

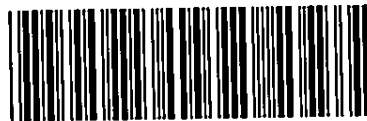
**REGISTER OF COMPANIES**

**CHARITY NUMBER: 1031482**

**COMPANY NUMBER: 2881225**

**the ENVIRONMENT CENTRE (tEC)**  
**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**THURSDAY**



**\*A2OJA3TP\***

**A48**

**09/10/2008**

**176**

**COMPANIES HOUSE**

**the ENVIRONMENT CENTRE (tEC)**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**CONTENTS**

	<b>Page</b>
Company Information	1
Directors' Report	2 - 15
Independent Auditors Report	16 - 17
Statement of Financial Activities - Group	18
Statement and Financial Account – Charity	19
Balance sheet – Group	20
Balance Sheet – Charity	21
Notes to the Financial Statements	22- 32

**These pages are not part of the statutory financial statements**

Detailed Income & Expenditure Account - Group	33
Detailed Income & Expenditure Account Charity	34

**the ENVIRONMENT CENTRE (tEC)**  
**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED TO 31 MARCH 2008**

**COMPANY INFORMATION**

Directors and Trustees	Dr K M Bryan P Kelly R Munford A Rigg Dr A Whitehead MP P Butler (appointed 22.10.07) C Rowland (appointed 22.10.07) A Wiseman (appointed 21.1.08) L Taylor (Appointed 21.01.08)
Secretary	C Watkins
Charity Registration Number	1031482
Company Registration Number	2881225 (England and Wales)
Registered Office	2nd Floor 14-15 Brunswick Place Southampton Hampshire SO15 2AQ
Auditors	Princercroft Willis LLP Chartered Accountants & Registered Auditors Towngate House 2-8 Parkstone Road Poole Dorset BH15 2PW
Bankers	Royal Bank of Scotland 156 High Street Southampton Hampshire SO14 2NP

**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

**1. OBJECTS OF THE CHARITY, PRINCIPAL ACTIVITIES AND ORGANISATION OF WORK**

**1.1. Objects of the Charity**

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482.

(1) The advancement of education of the public in all matters concerning the environment

(2) The preservation and protection of the environment by

- (a) The provision of practical support and advice to all individuals and Organisations wanting to enhance their environment and reduce their use of natural resources.
- (b) Raising awareness of environmental issues within all sections of the community, through supporting sustainable action in disadvantaged neighbourhoods
- (c) The adoption of sustainable practices amongst the general public, schools and businesses

Following a request from the Lottery Commission to clarify in more detail the Charity's principal activity, the Board of Trustees, with advice from the Charities Commission, amended their Memorandum and Articles to the statement above in December 2005. The Charities Commission approved the changes in February 2007 and these changes were fully adopted by the Board of Trustees at the April 2007 Board meeting.

**1.2 Principal Activity**

The principal activity of the Environment Centre (tEC) continues to be to provide practical support to individuals, communities, organisations and businesses wanting to reduce their environmental impact and increase the sustainability of their lifestyles and therefore the local economies. This is achieved through a wide range of services, including,

- **For business** - help and advice on developing environmental management systems, auditing waste, water and energy use, introducing recycling services, reducing resource use, training and environmental consultancy, bespoke research, managing funded business support programmes, help sheets, business magazine and networking club. Provide support for the creation and development of social enterprises
- **For Local Authorities and Government lead organisations** – provide support, outsourcing facilities, independent facilitation and survey research for environmental and sustainability initiatives. Research and feasibility studies to promote renewable energy, sustainable development, community partnership and waste recycling. Encourage through an active wide network and input on local and regional strategies the reduction of the environmental impact of public sector activity. Through being a registered environmental body and charity raise funding to support local activities from sources otherwise closed to them

**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

- **For community groups** – help with empowering local communities/groups to take control of their environment, with small scale, self-initiated and locally relevant projects. Providing a support, facilitation and information network, particularly for the BME and disadvantaged groups, to encourage greater social inclusion, self-confidence building and better sustainable lifestyles. Through being independent and with experience of local and regional authorities mediate better working relationships to create more sustainable communities.
- **For individuals** – promote and manage renewable energy discount schemes and fuel poverty grants. Provide free impartial advice, home visits and bespoke reports to encourage the reduction of home energy, water, waste and transport use. Promote the benefits and provide the support to encourage volunteering for the benefit of themselves and their local community.
- **For schools** – provide environmental education workshops for 8 to 15 year olds, such as Junior Citizen, Energy Investigators and Group Debates. Roadshows, story telling and fun days to encourage engagement in climate change issues and understanding. Staff and governor training in energy and environmental issues, as well as providing water, waste and energy audits.

**1.3. Organisation of work**

To secure current and likely future funding opportunities, tEC is structured on a cross functional basis to maximize staff resources to support the above services in the most efficient manner, and to continue to provide maximum return on investment for all its stakeholders and funders. This structure also allows tEC to be flexible, offer staff wider cross skill development and give effective response to support requests.

**1.3.1 Rationale behind its organisation of work**

The nature of NGO funding is increasingly unpredictable, particularly in the environment sector. This is especially true with respect to the current uncertain and changing priorities of regional and national policy. The sector has seen increasing numbers of local projects and programmes being withdrawn in favour of rationalization and nationally coordinated work. For example, at the end of 2007 the Energy Savings Trust (EST) announced the closure of its local county Energy Advice Centres by October 2008. They will now fund two from the current six centres to cover the South East Region. This will mean tEC will no longer be funded by EST to run a free local call centre for households wanting impartial advice on energy, water, waste and transport efficiencies and grants. Due to tEC's close and successful working with its local authorities, alternative arrangements to continue this invaluable service are being organized. Through tEC's reputation for providing quality face to face advice through its roadshows, presentations and community work it has secured contracts to continue this work, though at reduced manpower, for EST in Hampshire, Isle of Wight, West Sussex, East Sussex and Surrey.

tEC's plan two years ago to create a structure based on function rather than project focus has been proved to be a sound and salient strategy to fit today's market forces. More importantly, it has delivered an agile organisation able to attract a flexible and robust sustainable workforce, more able to adapt to this changing climate, whilst keeping its ethos.

the ENVIRONMENT CENTRE (tEC)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2008

**Local provision of services**

tEC's energy efficiency service provision covers three counties, and from October 2008 it will cover five counties. It also assumes a wider regional coordination role by representing their 23 local authorities with Government Office of the South East (GOSE) and DEFRA through the rollout of the new National Indicators (NI's) on climate change, fuel poverty and related activities. tEC also gives a regional dimension to local authorities' sustainability strategies and action plans and, with its European projects, an international influence. However, tEC is at heart a local organisation with local knowledge and expertise, interpreting national and international agendas for local organisations and people. It is also a business that generates wealth for the community. National funds are attracted into the locality. These are spent within the local economy either by specifically assisted groups, by tEC staff or with tEC suppliers. tEC's understanding of the sustainability implications of local spending within the local economy means that it has always sought to source and spend locally. With an average staff of 22, gross expenditure this financial period of over £740,000 spent locally and providing support to raise additional funds of over £300,000 for local groups, tEC, independently from actual service provision, makes a substantial contribution to the local economic sustainability. More importantly, against the current forecast, tEC will endeavour and succeed in doing so next year.

When added to its service provision, it becomes clear that tEC is a leading force for sustainability in the locality. Last year, for example, tEC provided impartial energy efficiency and grant advice to over 35,000 local people. Whilst tEC has traditionally and uniquely recorded its local carbon savings for over 11 years in its annual accounts, it is pleased to see more organisations are following this example. Independent auditing has equated tEC's energy efficiency advice to local households and businesses as saving over 45,000 tonnes of carbon in the last year.

