



centre for  
sustainable  
energy

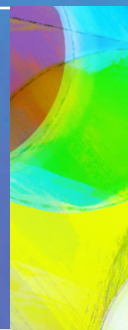
## Trustees' Report and Financial Statements

**Year ended 31 March 2020**

Company limited by guarantee

Company 2219673

Charity 298740



St James Court, St James Parade, Bristol BS1 3LH

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Company 2219673 | Charity 298740





# centre for sustainable energy

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The trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2019 to 31 March 2020. 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.

**Company 2219673**

**Charity 298740**

## Trustees

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

\* Chair of Trustees

**Company Secretary**

Kaye Welfare

**Chief Executive**

Simon Roberts OBE

**Registered office**

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Bristol BS1 3LH

**Independent auditors**

Bishop Fleming LLP  
16 Queen Square  
Bristol BS1 4NT

**Bankers**

HSBC Bank plc  
62 George White Street  
Bristol BS1 3BA

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TLT LLP  
One Redcliff Street  
Bristol BS1 6TP



# Objectives & activities

A group of about 15 people are sitting in a circle on the forest floor, surrounded by tall trees. They appear to be engaged in a mindfulness or meditation session. The ground is covered with brown pine needles and some green moss. The trees are tall and thin, with green foliage visible in the background.

■ Practicing mindfulness in nature on the Bright Green Future summer camp

**CSE's mission as an independent charity is to share our knowledge and practical experience to enable people to change the way they think and act about energy.**

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.

We believe we owe it to current and future generations for the UK to reduce our collective carbon emissions rapidly to virtually zero. And we think that being able to afford to keep healthily warm in winter is a basic right for every household.

All our work is ultimately dedicated to achieving this positive vision. It's what we mean by 'sustainable energy' and it's why we exist.

We achieve our mission by:

- Developing and delivering effective services which enable individuals and organisations in our local area (West of England, Somerset, Wiltshire and Dorset) to make their energy supply and use more sustainable and build their energy resilience.
- Empowering and supporting effective action by others in their organisations and communities across the UK.
- Developing analytical tools and models to improve policy and practice, enabling better insights and lowering the costs of action.



- Testing and nurturing new ideas to improve impact, accelerate change and engage new audiences in the achievement of lower carbon emissions and an end to cold homes.
- Using our experience and evidence to shape local and national policy through expert analysis and research and targeted activity to influence policy makers.

Our work is delivered in partnership with national and local government and associated agencies, community groups, the energy industry, academics, business, other energy

charities across the country, and the general public. At any given time, CSE has some 80 different and separately funded projects underway. We worked on more than 100 projects during 2019-20.

To read more about CSE's purpose, methods and values, please download the document [www.cse.org.uk/purpose-cse](http://www.cse.org.uk/purpose-cse). It explains what we are trying to achieve as a charity, the approaches we take to doing so (and why we think they have an impact) and the values which shape how we go about our work.

PEOPLE  
CANDID  
POSITIVE  
LOCAL  
INDEPENDENT  
OPTIMISM  
INSIGHT  
PIONEERING  
JUSTICE  
ADVICE  
TOGETHER  
POLICY  
CHALLENGE  
CARING  
EMPOWER  
FUTURE



- The Bristol Green Doors event was held on a beautifully sunny weekend in May 2019. Twelve households opened their doors to over 500 visitors and showcased how they've made their homes more comfortable, cheaper to heat and kinder to the environment.

And we made a video about the weekend, too. Click the image to start the film!






# A year in the life of CSE

## April 2019



Western Power Distribution award us another two years of funding to continue providing free energy advice to their customers who need extra support during a power cut, for example elderly people or households with young children, or those whose long-term health condition means they rely on electrical equipment. 

## May 2019

Futureproof launches on a sunny weekend as householders across Bristol open up their homes to show how they've made them more comfortable, cheaper to heat and kinder to the environment. You can see a 2-minute video of the event here:



## June 2019


Our new research programme 'Smart and Fair?' looks at how the changes required to make our energy system smarter and ultra-low carbon could bring with them completely new ways to generate unfairness.

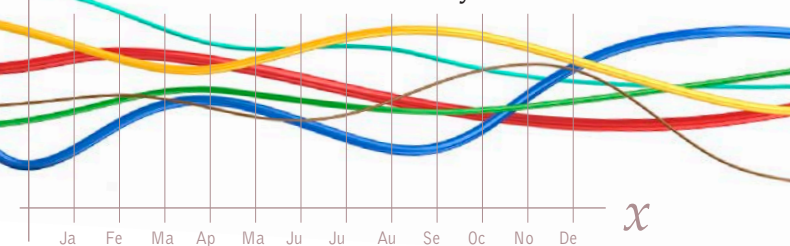


Also in June we had a big party to mark turning 40! See pages 8-9 ...



## July 2019

Access to smart-meter data for public-policy purposes is essential to avoid policy makers 'flying blind' into the energy transition. This is a key conclusion of the first phase the Public Interest Advisory Group on smart meter energy data, which we co-convene with Sustainability First." 




## August 2019

Our WHAM fuel poverty project keeps growing! New funding meant Joe, Pete and Jules joined the team, and with more caseworkers we can help more people dealing with fuel poverty and living in cold homes.



## September 2019

Community groups with bright ideas for energy innovation have been awarded almost £500,000 from Power to Change's Next Generation Fund. The schemes include community smart lighting, harvesting solar power to charge electric vehicles, and a dedicated energy saving service for local schools. 





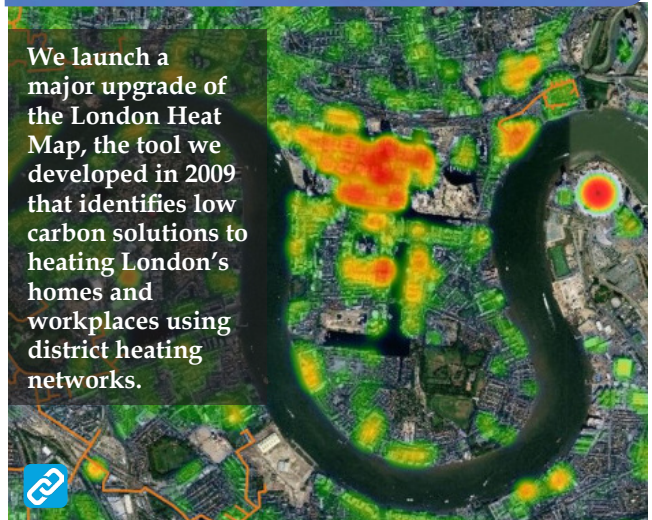
## October 2019

Communities writing neighbourhood plans are in a unique position to contribute to tackling the climate emergency. We've added to our suite of resources designed to help neighbourhood planning groups incorporate ambitious climate change mitigation and adaptation policies in their plans.



## November 2019

We launch a major upgrade of the London Heat Map, the tool we developed in 2009 that identifies low carbon solutions to heating London's homes and workplaces using district heating networks.



## December 2019



As the trial phase of the OpenLV project draws to a close, partners and organisations participating in the trials came together to share learnings and reflect on the benefits gained from making local electricity data openly available within communities.



## January 2020

How to declare a Climate Emergency? We begin a series of webinars that offer practical support for Parish Clerks. What makes a good climate emergency declaration? What can Clerks do to help mobilise their Parish? How can they inspire their community to take action?



## February 2020



Bristol City Council publishes a study, underpinned by our analysis, that explores how the city can achieve its declared ambition to be carbon neutral by 2030, twenty years ahead of the UK's legally binding target of 2050. But the changes required are radical ...



## March 2020

... and it raises the question of how the city organises itself to make them. What do I need to do? When? With whose permission? Who decides? When do we start?

"I find it helpful to think of it as more like jazz than Mozart" said our chief executive, Simon Roberts. "There isn't actually anyone in charge so we have to improvise. And it works best when people listen to what others are playing and respond and build on each other's contribution."





# 40th Anniversary



*“Inspiring and excellent ... not the usual conference”*

Our 40th anniversary conference generated some great feedback, not least the comment in the headline (which we take as a compliment: we don't do 'usual').

On that day in June, over 200 people from a wide variety of industries came together – from policy makers to energy and industry players, and university researchers to community activists. The event may have marked our 40th year, but the aim was not to look back to 1979, but forward,

and to ask how to bring about our sustainable energy future.

Many speakers and participants noted the striking background to the conference with a growing roll call of local authorities declaring a climate emergency and regular school strikes giving a voice to a new generation.

Alongside thought-provoking presentations, participants had the opportunity to share insights and address key questions such as:

- How can we scale up, speed up and, in some cases, start up the things we know need to happen and we know how to do?
- How do we overcome what's currently stopping us from taking action?
- What should CSE and others be doing to build trust in our smarter energy future?
- How do we ensure no one gets left behind in the process?





More feedback? Oh, go on then, just a couple ...

*"The all-female panel after lunch - outstanding."*

*"Superb speakers throughout."*

*"Overall sense of opportunity and optimism."*

After all that it was time for the party - some speeches and heartfelt reminiscing, and then birthday cake, canapes and drinks on the terrace (the rain held off, thankfully).

Of the evening celebration, Simon Roberts said: "This was an opportunity to toast our future – and that of the sustainable energy sector – and to thank everyone who has contributed to our journey so far: former and existing staff, trustees, people we've worked with, friends, fellow travellers in the charity and environmental sectors, funders and supporters."



