

THE NATIONAL ENERGY FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

THE NATIONAL ENERGY FOUNDATION

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THE NATIONAL ENERGY FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Naveed Haider Chaudhry Linda Craig Forbes Charles Archibald Robertson Liz Male Stewart Ferguson (resigned 30 March 2021) Liz Reason (resigned 30 March 2021) Andrew Wordsworth (resigned 28 September 2021)
Company registered number	02218531
Charity registered number	298951
Registered office	Challenge House Suite 2.15 Sherwood Drive Milton Keynes MK3 6DP
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ

THE NATIONAL ENERGY FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the The National Energy Foundation for the 1 April 2020 to 31 March 2021. 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 and activities

a. Objectives and activities

NEF's articles of association remain as per those updated on 27th June 2018 by the Foundation (in consultation with Bates, Wells and Braithwaite). The objects of the charity are:

- To promote through education, demonstration and research, the innovative, efficient and safe use of energy, and in relation to use, the provision of energy in ways beneficial to the public and charitable and thereby to increase public awareness of energy in all its aspects.
- To promote Sustainable Development for the benefit of the public by:-
 - the preservation, conservation and the protection of the environment and the prudent use of resources
 - the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities
 - the promotion of sustainable means of achieving economic growth and regeneration.
- To advance the education of the public in subjects relating to Sustainable Development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.
- Sustainable Development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.
- Charitable means charitable in accordance with the law of England and Wales provided that it will not include any purpose which is not charitable in accordance with s.7 of the Charities and Trustee Investment (Scotland) Act 2005. For the avoidance of doubt, the system of law governing the constitution of the charity is the law of England and Wales.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

THE NATIONAL ENERGY FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

(continued)

a. Achievements and performance

The Foundation has undertaken a broad range of activities during the financial year in furtherance of these objects.

The key activities included:

- Targeting residents at risk of cardio-vascular and respiratory diseases in cold or damp properties through the innovative "Better Housing Better Health" programme;
 - o Provision of information and advice services to residents of selected local authority districts in Southeastern England on affordable warmth and ways in which they may reduce energy consumption in their homes;
 - o Management of schemes to enable homeowners to access grant and other funding that that will assist them in improving the energy efficiency of their property;
- Acting as the managing agent for the Local Authority Delivered (LAD) Green Home Homes Grant Schemes across Oxfordshire, Hertsmere and Three Rivers, and Watford Buckinghamshire.
 - o Marketing and identification of householders who would benefit from governmental grants to make energy efficiency improvements to their home.
 - o Ensuring customers are eligible on the basis of income, location and home EPC rating.
 - o Managing a network of installers to undertake quality installs at customers' homes.
 - o Providing an aftercare service to ensure customers are content with their home improvements
- Working with vulnerable people, via food banks, to help them reduce their energy use and provide fuel vouchers to help them in specific times of need;
 - o Promoting tariff switching and the use of smart meters;
- Working with school students undertaking the Duke of Edinburgh's Award Scheme through the Foundation's Energy Envoys programme;
- Supporting the wider public through web-based information including SuperHomes and YouGen, the latter of which continues to gain over half a million page views per year;

Having refocused NEF activities to focus on programmes directly aimed at householders, NEF has enjoyed a period of expansion across 2021, winning several new government funded programmes allowing us to deliver more services to householders across our core areas. As a result, NEF continues to hold healthy reserves which it will use to achieve greater impact in the future. For the time being, NEF has decided against merging with another organisation with similar aims, as the Trustees believe our opportunity to make an impact is better served developing our own programmes.

b. Public Benefit

The Trustees consider that the activities of the charity are carried out for the public benefit and in particular adhere to the following charitable purposes as set out by the Charity Commission in its general guidance on public benefit:

- The advancement of environmental protection or improvement
- The prevention or relief of poverty

THE NATIONAL ENERGY FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

a. Financial Review

The charity reported a loss in the accounts of £87,664 in year to end March 2021. Activities during the year were focused very much on enabling growth through investment, including expanding the team to better equip our charity for future expansion. NEF has significant reserves (circa £1.25m) so is very much a going concern. In fact, it is the policy of the Foundation to ensure that unrestricted funds (which have not been designated for a specific purpose) should be maintained at a level equivalent to at least six months operating costs, including employee benefits.