**1.3.2 Executive structure**

Policy, priorities and financial control of tEC are vested in the Board of Non-Executive Directors. The security of the organisation is largely based on the long-standing and continued commitment of several of the founding Directors who have given their experience voluntarily and consistently for over 17 years. The Chief Executive reports to the Non-Executive Directors and ensures their strategic decisions are implemented. Between quarterly Board meetings the Chief Executive is supported and advised by Honorary Officer meetings, which are held twice monthly. The Chief Executive implements policy and manages operations through paid staff and volunteers. The Directors, who have served during the year, and since the year-end, are set out on page 1. This includes four new directors:

Blake Laphorn Tarlo Lyons has stated their continued long term commitment to tEC by enabling their Partner **Mr. Andrew Wiseman** to be their representative as a Non-Executive Director.

**Mrs. Laura Taylor**, Executive Director of Mole Valley District Council, has been an invaluable support for many years to tEC in its promotion of the sustainability agenda and tEC are pleased she accepted to be on the Board.

**Mr. Paul Butler**, Enterprise Architect for Unisys Limited brings his wide international and negotiation expertise.

**Mr. Colin Rowland**, Head of Implementation - Material Resources Strategy, Environment Department for Hampshire County Council for his regional perspective ensures the Board has the broad expertise to support the Chief Executive.

tEC would like more new members to strengthen the Board and is actively recruiting, particularly in HR, finance, marketing and business. To support this need in the short term the Chief Executive has employed Handover HR.

# **the ENVIRONMENT CENTRE (tEC)**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2008**

#### **1.3.3 Management structure**

The Chief Executive has been in position for over six years and is supported by a Senior Management Team (SMT), which is made up of the Solent and West Sussex Managers, Sustainability Manager and Finance Controller. To ensure and encourage an open, holistic and responsible company, the Chief Executive and the SMT produce monthly activity and financial reports for circulation to all members of staff and the Board. A monthly staff meeting, to allow further dissemination and discussion of tEC operations, follows this as well as weekly team meetings, which the Chief Executive attends as and when requested. Three Trustees (Chair, Vice Chair and Treasurer) make up the Honorary Officers/Finance Group. They receive monthly activity reports and meet twice monthly with the Chief Executive to approve significant expenditure, operational changes and the monthly salary run. Significant business and financial expertise exists within this group. The full Board meets every quarter, when the Chief Executive presents a full set of accounts, the quarterly activity report and forecast. The SMT, on a rotation basis, will present an in-depth appraisal and forecast of his/her area/team of responsibility and discuss with the Board their required support from them in the coming months.

#### **2. Achievements and development activities**

##### **2.1 Operations**

tEC, as in previous years, has continued to pass all audits performed by its major funders and stakeholders. Following two years of successful auditing by the South East Economic Development Agency (SEEDA) internal contract team for their EU Interreg IVC funded programme, this year tEC was also chosen to be an example project to be audited for SEEDA's overall evaluation. The funder's auditor noted tEC's robust, clear and transparent accounting system.

The Chief Executive and Finance Controller spent 2006/7 designing and trialling a new time and overhead project specific allocation and financial system to optimise efficiency and make the system even more transparent for funders' audits. The new system was successfully implemented and went live on 1st April 2007. The new system gives staff, the Board and funders at any time an actual cost recovery report against every project no matter how small. This provides more effective analysis of each project and programme and allows us to quickly re-organise resources to be more efficient. This system runs alongside the nationally accepted SAGE financial system to ensure double accounting cannot occur. tEC's funder's auditors do audit both systems to assure funders' of compliance.

This has led to confidence from many funders allowing tEC to administer small unconstituted community groups' funding for them. In many cases, if tEC had not provided this service these groups would not have been in the position to have made bids or received funds. Due to tEC's success in securing private full cost recovery work in this financial year, it has allowed tEC to offer this service on all occasions free of charge. For the administration of grants for local authorities tEC has also been able to undertake this for a 10% administration and management fee, allow more of the funds to be given to the people who really need it.

##### **2.2. Financial achievements**

##### **2.3. Its people**

tEC's plan to create an agile team able to adapt to the changing climate and clients requirements, whilst keeping its sustainability ethos, has attracted many talented first and second job applicants, as well as second career people. tEC's ethos to encourage wider engagement with the climate change agenda has led it to attract, recruit and train a greater number of environmentalists who have gone on to fulfil their career goals.

The growing economic uncertainty has resulted in many large organisations not recruiting talented but commercially inexperienced environmentalists. tEC's policy to take on and train up these environmentalists is of increasing importance, not only for the wider climate change promotion, but for long term social and economic generation.

## **the ENVIRONMENT CENTRE (tEC)**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2008**

The increasing culture of large organisations of being risk averse and their reduction to training the first generation workforce has led to an increasing number of tEC's well-trained staff being head-hunted by these organisations. Due to tEC's cross functional training structure this has not affected any of its projects and services successes. To ensure the organisation remains robust it has increased the recruitment of such talented people. The training programmes are recognised as being some of the best to continually attract such attention from large organisations, as well as being able to draw from a large selection of talented people.

Having had two acceptable financial years, tEC decided to spend some of this on employing four unskilled and unqualified people and help them fulfil their potential, plus one changing career direction. tEC employed two back-to-work unskilled mothers, one unskilled teenager, one disabled young person in their administration team and one wanting a career change into the environment field. Through training and confidence building one has gone on to recognize their vocation, one has gained so much confidence to go and obtain their "dream job" and one has become such an integral and skilled member of the finance team we would now not know what to do without her! One is continuing his training to be an environmentalist and his different approach/experience to the agenda has added immense value to his team's approach and solutions to their projects. tEC, if it continues to find additional funding, intends to repeat this formula in the future, as it sees it gains much more than these people obtain.

#### **2.3.1 Its volunteers**

tEC's volunteers have continued to be an invaluable asset to its success. Due to tEC's financial limitations it has only been able to employ a degree of the talented people that contact tEC. Fortunately, these people understand and believe in tEC's ethos that they have offered their support free of charge. Their dedicated support has enabled tEC to make their funding go further and to reach and support more people in the community. In return, tEC has actively used their network, and with the volunteer's experience gained by working at tEC, has seen many of them go on to obtain employment in their chosen careers. At any one time tEC has a minimum of a dozen volunteers working on their projects and/or in their offices. They would like to provide more support but finance and space is limited. However, it is proud to be considered worthwhile for volunteers to support tEC and that they believe tEC can continue to have the reputation to give them something worthwhile in return.

#### **2.4. Achievements**

##### **2.4.1 Chief Executive's achievements**

At a regional level, the Chief Executive played an active role on the following groups/committees to ensure that sustainability and environmental best practices were taken into account in the strategies and policies being considered that may affect the South East of England, including;

- SEEDA's RES and Corporate Plan development
- Hampshire and Isle of Wight Social Enterprise Network
- Southampton Sustainability Forum's management committee and volunteer treasurer
- Hampshire and Isle of Wight Sustainable Business Network's management committee
- Test Valley Local Strategic Partnership's Environment Action Group Chairman
- Test Valley Borough Council Strategy Management Review
- Hampshire County Council Climate Change Consultation
- Hampshire Local Authority Association
- Hampshire Central Young Enterprise Trust's Joint Chairman
- Environment Agency's Solent and West Sussex Advisory Group member
- Local Authority Partnership of Urban South Hampshire (PUSH)'s Sustainable Development Steering Group member



**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

- Vice-Chairman/Board Director of Solent Centre for Architecture and Design Sponsored by CRED, SEEDA and the Arts Council to promote and support sustainable best practice in architecture and design This company has gone from strength to strength, now employing 5 staff and working as far away as China on its sustainable built environment education programmes.
- Ropewalk Community (BME) Garden, Board Director
- Southampton Business Enterprise Forum
- South East Climate Change member
- South East Sustainable Energy Partnership
- Hampshire and Isle of Wight Sustainable Energy Partnership's coordinator
- Representing Hampshire's local authorities for NI187 implementation
- Hampshire and Isle of Wight HECA officers forum's coordinator

In 2006 the Chief Executive set up the international project SusPurPol – Blueprint for Sustainable Planning and Purchasing Policy with the 11 local authorities of South Hampshire (PUSH) and partners in Poland and Spain

The success of the SusPurPol attracted high level support and attention Launched by the then Minister of State for Environment and Climate Change, Ian Pearson MP in July 2006 The Minister then actively engaged with the project (August 2006) by taking on board the project's recommendations in the review of the Code for Sustainable Homes.

