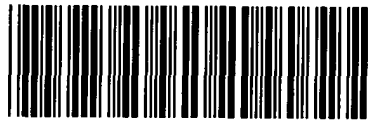


**Centre for Sustainable Energy**  
**(A company limited by guarantee)**

**Report and Financial Statements**

**For the year ended**  
**31 March 2023**

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Registered Charity Number: 298740  
Registered Company Number: 02219673

**Centre For Sustainable Energy**

**Report and Financial Statements**

**For the Year Ended 31 March 2023**

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**Centre for Sustainable Energy**

**Reference and Administrative Details**

**For the Year Ended 31 March 2023**

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<b>Registered charity number</b>	298740
<b>Registered company number</b>	2219673
<b>Registered office and operational address</b>	St James Court St James Parade Bristol England BS1 3LH
<b>Trustees</b>	Peter Capener MBE Ariane Crampton Andrew Darnton Dr Jane Dennett-Thorpe Peter Ellis William Gillis Bill Hull Felicity Jones Anne Obey OBE, Chair of Trustees Shantha Shanmugalingam Chris Vernon (Resigned 13 October 2022) Kaye Welfare, Company Secretary
<b>Chief Executive</b>	Simon Roberts OBE
<b>Bankers</b>	HSBC Bank Plc 62 George White Street Cabot Circus Bristol BS1 3BA
<b>Auditor</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Solicitors</b>	TLT LLP One Redcliffe Street Bristol BS1 6TP

## Introduction from our Chair of Trustees

Well, that was quite a year. The cost-of-living shock and general economic hardship. Unprecedented energy price rises followed by an equally unprecedented government intervention in the energy market. Record fuel poverty levels. Not to mention the two changes of prime minister and administration. Yet against this background, CSE continued to deliver remarkable work. Our income increased by 40% to over £6m, we expanded our staff team, and our impact grew.

Supporting people struggling with fuel bills and cold homes remained at the heart of our work, with our funders valuing more than ever CSE's ability to get practical, direct advice and support, quickly to those in urgent need. Last year through our advice work we delivered financial benefits to people worth £7m – more than double the previous year.

Our work supporting low carbon home-retrofit mushroomed in the year – both through delivery of retrofit advice and assessment services within local authority-led grant programmes and through increased demand from homeowners wanting independent advice for upgrades they were self-funding.

Building on our long track record in retrofit, and with support from the West of England Combined Authority, CSE demonstrated leadership and innovation, setting up Retrofit West Community Interest Company. This new venture, which CSE will continue to host and incubate, will help local households to upgrade their homes more quickly and easily. Our ambition is for it to become Britain's most advanced and comprehensive home retrofit advice service.

As local authorities from parishes to cities seek local solutions to addressing the climate emergency and net zero, CSE was there to offer support. Whether this was the delivery of London's first Local Area Energy Plan, developing a sophisticated heat network zoning model for local decarbonisation planning, delivering climate action planning workshops for smaller parish and town councils, or openly sharing our Future Energy Landscapes community engagement approach to underpin renewable energy planning – CSE remained focused on offering practical, next-step solutions.

Our work with communities also developed with the launch of new grant schemes, guidance and tools to help groups to deliver local climate action, and new programmes of energy-related support for community businesses.

To address the need for more equity, inclusion and diversity in the energy sector and in recognition of the importance of people of all ages having their voices heard, our PLACE project developed approaches for getting young people involved in shaping planning in their communities. We were also delighted to welcome two new cohorts to Bright Green Future, our national youth programme with a focus on empowering young people from black, brown and minority ethnic backgrounds.

Finally, our research to inform and facilitate a fairer transition to a net zero energy system resulted in the completion of our prototype Smart Energy Choices tool. This will assist energy advisors in giving practical advice on smart energy products and services – and enabled us to trial providing Smart Energy Action Plans to our own advice clients. We were instrumental in developing a new HOMEflex national code of conduct, to govern standards and practice in the domestic flexibility market. CSE was also chosen to deliver the consumer research underpinning the Demand Flexibility Service, which saw 1.6m homes and businesses turn down their demand at peak times over winter.

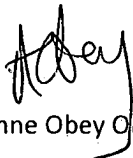
**Centre for Sustainable Energy**  
**Report of the Trustees**  
**For the Year Ended 31 March 2023**

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That CSE continues to push boundaries and innovate across all areas of its work – working with households, communities, local authorities, the energy sector and national policy makers – is testament to the commitment and initiative of our staff and volunteers. We continued to invest in improving our operations and systems – including launching a new, lower carbon, more accessible website. The formation of a new Staff Voice group alongside a new focus on equity, diversity and inclusion across the charity will, I hope, help to ensure that even as we grow CSE retains its drive, passion and positive culture.

With fuel poverty at record levels and net zero increasingly recognised as an economic opportunity, the need for CSE's work is greater now than ever. In the year ahead we will aim to retain the bedrock of energy advice work that has proven year-on-year to make such a difference to peoples' lives, find even more effective ways to support others to take action on fuel poverty and net zero – and focus our research and policy influence work on the issues likely to make the biggest differences to the lives of the fuel poor.

CSE's Chief Executive, Simon Roberts OBE suffered a stroke in May 2022. While he has made a strong recovery and began a phased return to work in June 23, he was absent from CSE for the large part of the year we are reporting on. In his absence Janine Michael, now Deputy Chief Executive, stepped in and continues to lead the day-to-day operations of the charity with support from other directors. The board of trustees would like to thank Janine and the Senior Leadership Team for their significant contribution over the year and congratulate all of CSE's staff for their work to deliver such an outstanding performance.



Anne Obey OBE

**Chair of Trustees**

The Trustees present their annual report together with the audited financial statements of the Centre for Sustainable Energy for the year 1 April 2022 to 31 March 2023. 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.

## Our objectives and activities

*CSE's vision is a world where sustainability is second nature, carbon emissions have been cut to safe levels and fuel poverty has been replaced by energy justice.*

*Our work focuses on societal change – we support people and organisations across the UK to tackle the climate emergency and end the suffering caused by cold homes – sharing our knowledge, practical experience and policy insights.*

The way we produce and use energy needs to change rapidly if we are to cut carbon emissions and curb the worst impacts of climate change. We owe it to current and future generations to take action to reduce emissions now.

At the same time, energy costs remain at near record highs and many people in the UK can't afford the costs to heat their homes, impacting their health and wellbeing. We believe this is unacceptable and being able to meet your core energy needs and to keep healthily warm in winter is a basic right.

All CSE's work is dedicated to achieving these dual challenges. Together they are what we mean by 'sustainable energy'.

The following high-level objectives guide all our work:

- *No one suffers a cold home* – we want everyone to be able to afford their home energy bills. This means tackling the root causes of fuel poverty including addressing poor housing energy standards, improving energy literacy, financial capabilities and incomes, and challenging the energy market failures and poor supplier practices which result in high bills.
- *Everyone empowered to act and support net zero* – the net zero transition requires meaningful involvement and consent from everyone in society and this needs understanding, engagement and interaction with people to build trust.
- *Every building zero carbon and livable* – we need massive growth in the scale and rate of energy retrofit and all new buildings to be designed and built to zero carbon standards.
- *Places shaped for sustainable energy* – changes are required to our local landscapes and nowhere gets an 'opt out' but planning for net zero should recognise that places are different (the people, infrastructure, geography, capacity to act) and that the solutions will vary.
- *A greener, smarter, fairer energy system that works for everyone* - our transition to a decarbonised energy system must have inclusivity and fairness at its heart (not least to maintain public support). That means policies, regulations, market rules, and programmes which distribute their costs and benefits fairly, and energy products and services that enable everyone, even the most vulnerable, to participate.

Our main activities include:

- Providing practical energy advice and support to those in fuel poverty, living in cold homes or struggling with their energy bills.
- Supporting others across the UK to design and deliver effective local energy projects that address fuel poverty and reduce carbon emissions.
- Delivering research, tools and policy insights that make our transition to net zero energy system possible, fairer and inclusive.
- Inspiring and supporting young people of all backgrounds, to have a voice and become leaders in the energy and environmental sectors.
- Testing and nurturing new ideas to improve impact, accelerate change and engage new audiences in delivering sustainable energy solutions.
- Using our research and analysis, alongside evidence drawn from our direct experience working with households and communities, to influence local and national policy.

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

Our website, [www.cse.org.uk](http://www.cse.org.uk), has more information about our work and gives free access to many reports, advice leaflets, videos and resources. This sharing of material is central to CSE's mission: enabling others to take action and increasing our reach and impact.

## **Our Impact**

**The cost-of-living crisis meant that demand for our energy advice hit an all-time high in 2022-23.**

- 14,380 people supported by our freephone energy advice service.
- 4,410 people given energy advice at events.
- £356 average saving per household for people who called our advice line.
- 1,600 installations of energy saving measures we facilitated in people's homes.
- £7,000,000 saved by our clients following our advice, through applying for fuel and related vouchers, claiming benefits they are entitled to, new heating systems, having their debt cleared etc.

