents at the end of the reporting period | <u><u>1,290,377</u></u> | <u><u>1,114,979</u></u> |
| Reconciliation of net income/(expenditure) to net cashflow operating activities | | |
| Net (expenditure)/income for the reporting period | (412,681) | 200,774 |
| Adjustments for: | | |
| Depreciation charges | 49,227 | 47,053 |
| (Increase) in debtors | 417,494 | (402,116) |
| Increase in creditors | 151,286 | 758,022 |
| Net cash provided by operating activities | <u><u>205,326</u></u> | <u><u>603,733</u></u> |
| Analysis of cash and cash equivalents | | |
| Cash in bank and in hand | 1,290,377 | 1,114,979 |
| Total cash and cash equivalents | <u><u>1,290,377</u></u> | <u><u>1,114,979</u></u> |

Notes to the Statement of Financial Activities

NOTE 1

General information

The charity is a company limited by guarantee. The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity's registered office is: St. James Court, St. James Parade, Bristol, BS1 3LH.

NOTE 2

Accounting policies

2.01 Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

2.02 Going concern

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

The Trustees continue to monitor the

financial position of the charity and the potential impacts of inflation, challenges in recruitment, staff retention and the rising cost of living for our staff. The charity continues to have a healthy cash position and a strong forward plan of agreed future work. Under all the scenarios reviewed, the charity has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

2.03 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged

against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.04 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Contractual income is recognised in the Statement of Financial Activities to the extent that the charity has provided the services. Where contractual income is received in advance but the charity has not provided the relevant services then this income is deferred.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.05 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it

is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

All expenditure is inclusive of irrecoverable VAT.

2.06 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.07 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases: Leasehold improvements, over the life of the lease; fixtures and fittings, over 4-5 years; office equipment, over 2-4 years; project assets, over the life of the project.

2.08 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Cont ...

Accounting policies [cont]

2.09 Interest receivable

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

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and 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.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be esti-

mated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the

discount is recognised in the Statement of financial activities as a finance cost.

2.13 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The charity operates a defined contribu-

tion pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

NOTE 3

Income from donations and legacies

| | Unrestricted funds 2022 (£) | Total funds 2022 (£) | Total funds 2021 (£) |
|--|-----------------------------|----------------------|----------------------|
| Donations | - | - | 32,513 |
| Government grants - Coronavirus Job Retention Scheme | 4,401 | 4,401 | 14,255 |
| | 4,401 | 4,401 | 46,768 |

NOTE 4

Income from charitable activities

| | Unrestricted funds 2022 (£) | Restricted funds 2022 (£) | Total funds 2022 (£) | Total funds 2021 (£) |
|---------------------------------|-----------------------------|---------------------------|----------------------|----------------------|
| Research and analysis | 909,807 | 149,841 | 1,059,648 | 1,200,223 |
| Household energy services | 1,204,388 | 1,458,711 | 2,663,099 | 2,177,515 |
| Local and community empowerment | 459,246 | 132,420 | 591,666 | 567,656 |
| Total 2022 | 2,573,441 | 1,740,972 | 4,314,413 | 3,945,394 |
| Total 2021 | 2,015,451 | 1,929,943 | 3,945,394 | |

Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2022 (£) | Restricted funds 2022 (£) | Total funds 2022 (£) | Total funds 2021 (£) |
|---------------------------------|-----------------------------|---------------------------|-------------------------|----------------------|
| Governance costs | 20,573 | - | 20,573 | 10,302 |
| Research and analysis | 1,014,516 | 161,319 | 1,175,835 | 1,066,136 |
| Household energy services | 1,332,397 | 1,466,238 | 2,798,635 | 2,137,590 |
| Local and community empowerment | 594,173 | 142,279 | 736,452 | 577,360 |
| | <u>2,961,659</u> | <u>1,769,836</u> | <u>4,731,495</u> | <u>3,791,388</u> |
| Total 2021 | <u>1,838,008</u> | <u>1,953,380</u> | <u>3,791,388</u> | |