Covid-19 Impact

Like many organisations, NEF has been impacted by the Covid crisis throughout 2020-21. During the financial year reported however, the impact has been minimal. Almost all of NEF's operational activity has been able to continue in a virtual environment. No contracts have been withdrawn as a result of Covid, and no contracts have had their income reduced or redefined; rather certain deliverables have been changed (e.g. a move from 'in-person' to 'online' training) to accommodate rigorous social distancing requirements. As a result, no NEF staff have been placed on furlough and NEF has not had to access any recovery loans or grants from central government. Our business development pipeline for 2021-22 remains healthy and may benefit from opportunities presenting themselves as part of UK Government's 'green recovery' strategy. Should NEF have to deliver services 'virtually' for an extended period of time, we are well placed to do so. We are also fortunate to have significant reserves (set against our operating expenses) so could operate comfortably for more than 12 months without significant income should we be required to do so - although we do not anticipate a need to do this.

Structure, governance and management

a. Company information

The National Energy Foundation is a registered charity (no. 298951), incorporated as a company limited by guarantee, (company registration number 2218531) and has no share capital, and was established to increase public awareness of the efficient and safe use of energy.

The Foundation's current programme is described in detail in the Trustees' Report. The Foundation is governed by its Memorandum and Articles of Association, which were updated in 2018.

The Trustees (but not the President, John Walker, or Patron, Lady Mary Archer) form the Board of Directors of the Company for the purposes of the Companies Act 2006 and hold office for maximum of nine concurrent years.

Members may now elect up to 12 Trustees, who are formally appointed at the Annual General Meeting.

No Trustee has a beneficial interest in any of the capital of the Foundation or its subsidiaries.

THE NATIONAL ENERGY FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

b. Organisation

The Board of Trustees administers the charity.

Trustees have adopted a new policy on term lengths, which states that each trustee shall retire from office at the third Annual retirement Meeting following the commencement of his or her term of office. Whilst retiring trustees may be reappointed, a trustee who has served for three consecutive terms of office should take a break from office.

The Board normally meets every other month.

A Chief Executive (interim) was appointed in February 2020 by the Trustees with delegated authority for all operational matters including finance and the day-to-day management of the charity. From September 2020 this role has been made permanent.

There have been changes to the Trustee Board during the course of this year.

- Liz Male remains Chair of the Board of Trustees
- Leavers:
 - o Stewart Ferguson (resigned as a Trustee on March 30th 2021)
 - o Liz Reason (resigned as a Trustee on 30th March 2021)
 - o Andrew Wordsworth (resigned as a Trustee on 28th September 2021)
- Appointments:
 - o Naveed Choudry (appointed 5th October 2020)
 - o Linda Forbes (appointed 10th March 2021)
 - o Archie Robertson (appointed 5th October 2020)

c. Appointment of trustees

In order to obtain a wide spread of experience and appropriate skills the recruitment of Trustees is undertaken through three main methods: a permanent advertisement on the Foundation's website seeking contact from interested parties, advertising in sector related media and through personal contacts and introductions. We anticipate recruitment of more Trustees during the course of the next year.

d. Trustee induction and training

New Trustees are provided with an induction which features a meeting with the Chair of the Board and/or another member, then with the Chief Executive (or Company Secretary) to familiarise themselves with their responsibilities and legal obligations to the company and their role as a Trustee. Background information on the Company, including a briefing on the role of Trustees and responsibilities of Charitable Trustees and other relevant documents, is provided by way of a written induction pack.

THE NATIONAL ENERGY FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

e. Pay policy for senior staff

The Trustees consider the Board and the senior management team collectively comprise the key management personnel of the charity. All Trustees give of their time freely and no Trustee received any remuneration in the year.