[Click here to see what impact we think we've achieved in our first 40 years](#)



One of the presenters at our 40th anniversary conference was Ujima Green & Black Ambassador, Jasmine Ketibuah-Foley who spoke about her experience as a person of colour in the environmental movement.



“ So we're all here to talk about sustainability and the challenges related to accelerating change right? I spent a while thinking what on earth am I going to say to a hall full of people about sustainability? I'm not a scientist, I'm not an academic. What could I possibly say? Then I thought the best thing I could do is share my experiences, share my journey and the reasons I want to be part of the environmental movement today. And also to ask why there are gaps in inclusivity and what we can learn from this.”

[Read Jasmine's speech in full here ...](#)





# Achievements & performance

Our 40th anniversary year, 2019-20, was the busiest year in our history. Our growth was driven by both the unparalleled public demand for action to cut carbon emissions rapidly and a heightened awareness that the widely used slogan 'no one left behind' needed to be backed up with commitments and resources if injustices in our energy system are to be adequately addressed.

These powerful societal forces align well with CSE's five high level strategic objectives, adopted by trustees in March 2017.

- 1 No one suffers a cold home**
- 2 Everyone empowered to take action and support sustainable energy**
- 3 Every building low carbon and liveable**
- 4 Places shaped for sustainable energy**
- 5 A rapidly decarbonising energy system that works for everyone**

These interlinked objectives shape the prioritisation and design of our activities and provide a useful framework to detail some of the highlights of our work during 2019-20. That said, many of our projects deliver against more than one objective. And across the range of projects which contribute towards each objective we seek to draw on all of our capabilities: from one to one advice and community engagement to data analysis and policy research.

Our website provides fuller details of our work and gives free access to all of our 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 more readily and thus increases our impact and accelerates change.  
[www.cse.org.uk](http://www.cse.org.uk)



## OBJECTIVE 1

### No one suffers a cold home

Being able to keep adequately, healthily warm in winter is a basic human need and a fundamental component of sustainable energy. Our objective is to ensure that everyone can afford to keep their homes warm when they need by addressing the root causes of energy injustice in the UK. These range from tackling the poor energy performance of housing, limited energy knowhow and poor take-up of income-supporting benefits, to challenging poor supplier practices and market design, and promoting better policies.

In the year, our home energy team directly supported just over 10,000 vulnerable households to address their energy related challenges, a 7% increase on the previous year. These were across the South West (and mainly in West of England, Somerset, Wiltshire and Dorset). The advice and support given by the team enabled these households to realise benefits of more than £1.875 million (a 21% increase on 2018-19). This activity is supported by a wide range of funders, most significantly Western Power Distribution, Bristol City Council, the National Grid/ Affordable Warmth Solutions Warm Homes Fund and Ofgem's Energy Redress Fund, as well as through partnerships with local authorities (see page 20 for a full list of CSE's funders in 2019-20).

The 21% increase in client benefits achieved in the year is partly down to a sharper focus in our advice work on ensuring households are receiving the benefits to which they are entitled (and which are

often 'passports' to grants for improved insulation and heating). This sits alongside support to secure better tariffs, insulation and heating improvements and advice to manage energy better. In several cases, clients' incomes increased by more than £5,000 a year, a life-changing amount for a vulnerable household. Clients are also benefitting from more intense follow through by our advisors on, for example, grant claims for boiler upgrades or energy debt management.

Increasingly we find that official schemes are falling short of what's needed (see for example [www.cse.org.uk/news/view/2428](http://www.cse.org.uk/news/view/2428)). Grants and subsidies often fail to cover the full costs of improvements and the missing funds, unaffordable for many households, have instead to be secured through time-consuming multiple applications to a range of discretionary funds. We have worked closely with local authority housing and public health teams



“Without this support I don't know what I would have done.”  
Jane from Clevedon was one of many people supported by the WHAM project



to set up effective approaches to address these failures.

We also convened a national network with other energy advice providers to share experiences, identify opportunities to improve practices, and influence national policies and regulations, in particular through sharing how the market is actually working (or not) for vulnerable customers. We have raised our concerns with government officials and the energy regulator Ofgem, particularly drawing their attention to the additional work which poorly designed schemes and supplier consumer practices are creating for charitable agencies such as ourselves.

We are seeing an increase in demand for more intensive support for the most vulnerable households in fuel poverty, a trend which dramatically accelerated as the Covid-19 lockdown hit in late March. Our Warmer Homes and Money (WHAM) project is dedicated to providing this more

intensive support; it has expanded significantly during the year ([www.cse.org.uk/projects/view/1337](http://www.cse.org.uk/projects/view/1337)).

Based on a fully integrated partnership with Talking Money and WE Care Home Improvement with a single referral system, the success of WHAM in Bristol over the last two years has laid the foundations for expansion beyond Bristol into North Somerset. The partnership has expanded to include Citizens Advice, Bristol Energy Network and AMS Electrical and we have grown the team from two to six case-workers.

A major breakthrough in the year was to establish a presence from the WHAM team across three local NHS hospital Trusts ([www.cse.org.uk/news/view/2416](http://www.cse.org.uk/news/view/2416)), building out of a pilot in the previous year. Our caseworkers have been assigned internal NHS emails, enabling easier referrals by staff. The WHAM caseworkers work alongside clinical and administrative staff to address issues which prevent patients from being discharged, such as poor or non-existent heating systems, a lack of

basic insulation, or damp problems in their homes. This approach means work can begin to alleviate fuel poverty even while the patient is still in hospital. The benefits to the hospitals, their patients and wider sustainability goals are also being recognised, as this short film from Southmead Hospital in Bristol shows ([https://youtu.be/QNm\\_J9RLsLk](https://youtu.be/QNm_J9RLsLk)). In it, the hospital recognises the link between what WHAM is achieving in partnership with its staff and the hospital's declaration of a climate emergency and adoption of a challenging target to achieve net zero carbon emissions by 2030.

We have continued to provide data analysis and mapping tools for many of the energy network companies so that they can better understand and target support to vulnerable households across their licence areas. By providing easy access to the tools and data, some, like Western Power Distribution, are also in turn sharing this data with partners to enable them to do likewise ([www.cse.org.uk/news/view/2452](http://www.cse.org.uk/news/view/2452)).



During the year we identified a new tension in our work.

Fitting gas central heating remains the cheapest form of heating for most homes and thus the most suitable to help fuel poor households achieve affordable warmth. We have therefore actively and enthusiastically promoted and enabled such installations, not least because gas has also been the lowest carbon emissions fuel for heating that was generally available.

That is no longer the case; the 'lowest cost, lowest carbon' case for gas has been undermined by the huge and welcome growth in renewable energy generation. This means that electricity is now

a lower carbon fuel than gas per unit of heat supplied, a difference that will become more stark as the UK's power supplies decarbonise still further over the coming years

However, in the current market and policy context, electric heating solutions such as heat pumps are only cost-competitive with gas on running costs when installed in well-insulated homes. They also typically have higher capital costs.

Resolving this new tension – how to cut carbon emissions while providing vulnerable households with decent affordable heating – is a key challenge we will be addressing over the next few years.



## OBJECTIVE 2

### Everyone empowered to take action and support sustainable energy

We believe that the transition to a sustainable energy system to achieve net zero carbon emissions requires the meaningful involvement and consent of the public in all its various guises, values and predilections. We seek to stimulate this involvement and consent through our interactions with people – as consumers, citizens and members of many communities (from neighbourhoods to workplaces to networks of shared interests). That means understanding the differences between people and developing new and varied types of conversations and interventions.

This objective permeates most of our work but we particularly focus on it in our work with young people, in the open provision of all of our energy advice materials, and in specific initiatives to enable more deprived communities to realise the potential benefits of being involved in their own community energy projects.

By inspiring and training the next generation of environmental leaders, our youth leadership programme Bright Green Future (BGF) is empowering 14-17 year-olds to transform their concerns about the climate and ecological emergencies into meaningful action in their communities and the potential for influence over local and national policy decisions ([www.bright-green-future.org.uk](http://www.bright-green-future.org.uk)).

With a fourth cohort of 50 students joining the programme in September 2019, the programme has now involved more than 140 young people in its intensive year-long programme of face-to-face and distance learning, mentoring, and

local action. Participants report increased levels of wellbeing and self-esteem and more than half have been influenced in their future learning and career choices by the heightened awareness, understanding and commitment which BGF instils.

A significant development for BGF in 2019-20 was the establishment of an alumni network to enable the growing numbers of graduates to continue to keep in touch with one another and participate in shared initiatives as they progress through education and their early careers. 33 BGF graduates have joined up so far, with seven of them forming the co-ordination team which is taking the network forward.

