

COMPANY REGISTRATION NUMBER 02218531

**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
31 MARCH 2013**

Charity Number 298951

TUESDAY



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**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

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**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2013**

The trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2013

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Registered charity name</b>	The National Energy Foundation
<b>Charity registration number</b>	298951
<b>Company registration number</b>	02218531
<b>Registered office</b>	The National Energy Centre Davy Avenue Knowhill Milton Keynes MK5 8NG

**President**  
Dr Mary Archer

**The trustees**

The trustees who served the company during the period were as follows

John Walker (Chair)  
Brian White (retired 12 September 2013)  
Godfrey Boyle (retired 12 September 2013)  
John Daggart  
Christopher Gossop  
David Hutchinson  
Professor Kevin Lomas (retired 20 June 2013)  
Professor Tadeusz Oreszczyn (retired 14 August 2013)  
Elizabeth Reason  
Graham Saunders FCA  
Richard Tinson (retired 12 September 2013)  
Andrew Warren  
Fraser Winterbottom  
Andrew Wordsworth

Two trustees have joined the board since the year end

Stewart Fergusson was appointed as a trustee on 26 June 2013  
David Harvey was appointed as a trustee on 15 September 2013

**Secretary** Ian Byrne

**Auditor** Keens Shay Keens MK LLP  
Chartered Accountants  
& Statutory Auditor  
Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

**Bankers** National Westminster Bank plc

# THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Company Information

The National Energy Foundation is a registered charity (no 298951), incorporated as a company limited by guarantee, (company registration number 2218531) and has no share capital, and was established to increase public awareness of the efficient and safe use of energy. The Foundation's current programme is described in detail in the Trustees' Report. The Foundation is governed by its Memorandum and Articles of Association.

The Trustees (but not the President) form the Board of Directors of the Company for the purposes of the Companies Act 2006 and hold office for an indefinite period of time. Members may elect up to 18 Trustees, who are formally appointed by an Annual General Meeting. No Trustee has a beneficial interest in any of the capital of the Foundation or its subsidiaries.

The Trustees have delegated the day to day management of the charity to the principal executive officers of the Foundation who are:

Dr Kerry Mashford	Chief Executive
Ian Byrne	Deputy Chief Executive & Company Secretary

#### Public Benefit

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

- The advancement of environmental protection or improvement

Further details of the Charity's activities during the period are set out in this Report.

#### Appointment of Trustees

In order to obtain a wide spread of experience and appropriate skills the recruitment of Trustees is undertaken through two main methods: a permanent advertisement on the Foundation's website seeking contact from interested parties, and through personal contacts and introductions. Trustees are elected by the members in general meeting and normally serve for a period of three years following which they may serve for further periods of three years.

#### Trustee induction and training

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

#### Volunteers

In common with most charities, the Foundation makes use of volunteers, including providing occasional opportunities for people wishing to gain work experience in the environmental sector. As far as possible volunteers are offered the chance to work on discrete activities that would not be achieved by core staff, to provide defined outcomes that benefit both the charity and the volunteer. The Trustees are very grateful to all those willing to support the charity on a voluntary basis, including through the EU's Leonardo da Vinci programme.

# **THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE**

## **TRUSTEES ANNUAL REPORT *(continued)***

**YEAR ENDED 31 MARCH 2013**

### **OBJECTIVES AND ACTIVITIES**

The National Energy Foundation works to improve the use of energy in buildings. By doing this it meets its principal objective to promote, through education, demonstration and research the innovative, efficient and safe use of energy to increase the public awareness of energy in all its aspects.

