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Registered Company No 101660 (Scotland)  
Registered Charity No. Sco 09280

**ENERGY ACTION SCOTLAND**  
**(A company limited by guarantee)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**



**ENERGY ACTION SCOTLAND**  
**(A company limited by guarantee)**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

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## **ENERGY ACTION SCOTLAND**

**(A company limited by guarantee)**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Charity name</b>	Energy Action Scotland	
<b>Charity registration number</b>	SCO 09280	
<b>Company registration number</b>	101660	
<b>Registered office And operational address</b>	Suite 4a Ingram House 227 Ingram Street Glasgow G1 1DA	
<b>Board of Directors</b>	Christine Davis CBE (S) George Thom (M) Hamilton Smillie MBE (S) Laura McGadie (M) Sandra Martin (M) Eddie Lafferty (S) Andrew Kilpatrick (M) David Sigsworth (S) Jenny Saunders (R) Ian Watson CBE (M) David McNeish (M) Alison Crook (M) Stewart Wilson (M) Allan Hutton (M)	Convener Vice Convener Treasurer
 * M = Member Director, S = Special Director and R = Representative Director		
<b>Advisors to the Board</b>	Professor Thomas Carbery OBE	
<b>Honorary President</b>	Lord O'Neill of Clackmannan	
<b>Honorary Vice President</b>	Jackie Baillie MSP Sir Robert Smith John Swinney MSP (until 26 May 2008)	
<b>Company Secretary</b>	Norman Kerr	

## **ENERGY ACTION SCOTLAND**

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### **LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Senior Management Team</b>	Norman Kerr Elizabeth Gore	Director <i>Deputy Director and Public Relations and Information Manager</i>
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<b>Auditors</b>	Wylie and Bisset, 168 Bath Street, Glasgow, G2 4TP
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<b>Bankers</b>	The Bank of Scotland, Gordon Street, Glasgow, G1 3RS
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<b>Solicitors</b>	Burness, 242 West George Street, Glasgow, G2 4QY
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## **ENERGY ACTION SCOTLAND**

**(A company limited by guarantee)**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2008. The legal and administrative information on pages 1 and 2 forms part of this report.

#### **Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the directors.

The Trustees who served during the year and since the year end were as follows:

#### **Board of Directors**

Christine Davis CBE (S)	Convener
George Thom (M)	Vice Convener
Hamilton Smillie MBE (S)	Treasurer
Laura McGadie (M)	
Sandra Martin (M)	
Eddie Lafferty (S)	
Andrew Kilpatrick (M)	
David Sigsworth (S)	
William Gillis (R)	(until 23 August 2007)
Jenny Saunders	(from 23 August 2007)
Archie Stoddart (M)	
Ian Watson CBE (M)	
David McNeish (M)	
Alison Crook (M)	(from 7 November 2007)
Stewart Wilson (M)	(from 24 April 2008)
Allan Hutton (M)	(from 24 April 2008)
James Thomson (S)	(until 7 November 2007)
Barbara Atterson (M)	(until 7 November 2007)
Liz Marquis (M)	(until November 2007)
Jeanie Morrison MBE (M)	(until November 2007)

\* M = Member Director, S = Special Director and R = Representative Director

#### **Structure, Governance and Management**

##### Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 17 October 1986. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

##### Recruitment and Appointment of the Charity's Board of Directors

The Directors of the company are also the charity's trustees and are known as the Directors. The board consists of three types of Directors, Member Directors, Special Directors and a Representative Director. Directors are appointed to the board under the following procedures:

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

All full voting members of Energy Action Scotland are eligible to stand for election to the board of Directors as Member Directors. Member Directors are chosen by the members at the Annual General Meeting (AGM), normally held in November of each year at the charity's Annual Conference. Member Directors elected are eligible to serve for a three year term after which they may present themselves for a further period of service by standing at an AGM. Member Directors are able to serve a maximum of two three year periods after which they must stand down for a minimum period of one year before becoming eligible for re-election.

Special Directors are appointed by the Member Directors after the AGM and must be appointed annually. Special Directors may only serve for a period of six one year terms before stepping down for a minimum period of one year before they may be considered for further service on the board. Special Directors are chosen by the Member Directors for their specialist knowledge in areas where the board believes it is lacking in knowledge, for example in the detailed working of the fuel utilities, finance or housing.