Our energy advice materials, factsheets, videos and tools help to empower both those we give advice to directly and those who access them for free on our website. During the year we added to and updated these materials to reflect advances in technologies (such as air source heat pumps and electric vehicles) and



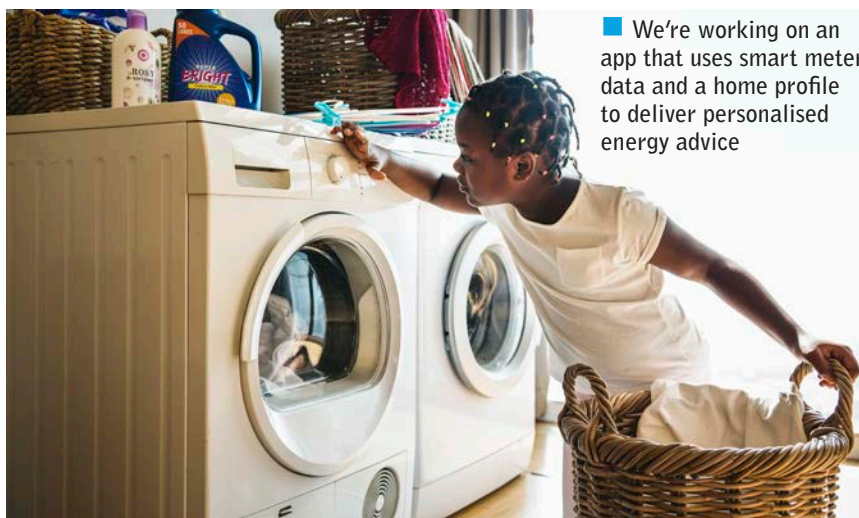
“A lot of us don’t think that we can influence decisions. But we can if we use our time and words in the right way”

BGF participant,  
aged 16



improved understanding of their application in different settings. 2019-20 saw over half a million visitors viewing more than 800,000 pages and downloading our free resources more than 100,000 times. Views of our advice and information videos on YouTube fell a little in the year, to just under 200,000 views, but our channel's subscriber base increased to over 1,000 ([www.youtube.com/user/csebristol/videos](http://www.youtube.com/user/csebristol/videos)).

We also branched out from these 'traditional' approaches to advice giving by helping to design automated tailored energy advice driven by analysis of a household's smart meter energy data. Funded as part of the Department for Business, Energy and Industrial Strategy (BEIS) Smart Energy Savings competition, we worked in partnership with Eliq limited (an energy data platform developer) and energy supplier Bristol Energy to develop the IDEAS (Intelligent Digital Energy Advisory) project.



The aim of IDEAS is to develop and trial intelligent software which uses smart meter and home profile data to create personalised energy advice. Consumers are matched with the most relevant advice for their home and circumstances. The advice is personalised based on smart meter data and what is known (via consumer data) of their motivations and then delivered to

customers through a mobile app. Our role has been to provide all the different variants of energy advice messages which are triggered by the algorithm and support analysis of customer segmentation in an energy advice context. The trials have been delayed by the slow roll-out of SMETS2 smart energy meters but will report in 2020-21 (see [www.cse.org.uk/projects/view/1370](http://www.cse.org.uk/projects/view/1370))



**O**ur three year Powering Up! action research project, supported by Friends Provident Foundation and Joseph Rowntree Charitable Trust, continues to explore how best to engage households in more deprived communities with the opportunities to cut energy bills and gain the benefits of being involved in community energy projects. We've adopted a learning-through-doing approach to stimulating activities in the

three target communities (housing estates in Bridgwater, Newport and Swindon). This inevitably generates frustrating failures as well as welcome breakthroughs, providing opportunities to reflect on the lessons we're learning and to share them more widely (e.g. [www.cse.org.uk/news/view/2346](http://www.cse.org.uk/news/view/2346) and [www.cse.org.uk/news/view/2395](http://www.cse.org.uk/news/view/2395)).

In a separately funded project, we have been supporting the development of plans for a community energy PV scheme in the rural part of Bridgend in South Wales ([www.cse.org.uk/projects/view/1345](http://www.cse.org.uk/projects/view/1345)). In 2020-21 we will be summarising and disseminating everything we've learned (good and bad) from these projects, drawing conclusions and making experience-based recommendations for practitioners, funders and policy makers.

**W**e have become increasingly adept at designing and running grant programmes that enable community organisations to improve the energy efficiency of their buildings and develop fuel poverty alleviation and other energy initiatives of their own. The programmes we ran in 2019-20 included the UK Power Networks Power Partners programme ([www.cse.org.uk/news/view/2403](http://www.cse.org.uk/news/view/2403)) and the Thrive Renewables Community Benefit Fund ([www.cse.org.uk/projects/view/1304](http://www.cse.org.uk/projects/view/1304)).





## OBJECTIVE 3

### Every building low carbon and liveable

Meeting the UK's moral and legal obligations to cut carbon emissions to safe levels will require more or less every building – both existing and new – and all the energy using appliances and equipment in them to deliver exceptional energy performance and use near zero carbon energy within the next 10 - 15 years.

This means massive growth in the scale, rate and quality of energy retrofit of existing buildings and the decarbonisation of the fuel or power providing heating. And it will require all new buildings to be designed and built to zero carbon standards. These improvements must also reflect the need for buildings, whatever their purpose, to be 'liveable' – including providing controllability for occupants and not overheating in summer.

**O**ur Futureproof programme kicked off in early 2019 and launched to the public and local building trades in May 2019. Funded by BEIS over 2½ years as one of six pilots in England, Futureproof ([www.futureproof.uk.net](http://www.futureproof.uk.net)) has the ambitious goal of making low and zero carbon refurbishment the natural choice for all homeowners in the West of England.

Futureproof's market transformation approach seeks to orchestrate growth in demand for green refurbishment with increase in the supply of high quality builders who know what they are doing when it comes to the techniques and technologies of low and zero carbon refurbishment. It does this by targeting (a) 'already interested' householders through open doors events and high quality tailored advice, and (b) 'decent-but-not-yet-green' builders with on-site (and, since Covid-19 lockdown, on-line) builder-to-builder training and supply chain support. By developing both demand and supply simultaneously, the programme hopes to avoid creating householder interest which can't be fulfilled by decent builders, while also ensuring decent builders are aware of and can access a growing



local market for sustainable refurbishment.

The Bristol Green Doors event ([www.cse.org.uk/news/view/2345](http://www.cse.org.uk/news/view/2345)) opened up 12 refurbished Bristol homes over a weekend in May 2019, attracting more than 500 visitors and stimulating significant interest in support and advice to plan the refurbishment of their own homes. As a result of the Covid-19 pandemic, we have switched to virtual tours of Bristol Green Doors properties for the summer of 2020; early results suggest these are a promising alternative to 'real' visits in these constrained circumstances ([www.cse.org.uk/news/view/2471](http://www.cse.org.uk/news/view/2471)).

Working in partnership with green building training specialists, The Green Register, and after some testing of different approaches, the programme is building a network of FAB builders (Futureproof



■ Main photo: a tour of a home in Bristol Green Doors. Top: builder-to-builder training with Futureproof





■ Two of the 12 homes open to the public during the Bristol Green Doors weekend.



Assured Builders), trained on-site by knowledgeable peers and now involving nearly 50 companies ([www.cse.org.uk/news/view/2427](http://www.cse.org.uk/news/view/2427)). The challenge for 2020-21 is to ensure this growing demand from householders and increasing supply of decent knowledgeable builders translates into exemplary low and zero carbon retrofits across the city.

We have been actively involved in trying to make enforcement of the new Private Rented Sector Minimum Energy Efficiency Standards (PRS MEES) more effective. With funding from BEIS, we undertook a pilot in partnership with Bristol City Council, Shelter and CHAS to promote and reinforce the new standards across the city with landlords, tenants and the

council's private housing team. We were also responsible for monitoring this on behalf of BEIS along with six other pilot projects across England. We reported to BEIS in March 2020 and developed a draft PRS MEES toolkit which is to be tested, with our support and oversight, by a new set of 12 pilots in 2020-21 ([www.cse.org.uk/projects/view/1360](http://www.cse.org.uk/projects/view/1360)).

Our software developers have been applying their skills to this objective. We were commissioned to overhaul the National Household Model, which we originally developed for BEIS and which is now also used by the Scottish Government and the Committee on Climate Change. The re-build, which will include the upgrades and improvements identified since it was first put to use

by BEIS in 2014, will be completed in 2020.

The software development team has also turned to machine learning to explore how a home's smart meter data and a few other easily available data-points (such as internal and external temperature) could be used to determine the energy performance of the property. The project is funded by BEIS via its SMETER (Smart Meter Enabled Thermal Efficiency Rating) competition and enjoys advisory support from the University of Bristol's Professor of Artificial Intelligence. Our approach developed in Phase 1 of the competition was successful in securing Phase 2 funding; final results will be published early in 2021 ([www.cse.org.uk/projects/view/1370](http://www.cse.org.uk/projects/view/1370)).



**W**ith the goal of influencing national policy on new build, we responded jointly with the Town and Country Planning Association (TCPA) in January 2020 to the government's consultation on its proposed new Future Homes Standard. The consultation paper outlined the government's intentions for energy performance and carbon emissions standards for new build housing in England.

Aside from calling for standards to be improved more rapidly and with greater enforcement to reflect the urgent need to cut carbon emissions, we also expressed our concerns that the proposals could remove the power of local planning authorities to set standards above basic building regulations ([www.cse.org.uk/news/view/2429](http://www.cse.org.uk/news/view/2429)). The outcome of the consultation is expected in Autumn 2020.



## OBJECTIVE 4

### Places shaped for sustainable energy

Realising sustainable energy goals (like decarbonisation, affordability, reliability) will result in changes everywhere – to our buildings and neighbourhoods, our local landscapes – for everyone. Nowhere and no one gets an 'opt out'. But ultimately these goals will only be achieved if people are involved and give their consent for change. This requires processes to shape places and plans for change which put sustainable energy at their heart, give voice to a wide range of people and offer them a genuine stake in, and influence over, the resulting initiatives.