In May 2007 the Right Honourable Gordon Brown MP came to Southampton and discussed the project's outcomes, describing the SH14 Policy as a "manifesto" during the launch of his "EcoTowns" initiative In the last year it has also achieved

- International conferences, papers published and workshops promoting its approach and solutions on sustainable planning and purchasing in Seville, Barcelona, Cracow, Lille, Leeds and London
- Produced 20+ workshops, attended by over 600 people, with invaluable input from planners, developers, suppliers and purchasers to understand the barriers and promote the essence and possibilities of sustainable development
- The results of the workshops enabled the creation of the SH14 policy which has been included in the Draft South East Plan SH14 outlines the minimum standards the Partnership for South Hampshire will require in new developments to ensure that sustainable best practice is in the forefront of all development decisions
- The 11 local authorities of South Hampshire are using the SH14 agreement as the pivotal policy to create their individual Local Development Framework
- GROW club set up in Cracow, to enable young architecture designers to develop a portfolio of sustainable development design and plans to promote the modernised view of what is possible and how the next generation see their living space in urban areas.
- Supported the design and implementation of the new Waste Construction Management System in Seville A computer based waste assessment, certification and self-auditing system that ensures that the maximum construction waste is recycled on every development The Waste Construction Management System has been adopted across Andalusia
- New concrete and low carbon construction materials have been researched, developed and trialled in Seville, encouraging wider lateral solutions to low carbon building solutions and new business opportunities

**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

The most important success of the project has been the enormous amount of international collaboration and learning. This has resulted in wider cross country introductions, which has led to additional and future independent partnership working, including a wider partnership of 11 pan-European built environment centres. This partnership has used the mutual unique expertise to give advice and encouragement to other organisations. This includes the University of Seville which gave technical advice on advance concrete construction to a UK concrete developer via the Environment Centre. This has led to advice on funding avenues to help develop their product for market.

The Environment Centre introduced the Cracow University to Portsmouth University as they saw good synergetic possibilities, which proved the case. In turn, Cracow University introduced the Environment Centre to a new department and contacts in Portsmouth University, which has led to other collaborative work. Even though the Environment Centre is based in Southampton this additional introduction with Portsmouth University was initiated at the study tour in Poland. The success of the project resulted in being invited to the Interreg IIIC leaders conference in Lille, France to give a presentation on how to create effective communications. tEC was also invited by SEEDA to present the project's achievement as a key project success from the Green Growth theme of the GROW, Interreg IIIC programme.

In November 2007, SEEDA and GOSE asked tEC to organise their annual two day regional conference and awards dinner, named 'Creating a Low Carbon South East', where it also showcased SusPurPol project's results. The conference attracted 44 high level speakers, including;

The Rt Hon John Denham, MP, Secretary of State for Innovation and Skills

Sir John Houghton, Co-chair of the Intergovernmental Panel on Climate Change and founder of the Hadley Centre for Climate Prediction and Research

Sir John Harman, Chairman of the Environment Agency

James Brathwaite CBE, Chairman of SEEDA

Kevin McCullough, Managing Director New Plant Development & Construction, npower

Professor AbuBakr Bahaj, Head of the Sustainable Energy Research Group, University of Southampton

David Lock, Director, David Lock Associates and Chair of the Town and Country Planning Association

Alan Whitehead MP, Chair of the All Party Parliamentary Renewables and Sustainable Energy Group

Paul Bettison, Leader, Bracknell Forest Borough Council and Chairman of the LGA Environment Board

Over 400 people attended the conference from across the South East Region and the BBC filmed the event for their "Politics Programme" the following Sunday, reaching an even wider audience. The project has demonstrably proved its method of creating cross border local authority policy and that joined up thinking is possible, achieving tangible and sustainable results. This point was further amplified when tEC's Chief Executive was invited by SEEDA to give a personal briefing of the outcomes of the project and the issues it had raised with Danita Hubner, European Commissioner for the Regions during her visit to Kent in January 2008.

The Chief Executive was also asked to become the 'expert' partner for another European project led by Bulgaria and including Sicily. This has also proved to be successful with a week of presentations and advice in Bulgaria in March 2008 and a study tour in the UK in July 2008. A study tour in Sicily is planned for October 2008 to complete this project.

## **the ENVIRONMENT CENTRE (tEC)**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2008**

The success of the SusPurPol project and the conference has led to the Chief Executive to be asked to lead several European funded projects and coordinate a further annual conference by the sponsors. Though this is 'real' achievement for a relatively local charity, the Chief Executive has been rational in getting tEC involved in future large international and regional projects, since sustainability of the Company is still the ethos of tEC and she does not want its core business to be seen as taking second priority.

This year tEC is also helping Isle of Wight to become an Eco Island. This was launched in March 2008 with a conference attended by over 400 residents and businesses. Along with providing the Energy Efficiency Advice stand and advisors, tEC were commissioned to make the conference carbon neutral by managing a local carbon offsetting programme. It has also helped kick start the initiative with 20 energy efficiency audits to local businesses and several Energy Efficiency Advice Centre roadshows around the island. More are planned throughout the year to ensure the agenda is in the forefront of business and residents alike.

#### **2.4.2 Delivering community initiatives**

Supporting the local community is still at the heart of tEC, such as working with and alongside local authorities establishing domestic programmes. For example, the Green Resolutions Project, Southampton Sustainability Outreach Officer, Ropewalk Community Garden and promoting the increase of domestic recycling.

tEC has extensive experience in delivering community initiatives, for example organising and running conferences, community fairs and fun days. tEC is well equipped to assist local authorities to work at the grass roots level and upwards to support disadvantaged communities and provide innovative solutions to environmental and social problems, such as developing recycling networks and combating anti-social behaviour through behaviour change initiatives.

tEC is able to support local authority staff through offering in depth advice and guidance through bespoke newsletters to inform and encourage behaviour change in the office and at home. Examples such as

- The Go Green Fair brought together local authority representatives, local MPs, University academics and local residents to explore the issues surrounding climate change and encourage behaviour change.
- The Fair Trade directory was the first extensive directory for Southampton with a print run of 20,000 copies distributed.
- School based projects/competitions to raise awareness on a particular environmental issue.
- Concrete Conservation organising collection points to which students and other local people can bring their unwanted items for sorting, recycling and disposal during moving weekend, engaging with the local authority, the Universities and residents.

Though Southampton City Council has decided not to support sustainable community initiatives from 2009, tEC are currently and actively sourcing new funding to continue this invaluable work and support network for volunteers. Other local authorities fortunately do not think similarly and tEC is hopeful of being able to continue this worthwhile and rewarding work.

#### **3. Premises**

The on-going success of the West Sussex Energy Efficiency Advice Centre is in part due to the continued kind support, as well as office accommodation, from Crawley Borough Council, for which the Board of Directors wishes to convey their sincere appreciation.

The Southampton office has a break clause option in July 2009 and the Board will consider its options in the coming year.

**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

The increasing demand on the domestic helplines providing impartial efficiency advice to the general public proved that the decision to install its own telephone system in 2005 was prudent. Following Energy Saving Trust's decision to centralise its local operation next year, tEC consolidated its helplines last year to run both centres calls from its Southampton office. This was actioned to free up the West Sussex team to provide and obtain more outreach work. This has proved to be very successful with West Sussex having a good financial year. Both teams have been able to work more closely together, providing a flexible workforce to support clients' service response.

Due to the staff's continued commitment and enthusiasm for environmental best practice tEC again passed the ISO140001 Environmental Management Systems certificate. It is proud to be recognised as the first United Kingdom NGO to be awarded it and continues to ensure it secures this achievement.

