

REGISTERED COMPANY NUMBER: 2898698  
REGISTERED CHARITY NUMBER: 1055753

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2016  
FOR  
SOUTH EAST WALES ENERGY AGENCY LIMITED**



Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS

**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

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	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 15

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## **SOUTH EAST WALES ENERGY AGENCY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015).

The Charity is also known as South East Wales Energy Efficiency Advice Centre.

#### **OBJECTIVES AND ACTIVITIES**

##### **Charitable objects**

- To advance the education of the public within South East Wales in energy conservation and the efficient use of energy, land, water and other natural resources, transport and waste recycling.
- To conserve and protect natural resources.
- To relieve those in need by the provision of advice and assistance including advice in the more efficient and economical use of energy in their homes.

##### **Objectives and activities**

- Raising awareness of climate change and fuel poverty through various media.
- Providing a free Telephone Advice Service to the public, landlords and local authorities on all energy use and conservation matters.
- Outreach activity including attending events, giving presentations.
- Administering grant schemes to help householders, private landlords and social housing providers install energy saving measures.
- Training and supporting local authority and health service staff to eliminate fuel poverty and unhealthy cold and damp homes.
- Working with local authorities to implement their Affordable Warmth Strategies.

##### **Grant giving criteria**

We have received restricted funds from various sources to provide grants to vulnerable households as part of our Healthy Homes project. Grants are currently provided to householders in the City of Newport, the County Borough of Rhondda Cynon Taff and the County of Monmouthshire.

Grants are provided where householders are referred to us by health professionals and other front line staff in the voluntary sector participating in the project where they consider that the health of a member of the household is at risk, or could be improved if the home has adequate, efficient and affordable heating. Grants can cover insulation measures as well as heating systems and repairs. Grants are only provided to low income households where other grant schemes, namely the Welsh Government's Nest or energy company ECO schemes are unable to help. Decisions on the provision of grants are taken by a panel of at least two members of staff.

##### **Public benefit**

The organisations trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission. Significant activities that we undertook during the year that demonstrate public benefit are set out on the following pages.

## **SOUTH EAST WALES ENERGY AGENCY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

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#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The trend away from simply giving advice towards providing more practical assistance continues, now including water and waste minimisation along with energy. This assistance has been by way of securing funding to assist householders install energy saving measures in their homes, particularly those with solid walls that are both expensive to heat and to treat.

The reduced Energy Company Obligation (ECO) targets placed on energy companies has resulted in a reduction in grant funding available during the year resulting in us being unable to improve as many homes as in previous years, although we were still able to secure £277,000 from SSE and the Newport City Council.

Healthy Homes - Funding has been secured from the British Gas Energy Trust to provide advice and financial assistance to people whose health is affected or could be at risk through living in a cold or damp home. The associated Crisis Fund can provide immediate assistance to repair heating systems, improve insulation, replace draughty windows, etc.

Community Energy Saving - This is our area based fuel poverty scheme which concentrates on the low income areas of Newport and Monmouthshire. Here we aim to engage with the communities to bring in grant funding for home improvements as well as help reduce energy and water costs through behaviour change.

Cosy Homes - Originally this project focused on improving social housing, but as a result of the good progress being made towards meeting the Welsh Housing Quality Standard the emphasis has now moved to the private rented sector.

ECO - The Energy Company Obligation places a target on energy suppliers to help householders reduce their carbon emissions and whilst it provided a significant source of funding for the charity's home improvement activities, during the year changes introduced by UK Government have resulted in reduced targets for the energy companies, and so lower levels of assistance for householders.

Carbon Action Network Cymru - The Agency provides the secretariat for CAN Cymru which consists mainly of local authority officers with the responsibility of implementing domestic energy efficiency and fuel poverty strategies.

Service Level Agreements - The Agency has agreements with Newport City Council and Monmouthshire County Council to assist them deliver their carbon reduction and fuel poverty strategies in the domestic sector.

Over the past 16 years the charity has helped householders achieve current energy bill reductions of around £14 million a year, reduced carbon emissions by over half a million tonnes and secured £20 million in grant aid for householders.