2019-20 was the year when local authorities, town and parish councils and other institutions stepped up to acknowledge the urgency of action to cut carbon emissions to near zero. Many set ambitious targets to meet these goals, often by 2030. Most then struggled to work out what they (and others) needed to do to achieve their ambitions.

This was the backdrop to two significant developments for us in the year.

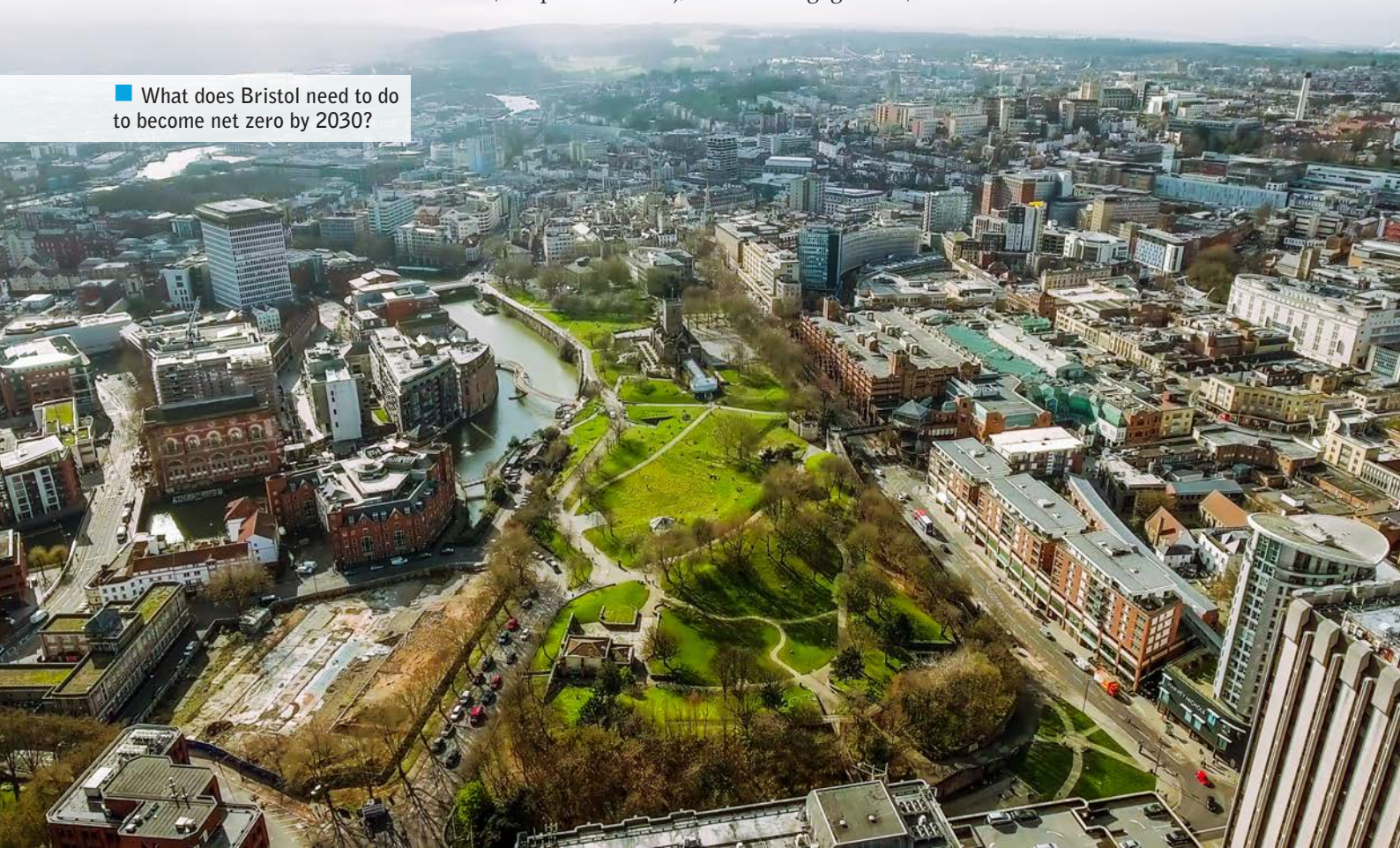
In response to this growing need for support and guidance, trustees funded from our own reserves a new 'Climate Emergency Support Programme', with a dedicated director and support staff ([www.cse.org.uk/news/view/2392](http://www.cse.org.uk/news/view/2392)). The programme's intention is to respond readily and without charge to the needs for advice and support we were encountering amongst local authorities, town and parish councils. Over the course of its first eight months (since its launch in September 2019), the team engaged

with over 60 local authorities, provided detailed advice on what studies to commission and which policies and practices to adopt, identified and met an otherwise unmet need for training and guidance amongst parish and town councils ([www.cse.org.uk/news/view/2440](http://www.cse.org.uk/news/view/2440)), and developed an 'expert support' mentoring offer drawing on the expertise of other CSE staff that will be rolled out during 2020-21.

Bristol City Council was the first council in the UK to declare a climate emergency (in November 2018). In the summer of 2019 it commissioned CSE (working with consultancies Ricardo on transport and Eunomia on waste) to answer the question: what needs to happen in the city and beyond for Bristol to achieve its target of net zero carbon emissions by 2030?

The resulting study ([www.cse.org.uk/news/view/2435](http://www.cse.org.uk/news/view/2435)) was completed in December 2019 and shared with councillors, community activists and an extensive stakeholder event in

■ What does Bristol need to do to become net zero by 2030?





early January 2020. It then provided the principal evidence base for the Bristol One City Climate Strategy which was adopted in February 2020 with endorsements from both the Bristol Chamber of Commerce and the local branch of Extinction Rebellion as well as many other city institutions ([www.cse.org.uk/news/view/2436](http://www.cse.org.uk/news/view/2436)).

The Bristol net zero study led by CSE was distinguished by both the quality of modelling (to understand the options to decarbonise heat and transport in the city) and by its consideration of the full range of factors which would need to be addressed for the dramatic changes required to be adopted. These factors go beyond the identification of decarbonisation technology options to include issues like supply chain skills, policies and regulations, financing options, and social attitudes to change.

The resulting report can therefore describe not only the numbers of heat network connections and

heat pump installations in the city required to achieve net zero by 2030. It can also detail (a) the conditions which need to be established in the city for these installations to actually happen at the rate required, and (b) what initial steps need to be taken to change the current situation to one which is starting to create those conditions – and making demands of others, like national government, to support it to do so. This enables the resulting strategy to start from ‘where things are at’ and to address all of the many factors which will influence the city’s progress.

The complexity of the task of achieving net zero emissions in the city by 2030 led our Chief Executive to muse that we needed to approach the challenge more in the spirit of jazz and ‘joining in’ than in expectation of being able to achieve

the order of an orchestra playing a Mozart symphony ([www.cse.org.uk/news/view/2442](http://www.cse.org.uk/news/view/2442)).

Towards the end of the year we were commissioned by energy regulator Ofgem to explore the concept of local area energy planning (LAEP) and associated approaches to modelling local energy systems in the context of the need to achieve net zero carbon emissions. This is with a view to supporting the inclusion of LAEP in new guidance to energy network companies as they develop their future investment plans. Working with the Energy Systems Catapult, we are developing an LAEP Method (with a set of quality criteria), an evaluation of the strengths and weaknesses of different modelling approaches, and recommendations on how Ofgem, BEIS, and the

Scottish and Welsh Governments could support this approach to realise its full potential to support the transition to net zero.



**W**e continued in the year to deliver our programme of support, funded by the Esmée Fairbairn Foundation, to ensure the need to tackle climate change is at the heart of plans being drawn up by neighbourhoods. Our popular guidance was updated to reflect the adoption of the net zero carbon emissions target ([www.cse.org.uk/news/view/2430](http://www.cse.org.uk/news/view/2430)) and broadened to include new community engagement resources. During the year we engaged directly with around 160 neighbourhood planning groups, built links with other professionals working in the field, reached at least 4,500 people through our online resources and presence in the national planning media, and gave in-depth bespoke support to 20 groups. With funding from BEIS we also assessed the climate credentials of 12 new local

development plans and made recommendations to BEIS on (a) how the plans could be made more robust and (b) the further support needed by local planning authorities.



**W**e contribute directly to the civic life of our home city of Bristol, with senior staff represented on the One City Environmental Sustainability Board and the Bristol Advisory Committee on Climate Change, as well as acting as non executive directors for Bristol Green Capital Partnership CIC and Bristol Energy Network CIC and participating in Bristol City Fund’s Environmental Transformation Group.



## OBJECTIVE 5

### A rapidly decarbonising energy system that works for everyone

To be truly sustainable, the current energy system requires a transformation – a wholesale shift to renewable sources, much smarter demand management and system operation, and a step change in the energy performance of our buildings and energy using appliances. This transformation must achieve these outcomes while also reflecting the social justice concerns at the heart of sustainable energy (not least to maintain public support). That means policies, regulations, market rules and associated programmes which distribute their costs and benefits fairly and provide access for, and participation by, all with appropriate support for more vulnerable people.

The changes required to secure a smarter, more flexible, ultra-low carbon energy system will significantly disrupt the way consumers interact with and pay for the energy system. But while changes are essential, they potentially bring with them completely new ways to generate unfairness (in terms of the distribution of costs and benefits of the new system) and to leave people behind (in terms of the complexity and cost of participating in the benefits the future energy system brings).

