

Centre for Alternative Technology Charity Limited
(A charitable company limited by guarantee)

Annual Report and Financial Statements
for the year ended 31 December 2008

Registered Charity Number: 265239

Company Number: 1090006

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Centre for Alternative Technology Charity Limited

**Annual Report and Financial Statements
for the year ended 31 December 2008**

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Centre for Alternative Technology Charity Limited

Report of the trustees for the year ended 31 December 2008

Trustees, Officers and Advisers

Charity Registration Number: 265239

Company Registration Number: 1090006

Directors and Trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving during the year and since the year end were as follows:

I ap Gwynn (Chair)
M L Ashby
S C Balsom
G Evans (Member of Finance & Audit Sub-committee)
D J L Huws
R A Rowlands (Member of Finance & Audit Sub-committee)
E Todd
D W Rees
C Dafis
M Taylor (appointed 4 June 2009)

There is no chief executive, but there are two management groups, with delegated powers for day to day management and for strategic management.

Operations Group: B Wallace
S Ketteringham (*Finance Officer*)
A Lowmass
C McLennan
C Thoms
A Brown (*Health & Safety Officer*)
T Jenkins

Strategy Group: P Horton
S Fabre
J Gwillim
R Goodsell
T Jenkins
P Allen
S Ketteringham

Company Secretary: R B Dance

Registered Office and Operational Address: Llwyngwern Quarry, Machynlleth, Powys SY20 9AZ

Bankers: Triodos Bank, 11 The Promenade, Bristol BS8 3NN

Auditors: PJE, Chartered Accountants, 23 College Street, Lampeter SA48 7DY

Solicitors: Alun Thomas & John, Crynfryn, Eastgate, Aberystwyth SY23 2AR
Wilsons, Steynings House, Summerlock Approach, Salisbury SP2 7RJ
Morris & Bates, Ffordd Alexandra Road, Aberystwyth SY23 1PT

Objects

The objects under the Memorandum and Articles of Association are to promote for the benefit of the public the conservation, protection and improvement of the environment by various means, and to advance the education of the public in subjects related to sustainable development and the protection, enhancement and rehabilitation of the environment, the use of natural resources and sustainable energy, and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

Mission

With climate change now a major threat to the environment, the primary impact that the Centre for Alternative Technology ("CAT") seeks to bring about is to reduce carbon emissions. CAT's vision is set out in a report called **"Zerocarbonbritain"**.

To achieve this, CAT seeks to inspire, inform and enable people from all sectors of society to adopt sustainable technologies, tools and practices. The Charity's strategy is to educate and train people, to enable them to take actions that have a positive impact on the environment. CAT's activities aim to inspire reductions in carbon emissions, helping to protect the environment globally for the benefit of the public.

Activities

The Charity achieves its objectives by means of the following activities:

- Developing and promoting **Zerocarbonbritain**
- Providing education for school and college pupils
- Providing education and training courses for adults
- Completing the Wales Institute for Sustainable Education
- Publishing books and tipsheets
- Publishing a magazine for members
- Providing a free information service for the public which answers any enquiries on environmental matters
- Providing educational displays on the visitor centre, which is open to the public
- Maintaining an up-to-date website promoting these activities.

The overall activities of the Centre for Alternative Technology are split between this company and the Centre for Alternative Technology plc. The two companies share the same physical site and share the same website (www.cat.org.uk). The Centre for Alternative Technology plc carries out catering, retailing and consultancy, and operates a funicular railway. The operation of CAT's visitor circuit was transferred from Centre for Alternative Technology plc to Centre for Alternative Technology Charity Limited on 1 January 2008.

Achievements and Performance

Zerocarbonbritain

"An inspiration to all who are grappling with the challenge that climate change is bringing to our world" – Sir John Houghton

Zerocarbonbritain details how Britain can eliminate emissions from fossil fuels in twenty years. It demonstrates how we can achieve this by halving energy demand and installing large-scale renewable energy generation.

Through a series of academic think tanks and consultations, **Zerocarbonbritain** has been researched and written in collaboration with CAT's Graduate School for the Environment and the Public Interest Research Centre. It has been peer-reviewed by experts in each field of research. The report has been presented to the Parliamentary Cross Party Climate Change Committee, the Welsh Assembly Government, the Energy Ministers of the Scottish and Irish Parliaments, the EU in Brussels and the Environment Minister of the Czech Republic. It has been presented at the Wales at the Smithsonian exhibition in Washington, and an updated report, **Zerocarbonbritain2**, will be presented at the UN Climate Conference Copenhagen in December 2009. The report is available on the website www.cat.org.uk. **Zerocarbonbritain** details how Britain can eliminate emissions from fossil fuels in twenty years. It demonstrates how we can achieve this by halving energy demand and installing large-scale renewable energy generation.