**We supported over 6,819 citizens and 577 professionals to change the way they think and act on energy.**

- 460 events delivered or attended to share our knowledge and practical experience.
- 179 community groups supported to take action on climate change and fuel poverty.
- £723k Value of grants distributed, enabling 60 groups to drive community-focussed fuel poverty and climate action.

### **Community-led renewable energy planning**

Our Future Energy Landscapes (FEL) community engagement approach involves local communities in how and where renewable energy gets developed. So far, we've worked with 12 parishes, engaging over 400 people from the community.

We've also trained over 200 professionals in the FEL approach so they can use it in their own community engagement.

### **Inspiring future generations**

Through our schools work to date we have now reached around 56,000 young people. Last year through our Green Influencers and Energy in Schools programmes, we worked with 1,612 young people across 12 schools helping them become influential energy activists in their own homes, communities and schools.

Our focus on increasing diversity in our Bright Green Future environmental leadership programme saw 62% young people of colour participating in the 2022-23 cohort. 48% young people of colour participated in 2021-22, compared to 20% people of colour in cohorts from previous years.

As a result of our Bright Green Future programme:

- 100% participants reported increased confidence.
- 92% reported increased knowledge of sustainability issues.
- 74% felt it helped them make an informed decision about their career choices.

### **Retrofit advice**

In 2022, we set up Retrofit West CIC with the ambition for it to become Britain's most advanced and comprehensive home retrofit advice service. Retrofit West CIC will offer retrofit advice to homeowners and work with others to build the supply chain and green skills opportunities.

We won the Retrofit Assessment and Coordination Service award from the Retrofit Academy CIC.

### **Heat network planning**

Our THERMOS tool is revolutionising heat network planning. THERMOS has now supported over 3,000 planners across 70 countries to develop their heating and cooling plans.

Our new model, a unique zoning tool, can quickly and accurately identify heat network zones within individual cities across the UK based on the heat demand characteristics of local buildings and geography.

### **Share the Warmth Appeal**

We launched our first individual giving fundraising campaign and were blown away by the support. We raised over £12,000 allowing us to support more people in fuel poverty. Thank you to Thrive Renewables for supporting us to launch this campaign.

### **Media reach**

Through our media work we achieved coverage with the potential to reach over 380 million people, sharing our practical energy advice and advocating for a smarter, green and fairer energy system.

### **Policy impact**

Throughout 2022-23 we drew on our direct experience working with households and communities, alongside our research work, to push for improvements to national policy and regulation.

This included continued partnership work with national and local campaigns to address fuel poverty and the rising cost of living – such as the End Fuel Poverty Coalition, the Warm this Winter campaign, and Bristol City Council’s winter crisis group.

We also worked with key influencers like Martin Lewis and Money Saving Expert to raise awareness and coordinate messaging over energy price rises.

We responded to the government’s cost of living support package by calling for a more ambitious home retrofit programme.

We made policy recommendations for ensuring that consumer protection keeps pace with developments in the domestic energy flexibility market.

We were an integral part of the evaluation team for the Demand Flexibility Service, highlighting the question of who stands to benefit most from the service, and who is unable to take part and why.

Our qualitative research with domestic energy consumers informed development of the HOMEflex Code of Conduct for Domestic Flexibility Services.

We continued to highlight the importance of community support for renewable energy projects.

CSE was selected as the government’s heat zoning Model Development Consultant, a significant appointment based on our decades of experience in heat network modelling; through this work we developed new zoning software that now underpins the national heat network zoning programme.

The government published our heat network zoning social research report revealing how best to unlock local stakeholders’ support for connection.

We published our report looking at the enforcement laws requiring landlords of privately rented homes and non-domestic buildings to bring properties up to Minimum Energy Efficiency Standards.

We continued our engagement with Bristol One City Climate Strategy through influential roles on the One City Environmental Sustainability Board and on Bristol’s Advisory Committee on Climate Change.

Raising the profile of our work, this year, we hosted visits from the chair of the Charity Commission, Orlando Fraser KC, and from Metro Mayor for the West of England, Dan Norris.

## Achievements and performance in 2022-23

### Tackling the root causes of fuel poverty and cold homes

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

We were delighted to win the Vulnerable Customer Support award at the South West Energy Efficiency Regional Awards – in recognition of our work and achievement in 2022-23 to support people in vulnerable circumstances, struggling with their energy bills and in fuel poverty.

In 2022-23 our advisors dealt directly with almost 25,000 separate enquiries, gave direct advice to nearly 19,000 people and provided them with support collectively worth over £7m. Remarkably, this is more than double the financial benefit we delivered for clients the previous year, and illustrates the level of need for our services. Our online information reached thousands more, with resources ranging from [winter warmth tips](#), to demystifying the price cap.

Our advice tackles the root causes of fuel poverty – poorly insulated homes, low incomes and high energy bills. We help people understand what they can do to improve the energy efficiency of their home and the behaviour changes they can make to save money. And we provide advice on tariffs, bills, fuel debt, income maximisation and benefits, helping our clients access grants and funding and providing welfare and well-being support.

Our freephone energy advice line responds to the immediate needs of callers, often in crisis. Many then get referred into our projects where we provide more in-depth casework support and help with ongoing and more complex fuel poverty issues. During the last year these included [Warm Homes Advice and Money \(WHAM\)](#), our single point of contact partnership fuel poverty service for Bristol and North Somerset, the [Tenants Energy Advice service](#) for Bristol council social housing tenants, [Warm & Safe Wiltshire](#) and [Safe & Warm Somerset](#).

And we continued to deliver [National Grid's PowerUp service](#) across the Southwest of England, set up a new [Cosier Homes Energy Advice service](#) for customers in Scottish and Southern Electricity Network's South of England region and established a new rural communities energy support network.

To inform our national policy work and improve delivery of our advice service, we wanted to understand more about the lived experiences of our clients – particularly prepayment meter and Economy 7 customers – who had received emergency financial support from CSE over the winter. So we conducted our own research: [Energy Crisis Winter 2022-23](#).

Overall, we found that things were significantly worse for most of our clients this winter. Three quarters of prepayment meter customers reported that their physical or mental health had deteriorated due to living in a cold home, 88% expressed heightened anxiety about fuel bills, and prepayment meter customers were 22% more likely to access food banks than other customers alongside being more likely to have higher fuel bills.

*Mould and cold at home have increased my illnesses. If it wasn't for Warm & Safe Wiltshire I would have died after losing my disability allowance.*  
*Ellen, Swindon*

## **Championing social justice in the current and future energy system**

*Finding solutions to ensure equity and inclusion that mean no one is left behind in the transition to net zero*

CSE champions social inclusion and fairness in the UK's energy system – now and in the future. We work with energy companies to help them understand their vulnerable customers and how to reach them. Over the last year, we've provided data and vulnerability mapping for six of the seven distribution network operators (DNOs), who together cover over 70% of GB households. DNOs use our analysis to identify areas in need of specific types of support, so that more people in fuel poverty or vulnerable circumstances get the targeted support they need.

But vulnerability and the people excluded by the system can change. As the energy system develops in order to accommodate high volumes of renewable energy, there is potential to generate new forms of inequality and unfairness and a risk that many will be excluded and left behind.

The ability of consumers to be flexible in their use of electricity is becoming increasingly important. Household choices about the appliances they use, the technologies they invest in, the tariffs they have access to and the energy services they sign up for have an impact on the energy system overall and are central to achieving the transition to a low carbon energy system.

CSE has been leading the pioneering Smart & Fair research programme since 2019 which champions social justice in the energy system. During the year we published our Offer Profiling tool and completed development of the prototype Smart Energy Choices tool, which helps energy advisors to give practical advice on the increasing array of smart energy tariffs, products and services on the market. Our own energy advice service used the tool to trial the provision of Smart Energy Action Plans to our clients.

We led consumer and stakeholder research for the HOMEflex project, resulting in a national code of conduct and setting out rules for the domestic flexibility market to ensure consumer protection keeps pace with market innovation. We undertook work for National Grid Electricity System Operator to develop a set of domestic consumer archetypes for their Future Energy Scenarios modelling – to help them understand the impacts of different scenarios on different consumers. And we were commissioned by the energy regulator, Ofgem, to refresh the archetypes (originally developed by CSE) that they use to model the distributional impacts of energy policy.

We also collaborated on innovative projects to explore the best methods and analysis to represent the *complex interactions between households, communities and the energy system*. This included stakeholder research for UKPN's Socially Green project, exploring how flexibility services and payments made by UKPN could be made more inclusive of vulnerable consumers and communities. We also took part in a new Ofgem Strategic Investment Fund research project, Guidelight, which aims to explore the performance gap for grant-funded low carbon technologies installed in the homes of low-income or vulnerable households.

CSE was chosen to deliver the consumer research underpinning the Demand Flexibility Service, which saw 1.6m British homes and businesses turn down their demand at peak times last winter.

Through all our Smart & Fair work, CSE champions principles of open data, shared standards and clear communications. Increasing access to the data, models and decisions making tools is a key part of an equitable transition.