The Foundation remains keen that improving the use of energy in buildings is viewed in the broader social and environmental context. Its actions will therefore not only help the UK meet its Climate Change targets, but will also help tackle issues of fuel poverty and security of supply, as well as increasing the skills base of those involved in the use, design and construction of buildings. The Foundation uses more than 20 years' experience in both energy efficiency and renewables to provide an independent and authoritative view in helping develop energy policy and strategy and participates actively in the national debate on energy policy. However, much of the work of the Foundation is carried out through the delivery of practical projects and capacity building measures, often working in collaboration with other organisations and with funding support from bodies such as DECC, Defra, central and local Government agencies or the various programmes of the European Commission.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Information, Advice, Projects and Communities**

Providing practical guidance on improving the public's use of energy is highly important if the UK is to meet its CO<sub>2</sub> reduction targets while continuing to provide affordable warm homes. Information is available for a wide audience through the National Energy Foundation website. The Foundation also works on behalf of third parties such as housing associations and local councils to provide advice and support for their tenants.

At a community level, the Foundation plays a leading role in the Community Energy Practitioners' Forum (CEPF), which shares best practice and creates opportunities for community-based projects to work together. The Foundation gratefully acknowledges funding support from the Sainsbury Family Charitable Trusts for support in developing its work in this area. A common thread is to ensure that advice and information on sustainable energy is supported by appropriate legal and financial structures, including social enterprises such as Community Interest Companies, to enable implementation of grass roots projects. In this context it has helped set up two CICs - Building Retrofit Network CIC and Green Deal Together CIC, which support domestic energy efficiency and Green Deal implementation in geographically defined areas.

In Spring 2013, the Foundation helped Milton Keynes Council obtain funding under the Government's 'Pioneer Places' programme, piloting the Green Deal in the city. This allowed householders and businesses in Milton Keynes to take advantage of free surveys to establish which energy efficiency measures - such as boiler replacements, cavity wall and solid wall insulation, replacement windows and loft insulation - would best suit their property. The Foundation also ran the successful 'Future Wolverton' project, supported financially by DECC and Groundwork, which demonstrated how community involvement can lead to a greater uptake of measures than in a control area.

The Foundation continues to be the project manager for the Superhomes project working closely with the Sustainable Energy Academy (SEA, registered charity no 287998). This programme aims to transform energy efficiency within existing housing stock, especially pre-1939 solid walled properties, through a demonstration programme of innovative "Superhomes" brought up to current standards of comfort.

# THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

SEA also owns patent rights to an innovative means of insulating solid walled properties called WHISCERS. As part of the partnership with SEA, there are three Trustees who serve on the Boards of both charities.

### **Technical and Research Projects**

The Foundation also provides technical support on a remunerated basis that allows it to assist local authorities, housing associations, individuals, community groups and others on a range of matters from energy policy and housing stock assessment through to feasibility studies for small-scale energy improvement projects.

A particular focus in this area is to identify reasons why homes and other buildings rarely achieve their expected energy targets - the so-called "performance gap", and the Foundation is developing a programme of high quality Building Performance Evaluation (BPE) and Building Information Modelling (BIM) activities.

### **Capacity Building**

Improved energy use will only be achieved if it is supported by a strong base of trained installers and robust information on the associated costs, benefits and limitations of typical measures. To facilitate this aim, Foundation undertakes capacity building programmes, where compatible with its charitable objectives, to help develop the infrastructure around sustainable energy in the UK and, on occasion, internationally. These include the provision of secretariat services for the Ground Source Heat Pump Association (GSHPA), the Green Energy Supply Certification Scheme and a Green Deal Providers Group, which worked closely with Government to provide a legal and operational framework to permit the introduction of the Green Deal. The Foundation continued its work on the Carbon Trust Standard until March 2013, when financial restructuring within the Carbon Trust led to the end of the formal links which had developed since the Foundation first took over the Energy Efficiency Accreditation Scheme in 1998. During this 15 year period, over 650 organisations have gained the EEAS/CTS award and have collectively saved in excess of 275 MtCO<sub>2</sub>.

Foundation staff sit on various regional, national and international advisory boards and committees, at levels ranging from community groups through universities to international groups, as part of the Foundation's public benefit provision. In particular it is working closely on ISO standards, including chairing the working group drawing up a standard on determining energy savings calculations in organisations.