Centre for Alternative Technology Charity Limited

In 2009 CAT has been running a series of six **Zerocarbonbritain2** afternoon seminars which take place in the Straw Bale Theatre, are open to all, and are free of charge due to the support of the Carnegie UK Trust. The formal afternoon seminars include an informal buffet afterwards. Attendance from local residents, community groups, local business representatives, WAG representatives and other Welsh organisations has been very good. The six seminars topics have been: The Carbon Crunch (31 March), Buildings and the Built Environment (5 May), Renewable Energy (3 June), Transport (30 June), Land Use (9 September) and Policy and Economics (30 September).

Education

In 2009 approximately 7,000 pupils had a residential educational experience using the eco-cabins and approximately 6,600 pupils came to CAT for day visits.

CAT's education officers have been steadily changing the teaching material to take into account increased environmental awareness and interest amongst schools and an increase in the importance in sustainability on the curriculum. Our new expanded range of tuition on offer includes more on food, eco-buildings and biological aspects of sustainability.

We strive to promote our integrated approach to Education for Sustainable Development and Global Citizenship to as many Welsh educational working groups as we can afford to reach. We do a wide range of outreach work in schools and teacher training colleges. We run courses teaching teachers how to educate for sustainability. The Sustainability Handbook for Design and Technology teachers – produced in collaboration with Practical Action – was so successful that a second edition has been produced.

Courses

- **MSc Architecture: Advanced Environmental and Energy Studies**

"This course is producing outcomes that would be a credit to any university" – Professor Peter Smith, external examiner

Over 200 new students enrolled on the MSc Architecture: Advanced Environmental and Energy Studies course, which is validated by the University of East London. The course promotes construction methods and materials with low embodied-energy, as well as the energy-efficient design of buildings.

A distance-learning version of the course launched in 2007 has proved very popular, and will be developed further during 2009, along with distance learning versions of CAT's other courses.

- **MSc Renewable Energy and the Built Environment**

Thirty students enrolled on the MSc Renewable Energy and the Built Environment, a new programme which commenced in September 2007, and developed considerably during 2008. The course examines the theory and practice of renewable energy technologies with reference to the built environment.

- **Professional Diploma in Advanced Environmental and Energy Studies**

This course is designed for students of architecture who have already gained RIBA Part 1 exemption and who wish to study for the Part 2 examination through the subject of environment and energy within the context of architectural design. The programme offers a unique combination of design and academic study with practical experience that will equip students with design experience and vocational skills that are becoming increasingly important.

20 students enrolled in 2008.

- **Doctor of Ecological Building Practices**

This doctoral research degree offers the opportunity to explore and develop practice in relation to environmental issues, and is open to those working in the built environment professions of architecture, building and construction, planning, development, engineering, product, industrial and manufacturing design, and others whose work can or could relate specifically to an ecological or sustainable built environment.

The Professional Doctorate is a validated by the University of Wales and is managed and delivered in collaborative provision between the Graduate School for the Environment and the University of Wales Institute Cardiff's School of Art & Design (CSAD).

Centre for Alternative Technology Charity Limited

Unlike a traditional PhD the Professional Doctorate is based largely around practice, with modules including seminars, lectures, workshops, tutorials, presentations and other research events at CAT and UWIC, and a dedicated Virtual Learning Environment to support candidates throughout.

There are currently four doctorate students.

- **Collaboration with other universities**

Collaboration with other organisations included groups of students coming to CAT from the following universities: Aberystwyth University; Imperial College, London; University College London; London Metropolitan University; Liverpool John Moores University; De Montfort University; University of Reading; and Ritsumeikan University, Kyoto.

- **Short courses for the general public**

As well as a variety of courses on methods of eco-building and renewable energy, courses were also run on fresh water biology, water treatment and sewage treatment.

- **Short courses for professionals**

Accredited courses were run for electricians on installing photovoltaic systems and for heating engineers/plumbers on heating with wood and on installing solar hot water systems.

Publications

During the year CAT published *Babs2Brisbane*, an account of a member of CAT's staff's journey overland. Further publications are planned for 2009 and 2010.

Membership

The number of members remained over 8,000. *Clean Slate*, CAT's membership magazine, has been centred around Zero Carbon Britain, with each issue highlighting one of the areas that ZCB covers, providing practical solutions that members can undertake in their homes and communities. Feedback from the members has been positive.

Members have been provided with more chances for members to get involved with CAT's work, and to feed back their thoughts and suggestions. This is useful in spreading our message more widely, increasing member interest and loyalty, providing us with fresh ideas and suggestions, and giving us more information on who joins CAT and why, helping improve our new member recruitment and retention campaigns.

Information Service

Information is provided free of charge to users on a wide range of environmental matters. The Charity responded to 10,777 direct enquiries by email, telephone, letter, fax and face-to-face from visitors. A further 6,747 enquiries were made using the computerised information service at CAT.