**4. Planning and strategy**

**4.1. Ethos**

From the evaluation of tEC's achievements, types of work requested and external feedback from stakeholders of 2007/8 activities the Board of Non-Executive Directors concludes that tEC's continued success still lays in its steadfast commitment and ability to remain,

- Independent
- Apolitical
- Non-campaigning
- As a result of the work and efforts of all the staff, tEC can boast an excellent reputation and is well regarded by influencing bodies and the general public alike. However, the environment sector is increasingly changing from the limited local options available in the 1990s to 'the environment' now being seen as a growing sector and commodity in its own right. This is manifesting itself in more and more companies, year on year, joining this market. For example, following the recent national as well as global concern and publicity regarding climate change and energy security, the government has instructed local authorities to action this agenda. They have also insisted energy companies action the alleviation of fuel poverty and support energy efficiency measures amongst its customers. Therefore, tEC can no longer expect to be sought out by those in need of these services, rather it must now market its other services to the wider arena. The issue is getting the balance right. tEC's success is based on empowering individuals, businesses and communities to take responsibility themselves and the subsequent publicity to encourage sustained involvement. tEC's strategy is not to campaign but to encourage, many small positive steps are better than grand gestures. Therefore, many people and organisations are not conscious of all the initiatives and services tEC is involved in, can do and have achieved. This has led to tEC not being considered, at times, as the first natural choice to provide these services; nevertheless its hard earned integrity is more important than quick gains.
- tEC's strength is in offering support and services across the whole spectrum of the environment and in sustainable best practice, providing a clear, impartial 'one-stop-shop' provision in the environmental market-place. Its ethos is to support all parties, large or small, to improve their sustainability, be it social, environmental or economic.

## **the ENVIRONMENT CENTRE (tEC)**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2008**

#### **4.2 Promotion of services**

For the above reasons last year's strategy was to increase public awareness of tEC's wide ranging services. In considering the most effective use of limited resources it concluded that the most efficient media to begin with is through its website. In 2006 tEC re-designed its website to be easily updateable in-house. It has spent the last year reviewing its materials and produced case studies and helpsheets, available on line to enable tEC to help more people and businesses to help themselves. This has allowed staff to directly upload their activities, achievements and new services in real time making the website play a more interactive role in connecting with current and prospective clients. It has also provided a portfolio of materials to be used in presentations and tendering for new work.

To maximise the website and draw more people and businesses to visit the site tEC has used its website to 'host' the findings of its partnership work. It has successfully attracted more European organisations to work on future projects through using the website to host its international project – Suspurpol. Its Polish and Spanish partners have supported this, which in turn has enabled cross dissemination of ideas and initiatives being produced in the sustainable development agenda across Europe.

tEC built on this success in 2007/8 with the commission by SEEDA and GOSE to host and coordinate the 'Creating a Low Carbon Economy' conference. tEC's website was used to promote and disseminate the conference's activities and achievements. This opportunity allowed tEC to use its database of over 5,000 contacts to directly promote the conference, as well as its name, with the support of its partners including SEEDA, GOSE, Business Link and SECBE. One of the results has given tEC a current database of interested people and organisations of over 9,000 contacts.

The conference and the success of SusPurPol created an exceptional media boost of television and radio coverage from November 2007 through to March 2008. tEC attracted many nationally influential leaders to support its work, which in turn created much publicity for tEC. This publicity included the BBC filming and broadcasting the conference on their "Politics Programme" and the high number of downloads from tEC's website of the national leaders' presentations. This followed the previous year's 6 o'clock and 10 o'clock BBC news programmes with tEC clearly being advertised. However, this level of profile is recognised to be hard to improve upon in the coming year.

The conference and SusPurPol's incredible success has led tEC to be asked to present its achievements at many influential conferences and meetings across the country as well as in Europe. It has used these opportunities to build wider partnerships and this year tEC has been invited to join several consortiums to submit applications for European funding. Due to the high amount of time involved in developing European bids and their long germination tEC has been selective in which projects to be involved in.

tEC's conference sponsors were so impressed with the results they have asked tEC to repeat it this year, but tEC made the decision not to. This decision was made on the forecasted downturn of the economy and tEC's need to consolidate its resources to ensure it is in a robust position to ride out such economic challenges. It also believes that businesses and organisations have attended enough conferences on the climate change agenda and now want more bespoke and specific workshops on how to put policy and strategies into action. For this reason tEC are concentrating on training and support services to help organisations and the general public make an actual difference rather than just talk about it. Having said this tEC is still accepting opportunities to talk on the agenda and its issues at key conferences organised by other bodies (e.g. the Association of Public Service Excellence's Annual Seminar in Nottingham in September 2008). This is because such events are seen as raising tEC's profile and influence and are also an opportunity to market tEC's expertise and services to potential clients (such as local authorities across the UK).

## **the ENVIRONMENT CENTRE (tEC)**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2008**

The public has raised the Climate Change agenda and this year has been raising concerns over fuel poverty and utility bills. The Domestic Energy team has taken advantage of this by undertaking many regional radio and television interviews throughout the year, and continues to support its local BME community radio – Unity 101 with the Environment Agency.

The West Sussex office of tEC was opened in 1998 following a successful application to the Energy Saving Trust to open an Energy Efficiency Advice Centre for the county. Hosted by and in Crawley Borough Council, the service operates throughout the county with 4 City and Guilds qualified staff. Due to its partnership success with the 7 local authorities, the local authorities bought a mobile unit to promote energy efficiency across the county. This dedicated unit has been managed by tEC on behalf of the local authorities since 2001 and has become an integral part of the 100 plus roadshows that the team conducts every year in the county. It was refurbished this year to promote energy efficiency initiatives and renewables in the home. The team has won the contract to provide their roadshows and advice to the public and communities groups to East Sussex and Surrey, as well as West Sussex from October 2008.

#### **4.3 Planning for the future**

tEC does not and will not invest in capital assets. Its only asset is its staff and investing in them is tEC's primary remit.

To enhance tEC's function-based strategy, over the last two years tEC has trialled all new staff on a dual function/training programme. This means they are employed on a specific contractual programme two/three days a week and the other two/three days a week to develop and coordinate bespoke projects. The trial has proved very successful, showing it keeps environmentalists challenged and offering variety not available in large organisations. It has also given the Company the ability to offer clients flexible coverage and optimise efficiency. The high demand and peaks on its call centre and roadshows to promote energy efficiency has particularly benefited from this strategy, allowing tEC to take advantage of opportunities to promote their objectives. Due to this success, this strategy is now the 'norm' with all new recruitment. It also means tEC can practically promote the benefits of flexible and part-time working – further practicing what it preaches - social sustainability creates a thriving local economy.

##### **4.3.1 Building on its success**

In reviewing tEC's core clients' requirements it was found that when they considered starting out or expanding their sustainable practices they often did not have a consolidated strategy or the means to implement it. To environmentalists, sustainability is a simple concept and 'just common sense' in ensuring that any organisation will be economically viable in the future. tEC has found that though large organisations and local authorities want to commit to the sustainability agenda, due to their "silo structure" they have found it hard to implement it across all its divisions and services. It has been proven that if social, environmental and economic factors are not considered in totality by all in any project, group or organisation it will not effectively succeed or more importantly become a culture.

tEC piloted their sustainability ethos with Test Valley Borough Council last year. They conducted a sustainability review of their services and operations and together produced a sustainability strategy for 2008-11. This success led to TVBC asking tEC to provide, on a trial basis, a part-time sustainability officer on-site to engage their staff in the climate change agenda. tEC have also taken over the coordination the environment group on the Local Partnership and has been able to recruit more members of the community to join the group. It has also supported and acted as the 'banker' for some of the residents to develop a 'plastic bag free' town project. Acting as 'banker' it has enabled the residents to concentrate on what they do best – action rather than administration. They have been incredibly successful in just a few months, achieving support from the county, borough and town councils as well as raising over £5,000 to produce non-plastic bags to give away to residents.