There is a risk that, if the changes end up leaving vulnerable people behind and creating negative social impacts, progress towards a zero carbon system will stall as public support fades. So, to avoid this risk, how could the transition be both smart and fair?

This is the focus of a major new programme of work by CSE launched in 2019 under the banner ‘Smart and Fair?’ with funding support for phase 1 from Scottish and Southern Energy Networks and Western Power Distribution ([www.cse.org.uk/news/view/2359](http://www.cse.org.uk/news/view/2359)). Combining expert stakeholder

workshops, research insights, and data analysis, this ground-breaking project is developing a new analytical framework for considering how changes in the energy market will affect who is able to enjoy the benefits of a smarter system and who is at risk of being left behind. We will report on the first phase of ‘Smart and Fair?’ in Summer 2020.

The decarbonisation of heat is one of the principal challenges in reaching net zero carbon emissions from our energy system. To support better decision-making on the potential for and design of heat networks, the multi-partner EU-funded THERMOS project we have been leading ([www.thermos-project.eu](http://www.thermos-project.eu)) reached a critical moment during the year. The tool being developed was released for testing in June 2019 ([www.cse.org.uk/news/view/2353](http://www.cse.org.uk/news/view/2353)). With webinars to support its use and presentations at conferences across Europe and at the annual global gathering on district heating in Pittsburgh in the US, the test version of the tool now has over 800 active users who between them have created over 2,000 network scenario maps across numerous cities. Feedback has been very positive and, in June 2020, the project was



Through THERMOS we're contributing our mapping and data-management skills to the vital task of decarbonising the heat supply



cited by the European Commission's 'Innovation Radar', with CSE identified as a 'key innovator'. We look forward to reporting in future years on the impact this growth in use is having on the quality, speed and cost of identifying and then implementing heat network opportunities, both in the UK and more widely.

CSE also applied its heat mapping expertise on behalf of the Greater London Authority to develop the new version of the London Heat Map which was launched in November 2019 ([www.cse.org.uk/news/view/2404](http://www.cse.org.uk/news/view/2404)).



We continue to support community energy groups to innovate in the increasingly data-rich but subsidy-free energy market. Through the Next Generation Community Energy Programme for Power to Change, we lead a consortium which is working with 11 community energy groups to examine the feasibility of a variety of new community energy business models – from using PV installations to charge a car club of electric vehicles to innovative neighbourhood PV, battery storage and energy trading arrangements to secure for the community more of the potential benefits of a smarter energy system ([www.next-generation.org.uk/grants](http://www.next-generation.org.uk/grants)).

Opening up the energy system and its data to community energy groups was also the focus of our work with Western Power Distribution and EA Technology on the Open LV project, which reached its conclusion in the year ([www.cse.org.uk/news/view/2408](http://www.cse.org.uk/news/view/2408)). The project has revealed: (a) the potential value of opening up electricity network

data in revealing opportunities for community smart energy interventions (such collective action to flex power demand or community investment in battery storage); (b) the importance of good data capture and visualisation tools, and; (c) the needs of community energy groups for technical support to interpret data.

The concept of opening up access to electricity network data is also being taken forward in a new project for Western Power Distribution (WPD) in partnership with the Energy Systems Catapult which kicked off in early 2020. POD – short for Presumed Open Data – seeks to deliver on the recommendations of the government's Energy Data Taskforce. We will be creating an on-line hub for open access to (so far) some 61 datasets from WPD in such a way as to meet the needs of a variety of potential users, including: businesses, academics, the public sector, and community and voluntary sector organisations ([www.cse.org.uk/news/view/2461](http://www.cse.org.uk/news/view/2461)).

**W**e continued our work with Sustainability First to make the case for access to detailed smart meter energy data in the public interest. The Public Interest Advisory Group on the subject, which the two charities co-convene, has moved into its second phase, having published the findings of Phase 1 in the summer of 2019. Phase 2 is focused on demonstrating the value which more readily available smart meter data could add to: national energy statistics, the quality of regulatory oversight of the energy market ([www.cse.org.uk/news/view/2373](http://www.cse.org.uk/news/view/2373)), local energy system planning, and our understanding of how to decarbonise the heating of buildings. It will report in the spring of 2021.

[www.smartenergydatapiag.org.uk](http://www.smartenergydatapiag.org.uk)



**T**o support the energy regulator Ofgem to develop a more consistent approach to assessing the impact of different policies, regulations and market practices on consumers, we were commissioned to update the consumer archetypes we first developed for them in 2012. The new set of 13 archetypes, drawn from latest available data and analytical techniques, was published in March 2020 ([www.cse.org.uk/projects/view/1365](http://www.cse.org.uk/projects/view/1365)). Alongside informing Ofgem's customer vulnerability strategy, the archetypes will underpin the regulator's future distributional impact assessments and associated communications about consumer impacts of its policies.





## Funders & clients

In 2019-20, CSE successfully secured £3.54m for its activities from national and local government and associated agencies, industry and charitable sources. Some activities were grant funded whilst others were delivered as project or consultancy services. In addition, some funding came via project partners with whom we jointly developed successful funding proposals to a third party.

All of CSE's activities are designed to meet CSE's charitable purposes, irrespective of funding source or contractual arrangements. The trustees would like to thank CSE's funding partners and clients for their support for projects undertaken during the year, including:

Affordable Warmth Solutions (National Grid Warm Homes Fund)	Mendip District Council
AD Research & Analysis	National Energy Action
Alliance Homes	National Grid Electricity System Operator
Bath & North East Somerset Council	Ofgem
Big Lottery Fund (Reaching Communities)	Ovo Energy
Big Lottery Fund (Awards for All)	Power to Change
Bridgend County Borough Council	Quartet Community Foundation
Bristol City Council	Royal Society of Wildlife Trusts (The Community Fund Our Bright Future programme)
Bristol Energy	Samsung Electronics UK Ltd
British Gas Energy Trust	Scottish Government
Burnham and Weston Energy CIC	Scottish and Southern Energy Networks
Cadent Gas	Sedgemoor District Council
CAG Consultants	Smart Energy GB
Cardiff University	Society of Local Council Clerks
Citizens Advice	South Gloucestershire Council
Citizens Advice Scotland	South Somerset District Council
Committee on Climate Change	SP Energy Networks
Cranfield Trust	St Monica Trust
Department for Business, Energy & Industrial Strategy (BEIS)	Stroud District Council
Dorset Council	Swindon Borough Council
EA Technology	Taunton Deane Borough Council
Electricity North West Ltd	TDS Charitable Foundation
Eliq Ltd	Test Valley Borough Council
Energy Saving Trust (Ofgem Energy Redress Scheme)	Thrive Renewables Plc
Esmée Fairbairn Foundation	Two Rivers Housing
European Commission (Horizon 2020)	UK Power Networks
European Commission (Sustainable Urbanisation Global Initiative)	University College London
Evolve Home Energy Solutions	University of Edinburgh (ClimateXChange)
Friends Provident Foundation	Wales and West Utilities
Gloucestershire County Council	Welsh Government
Greater London Authority	Wessex Water Services Ltd
Greater Manchester Combined Authority	Western Power Distribution plc
Innovate UK	Wiltshire Community Foundation
Joseph Rowntree Charitable Trust	Wiltshire Council



# Future strategy

In spite of the challenges of the Covid-19 lockdown, we started 2020-21 in a strong position. In late March 2020, we shifted our operational practices to home-based working to comply with the lockdown health and safety guidance. We have sustained delivery of all of our project activities (with some different engagement techniques adopted to replace 'in person' activities). We have maintained the full staff team in work alongside reasonably high levels of productivity in spite of the difficult circumstances.

We increased our development activity to submit more funding bids at higher overall value in the first quarter of 2020-21 than the same period in 2019-20. This has helped to ensure that, as of end June 2020, we already have a strong income forecast for the remainder of the year and can focus much of our development efforts on securing funding for the longer term.

However, there are clearly new challenges ahead as well as new opportunities for the organisation to achieve impact.

We will be formally reviewing our strategy during the autumn of 2020. We will be considering the implications for our future activities of two key factors:

*1) The significant shift in economic and social conditions caused by the Covid-19 pandemic and the associated lock-down, particularly:*

- a)** The anticipated huge growth in financial hardship amongst more vulnerable households and the associated increase in fuel poverty;
- b)** The scale of the expected 'recovery' investment stimulus from the government in housing retrofit and heat decarbonisation;
- c)** The experience for many of enhanced community and neighbourhood solidarity and agency (and whether it will sustain and 'spill-over' into addressing other concerns);
- d)** An increased focus by policy-makers and regulators on how to ensure that the transition underway in the energy system is both 'smart' and 'fair', ensuring that no one is left behind.

*2) The growing urgency of action to cut carbon emissions rapidly, in the context of:*

- a)** the apparent desire of a large part of the public and many communities to turn their concerns about the climate emergency into action;
- b)** The scale and nature of commitments by local authorities and other organisations to achieve rapid emissions reduction;
- c)** The complexity of the required systemic changes and the understanding, insights and analytical approaches needed to enable ourselves and others to (i) design and deliver effective initiatives and (ii) propose and adopt transformative policies, regulations and funding programmes.

Across these key factors, we will also explore how they interplay and their potential combined impact on the availability of funding for our work (both negative and positive) and on opportunities for CSE to achieve impact and influence.