### **Energy Efficiency Partnership for Buildings**

On 1 April 2012, the Foundation acquired Energy Efficiency Partnership for Buildings (EEPB), a company limited by guarantee that had been newly established to carry forward projects previously undertaken by a division of the Energy Saving Trust using the trading name on Energy Efficiency Partnership for Homes. EEPB complements the Foundation's work on improving the use of energy in buildings, and is separately managed through its own Board of Directors. Two Trustees of the National Energy Foundation sit on the Board of the Energy Efficiency Partnership for Buildings. Although EEPB traded successfully during the year, plans for it to operate a low-carbon buildings hub failed to materialise, and most activities were transferred from EEPB to the National Energy Foundation in September 2013.

### **The National Energy Centre**

The National Energy Foundation is keen to follow its own advice, and to demonstrate that as an organisation it can use less energy than would be normal for a charity of its size. This is exemplified by the National Energy Centre, which consists of two purpose-built low-energy buildings, serving as a base for a number of firms based in the sector.

# THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE

## TRUSTEES ANNUAL REPORT *(continued)*

**YEAR ENDED 31 MARCH 2013**

The South Building, constructed in 1999, is occupied by its former subsidiary, National Energy Services Limited. The building design incorporates high levels of insulation and thermal mass, the optimum use of natural day lighting and passive ventilation and is heated by a high efficiency gas condensing boiler. The Foundation has installed a 39.2kWp photovoltaic array on the South-facing roof of the building which continues to perform slightly better than expectations. Surplus electricity is sold back into the National Grid.

The Foundation has occupied the North Building since 2004, which demonstrates a contrasting approach to low-energy buildings. This has a low thermal mass, using more natural materials (and so a lower embodied energy) and was built to an even greater standard of energy efficiency. It incorporates several renewable energy features, including light tubes, heating via a Ground Source Heat Pump, a small pellet stove, 6.5kWp of photovoltaic panels and solar water heating. Energy monitoring data shows that this building, which is occupied by the charity but owned by a third party, is performing exceptionally well. The table below summarises the performance of the North Building which is shared with United Sustainable Energy Agency (USEA).

<b>North Building Energy Performance</b>	<b>2013</b>	<b>2012</b>
Net metered electricity use (kWh)	<b>29,730</b>	26,199
PV generated on North Building (kWh)	<b>4,687</b>	5,084
Gross energy consumption (kWh)	<b>34,417</b>	31,283
CO <sub>2</sub> from building electricity (tCO <sub>2</sub> )	<b>13.2</b>	13.7
Average building employees (incl. USEA)	<b>27</b>	29
NEF Employees	<b>20</b>	19
Net energy per square metre (kWh/m <sup>2</sup> )	<b>69.1</b>	60.9
Gross energy per square metre (kWh/m <sup>2</sup> )	<b>80.0</b>	72.8
Gross energy per employee (kWh)	<b>1,274</b>	1,079
PV generation on South Building (kWh)**	<b>34,807</b>	6,373

\*\* Comparative figure is from Installation to 31 March 2012

Some Scope 3 emissions of the charity are also monitored (including transport), but there is a significant margin of error associated with them, so they are not reported here. Energy use rose compared to the previous year, which had been an exceptionally mild winter. The majority of energy use is associated with heating and lighting the building. As it is an open plan single office this stays more or less constant irrespective of the number of employees, so the energy per employee rose due to a further reduction in staff numbers.

The Foundation's energy performance led to it being awarded the Carbon Trust Standard in 2013 and, in particular, receiving the award for being the 'Best in Relative Carbon Reduction (2012-13)'. The Carbon Trust Standard links energy consumption to financial turnover, so is a carbon intensity metric.

# THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

### FINANCIAL REVIEW

#### Financial performance for the group

The charity reported a deficit for the year of £6,102. Trustees consider this result to be a satisfactory outcome for the year given the difficult funding climate.