## **the ENVIRONMENT CENTRE (tEC)**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2008**

The success of this pilot has led TVBC to ask tEC to provide a full-time sustainability officer to coordinate tEC experts as support when the need arises. For example, this year tEC coordinated the free support from the Carbon Trust to implement a Carbon Management Programme. This has proved very timely with the introduction of the new National Indicators, one being actioning Climate Change. Through tEC's activities for TVBC the work for this indicator was completed, without additional resources required.

As a result of this success, and more importantly tEC staff's satisfaction in being able to make a real difference, tEC have been rolling out this programme with other local authorities. This programme mirrors tEC's cross functional strategy and uses its one-stop-shop approach to maximum benefit for both parties. The forecast of greater emphasises on sustainability from national policy provides a good platform to enable tEC to remain sustainable as a company.

#### **4.4 Strategy**

##### **4.4.1 Influencing**

The past year has seen much discussion in regional strategy, with the development of the South East Plan and the Regional Economic Strategy, in which the Chief Executive has actively participated. It has also seen the Government's directive to Local Authorities to plan for a substantial increase in new homes. This particularly affects the South East, being a major economic growth area. From this directive the 11 Local Authorities of Urban South Hampshire formed a partnership (PUSH) to jointly plan this growth. The Chief Executive was asked to sit on the Sustainable Development steering group of PUSH to help ensure the forecasted 80,000+ new homes to be built in the next 15 years are delivered in the most sustainable manner. This responsibility is retained to date. Though the current economic downturn will slow down this housing development, it is only delaying the inevitable, which will therefore be even more urgently required when the economics allow and time is then shorter.

Energy security and shortage is the pivotal driver for general public and businesses alike to look at their resource use and how to reduce it. tEC sees its position being even more sought after than at any time in the past. With the Energy Saving Trust not supporting fuel poverty initiatives in the future, tEC see its influence in coordinating local authorities and energy companies to use their limited funding in the most efficient and rational way as an important focus in the coming year.

The introduction of the new National Indicators and the sustainability focus for local authorities places tEC in a good position to build on its success in this area and influence these agendas.

Though the sustainability agenda is not new and environmentalists have been calling for this joined up thinking for many years, the Chief Executive believes this is an opportune time to help affect real changes to local sustainability. This is particularly clear in reference to the regional and sub-regional strategies as well as the current development of Local Area Agreements and National Indicators.

##### **4.4.2 Developing future work**

The planned centralization of the Energy Saving Trust call centres and their focus away from fuel poverty support from October 2008 has raised concerns among the 23 local authorities that tEC supports. The introduction this year of the new National Indicators, particularly NI187 – fuel poverty, has compounded this apprehension as the local authorities have, for the last 11 years, used tEC to support this objective through its EST funding and planned activities. tEC and the local authorities are currently discussing ways to successfully achieve their joint objective to help alleviate fuel poverty and reduce energy use with independent programmes and support from energy companies. tEC's reputation to always be impartial, inclusive and 'with no hidden agenda' but to help improve the environment, has led the local authorities to want to continue their close working partnership with tEC and they have been incredibly supportive to tEC in these uncertain times.

**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

The forecast of an economic downturn will affect the supply of grants from large organisations and businesses wanting to invest in environmental best practices and support programmes. Through several prosperous years tEC has been able to build a healthy reserve to confidently see it through this forecast recession. It has been working for the last few years in a reactive way to take advantage and maximise opportunities. tEC therefore intends to use some of its reserves this year and next to focus on building its staff's expertise in the sustainability, funding and new technologies fields. It will invest in more managerial staff to enable it to support its existing and new experts and volunteers. tEC's ethos is not to grow for the sake of growing but to be sustainable. It has successfully exceeded its reserves target set five years ago and now thinks it is an opportune time to use the additional reserves to increase its investment in its people and volunteers.

Energy security and the environment are the main focus of funding opportunities from the European Union. Along with tEC's success in its European projects it is well placed to take advantage of this in the coming year. The time involved in putting large proposals together means careful consideration is required before committing such valuable and restricted resources, so only a limited number can be undertaken.

**5. Risk management and reserves policy**

The total incoming resources for this accounting period amounted to £799,324 of which the net income was £57,474. The unrestricted reserves have increased this year from £255,561 to £329,375. This is equivalent to holding 7.3 months worth of unrestricted expenditure, up from 5.0 months last year. The aim has been to achieve a minimum of reserves of 3 months unrestricted expenditure, therefore we have exceeded our target within the 5 year plan. The section above sets out our plan to utilise surplus reserves.

The Board Finance Group, consisting of the Chairman, Vice Chair and Treasurer, receive monthly mailings of key financial indicators for the Centre, including bank balances, aged creditors and debtors, monthly teams' forecasts and cash flows.

The Board Finance Group considers that the present funding arrangements are sufficient and adequate to ensure that the charity's objectives are met. The Non-Executive Directors have assessed the major risks to which the charity, and its finances, are exposed and they are satisfied that systems are in place to mitigate these risks.

**6. Funding**

tEC specifically acknowledges and appreciates the invaluable support of:

- The Energy Saving Trust
- South East Economic Development Agency (SEEDA)
- Government Office of the South East
- Biffaward
- Association for Public Service Excellence (APSE)
- Local Authorities

**7. Accounting and reporting responsibilities**

**Statement of Trustees' Responsibilities**

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



**the ENVIRONMENT CENTRE (tEC)**

**DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

Company law requires the trustees to prepare financial statements for each financial 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 the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP;
- make judgements and 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 charitable 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985 and 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware,

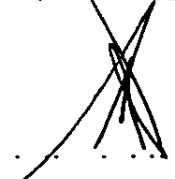
- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

**8. Auditors**

A resolution to re-appoint PricewaterhouseCoopers LLP for the ensuing year will be proposed at the Annual General Meeting in accordance with Section 485 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 9/9/08 and signed on its behalf

  
.....

**C Watkins**

## **the ENVIRONMENT CENTRE (tEC)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENVIRONMENT CENTRE**

We have audited the group and charity financial statements of the Environment Centre group for the year ended 31 March 2008 the "financial statements" which comprise the Group Statement of Financial Activities, the Group Income and Expenditure Account, the Group and Charity Balance Sheets, and the related notes set out on pages 24 to 35. These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of the directors and auditors**

The responsibilities of the directors, who are also the charity trustees for the purposes of charity law, for preparing the Directors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on page 14

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 and whether the information given in the Directors' Annual Report is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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.

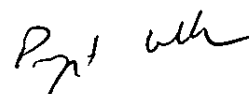
**the ENVIRONMENT CENTRE (tEC)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENVIRONMENT CENTRE**

**Unqualified opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company and the group as at 31 March 2008 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Annual Report is consistent with the financial statements



Towngate House  
2-8 Parkstone Road  
Poole  
BH15 2PW

Princercroft Willis LLP  
Chartered Accountants &  
Registered Auditors

6 October 2008

the ENVIRONMENT CENTRE (tEC)

**STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES - GROUP**  
(Incorporating the Income & Expenditure Account)

**FOR THE YEAR ENDED 31 MARCH 2008**

	Notes	Unrestricted £	Restricted £	Total 2008 £	Total 2007 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary Income	2	83	-	83	250
Incoming Resources from charitable activities	3	639,905	148,333	788,238	871,874
<b>Other incoming resources</b>					
Investment Income	4	5,853	-	5,853	3,596
Other Incoming Resources	5	150	-	150	250
<b>TOTAL INCOMING RESOURCES</b>		<b>645,991</b>	<b>148,333</b>	<b>794,324</b>	<b>875,970</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating voluntary income	6	-	-	-	-
Charitable activities	7	526,553	203,525	730,078	811,171
Governance costs	8	12,377	-	12,377	9,974
<b>TOTAL RESOURCES EXPENDED</b>		<b>538,930</b>	<b>203,525</b>	<b>742,455</b>	<b>821,145</b>
Net Incoming (Expended)					
Resources for Year before Transfers		107,061	(55,192)	51,869	54,825
Transfer between funds	17	(38,852)	38,852	-	-
<b>Net Income for the Year</b>		<b>68,209</b>	<b>(16,340)</b>	<b>51,869</b>	<b>54,825</b>
<b>Reconciliation of Funds</b>					
Funds at 1 April 2007		261,206	20,812	282,018	227,193
<b>Funds at 31 March 2008</b>	<b>17</b>	<b>329,415</b>	<b>4,472</b>	<b>333,887</b>	<b>282,018</b>