There were 241,637 visits to the information pages on CAT's website (www.cat.org.uk/information). These answer frequently asked questions and provide information sheets covering energy efficiency, renewable energy, eco-building, low-impact living, transport, water and sanitation.

As a member of the Sustainable Energy Wales network, CAT expects to play an active role in a Sustainable Energy Network across Wales.

Wales Institute for Sustainable Education

The construction of the Wales Institute for Sustainable Education ("WISE") continued and is expected to be completed early in 2010. The lecture, workshop and seminar rooms will substantially increase CAT's capacity to deliver education at all levels.

The WISE building is a showpiece of environmental building design, incorporating materials with low embodied-energy such as timber, hemp and lime. The environmental impact of the construction of WISE is being carefully monitored.

Centre for Alternative Technology Charity Limited

The project is being completed by new contractors. The company has sufficient funding in place to cover all anticipated costs, with a number of options to cover any additional contingencies which may arise.

WISE is supported by these organisations:



The Charity is grateful to all the funders of WISE. They have enabled its construction to take place.

Biomass Combined Heat and Power ("CHP") Project

A building has been erected to accommodate the CHP plant, which will be a practical demonstration of this form of renewable energy. It will provide heating for WISE and other buildings at CAT and will also produce electricity. It will be fuelled by locally-sourced wood. Expenditure on this project has been capitalised and is included in the balance sheet.

Fundraising

A key objective of the fund-raising activities was to raise funds for the Wales Institute for Sustainable Education ("WISE"). Grants and donations received in 2008 for WISE amounted to £2,017,453 (2007: £929,083). Grants and donations amounting to £93,607 (2007: £256,472) were received for the biomass combined heat and power project.

Environmental Performance

The Centre for Alternative Technology promotes a sense of responsibility for the environment through raising environmental awareness to both staff and visitors. Its environmental management system is based on the Green Dragon Environmental Standard. CAT has set targets and action plans for the year ahead to minimise waste, maximise efficient use of natural resources and prevent pollution. This includes establishing a policy working group to clearly define CAT's environmental purchasing policy.

CAT obtains energy from renewable sources, including wind power, micro hydro, wood fuel, solar and biodiesel, and some non-renewables, including diesel and gas, and measures its energy use. CAT has set a target of a 5% reduction in its energy consumption and CO2 emissions in 2010. CAT benefits from having its own reservoir and is self-sufficient in water.

Various measures have been taken to enhance biodiversity at CAT. For example, dormice boxes have been put up to help the dormice breed. The woodland areas have been improved to maximise biodiversity.

Valuing Volunteers

CAT benefits from the contribution of long term volunteers, who work for periods of six months each, and short term volunteers, who come for a week. The long term volunteers assisted the information, publishing, building maintenance, biology and education departments. Many of the long term volunteers have subsequently found employment in the environmental sector. The short term volunteers often help with organic gardening and maintaining the estate. The value to the Charity of volunteer work during the year is estimated to be approximately £155,000.

Employees

CAT values co-operative principles and consensus decision-making. Meetings for permanent staff are held monthly for discussions and information-sharing. All confirmed-in-post permanent staff are entitled to vote in elections for representatives on the management group. Staff are also entitled to lobby the management group over any issue and the management group fortnightly considers such lobbies.

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CAT benefits from the goodwill of its employees, many of whom are earning well below the market rate for their jobs. If CAT's salaries had been in line with the average for Wales, it would have cost the Charity an additional £500,000 in the year.

Plans for 2009 and beyond

The main changes for the charity are:

- the completion of the new educational facility known as the Wales Institute for Sustainable Education (WISE). From June 2010 the WISE building will enable more courses and conferences to be held at CAT.
- the expansion of educational activities, particularly in the fields of environmental architecture, renewable energy and ecology.
- The combined heat and power unit will be commissioned during 2009 and should start generating in the autumn.
- The continuing development of ZeroCarbonBritain2, and its presentation at Copenhagen.

Financial Review

The accounts have been prepared in accordance with the Companies Act 1985, the FRSSE 2007, the Charities Act 1993 and SORP 2005. The financial results of the Charity are shown in the Statement of Financial Activities on page 9. The net incoming resources for the year were £1,891,387 (2007: £1,617,520).

Principal Funding Sources

The principal funding sources for ongoing activities were course fees to cover the costs of residential courses for adults; and grants, donations and membership subscriptions to finance the free information service and help pay for the education activities for pupils of school age.

During the year the Charity received grant funding for the WISE project from the European Regional Development Fund, Powys County Council, Countryside Council for Wales, Welsh Assembly Government, Aggregates Levy Sustainability Fund and Energy Saving Trust. The Charity received grant funding for the biomass combined heat and power project from the Forestry Commission's Wood Energy Business Scheme and the Countryside Council for Wales.