Group accounting policy is to write off development expenditure as it is incurred, even when it results in marketable intangible assets such as software.

#### Reserves

The Trustees believe that adequate reserves should be held to maintain the work of the Foundation in promoting energy efficiency and renewable energy. After consideration, the Trustees have determined that the free reserves equivalent to six months normal recurring expenditure will suffice, after allowing for the Foundation's investment in fixed assets and the subsidiary company.

#### PLANS FOR FUTURE PERIODS

As recorded in last year's report, the Trustees of the Foundation have decided to target its activities more closely on improving the use of buildings, and to limit its activities in renewable energy or sustainable transport to those that are directly linked to buildings.

The knock-on effects from the withdrawal of most central Government funding for the two non-departmental public bodies active in the field (the Energy Saving Trust and the Carbon Trust) continue to affect the sector. In particular this led to a decision by the Carbon Trust to take all administrative activities associated with the Carbon Trust Standard in-house with effect from 1 April 2013, in turn the Foundation had to lose a number of a number of staff and this will result in a lower turnover in 2013-4. An approach from United Sustainable Energy Agency (USEA) during 2012 resulted in an agreement for the Foundation to take on USEA's activities with effect from 1 April 2013. USEA was set up as a European Energy Agency by the Foundation and Milton Keynes Council in 1998, and had operated a number of EST-funded projects, most recently it has mainly been involved in working with local authorities to provide sustainable energy services and to operate affordable warmth initiatives. As noted above, the Foundation has also reviewed the rationale for maintaining Energy Efficiency Partnership for Buildings as a separate entity, and subsequently the Board of EEPB agreed to close its offices in London, regretfully making all staff redundant, and transferred certain activities to the Foundation. Most recently, the Foundation has started discussions with the Board of Sustainable Energy Academy about ways in which the two charities may operate more effectively as a single entity. The likely outcome is that the majority of personnel and projects from the four legal entities will have been combined into a single strengthened charity by March 2014.

The National Energy Foundation has been able to lead this consolidation due to its strong reserves and a broad range of clients and partners (including other charities, trade bodies and the European Union). It remains well-positioned to use its more than twenty years' experience in the sector to contribute towards the major changes necessary in the UK and internationally in order to combat climate change through improving the use of energy in buildings.



# THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

### TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of the National Energy Foundation for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 company and the income and expenditure of the company 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 in the Charities SORP,  
make judgements and accounting estimates that are reasonable and prudent, and  
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### AUDITOR

Keens Shay Keens MK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirms that

There is no relevant audit information of which the charitable company's auditor is unaware, and

The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office  
The National Energy Centre  
Davy Avenue  
Knowlhill  
Milton Keynes  
MK5 8NG

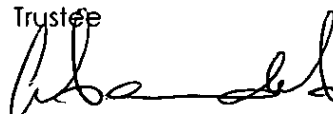
Signed on behalf of the trustees

JOHN WALKER (CHAIR)  
Trustee



13/12/2013

GRAHAM SAUNDERS  
Trustee



# **THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NATIONAL ENERGY FOUNDATION**

**YEAR ENDED 31 MARCH 2013**

We have audited the financial statements of the National Energy Foundation for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 company's those matters we are required to state to them in an auditor's 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 company and the company's as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

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 2013 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.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
NATIONAL ENERGY FOUNDATION *(continued)***

**YEAR ENDED 31 MARCH 2013**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the 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

Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

SIMON GILL FCCA (Senior Statutory Auditor)  
For and on behalf of  
KEENS SHAY KEENS MK LLP  
Chartered Accountants & Statutory Auditor