The Representative Director is appointed from National Energy Action, a charity based in England which operates in the same sphere of activities as Energy Action Scotland, namely fuel poverty. A seat as a Representative Director is offered to the charity's Trustees who in turn nominate a representative from the senior management team.

Advisors to the board are chosen by the full board to give added depth and support to aid the board and the charity in their work. Currently the board has the service of one advisor, Professor Thomas Carbery OBE who gives advice on policy and politics.

#### Director Induction and Training

When a Director is elected by the membership at the AGM or appointed by the board as Special Directors there are a number of actions that will follow. In addition to completing all necessary paperwork for Companies House, the newly elected Director will receive a board pack from the charity. This pack contains copies of the current corporate and work plans, declaration of interest form, staff structure chart, details of other Directors, minutes of the last three board meetings and the list of dates for the next year's board meetings.

Each elected or appointed Director is also invited to spend half a day with the Director (the title given by the company to its senior manager) for an induction. During the induction, the newly elected/appointed Director receives information about their remit as a board member, a briefing on the corporate and work plans and is advised of other board responsibilities such as declaration of interests.

Energy Action Scotland is a member of the Legal Services Agency (LSA), a group which provides a range of training and support services of a legal nature to the voluntary sector. Each year LSA runs a number of courses aimed at supporting company secretaries and trustees. Energy Action Scotland makes places at this course available to elected/appointed Directors and in particular to Directors who do not hold or have held senior executive posts within their own organisations.

All elected members are chosen from member organisations and as such are well aware of Energy Action Scotland and its work. Special Directors are chosen for their expertise and will all be aware of Energy Action Scotland, although perhaps not to the same extent as members. Special attention is given to developing an appropriate induction session for these Directors.

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

#### **Risk Management**

The company undertook a formal risk management process with the aid of its auditors in 2004. From this assessment a risk management register has been developed. This is reviewed annually. There are a number of key documents which support the risk management strategy which include a finance manual, which sets down financial limits and authorities for the management team, an administration manual, a health and safety policy, a project management register and a reserves policy. Policy documents and procedures are reviewed by the board on an annual basis and amended to take account of current risks internal and external to the organisation.

Additionally there are board meetings, which are held on a quarterly basis, to which reports on current and planned activities are presented, along with financial reports detailing monthly accounting information. Monthly management accounts are also prepared and reviewed against budget and presented to the Treasurer on a monthly basis.

#### **Organisational Structure**

Energy Action Scotland is managed by a board of no more than 17 Directors, this is split into Member Directors and Special Directors with one Representative Director.

Member Directors are chosen by the members at the Annual General Meeting (AGM), normally held in November of each year at the charity's Annual Conference. Member Directors elected are eligible to serve for a three year term after which they may present themselves for a further period of service by standing at an AGM. Member Directors are able to serve a maximum of two three year periods after which they must stand down for a minimum period of one year before becoming eligible for re-election.

Special Directors are appointed by the Member Directors after the AGM and must be appointed annually. Special Directors may only serve for a period of six one year terms before stepping down for a minimum period of one year before they may be considered for further service on the board. Special Directors are chosen by the Member Directors for their specialist knowledge in areas where the board believes it is lacking in knowledge, for example in the detailed working of the fuel utilities, finance or housing.

The day to day operations of the organisation are delivered by the full time employees of the charity and the board delegate their authority for this day to day management to the company's senior employee, the Director. The Director is currently also the Company Secretary and has a team of eight full time staff under his direction. The Director is supported by three members of staff who each hold senior managerial positions, that is, the Public Relations and Information Manager who also currently holds the post of Deputy Director, the Technical and Training Manager, and the Development Manager. The post of Deputy Director is not attached to any one managerial position and can sit with any post as felt appropriate by the Board in consultation with the Director.