*"Who has the time to dive into new technology research or information, predict behaviour, and forecast energy costs? I don't want to be duped by exaggerated promises. I just want to know: will joining a flexibility service really save me money at home or is it all a gimmick?"*

*HOMEflex research participant describing CSE support in identifying smart products and service.*

## **Scaling-up housing retrofit**

*Accelerating local activity to improve home energy standards, tackling rising energy prices and decarbonising our homes and buildings.*

Improving the energy performance of UK homes will insulate people from future energy price rises, tackle fuel poverty, boost local economies and support new skilled jobs in the building trades.

We're taking on the tough but crucial challenge to scale up home retrofit services. This includes working with local authorities to deliver grant-funded schemes – such as managing the Somerset Home Upgrade Grant Scheme – and also developing services for homeowners who are self-funding their home energy improvements through our long-established Futureproof Programme.

CSE's investment and the work of our team of 17 retrofit assessors and coordinators was nationally recognised when we won the Retrofit Assessment and Coordination Service award from the Retrofit Academy CIC in March 2023.

During the year, CSE worked with community partners in Wiltshire and Somerset, building their skills and expertise to deliver their own local retrofit projects. The culmination of that work, our Community Retrofit Guide, is now helping communities across the UK.

Through Bristol Heat Pump Ready, we produced guidance and tailored advice, working with our community partner Sustainable Westbury-on-Trym to reach deep into the target community. At the core of the project is a measured approach to assessing the heat loss of individual homes to allow for more accurately sized heat pumps and dramatically improved operating performance. Our focus has been on helping local homeowners to understand the benefits and reality of installing heat pumps in a rapidly evolving market where old rules of thumb for retrofit advice – such as upgrade fabric first – no longer necessarily apply.

Meanwhile, we supported the delivery of Wave 1 of the government's Social Housing Decarbonisation Fund, evaluating bids and working with local authorities and housing associations to upgrade almost 1,000 properties.

We also continued to push up energy efficiency standards in the private rental sector, publishing national guidance for councils on compliance and enforcement of the minimum energy efficiency standard (MEES) regulations. Alongside this we launched a pilot programme of advice for landlords to support them in understanding how to improve their properties.

In January 2023, CSE took the significant step of setting up a **new Community Interest Company, Retrofit West**. This will focus on accelerating net zero home retrofit across the West of England by delivering new innovation and boosting local capacity. With funding and support from the West of England Combined Authority, Retrofit West CIC will provide a full-spectrum homeowner retrofit advice service, stimulate the supply chain and encourage local builders - plus those carrying out repairs, maintenance and improvements - to offer retrofit solutions to their customers.

In March 2023 we convened partners to help us map next-step solutions to building the local retrofit supply chain with participants spanning local contractors, social housing providers, colleges, councils, community partners, product manufacturers and wider professionals. Housing retrofit remains an enormous challenge locally and nationally, which no one organisation or single solution can address. Which is why CSE has joined the newly established National Retrofit Hub and is part of the delivery team for a new national Green Homes Finance Accelerator scheme in the year ahead.

*"I'd wanted to get this project rolling for years but hadn't known where to start. The help and referrals from Futureproof finally got things moving. I'm delighted!"* *Bristol Householder*

### **Inspiring local authority action on net zero**

*Providing next-step practical solutions for councils of all shapes and sizes.*

The last year saw an evolution and maturing in the needs of local authorities to find local solutions to address the climate emergency and net zero. CSE has responded to this development by remaining focused on offering councils of all sizes practical, realisable next-step solutions.

During the year we completed London's first borough-wide Local Area Energy Plans for Enfield council. This work built on our pioneering research work for Ofgem to develop the approach on which the current LAEP method guidance is based, and combined CSE's expert local energy modelling capabilities with our unique net zero stakeholder engagement approaches.

Beyond the UK, we developed our collaborative partnership on Act!onHeat to help 120 municipalities across Europe to start, continue or improve strategic heating and cooling planning, providing support packages that include tailored use of CSE's world-leading open-source THERMOS heat network planning tool.

Closer to home, we continued to provide council planning teams with bespoke support on energy and climate change. We produced a rural renewable energy evidence base for Cotswold council to underpin new strengthened climate change planning policy, and provided expert evidence for Stroud council to defend similar new Local Plan policies at the Examination in Public stage.

During the year we refined, tested and rolled out our Future Energy Landscapes approach, designed to support local planning authorities to develop ambitious planning policies for renewable deployment while, crucially, maintaining community support. As well as running the approach ourselves in various nearby councils, we launched our open source and free-to-use Future Energy Landscapes toolkit so others could replicate our method further afield – and we were overwhelmed and delighted with the interest shown from hundreds of councils across England.

But bigger councils and planning authorities are not the only public bodies seeking CSE's support. For many years we have highlighted the importance of smaller town and parish councils in leading change in their communities. During the year we continued to deliver Climate Action Planning workshops for these groups, both directly and through webinars provided via the Society of Local Council Clerks.

Notably our expertise on planning and climate change was recognised when the Committee on Climate Change appointed CSE to lead new research into the barriers and opportunities for delivering net zero and climate resilience through the local planning system. As the Levelling-up and Regeneration Bill makes its way through parliament in the year ahead, we will build on this work to push for changes requiring Local Plans to actively address climate change and free up local councils to enact more visionary planning policies.

The London Heat Map (built and maintained by CSE since 2009) currently has around 5,000 users a month – underpinning heat network and building heat decarbonisation planning across the capital.

*“CSE’s Future Energy Landscape workshops give the council and councillors confidence that local support for renewables matches national public opinion. Policy needs to be – and can be – bold.”*  
*Sustainability officer, Bath & North East Somerset council*

## **Empowering communities to deliver their own sustainable energy future**

*Putting people and places at the centre of local sustainable energy solutions*

Local energy initiatives have a key role to play in the transformation of the UK’s energy system. Realising a just and inclusive energy transformation and achieving the country’s sustainable energy goals (decarbonisation, affordability, reliability) means changes everywhere – to our buildings and neighbourhoods and our local landscapes – and for everyone.

That’s why we support communities who want to do something about climate change, energy or sustainability.

During the year our work with communities across the UK flourished. Working with Power to Change we launched the Resilient Community Fund to provide advice and support to community businesses across England struggling with their energy costs. Alongside this, we continued to support Next Generation community energy groups to take forward other projects, like Yealm Community Energy’s new electric ferry scheme and Wight Community Energy’s increasingly popular ‘Going Electric’ event.

As the Big Local climate support partner, CSE worked directly with groups across the UK to climate-proof their plans and assets, helping them as they join the national effort to cut emissions. We also designed and delivered a peer-learning support network, providing regular online events focussed on themes such as engaging young people, green spaces and fuel poverty, and showcasing Big Local examples to inspire others.

Locally, in Bristol Community Climate Action, CSE worked with six of Bristol’s most disadvantaged communities providing carbon footprinting data and analysis to help them to create impactful climate action plans. We also acted as mentor in the wider National Lottery Climate Action Fund programme, supporting others around the UK. And our 3D project in Birmingham supported communities by providing data to help them design and deliver impactful local climate action projects.

And we continue to build community capacity to provide local advice and support to those struggling with fuel poverty in their areas. We set up the Rural Communities Energy Support Network across Somerset and Wiltshire to provide training and resources for groups and to allow them to refer their clients to CSE’s professional advisors when needed. We designed and ran grant schemes (SGN Safe and Warm and the National Grid Energy Affordability Fund) providing grants to community

organisations across Scotland, the South of England, Midlands, South West and South Wales to enable them to support fuel poor and vulnerable households over the winter.

In 2022-23 we won innovation funding to develop a free online rooftop solar calculator, to help individual households and communities assess the viability of solar PV for their homes and local buildings quickly and easily. Now openly available, [Solar Wizard](#) combines national LiDAR elevation data with CSE's own building energy models and wider datasets, to take account of roof area, pitch, orientation, overshadowing and costs to provide an independent assessment of PV viability. As well as empowering households and individual building owners to invest in PV, CSE is working with a number of communities and local authorities to provide area-wider versions of the model and its data to facilitate local solar schemes.

*"I've long thought that communities would be much more receptive to renewables they themselves commission and benefit from, but lacked evidence. The FEL work is important proof that this approach can work".*  
Future Energy Landscape workshop participant

### **Future generations**

*Ensuring young people feel inspired enabled to play a meaningful role in the transition to a more sustainable and fairer energy system.*

We know the energy transition is not only a technical challenge but also a societal and cultural one, and young people are at the heart of it. With the right support, young people can obtain the skills, knowledge and confidence to not only get involved with decision making, but to step up and become decision makers themselves.

A culture where young people's opinions and contributions are recognised, valued and acted upon benefits everyone. That's why CSE delivers several youth empowerment programmes, providing children and young people with the essential tools to navigate the energy landscape now and as they grow older.

[Green Influencers](#) makes sustainability fun for all ages, supporting 8-14-year-olds to connect with their local patches of nature and take environmental action in their community. CSE's Green Mentors, employed through the programme, ran regular interactive sessions at schools, youth clubs and adventure playgrounds across the West of England.

