

CHARITY NO: SC009280

COMPANY NO: SC101660

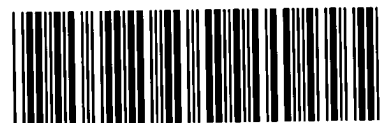
ENERGY ACTION SCOTLAND

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

FRIDAY



SCT *S7FFZRW8* #88
28/09/2018
COMPANIES HOUSE

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

	PAGE
Legal and Administrative information	1 – 2
Trustees' Report	3 – 11
Auditor's Report	12 – 15
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 - 27

ENERGY ACTION SCOTLAND

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE INFORMATION

Board of Directors

Christopher Bartter (S) (until November 2017)
Lucy Gillie (M) (until November 2017)
Liz Marquis (M)
Jenny Saunders OBE (R) (until November 2017)
Adam Scorer (R) (from April 2018)
James Paterson (S)
Dr Lesley Wilkie (S) (until November 2017)
Stewart Wilson (M)
Jane Kell (M)
Janet McAlister (M)
Jim Eadie (M) (from November 2017)
Patricia McAuley OBE (S) (from November 2017)
Carol Aitken (S) (from November 2017)
Dr Lynda Mitchell (M) (from November 2017)

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

Advisor to the Board

Hamish McPherson

Honorary President

Lord O'Neill of Clackmannan (until March 2018)

Honorary Vice Presidents

Jackie Baillie MSP
Sir Robert Smith
Murdo Fraser MSP
Gillian Martin MSP
Stephen Gethins MP

Company Secretary

Norman Kerr OBE

Senior Management Team

Norman Kerr OBE	Director
Elizabeth Gore	Deputy Director and Public Relations, and Information Manager (until July 2017)
Barbara Atterson	Deputy Director and Development Manager (from July 2017)

Principal Office

Suite 4a
Ingram House
227 Ingram Street
Glasgow
G1 1DA

Charity Number:

SC009280

Company Number:

SC101660

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE INFORMATION (continued)

Independent Auditors

Wylie & Bisset LLP
168 Bath Street
Glasgow
G2 4TP

Bankers

The Bank of Scotland,
PO Box 1000, BX2 1LB

Solicitors

Burness Paull LLP,
120 Bothwell Street,
Glasgow, G2 7JL

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

The legal and administrative information on pages 1-2 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 Directors who served during the year and since the year-end were as follows:

Board of Directors

Christopher Bartter (S) (until November 2017)
Lucy Gillie (M) (until November 2017)
Liz Marquis (M)
Jenny Saunders OBE (R) (until November 2017)
Adam Scorer (R) (from April 2018)
James Paterson (S)
Dr Lesley Wilkie (S) (until November 2017)
Stewart Wilson (M)
Jane Kell (M)
Janet McAlister (M)
Jim Eadie (M) (from November 2017)
Patricia McAuley OBE (S) (from November 2017)
Carol Aitken (S) (from November 2017)
Dr Lynda Mitchell (M) (from November 2017)

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

Advisor to the Board

Hamish McPherson

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.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

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.

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.

Two Special Directors, Lesley Wilkie and Chris Bartter were due to stand down at the 2017 AGM having served their allotted maximum number of years' service on the board, while member director Lucy Gillie intimated that she would be standing down from the board early due to increasing work commitments. All three had provided a great deal of expertise and support to the organisation and would be missed by the remaining trustees and by the senior management team. Sadly Chris Bartter passed away before the AGM, at which the value of his service to the organisation was noted.

Meanwhile Representative Director, Dr Jennifer Saunders OBE intimated that she would be taking early retirement from our sister organisation National Energy Action (NEA). Trustees wished her well for the future and reserved the Representative Director's position for her successor Adam Scorer.

Following the AGM the organisation welcomed the appointment as Member Directors Jim Eadie and Dr Lynda Mitchell. The trustees also appointed two Special Directors, Patricia McAuley and Carol Aitken to replace Dr Leslie Wilkie and Chris Bartter. We also welcomed Adam Scorer as the representative director to the board following his appointment to the post of Chief Executive officer at NEA.

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 that charity's Trustees who in turn nominate a representative from the senior management team, with the retirement of Dr Jennifer Saunders OBE Chief Executive Officer of NEA the board welcomed her replacement Adam Scorer to the position of Representative Director.