#### **Objectives and Activities**

The charity's objects and principal activities are to

- promote the concept of energy action to the public, the media and local community organisations, to provide an information service about energy action
- encourage and promote for charitable purposes the formation of local energy action schemes by providing education, instruction and support

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

These objectives are stated in the Memorandum and Articles of Association. The activities of the charity are detailed in the three year Corporate Plan and an Annual Workplan. As part of the ongoing corporate governance the Board with the Director reviewed the usefulness of Corporate Plan and Business Plan model in use over a number of years. As a result of that review process which took place during the 2006 – 2007 financial year a new model of Corporate Plan was introduced for the 2007 to 2010 period. This new model was constructed by the board and staff members at a strategic planning session to which all members of staff and board were invited. This in turn led to a move from the previous Business planning model to the use of a yearly Workplan. The Workplan details the activities of the charity over the financial year in pursuance of the Corporate Plan. In summary there are five strategic aims with key performance indicators and outcomes set against each individual aim, the five strategic aims are

- Raising awareness of fuel poverty, particularly as it affects low income households, maintaining fuel poverty as a national issue of high priority, and working towards affordable warmth for all,
- Identifying effective solutions which can transform cold, damp houses into warm, dry homes,
- Researching fuel poverty and related issues in order to provide in depth understanding of the causes and effects and to promote best practice,
- Securing public and private investment for domestic energy efficiency initiatives, and
- Ensuring that the organisation is financially stable and has security of finance that allows the organisation to function effectively

#### Achievements and Performance

The main areas of the charity's work over the last year were to raise awareness of fuel poverty, identify effective solutions to fuel poverty, undertake research into fuel poverty, and to secure public and private investment for energy efficiency initiatives.

#### Raising Awareness

Energy Action Scotland ran a very successful annual conference entitled Fuel Poverty – The social Cost of Carbon. The conference which was the charity's 21st annual conference attracted speakers from across the UK and providing an opportunity for 176 delegates to learn more about the causes and effects of fuel poverty. Interactive workshops which contributed to setting the agenda for those companies and organisations involved in the delivery of many practical services to fuel poor households were a key feature of the conference.

The charity continued to provide forums for members and other interested groups to give further information about and increase awareness of fuel poverty and its associated problems. Forums were held quarterly for those working directly on a day to day basis with fuel poor and vulnerable households, forums for housing professionals involved in fuel poverty and domestic energy efficiency were held bi monthly, and forums to raise awareness of technical solutions relating to housing and building standards were held twice within the year.

Energy Action Scotland also provides meetings for its Business Supporters Group. Meetings are organised every four months and provide the opportunity for the Business Supporters of Energy Action Scotland to receive information on the current fuel poverty initiatives being delivered by the charity and policy decisions taken by the Scottish Government. The meeting also allows the business community to provide information on the products and services they are providing or developing for fuel poor and vulnerable households.



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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

Energy Action Scotland organised the Warm Homes Campaign 2007 in Scotland during which 23 MPs and MSPs visited the homes of constituents who were having their homes made more energy efficient by means of insulation and heating programmes

In May 2007 Scottish Parliamentary elections took place and in preparation for this Energy Action Scotland produced "Living with a Warm Home and a Carbon Footprint" as its election manifesto. This was issued to every prospective MSP across all political parties. The charity also took part in a BBC television election special relating to energy just prior to the elections in May.

Additionally Energy Action Scotland provides a weekly e news service to its members to provide information on the most relevant events, consultations, announcements and news relating to fuel poverty. This is supported by the publication of the charity's quarterly magazine Energy Review which is distributed to its 700 members and key organisations and individuals across Scotland.

#### Identifying Practical Solutions

Energy Action Scotland worked with several housing providers throughout the year to help them identify their own practical solutions for those fuel poor and vulnerable households living within their areas. The organisation did this by providing eight free consultancy visits to its housing provider members.

Energy Action Scotland delivered a very successful Pharmacy Leaflet project issuing advice leaflets to every Pharmacy outlet in Scotland during the winter period. Additionally Energy Action Scotland delivered the Energy Challenge project with CSV, providing training to CSV volunteers, producing an Energy Champions handbook and provided ongoing support to CSV for delivery of the project during the year.

Energy Action Scotland also worked with housing groups and voluntary sector bodies to provide training to front line staff that would, on a day to day basis, have contact with fuel poor and vulnerable households. By virtue of the training provided by the charity these staff were able to offer practical advice and information to householders who they identified as at risk of fuel poverty. Energy Action Scotland provided seven four day City and Guilds Energy Awareness courses, nine bespoke one day courses for voluntary sector groups and housing professionals, four more technically orientated National Home Energy Rating courses for housing professionals, three courses in conjunction with the Building Research Establishment (BRE) and six courses for Scottish Building Control Officers. In total 346 people received training in energy efficiency/fuel poverty and technical aspects of housing energy standards.