Movements on reserves and all recognised gains and losses are shown above

The notes on pages 22 to 32 form part of these Financial Statements

the ENVIRONMENT CENTRE (tEC)

**STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES - CHARITY**  
(Incorporating the Income & Expenditure Account)

**FOR THE YEAR ENDED 31 MARCH 2008**

	Notes	Unrestricted £	Restricted £	Total 2008 £	Total 2007 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary Income	2	83	-	83	250
Incoming Resources from charitable activities	3	639,905	148,333	788,238	869,260
<b>Other incoming resources</b>					
Trading Subsidiary Donation	4	5,000	-	5,000	3,000
Investment Income	5	5,853	-	5,853	3,596
Other Incoming Resources	6	150	-	150	250
<b>TOTAL INCOMING RESOURCES</b>		<b>650,991</b>	<b>148,333</b>	<b>799,324</b>	<b>876,356</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating voluntary income	7	-	-	-	-
Charitable activities	8	526,553	203,525	730,078	804,122
Governance costs	9	11,772	-	11,772	9,369
<b>TOTAL RESOURCES EXPENDED</b>		<b>538,325</b>	<b>203,525</b>	<b>741,850</b>	<b>813,491</b>
Net Incoming (Expended)					
Resources for Year before Transfers		112,666	(55,192)	57,474	62,865
Transfer between funds	18	(38,852)	38,852	-	-
<b>Net Income for the Year</b>		<b>73,814</b>	<b>(16,340)</b>	<b>57,474</b>	<b>62,865</b>
<b>Reconciliation of Funds</b>					
Funds at 1 April 2007		255,561	20,812	276,373	213,508
Funds at 31 March 2008	18	329,375	4,472	333,847	276,373

Movements on reserves and all recognised gains and losses are shown above

The notes on pages 22 to 32 form part of these Financial Statements

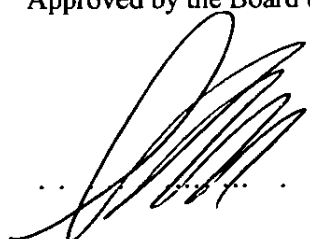
**the ENVIRONMENT CENTRE (tEC)**  
**CONSOLIDATED BALANCE SHEET - GROUP**

**AS AT 31 MARCH 2008**

	Notes	2008		2007	
		£	£	£	£
<b>Fixed assets</b>					
Investments	11		-		-
Tangible assets	12		6,191		1,723
<b>Current assets</b>					
Debtors	13	141,221		207,329	
Stock		4,697		-	
Cash at bank and in hand		218,616		135,960	
		<u>364,535</u>		<u>343,289</u>	
Creditors amounts falling due within one year	15	(36,838)		(62,994)	
		<u>327,697</u>		<u>280,295</u>	
<b>Net current assets</b>					
		<u>333,887</u>		<u>282,018</u>	
<b>Total assets less current liabilities</b>					
		<u>333,887</u>		<u>282,018</u>	
<b>The Funds of the Charity</b>					
Unrestricted funds	15	329,415		261,206	
Restricted funds	17	4,472		20,812	
		<u>333,887</u>		<u>282,018</u>	
<b>Total Charity Funds</b>					
		<u>333,887</u>		<u>282,018</u>	

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2007)

Approved by the Board of Trustees on 29/09/08 (date) and signed on its behalf

 Director

 Director

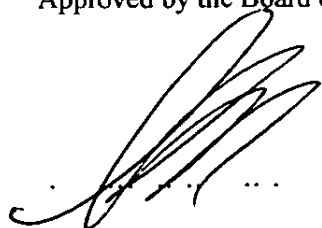
The notes on pages 22 to 32 form part of these Financial Statements

**the ENVIRONMENT CENTRE (tEC)**  
**CONSOLIDATED BALANCE SHEET - CHARITY**  
**AS AT 31 MARCH 2008**

	Notes	2008	2007
		£	£
<b>Fixed assets</b>			
Investments	12	1	1
Tangible assets	13	6,191	1,723
<b>Current assets</b>			
Debtors	14	141,049	207,155
Stock		4,697	-
Cash at bank and in hand		217,060	128,799
		<u>362,806</u>	<u>335,954</u>
Creditors: amounts falling due within one year	15	(35,151)	(61,305)
		<u></u>	<u></u>
<b>Net current assets</b>		<u>327,655</u>	<u>274,649</u>
<b>Total assets less current liabilities</b>		<u><u>333,847</u></u>	<u><u>276,373</u></u>
<b>The Funds of the Charity</b>			
Unrestricted funds	16	329,375	255,561
Restricted funds	18	4,472	20,812
		<u></u>	<u></u>
<b>Total Charity Funds</b>		<u><u>333,847</u></u>	<u><u>276,373</u></u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2007)

Approved by the Board of Trustees on 29/04/08 (date) and signed on its behalf



Director



Director

The notes on pages 22 to 32 form part of these Financial Statements

the ENVIRONMENT CENTRE (tEC)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

**1 Accounting policies**

**Accounting convention**

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting & Reporting by Charities (revised 2005), the Financial Reporting Standard for Smaller Entities (effective January 2007) and the Companies Act 1985

**Grants**

Grants are recognised in full in the Statement of Financial Activities in the year in which they are received or receivable whichever is the earlier

**Voluntary income**

Donations represent voluntary amounts receivable during the period and arise within the United Kingdom Gift-Aid income is included gross of attributable tax recoverable

**Expenditure**

All expenditure is recognised when the liability is incurred where possible Governance costs are the expenses incurred in fulfilling the charitable company's constitutional and statutory requirements Cost are allocated to activities based on staff time utilised at an hourly rate agreed with the funding agency and will incorporate an apportionment of management overheads

**Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Plant and machinery	33 33% straight line
Furniture	20 00% straight line

**Funds**

**Unrestricted funds** comprise those funds which the trustees are free to use in accordance with the charitable objects

**Restricted funds** are funds which have been given for particular purposes and projects

**Operating leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account as incurred

**Pensions**

The charity contributes to an executive pension plan for employees The assets of the plans are held separately from those of the charity Contributions payable to the plans are charged against income in the period in which they fall due

**Foreign Currencies**

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the statement of financial activities



**the ENVIRONMENT CENTRE (tEC)**

**NOTES TO THE CONSOLIDATED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

**2 Voluntary Income (Charity and Group)**

	Unrestricted	Restricted	2008	2007
	£	£	£	£
Donations	83	-	83	250
	<u>83</u>	<u>-</u>	<u>83</u>	<u>250</u>