Director Induction and Training

When a Director is elected by the membership at the AGM or appointed by the Board as a Special Director 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.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

This pack contains copies of the current Corporate Plan and Annual Workplan, 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 Plan and Annual Workplan 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. LSA runs a number of courses on a regular basis 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 not 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.

Risk Management

The charity 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 continues to be reviewed annually. There are a number of key documents which support the risk management strategy which include a finance manual, setting 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 16 Directors; this is split into Member Directors (maximum of 10) and Special Directors (maximum of 5) 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.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

Special Directors are appointed by the Member Directors after the AGM and must be appointed annually. Special Directors may only serve 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 currently serves as 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 Development Manager who also holds the post of Deputy Director, the Technical and Training Manager, and the Public Relations and Information 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 Director in consultation with the Board.

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.

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.

Following the October 2015 Board meeting, the Board and staff held a joint strategic planning session which in turn led to the production of a new three year Corporate Plan, adopted by the Board in January 2016. This plan will form the basis for the charity's work during the 2016 – 2019 financial years and has shaped the workplan for the 2017 - 2018 financial year to which these accounts relate. Each year a Workplan will be drawn from the Corporate Plan and presented to the Board at their May meeting for approval.

The Board approved the 2018 - 2019 workplan and budget at its May 2018 board meeting.

In summary, the Corporate Plan reaffirms the 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;

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

- 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

During the year Energy Action Scotland continued to raise awareness of the extent, causes of and solutions to fuel poverty. Among its activities in this area were the running of member meetings. Our energy advice forums attracted 215 participants and was supported by 28 presenters covering a wide and diverse range of topics. Our Business Supporters Group meetings, which are organised every four months, averaged an attendance of 15 members from our business supporting community and provided the opportunity for the Business Supporters of Energy Action Scotland to receive information on current fuel poverty initiatives and policy decisions taken by the Scottish and UK Governments. The meetings also allow the business community to share information on the products and services they provide or are developing for fuel poor and vulnerable households.

Energy Action Scotland continues to provide a weekly e-news service to its members to relate 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 we took to a digital platform this year and which is distributed to its members and to other key organisations and individuals across Scotland and the UK.

Identifying Practical Solutions

Once again Energy Action Scotland was in receipt of funding from the fines applied by the energy regulator Ofgem to energy suppliers under the heading of "consumer redress".

This funding helped the organisation to both deliver projects itself and be able to fund a number of its member organisations to deliver local projects.

These projects, for which EAS raised in excess of £1.2 million, benefited both EAS's members and fuel poor households across Scotland. They included the following;

The Warm Healthy Homes Fund project, delivered in Glasgow, Orkney and Western Isles

The 'Warm at Home' project with Macmillan Cancer Support which operates in 6 local authority areas, providing energy efficiency measures and white goods for those with a cancer diagnosis

The "Aiming Beyond Cancer" (ABC) project delivered in the Western Isles and Shetland Islands, providing energy efficiency support for those with a cancer diagnosis

EAS also continues to partner with NEA in raising awareness of the smart meter rollout programme.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

Energy Action Scotland delivered 11 City and Guilds courses to 90 participants, 2 City and Guilds Renewable Energy in the Home courses to 11 participants and 20 one-day tailored training courses to 294 participants throughout Scotland under the Stay Warm Stay Well project.

Undertaking Research and Other Consultancy

EAS delivered two research projects over the year, one in partnership with Glasgow Caledonian University – ‘Research into Support and Advice Services for Households in Scotland Reliant on Electric Heating’ and the other in partnership with Alembic Research Ltd. – ‘A Critical Appraisal of Building Energy Performance Certification in Scotland’. Both were significant pieces of work and have added to our standing with the fuel poverty community.

Impact of the Charity’s work

The activities and outputs shown in the above section demonstrates that there has been a positive outcome for Energy Action Scotland member organisations who continue to grow their knowledge base in relation to fuel poverty benefiting from the charities expertise in research, events, and fund raising. Furthermore Energy Action Scotland has contributed to increasing the knowledge of the general public of the problem and solutions to fuel poverty by our press work and the impact of our training for frontline workers who deal on a day to day basis with fuel poor and vulnerable households. The general public have also benefited from the funding and sponsorship raised by Energy Action Scotland, which has amounted to over £1,200,000 for the delivery of a number of diverse and tailored projects. These projects would not have taken place without the funding which has been raised by EAS.