The pay of the senior staff is reviewed annually taking into account performance and, where available, market rates for equivalent roles in similar organisations.

f. Related party relationships

None of our Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee (or senior manager of the charity) with a relevant third party must be disclosed to the full Board of Trustees.

As a charity we actively seek to cooperate with other organisations working to improve the use of energy in buildings including other charities, community interest companies, public authorities, building stock owners and energy suppliers.

g. Risk management

The Trustees review risks and mitigation activities on a regular basis, with an updated risk register provided by the Chief Executive. All current risks have clear plans for mitigation and management.

h. Quality management

In 2016, BSI awarded the Foundation ISO 9001:2008 certification for its Quality Management System; this was renewed and transitioned to ISO 9001:2015 during 2018 and was reaccredited in 2019 and May 2020..

i. Volunteers / Interns

In common with most charities, the Foundation makes use of volunteers, including providing occasional opportunities for people wishing to gain work experience in the environmental sector.

As far as possible volunteers are offered the chance to work on discrete activities that would not be achieved by core staff, to provide defined outcomes that benefit both the charity and the volunteer. NEF also runs a successful internship programme where undergraduates, and occasionally postgraduates, can work on some of NEF's consumer facing projects.

The Foundation is delighted that so many of its staff are appointed from volunteer or internship positions. The Trustees continue to be very grateful to all those willing to support the charity on this basis.

j. Funds held as custodian trustee

The Foundation does not hold funds as a custodian trustee, although it does hold some grant funds on behalf of public bodies, principally local authorities in England, that are then paid to householders seeking to improve their use of energy, on terms agreed between the charity and the authority. Such funds are held in specified client accounts, as they do not beneficially belong to the charity, and are not shown in the Statement of Financial Position.

THE NATIONAL ENERGY FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 . 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 judgments 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.

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Auditors

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
Liz Male
(Chair of Trustees)

Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL ENERGY FOUNDATION

Opinion

We have audited the financial statements of The National Energy Foundation (the 'charitable company') for the year ended 31 March 2021 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 2021 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

THE NATIONAL ENERGY FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL ENERGY FOUNDATION (CONTINUED)

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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

THE NATIONAL ENERGY FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NATIONAL ENERGY FOUNDATION (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

- * Discussions held with management and those charged with governance around any legal claim;
- * Enquiry around any tax compliance issues during or after the financial year;
- * Audit work performed over key risks areas identified such as management override and reviewing accounting estimates for bias.
- * Review of financial statement disclosures to ensure accounting policies have been correctly followed.

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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Milton Keynes

Date:

MHA MacIntyre Hudson are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NATIONAL ENERGY FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Charitable activities	5	543,108	543,108	439,037
Investments	6	4,836	4,836	4,764
Other income	7	7,459	7,459	-
Total income		555,403	555,403	443,801
Expenditure on:				
Charitable activities		643,067	643,067	627,646
Total expenditure		643,067	643,067	627,646
Net movement in funds		(87,664)	(87,664)	(183,845)
Reconciliation of funds:				
Total funds brought forward		1,342,499	1,342,499	1,526,344
Net movement in funds		(87,664)	(87,664)	(183,845)
Total funds carried forward		1,254,835	1,254,835	1,342,499

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

The notes on pages 14 to 25 form part of these financial statements.

**BALANCE SHEET
AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	6,188	-
		<u>6,188</u>	<u>-</u>
Current assets			
Debtors	13	32,252	129,491
Cash at bank and in hand		1,422,490	1,624,076
		<u>1,454,742</u>	<u>1,753,567</u>
Creditors: amounts falling due within one year	14	(206,095)	(411,068)
Net current assets		<u>1,248,647</u>	<u>1,342,499</u>
Total assets less current liabilities		<u>1,254,835</u>	<u>1,342,499</u>
Net assets excluding pension asset		<u>1,254,835</u>	<u>1,342,499</u>
Total net assets		<u><u>1,254,835</u></u>	<u><u>1,342,499</u></u>
Charity funds			
Restricted funds		-	-
Unrestricted funds		1,254,835	1,342,499
Total funds		<u><u>1,254,835</u></u>	<u><u>1,342,499</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