The Charity also received grant funding towards the ZeroCarbonBritain2 project from the Esmée Fairbairn Trust, and towards the dissemination of ZeroCarbonBritain and related activities from the Carnegie Trust.

A full list of grants from organisations is shown in note 2 to the financial statements.

Reserves Policy

Free reserves are available reserves which can be spent in furtherance of any of the Charity's objectives. The reserves policy is to hold free reserves to cover cashflow fluctuations. The target is for the free reserves to be equivalent to three months core operating costs. This currently amounts to £0.5 million. At the end of 2008 the level of free reserves stands at £194,070 (2007: £nil). This falls short of the target due to the high capital expenditure in the year. The aim is to build up free reserves in 2010 and 2011 following completion of the WISE building. In the meantime the Charity has a contingency plan containing measures which could be deployed in an emergency.

Investment Policy

The trustees have operated a policy of keeping available funds in an interest bearing account with an ethical bank.

Structure, Governance and Management

Constitution

The Charity is a charitable company limited by guarantee. It was incorporated on 5 January 1973 and changed its name to 'Centre for Alternative Technology Charity Limited' on 28 June 1990. It is governed by its memorandum and articles of association dated 5 January 1973 as amended by resolutions on 21 May 1990, 8 September 2003 and 4 December 2008.

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Structure, Governance and Management

Governance

Members of the board of trustees, who are directors for the purposes of company law and trustees for the purposes of charity law, form what is called the Council in the company's Articles. Those who served during the year and up to the date of this report are set out on page 1. Under the requirements of the Articles of Association, at the Annual General Meeting one third of the members of Council retire and may offer themselves for re-election.

Members of the Council are requested to provide a list of their skills. Where gaps in the skills of the Council have been identified, appropriate individuals can be approached to offer themselves for election to the Council. The Council may appoint a person as a member of the Council, provided that the maximum number of fifteen members is not exceeded, to hold office until the next Annual General Meeting when s/he becomes eligible for re-election.

The Council, which meets quarterly, is responsible for approving the Charity's strategy and annual budget. There are sub-committees covering the development of the Wales Institute for Sustainable Education, finance, and the visitor centre.

There is no chief executive, but there are two management groups, with delegated powers for day to day management and for strategic management, and named individuals responsible for Health and Safety and Finance.

Risk Management

Risks which the Charity may face have been identified and analysed. A review of the risk register is carried out annually by the Operations Group, and reported to the trustees. Where appropriate systems and procedures have been established to mitigate the major risks and to minimize any potential impact on the Charity should those risks materialise. Particular attention has focussed on non-financial risks arising from fire and health and safety.

Trustees' Responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make sound judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis.

The trustees are responsible for maintaining proper accounting records which 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 1985. The trustees 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. The trustees also have overall responsibility for ensuring that the charity has appropriate controls, that the charity is operating efficiently and effectively, and that the charity complies with relevant laws and regulations.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Patterson, Jones & Evans be re-appointed as auditors to the charity for the ensuing year.

ON BEHALF OF THE BOARD OF TRUSTEES

I ap Gwynn (Chairman)
19 June 2009



19.10.09

REPORT OF THE INDEPENDENT AUDITOR
To the members of Centre for Alternative Technology Charity Ltd
Year ended 31st December 2008

We have audited the financial statements on pages 9 to 18 which have been prepared on the basis of the accounting policies set out on page 11.

This report is made solely to the charitable company's members, as a body, in accordance with Section 44 of the Charities Act 1993 and Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the management committee and auditors

As described on page 7 the trustees, who are directors for the purpose of Company Law and trustees for the purpose of Charity Law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and Companies Act 1985. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees remuneration and transactions with the company is not disclosed. We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by Auditing Practices Board. An audit included examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgements made by the management committee in the preparation of financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's affairs as at 31st December 2008 and of the incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993 and Companies Act 1985.

PJE

PJE,
*Chartered Accountants &
Registered Auditor
23 College Street
Lampeter
Ceredigion SA48 7DY*