## **SOUTH EAST WALES ENERGY AGENCY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

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#### **FINANCIAL REVIEW**

Total income for the year amounted to £657,496 (2015: £458,426). Income from charitable activities was £620,009 (2015: £421,900). The charity's expenditure in the year amounted to £486,042 (2015: £374,349).

Net income was £171,126 (2015: £84,077).

#### **Reserves policy**

Due to the squeeze on local authority budgets, the reduced level of ECO spending by energy suppliers and the lack of funding from Welsh Government we may well need to fall back on the reserves to fund our core activities in coming years. For this reason we are now looking for the return on our invested reserves to provide future income.

At the year end unrestricted funds amount to £2,629,443 (2015: £2,524,925). However of this £8,294 (2015: £15,614) is represented by tangible fixed assets, and a further £1,000,000 has been designated for specific purposes, leaving £1,621,149 (2015: £1,509,311) as the free reserves of the charity.

Restricted funds specifically provided for making grants are all expended within the period for which they are provided.

#### **Funds in deficit**

There are no funds in deficit.

#### **Principal funders**

The charity's principal sources of income during the year were from Local Authorities and Energy Suppliers. No funding was received directly from the Central or Welsh governments. Most of the charity's income is derived through Service Level Agreements with local authorities and from managing insulation, health and fuel poverty schemes for energy companies. The charity makes no charge to the public for providing advice or securing grant assistance.

The charity has never raised funds from the public and does not intend to do so in the future. It therefore does not have or need a policy to protect vulnerable donors, or a code of practice for external fundraising.

Unrestricted income is used to provide all of our advice, outreach and educational services as well as providing grants to householders to improve the energy efficiency of their homes.

Restricted funds are used to provide crisis grants to vulnerable householders in the relevant local authority areas.

#### **Investment policy**

Reserves are held on deposit with a number of banks and building societies to spread the risk. Security of the funds is given a higher priority than a better return with a higher risk element. We aim to place funds with Welsh based organisations where returns are competitive and all must be covered by the UK Financial Services Compensation Scheme.

#### **Remuneration of senior staff**

The charity's policy is to base the salary of senior staff by benchmarking them against other similar posts in the charity sector.

#### **FUTURE PLANS**

Whilst the number of homes suffering fuel poverty is increasing, the UK government has relaxed the targets imposed on energy companies, thereby making it more difficult to secure funding to finance energy efficiency measures. To continue with this valuable work the charity has secured funding from other benevolent organisations, but is insufficient to continue with costly external wall insulation and so now concentrating on lower cost measures for those households most at risk from living in a cold home.

The trustees have agreed to allocate £1,000,000 of reserves for the construction and maintenance of a purpose built environment centre. This will be used for development, demonstration and education purposes across a broad range of environmental topics and broaden the charities opportunities to secure future funding, so reducing reliance on the energy sector. Negotiations are taking place to obtain a lease on a suitable piece of land as part of the Community Asset Transfer initiative, but whilst progress is being made it is now unlikely that building will start until 2017.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Charity is a company limited by guarantee, governed by its Memorandum and Articles of Association. The liability of each member is limited to £1.

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## **SOUTH EAST WALES ENERGY AGENCY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Appointment of trustees**

The trustees are appointed by the Board of Trustees and are selected on the basis of their knowledge of the charity's activities, of sustainable energy, energy efficiency, housing, etc as this adds value to the work of the charity. They are usually current or previous funders and so familiar with the management and workings of the charity, as well as the environment in which it operates.

##### **Organisation**

The charity is overseen by the Board of Trustees who are also directors of the company. The day to day management and strategic direction of the charity rests with the Agency Director.

##### **Induction of trustees**

At their time of appointment, trustees are familiar with the work of the charity and have considerable experience of the field that we work in. The induction process therefore only involves informing them of their responsibilities as trustees and for this we use material provided by the Charity Commission.