Summary by expenditure type

| | Staff costs 2022 (£) | Depreciation 2022 (£) | Other costs 2022 (£) | Total funds 2022 (£) | Total funds 2021 (£) |
|---------------------------------|----------------------|-----------------------|----------------------|-------------------------|----------------------|
| Governance costs | 6,311 | - | 14,262 | 20,573 | 10,302 |
| Research and analysis | 840,966 | 13,080 | 321,789 | 1,175,835 | 1,066,136 |
| Household energy services | 1,776,803 | 27,782 | 994,050 | 2,798,635 | 2,137,590 |
| Local and community empowerment | 534,942 | 8,364 | 193,146 | 736,452 | 577,360 |
| | <u>3,159,022</u> | <u>49,226</u> | <u>1,523,247</u> | <u>4,731,495</u> | <u>3,791,388</u> |
| Total 2021 | <u>2,499,017</u> | <u>47,053</u> | <u>1,245,318</u> | <u>3,791,388</u> | |

NOTE 6**Analysis of expenditure by activities**

| | Activities undertaken directly 2022 (£) | Support costs 2022 (£) | Total funds 2022 (£) | Total funds 2021 (£) |
|---------------------------------|---|------------------------|----------------------|----------------------|
| Governance costs | - | 20,573 | 20,573 | 10,302 |
| Research and analysis | 1,056,842 | 118,993 | 1,175,835 | 1,066,136 |
| Household energy services | 2,545,902 | 252,733 | 2,798,635 | 2,137,590 |
| Local and community empowerment | 660,362 | 76,090 | 736,452 | 577,360 |
| | 4,263,106 | 468,389 | 4,731,495 | 3,791,388 |
| Total 2021 | 3,409,661 | 381,727 | 3,791,388 | |

NOTE 7**Auditors' remuneration**

| | 2022 (£) | 2021 (£) |
|--|---------------|----------|
| Fees payable to the charity's auditor for the audit of the charity's annual accounts | 11,258 | 8,500 |

NOTE 8**Staff costs**

| | 2022 (£) | 2021 (£) |
|-----------------------|------------------|-----------|
| Wages and salaries | 2,742,263 | 2,168,350 |
| Social security costs | 210,070 | 174,608 |
| Pension costs | 206,689 | 156,059 |
| | 3,159,022 | 2,499,017 |

- The average number of employees employed by the Charity during the year was 92 (2021:74) of which 86 were project staff (2020: 69) and 6 were management and admin staff (2021: 5).
- Average headcount expressed as a full time equivalent: was 83 (2020: 66).
- The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was: in the band £60,001-£69,999 was 3 (2021: 3), and in the band £70,001-£79,999 was 1 (2021: 1).
- The total employee benefits of key management personnel were £523,390 (2021: £486,915).
- Total employer contributions for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £28,764 (2021: £21,508). This amount is not included in the banding above.

NOTE 9**Trustee and connected persons transactions**

- During the year, one Trustee received £1,400 for mentoring services provided in a personal capacity as part of the Next Generation Community Energy Peer Mentoring Programme. No other trustees received any remuneration or other benefits (2021 - £Nil).
- During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £Nil).

NOTE 10**Tangible fixed assets**

| | Long-term leasehold property (£) | Fixtures & fittings (£) | Office equipment (£) | Project assets (£) | Total (£) |
|---------------------------------|----------------------------------|-------------------------|----------------------|--------------------|-----------------|
| Cost | | | | | |
| At 1 April 2021 | 225,576 | 9,788 | 223,386 | 1,569 | 460,319 |
| Additions | - | - | 29,928 | - | 29,928 |
| Disposals | - | (430) | (70,516) | (1,569) | (72,515) |
| At 31 March 2022 | 225,576 | 9,358 | 182,798 | - | 417,732 |
| Accumulated depreciation | | | | | |
| At 1 April 2021 | 95,272 | 9,443 | 160,906 | 1,569 | 267,190 |
| Charge for period | 20,373 | 345 | 28,509 | - | 49,227 |
| Eliminated on disposal | - | (430) | (70,516) | (1,569) | (72,515) |
| At 31 March 2022 | 115,645 | 9,358 | 118,899 | - | 243,902 |
| Net book value | | | | | |
| At 31 March 2022 | 109,931 | - | 63,899 | - | 173,830 |
| At 31 March 2021 | 130,304 | 345 | 62,480 | - | 193,129 |