Date: 19.10.09

**Statement of Financial Activities (including Income and Expenditure account)
for the year ended 31 December 2008**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2008 £	Total 2007 £
Incoming resources						
<i>Incoming resources from generated funds</i>						
<i>Voluntary income:</i>						
Donations		82,808	87,253	0	170,061	149,151
Grants	2	21,950	2,124,398	0	2,146,348	1,234,059
Legacies		900	0	0	900	87,866
Membership subscriptions		211,549	0	0	211,549	189,936
Activities for generating funds		18,870	0	0	18,870	38,558
Bank interest		8,676	215	0	8,891	12,633
<i>Incoming resources from charitable activities</i>						
Education		162,792	0	0	162,792	152,776
Course fees		2,021,096	0	0	2,021,096	2,095,692
Publications		124,622	0	0	124,622	144,230
Rents		26,000	0	0	26,000	53,465
Visitor centre		207,729	0	0	207,729	0
<i>Other incoming resources</i>						
Miscellaneous income		34,626	0	0	34,626	22,801
Management recharges		26,393	0	0	26,393	66,638
Total incoming resources		2,948,011	2,211,866	0	5,159,877	4,247,805
Resources expended						
<i>Costs of generating funds</i>						
Fundraising		108,979	0	0	108,979	77,815
Membership		181,092	0	0	181,092	144,729
<i>Charitable activities</i>						
Information service		39,415	15,000	0	54,415	51,994
Education		209,414	12,156	0	221,570	218,315
Courses		2,171,277	0	0	2,171,277	1,810,126
Publications		146,519	0	0	146,519	155,264
Visitor centre		232,903	0	0	232,903	0
Wales Institute for Sustainable Education		0	116,778	0	116,778	105,818
Expenditure on other projects		0	30,404	0	30,404	62,226
<i>Governance costs</i>		4,553	0	0	4,553	3,998
Total resources expended	3	3,094,152	174,338	0	3,268,490	2,630,285
Net incoming resources before transfers	4	-146,142	2,037,528	0	1,891,387	1,617,520
Transfers						
Gross transfers between funds	11					
Net income/(expenditure) for the year		-146,142	2,037,528	0	1,891,387	1,617,520
Total funds brought forward at 1 January 2008		1,517,037	2,505,860	12,873	4,035,770	2,418,250
Total funds carried forward at 31 December 2008	11	1,370,895	4,543,388	12,873	5,927,157	4,035,770

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

All the above amounts derive from continuing activities.

Construction costs amounting to £2,401,094 in respect of the Wales Institute of Sustainable Education were capitalised during the year.

Centre for Alternative Technology Charity Limited

Balance Sheet as at 31 December 2008

	Notes	2008 £	2007 £
Fixed Assets			
Tangible Assets	6	6,480,529	4,108,921
Current Assets			
Stocks		41,436	61,140
Debtors	7	309,626	316,277
Cash at bank		<u>311,229</u>	<u>370,441</u>
		662,291	747,858
Creditors: amounts falling due within one year	8	<u>428,686</u>	<u>731,389</u>
Net Current Assets		233,605	16,469
Total Assets less Current Liabilities		<u>6,714,134</u>	<u>4,125,390</u>
Creditors: amounts falling due after more than one year	9	786,976	89,620
Net Assets	12	<u>5,927,157</u>	<u>4,035,770</u>
Funds	11		
Unrestricted funds		1,370,895	1,517,037
Restricted funds		4,543,388	2,505,860
Endowment funds		12,873	12,873
Total funds		<u>5,927,157</u>	<u>4,035,770</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

These accounts were approved by the trustees on 2009 and signed on their behalf by:



I. ap Gwynn (Chairman) 19.10.09

1 ACCOUNTING POLICIES

- a) **Basis of preparation**
The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities issued in January 2005 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice published in March 2005.
- b) **Incoming resources**
Income from educational services and use of premises are accounted for in the period in which the service is provided.

Other incoming resources, including grants for the purchase of fixed assets and members' subscriptions, are accounted for in the period in which the charity is entitled to the income and the amount can be quantified with reasonable accuracy.
- c) **Resources expended**
All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Direct costs are allocated on an actual basis to the key areas of activity. Overheads are apportioned between expense headings on the basis of turnover.
- d) **Tangible fixed assets and depreciation**
Tangible fixed assets are recorded at cost or, if donated, at valuation at the time of acquisition. Depreciation on tangible fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:
- | | |
|----------------------------------|---------------------|
| Freehold land | nil |
| Freehold buildings | over 10 to 50 years |
| Plant and machinery | over 4 to 10 years |
| Fixtures, fittings and equipment | over 4 years |
- Assets under the course of construction are not depreciated.
- e) **Stocks**
Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.
- f) **Fund accounting**
Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objects of the Centre for Alternative Technology Charity Limited.
Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The endowment fund represents those assets which must be held permanently by the charity. Income arising on the endowment fund is to be used for specific purposes as laid down by the donor.
- g) **Pension costs**
Pension contributions are made by the Charity to the Teachers' Pension. The assets and liabilities of this scheme are not separately identifiable. Contributions are charged to the SOFA when accrued.