During the year we also developed our work with teachers and schools. We expanded our programme of energy workshops for South Gloucestershire schools and rolled out [Merton Energy Matters](#) in which we worked with primary schools in the London borough of Merton to co-design teaching materials covering energy topics such as climate change, home energy and fuel poverty. We trained up teachers to deliver the module across Early Years and Key Stages 1 and 2, and then supported a series of 'energy cafes' in schools enabling families to get local advice and support on their energy bills. Working with the borough council, Merton Climate Action Group and local community benefit society, CREW Energy, the project is a great example of partnership delivery with CSE bringing its existing skills and educational resources while ensuring local partners are well positioned to continue delivery in future.

With increasing recognition of the need for more equity, inclusion and diversity in the energy sector and the importance of young people having their voices heard, our [PLACE project](#) (Planning Locally to Address the Climate Emergency) developed and tested approaches for getting young people involved in shaping planning in their communities.

We were also delighted to welcome two new cohorts to Bright Green Future (BGF), our national youth empowerment programme with a focus on signing up people from black, brown and minority ethnic backgrounds. With increasing numbers of BGF graduates joining our alumni network we actively sought more ways to integrate them in CSE's work during the year for example through helping us deliver the residential component of the BGF programme and ensuring their views and ideas were at the heart of the design of our PLACE project.

Our focus on young people of colour in our BGF programme aims to help ensure future environmental leaders and decision makers reflect our diverse society as well as providing a route for enabling young people to have a voice in the issues facing the rapidly changing energy sector.

*The BGF programme helped me connect with what I wanted and how I wanted to show up and create change in the world. I always felt like there was pressure from school to go down a certain path, but BGF made me realise I could do something completely different and have an impact in the way I truly wanted.*

*BGF student*

## **Funders and clients**

In 2022-23 CSE secured more than £6m for its activities, a growth of almost 40% against the previous financial year. This came from a mix of national and associated bodies, local government, energy industry, research and charitable sources. Some activities were grant funded while others were delivered as a contract or service. In addition, some funding came via project partners with whom we jointly developed funding proposals.

The Trustees would like to thank all CSE's funders and clients for their support of our work in the year, including:

AD Research & Analysis Ltd  
ADD Specialists  
AECOM Limited  
Affordable Warmth Solutions (Warm Homes Fund)  
AgilityEco  
All Seasons Interiors Ltd  
Alliance Homes  
Allianz Insurance Plc  
Aura Gas Limited  
Barnsley Metropolitan Borough Council  
Bath & North East Somerset Council  
Baxter Kelly Ltd  
BBH Consulting AG  
Bridport Town Council  
Bristol City Council  
Bristol City Leap  
Bristol Green Capital Partnership CIC  
British Gas Energy Trust  
Bruton Town Council  
Buro Happold  
C&T Eco Consultants Ltd

**Centre for Sustainable Energy**  
**Report of the Trustees**  
**For the Year Ended 31 March 2023**

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Cadent Gas Limited  
Carbon Rewind  
Citizens Advice  
Committee on Climate Change  
Community Home Solutions Ltd  
Cotswold District Council  
Department for Energy Security and Net Zero  
Ecocetera Ltd  
Electricity North West Ltd  
Eliq AB  
Energy Saving Trust (Ofgem Energy Industry Voluntary Redress Scheme)  
Esmée Fairbairn Foundation  
Essex County Council  
European Commission (Horizon 2020)  
European Commission (Sustainable Urbanisation Global Initiative) (via Innovate UK)  
Evolve Home Energy Solutions  
Flex Assure Limited  
Francis Winham Foundation  
Frome Town Council  
Georgeham Parish Council  
Gloucester City Council  
Golden Globe Ltd  
Good Earth  
Gower Street Trust  
Grant Store Ltd  
Greater London Authority  
Green Key Installations Ltd  
GRS Eco Ltd  
Happy Energy Solutions Ltd  
Horsham District Council  
Iclei Action Fund (on behalf of Tides Foundation)  
Innovate UK  
J&J Crump & Son Ltd  
Joseph Rowntree Charitable Trust  
Kenneth Miller Trust  
Lancaster Environment Centre  
Land Use Consultants  
LD Eco Ltd  
Lewisham Council  
Local Trust  
Locality (UK)  
London Borough of Enfield  
London Borough of Merton Council  
London Economics Ltd  
Lyme Regis Development Trust

**Centre for Sustainable Energy**  
**Report of the Trustees**  
**For the Year Ended 31 March 2023**

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Margaret's Fund  
MCS Charitable Foundation  
Mendip District Council  
Mike Pye Marketing Ltd  
National Grid Electricity Distribution (formerly Western Power Distribution)  
National Grid ESO  
National Infrastructure Commission for Wales (NICW)  
Network Energy Limited  
Newby Trust  
North Bristol NHS Trust  
North Somerset Council  
Northern Powergrid  
Nu-Wey Limited  
Ofgem  
Osborne Clarke Charitable Fund  
Osborne Clarke LLP  
OVO Energy  
Place Studio  
Pledgeball  
Power to Change Trust  
Pro Heating Services Ltd  
Quartet Community Foundation  
Redland & Cotham Amenities Society  
Retrofit Academy  
Ricardo  
RJM Insulation  
RMS Energy Solutions Limited  
Royal Borough of Kensington and Chelsea  
Royal Society of Wildlife Trusts (The Community Fund Our Bright Future Programme)  
Scottish and Southern Electricity Networks  
Scottish Hydro Electric Power Distribution Plc  
Sedgemoor District Council  
SGN  
SIA Partners Ltd  
Simply Eco Ltd  
Smart Communities  
Smart Energy Sense  
Society of Local Council Clerks  
Somerset County Council  
South Coast Insulation Services  
South Gloucestershire Council  
South Somerset District Council  
SP Energy Networks  
St Monica Trust  
Stroud District Council

Sustain Energy  
Swindon Borough Council  
Switch Energy  
TDS Charitable Foundation  
The Association for Decentralised Energy  
The Blagrave Trust  
The Connect Fund  
The D'Oyly Carte Charitable Trust  
The Ernest Cook Trust  
The National Benevolent Charity  
The Nature Conservancy  
The Warmer Group  
Thrive Renewables Plc  
UK Power Networks  
UK100  
University of Birmingham  
Waddeton Park Limited  
Wales & West Utilities Ltd  
WarmaUK  
WECIL  
Wessex Water Services Ltd  
West of England Combined Authority  
Westbury Town Council  
Wiltshire Community Foundation  
Wiltshire Council  
Winchester City Council  
YES Energy Solutions  
Zing Energy Ltd

## **Future strategy**

The continued cost-of-living crisis, fuelled by record energy prices, combined with increased urgency to find solutions for local and energy system decarbonisation, underpins CSE's current and future work.

During the year the Senior Leadership Team working alongside trustees and staff began a strategy refresh process. This identified and considered the evolving context we are operating in and the wide range of different opportunities for CSE to grow and strengthen our impact. Our work going forward will be delivered around the following work programmes:

- Delivery of fuel poverty programmes and advice services that tackle the root causes of fuel poverty and cold homes: helping to improve people's mental and physical health as well as cutting energy bills and carbon emissions.
- Championing social justice in the current and future energy system; providing research insights, data analytics, tools and solutions to enable a transition to a smarter, net zero energy system which is fair and inclusive and secures wide consent and participation.

- Scaling-up housing energy retrofit; market development and sustained system change to build quality local supply chains alongside schemes and incentives that grow demand.
- Inspiring and supporting local authority action on net zero; providing next-step practical solutions for councils from parishes up to cities.
- Empowering communities to deliver their own sustainable energy future: putting people and place at the centre of delivering local sustainable energy solutions.
- Enabling future generations to contribute to the energy transition: inspiring young people to become environmental leaders, enhancing their skills and knowledge and giving voice to under-represented perspectives in the energy sector.

We are continuing our strategic review through a process of co-creating with staff and trustees more detailed plans for each programme area. Our aim is to publish a refreshed strategy in 2023. And in the meantime, we will continue to work to develop and secure funding to deliver new and more influential projects across all these areas.

We will also continue our work to improve CSE's organisational systems and processes with a focus on maintaining staff wellbeing, productivity and CSE's positive culture. This will include:

- Planned efficiency improvements through the introduction of improved and more integrated financial, time recording and project management systems and enhancement of our internal IT capacity.
- Embedding new project management guidelines through rollout of bespoke project management training.
- Expansion of courses and professional development options available to staff through our Virtual College training platform and clearer mapping and articulation of career progression pathways within CSE.
- Establishment of a regular staff survey to track trends in staff opinions and issues and to add to the feedback and issues raised through the Employee Voice Forum which enables communication and consultation between the Senior Leadership Team and employees on all matters of mutual interest.
- Better collection and analysis of diversity data and a focus on improving understanding and awareness in the organisation of the changes needed to deliver greater equity, diversity and inclusion at CSE.