**3 Incoming Resources from charitable activities**

	Unrestricted	Restricted	2008	2007
	£	£	£	£
By Cost Centre				
SiEnA Services	7,585	-	7,585	84,531
Bio Map	12,478	-	12,478	2,655
Port Waste Minimisation	-	-	-	13,007
Solent EEAC	123,594	-	123,594	158,812
West Sussex EEAC	143,973	-	143,973	161,304
LESP Projects	1,000	-	1,000	45,467
Community Project	9,101	18,482	27,583	47,620
Sustainability Outreach	-	-	-	30,948
Farm Energy Project	-	-	-	2,000
Sustainability Projects	21,552	-	21,552	15,000
Sustainability Awareness	-	-	-	103,595
SusPurPol	-	34,336	34,336	42,762
BREW	-	-	-	7,682
SESEP	-	-	-	13,700
Tsunami Cat	-	-	-	19,942
Core Activities and Project Management	137,137	-	137,137	122,849
Envision	22,748	-	22,748	-
Capacity Building Project (Bulgaria)	-	5,033	5,033	-
SSF	-	29,657	29,657	-
LA Projects	73,620	-	73,620	-
Business/Consultancy	37,530	2,825	40,355	-
Training	2,148	-	2,148	-
Events	35,695	18,000	53,695	-
Southampton Business Climate Champions	-	40,000	40,000	-
Network Facilitation	1,192	-	1,192	-
West Sussex LA Grants	10,551	-	10,551	-
	<u>639,905</u>	<u>148,333</u>	<u>788,238</u>	<u>871,874</u>
Charity	639,905	148,233	788,238	869,260
Subsidiary	-	-	-	2,614
	<u>63,905</u>	<u>148,333</u>	<u>788,238</u>	<u>871,874</u>

**the ENVIRONMENT CENTRE (tEC)**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

		2008		2007	
		£	£	£	£
<b>4</b>	<b>Investment Income (Charity and Group)</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
		£	£	£	£
	Bank Interest	5,853	-	5,853	3,596
		<hr/>	<hr/>	<hr/>	<hr/>
<b>5</b>	<b>Other Incoming Resources (Charity and Group)</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
		£	£	£	£
	Inland Revenue On-line filing credit	150	-	150	250
		<hr/>	<hr/>	<hr/>	<hr/>
		150	-	150	250
		<hr/>	<hr/>	<hr/>	<hr/>
<b>6</b>	<b>Costs of Generating Voluntary Income (Charity and Group)</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
		£	£	£	£
	Management and administration salaries	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>

the ENVIRONMENT CENTRE (tEC)

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2008

7 Expenditure on Charitable Activities

	Unrestricted £	Restricted £	2008 £	2007 £
<b>Charitable Activities costs</b>				
By Activity				
SiEnA Services	12,808	-	12,808	38,849
Bio Map	6,277	-	6,277	2,377
Port Waste Minimisation	-	-	-	4,449
Solent EEAC	129,374	-	129,374	126,342
West Sussex EEAC	88,553	-	88,553	127,254
LESP	-	-	-	29,878
LESP Projects	6,546	-	6,546	4,753
HTW Crisis Fund	-	-	-	5,597
Information Centre	-	-	-	136
Community Project	4,056	16,782	20,838	76,781
Sustainability Outreach	-	-	-	32,284
Farm Energy Projects	-	25	25	2,000
Sustainability Projects	18,021	-	18,021	244
Sustainability Awareness	-	-	-	84,460
SusPurPol	-	82,925	82,925	82,602
BREW	-	-	-	29,659
SESEP	-	-	-	15,300
Tsunami Cat	-	-	-	24,842
Core Activities and Project Management	75,134	-	75,134	116,315
Envision	32,179	-	32,179	-
Capacity Building Project (Bulgaria)	-	5,178	5,178	-
SSF	-	33,223	33,223	-
LA Projects	75,058	-	75,058	-
Business and Consultancy	32,625	2,343	34,968	-
Training	3,086	-	3,086	7,049
Events	36,568	18,000	54,568	-
Fire Authority	421	-	421	-
Southampton Business Climate Champions	-	27,492	27,492	-
Network Facilitation	793	-	793	-
Mobile Unit Costs	1,857	-	1,857	-
Solent Fuel Poverty Grants	132	6,267	6,399	-
West Sussex LA Grants	3,065	-	3,065	-
SESEP – SEEDA	-	11,290	11,290	-
	<b>526,553</b>	<b>203,525</b>	<b>730,078</b>	<b>811,171</b>
Charity	526,553	203,525	730,078	804,122
Subsidiary	-	-	-	7,049
	<b>526,553</b>	<b>203,525</b>	<b>730,078</b>	<b>811,171</b>

**the ENVIRONMENT CENTRE (tEC)**

**NOTES TO THE CONSOLIDATED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

**7 Expenditure on Charitable Activities (continued)**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
By Overhead Type		
Grant repaid	6,268	-
Staff costs	366,003	357,944
Premises	39,426	33,458
Utilities	2,364	1,940
Telephone	6,100	11,841
Travel and subsistence	18,207	14,881
Postage	7,246	6,004
Maintenance	7,021	11,561
Office supplies	8,496	7,868
Printing and design	16,373	8,255
Advertising	1,267	5,447
Prizes	1,690	42,085
Books, periodicals and videos	569	1,623
Displays	1,732	3,320
Conference costs	21,123	4,912
Education and training	4,795	2,754
Equipment and software	4,998	2,677
Outside services	66,768	162,405
Depreciation	4,820	2,775
Project Management charges	133,306	129,421
Bad debt written off	353	-
Payment of third party grants	11,152	-
	<hr/>	<hr/>
	<b>730,078</b>	<b>811,171</b>
	<hr/>	<hr/>
Charity	<b>730,07</b>	<b>804,122</b>
Subsidiary	<b>-</b>	<b>7,049</b>
	<hr/>	<hr/>
	<b>730,078</b>	<b>811,171</b>

**the ENVIRONMENT CENTRE (tEC)**

**NOTES TO THE CONSOLIDATED ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

**8 Governance costs**

	Unrestricted £	Restricted £	2008 £	2007 £
Audit Fees	5,864	-	5,864	4,525
Bank Charges	57	-	57	64
Staff Costs	6,426	-	6,426	5,355
Legal Fees	30	-	30	30
	<hr/> 12,377 <hr/>	<hr/> - <hr/>	<hr/> 12,377 <hr/>	<hr/> 9,974 <hr/>
			<b>2008 £</b>	<b>2007 £</b>
Charity			11,772	9,369
Subsidiary			605	605
			<hr/> 12,377 <hr/>	<hr/> 9,974 <hr/>

**9 Net income/(expenditure)**

	2008 £	2007 £
This is stated after charging		
Depreciation of owned fixed assets (Charity and Group)	4,820	2,775
Audit fees		
▪ Charity	5,339	4,000
▪ Subsidiary	525	525
Directors'/Trustees' remuneration (and expenses)	-	-
<b>Operating leases</b>		
Land & buildings	22,500	22,500
Office equipment	4,774	4,774
Motor vehicles	-	-
	<hr/> <hr/>	<hr/> <hr/>

tEC has an insurance policy which does provide trustees' indemnity cover, however the premium covers all of the charity's liabilities and the element of the premium relating to the trustee's liability is not separately identifiable

**the ENVIRONMENT CENTRE (tEC)**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**  
**(continued)**

**10 Staff costs (Charity and Group)**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Gross salaries	<b>341,245</b>	332,856
Employer's National Insurance	<b>29,967</b>	29,769
Recruitment costs	<b>1,217</b>	764
	<u><b>372,429</b></u>	<u>363,389</u>
Average number of employees during the year		
Charitable activities	<b>20</b>	19
Fundraising and publicity	-	-
Management and administration	<b>2</b>	2
	<u><b>22</b></u>	<u>21</u>

No employee received more than £60,000

**11 Fixed asset investment (Charity Only)**

The Environment Centre (tEC) holds 100% of the issued share capital in Environment Centre Enterprises Limited, a company whose principal activity is business and management consultancy. This subsidiary commenced trading on 1 April 2003.

The loss for the year ended 31 March 2008 has been included in these consolidated financial statements.