Centre for Alternative Technology Charity Limited

2 INCOMING RESOURCES

Grants receivable during the year comprise:

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
<i>Grants for Wales Institute for Sustainable Education:</i>				
Countryside Council for Wales	0	41,796	41,796	100,000
European Regional Development Fund	0	452,786	452,786	310,769
Powys County Council local regeneration fund	0	401,038	401,038	110,039
Big Lottery Fund	0	473,826	473,826	0
<i>Welsh Assembly Government:</i>				
Wales Tourist Board	0	137,362	137,362	77,211
Welsh Development Agency	0	152,244	152,244	52,383
Aggregates Levy Sustainability Fund	0	180,000	180,000	75,000
Property Development Grant	0	116,239	116,239	81,980
Energy Saving Trust	0	0	0	42,508
John & Susan Bowers Fund	0	500	500	500
Burns Pet Nutrition	0	1,000	1,000	0
Ian MacTaggart Trust	0	1,000	1,000	0
Honourable Lord Rootes and Mr W B Rootes	0	200	200	100
Edward S Hogg Charitable Trust	0	5,000	5,000	0
M D Pile	0	25	25	0
The Morel Trust	0	0	0	2,000
Hamamelis Trust	0	0	0	2,500
Arnold Burton Charitable Trust	0	0	0	250
Sir Julian Hodge Charitable Trust	0	0	0	1,000
Pillar Charitable Trust	0	0	0	100
Robert Kiln Charitable Trust	0	0	0	500
Trustees of S & D Lloyd	0	0	0	500
Simon Gibson Charitable Trust	0	0	0	3,000
Gwendoline & Margaret Davies	0	0	0	1,500
Assheton Trust	0	0	0	100
Cuthbert Horn Trust	0	0	0	3,000
Allan & Nesta Ferguson Charitable Trust	0	0	0	3,000
The Elmgrant Trust	0	0	0	1,000
Rufford Maurice Laing Foundation	0	0	0	2,000
The Craginsh Trust	0	0	0	1,500
SCF	0	0	0	50
Thriplow Charitable Trust	0	0	0	700
St Mary's Charity	0	0	0	500
Reuben Brothers Foundation	0	0	0	150
B9	0	0	0	100
Ownwood Trust	0	0	0	1,000
<i>Grants for CHP:</i>				
Forestry Commission	0	93,607	93,607	206,412
Countryside Council for Wales	0	0	0	50,000
<i>Grant for Information Officer:</i>				
Countryside Council for Wales	0	15,000	15,000	15,000
<i>Grant for Education Officer:</i>				
Cobb Charitable Trust	0	9,333	9,333	4,666
<i>Grant for Sustainable Design Award:</i>				
Countryside Council for Wales	0	0	0	1,250
<i>Grant for Alternative Energy Strategy:</i>				
Esmee Fairbairn Foundation	0	0	0	5,000
<i>Grant for Designing for People:</i>				
Cyfanfyd	0	13,252	13,252	10,000
Dulverton Trust	0	0	0	15,000
RH Southern Trust	0	0	0	3,000
<i>Grants for education:</i>				
Ashden Trust	0	0	0	20,000

Centre for Alternative Technology Charity Limited

<i>Funded placement:</i>	0	12,905	12,905	7,000
<i>Grant for PhD studentship:</i>				
Laura Ashley	0	0	0	12,000
<i>Grant for Carbon Gym:</i>				
Friends of the Earth	0	0	0	3,000
<i>Grants for woodland</i>				
Wales Council of Voluntary Associations	0	9,989	9,989	0
International Tree Foundation	0	750	750	0
<i>Grants for displays</i>				
W Porter	1,000	0	1,000	0
<i>Grant for European Community Youth Programme:</i>				
British Council	0	6,546	6,546	3,891
<i>General grants:</i>				
The Bromley Trust	10,000	0	10,000	0
The AIM Foundation	1,000	0	1,000	0
Simon Gibson Charitable Trust	3,000	0	3,000	0
Peters Trust	100	0	100	0
Miller Becket and Jackson	1,000	0	1,000	1,300
Gunter Charitable Trust	500	0	500	0
Cuthbert Honourable Trust	4,000	0	4,000	0
Franceys Longman Trust	0	0	0	200
SC & ME Morland's Charitable Trust	250	0	250	250
The Blakemore Foundation	0	0	0	150
Orr Mackintosh Foundation	0	0	0	1,000
Pillar Charitable Trust	100	0	100	0
Ownwood Trust	1,000	0	1,000	0
Total grants received	21,950	2,124,398	2,146,348	1,234,059

3 TOTAL RESOURCES EXPENDED

	Directly incurred staff costs £	Other direct costs £	Support costs £	2008 Total £	2007 Total £
Costs of generating funds					
Fundraising	50,061	58,918	0	108,979	77,815
Membership	61,591	74,440	45,061	181,092	144,729
Charitable activities					
Information service	52,514	1,901	0	54,415	51,994
Education	120,418	63,653	37,499	221,570	218,315
Courses	591,409	1,149,360	430,508	2,171,277	1,810,126
Publications	32,517	87,457	26,545	146,519	155,264
Visitor centre	80,497	108,158	44,248	232,903	0
WISE	87,269	29,509	0	116,778	105,818
Expenditure on other projects	5,944	24,460	0	30,404	62,226
Governance	0	4,553	0	4,553	3,998
Total resources expended	1,082,220	1,602,409	583,861	3,268,490	2,630,285