NOTE 11**Debtors**

| | 2022 (£) | 2021 (£) |
|--|------------------|-----------|
| Amounts falling due within one year | | |
| Trade debtors | 620,215 | 866,788 |
| Prepayments and accrued income | 458,999 | 629,920 |
| Total due within one year | 1,079,214 | 1,496,708 |

Creditors: amounts falling due within one year

| | 2022 (£) | 2021 (£) |
|--|------------------|------------------|
| Trade creditors | 133,086 | 151,855 |
| Other taxation and social security | 224,635 | 203,297 |
| Accruals and deferred income | 1,352,250 | 1,202,046 |
| Other creditors | 41,399 | 42,886 |
| | 1,751,370 | 1,600,084 |
| | 2022 (£) | 2021 (£) |
| Deferred income at 1 April 2021 | 794,608 | 451,764 |
| Resources deferred during the year | 1,155,746 | 794,608 |
| Amounts released from previous periods | (794,608) | (451,764) |
| | 1,155,746 | 794,608 |

- Deferred income related to project income which has been received or invoiced in advance of the work being carried out.

Statement of funds

Current year

| | Balance at 1 April 2021 (£) | Income (£) | Expenditure (£) | Transfers in/out (£) | Balance at 31 March 2022 (£) |
|--|--------------------------------|------------------|--------------------|-------------------------|---------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Strategic Investment Reserve | 300,326 | - | (145,565) | - | 154,761 |
| General funds | | | | | |
| General Funds | 904,406 | 2,577,842 | (2,816,094) | (28,864) | 637,290 |
| Total unrestricted funds | 1,204,732 | 2,577,842 | (2,961,659) | (28,864) | 792,051 |
| Restricted funds | | | | | |
| A Warm Welcome Home | - | 94,126 | (94,126) | - | - |
| ABLE | - | 99,116 | (99,116) | - | - |
| Act!onHeat | - | 35,323 | (35,323) | - | - |
| Aurora | - | 12,646 | (12,646) | - | - |
| BESN 19-20 | - | 1,205 | (1,205) | - | - |
| BESN 20-21 | - | 1,891 | (1,891) | - | - |
| BESN 21-22 | - | 8,318 | (8,318) | - | - |
| Bright Green Future | - | 36,132 | (45,991) | 9,859 | - |
| Bristol Climate Action Fund | - | 10,795 | (10,795) | - | - |
| Bristol Warm Homes Fund | - | 9,421 | (15,747) | 6,326 | - |
| Community Energy for Everyone | - | 45,922 | (45,922) | - | - |
| Community Engagement for Renewable Energy Transition | - | 10,000 | (10,000) | - | - |
| EFN Impact extension | - | 18,936 | (18,936) | - | - |
| Energy Redress Caseworker Project | - | 2,943 | (2,943) | - | - |
| Food Energy Water Urban Living Lab (FEWULL) | - | 1,448 | (1,448) | - | - |
| Futureproof scaling-up in WECA | - | 38,296 | (38,296) | - | - |
| Green Influencers | - | 16,924 | (16,924) | - | - |
| Heat, Eat & Talk | - | 17,187 | (17,488) | 301 | - |
| HH Advice grant | - | 4,654 | (4,654) | - | - |
| Redress Caseworker Support Project | - | 14,688 | (14,688) | - | - |