## Financial review

In the year to 31 March 2023, CSE made a surplus of £214,672 on its income of £6,003,845. This followed a year where we had invested heavily in organisational growth (2021-22: deficit £412,681 on an income of £4.3m) and two previous years of surplus (2020-21: surplus of £200,774 on an income of £3.99m; 2019-20: surplus of £223,356 on income of £3.54m).

Our income of £6m represented nearly 40% growth compared to the previous year (£4.3m in 2021-22). In part this was due to the additional funding CSE secured to directly support advice clients during the year (i.e. grants, vouchers and direct energy benefits which we administered and passed through to people, helping them to survive winter). Within this, gross income from CSE's direct project costs grew by 38% (from £3.2m in 2021-22 to £4.4m), resulting from a combination of growth, increases in staff chargeability and a modest increase in margins as we increased charge-out rates in response to inflation. We also tightened our project management processes and systems resulting in more efficient project delivery during the year.

Our staff team grew in the year by about 9% (98 FTE in March 2023 compared to 90 FTE in March 2022) and has almost doubled in the last 3 years (55 FTE in March 2020). We recruited 31 new members of staff during the year.

At the end of March 2023 our reserves (total unrestricted funds) stood at £1,006,723 against a target of £1,000,000.

We expect continued gradual and managed growth in the year ahead, and we will continue to focus on achieving a modest surplus that will enable us to sustain a minimum level of reserves commensurate with our size and make critical investments in operational efficiency and effectiveness now that we're a larger and more complicated organisation.

## **Reserves policy**

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

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

CSE's reserves policy, at the end of March 2023, set a minimum reserves target of £1,000,000, with a minimum target for net current assets of £850,000 taking account of the diversity of our funding sources. At the end of March 2023, our reserves were in excess of the overall minimum figure, with total unrestricted funds standing at £1,006,723 although net current assets were below target at £810,324). In July 2023, CSE's trustees approved an increase to our overall reserves target to £1.2m, with a minimum target for net current assets of £1m - reflecting the continued growth of the organisation in the new financial year.

The trustees' aim is to invest reserves above this minimum target through a designated Strategic Investment Reserve in initiatives shaped by the charity's strategic priorities and which have proved difficult to fund from external sources. Such initiatives are designed to help us to increase our impact, explore new approaches, build our capacity and that of others, and/or make the case for funding to external funders. At the end of March 2023, due to net current assets being below minimum levels, no funds were allocated to the Strategic Investment Reserve.

In light of the charity's continued growth the trustees will continue to review the reserves policy and associated targets in the coming year, with the aim in the longer term of holding reserves at a level where investments can be made through the Strategic Investment Reserve.

## **Structure, governance and management**

### **Constitution**

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

### **Policies & structure**

The charity operates with a board of volunteer trustees that meets quarterly. The board has also established a Finance Committee which meets and reports to the board periodically. The trustees have overall responsibility for organisational strategy, financial management and compliance with the purposes of the charity. This responsibility is devolved within a clearly documented framework of delegated powers to the Chief Executive (currently covered by the Deputy Chief Executive) and the Senior Leadership Team. The Senior Leadership Team maintains and implements the policies of the organisation and the Chief Executive and members of the Senior Leadership Team report to the trustees at each quarterly meeting.

### **Pay policy for senior staff**

All staff at CSE are paid according to a graded salary scale which was established to reflect the differences in responsibility, skills and capabilities required in each role. The ratio between the salaries of the highest (Chief Executive) and lowest paid member of staff (our project workers) is currently 3.8.

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

### **Public benefit**

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

### **Management and structure**

During the year there were a number of changes to the Senior Leadership Team and management structure of the charity. Following the Chief Executive's stroke, the Director of Development & Communications stepped into the role of Interim Deputy Chief Executive to lead the day-to-day operations (and now holds the permanent role of Deputy Chief Executive). The Director of Finance and Operations also changed during the year, and Joshua Thumim, the Director of Research and Analysis decided to move on to pastures new. The board of trustees would like to thank him for his considerable contribution to CSE and pioneering the charity's research work over the last 17 years.

During the year the Senior Leadership Team was:

Simon Roberts OBE (Chief Executive)

Janine Michael (Director of Development & Communications; and Interim Deputy Chief Executive from May 2023)

Lisa Gardner (Director of Finance & Operations to September 2023)

Matt Ferdinando (Director of Finance & Operations from October 2023)

Joshua Thumim (Director of Research & Analysis until end of March 2023)

Ian Preston (Director of Household Energy Services)

Keith Hempshall (Director of Local & Community Empowerment)

In response to continued growth, the wider management structure of the organisation was also developed further during the year, with the creation of a number of Heads of Team roles, which are supporting directors in undertaking staffing and operational management.

## **Risk management**

The board of trustees has considered the major risks to which CSE is exposed, the systems and procedures in place to mitigate exposure to them and the future actions planned. The Senior Leadership Team maintain an organisational risk register and routinely track and assess risks, highlighting high risks and key changes in the risk register at each trustee meeting.

The principal risks identified through this process include continuing to secure sufficient funding at a scale needed to support a larger and growing organisation, maintaining productivity and chargeability levels, and the risk of loss of key staff and skills across the organisation.

There remains an ongoing and key risk to the operational stability of the charity arising from CSE's continued growth over the past few years and into the future. During the past year there have been some changes of personnel within the Finance & Operations team with further appointments planned, alongside a proposed upgrade to our existing finance system – all of which will further mitigate the associated risks as the organisation grows.

As reported in the previous annual report, the absence following a stroke of CSE's Chief Executive since May 2022 continues to present a risk in that it creates uncertainty and a potential perception of instability. In part this risk is reputational. Strategically and operationally all aspects of the Chief Executive role are being delivered and CSE is thriving and operating effectively.

**Centre for Sustainable Energy**

**Statement of Trustees' Responsibilities**

**For the Year Ended 31 March 2023**

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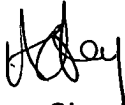
The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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



Anne Obey OBE

Date: 12 October 2023

## **Independent auditor's report**

**To the Trustees of Centre for Sustainable Energy**

**For the Year Ended 31 March 2023**

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### **Opinion**

We have audited the financial statements of Centre for Sustainable Energy (the 'charity') for the year ended 31 March 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent auditor's report**

**To the Trustees of Centre for Sustainable Energy**

**For the Year Ended 31 March 2023**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and members in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and,
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

## Independent auditor's report

To the Trustees of Centre for Sustainable Energy

For the Year Ended 31 March 2023

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

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

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or avoid a material penalty.

Our procedures to respond to risks identified included the following:

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

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

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](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*

David Butler FCA DChA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 31 October 2023

Centre for Sustainable Energy

Statement of Financial Activities (incorporating income and expenditure account)

For the Year Ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	3	17,402	-	17,402	4,401
Charitable activities	4	3,742,297	2,241,396	5,983,693	4,314,413
Other		2,750	-	2,750	-
<b>Total income</b>		<b>3,762,449</b>	<b>2,241,396</b>	<b>6,003,845</b>	<b>4,318,814</b>
<b>Expenditure:</b>					
Charitable activities	5	3,543,322	2,245,851	5,789,173	4,731,495
<b>Total expenditure</b>		<b>3,543,322</b>	<b>2,245,851</b>	<b>5,789,173</b>	<b>4,731,495</b>
<b>Net income/(expenditure)</b>		<b>219,127</b>	<b>(4,455)</b>	<b>214,672</b>	<b>(412,681)</b>
Transfers between funds	13	(4,455)	4,455	-	-
<b>Net movement in funds</b>		<b>214,672</b>	<b>-</b>	<b>214,672</b>	<b>(412,681)</b>
<b>Reconciliation of funds</b>					
Funds at the beginning of the period		792,051	-	792,051	1,204,732
Net movement in funds		214,672	-	214,672	(412,681)
<b>Funds at the end of the period</b>		<b>1,006,723</b>	<b>-</b>	<b>1,006,723</b>	<b>792,051</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 47 form part of these financial statements.