Energy Action Scotland’s direct and indirect campaigning to the Scottish Parliament, its Ministers and MSPs has meant that the Scottish Government retains its commitment to tackling fuel poverty and continues to fund fuel poverty programmes from the public purse.

This campaigning has helped shape the structure of the recently published Energy Efficient Scotland Route Map which will shape the delivery of fuel poverty and energy efficiency programmes in Scotland for the next generation of householders setting out its aim and hopes for the period until 2040. Energy Action Scotland is campaigning vigorously to ensure that any new set of programmes brought forward under the new Route Map will continue to place fuel poverty at the heart of delivery. This means not just a focus on the bricks and mortar the hard solutions but the cost of fuel, the advice to consumers and protecting those consumers who are more vulnerable than most. A people centred approach has to be at the forefront of the new way in which we all address fuel poverty.

Energy Action Scotland’s website and social media presence ensure that our messages are circulated widely. Our Advisors Toolkit aimed in particular at frontline workers to support members of the public has been an important tool in widening knowledge and promoting good practice.

Finally the actions and oversight of the Board of Trustees have delivered sound governance and future strategic direction for the organisation.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

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 that we continued through this year included the Warm and Healthy Homes Fund, the Fuel Poverty Alleviation Support Fund and the Stay Warm Stay Well project.

Financial Review

The 2017 - 2018 year brought a number of financial challenges with fuel suppliers continuing to be required by both government and the regulator to deliver in a number of areas to support customers.

Nonetheless, Energy Action Scotland continued to have a strong and positive working relationship with the major Scottish fuel suppliers and its other corporate sponsors thus securing £1.2 million to undertake work in research, awareness raising, 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 in recognition of particularly relevant aspects of the Annual Workplan which supports the efforts to eradicate fuel poverty in Scotland. Additionally the charity raises funds by means of the provision of training and consultancy services and membership fees. 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, 2006 and at the joint Board and staff strategy day held on October 2015. A further formal review of the reserves policy will take place at the planned joint board and staff strategy day in October 2018. The current reserves policy covers the following:

- To provide nine months charitable running costs with a target date at present of 10 years (by the end of the 2016 – 2017 financial year (now achieved)). This will be reviewed in accordance with SORP 2005 and annually by the board of directors. 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.

It is pleasing to report in these accounts that the Charity has achieved that goal with reserves at the end of the 2017 – 2018 financial year standing at 10.5 months of charitable running costs.

Plans for Future Periods

The charity plans to continue to deliver the stated main activities as outlined above in the forthcoming years, subject to sound financial funding and sponsorship agreements.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

Future projections for the affordability of domestic fuel and a market that is changing considerably with further mergers and the likelihood that the Scottish Government will bring forward its own energy company continue to show that fuel poverty is unlikely to be a real problem for vulnerable households in the immediate future. While there continues to be a suggestion that certain parts of the market i.e. the transmission and distribution networks be brought back into public ownership. The charity must be ready to engage with Government both here at Holyrood but also at Westminster to ensure that whatever course of action it takes there are no unintended consequences to its actions.

The Scottish Government having failed to reach its statutory duty to eradicate fuel poverty, as far as is reasonably practicable, by 2016 is now in the process of bringing forward its new strategy and target. Here the charity must work closely with officials and Ministers to ensure that the best possible solutions are found and implemented to support fuel poor households across Scotland.

The work the charity undertakes with housing providers, both at local authority and housing association levels, continues to grow, as does the demand for training of front line staff who will be the main point of contact with vulnerable and fuel poor people.

The Scottish Government continues to recognise the value of Energy Action Scotland's work in these areas and in particular its support of the newly constituted Scottish Fuel Poverty Advisory Panel and the Scottish Fuel Poverty Partnership groups.

Financial Position

During the year the charity received income of £1,561,918 (2017: £1,102,859) and had expenditure of £1,519,750 (2017: £1,057,061). The charity returned a surplus of £42,168 (2017: £45,798). Full details are given in the SOFA on page 16. The charity had net assets at the year-end of £408,472 (2017: £366,304).

Trustee's Responsibilities in Relation to the Financial Statements

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

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing the 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

Report of the Trustees for the year ended 31 March 2018 (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure to the Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity 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.