#### Undertaking Research

Energy Action Scotland undertook one major research project during the year via the UK Fuel Poverty Monitor. This had the dual purpose of presenting the current situation in the constituent countries of the United Kingdom and considering how fuel poverty policy decisions, resting with Westminster, can be revised and strengthened to make energy affordable for vulnerable households. This research was undertaken in conjunction with NEA.

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

#### Securing Public and Private Investment for Energy Efficiency Initiatives

Energy Action Scotland works with a range of private sector companies to secure funding for energy efficiency initiatives via an annual sponsorship programme. Initiatives this year included an energy efficiency and fuel poverty awareness programme for community buildings.

Two community facilities were identified by local politicians, the buildings were then surveyed for energy efficiency improvements, and on completion of the practical works, local people using the facility were invited to an energy awareness training session. Having seen the work being undertaken in the facility, local users are more likely to undertake energy efficiency work in their own homes and be encouraged to apply for grants to reduce energy consumption and so become more energy efficient. A further two buildings have been identified and will be completed during 2008.

The charity continued to run the Energy Action Scotland EnergySavers Award. This annual award is designed to reward and promote projects that have over the previous year saved energy and make homes more energy efficient. The award provides recognition for the work undertaken and the sponsorship raised goes largely to providing a cash prize to the first and second placed entries. The winners are also able to use the award to promote and gain further recognition for their projects.

#### **Financial Review**

As the energy supply industry continues to work with a relatively small number of suppliers due to mergers and company takeovers, there is an ongoing challenge for the charity to raise sponsorship for the practical and research projects it seeks to undertake. However the charity did secure sponsorship from a range of private sector funders which amounted to £207,203 to undertake its work in research, awareness raising and information services and practical projects.

#### Principal Funding Sources

Apart from private sector sponsorship, the charity also receives funding by means of a grant from the Scottish Government. This grant is agreed in a three year funding cycle and a workplan linked to the funding is agreed annually between the Scottish Government and the charity. Additionally the charity raises funds by means of the provision of training and consultancy services. Details of all funding to the charity are shown in the following pages.

#### Reserves Policy

The board of the charity adopted a formal reserves policy in 1998 which was revised in 2001 and further reviewed in summer 2006. The current reserves policy covers the following:

- To provide nine months charitable running costs with a target date at present of 10 years. This will be reviewed in light of changes due to SORP 2005 and annually thereafter. This will include staff costs, rent, telephone and postage and other liabilities for projects being run by Energy Action Scotland.
- To meet longer term liabilities that would include redundancy payments to staff and the costs of settling leases on the building, telephones etc.

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008**

#### **Plans for future periods**

The charity plans to continue with the stated main activities as outlined above in the forthcoming years, subject to sound financial funding and sponsorship agreements. Future projections for the price and security of supply of domestic fuel continue to show that fuel poverty is unlikely to be eradicated within the foreseeable future. Challenges still remain in lifting the standard of housing to become more energy efficient and less fuel dependent. The work the charity undertakes with housing providers, both at local authority and housing association level, continues to grow, as is the demand for training of front line staff who will be the main point of contact between housing providers and their vulnerable and fuel poor tenants.

A major change for all householders and housing providers is the introduction of Energy Performance Certificates in December 2008. This change will see every home when leased, sold or rented out, having a requirement to provide an energy certificate to the incoming householder. This is a step change of some enormity in providing information to the public on the energy efficiency of their homes. This will also require a new type of energy surveyor and a transformation of skills for those already active in the energy surveying arena. EAS has in partnership with a member organisation, provided all energy surveying training in Scotland within the public and charitable sector over the past 12 years and intends to utilise the significant opportunities in the introduction of EPCs.

The Scottish Government has made a number of formal pledges and set target dates against eradicating fuel poverty by 2016 and has indicated that it wishes to continue to use the services of the charity to support it in these objectives. This is demonstrated by the yearly funding and Government workplan and in addition, the Government has invited the charity to sit on its newly reformed Fuel Poverty Forum.

## ENERGY ACTION SCOTLAND

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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2008

#### Responsibility of the Board of Directors

Company law requires the board of Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of those resources, including income and expenditure, for the financial year. In preparing those financial statements, the board should follow best practice and

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis

The board of Directors is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The board of Directors is also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Members of the Board of Directors

Directors of Energy Action Scotland are for the purposes of charity law the charity's Trustees and those who served during the year and up to the date of this report are set out on page three.