Centre for Alternative Technology Charity Limited

ANALYSIS OF SUPPORT COSTS

	Membership	Education	Courses	Publications	Visitor Centre	2008	Total	2007
	£	£	£	£	£	£	£	£
Support cost								
Premises-related	12,228	10,176	116,822	7,203	12,007	158,436	184,699	
Financial costs	5,764	4,796	55,064	3,395	5,659	74,678	67,333	
Human resources	2,620	2,180	25,031	1,543	2,573	33,948	41,699	
Management	18,794	15,639	179,550	11,071	18,454	243,508	87,222	
Information and Communication								
Technology	4,645	3,865	44,377	2,736	4,561	60,185	47,733	
Postage and office costs	14	12	133	8	14	180	30,388	
Depreciation	998	830	9,531	588	980	12,926	6,311	
Total	45,061	37,499	430,508	26,545	44,248	583,861	465,377	

Support costs are allocated on the basis of turnover.

4 NET INCOMING RESOURCES

This is stated after charging:

	2008	2007
	£	£
Auditor's remuneration - external audit	4,456	3,998
Depreciation	45,196	35,548
Operating leases - land	500	500

5 TRUSTEES AND EMPLOYEES

None of the Trustees received any remuneration or reimbursement of expenses during the year (2007: £Nil).

Employee costs during the year were:

	2008	2007
	£	£
Salaries and wages	1,314,083	934,523
Social Security	104,199	74,529
Pension	31,749	12,861
	1,450,031	1,021,913

The average number of employees during the year, calculated on a full-time equivalent basis, was:

	2008	2007
	Number	Number
Fundraising	5	4
Membership	3	3
Charitable activities	56	36
	64	43

The highest salary paid in 2008 was £42,938 (2007: £31,163).

Centre for Alternative Technology Charity Limited

6 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Assets in the course of construction £	Total £
Cost:					
At 1st January 2008	1,696,877	154,527	147,252	3,035,107	5,033,763
Additions	3,577	10,207	1,037	2,401,984	2,416,805
At 31st December 2008	<u>1,700,454</u>	<u>164,734</u>	<u>148,289</u>	<u>5,437,091</u>	<u>7,450,568</u>
Depreciation:					
At 1st January 2008	662,909	137,709	124,225		924,843
Charge for the year	28,102	6,771	10,323		45,196
At 31st December 2008	<u>691,011</u>	<u>144,480</u>	<u>134,548</u>	<u>0</u>	<u>970,039</u>
Net book value					
At 31st December 2008	<u>1,009,443</u>	<u>20,254</u>	<u>13,741</u>	<u>5,437,091</u>	<u>6,480,529</u>
At 31st December 2007	<u>1,033,968</u>	<u>16,818</u>	<u>23,027</u>	<u>3,035,107</u>	<u>4,108,920</u>

Assets in the course of construction comprise capital expenditure incurred in respect of the Wales Institute for Sustainable Education (WISE).

7 DEBTORS

	2008 £	2007 £
Amounts falling due within one year		
Trade debtors	36,825	119,205
Amounts owed by undertaking in which the company has a participating interest	27,653	36,174
VAT	129,555	49,231
Other debtors	70,534	4,279
Prepayments and accrued income	45,059	107,388
	<u>309,626</u>	<u>316,277</u>

8 CREDITORS: amounts falling due within one year

	2008 £	2007 £
Trade creditors	307,711	403,198
Taxation and social security costs	31,292	24,912
Loans	10,840	6,163
Other creditors	22,769	56,016
Accruals	4,074	241,100
Deferred income	52,000	0
	<u>428,686</u>	<u>731,389</u>

Centre for Alternative Technology Charity Limited

9 CREDITORS: amounts falling due after more than one year

	2008 £	2007 £
Loans	<u>786,976</u>	<u>89,620</u>

10 LOANS

	2008 £	2007 £
Analysis of loan repayments		
Amounts falling due:		
within one year	10,840	6,163
between one and five years	169,169	29,896
after five years	<u>617,807</u>	<u>59,724</u>
	<u>797,816</u>	<u>95,783</u>

Loans comprise a bank loan of £76,940, a mortgage of £706,081, and interest-free loans from individuals amounting to £14,795. The bank loan bears interest at 1.5% over base rate. This is repayable in monthly instalments and is secured by a fixed charge over one of the Charity's properties. The mortgage bears interest at 1% above base rate, subject to a floor rate of 4%, and is secured by fixed and floating charges over the assets of the Charity and of Centre for Alternative Technology plc.