19/12/2013

**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 MARCH 2013**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generating funds					
Activities for generating funds	2	208,283	–	208,283	157,869
Incoming resources from charitable activities	3	1,132,148	–	1,132,148	969,386
<b>TOTAL INCOMING RESOURCES</b>		<u>1,340,431</u>	<u>–</u>	<u>1,340,431</u>	<u>1,127,255</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	4/5	(1,305,916)	(25,274)	(1,331,190)	(1,002,417)
Governance costs	6	(15,343)	–	(15,343)	(26,872)
<b>TOTAL RESOURCES EXPENDED</b>		<u>(1,321,259)</u>	<u>(25,274)</u>	<u>(1,346,533)</u>	<u>(1,029,289)</u>
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR</b>	8	19,172	(25,274)	(6,102)	97,966
Realised gains on disposal of investment assets		–	–	–	1,211,693
<b>NET MOVEMENT IN FUNDS/NET (EXPENDITURE)/INCOME FOR THE YEAR</b>		19,172	(25,274)	(6,102)	1,309,659
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>1,740,076</u>	<u>1,494,113</u>	<u>3,234,189</u>	<u>1,924,530</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>1,759,248</u>	<u>1,468,839</u>	<u>3,228,087</u>	<u>3,234,189</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 12 to 18 form part of these financial statements

**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET**

**31 MARCH 2013**

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	10	1,396,632	1,423,046
Investments	11	3	3
		<u>1,396,635</u>	<u>1,423,049</u>
<b>CURRENT ASSETS</b>			
Debtors	12	643,074	772,582
Cash at bank		1,471,010	1,474,825
		<u>2,114,084</u>	<u>2,247,407</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>(282,632)</u>	<u>(436,267)</u>
<b>NET CURRENT ASSETS</b>		<u>1,831,452</u>	<u>1,811,140</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,228,087</u>	<u>3,234,189</u>
<b>NET ASSETS</b>		<u>3,228,087</u>	<u>3,234,189</u>
<b>FUNDS</b>			
Restricted income funds	15	1,468,839	1,494,113
Unrestricted income funds	16	1,759,248	1,740,076
<b>TOTAL FUNDS</b>		<u>3,228,087</u>	<u>3,234,189</u>

These financial statements were approved by the members of the committee and authorised for issue on the ~~13~~ 12 2013 and are signed on their behalf by

  
JOHN WALKER (CHAIR)  
Director

Company Registration Number 02218531

The notes on pages 12 to 18 form part of these financial statements

**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005)

**Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity

Designated funds are unrestricted funds earmarked by the trustees for particular purposes

Restricted Endowment funds relate to the contribution from the Commission for the New Towns (CNT) for the construction of the National Energy Centre in 1998-9. All other funds controlled by the charity are for general purposes and may be used in furtherance of any of the company's charitable objects

**Resources expended**

Resources expended are recognised when a liability is incurred " Costs of generating funds are those costs incurred in trading activities that raise funds " Charitable activities include expenditure associated with the tasks to satisfy the objectives and include both the direct costs and support costs relating to these activities " Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements

**Fixed assets**

All fixed assets are initially recorded at cost

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the statement of financial activities

# THE NATIONAL ENERGY FOUNDATION COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

### 1. ACCOUNTING POLICIES *(continued)*

#### Incoming resources

The income shown in the Statement of Financial Activities represents grants received and amounts receivable for services provided during the period, exclusive of VAT. "Performance related grants received are recognised as an incoming resource to the extent that they are expended during the year. Unspent grants are carried forward as deferred income in the Balance Sheet to be matched against further costs. "Income from consultancy in connection with specific projects of the company and the group is recognised at the time that the work is provided." Income from other sources is recognised at the time that the service is supplied.

#### Donations and gift aid

There is an option for the public to make donations to the charity on the website, but this is not actively pursued by the charity.

#### Taxation

The company is exempt from any corporation tax liability due to its charitable status.