Auditors

Wylie & Bisset LLP were reappointed as the charity's auditors at the Annual General Meeting in November 2014 for a provisional period of three years. The 2016 AGM ratified that appointment for the 2016 – 2017 financial year.

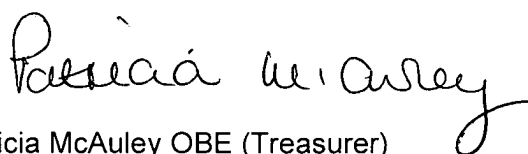
The Trustees as part of their best practice in governance have agreed that the next formal tendering process for auditing services will be undertaken by them in the 2017 – 2018 financial year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued March 2015) and in accordance with the provisions applicable to companies' subject to the small companies' regime of the Companies Act 2006.

Approved by the Board of Directors on 16 August 2018 and signed on its behalf by:



Stewart Wilson (Convener)



Patricia McAuley OBE (Treasurer)

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF
ENERGY ACTION SCOTLAND FOR THE YEAR ENDED 31 MARCH 2018**

Opinion

We have audited the financial statements of Energy Action Scotland (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2016; Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF
ENERGY ACTION SCOTLAND FOR THE YEAR ENDED 31 MARCH 2018

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF
ENERGY ACTION SCOTLAND FOR THE YEAR ENDED 31 MARCH 2018**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF
ENERGY ACTION SCOTLAND FOR THE YEAR ENDED 31 MARCH 2018**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Scott Gillon BA (Hons) FCCA
Senior statutory auditor

168 Bath Street
Glasgow
G2 4TP

For and on behalf of Wylie & Bisset LLP, Statutory Auditor
Wylie & Bisset LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 16 August 2018

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2018
(incorporating an income and expenditure account)

	Note	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Designated Funds 2018 £	Total Funds 2018 £	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Designated Funds 2017 £	Total Funds 2017 £
Income and endowments from:									
Charitable activities	4	961,940	-	-	961,940	684,046	-	-	684,046
Other trading activities	5	597,345	-	-	597,345	414,444	-	-	414,444
Investments	6	2,633	-	-	2,633	4,369	-	-	4,369
Total Income		1,561,918	-	-	1,561,918	1,102,859	-	-	1,102,859
Expenditure on:									
Raising funds									
Fundraising, conferences and events	8	270,041	-	-	270,041	196,704	-	-	196,704
Charitable activities	9	1,249,709	-	-	1,249,709	860,357	-	-	860,357
Total Expenditure		1,519,750	-	-	1,519,750	1,057,061	-	-	1,057,061
Net income/ and net movement in funds before transfers		42,168	-	-	42,168	45,798	-	-	45,798
Transfers between funds		-	-	-	-	-	-	-	-
Net movement in funds		42,168	-	-	42,168	45,798	-	-	45,798
Funds reconciliation									
Total Funds brought forward		366,304	-	-	366,304	320,506	-	-	320,506
Total Funds carried forward		408,472	-	-	408,472	366,304	-	-	366,304

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

All income and expenditure derive from continuing activities.


ENERGY ACTION SCOTLAND
(A company limited by guarantee)

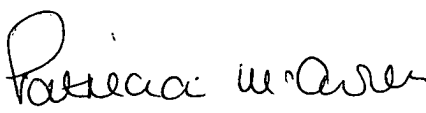
BALANCE SHEET AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Fixed assets:			
Tangible assets	12	-	-
Current assets:			
Debtors	13	82,622	167,066
Cash at bank and in hand	19	558,663	1,579,952
Total current assets		641,285	1,747,018
Liabilities:			
Creditors falling due within one year	14	(232,813)	(1,380,714)
Net current assets		408,472	366,304
Total assets less current liabilities		408,472	366,304
Net assets		408,472	366,304
The funds of the charity:			
Restricted funds	16	-	-
Unrestricted funds	16	408,472	366,304
Total charity funds		408,472	366,304

The trustees have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the trustees on 16 August 2018 and signed on their behalf by:


 Name: Stewart Wilson (Convener)


 Name: Patricia McAuley (Treasurer)

Company Number: SC101660

ENERGY ACTION SCOTLAND
(A company limited by guarantee)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2018