| | | | | | |
|---|------------------|------------------|--------------------|---------------|----------------|
| Redress PPM 4 | - | 56,600 | (56,600) | - | - |
| Redress PPM Voucher Project | - | 67,143 | (67,143) | - | - |
| Redress WHAM | - | 99,477 | (99,477) | - | - |
| Retrofit support services | - | 56,096 | (56,096) | - | - |
| "Smart and Fair Energy Choices Tool" | - | 57,581 | (57,581) | - | - |
| Somerset WHF C1 | - | 26,634 | (26,634) | - | - |
| Somerset WHF C3 | - | 88,671 | (88,671) | - | - |
| SSEN Enabling Works 2021-22 Grants | - | 22,695 | (22,695) | - | - |
| Staying Warm Together | - | 19,871 | (20,386) | 515 | - |
| Supporting MEES | - | 7,663 | (7,663) | - | - |
| THERMOS | - | 16,682 | (27,645) | 10,963 | - |
| Volunteers | - | 13,130 | (13,291) | 161 | - |
| Warm Homes Wiltshire | - | 49,748 | (49,748) | - | - |
| Warm Welcome | - | 5,934 | (5,934) | - | - |
| WCF Surviving Winter Grant | - | 16,245 | (16,245) | - | - |
| WCF Surviving Winter Grant 2021-22 | - | 71,566 | (71,566) | - | - |
| WE Over 65 Project (WEOVE) | - | 3,177 | (3,916) | 739 | - |
| WECA Business Growth Grant | - | 3,386 | (3,386) | - | - |
| WHAM (WHF) | - | 244,656 | (244,656) | - | - |
| WHAM Warmer Homes Advice & Money | - | 36,865 | (36,865) | - | - |
| Wilts Retrofit Capacity Dev | - | 10,584 | (10,584) | - | - |
| Wiltshire Community Caseworker | - | 30,191 | (30,191) | - | - |
| Wiltshire Council Household Support Grant | - | 46,420 | (46,420) | - | - |
| Wiltshire Installs | - | 164,455 | (164,455) | - | - |
| Wiltshire Winter Grant Scheme | - | 45,531 | (45,531) | - | - |
| Total restricted funds | - | 1,740,972 | (1,769,836) | 28,864 | - |
| Total of funds | 1,204,732 | 4,318,814 | (4,731,495) | - | 792,051 |

Statement of funds (cont)

Prior year

| | Balance (£) at 1 April 2020 | Income (£) | Expenditure (£) | Net transfers £ | Balance (£) at 31 March 2021 |
|---------------------------------|--------------------------------|---------------|--------------------|--------------------|---------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Strategic Investment Reserve | 326 | - | - | 300,000 | 300,326 |
| General funds | | | | | |
| General funds | 1,003,632 | 2,062,219 | (1,838,008) | (323,437) | 904,406 |
| Total unrestricted funds | 1,003,958 | 2,062,219 | (1,838,008) | (23,437) | 1,204,732 |

Restricted funds

| | | | | | |
|---|---|---------|-----------|--------|---|
| A Warm Welcome Home | - | 47,822 | (47,822) | - | - |
| ABLE | - | 51,043 | (51,043) | - | - |
| BEIS MEES Pilot | - | 10,344 | (10,344) | - | - |
| BESN 2019-20 | - | 1,107 | (1,107) | - | - |
| BESN 2020-21 | - | 13,609 | (13,609) | - | - |
| Bright Green Future | - | 151,151 | (151,151) | - | - |
| Bristol Climate Action Fund | - | 18,456 | (18,456) | - | - |
| Bristol Energy Emergency Fund | - | 12,510 | (12,542) | 32 | - |
| Bristol Warm Homes Fund | - | 3,048 | (19,125) | 16,077 | - |
| Building Capacity for Energy Resilience (FPF) | - | 23,701 | (23,701) | - | - |
| Community Consent for Low Carbon Future (EFF) | - | 39,954 | (39,954) | - | - |
| Community Energy for Everyone (JRCT) | - | 8,204 | (8,204) | - | - |
| Food Energy Water Urban Living Lab (FEWULL) | - | 3,854 | (3,854) | - | - |
| Futureproof | - | 384,887 | (391,784) | 6,897 | - |
| Green Influencers | - | 4,754 | (4,754) | - | - |
| HEART | - | 42,686 | (42,686) | - | - |
| Heat, Eat & Talk | - | 82,813 | (82,813) | - | - |
| HH Advice Grant – Healthy Homes Dorset | - | 55,346 | (55,346) | - | - |
| Lottery Covid support | - | 49,395 | (49,395) | - | - |

Cont ...