### 2. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Other activities for generating funds	<u>208,283</u>	<u>208,283</u>	<u>157,869</u>

### 3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Project income	1,132,148	1,132,148	854,333
Consultancy	-	-	115,053
	<u>1,132,148</u>	<u>1,132,148</u>	<u>969,386</u>

### 4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Support costs	<u>1,305,916</u>	<u>25,274</u>	<u>1,331,190</u>	<u>1,002,417</u>

### 5. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Support costs £	Total Funds 2013 £	Total Funds 2012 £
Charitable activity	<u>1,331,190</u>	<u>1,331,190</u>	<u>1,002,417</u>

**THE NATIONAL ENERGY FOUNDATION  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2013**

**6. GOVERNANCE COSTS**

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Audit fees	8,949	8,949	14,548
Legal fees	2,585	2,585	11,655
Trustee expenses	3,809	3,809	669
	<u>15,343</u>	<u>15,343</u>	<u>26,872</u>

**7. SUPPORT COSTS**

	2013 £	2012 £
Property costs	141,944	96,895
Depreciation	35,992	33,010
Office costs	47,580	42,359
Staff costs	749,063	666,338
Other support costs	356,611	163,815
	<u>1,331,190</u>	<u>1,002,417</u>

**8. NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR**

This is stated after charging

	2013 £	2012 £
Staff pension contributions	15,923	18,610
Auditors' remuneration		
- audit of the financial statements	8,949	14,548
Operating lease costs		
- Other	<u>332,382</u>	<u>160,859</u>

**9. STAFF COSTS AND EMOLUMENTS**

Total staff costs were as follows:

	2013 £	2012 £
Wages and salaries	671,107	587,488
Social security costs	62,033	60,240
Other pension costs	15,923	18,610
	<u>749,063</u>	<u>666,338</u>

No trustees of the charity received emoluments during the year



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**9. STAFF COSTS AND EMOLUMENTS (continued)**

**Particulars of employees:**

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	<b>2013</b>	2012
	<b>No</b>	No
Number of management and admin staff	<b>4</b>	3
Number of other staff - project, sales and technical	<b>20</b>	15
	<b><u>24</u></b>	<u>18</u>

Trustees received reimbursed expenses of £3,809 (2012 £669)

The number of employees, whose remuneration for the year fell within the following bands, were

	<b>2013</b>	2012
	<b>No</b>	No
£90,000 to £99,999	<b>-</b>	1
	<b><u>-</u></b>	<u>1</u>

**10. TANGIBLE FIXED ASSETS**

	<b>Freehold property - Cost b/f &amp; Freehold improvements</b>	<b>Equipment</b>	<b>Leasehold Property</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>				
At 1 April 2012	1,727,892	61,201	4,811	1,793,904
Additions	2,599	6,979	-	9,578
<b>At 31 March 2013</b>	<b><u>1,730,491</u></b>	<b><u>68,180</u></b>	<b><u>4,811</u></b>	<b><u>1,803,482</u></b>
<b>DEPRECIATION</b>				
At 1 April 2012	320,086	50,505	267	370,858
Charge for the year	29,274	6,183	535	35,992
<b>At 31 March 2013</b>	<b><u>349,360</u></b>	<b><u>56,688</u></b>	<b><u>802</u></b>	<b><u>406,850</u></b>
<b>NET BOOK VALUE</b>				
<b>At 31 March 2013</b>	<b><u>1,381,131</u></b>	<b><u>11,492</u></b>	<b><u>4,009</u></b>	<b><u>1,396,632</u></b>
At 31 March 2012	1,407,806	10,696	4,544	1,423,046

The cost figures for land and buildings in the company include a sum of £352,500 (2012 £352,500) at valuation for the land on which the National Energy Centre building is situated. This land was granted to the Foundation by the Commission for the New Towns.