	Note	Current Year 2018 £	Prior Year 2017 £
<i>Cash flows from operating activities:</i>			
Net cash (used in) / provided by operating activities	18	(1,023,922)	932,040
<i>Cash flows from investing activities:</i>			
Interest from investments		2,633	4,369
Purchase of plant and equipment		-	(541)
Net cash provided by investing activities		<u>2,633</u>	<u>3,828</u>
Change in cash and cash equivalents in the year		(1,021,289)	935,868
Cash and cash equivalents brought forward	19	1,579,952	644,084
Cash and cash equivalents carried forward	19	<u><u>558,663</u></u>	<u><u>1,579,952</u></u>

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charitable company constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(c) Income recognition

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

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution see below.

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. 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 7.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

(e) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and depreciated over their estimated useful lives. Depreciation is charged as follows:

	Basis
Fixtures, Fittings, and Equipment	20% - 100% reducing balance

(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) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

(h) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end.

(k) Taxation

The company is a charitable company within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

(l) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

2. Legal status of the Charitable Company

The Charity is a registered Scottish charity.

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. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2017: £nil). No remuneration or expenses were reimbursed to trustees (2017: £Nil).

No Trustee made any donations to the charity during the year (2017: none).

No Trustee or other person related to the Charity, had any personal interest in any contract or transaction entered into by the Charity during the year (2017: none).

ENERGY ACTION SCOTLAND**(A company limited by guarantee)****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018****4. Income from charitable activities**

	2018	2017
	£	£
Policy Briefings & Advisory	698,991	448,571
Training	45,304	64,208
Consultation	217,645	171,267
	<u>961,940</u>	<u>684,046</u>

5. Income from other trading activities

	2018	2017
	£	£
Sponsorship/Donations	533,699	342,545
Memberships	13,232	14,394
Conferences/Events	50,414	57,505
	<u>597,345</u>	<u>414,444</u>

6. Investment income

	2018	2017
	£	£
Interest on cash deposits	2,633	4,369
	<u>2,633</u>	<u>4,369</u>

7. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Total allocated	Governance related	Other support costs	Basis of apportionment
	£	£	£	
Staff costs	379,229	3,736	375,493	<i>Time spent</i>
Premises expenses	46,654	-	46,654	<i>Staff time</i>
Stationery & other office costs	21,899	-	21,899	<i>Usage</i>
Special project costs	989,406	-	989,406	<i>Usage</i>
Miscellaneous	17,280	-	17,280	<i>Time spent</i>
Audit & accounts	3,200	3,200	-	<i>Usage</i>
Legal & professional	1,238	1,238	-	<i>Usage</i>
Total	<u>1,458,906</u>	<u>8,174</u>	<u>1,450,732</u>	

Governance costs:

	2018	2017
	£	£
Auditor's remuneration	3,200	3,000
Legal fees	1,238	851
Staff costs	3,736	3,756
	<u>8,174</u>	<u>7,607</u>

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

7. Allocation of governance and support costs (continued)

Breakdown of governance and support costs by activity

	Support Costs	Governance Costs	Total 2018	Total 2017
	£	£	£	£
Policy Briefings & Advisory	991,582	8,174	999,756	621,523
Training	105,419	-	105,419	104,426
Consultation	118,023	-	118,023	117,269
Raising funds	235,708	-	235,708	163,762
Total allocated	1,450,732	8,174	1,458,906	1,006,980

8. Raising funds – fundraising, conferences and events

	Direct Costs	Support Costs	Total 2018	Total 2017
	£	£	£	£
Conferences and events	34,333	235,708	270,041	196,704
	34,333	235,708	270,041	196,704

9. Analysis of expenditure on charitable activities

	Policy Briefings & Advisory	Training	Consultation	2018 Total	2017 Total
	£	£	£	£	
Training costs	-	10,544	-	10,544	17,139
Consultancy	-	-	15,967	15,967	-
Support costs (note 7)	999,756	105,419	118,023	1,223,198	843,218
	999,756	115,963	133,990	1,249,709	860,357

10. Analysis of staff costs and remuneration of key management personnel

	2018 £	2017 £
Salaries and wages	319,322	321,505
Social security costs	30,988	30,569
Employer contributions to defined contribution pension schemes	23,259	23,516
Total staff costs and employee benefits	373,569	375,590

One employee had employee benefits in excess of £60,000 (2017: one).