In addition, we will examine how best to sustain the positive culture of the organisation, some of which derives from sharing a work space, in the face of (i) potential sustained limitations on numbers allowed to be in the office and (ii) in any circumstances, likely higher levels of working from home by a wider range of staff in future.





## Financial review

These accounts cover the 12 month period from April 2019 to March 2020. In the period, the organisation made a surplus of £223,356 on its income of £3.54m (surplus of £162,384 on an income of £2.72m in 2019-20).

This surplus takes account of a planned investment from our reserves of £70,000 during the year into our advice services so that we can maintain a free service and keep our energy advice resources up to date (see Reserves Policy below).

This record level of turnover, 30% up on last year (and a 75% increase over the last two years), reflects the organisation's success in recent years in raising funds to support strategically valuable initiatives. This has driven a growth in staff numbers over the year from 53 full time equivalents (FTEs) at its start to 62 FTEs at its end. Combined with tight control of overheads, this has enabled us to generate a healthy surplus in the year. We have continued to enjoy high levels of staff retention and achieved good productivity.

In February 2020 we entered a lease for some additional office space at our current premises to accommodate the additional staff,

create a more dedicated area for our advice team to take and make client calls, and provide more facilities to sustain staff wellbeing. The terms of the lease are aligned with our main lease with a break clause in November 2023 and expiry in 2027.

We have not experienced problems with recovering debts. Our creditors are dominated by deferred income which includes payments in advance of funded or contracted work being undertaken.

At the end of the year, our reserves (total unrestricted funds) stood at £1,003,958 (31 March 2019: £780,602), in excess of our minimum reserves target (see Reserves Policy below).

## 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 trustees that meets quarterly. In addition, the Board has established a Finance Committee and a Human Resources Committee which also meet and report to the Board, in accordance with their terms of reference.

The trustees have overall responsibility for financial management, organisational strategy and compliance with

the purposes of the charity. This responsibility is devolved within a clearly documented framework of delegated powers to the Chief Executive and Senior Management Team. The Senior Management Team maintains and implements the policies of the organisation. The Chief Executive and other members of the Senior Management 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 by the organisation to reflect the differences in responsibility, skills and capabilities required in various roles. The pay differentials between grades were

established in the scale through a combination of job evaluation and an assessment of market rates for similar roles in similar organisations. The ratio between the salaries of the highest and lowest paid members of staff (our interns) is currently 4.5.

A new framework for staff performance appraisal was introduced during 2019-20. A review of remuneration policies was started during the year (with support from The Cranfield Trust) and will be completed and any resulting changes implemented in 2020-21.

All staff are entitled to participate in the CSE contributory pension scheme (8% employer's 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 Charities Commission.







## Reserves policy

Our reserves policy takes account of: (a) the liabilities which would be faced by the charity if it were to cease operating; (b) the financial 'cushion' it would need in order to have time to respond to a serious but possible funding crisis without immediately losing valuable staff capacity, and; (c) any longer term objectives which might require significant investment.

Following a fresh assessment of each of these factors by trustees in October 2018, and taking

particular account of the lease for our current offices (since late 2017), the target for our reserves (i.e. total unrestricted funds) was increased from £500,000 to £570,000. An additional condition was also adopted; that the organisation should hold a minimum of £400,000 in net current assets (i.e. free reserves) in order to provide the intended financial 'cushion'.

At the end of March 2020, our total unrestricted funds were in excess of this figure, standing at £1,003,958 (with £836,386 in net current assets). These reserves are principally current assets, mainly cash. All cash reserves are held in a bank deposit account to minimise risk. The policy and target is regularly

reviewed by trustees to take account of the development and growth of the organisation and a review of the changing risks it faces, particularly with respect to securing funding.

With the reserves above the target (and meeting the additional 'free reserves' condition), the trustees committed during the year to fund a Climate Emergency Support Programme (up to £114,000 over 18 months, subject to regular reports to the board). The costs of this programme during the year are included in total expenditure. The trustees have also committed to making a further modest annual investment (up to £70,000) from the reserves in 2020-21 to support our core energy advice services.

## Risk management

The board of trustees has assessed the major risks to which CSE is exposed, in particular those related to the operations and finances of CSE, and is satisfied that systems and procedures are in place to mitigate exposure to the major risks. This is a routine consideration in the annual budget setting process.

The latest full risk review was undertaken by the board in January 2019. The principal risks identified (continuing funding, maintaining staff knowledge in a fast-changing policy and technical environment, and maintaining productivity levels) were all effectively managed during 2019-20 (see 2018-19 Annual Report for details, [www.cse.org.uk/annual-accounts-2019](http://www.cse.org.uk/annual-accounts-2019)).

At the time, the risk of business interruption as the result of various events (including a pandemic) was

considered very low likelihood (albeit with potentially high impact). As a result it was not in the organisation's top 10 risks for more detailed consideration. The imminence of the Covid-19 pandemic and its potentially severe impacts on working practices were raised at the quarterly board meeting in late January 2020.

This early warning enabled the Senior Management Team to start to consider its potential courses of action. However, the speed and scale of the lockdown meant that, in the second half of March 2020, the organisation had to make very rapid changes to its working arrangements to keep staff safe while sustaining activities with the agreement of funders.

All but two of our staff were shifted to working from home, with only the two unable to do so remaining office based. The board met in late March to identify key risks associated with the lockdown and its impact on working practices and demand for our services, and to review progress and assess the approach being taken by the Senior Management Team.

Key ongoing risks identified for the Senior Management Team to focus on and for continuing monitoring and reporting to the board included:

- Maintaining staff safety and health, including mental health, with almost all staff working from home and, for advice staff, likely to be dealing with clients in greater distress.
- Staff productivity and the impact on the organisation's ability to sustain project delivery and income levels.
- The continued availability of new funding opportunities for strategically aligned activities and sufficient development capacity to bid for them.

The status of each of these risks is monitored on a weekly basis by the Senior Management Team for the first quarter of 2020-21 with regular updates to trustees. At the time of writing (June 2020) our approaches to mitigating each risk are, at least for the time being, limiting their impact to manageable levels (see also Future Strategy above).



## Related parties

As detailed in note 21 to the accounts

## 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.

## Disclosure of information to auditors

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- So far as that trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- That trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The auditors, Bishop Fleming LLP, 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 on 9 July 2020 and signed on their behalf by:





## 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 2020 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 2020 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors'

report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Cont ...





### Opinion 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 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.

### Auditors' 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.

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](http://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  
Chartered Accountants  
Statutory Auditors,  
16 Queen Square, Bristol  
BS1 4NT  
*Signed 24 August 2020*







## Statement of financial activities

	Unrestricted funds 2020 (£)	Restricted funds 2020 (£)	Total funds 2020 (£)	Total funds 2019 (£)
<b>Income from</b>				
Charitable activities (note 3)	2,083,079	1,458,236	3,541,315	2,723,171
<b>Total income</b>	2,083,079	1,458,236	3,541,315	2,723,171
<b>Expenditure on:</b>				
Charitable activities (note 4)	1,859,723	1,458,236	3,317,959	2,560,787
<b>Total expenditure</b>	1,859,723	1,458,236	3,317,959	2,560,787
<b>Net movement in funds</b>	223,356	-	223,356	162,384
<b>Reconciliation of funds:</b>				
Total funds brought forward	780,602	-	780,602	618,218
Net movement in funds	223,356	-	223,356	162,384
<b>Total funds carried forward</b>	1,003,958	-	1,003,958	780,602

- The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 30 to 40 form part of these financial statements.

## Balance sheet as at 31 March 2020

	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>				
Tangible assets (note 9)		167,572		126,938
		167,572		126,938
<b>Current assets</b>				
Debtors (note 10)	1,094,592		844,424	
Cash at bank and in hand	583,856		483,466	
	1,678,448		1,327,890	
<b>Creditors:</b> amounts falling due within one year (note 11)	(842,062)		(674,226)	
<b>Net current assets</b>				
Total assets less current liabilities		836,386		653,664
<b>Total net assets</b>		1,003,958		780,602
<b>Charity funds</b>				
Restricted funds (note 13)		-		-
Unrestricted funds (note 13)		1,003,958		780,602
<b>Total funds</b>		1,003,958		780,602

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 9 July 2020 and signed on their behalf by:



## Statement of cash flows

	2020 (£)	2019 (£)
<b>Cash flows from operating activities</b>		
Net cash used in operating activities ( <a href="#">note 16</a> )	171,959	32,869
<b>Cash flows from investing activities:</b>		
Purchase of tangible assets	(71,569)	(29,420)
Net cash used in investing activities	(71,569)	(29,420)
<b>Cash flows from financing activities</b>		
Net cash provided by financing activities		
Change in cash and cash equivalents in the year	100,390	3,449
Cash and cash equivalents brought forward	483,466	480,017
Cash and cash equivalents carried forward ( <a href="#">note 17</a> )	583,856	483,466



**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 of financial statements**

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 impact that Covid-19 is having on operations and are taking actions to minimise their effect on the long-term reserves of the charity. 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.

**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.

Charitable activities and governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**2.06 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

Cont ...

**NOTE 2 (CONTINUED). Accounting policies**

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.

**2.07 Operating leases**

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

**2.08 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.

**2.09 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.

**2.10 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.

**2.11 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 estimated 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.