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 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 were made aware of that information.

#### Auditors

Wylie & Bisset were reappointed as the charity's auditors at the Annual General Meeting in November 2005 for a provisional period of three years. However, the appointment must be ratified annually at the Annual General Meeting. The Board of Directors have been advised by Wylie & Bisset LLP that they are willing to continue in that capacity. Wylie & Bisset LLP succeeded Wylie & Bisset as auditors to the company subsequent to the year-end.

The Board of Directors as part of their best practice in governance have agreed that there will be a formal tender process for auditing services every three years and note in these accounts that the next formal tendering process will be undertaken by them in 2008.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the board of Directors on 21 August 2008 and signed on its behalf by

Christine Davis (Convener)



Hamilton Smillie (Treasurer)



**FOR THE YEAR ENDED 31 MARCH 2008**

This report is issued in respect of an audit carried out under section 235 of the Companies Act 1985 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005

We have audited the financial statements of Energy Action Scotland for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared in accordance with accounting policies set out therein.

The report is made exclusively to the members, as a body, in accordance with section 235 of the Companies Act 1985, and to the charity's trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and the charity's trustees 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 charity, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who are the directors of the charity for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Companies Act 1985, the Charities and Trustee Investment (Scotland) Regulations 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements, if the charity has not kept proper accounting records, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with the International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charity'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 misstatement, 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES  
AND MEMBERS OF ENERGY ACTION SCOTLAND**

**Wylie<sup>+</sup> Bisset LLP**

Chartered Accountants  
Business & Tax Advisers

**FOR THE YEAR ENDED 31 MARCH 2008**

**Opinion**

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2008, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investments (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006,
- the information given in the Trustees' Annual Report is consistent with the financial statements

*Wylie Bisset LLP*

**WYLIE & BISSET LLP**  
Chartered Accountants  
Registered Auditors

168 Bath Street  
Glasgow  
G2 4TP

Date 21 August 2008

**ENERGY ACTION SCOTLAND****(A company limited by guarantee)****STATEMENT OF FINANCIAL ACTIVITIES****(including Income and Expenditure Account)****FOR THE YEAR ENDED 31 MARCH 2008**

		<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2008 Total £</b>	<b>2007 Total £</b>
<b>Incoming Resources</b>					
Incoming resources from voluntary funds					
Voluntary income	3	71,012		71,012	74,539
Activities for generating funds	4	47,709		47,709	52,831
Investment income	5	3,474		3,474	4,274
Incoming resources from charitable activities	6	322,962	6,000	328,962	308,554
<b>Total Incoming Resources</b>		<u>445,157</u>	<u>6,000</u>	<u>451,157</u>	<u>440,198</u>
<b>Resources expended</b>					
Costs of generating funds					
Costs of generating voluntary income	7	67,897		67,897	64,021
Costs of fundraising, conferences and events	8	39,270		39,270	41,007
Charitable activities	9	348,273	6,000	354,273	349,470
Governance costs	10	7,278		7,278	6,292
<b>Total Resources Expended</b>		<u>462,718</u>	<u>6,000</u>	<u>468,718</u>	<u>460,790</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(17,561)		(17,561)	(20,592)
<b>Transfers</b>					
<b>Net (expenditure)/income for the year</b>		<u>(17,561)</u>		<u>(17,561)</u>	<u>(20,592)</u>
<b>Reconciliation of Funds</b>					
Total funds brought forward	19,20	113,156		113,156	133,748
Total funds carried forward	19,20	<u>95,595</u>		<u>95,595</u>	<u>113,156</u>

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

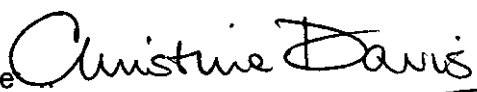
All incoming resources and resources expended derive from continuing activities