##### **Related parties**

The charity is totally independent although does have close working relationships, some voluntary and others through contractual arrangements with several organisations, namely local authorities, energy supply companies and installers. The charity has no trading subsidiaries and no financial interest in any other business or organisation.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

2898698

##### **Registered Charity number**

1055753

##### **Registered office**

Suite 6, 6th Floor  
Clarence House  
Clarence Place  
NEWPORT  
South Wales  
NP19 7AA

##### **Trustees**

A M Bassett Jones  
A T Roberts  
J Major

##### **Agency Director**

A David

##### **Company Secretary**

A David

##### **Auditors**

Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS

##### **Bank**

Cooperative Bank  
16-17 High Street  
CARDIFF  
CF10 1AY

## **SOUTH EAST WALES ENERGY AGENCY LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2016**

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#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of South East Wales Energy Agency Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 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.

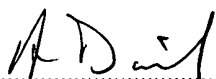
In so far as the trustees are aware:

- 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.

#### **AUDITORS**

The auditors, Watts Gregory LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the Board of Trustees on 3/11/2016 and signed on its behalf by:



A David - Secretary

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH EAST WALES ENERGY AGENCY LIMITED**

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We have audited the financial statements of South East Wales Energy Agency Limited for the year ended 31 March 2016 on pages eight to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

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

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SOUTH EAST WALES ENERGY AGENCY LIMITED**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Julia Mortimer (Senior Statutory Auditor)  
for and on behalf of Watts Gregory LLP  
Chartered Accountants & Statutory Auditors  
Elfed House  
Oak Tree Court  
Cardiff Gate Business Park  
CARDIFF  
County of Cardiff  
CF23 8RS

Date: 8 November 2016

**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>	<b>3</b>				
Energy Efficiency Advice Centre		15,900	-	15,900	18,000
Community Energy Saving Programmes		484,269	119,840	604,109	403,900
Investment income	2	37,487	-	37,487	36,517
Other income		-	-	-	9
<b>Total</b>		<b>537,656</b>	<b>119,840</b>	<b>657,496</b>	<b>458,426</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	<b>4</b>				
Energy Efficiency Advice Centre		38,261	-	38,261	32,362
Strategic activities		12,071	-	12,071	10,788
Social Housing project		42,944	-	42,944	32,811
Community Energy Saving Programmes		339,862	53,232	393,094	298,388
<b>Total</b>		<b>433,138</b>	<b>53,232</b>	<b>486,370</b>	<b>374,349</b>
<b>NET INCOME</b>		<b>104,518</b>	<b>66,608</b>	<b>171,126</b>	<b>84,077</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>2,524,925</b>	<b>12,746</b>	<b>2,537,671</b>	<b>2,453,594</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>2,629,443</u></b>	<b><u>79,354</u></b>	<b><u>2,708,797</u></b>	<b><u>2,537,671</u></b>

The notes form part of these financial statements

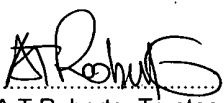
**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**BALANCE SHEET  
AT 31 MARCH 2016**

	Notes	Unrestricted funds £	Restricted funds £	2016 Total funds £	2015 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	8,294	-	8,294	15,614
<b>CURRENT ASSETS</b>					
Debtors	12	14,388	-	14,388	30,372
Cash at bank		<u>2,651,738</u>	<u>80,547</u>	<u>2,732,285</u>	<u>2,636,245</u>
		2,666,126	80,547	2,746,673	2,666,617
<b>CREDITORS</b>					
Amounts falling due within one year	13	(44,977)	(1,193)	(46,170)	(144,560)
<b>NET CURRENT ASSETS</b>		<u>2,621,149</u>	<u>79,354</u>	<u>2,700,503</u>	<u>2,522,057</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,629,443</u>	<u>79,354</u>	<u>2,708,797</u>	<u>2,537,671</u>
<b>NET ASSETS</b>		<u>2,629,443</u>	<u>79,354</u>	<u>2,708,797</u>	<u>2,537,671</u>
<b>FUNDS</b>	15				
Unrestricted funds				2,629,443	2,524,925
Restricted funds				<u>79,354</u>	<u>12,746</u>
<b>TOTAL FUNDS</b>				<u>2,708,797</u>	<u>2,537,671</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 03/11/2016 and were signed on its behalf by:

  
A T Roberts - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

This includes capital grants.