**2.12 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.

**2.13 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable

**NOTE 3. Income from charitable activities**

	Unrestricted funds 2020 (£)	Restricted funds 2020 (£)	Total funds 2020 (£)	Total funds 2019 (£)
Research and analysis	953,374	156,464	1,109,838	850,208
Household energy services	750,030	918,726	1,668,756	1,120,344
Local and community empowerment	379,675	383,046	762,721	752,619
<b>Total 2020</b>	<b>2,083,079</b>	<b>1,458,236</b>	<b>3,541,315</b>	<b>2,723,171</b>
Total 2019	1,707,411	1,015,760	2,723,171	



**NOTE 4. Analysis of expenditure on charitable activities****Summary by fund type**

	Unrestricted funds 2020 (£)	Restricted funds 2020 (£)	Total funds 2020 (£)	Total funds 2019 (£)
Governance costs	16,703	-	16,703	16,091
Research and analysis	928,941	156,464	1,085,405	735,874
Household energy services	299,050	918,726	1,217,776	1,078,000
Local and community empowerment	615,029	383,046	998,075	730,822
<b>Total 2020</b>	1,859,723	1,458,236	3,317,959	2,560,787
Total 2019	1,545,027	1,015,760	2,560,787	

**Summary by expenditure type**

	Staff costs 2020 (£)	Depreciation 2020 (£)	Other costs 2020 (£)	Total funds 2020 (£)	Total funds 2019 (£)
Governance costs	-	-	16,703	16,703	16,091
Research and analysis	658,979	14,866	411,560	1,085,405	735,875
Household energy services	976,477	9,431	231,868	1,217,776	1,078,000
Local and community empowerment	406,341	5,920	585,814	998,075	730,821
<b>Total 2020</b>	2,041,797	30,217	1,245,945	3,317,959	2,560,787
Total 2019	1,741,574	24,651	794,562	2,560,787	

**NOTE 5. Analysis of expenditure by activities**

	Activities undertaken directly 2020 (£)	Support costs 2020 (£)	Total funds 2020 (£)	Total funds 2019 (£)
Governance costs	-	16,703	16,703	16,091
Research and analysis	921,107	164,298	1,085,405	735,874
Household energy services	1,113,536	104,240	1,217,776	1,078,000
Local and community empowerment	932,644	65,431	998,075	730,822
<b>Total 2020</b>	2,967,287	350,672	3,317,959	2,560,787
Total 2019	2,225,044	335,743	2,560,787	

**NOTE 6. Auditors' remuneration**

	2020 (£)	2019 (£)
Fees payable to the charity's auditor for the audit of the charity's annual accounts	7,225	5,850

**NOTE 7. Staff costs**

	2020 (£)	2019 (£)
Wages and salaries	1,763,107	1,504,371
Social security costs	151,810	128,043
Other pension costs	126,880	109,160
	<b>2,041,797</b>	<b>1,741,574</b>

■ The average monthly number of employees during the year was 62 (2019: 53) of which 57 were project staff (2019: 49) and 5 were management and admin staff (2019: 4).

■ Average headcount expressed as a full time equivalent: 55 (2019: 47).

■ The number of higher paid employees (total remuneration) in the band £60,001-£70,000 was 1 and in the band £80,001-£90,000 was 1. (2019: 1 employee in the band £70,001-£80,000).

■ The total employee benefits of key management personnel were £494,149 (2019: £402,104).

■ Total employer contributions for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £11,555 (2019: £8,358). This amount is not included in the banding above.

**NOTE 8. Trustees' remuneration and expenses**

■ During the year, no Trustees received any remuneration (2019: £Nil) or any benefits in kind (2019: £Nil).

■ During the year ended 31 March 2020, no trustee expenses have been incurred (2019: £Nil).

**NOTE 9. Tangible fixed assets**

	Leasehold improvements (£)	Fixtures & fittings (£)	Office equipment (£)	Project assets (£)	Total (£)
<b>Cost</b>					
At 1 April 2019	157,408	9,788	147,375	1,569	316,140
Additions	40,342	-	31,227	-	71,569
At 31 March 2020	197,750	9,788	178,602	1,569	387,709
<b>Depreciation</b>					
At 1 April 2019	63,624	8,228	115,781	1,569	189,202
Charge for the year	12,247	810	17,878	-	30,935
At 31 March 2020	75,871	9,038	133,659	1,569	220,137
<b>Net book value</b>					
At 31 March 2020	121,879	750	44,943	-	167,572
At 31 March 2019	93,784	1,560	31,594	-	126,938



**NOTE 10. Debtors**

	2020 (£)	2019 (£)
<b>Due within one year</b>		
Trade debtors	647,844	356,395
Other debtors	5,698	-
Prepayments and accrued income	441,050	488,029
	<b>1,094,592</b>	<b>844,424</b>

**NOTE 11. Creditors: amounts falling due within one year**

	2020 (£)	2019 (£)
Trade creditors	97,166	77,052
Other taxation and social security	173,204	134,493
Other creditors	33,457	25,514
Accruals and deferred income	538,235	437,167
	<b>842,062</b>	<b>674,226</b>
<b>Deferred income</b>		
Deferred income at 1 April 2019	339,069	302,711
Resources deferred during the year	451,764	339,069
Amounts released from previous periods	(339,069)	(302,711)
<b>Deferred income at 31 March 2020</b>	<b>451,764</b>	<b>339,069</b>

**NOTE 12. Financial instruments**

	2020 (£)	2019 (£)
<b>Financial assets</b>		
Financial assets measured at amortised cost	1,448,744	1,273,061
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	184,349	181,134

**NOTE 13. Statement of funds**

	Balance (£) at 1 April 2019	Income (£)	Expenditure (£)	Balance (£) at 31 March 2020
<b>Designated funds</b>				
Strategic Investment Reserve	326	-	-	326
<b>General funds</b>				
General funds	780,276	2,083,079	(1,859,723)	1,003,632
<b>Total unrestricted funds</b>	<b>780,602</b>	<b>2,083,079</b>	<b>(1,859,723)</b>	<b>1,003,958</b>
<b>Restricted funds</b>				
BEIS MEES Pilot	-	95,722	(95,722)	-
BESN 18-19	-	615	(615)	-
BESN 19-20	-	12,911	(12,911)	-
Bright Green Future (Big Lottery Fund Grant)	-	245,280	(245,280)	-
Bristol Warm Homes Fund	-	15,632	(15,632)	-
Building Capacity for Energy Resilience (FPF)	-	30,509	(30,509)	-
Community Consent for Low Carbon Future (EFF)	-	56,341	(56,341)	-
Community Energy for Everyone (JRCT)	-	13,486	(13,486)	-
EASE (Big Lottery Fund Grant)	-	53,776	(53,776)	-
FEWULL	-	28	(28)	-
Futureproof	-	321,131	(321,131)	-
Get ready for MEES	-	1,814	(1,814)	-
HEART	-	41,100	(41,100)	-
Project in a Box (AFA)	-	742	(742)	-
Seniors Living Smarter	-	24,521	(24,521)	-
Social Innovation and Capabilities	-	5,720	(5,720)	-
Somerset WHF C3	-	14,230	(14,230)	-
THERMOS	-	150,744	(150,744)	-
Volunteers Restricted	-	3,285	(3,285)	-
Warm & Safe Wiltshire	-	38,950	(38,950)	-
Warm & Safe Wiltshire Hospital Placements	-	22,675	(22,675)	-
Warm Homes Wiltshire	-	51,777	(51,777)	-
Warm Welcome	-	435	(435)	-
WE Over 65 Project (WEOVE)	-	6,391	(6,391)	-
WHAM (WHF)	-	141,673	(141,673)	-
WHAM Fuel Good Fund	-	17,594	(17,594)	-
WHAM Warmer Homes Advice & Money	-	91,154	(91,154)	-
	-	1,458,236	(1,458,236)	-
<b>Total of funds</b>	<b>780,602</b>	<b>3,541,315</b>	<b>(3,317,959)</b>	<b>1,003,958</b>



**NOTE 13 (CONTINUED).** Statement of funds - prior year

	Balance (£) at 1 April 2018	Income (£)	Expenditure (£)	Balance (£) at 31 March 2019
<b>Designated funds</b>				
Strategic Investment Reserve	326	-	-	326
<b>General funds</b>				
General funds	617,892	1,707,411	(1,545,027)	780,276
Total unrestricted funds	618,218	1,707,411	(1,545,027)	780,602
<b>Restricted funds</b>				
BEIS MEES Pilot	-	8,934	(8,934)	-
BESN 18-19	-	22,385	(22,385)	-
BESN Bristol 17-18	-	163	(163)	-
BESN NEA 2017	-	77	(77)	-
Bright Green Future (Big Lottery Fund Grant)	-	270,601	(270,601)	-
Bringing Local Energy Benefits to Deprived Communities	-	5,798	(5,798)	-
Building Capacity for Energy Resilience (FPF)	-	32,793	(32,793)	-
Community-led Fuel Poverty Initiatives	-	3,060	(3,060)	-
Community Consent for Low Carbon Future (EFF)	-	63,504	(63,504)	-
Community Energy for Everyone (JRCT)	-	9,517	(9,517)	-
Door-to-Door Radstock	-	4,156	(4,156)	-
EASE (Big Lottery Fund Grant)	-	85,978	(85,978)	-
FEWULL	-	4,510	(4,510)	-
Futureproof	-	93,827	(93,827)	-
Get ready for MEES	-	6,141	(6,141)	-
HEART	-	1,055	(1,055)	-
Home Visit Plus	-	8,886	(8,886)	-
One Worry Less 2018 (OWL)	-	4,918	(4,918)	-
OPEN	-	4,398	(4,398)	-
PIAB - AFA	-	1,710	(1,710)	-
Smart & Easy Energy	-	399	(399)	-
Community Consent for Low Carbon Future	-	5,751	(5,751)	-
Smart & Snug	-	6,848	(6,848)	-
Warm Home Wiltshire	-	5,000	(5,000)	-
THERMOS (EC Horizon 2020)	-	177,511	(177,511)	-
Warm & Safe Wiltshire	-	32,953	(32,953)	-
Warm Home Wiltshire	-	36,721	(36,721)	-
Warmer Homes Advice & Money (WHAM)	-	98,339	(98,339)	-
WHAM Fuel good fund	-	7,406	(7,406)	-
WPD Redress Evaluation	-	12,421	(12,421)	-
	-	1,015,760	(1,015,760)	-
<b>Total of funds</b>	<b>618,218</b>	<b>2,723,171</b>	<b>(2,560,787)</b>	<b>780,602</b>

**NOTE 13 (CONTINUED). Statement of funds****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:

**BEIS MEES Pilot (BEIS):** Pilot to raise awareness of, and compliance with Minimum Energy Efficiency standards for private, rented, domestic properties in Bristol.