| | | | | | |
|---|-----------|-----------|-------------|--------|-----------|
| PPM Redress | - | 178,750 | (178,750) | - | - |
| Redress Caseworker Support Project | - | 34,250 | (34,250) | - | - |
| Redress PPM Voucher project | - | 35,970 | (35,981) | 11 | - |
| Social Innovation and Capabilities | - | 1,280 | (1,612) | 332 | - |
| Somerset WHF C3 | - | 114,476 | (114,476) | - | - |
| Staying Warm Together | - | 104 | (104) | - | - |
| Supporting MEES | - | 321 | (321) | - | - |
| THERMOS | - | 149,961 | (149,961) | - | - |
| Volunteers Restricted | - | (6,015) | 6,015 | - | - |
| Warm & Safe Wiltshire | - | 1,050 | (1,050) | - | - |
| Warm & Safe Wiltshire Hopsital Placements | - | 3,381 | (3,469) | 88 | - |
| Warm Homes Wiltshire | - | 61,972 | (61,972) | - | - |
| Warm Welcome | - | 6,149 | (6,149) | - | - |
| WCF Surviving Winter Grant | - | 54,046 | (54,046) | - | - |
| WE Over 65 Project (WEOVE) | - | 10,432 | (10,432) | - | - |
| WHAM Warmer Homes Advice & Money | - | 74,655 | (74,655) | - | - |
| WHAM (WHF) | - | 197,348 | (197,348) | - | - |
| Wiltshire Community Caseworker | - | 5,669 | (5,669) | - | - |
| Wiltshire Winter Grant Scheme | - | 1,460 | (1,460) | - | - |
| | - | 1,929,943 | (1,953,380) | 23,437 | - |
| Total of funds | 1,003,958 | 3,992,162 | (3,791,388) | - | 1,204,732 |

Statement of funds (cont)

Designated funds

The Strategic Investment Reserve has been set up by the Trustees in order to support agreed projects that would otherwise not receive funding but which the Trustees consider will enhance the organisation's impact and future prospects.

Restricted funds

The significant restricted funds are explained below:

A Warm Welcome Home (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): funding for energy advisors based in Great Western Swindon and Salisbury hospitals to work with staff and patients to ensure no one is discharged to a cold home.

ABLE (Assisting Bath & NE Somerset on Local Energy) (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): funding to support in-depth energy advice work with older and disabled people in Bath & North East Somerset who are living in fuel poverty.

ActionHeat (European Commission Horizon 2020): a multi-partner project offering heat decarbonisation planning services to LAs across the EU through the use of the THERMOS and Hotmaps tools.

Aurora (European Commission Horizon 2020): a programme to engage citizens across 5 locations in Europe to reduce their carbon footprints by purchasing shares for a community solar project, using the carbon footprinting app being developed and/or attending workshops and other project engagement events. CSE is supporting the Forest of Dean District Council to create this community energy project in their area.

BESN 2021-22, 2020-21 & 2019-20 (Citizens Advice): Energy champions in our advice team supporting fuel poor and vulnerable households to get the best deal from their energy supplier and save money on bills.

Bright Green Future (Big Lottery Fund): a programme to engage and train young people aged 15-19 to get involved in energy and sustainability with a view to them embarking on a future career in the sector.

Bristol Climate Action Fund (now 'Community Climate Action') (Bristol Green Capital Partnership – as funded by National Lottery Climate Action Fund): a programme supporting six community organisations across Bristol to develop effective climate action plans whilst also including some of the less heard community voices in the climate change debate.

Bristol Warm Homes Fund (Warm Homes Fund): funding to enable vulnerable and fuel poor households who are not currently connected to the gas grid access to install a new gas connection and/or gas central heating system. Covers Bristol, Bath and North East Somerset and North Somerset unitary authority areas.

Community Energy for Everyone (Joseph Rowntree Charitable Trust): this project aims to identify, develop and disseminate learning, tools and resources that will increase the participation, capacity and leadership of marginalised communities in community energy activity and to support those who could facilitate and catalyse similar projects in future.

Community Engagement for Renewable Energy Transition (MCS Foundation): a community engagement workshop programme exploring renewable energy working with local planning authorities to build informed consent for the rapid rollout of renewables, with workshop outputs being used in the development of planning policy.