**Income from charitable activities**

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

**Investment income**

Investment income is recognised on a receivable basis.

It is not the policy of the charity to show incoming resources net of expenditure.

**Expenditure**

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

"Charitable expenditure" comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

"Support costs" are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. This includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity as well as a proportion of salaries based on an approximation of time spent in this area.

**Allocation and apportionment of costs**

Support costs are allocated to each activity on the basis of the number of hours spent.

**Tangible fixed assets**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 33 1/3% of cost per annum

Motor Vehicles - 25% of cost per annum

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as a basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Debtors**

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

**Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

**Funds structure**

Unrestricted funds represent resources available to be applied by the trustees for the general purposes of the charity.

Restricted funds are resources that the donor has stipulated may only be applied for particular purposes within the charity's objects.

Designated funds are amounts set aside from the general unrestricted funds to be used for particular purposes. They remain part of unrestricted funds.

**Operating lease commitments**

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

**2. INVESTMENT INCOME**

	2016 £	2015 £
Bank interest receivable	<u>37,487</u>	<u>36,517</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	2016 £	2015 £
Energy Efficiency Advice Centre income	15,900	18,000
Community Energy Saving Programmes	<u>604,109</u>	<u>403,900</u>
	<u>620,009</u>	<u>421,900</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 5) £	Support costs (See note 6) £	Totals £
Energy Efficiency Advice Centre	31,762	6,499	38,261
Strategic activities	9,905	2,166	12,071
Social Housing project	38,042	4,902	42,944
Community Energy Saving Programmes	<u>354,307</u>	<u>38,787</u>	<u>393,094</u>
	<u>434,016</u>	<u>52,354</u>	<u>486,370</u>

**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**5. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2016 £	2015 £
Staff costs	135,104	117,713
Rent, rates and water	13,708	13,705
Insurance	1,206	1,602
Motor and travel costs	998	1,710
Telephone	1,096	1,570
Advertising	3,339	431
Sundry	2,261	1,262
Legal and professional	-	610
Office expenses	198	339
Printing, postage and stationary	1,005	631
Installation of energy measures and other direct costs	253,273	159,587
Healthy Homes project costs	15,752	-
Monmouthshire crisis fund grant repaid	-	19,392
Depreciation	6,076	6,608
	<u>434,016</u>	<u>325,160</u>

**6. SUPPORT COSTS**

	Staff Costs £	Depreciation £	Other costs £	Governance costs £	Totals £
Energy Efficiency Advice Centre	4,413	225	670	1,191	6,499
Strategic activities	1,471	75	223	397	2,166
Social Housing project	2,353	120	1,793	636	4,902
Community Energy Saving Programmes	<u>16,182</u>	<u>824</u>	<u>17,410</u>	<u>4,371</u>	<u>38,787</u>
	<u>24,419</u>	<u>1,244</u>	<u>20,096</u>	<u>6,595</u>	<u>52,354</u>

Support costs are allocated to each activity on the basis of the number of hours spent.

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2016 £	2015 £
Auditors' remuneration	2,850	2,750
Depreciation - owned assets	<u>7,320</u>	<u>7,961</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2016 or for the year ended 31 March 2015.

**Trustees' expenses**

A total of £165 (2015: £201) was paid to three trustees (2015: 3) for travelling expenses incurred during the year.