Centre for Sustainable Energy

Balance Sheet

As at 31 March 2023

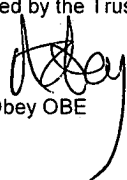
	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	10	44,100	-
Tangible fixed assets	11	<u>152,299</u>	<u>173,830</u>
<b>Total fixed assets</b>		<b>196,399</b>	<b>173,830</b>
<b>Current assets</b>			
Debtors	12	1,426,353	1,079,214
Cash at bank and in hand		<u>1,146,605</u>	<u>1,290,377</u>
<b>Total current assets</b>		<b>2,572,958</b>	<b>2,369,591</b>
Creditors: amounts due within one year	13	<u>(1,762,634)</u>	<u>(1,751,370)</u>
<b>Net current assets</b>		<b>810,324</b>	<b>618,221</b>
<b>Total assets less current liabilities</b>		<b>1,006,723</b>	<b>792,051</b>
<b>Net assets</b>		<b>1,006,723</b>	<b>792,051</b>
<b>Funds</b>			
Restricted	14	-	-
Unrestricted funds:			
Designated funds	14	-	154,761
General funds	14	<u>1,006,723</u>	<u>637,290</u>
Total unrestricted funds	14	<b>1,006,723</b>	<b>792,051</b>
<b>Total funds</b>		<b>1,006,723</b>	<b>792,051</b>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Approved by the Trustees on 12/10/2023 and signed on their behalf by

  
Anne Obey OBE

Company number: 02219673

Centre for Sustainable Energy

Statement of Cash Flows

For the Year Ended 31 March 2023

	2023 £	2022 £	
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities (see below)	<u>(68,339)</u>	<u>205,326</u>	
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets	(31,333)	(29,928)	
Expenditure on intangible assets	(44,100)	-	
<b>Net cash provided by investing activities</b>	<u>(75,433)</u>	<u>(29,928)</u>	
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(143,772)</b>	<b>175,398</b>	
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u><b>1,290,377</b></u>	<u><b>1,114,979</b></u>	
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u><b>1,146,605</b></u></u>	<u><u><b>1,290,377</b></u></u>	
<b>Reconciliation of net income/(expenditure) to net cashflow operating activities</b>			
<b>Net (expenditure)/income for the reporting period</b>	<b>214,672</b>	<b>(412,681)</b>	
<b>Adjustments for:</b>			
Depreciation charges	52,864	49,227	
(Increase)/Decrease in debtors	(347,139)	417,494	
Increase in creditors	11,264	151,286	
<b>Net cash provided by operating activities</b>	<u><u><b>(68,339)</b></u></u>	<u><u><b>205,326</b></u></u>	
<b>Analysis of cash and cash equivalents</b>			
Cash at bank and in hand	<u><b>1,146,605</b></u>	<u><b>1,290,377</b></u>	
<b>Total cash and cash equivalents</b>	<u><u><b>1,146,605</b></u></u>	<u><u><b>1,290,377</b></u></u>	
<b>Analysis of changes in net debt</b>			
	At		At
	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	<u><u><b>1,290,377</b></u></u>	<u><u><b>(143,772)</b></u></u>	<u><u><b>1,146,605</b></u></u>

## Centre for Sustainable Energy

### Notes to the Financial Statements

#### For the Year Ended 31 March 2023

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#### 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.

#### 2. Accounting policies

##### 2.1 Basis of preparation

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

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

##### 2.2 Going concern

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

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

##### 2.3 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.

##### 2.4 Income

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

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

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

##### 2.5 Expenditure

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

All expenditure is inclusive of irrecoverable VAT.

##### 2.6 Government grants

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

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £500 are capitalised.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	- over the life of the lease
Fixtures and fittings	- over 4 - 5 years
Office equipment	- over 2 - 4 years
Project assets	- over the life of the project

**2.8 Intangible assets**

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

Website costs, including development costs, are capitalised as an intangible asset and amortised on a straight line basis over the expected useful life of four years.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

**2.9 Operating leases**

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

**2.10 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.

**2.11 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.

**2.12 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.

**2.13 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.

**2.14 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.

**2.15 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

3. Income from Donations and Legacies	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	10,652	10,652	-
Grants	2,450	2,450	-
Legacies	4,300	4,300	-
Government grants - Coronavirus Job Retention Scheme	-	-	4,401
	<u>17,402</u>	<u>17,402</u>	<u>4,401</u>

4. Income from Charitable Activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Research and analysis	996,800	134,159	1,130,959	1,059,648
Household energy services	2,067,074	1,953,762	4,020,836	2,663,099
Local and community empowerment	678,423	153,475	831,898	591,666
	<u>3,742,297</u>	<u>2,241,396</u>	<u>5,983,693</u>	<u>4,314,413</u>
Total 2022	<u>2,573,441</u>	<u>1,740,972</u>	<u>4,314,413</u>	

5. Analysis of Expenditure on Charitable Activities  
Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Governance costs	36,926	-	36,926	20,573
Research and analysis	1,026,799	134,159	1,160,958	1,175,835
Household energy services	1,796,245	1,956,219	3,752,464	2,798,635
Local and community empowerment	683,352	155,473	838,825	736,452
	<u>3,543,322</u>	<u>2,245,851</u>	<u>5,789,173</u>	<u>4,731,495</u>
Total 2022	<u>2,961,659</u>	<u>1,769,836</u>	<u>4,731,495</u>	

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

5. Analysis of Expenditure on Charitable Activities (Continued)

Summary by expenditure type

	Staff Costs 2023 £	Depreciation 2023 £	Other Costs 2023 £	Total funds 2023 £	Total funds 2022 £
Governance costs	10,361	-	26,565	36,926	20,573
Research and analysis	833,254	12,218	315,486	1,160,958	1,175,835
Household energy services	2,195,919	32,199	1,524,346	3,752,464	2,798,635
Local and community empowerment	576,073	8,447	254,305	838,825	736,452
	<u>3,615,607</u>	<u>52,864</u>	<u>2,120,702</u>	<u>5,789,173</u>	<u>4,731,495</u>
Total 2022	<u>3,159,022</u>	<u>49,226</u>	<u>1,523,247</u>	<u>4,731,495</u>	

6. Analysis of Expenditure by Activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Governance costs	-	36,926	36,926	20,573
Research and analysis	1,044,891	116,067	1,160,958	1,175,835
Household energy services	3,446,586	305,878	3,752,464	2,798,635
Local and community empowerment	758,582	80,243	838,825	736,452
	<u>5,250,059</u>	<u>539,114</u>	<u>5,789,173</u>	<u>4,731,495</u>
Total 2022	<u>4,263,106</u>	<u>468,389</u>	<u>4,731,495</u>	

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

7. Auditors' Remuneration

	2023	2022
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>12,500</u>	<u>11,258</u>

8. Staff costs and numbers

	2023	2022
	£	£
Staff costs were as follows:		
Wages and salaries	3,089,412	2,742,263
Social security costs	282,795	210,070
Pension costs	<u>243,400</u>	<u>206,689</u>
	<u>3,615,607</u>	<u>3,159,022</u>

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

	2023	2022
	No.	No.
Project staff	97	86
Management and admin staff	<u>5</u>	<u>6</u>
	<u>102</u>	<u>92</u>

The average headcount expressed as a full-time equivalent:

	2023	2022
	No.	No.
All staff	<u>93</u>	<u>83</u>

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

	2023	2022
	No.	No.
£60,000 - £69,999	2	3
£70,000 - £79,999	1	1

The total employee benefits of key management personnel were £467,834 (2022: £523,390).

Total employer contributions for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £16,753 (2022: £28,764). This amount is not included in the banding above.

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

9. Trustee and connected persons transactions

During the prior year, one Trustee received £1,400 for mentoring services provided in a personal capacity as part of the Next Generation Community Energy Peer Mentoring Programme. No other trustees received any remuneration or other benefits in the current or prior year.

During the year ended 31 March 2023, one Trustee claimed travel expenses totalling £180 (2022 - £Nil).

10. Intangible assets

	Website £	Total £
<b>Cost</b>		
At 1 April 2022	-	-
Additions	44,100	44,100
At 31 March 2023	<u>44,100</u>	<u>44,100</u>
<b>Accumulated amortisation</b>		
At 1 April 2022	-	-
At 31 March 2023	-	-
<b>Net book value</b>		
At 31 March 2023	<u>44,100</u>	<u>44,100</u>
At 31 March 2022	<u>-</u>	<u>-</u>

During the year we invested in our website. This was launched in April 2023.

11. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2022	225,576	9,358	182,798	417,732
Additions	-	-	31,333	31,333
Disposals	-	-	(2,699)	(2,699)
At 31 March 2023	<u>225,576</u>	<u>9,358</u>	<u>211,432</u>	<u>446,366</u>
<b>Accumulated depreciation</b>				
At 1 April 2022	115,645	9,358	118,899	243,902
Charge for period	20,358	-	32,506	52,864
Eliminated on disposal	-	-	(2,699)	(2,699)
At 31 March 2023	<u>136,003</u>	<u>9,358</u>	<u>148,706</u>	<u>294,067</u>
<b>Net book value</b>				
At 31 March 2023	<u>89,573</u>	<u>-</u>	<u>62,726</u>	<u>152,299</u>
At 31 March 2022	<u>109,931</u>	<u>-</u>	<u>63,899</u>	<u>173,830</u>

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

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12. Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year</b>		
Trade debtors	764,733	620,215
Prepayments and accrued income	658,845	458,999
Other debtors	2,775	-
Total due within one year	<u>1,426,353</u>	<u>1,079,214</u>

The total due from other debtors relates to the amount owed by the charity's new subsidiary for funds temporarily advanced.

13. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	133,287	133,086
Other taxation and social security	287,207	224,635
Accruals and deferred income	1,290,588	1,352,250
Other creditors	51,552	41,399
	<u>1,762,634</u>	<u>1,751,370</u>

	2023	2022
	£	£
Deferred income at 1 April 2022	1,155,746	794,608
Resources deferred during the year	1,106,878	1,155,746
Amounts released from previous periods	<u>(1,155,746)</u>	<u>(794,608)</u>
	<u>1,106,878</u>	<u>1,155,746</u>

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

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

14. Statement of Funds

Statement of Funds - Current Year

	Balance 1 April 2022 £	Income £	Expenditure £	Net transfers £	Balance 31 March 2023 £
<b>Unrestricted funds:</b>					
<b>Designated Funds</b>					
Strategic Investment Reserve	154,761	-	-	(154,761)	-
<b>General Funds</b>					
General Funds	637,290	3,762,449	(3,543,322)	150,306	1,006,723
<b>Total Unrestricted Funds</b>	<b>792,051</b>	<b>3,762,449</b>	<b>(3,543,322)</b>	<b>(4,455)</b>	<b>1,006,723</b>
<b>Restricted Funds</b>					
A Warm Welcome Home		68,526	(69,239)	713	-
ABLE		33,661	(33,661)	-	-
ActionHeat		56,814	(56,814)	-	-
Aurora		51,626	(51,626)	-	-
BESN 2021-22		7,089	(7,089)	-	-
BESN 2022-23		14,050	(14,050)	-	-
Bristol Climate Action Fund		1,789	(3,039)	1,250	-
Bristol Climate Action Fund 2		9,656	(9,656)	-	-
Bristol Heat Pump Ready		10,136	(10,136)	-	-
Bristol Household Support Grant		214,225	(214,225)	-	-
Community Energy for Everyone		3,553	(4,301)	748	-
Community Energy Support Network		108,312	(108,312)	-	-
EFN Impact extension		5,774	(5,774)	-	-
Energy Redress Caseworker Project		114,304	(114,304)	-	-
Food Energy Water Urban Living Lab (FEWULL)		323	(323)	-	-
Futureproof scaling-up in WECA		76,302	(76,302)	-	-
Green Influencers		17,285	(17,285)	-	-
HeatAbility		38,615	(38,615)	-	-
Merton Energy Matters		39,252	(39,252)	-	-
North Somerset caseworker		41,001	(41,001)	-	-
PLACE		30,315	(30,315)	-	-
Redress PPM 4		3,350	(3,350)	-	-
Redress PPM 5		187,200	(187,200)	-	-
Redress WHAM		237,451	(237,451)	-	-
Retrofit support services		67,175	(67,175)	-	-
Share the Warmth campaign		5,000	(6,744)	1,744	-
Smart and Fair Energy Choices Tool		71,248	(71,248)	-	-
Somerset Warm Homes Fund C1		21,747	(21,747)	-	-
Somerset Warm Homes Fund C3		2,497	(2,497)	-	-
SSEN Enabling Works 2021-22 Grants		1,530	(1,530)	-	-
Supporting MEES		2,095	(2,095)	-	-
Warm Homes Wiltshire		14,174	(14,174)	-	-
WCF Surviving Winter Grant 2021-22 & 2022-23		201,148	(201,148)	-	-
WHAM (WHF)		141,790	(141,790)	-	-
WHAM Quartet		17,784	(17,784)	-	-
WHAM Quartet & Merchant Ventures		4,855	(4,855)	-	-
Wiltshire Community Caseworker		44,140	(44,140)	-	-
Wiltshire Council Household Support Grant		300	(300)	-	-
Wiltshire Installs		260,888	(260,888)	-	-
Wiltshire Retrofit Capacity Development		14,416	(14,416)	-	-
<b>Total Restricted Funds</b>	<b>-</b>	<b>2,241,396</b>	<b>(2,245,851)</b>	<b>4,455</b>	<b>-</b>
<b>Total Funds</b>	<b>792,051</b>	<b>6,003,845</b>	<b>(5,789,173)</b>	<b>-</b>	<b>1,006,723</b>

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

14. Statement of Funds (continued)

Statement of Funds - Prior Year

	Balance 1 April 2021 £	Income £	Expenditure £	Net transfers £	Balance 31 March 2022 £
<b>Unrestricted funds:</b>					
<b>Designated Funds</b>					
Strategic Investment Reserve	300,326	-	(145,565)	-	154,761
<b>General Funds</b>					
General Funds	904,406	2,577,842	(2,816,094)	(28,864)	637,290
<b>Total Unrestricted Funds</b>	<b>1,204,732</b>	<b>2,577,842</b>	<b>(2,961,659)</b>	<b>(28,864)</b>	<b>792,051</b>
<b>Restricted Funds</b>					
A Warm Welcome Home	-	94,126	(94,126)	-	-
ABLE	-	99,116	(99,116)	-	-
ActionHeat	-	35,323	(35,323)	-	-
Aurora	-	12,646	(12,646)	-	-
BESN 2019-20	-	1,205	(1,205)	-	-
BESN 2020-21	-	1,891	(1,891)	-	-
BESN 2021-22	-	8,318	(8,318)	-	-
Bright Green Future	-	36,132	(45,991)	9,859	-
Bristol Climate Action Fund	-	10,795	(10,795)	-	-
Bristol Warm Homes Fund	-	9,421	(15,747)	6,326	-
Community Energy for Everyone	-	45,922	(45,922)	-	-
Community Engagement for Renewable Energy	-	10,000	(10,000)	-	-
EFN Impact extension	-	18,936	(18,936)	-	-
Energy Redress Caseworker Project	-	2,943	(2,943)	-	-
Food Energy Water Urban Living Lab (FEWULL)	-	1,448	(1,448)	-	-
Futureproof scaling-up in WECA	-	38,296	(38,296)	-	-
Green Influencers	-	16,924	(16,924)	-	-
Heat, Eat & Talk	-	17,187	(17,488)	301	-
HH Advice grant	-	4,654	(4,654)	-	-
Redress Caseworker Support Project	-	14,688	(14,688)	-	-
Redress PPM 4	-	56,600	(56,600)	-	-
Redress PPM Voucher Project	-	67,143	(67,143)	-	-
Redress WHAM	-	99,477	(99,477)	-	-
Retrofit support services	-	56,096	(56,096)	-	-
Smart and Fair Energy Choices Tool	-	57,581	(57,581)	-	-
Somerset Warm Homes Fund C1	-	26,634	(26,634)	-	-
Somerset Warm Homes Fund C3	-	88,671	(88,671)	-	-
SSEN Enabling Works 2021-22 Grants	-	22,695	(22,695)	-	-
Staying Warm Together	-	19,871	(20,386)	515	-
Supporting MEES	-	7,663	(7,663)	-	-
THERMOS	-	16,682	(27,645)	10,963	-
Volunteers	-	13,130	(13,291)	161	-
Warm Homes Wiltshire	-	49,748	(49,748)	-	-
Warm Welcome	-	5,934	(5,934)	-	-
WCF Surviving Winter Grant 2020-21	-	16,245	(16,245)	-	-
WCF Surviving Winter Grant 2021-22	-	71,566	(71,566)	-	-
WE Over 65 Project (WEOVE)	-	3,177	(3,916)	739	-
WECA Business Growth Grant	-	3,386	(3,386)	-	-
WHAM (WHF)	-	244,656	(244,656)	-	-
WHAM Warmer Homes Advice & Money	-	36,865	(36,865)	-	-
Wiltshire Retrofit Capacity Development	-	10,584	(10,584)	-	-
Wiltshire Community Caseworker	-	30,191	(30,191)	-	-
Wiltshire Council Household Support Grant	-	46,420	(46,420)	-	-
Wiltshire Installs	-	164,455	(164,455)	-	-
Wiltshire Winter Grant Scheme	-	45,531	(45,531)	-	-
<b>Total Restricted Funds</b>	<b>-</b>	<b>1,740,972</b>	<b>(1,769,836)</b>	<b>28,864</b>	<b>-</b>
<b>Total Funds</b>	<b>1,204,732</b>	<b>4,318,814</b>	<b>(4,731,495)</b>	<b>-</b>	<b>792,051</b>

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

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14. Statement of Funds (continued)

**Designated Funds**

The Strategic Investment Reserve was 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. While the Charity is under its reserves targets the Strategic Investment Reserve has been transferred back into General Funds.

**Restricted Funds**

The significant restricted funds are explained below:

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

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

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

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

**BESN 2022-23 & 2021-22 (Citizens Advice):** Energy champions in our advice team supporting fuel poor and vulnerable households to get the best deal from their energy supplier and save money on bills.

**Bristol Climate Action Fund 1 & 2 (now 'Community Climate Action') (Bristol Green Capital Partnership – as funded by National Lottery Climate Action Fund):** a programme supporting six community organisations across Bristol to deliver community climate action demonstration projects in line with their climate action plans, and increase the voice of disadvantaged communities in Bristol's strategic climate decision making.

**Bristol Heat Pump Ready (Funding received from DESNZ via Bristol City Council):** to deliver in-depth engagement and targeting of homeowners in Westbury On Trym who want to install a heat pump. Referring owners for a in-home heat loss survey and enabling them to sign up to have a heat pump installed.

**Bristol Household Support Grant (Bristol City Council):** a project which assists low income households around Bristol with one off payments for their energy and daily living costs by through provision of vouchers, provision of items such as heated electric blankets and boiler replacements/repairs.