**the ENVIRONMENT CENTRE (tEC)**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**12 Tangible fixed assets (Charity and Group)**

	<b>Plant &amp; Machinery (for Charity use) £</b>	<b>Equipment (for projects) £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2007	42,996	11,498	54,494
Additions	9,287	-	9,287
Disposals	1,137	-	1,137
	<hr/>	<hr/>	<hr/>
At 31 March 2008	51,146	11,498	62,644
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 April 2007	42,996	9,775	52,771
Charge for the year	3,096	1,723	4,820
Elimination on disposal	1,137	-	1,137
	<hr/>	<hr/>	<hr/>
At 31 March 2008	47,229	11,498	58,727
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2008	3,917	-	3,917
	<hr/>	<hr/>	<hr/>
At 31 March 2007	-	1,723	1,723
	<hr/>	<hr/>	<hr/>

**13 Debtors**

	<b>2008</b>		<b>2007</b>	
	<b>Group £</b>	<b>Charity £</b>	<b>Group £</b>	<b>Charity £</b>
Trade debtors	128,58	128,53	195,05	195,055
Prepayments and accrued income	12,101	12,101	12,100	12,100
Other debtors	583	411	174	-
	<hr/>	<hr/>	<hr/>	<hr/>
	141,221	141,050	207,329	207,155
	<hr/>	<hr/>	<hr/>	<hr/>

**the ENVIRONMENT CENTRE (tEC)**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**14 Creditors: amounts falling due within one year**

	<b>2008</b>		<b>2007</b>	
	<b>Group £</b>	<b>Charity £</b>	<b>Group £</b>	<b>Charity £</b>
Trade creditors	6,218	6,218	14,129	14,129
Other taxes and social security costs	24,129	24,129	38,386	38,386
Accruals and deferred income	5,328	4,803	8,316	8,790
Other creditors	1,163	-	1,163	-
	<u>36,838</u>	<u>35,151</u>	<u>62,994</u>	<u>67,305</u>

**15 Unrestricted Funds (Charity & Group)**

	<b>2008 £</b>	<b>2007 £</b>
At 1 April 2007	261,206	148,357
Net surplus for the year	101,061	112,849
Transfer (to) restricted reserves	(38,852)	-
	<u>329,415</u>	<u>261,206</u>
At 31 March 2008		

**16 Other financial commitments (Charity & Group)**

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	<b>2008 £</b>	<b>2007 £</b>
Operating leases which expire in more than five years		
Land and Buildings	<u>22,500</u>	<u>22,500</u>
Operating leases which expire within two to five years		
Photocopier	<u>4,774</u>	<u>4,774</u>



the ENVIRONMENT CENTRE (tEC)

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2008

17 Details of Restricted Funds (Charity and Group)

	Balance at 01/04/2007 £	Incoming Resources £	Resources Expended £	Transfer Between Funds £	Balance at 31/03/08 £
<b>Euro/Multi Agency Projects</b>					
SUSPURPOL	-	34,336	82,925	48,589	-
Capacity Building Project (Bulgaria) (52)	-	5,033	5,178	145	-
<b>tEC Hosted Projects</b>					
SSF (61)					
- Learning and Skills Council	965	-	965	-	-
- Southampton City Council	-	29,657	32,258	2,601	-
Farm Energy Project (62)	-	-	25	25	-
<b>Community</b>					
BAMP – Biffa Award Mansell Park (102)					
- BIFFA Grant	-	16,782	16,782	-	-
Romsey Bag Project (102)					
- Hampshire County Council	-	300	-	-	300
- Third Party Funders	-	1,400	-	-	1,400
<b>Business</b>					
BEEP (104)					
- Eastleigh Borough Council	-	2,825	2,343	-	482
<b>Events</b>					
SE Sustainable Energy Development Conference (106)	-	18,000	18,000	-	-
<b>Large Projects</b>					
Southampton Business Climate Champions (146)					
- SEEDA	-	40,000	27,492	(12,508)	-
<b>Other Programmes</b>					
HTW – Health through Warmth (301)					
- N Power	6,267	-	6,267	-	-
SESEP (307)					
- SEEDA	11,400	-	11,290	-	110
Refugee Support (305)					
- National Government	2,180	-	-	-	2,180
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	20,812	148,333	203,525	38,852	4,472
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**the ENVIRONMENT CENTRE (tEC)**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**18 Fund Analysis (Charity and Group)**

	Unrestricted £	Restricted £	2008 £	2007 £
Fixed Assets	6,191	-	6,191	1,724
Net Current Assets	323,224	4,472	327,696	280,294
	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	329,415	4,472	333,887	282,018
	<hr/>	<hr/>	<hr/>	<hr/>

**19 Related Party Disclosures**

Peter Kelly, a Trustee of tEC, is also the area manager, Hampshire, of the Environment Agency. During the year the charity provided services, on normal commercial terms, totalling £22,591 (2007 £22,200) to the Environment Agency.

Colin Rowland, a Trustee of tEC, is also employed by Havant Borough Council. During the year the charity provided services, on normal commercial terms, totalling £19,605 (2007 - £Nil).

**THIS SCHEDULE IS FOR MANAGEMENT PURPOSES ONLY**

**the ENVIRONMENT CENTRE (tEC)**

**CONSOLIDATED INCOME AND EXPENDITURE GROUP**

**FOR THE YEAR ENDED 31 MARCH 2008**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Donations	83	250
Grants	273,173	404,123
Services	359,333	317,926
Sponsorship	15,851	3,360
Membership	6,575	18,190
Interest	5,853	3,596
Other	150	250
Project Management Charges	133,306	128,275
	<hr/>	<hr/>
	794,324	875,970
	<hr/>	<hr/>
<b>Administrative expenses</b>		
Wages	372,429	363,299
Conference fees and training	25,918	7,666
Travel and subsistence	18,207	14,881
Books and periodicals	569	1,623
Display materials	1,732	3,320
Rent, rates and service charges	41,790	35,398
Telephone and fax	6,100	11,841
Postage	7,246	6,004
Stationery and printing	16,373	8,255
Bank charges	57	64
Office supplies	8,496	7,868
Insurance	3,461	3,567
Repairs and maintenance	7,021	11,561
Depreciation	4,820	2,775
Subscriptions and sundries	30	30
Audit and accountancy fees	5,864	4,525
Other outside services	63,307	158,858
Advertising and PR	1,267	5,447
Prizes	1,690	42,085
Equipment and software	4,998	2,677
Project Management Charges	133,306	129,421
Grant repaid	6,268	-
Payment of third party grants	11,152	-
Bad debt written off	353	-
	<hr/>	<hr/>
	742,455	821,145
	<hr/>	<hr/>
<b>Surplus for the year</b>	<b>51,869</b>	<b>54,825</b>
	<hr/>	<hr/>

**THIS SCHEDULE IS FOR MANAGEMENT PURPOSES ONLY**

**the ENVIRONMENT CENTRE (tEC)**

**CONSOLIDATED INCOME AND EXPENDITURE - CHARITY**

**FOR THE YEAR ENDED 31 MARCH 2008**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Donations	83	250
Trading Company Donation	5,000	3,000
Grants	273,173	404,123
Services	359,333	314,166
Sponsorship	15,851	3,360
Membership	6,575	18,190
Interest	5,853	3,596
Other	150	250
Project Management Charges	133,306	129,421
	<hr/>	<hr/>
	799,324	876,356
	<hr/>	<hr/>
<b>Administrative expenses</b>		
Wages	372,429	363,299
Conference fees and training	25,918	7,666
Travel and subsistence	18,207	14,881
Books and periodicals	569	1,623
Display materials	1,732	3,320
Rent, rates and service charges	41,790	35,398
Telephone and fax	6,100	11,841
Postage	7,246	6,004
Stationery and printing	16,373	8,255
Bank charges	7	14
Office supplies	8,496	7,868
Insurance	3,461	3,567
Repairs and maintenance	7,021	11,561
Depreciation	4,820	2,775
Subscriptions and sundries	-	-
Audit and accountancy fees	5,339	4,000
Other outside services	63,307	151,789
Advertising and PR	1,267	5,447
Prizes	1,690	42,085
Equipment and software	4,998	2,677
Project Management Charges	133,306	129,421
Grant repaid	6,268	-
Payment of third party grants	11,152	-
Bad debt written off	353	-
	<hr/>	<hr/>
	741,850	813,491
	<hr/>	<hr/>
<b>Surplus for the year</b>	57,474	62,865
	<hr/>	<hr/>