11 TOTAL FUNDS: MOVEMENTS IN THE YEAR

a) RESTRICTED FUNDS

	Balance @ 1/1/08 £	Incoming Resources £	Resources expended £	Transfers £	Balance @ 31/12/08 £
Catalyst	4,042		564		3,478
AIEIC	468,292		12,027		456,265
Cabins Bursary Fund	1,649				1,649
Evans Education	2,406				2,406
Eco-cabins and Workshops Bursary	7,055				7,055
Sustainable Design Award	-17,075				-17,075
Potato Blight Project	1,744				1,744
ELWA education facilities Project	3,569		5,559		-1,990
Key Skills Project	188				188
CHP	256,351	93,607	5,044		344,914
Cyfanwyd	18,282	13,252	2,726		28,808
Energy strategy	-2,847	2,167	634		-1,314
Esgair land appeal	23,176	29,447			52,623
WISE	1,680,833	2,017,767	116,778		3,581,822
Information officer	0	15,000	15,000		0
Introductory sessions for schools	2,355				2,355
Woodland management	0	11,842	693		11,149
Bringing The Future Forward	12,976				12,976
Sponsor a Volunteer	8,640				8,640
Undergraduate student placements	7,000				7,000
European Community Youth Programme	3,448	6,546	4,706		5,288
PhD	12,000				12,000
Education	-16,755				-16,755
Parsons archive	10,000				10,000
Designing for People	15,613				15,613
Funded placement	0	12,905			12,905
Smithsonian	0		1,274		-1,274
Salary for additional teacher	0	9,333	9,333		0
Renewable energy kit	-82				-82
Carbon gym	3,000				3,000
Total restricted funds	2,505,860	2,211,866	174,338	0	4,543,388

Centre for Alternative Technology Charity Limited

b) ENDOWMENT FUNDS: MOVEMENTS IN THE YEAR

	Balance @ 1/1/08 £	Incoming Resources £	Resources expended £	Transfers £	Balance @ 31/12/08 £
Josh Brown Bursary Fund	12,873				12,873

c) UNRESTRICTED FUNDS: MOVEMENTS IN THE YEAR

	Balance @ 1/1/08 £	Incoming Resources £	Resources expended £	Transfers £	Balance @ 31/12/08 £
Unrestricted general fund	1,517,037	2,948,011	3,094,152		1,370,895

12 ANALYSIS OF ASSETS BETWEEN FUNDS

Fund balances at 31 December 2008 are represented by:

	Unrestricted funds £	WISE Restricted fund £	Other Restricted funds £	Endowment funds £	Total funds £
Tangible fixed assets	2,041,427	3,581,822	857,280	0	6,480,529
Stocks	41,436				41,436
Debtors	309,626				309,626
Deposits and cash at bank	194,070	0	104,286	12,873	311,229
Creditors due within one year	(428,686)				(428,686)
Creditors greater than one year	(786,976)				(786,976)
Net assets at 31 December 2008	1,370,897	3,581,822	961,566	12,873	5,927,157

13 OPERATING LEASE COMMITMENTS

Annual commitments under operating leases are as follows:

	2008 £	2007 £
Expiry date		
Greater than five years	500	500

14 CONTRACTS AND COMMITMENTS

During 2006 the Charity entered into a project partnering contract for £3,286,055 in relation to the construction of the Wales Institute for Sustainable Education (WISE); £140,000 remained outstanding at 31 December 2008.

This contract has now ceased, and an alternative project completion plan has been developed.

15 MATERIAL LEGACIES

During 2006 a property was bequeathed to the Charity subject to a life tenancy interest held by a third party. Although contracts have now been exchanged on the sale of this property, the legacy income has not been accrued.

16 INVESTMENTS

At the year end the charitable company owned 180,668 Ordinary 'B' shares of £1 each in the Centre for Alternative Technology plc (2007: 150,218). This represents 18.1% of the non-voting Ordinary 'B' shares. These shares were donated to the charitable company. They have been included at nil value in the balance sheet.

17 ULTIMATE CONTROLLING PARTY

The company is limited by guarantee and has no share capital. Control is vested in the Board of Trustee Directors.

Centre for Alternative Technology Charity Limited

18 RELATED PARTY TRANSACTIONS

At the year end £170,320 (2007: £35,858) was owed by the Centre for Alternative Technology PLC, a related party, as a result of recharges for the use of Charity assets.

An amount of £142,667 (2007: £nil) was owed to the Centre for Alternative Technology PLC for management and facility charges accrued during the year ended 31st December 2008.

These amounts are netted off in the charity accounts as an amount receivable of £27,653 in Note 7: Debtors.