EFN Impact extension (Funding received via the Environmental Funders Network – Gower Street Trust, Kenneth Miller Trust and Newby Trust): funded the extension of Impact Tool to cover Wales and Scotland, plus time for updating resources and monitoring Impact Tool inbox.

Energy Redress Caseworker Project (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): CSE will use this fund to employ two caseworkers to meet the increasing demand for energy advice from vulnerable customers and to build up our local volunteering capacity to provide advice alongside advisors.

Food Energy Water Urban Living Lab (FEWULL) (European Commission Sustainable Urbanisation Global Initiative – via Innovate UK): CSE was the energy partner in an 'Urban Living Lab' in Bristol exploring the food, water and energy nexus.

Futureproof scaling-up in WECA (West of England Combined Authority): growing the low-carbon housing retrofit market and local supply chain, including delivering retrofit surveys and plans for householders, providing free community retrofit training, and running Green Open Homes events to showcase practical retrofit solutions.

Green Influencers (The Ernest Cook Trust): funding for a Green Mentor to support young people aged 10-14 in Bristol to lead the way as Green Influencers on social action projects in their communities, as part of a national initiative.

Heat, Eat & Talk (Barclays Covid-19 Community Relief Funding): funding to distribute 550 'Heat, Eat, Talk' financial support packages to the very poorest households across the South West that access our advice services, helping to meet their immediate needs in a time of crisis.

HH Advice Grant – Healthy Homes Dorset (Dorset County Council): grant to support advice work for clients of Healthy Homes Dorset insulation and heating improvements scheme.

Statement of funds (cont)

Redress Caseworker Support Project (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): a Covid-19 relief initiative funding additional energy advice caseworker capacity to deal with greater demand and higher complexity of cases.

Redress PPM Voucher Project & Redress PPM 4 (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): provision of Pre-Payment Meter vouchers to fuel poor and vulnerable home energy advice clients.

Redress WHAM (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): additional capacity for the WHAM project enabling continuation of four caseworkers (one hospital based) in Bristol and North Somerset supporting people in fuel poverty who live in the private and owner occupier sector. Project partners are: Talking Money, WE Care Home Improvements, CA (Bristol and North Somerset) AMS electricals and NBAC.

Retrofit support services (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): increasing the uptake of low and zero carbon household energy retrofit by building capacity and expertise within local, independent advice organisations.

Smart Energy Choices Tool (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme): developing an online tool that can be used by energy advisors across Great Britain to assess the relative benefits of smart energy offers for their clients and provide advice tailored to client-specific household circumstances.

Somerset Warm Homes Fund C1 & C3 (Warm Homes Fund): providing face to face advice to clients in Somerset with back-office support from the advice line and project management team. Working in partnership with Somerset Independence Plus to deliver home safety and adaptation measures.

SSEN Enabling Works 2021-22 Grants (SSEN): this project supported low income and vulnerable customers, eligible for energy efficiency measures funding, by providing them with grant funding to remove the issues preventing the measures being installed. The barriers that the project will address are physical barriers such as a loft full of belongings or structural adjustments to enable installation of a new heating system.

Staying Warm Together (Quartet Community Foundation): codesigning warm homes support services for multi-generational South Asian households in Bristol through focused research and engagement to understand context, needs, priorities and ways to enable uptake.

Supporting MEES (TDS Charitable Foundation): advice to landlords in Somerset and the West of England on how they can meet the minimum energy efficiency standards for rented property.

THERMOS (EC Horizon 2020): a multi-partner project that aims to accelerate the development of low carbon district energy networks in Europe.

Volunteers Restricted (The National Lottery Community Fund – Awards for All): funding to support the coordination of our volunteers. This includes guidance, training, scheduling of activities and regular communication with the coordinator.

Warm Homes Wiltshire (Warm Homes Fund): delivering outreach and home visit energy advice to residents across Wiltshire, including Swindon, under the Warm & Safe Wiltshire banner.

Warm Welcome (Ashley Community Housing): a project supporting refugees living in Bristol by providing workshops and advice in their homes, delivered in partnership with other refugee advice agencies across Bristol.

WCF Surviving Winter Grant 20-21 & 21-22 (Wiltshire Community Foundation): fund to provide grant payments to vulnerable households in Wiltshire at risk of fuel poverty.