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 and signed on their behalf by:

.....
Liz Male

(Chair of Trustees)

Date:

The notes on pages 14 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Charity information

The National Energy Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Challenge House, Sherwood Drive, Bletchley, Milton Keynes, MK3 6DP.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

2.2 Going concern

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

2.3 Charitable funds

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.4 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. The following specific are applied to particular categories of income:

- Income from grants are recognised in accordance with the terms of each individual grant. Typically this will be when the Foundation has delivered outcomes expected by the agency making the grant, although on longer term grants, such as those from the European Union, it may be based on staff time, including an allowance for overheads, or other expenditure made.
- Income from donations are recognised when the donation is received.
- No financial value has been attributed to the contribution of volunteers. There were no other donated goods or services.
- Income from contracts for the supply of services is recognised with the delivery of the contracted service. All income is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Computer equipment	-	50% per annum
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2.7 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.8 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

2.9 Employee benefits

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

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

2.10 Retirement benefits

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.11 Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees, and 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.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4. Critical accounting estimates and areas of judgment

Critical accounting estimates and assumptions:

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Project income	543,108	543,108

	Unrestricted funds 2020 £	Total funds 2020 £
Project income	439,037	439,037

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Interest receivable	4,836	4,836

	Unrestricted funds 2020 £	Total funds 2020 £
Interest receivable	4,764	4,764

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7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	7,459	7,459	-

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Direct costs	628,351	-	628,351
Support costs	-	14,716	14,716
	628,351	14,716	643,067

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Direct costs	608,058	-	608,058
Support costs	-	19,588	19,588
	608,058	19,588	627,646

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £
Staff costs	383,711	383,711
Depreciation	749	749
Premises	34,854	34,854
General office	21,172	21,172
Other support costs	114,813	114,813
Project costs	73,052	73,052
	<u>628,351</u>	<u>628,351</u>

	Activities 2020 £	Total funds 2020 £
Staff costs	365,475	365,475
Premises	54,527	54,527
General office	44,696	44,696
Other support costs	143,360	143,360
	<u>608,058</u>	<u>608,058</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2021 £	Total funds 2021 £
Audit fees	11,823	11,823
Legal and professional	2,893	2,893
	<u>14,716</u>	<u>14,716</u>

	Activities 2020 £	Total funds 2020 £
Professional charges and audit fee	<u>19,588</u>	<u>19,588</u>

9. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>11,823</u>	<u>6,218</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

10. Staff costs

	2021 £	2020 £
Wages and salaries	339,982	323,568
Social security costs	28,615	26,467
Contribution to defined contribution pension schemes	15,114	15,440
	<u>383,711</u>	<u>365,475</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Management and admin	6	6
Project, sales and technical	10	10
	<u>16</u>	<u>16</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £90,001 - £100,000	-	1

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £53,833 (2020£118,393).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12. Tangible fixed assets

	Computer equipment £
Cost or valuation	
Additions	6,937
At 31 March 2021	<u>6,937</u>
Depreciation	
Charge for the year	749
At 31 March 2021	<u>749</u>
Net book value	
At 31 March 2021	<u><u>6,188</u></u>
At 31 March 2020	<u><u>-</u></u>

13. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	18,407	30,828
Other debtors	-	3,026
Prepayments and accrued income	13,845	95,637
	<u><u>32,252</u></u>	<u><u>129,491</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,958	32,178
Other taxation and social security	16,746	13,239
Other creditors	158,524	317,609
Accruals and deferred income	28,867	48,042
	206,095	411,068

15. Summary of funds**Summary of funds - current year**

	Balance at 1 April 2020	Income	Expenditure	Balance at 31 March 2021
	£	£	£	£
General funds	1,342,499	555,403	(643,067)	1,254,835

Summary of funds - prior year

	Balance at 1 April 2019	Income	Expenditure	Balance at 31 March 2020
	£	£	£	£
General funds	1,526,344	443,801	(627,646)	1,342,499