**BESN Bristol 2018-19 (BEIS):** Energy Champions supporting fuel poor and vulnerable households to get the best deal from their energy supplier and save money on their bills across the South West.

**Bright Green Future (Big Lottery Fund Grant):** 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 Warm Homes Fund (National Grid 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.

**Building capacity for energy resilience (Friends Provident Foundation):** building capacity for energy resilience in deprived areas.

**Community Consent for Low Carbon Future (Esmée Fairbairn Foundation):** supporting Low Carbon Neighbourhood Plans embedding energy and environmental objectives and climate change mitigation.

**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.

**EASE (Big Lottery Fund Grant):** supporting disabled and older vulnerable people to keep their homes warm and afford their energy bills.

**Food Energy Water Urban Living Lab (Innovate UK):** CSE is the energy partner in an 'Urban Living Lab' in Bristol to explore the food, water and energy nexus. The project using a systems approach to explore how to optimise the economic, social and environmental value of anaerobic digestion of food and sewage waste at Bristol's main sewage farm and the associated production of renewable gas and soil-improving fertiliser.

**Futureproof (BEIS):** Futureproof aims to make it easy for homeowners & contractors in the West of England to carry out energy saving improvements & refurbishments with confidence

**Get Ready for MEES (The TDS Charitable Foundation):** providing advice, guidance and support to residential landlords in the south west to understand their legal obligations in the wake of the new minimum energy efficiency standards.

**HEART (Big Lottery Fund Grant):** Supporting fuel poor households in Somerset, especially those in private rented accommodation to stay warm at an affordable cost.

**Seniors Living Smarter (Smart Energy BG funding via NEA):** delivering telephone and face to face advice about the benefits of having a smart meter to those aged 65 and over.

**Social Innovation and Capabilities (Cardiff University):** exploring whether social innovation can contribute to generating solutions to energy related problems.

**Somerset Warm Homes Fund (National Grid 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.

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

**Volunteers Restricted (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 & Safe Wiltshire (Wiltshire Council):** delivering telephone energy advice to residents under the Warm and Safe Wiltshire banner.

**Wiltshire Council Hospital Fund (Wiltshire Council):** placed an energy advisor 2 days a week at Salisbury District Hospital to work with the discharge team to help patients being discharged to a warm, comfortable home.

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

**Warm Welcome (Ashley Community Housing):** A two year project supporting refugees living in Bristol by providing workshops and advice in their homes. Funded by Ashley Community Housing and working in partnership with other refugee advice agencies across Bristol.

**WE Over 65 Project (St Monica Trust):** 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.

**WHAM (National Grid Warm Homes Fund):** This is a two year project adding more capacity to the existing WHAM project until July 2021. This fund has extended the project into North

Cont ...



**NOTE 13 (CONTINUED). Statement of funds**

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 Fuel Good Fund (Bristol Energy):** supporting the WHAM project and helping Bristol Energy to fulfil their commitment to support people in fuel poverty.

**Warmer Homes Advice & Money (WHAM) (Bristol City Council):** evaluation and dissemination of innovative WPD funded projects.

**NOTE 14. Summary of funds**

<b>Current year</b>	<b>Balance at 1 April 2019 (£)</b>	<b>Income (£)</b>	<b>Expenditure (£)</b>	<b>Balance at 31 March 2020 (£)</b>
Designated funds	326	-	-	326
General funds	780,276	2,083,079	(1,859,723)	1,003,632
Restricted funds	-	1,458,236	(1,458,236)	-
	<b>780,602</b>	<b>3,541,315</b>	<b>(3,317,959)</b>	<b>1,003,958</b>
<b>Prior year</b>	<b>Balance at 1 April 2018 (£)</b>	<b>Income (£)</b>	<b>Expenditure (£)</b>	<b>Balance at 31 March 2019 (£)</b>
Designated funds	326	-	-	326
General funds	617,892	1,707,411	(1,545,027)	780,276
Restricted funds	-	1,015,760	(1,015,760)	-
	<b>618,218</b>	<b>2,723,171</b>	<b>(2,560,787)</b>	<b>780,602</b>

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

<b>Current year</b>	<b>Unrestricted funds 2020 (£)</b>	<b>Total funds 2020 (£)</b>
Tangible fixed assets	167,572	167,572
<b>Current assets</b>	<b>1,678,448</b>	<b>1,678,448</b>
<b>Creditors due within one year</b>	<b>(842,062)</b>	<b>(842,062)</b>
	<b>1,003,958</b>	<b>1,003,958</b>
<b>Prior year</b>	<b>Unrestricted funds 2019 (£)</b>	<b>Total funds 2019 (£)</b>
Tangible fixed assets	126,938	126,938
Current assets	1,327,890	1,327,890
Creditors due within one year	(674,226)	(674,226)
	<b>780,602</b>	<b>780,602</b>

**NOTE 16. Reconciliation of net movement in funds to net cash flow from operating activities**

	2020 (£)	2019 (£)
Net income for the year (as per Statement of Financial Activities)	223,356	162,384
<b>Adjustment for</b>		
Depreciation charges	30,935	24,651
(Increase)/decrease in debtors	(250,118)	(291,923)
Increase/(decrease) in creditors	167,786	137,757
Net cash (used in)/provided by operating activities	171,959	32,869

**NOTE 17. Analysis of cash and cash equivalents**

	2020 (£)	2019 (£)
Cash in hand	583,856	483,466
Total	583,856	483,466

**NOTE 18. Analysis of changes in net debt**

	At 1 April 2019 (£)	Cash flows (£)	At 31 March 2020 (£)
Cash at bank and in hand	483,466	100,390	583,856

**NOTE 19. 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 charity to the fund and amounted to £126,880 (2019: £109,160). Contributions totalling £28,349 (2019: £18,732) were payable to the fund at the balance sheet date and are included in creditors.

**NOTE 20. Operating lease commitments**

At 31 March 2020 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 (£)	2019 (£)
Not later than 1 year	148,032	109,683
Later than 1 year and not later than 5 years	387,123	390,877
	535,155	500,560



**NOTE 21. Related party transactions**

Andrew Darnton, a trustee of the charity, has a directorship in A D Research & Analysis Limited with which CSE undertook a number of projects in 2019-20. During the year, the charity invoiced £7,200 (2019: £42,661) for services provided and Nil (2019: £25,344) 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 £161,280 (2019: Nil). There was no balance 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 undertook an evaluation project for BGET but did not invoice anything in the year. (2019: Nil)

Bill Hull, a trustee of the charity, is a designated member of TLT LLP. During the year, TLT LLP invoiced £13,231 (2019: £5,568) to the charity for services provided. At the year end, CSE owed the company £678 (2019: Nil).

Felicity Jones, a trustee of the charity, is an employee and minority shareholder of Everoze Partners Ltd. During the year 2019-20, Everoze Partners Ltd invoiced CSE for £29,193 (2019: £15,616). This was as subcontractor to CSE for the Next Generation programme, a project funded by Power to Change. There was no balance 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 £23,016 (2019: £16,212) for Simon Roberts' services and for managing the company's Community Benefit Fund. £4,344 (2019: £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 (2019: £3,500) to support the work of the Partnership. CSE also administers payments for BGCP on a pro bono basis.

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 £55,491 (2019: £45,356) towards the costs of measures installed under these projects and £4,455 (2019: £5,079) was owed at year end.

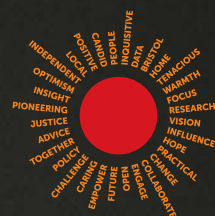
**NOTE 22. Assets held on behalf of third parties**

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 2020 the charity held funds of £291,177 (2019: £17,629) 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 is also holding €266,105 (£236,514) (2019: €818,823 (£718,627)) in relation to the THERMOS project as the lead partner. These funds are held in a separate bank account and are included in these financial statements; the funds will be distributed to partners as the project progresses.

We believe we owe it to current and future generations for the UK to reduce our collective carbon emissions rapidly to virtually zero.

We think that being able to afford to keep healthily warm in winter is a basic right for every household which should be both upheld and realised in practice.



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■ On the Bright Green Future  
summer camp

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