**ENERGY ACTION SCOTLAND****(A company limited by guarantee)****BALANCE SHEET AT 31 MARCH 2008**

	Notes	£	2008 £	2007 £
<b>FIXED ASSETS</b>				
Tangible Assets	15		3,338	4,253
<b>CURRENT ASSETS</b>				
Debtors	16	39,378		89,778
Cash at bank and in hand		113,657		69,658
		<u>153,035</u>		<u>159,436</u>
Creditors amounts falling due within one year	17	<u>60,778</u>		<u>50,533</u>
<b>NET CURRENT ASSETS</b>			92,257	108,903
<b>NET ASSETS</b>			<u>95,595</u>	<u>113,156</u>
<b>Unrestricted Funds</b>				
General Funds	20		95,595	113,156
<b>Restricted Funds</b>	19			
<b>TOTAL FUNDS</b>			<u>95,595</u>	<u>113,156</u>

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

Approved by the Trustees and signed on their behalf

Name   
Christine Davis (Convener)

Name   
Hamilton Smillie (Treasurer)

Date: 21 August 2008



# **ENERGY ACTION SCOTLAND**

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## **NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

### **1. Accounting Policies**

#### **a) Basis of preparation**

The financial statements have been prepared under the historic cost convention and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are set out below.

#### **b) 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 funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### **c) Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods, or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

# ENERGY ACTION SCOTLAND

(A company limited by guarantee)

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2008

### 1. Accounting Policies (continued)

#### d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in Note 11.

#### e) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £250 are capitalised, together with any incidental expenses of acquisition.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, fittings and equipment	20% 33 <sup>1</sup> / <sub>3</sub> % reducing balance
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#### f) Operating leases

Rentals paid under operating leases are charged to the statement of financial activities. The obligation to pay future rentals on operating leases is shown by way of a note to the Accounts.

#### g) Pension scheme

The pension costs charged against surpluses represent the amount of employer's contributions payable to the scheme in respect of the accounting period in accordance with FRS 17.

#### h) Taxation

The company is a charity within the meaning of Section 506(1) of the Taxes Act 1988. Accordingly the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 505 of the Taxes Act 1988 or Section 256 of Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

**ENERGY ACTION SCOTLAND****(A company limited by guarantee)****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2008****2. Legal Status**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**3. Voluntary Income**

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Memberships	13,827		13,827	12,898
Donations	57,185		57,185	61,641
	<u>71,012</u>		<u>71,012</u>	<u>74,539</u>

**4. Activities for Generating Funds**

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Conferences and events	47,709		47,709	52,831
	<u>47,709</u>		<u>47,709</u>	<u>52,831</u>

**5. Investment Income**

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Bank interest	3,474		3,474	4,274
	<u>3,474</u>		<u>3,474</u>	<u>4,274</u>

**ENERGY ACTION SCOTLAND****(A company limited by guarantee)****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2008****6. Incoming Resources from Charitable Activities**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Campaigning	75,835		75,835	80,829
Training	99,883		99,883	64,220
Consultancy	147,244	6,000	153,244	163,505
	<u>322,962</u>	<u>6,000</u>	<u>328,962</u>	<u>308,554</u>

**7. Resources Expended – Costs of Generating Voluntary Income**

	<b>Direct</b>	<b>Support</b>	<b>2008</b>	<b>2007</b>
	<b>costs</b>	<b>costs</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs		45,715	45,715	44,257
Premises costs		4,806	4,806	5,376
Stationery and other office costs		8,465	8,465	9,250
Special projects		5,756	5,756	2,548
Miscellaneous		2,734	2,734	1,997
Depreciation		421	421	593
		<u>67,897</u>	<u>67,897</u>	<u>64,021</u>

**8. Costs of fundraising – Conferences and events**

	<b>Direct</b>	<b>Support</b>	<b>2008</b>	<b>2007</b>
	<b>Costs</b>	<b>Costs</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Conferences and events	39,270		39,270	41,007
	<u>39,270</u>		<u>39,270</u>	<u>41,007</u>

**9 Resources Expended- Charitable Activities**

	<b>Direct</b>	<b>Support</b>	<b>2008</b>	<b>2007</b>
	<b>Costs</b>	<b>Costs</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Campaigning		142,640	142,640	138,617
Training	40,909	78,464	119,373	108,039
Consultation	5,586	86,674	92,260	102,814
	<u>46,495</u>	<u>307,778</u>	<u>354,273</u>	<u>349,470</u>

**ENERGY ACTION SCOTLAND**  
**(A company limited by guarantee)**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**10. Resources Expended – Governance Costs**

	Direct Costs £	Support Costs £	2008 Total £	2007 Total £
Staff costs		2,855	2,855	2,758
Auditors' Remuneration	2,395		2,395	2,725
Legal fees	1,750		1,750	429
Cost of board meetings		278	278	380
	<u>4,145</u>	<u>3,133</u>	<u>7,278</u>	<u>6,292</u>