	2018 No.	2017 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	9	9

	2018 £	2017 £
Key management remuneration	104,922	114,624

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

11. Net income for the year

This is stated after charging:	2018 £	2017 £
Depreciation	-	541
Auditor's remuneration:		
Audit fees	2,475	2,325
Accountancy services	725	675
	<u>2,475</u>	<u>2,325</u>

12. Tangible Fixed Assets

	Fixtures, Fittings And Equipment £
Cost	
At 1 April 2017	17,622
Additions	-
Disposals	-
At 31 March 2018	<u>17,622</u>
Depreciation	
At 1 April 2017	17,622
Charge for the year	-
Eliminated on disposals	-
At 31 March 2018	<u>17,622</u>
Net book value	
At 31 March 2018	<u>-</u>
At 31 March 2017	<u>-</u>

At 31 March 2018 all assets were used for charitable purposes.

13. Debtors

	2018 £	2017 £
Trade debtors	75,842	149,605
Prepayments	6,340	17,131
Other debtors	440	330
	<u>82,622</u>	<u>167,066</u>

14. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	79,682	142,202
Other creditors	-	3,431
Accruals	22,383	36,478
Deferred income (Note 15)	107,910	1,133,612
Taxation and social security costs	22,838	64,991
	<u>232,813</u>	<u>1,380,714</u>

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

15. Deferred income

	£
Balance as at 1 April 2017	1,133,612
Amount released to income earned from charitable activities	(1,055,495)
Amount deferred in year	29,793
Balance as at 31 March 2018	<u>107,910</u>

Deferred income comprises of income for training sessions which are not scheduled to take place until post year end and grant funding for projects taking place after the year end.

16. Analysis of charitable funds

Analysis of Fund movements	1 April 2017 Balance b/fwd £	Income £	Expenditure £	Transfers £	31 March 2018 Fund c/fwd £
Unrestricted funds					
General funds	366,304	1,561,918	1,519,750	-	408,472
Total unrestricted funds	366,304	1,561,918	1,519,750	-	408,472
Restricted fund	-	-	-	-	-
Total restricted funds	-	-	-	-	-
TOTAL FUNDS	366,304	1,561,918	1,519,750	-	408,472

Analysis of Fund movements	1 April 2016 Balance b/fwd £	Income £	Expenditure £	Transfers £	31 March 2017 Fund c/fwd £
Unrestricted funds					
General funds	320,506	1,102,859	1,057,061	-	366,304
Total unrestricted funds	320,506	1,102,859	1,057,061	-	366,304
Restricted fund	-	-	-	-	-
Total restricted funds	-	-	-	-	-
TOTAL FUNDS	320,506	1,102,859	1,057,061	-	366,304

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

17. Net assets over funds

	Unrestricted Funds £	Restricted Funds £	Total 2018 £
Fixed assets	-	-	-
Debtors	82,622	-	82,622
Bank & Cash	558,663	-	558,663
Creditors	(232,813)	-	(232,813)
	<u>408,472</u>	<u>-</u>	<u>408,472</u>

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Fixed assets	-	-	-
Debtors	167,066	-	167,066
Bank & Cash	1,579,952	-	1,579,952
Creditors	(1,380,714)	-	(1,380,714)
	<u>366,304</u>	<u>-</u>	<u>366,304</u>

18. Reconciliation of net income to net cash flow from operating activities

	2018 £	2017 £
Net income for the year (as per the Statement of Financial Activities)	42,168	45,798
Adjustments for:		
Depreciation charges	-	541
Interest received	(2,633)	(4,369)
Decrease/(increase) in debtors	84,444	(131,430)
(Decrease)/increase in creditors	(1,147,901)	1,021,500
Net cash (used in) / provided by operating activities	<u>(1,023,922)</u>	<u>932,040</u>

ENERGY ACTION SCOTLAND
(A company limited by guarantee)
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

19. Analysis of cash and cash equivalents

	2018	2017
	£	£
Cash in hand	558,663	1,579,952
Total cash and cash equivalents	558,663	1,579,952

20. Commitments

At 31 March 2018 the charity had the following commitments under non-cancellable operating leases:

	2018	2017
	£	£
Payable within one year	33,840	33,668
Payable within one to two years	34,207	1,981
Payable within two to five years	102,346	-