**14. Statement of Funds (continued)**

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

**Community Energy Support Network (Energy Saving Trust - Ofgem Energy Industry Voluntary Redress Scheme):** Empowering community-based organisations (local groups, charities and frontline workers) to deliver energy advice, building capacity through training, ongoing mentoring and support. Over two years CSE & partners are providing 4,350 vulnerable households across Somerset and Wiltshire with energy advice, through home visits, telephone advice, face-to-face advice surgeries, or events.

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

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

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

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

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

**HeatAbility (Wales and West Utilities):** An energy efficiency advice project across Bath and North East Somerset. Providing advice and support to disabled people and low income families to help them to keep warm and afford their energy bills. We also provide advice on how to keep heating systems safe, especially monitoring and avoiding carbon monoxide risks. We provide information in a range of community settings. on the telephone and at home visits.

**Merton Energy Matters (London Borough of Merton Council):** a project working with schools in the London Borough of Merton to teach children about climate change and energy savings.

## Centre for Sustainable Energy

### Notes to the Financial Statements

#### For the Year Ended 31 March 2023

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#### 14. Statement of Funds (continued)

**North Somerset caseworker (North Somerset Council):** funding for a WHAM caseworker in North Somerset for one year (1st Aug 22 – 31st July 23), full time, partnering with Citizens Advice and AMS.

**PLACE (Planning Locally to Address the Climate Emergency) (Esmée Fairbairn):** Aims to build the capability of local civil society, particularly amongst groups who are currently underrepresented, to effectively use the planning system as a key lever of local change by increasing knowledge and understanding of the role of the planning system and how it works and enhancing their ability to influence local planning policy.

**Redress PPM 4 & 5 (Energy Saving Trust - Ofgem Energy Industry Voluntary Redress Scheme):** provision of Pre-Payment Meter vouchers to fuel poor and vulnerable home energy advice clients.

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

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

**Share the Warmth campaign (Thrive Renewables plc):** to help launch a fundraising appeal to enable CSE to support more people struggling with high energy bills and cold homes.

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

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

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

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

**14. Statement of Funds (continued)**

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

**WCF Surviving Winter Grant 2021-22 & 2022-23 (Wiltshire Community Foundation):** fund to provide grant payments to vulnerable households in Wiltshire at risk of fuel poverty.

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

**WHAM Quartet (Quartet Community Foundation):** This is funding to supplement the Energy Redress funding to help with additional staff capacity over the winter period of 2022/23.

**WHAM Quartet & Merchant Ventures (Quartet Community Foundation):** This is a fund specifically to target older people on the WHAM project, making sure that they are aware of the Household Support Grant. Undertake events, networking with older persons groups in Bristol and casework.

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

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

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

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

Centre for Sustainable Energy

Notes to the Financial Statements

For the Year Ended 31 March 2023

15. Summary of Funds

Summary of Funds - Current Year

	Balance 1 April 2022 £	Income £	Expenditure £	Net transfers £	Balance 31 March 2023 £
Designated funds	154,761	-	-	(154,761)	-
General funds	637,290	3,762,449	(3,543,322)	150,306	1,006,723
Restricted funds	-	2,241,396	(2,245,851)	4,455	-
	<u>792,051</u>	<u>6,003,845</u>	<u>(5,789,173)</u>	<u>-</u>	<u>1,006,723</u>

Summary of Funds - Prior Year

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

16. Analysis of net assets between fund

Analysis of net assets between fund - Current Year

	Unrestricted funds 2023 £	Total funds 2023 £
Fixed assets	196,399	196,399
Current assets	2,572,958	2,572,958
Current liabilities	(1,762,634)	(1,762,634)
	<u>1,006,723</u>	<u>1,006,723</u>

Analysis of net assets between fund - Prior Year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	173,830	173,830
Current assets	2,369,591	2,369,591
Current liabilities	(1,751,370)	(1,751,370)
	<u>792,051</u>	<u>792,051</u>

17. Pension Commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £243,605 (2022: £206,689). Contributions totalling £42,476 (2022: £35,744) were payable to the fund at the balance sheet date and are included in creditors.

## Centre for Sustainable Energy

### Notes to the Financial Statements

#### For the Year Ended 31 March 2023

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#### 18. Operating Lease Commitments

At 31 March 2023, the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Not later than 1 year	156,788	147,735
Later than 1 year and not later than 5 years	<u>569,163</u>	<u>92,446</u>
	<u><u>725,951</u></u>	<u><u>240,181</u></u>

#### 19. New subsidiary incorporated in the year

In January 2023, we set up Retrofit West CIC with the ambition for it to become Britain's most advanced and comprehensive home retrofit advice service. With funding and support from the West of England Combined Authority (WECA), Retrofit West CIC will provide a full-spectrum homeowner retrofit advice service, stimulate the supply chain and encourage local builders - plus those carrying out repairs, maintenance and improvements - to offer retrofit solutions to their customers.

Retrofit West CIC was incorporated on 5 January 2023 under Companies House number 14571351. The company is a private company limited by shares. There is one share of £1 and it is owned by CSE. The company's registered office is: St. James Court, St. James Parade, Bristol. BS1 3LH.

Consolidated accounts have not been prepared for the financial year ending 31 March 2023 as the new subsidiary was yet to launch and transactions were immaterial. At year end £2,775 was owed to CSE by Retrofit West CIC for funds forwarded to set up the bank account and insurance paid. This is included in the accounts under 'Other debtors'.

At year end the company had two Directors. Janine Michael (CSE, Director of Development and Communications and Interim Deputy Chief Executive) and Matthew Ferdinando (CSE, Director of Finance & Operations). Additional directors have been appointed since year end to represent WECA and other organisations that Retrofit West CIC will be working closely with.

#### 20. Related Party Transactions

Peter Capener, a trustee of the charity, is a director of Bath and West Community Energy (BWCE) which during the prior year received an innovation grant from Power to Change's Next Generation programme which is managed by CSE. These interests were disclosed to Power to Change as part of its decision making over grant awards. Peter also invoiced the charity personally £nil (2022: £1,400) for peer mentoring support for the Next Generation Community Energy Peer Mentoring Programme. There was £Nil outstanding at the year-end. During the year CSE worked with Bath and West Community Energy to deliver our Open Solar project. BWCE invoiced CSE £10,350, of which £10,350 was outstanding at year end. Peter Capener was appointed as a Director of Retrofit West CIC, a wholly owned subsidiary of CSE, on 10 May 2023.

## Centre for Sustainable Energy

### Notes to the Financial Statements

#### For the Year Ended 31 March 2023

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#### 20. Related Party Transactions (continued)

Ariane Crampton, a trustee of the charity is also an employee of Wiltshire Council. The charity received funding of £233,690 across 4 projects, including £150,000 for delivery of Warm and Safe Wiltshire Service and three other projects including measures. The charity was also paid £4,547 (2022: £2,893) for the delivery of a Parish and Town Council Action Day. Ariane has declared her trusteeship on the Council's register of interests and takes no part in procurement decisions that involve CSE. £4,547 (2022: £Nil) was outstanding at year-end.

Andrew Darnton, a trustee of the charity, has a directorship in A D Research & Analysis Limited with which CSE undertook a number of projects. During the year, the charity invoiced £12,744 (2022: £2,526) for services provided and £Nil (2022: £2,526) 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 £Nil (2022: £3,516). £Nil (2022: £Nil) was outstanding at year-end.

William Gillis, a trustee of the charity is a trustee of British Gas Energy Trust (BGET). During the year the charity invoiced BGET £15,885 (2022: £47,839) for research undertaken. £Nil (2022: £Nil) was outstanding at year-end.

Bill Hull, a trustee of the charity, is a Partner of TLT LLP. During the year, TLT LLP invoiced £5,700 (2022: £6,094) to the charity for services provided. £Nil (2022: £Nil) was outstanding at year-end.

Felicity Jones, a trustee of the charity, is an elected director of Bath & West Community Energy (BWCE). See above notes under Peter Capener for our transactions with BWCE.

Simon Roberts, the Chief Executive of the charity, was also a non executive director of Thrive Renewables plc until June 2022. During the year the charity invoiced Thrive Renewables £13,185 (2022: £25,309) for setting up a fundraising campaign, Simon Roberts' services and for managing the company's Community Benefit Fund. £Nil (2022: £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 (2022: £3,500) to support the work of the Partnership. During the year the charity invoiced Bristol Green Capital Partnership CIC £26,225 (2022: £10,060) for services provided to the Bristol Community Climate Action project in which CSE is a partner. There was no balance outstanding at year-end.

Kaye Welfare, a trustee of the charity, is also a part time consultant for EVOLVE Home Energy Solutions. EVOLVE HES work on ECO Innovation and other insulation projects. During the year, the charity was invoiced by EVOLVE HES for £3,034 (2022: £5,812) towards the costs of measures installed under these projects. CSE charged EVOLVE HES £4,890 (2022: £30,410) for referral fees. £1,420 (2022: £Nil) was owed to CSE at year-end.

**Centre for Sustainable Energy**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2023**

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**21. 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 2023 the charity held funds of £443,139 (2022: £137,297) which are not included in these financial statements but are held in separate bank accounts for the original donor and are returnable on demand.