**11. Support Costs – Breakdown by Activities**

	Fundraising £	Campaigning £	Training £	Consultation £	Governance £	Basis of Allocation
Staff costs	45,715	100,004	62,907	74,287	2,855	Timespent
Premises costs	4,806	8,137	5,731	6,471		Staff time
Stationery and other office costs	8,465	13,719	9,322	5,353	278	usage
Special projects	5,756	20,219				usage
Miscellaneous	2,734	141	84	143		usage
Depreciation	421	420	420	420		
	<u>67,897</u>	<u>142,640</u>	<u>78,464</u>	<u>86,674</u>	<u>3,133</u>	

**12 Net Incoming Resources for the Year**

This is stated after charging

		2008 £	2007 £
Depreciation		1,681	2,374
Auditors' Remuneration	Audit Fees	2,000	2,000
	Other Fees	395	725
Operating lease rentals	Other	18,505	17,225

**ENERGY ACTION SCOTLAND**  
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**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**13. Staff Costs and Numbers**

Staff costs were as follows

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Salaries and wages	240,535	233,731
Social security costs	24,629	23,994
Other pension costs	20,354	18,080
Total	<u>285,517</u>	<u>275,805</u>

No employee received emoluments of more than £60,000

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

	<b>2008</b>	<b>2007</b>
	<b>Number</b>	<b>Number</b>
Operational staff	6	6
Administrative staff	3	3
Total	<u>9</u>	<u>9</u>

**14. Trustees' Remuneration and Related Party Transactions**

No Trustees received any remuneration during the year. During the year travel expenses totalling £267 were reimbursed to 3 Trustees.

No Trustee or other person related to the charity had any personal interest in any contract of transaction entered into by the charity during the year.

**ENERGY ACTION SCOTLAND****(A company limited by guarantee)****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2008****15. Tangible Fixed Assets**

	<b>Fixtures, fittings and equipment £</b>
<b>Cost or valuation</b>	
At 1 April 2007	18,997
Additions	766
Disposals	(130)
At 31 March 2008	<u>19,633</u>
<b>Depreciation</b>	
At 1 April 2007	14,744
On disposals	(130)
Charge for the year	1,681
At 31 March 2008	<u>16,295</u>
<b>Net book values</b>	
At 31 March 2008	<u>3,338</u>
At 31 March 2007	<u>4,253</u>

**16. Debtors**

	<b>2008 £</b>	<b>2007 £</b>
Trade debtors	35,788	53,215
Other debtors	559	33,335
Prepayments	3,031	3,228
	<u>39,378</u>	<u>89,778</u>

# ENERGY ACTION SCOTLAND

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## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2008

### 17. Creditors: Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	9,948	21,016
Other taxes and social security costs	7,499	10,920
Other creditors		2,964
Accruals	2,454	5,059
Deferred income (Note 18)	40,878	10,574
	<u>60,778</u>	<u>50,533</u>

### 18. Deferred Income

	2008
	£
Balance at 1 April 2007	10,574
Amount released to incoming resources	(10,574)
Amount deferred in the year	40,878
	<u>40,878</u>
Balance at 31 March 2008	

Deferred income comprises memberships and other subscriptions received in advance and £10,000 income received for services which were not carried out till after the year end

### 19. Restricted Funds

	Balance at 01-Apr 07 £	Movement in funds		Transfers £	Balance at 31-Mar 08 £
		Incoming resources £	Expenditure (gains)/losses £		
SHON		6,000	6,000		
		<u>6,000</u>	<u>6,000</u>		



## ENERGY ACTION SCOTLAND

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### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2008

#### 20. Unrestricted Funds

	Balance at 01 Apr-07 £	Movement in funds		Transfers £	Balance at 31 Mar-08 £
		Incoming resources £	Expenditure (gains)/losses £		
General charitable funds	113,156	445,157	462,718		95,595
	<u>113,156</u>	<u>445,157</u>	<u>462,718</u>		<u>95,595</u>

#### 21. Commitments

##### Lease Commitments – operating leases

At 31 March 2008 the company had annual commitments of £26,912 (2007 £23,700) under non cancellable operating leases in respect of property which expire within 5 years