WE Over 65 Project (WEOVE) (St Monica Trust): a project offering home visits and in-depth casework to people over the age of 65 in the West of England, helping them to lower their energy bills and keep warm at home.

WECA Business Growth Grant (West of England Combined Authority): capital costs associated with equipment and training to expand retrofit advice services.

WHAM (Warm Homes Fund): this project added more capacity to the existing WHAM project until July 2021, extended the project into North Somerset, recruited 4 more caseworkers (one hospital based) and brought more partners to the project including Citizens Advice, AMS electricals and Bristol Energy Network.

WHAM Warmer Homes Advice & Money (WHAM) (Bristol City Council Impact Fund): a project providing in depth support to fuel poor households in partnership with Talking Money and We Care Home Improvements.

Wiltshire Retrofit Capacity Development (Wiltshire Council): housing condition survey to identify and assess the suitability of housing stock across both Wiltshire for retrofit home energy efficiency measures.

Wiltshire Community Caseworker (Wiltshire County Council): funding for an energy advice caseworker based in Wiltshire to support in depth advice provision to the most vulnerable clients as part of the Warm and Safe Wiltshire service.

Wiltshire Council Household Support Grant (Wiltshire Council): provision of support and financial assistance for Wiltshire households to help cover winter fuel costs.

Wiltshire Installs (Wiltshire Council): support for Wiltshire households with funding for broken heating systems. Householders need to be on a low income and have low savings. Two advice trainees were also funded to help administer the fund and it also provides fuel vouchers.

Wiltshire Winter Grant Scheme (Wiltshire Council): local grant funding for fuel cost and food vouchers for boaters due to impact of Covid-19.

NOTE 14**Summary of funds**

| Current year | Balance 1 April 2021 (£) | Income (£) | Expenditure (£) | Net transfers (£) | Balance 31 March 2022 (£) |
|---------------------|---------------------------------|-------------------|------------------------|--------------------------|----------------------------------|
| Designated funds | 300,326 | - | (145,565) | | 154,761 |
| General funds | 904,406 | 2,577,842 | (2,816,094) | (28,864) | 637,290 |
| Restricted funds | - | 1,740,972 | (1,769,836) | 28,864 | - |
| | 1,204,732 | 4,318,814 | (4,731,495) | - | 792,051 |

| Prior year | Balance at 1 April 2020 (£) | Income (£) | Expenditure (£) | Net transfers (£) | Balance at 31 March 2021 (£) |
|-------------------|------------------------------------|-------------------|------------------------|--------------------------|-------------------------------------|
| Designated funds | 326 | - | - | 300,000 | 300,326 |
| General funds | 1,003,632 | 2,062,219 | (1,838,008) | (323,437) | 904,406 |
| Restricted funds | - | 1,929,943 | (1,953,380) | 23,437 | - |
| | 1,003,958 | 3,992,162 | (3,791,388) | - | 1,204,732 |

NOTE 15**Analysis of net assets between funds**

| Current year | Unrestricted funds 2022 (£) | Total funds 2022 (£) |
|-----------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 173,830 | 173,830 |
| Current assets | 2,369,591 | 2,369,591 |
| Current liabilities | (1,751,370) | (1,751,370) |
| | 792,051 | 792,051 |

| Prior year | Unrestricted funds 2021 (£) | Total funds 2021 (£) |
|-----------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 193,129 | 193,129 |
| Current assets | 2,611,687 | 2,611,687 |
| Current liabilities | (1,600,084) | (1,600,084) |
| | 1,204,732 | 1,204,732 |

NOTE 16**Pension commitments**

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £201,276 (2021: £156,060).

Contributions totalling £35,744 (2021: £37,834) were payable to the fund at the balance sheet date and are included in creditors.

NOTE 17**Operating lease commitments**

At 31 March 2022, the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2022 (£) | 2021 (£) |
|--|----------------|----------------|
| Not later than 1 year | 147,735 | 147,845 |
| Later than 1 year and not later than 5 years | 92,446 | 239,279 |
| | 240,181 | 387,124 |

NOTE 19**Assets held on behalf of third parties**

The charity acts as an agent in administering and distributing funds provided to it for which the charity has no responsibility for their ultimate application and acts on the direct instructions of the funds' donors. As at 31 March 2022 the charity held funds of £137,297 (2021: £407,323) which are not included in these financial statements but are held in separate bank accounts for the original donor and are returnable on demand.