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**YEAR ENDED 31 MARCH 2013**

**11. INVESTMENTS**

**Movement in market value**

	2013 £	2012 £
Market value at 1 April 2012	3	109,424
Disposals at opening book value	-	(109,421)
Market value at 31 March 2013	<u>3</u>	<u>3</u>
Historical cost at 31 March 2013	<u>3</u>	<u>3</u>

**Analysis of investments at 31 March 2013 between funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
<b>Other investments</b>				
UK Group undertakings	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>

The principal companies in which the charity has an interest of more than 20% are as follows

<b>Company</b>	<b>Principal Activity</b>
Energy Advisory Services Limited	Dormant company
The National Energy Centre Limited	Dormant company
The Home Energy Rating Scheme Limited	Dormant company

All of the above companies are 100% subsidiaries. The charitable company owns one share in each company and a second share in each is owned by a fellow subsidiary. All of the above companies are incorporated in England and Wales.

**12. DEBTORS**

	2013 £	2012 £
Trade debtors	282,302	448,265
Amounts owed by group undertakings	130,035	-
Other debtors	150,015	253,348
Prepayments	80,722	70,969
	<u>643,074</u>	<u>772,582</u>

**13. CREDITORS: Amounts falling due within one year**

	2013 £	2012 £
Trade creditors	44,387	29,199
Taxation and social security	79,358	93,986
Other creditors	100,321	252,452
Accruals	58,566	60,630
	<u>282,632</u>	<u>436,267</u>

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**YEAR ENDED 31 MARCH 2013**

**14. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as set out below

	<b>2013</b>		<b>2012</b>	
	<b>Land and buildings £</b>	<b>Other items £</b>	<b>Land and buildings £</b>	<b>Other items £</b>
<b>Operating leases which expire:</b>				
Within 2 to 5 years	-	1,736	-	1,736
After more than 5 years	<u>56,500</u>	<u>-</u>	<u>56,500</u>	<u>-</u>
	<u><b>56,500</b></u>	<u><b>1,736</b></u>	<u><b>56,500</b></u>	<u><b>1,736</b></u>

**15. RESTRICTED INCOME FUNDS**

	<b>Balance at 1 Apr 2012 £</b>	<b>Outgoing resources £</b>	<b>Balance at 31 Mar 2013 £</b>
Restricted Funds	<u>1,494,113</u>	<u>(25,274)</u>	<u>1,468,839</u>

**16. UNRESTRICTED INCOME FUNDS**

	<b>Balance at 1 Apr 2012 £</b>	<b>Incoming resources £</b>	<b>Balance at 31 Mar 2013 £</b>
General Funds	<u>1,740,076</u>	<u>19,172</u>	<u>1,759,248</u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible fixed assets £</b>	<b>Investments £</b>	<b>Net current assets £</b>	<b>Total £</b>
<b>Restricted Income Funds:</b>				
Restricted Funds	1,301,269	-	167,570	1,468,839
<b>Unrestricted Income Funds</b>	<u>95,363</u>	<u>3</u>	<u>1,663,882</u>	<u>1,759,248</u>
<b>Total Funds</b>	<u><b>1,396,632</b></u>	<u><b>3</b></u>	<u><b>1,831,452</b></u>	<u><b>3,228,087</b></u>

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**18. RELATED PARTY TRANSACTIONS**

During the year, the company entered into the following transactions with National Energy Services Limited, its former trading subsidiary

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Inter-company balance debtor	<b>42,241</b>	<b>-</b>
Income received	<b>123,233</b>	<b>40,680</b>
Expenditure	<b>-</b>	<b>1,422</b>

During the year, the company entered into the following transactions with United Sustainable Energy Agency, a non-profit company limited by guarantee with officers in common

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade debtor	<b>24,966</b>	<b>24,106</b>
Income received	<b>36,638</b>	<b>29,067</b>

During the year, the company entered into the following transactions with Sustainable Energy Academy, a charity incorporated as a company limited by guarantee with officers in common

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Trade debtor	<b>13,372</b>	<b>10,476</b>
Income received	<b>57,154</b>	<b>42,508</b>

**19. COMPANY LIMITED BY GUARANTEE**

The charity is a company limited by guarantee. The members of the company are the trustees, and in the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.