**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**9. STAFF COSTS**

	2016 £	2015 £
Wages and salaries	148,168	130,641
Social security costs	<u>14,608</u>	<u>11,181</u>
	<u>162,776</u>	<u>141,822</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Administration staff	1	2
Advice workers	<u>3</u>	<u>3</u>
	<u>4</u>	<u>5</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2016	2015
£60,001 - £70,000	<u>1</u>	<u>1</u>

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Energy Efficiency Advice Centre	18,000	-	18,000
Community Energy Saving Programmes	403,900	-	403,900
Investment income	36,517	-	36,517
Other income	<u>9</u>	<u>-</u>	<u>9</u>
<b>Total</b>	458,426	-	458,426
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Energy Efficiency Advice Centre	32,362	-	32,362
Strategic activities	10,788	-	10,788
Social Housing project	32,811	-	32,811
Community Energy Saving Programmes	<u>279,078</u>	<u>19,310</u>	<u>298,388</u>
<b>Total</b>	355,039	19,310	374,349
<b>NET INCOME</b>	103,387	(19,310)	84,077
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>2,421,538</u>	<u>32,056</u>	<u>2,453,594</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>2,524,925</u>	<u>12,746</u>	<u>2,537,671</u>

**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**11. TANGIBLE FIXED ASSETS**

	Equipment £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 April 2015 and 31 March 2016	<u>10,975</u>	<u>24,311</u>	<u>35,286</u>
<b>DEPRECIATION</b>			
At 1 April 2015	9,036	10,636	19,672
Charge for year	<u>1,242</u>	<u>6,078</u>	<u>7,320</u>
At 31 March 2016	<u>10,278</u>	<u>16,714</u>	<u>26,992</u>
<b>NET BOOK VALUE</b>			
At 31 March 2016	<u>697</u>	<u>7,597</u>	<u>8,294</u>
At 31 March 2015	<u>1,939</u>	<u>13,675</u>	<u>15,614</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	-	7,830
VAT	-	4,851
Prepayments and accrued income	<u>14,388</u>	<u>17,691</u>
	<u>14,388</u>	<u>30,372</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade creditors	10,523	99,978
VAT	4,232	-
Accruals and deferred income	<u>31,415</u>	<u>44,582</u>
	<u>46,170</u>	<u>144,560</u>

Included within accruals and deferred income, is the following deferred income in relation to income received in advance of its performance conditions for the Community Energy Saving Programme:

	£
Deferred income brought forward	23,965
Amounts released	<u>(5,300)</u>
Deferred income carried forward	<u>18,665</u>

**14. OPERATING LEASE COMMITMENTS**

At 31 March 2016 the charity had annual commitments under non-cancellable operating leases for land and buildings as set out below.

	2016 £	2015 £
Expiring:		
Within one year	<u>-</u>	<u>7,460</u>



**SOUTH EAST WALES ENERGY AGENCY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2016**

**15. MOVEMENT IN FUNDS**

	At 1/4/15 £	Net movement in funds £	At 31/3/16 £
<b>Unrestricted funds</b>			
General fund	1,524,925	104,518	1,629,443
Construction and maintenance of Environment Centre	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
	2,524,925	104,518	2,629,443
<b>Restricted funds</b>			
Insulation Grant Scheme	2,746	-	2,746
Crisis Fund - Rhondda Cynon Taf	10,000	-	10,000
Healthy Homes	<u>-</u>	<u>66,608</u>	<u>66,608</u>
	12,746	66,608	79,354
<b>TOTAL FUNDS</b>	<u><u>2,537,671</u></u>	<u><u>171,126</u></u>	<u><u>2,708,797</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	537,656	(433,138)	104,518
<b>Restricted funds</b>			
Healthy Homes	119,840	(53,232)	66,608
<b>TOTAL FUNDS</b>	<u><u>657,496</u></u>	<u><u>(486,370)</u></u>	<u><u>171,126</u></u>

**Designated funds**

The Board of Trustees agreed to set up a designated fund in the year of £1 million to cover the purchase and maintenance costs of a new Environment Centre.

**Restricted funds**

Under the Insulation Grant Scheme, funds are received from several sources, for funding insulation in homes.

The Crisis Fund was created for residents in Rhondda Cynon Taf with funding from that Local Authority. It operates on the same criteria as the existing schemes.

The Healthy Homes fund has been created to provide advice and financial assistance to people whose health is affected or could be at risk through living in cold or damp homes.

**16. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2016 requiring disclosure.

**17. ULTIMATE CONTROLLING PARTY**

The charity is under the control of the trustees with no one party having ultimate control.