The charity held £Nil (2021: £22,830 (£19,451)) in relation to the THERMOS project as the lead partner. These funds were held in a separate bank account and are included in these financial statements; the funds were distributed to partners as the project progressed. The project ended this financial year.

NOTE 18**Related party transactions**

Peter Capener, a trustee of the charity, is a director of Bath and West Community Energy which during the year received an innovation grant from Power to Change's Next Generation programme which is managed by CSE. These interests were disclosed to Power to Change as part of its decision making over grant awards. Peter also invoiced the charity personally £1,400 (2021: £Nil) for peer mentoring support for the Next Generation Community Energy Peer Mentoring Programme. There was £Nil outstanding at the year-end.

Ariane Crampton, a trustee of the charity is also an employee of Wiltshire Council. The charity received funding of £50,495 (2021: £58,367) for delivery of Warm Homes Fund advice work including measures. The charity was also paid £2,893 (2021: £Nil) for the delivery of a Parish and Town Council Action Day. Ariane has declared her trusteeship on the Council's register of interests and takes no part in procurement decisions that involve CSE. £Nil (2021: £Nil) was outstanding at year-end.

Andrew Darnton, a trustee of the charity, has a directorship in A D Research & Analysis Limited with which CSE undertook a number of projects. During the year, the charity invoiced £2,526 (2021: £Nil) for services provided and £2,526 (2021: £Nil) was outstanding at year-end.

Jane Dennett Thorpe, a trustee of the charity, is an employee of Ofgem. During the year the charity invoiced Ofgem for £3,516 (2021: £Nil). £Nil (2021: £Nil) was outstanding at year-end.

William Gillis, a trustee of the charity is a trustee of British Gas Energy Trust (BGET). During the year the charity invoiced BGET £47,839 (2021: £68,010) for research undertaken. There was no balance outstanding at year-end.

Bill Hull, a trustee of the charity, is a Partner of TLT LLP. During the year, TLT LLP invoiced £6,094 (2021: £3,083) to the charity for services provided. £Nil (2021: £1,458) was outstanding at year-end.

Felicity Jones, a trustee of the charity, is an employee and minority shareholder of Everoze Partners Ltd. During the year, Everoze Partners Ltd invoiced CSE for £3,214 (2021: £10,829). This was as subcontractor to CSE for the Next Generation programme, a project funded by Power to Change. £Nil (2021: £6,494) was outstanding at year-end.

Simon Roberts, the Chief Executive of the charity, is also a non executive director of Thrive Renewables plc. During the year the charity invoiced Thrive Renewables £25,309 (2021: £20,439) for Simon Roberts' services and for managing the company's Community Benefit Fund. £Nil (2021: £Nil) was outstanding at year-end.

Simon Roberts, the Chief Executive of the charity, is a non executive director of Bristol Green Capital Partnership CIC. The charity made a subscription of £3,500 in the year (2021: £3,500) to support the work of the Partnership. During the year the charity invoiced Bristol Green Capital Partnership CIC £10,060 (2021: £19,210) for services provided to the Bristol Community Climate Action project in which CSE is a partner. There was no balance outstanding at year-end.

Kaye Welfare, a trustee of the charity, is also a part time consultant for EVOLVE Home Energy Solutions. EVOLVE HES work on ECO Innovation and other insulation projects. During the year, the charity was invoiced by EVOLVE HES for £5,812 (2021: £21,441) towards the costs of measures installed under these projects and £Nil (2021: £Nil) was owed at year-end.

We're a charity supporting people and organisations across the UK to tackle the **climate emergency** and end the suffering caused by **cold homes**. We do this by sharing our knowledge, practical experience and policy insights.

For over 40 years, we've supported people to take effective action on energy in their homes. We help communities and local councils to understand energy issues, set priorities, and put plans into action. Our research and analysis focus on making the energy system greener, smarter and fairer.

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