

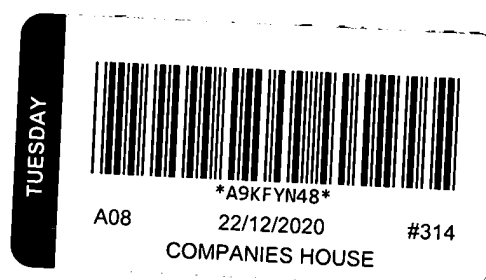
Registration number: 04241430

# The Association for Renewable Energy and Clean Technology

(formerly Renewable Energy Association)

Annual Report and Financial Statements

for the Year Ended 31 December 2019



# The Association for Renewable Energy and Clean Technology

(Registration number: 04241430)  
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	6	1,434	15,743
Investments	7	<u>100</u>	<u>100</u>
		<u>1,534</u>	<u>15,843</u>
<b>Current assets</b>			
Debtors	8	1,112,222	1,353,638
Cash at bank and in hand		<u>480,161</u>	<u>404,749</u>
		1,592,383	1,758,387
<b>Creditors: Amounts falling due within one year</b>	9	<u>(1,175,418)</u>	<u>(1,347,733)</u>
<b>Net current assets</b>		<u>416,965</u>	<u>410,654</u>
<b>Net assets</b>		<u>418,499</u>	<u>426,497</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>418,499</u>	<u>426,497</u>
Shareholders' funds		<u>418,499</u>	<u>426,497</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income and Expenditure Account has been taken.

Approved and authorised by the Board on 18 December 2020 and signed on its behalf by:



Dr N M Skorupska  
Chief executive

# **The Association for Renewable Energy and Clean Technology**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The company was formerly known as Renewable Energy Association.

The address of its registered office is:

Brettenham House  
2-19 Lancaster Place  
London  
WC2E 7EN  
England

These financial statements were authorised for issue by the Board on 18 December 2020.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

The financial statements have been prepared on a going concern basis as the directors believe that no material uncertainties exist. The directors have considered the level of reserves held and the expected income and expenditure for 12 months from authorising these financial statements, including a revision of expectations for the potential impact of COVID-19 on the company. The budgeted income and expenditure is sufficient with the level of reserves for the company to be able to continue as a going concern.

#### **Audit report**

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 21 December 2020 was Stuart Bates BA FCA, who signed for and on behalf of Wenn Townsend.

# **The Association for Renewable Energy and Clean Technology**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

### **Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Office and Computer equipment	33% straight line
Website development	25% straight line

### **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess or deficit of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset or liability at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Intellectual property	33% straight line
Negative goodwill	20% straight line

# **The Association for Renewable Energy and Clean Technology**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **Investments**

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### **Trade debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## **The Association for Renewable Energy and Clean Technology**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 18 (2018 - 15).

#### **4 Auditors' remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements	<u>5,000</u>	<u>4,500</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>4,600</u>	<u>2,000</u>

# The Association for Renewable Energy and Clean Technology

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 5 Intangible assets

	Goodwill £	Intellectual property £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	(68,871)	7,090	(61,781)
At 31 December 2019	(68,871)	7,090	(61,781)
<b>Amortisation</b>			
At 1 January 2019	(68,871)	7,090	(61,781)
At 31 December 2019	(68,871)	7,090	(61,781)
<b>Carrying amount</b>			
At 31 December 2019	-	-	-

### 6 Tangible assets

	Office & computer equipment £	Website development £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	194,753	58,042	252,795
At 31 December 2019	194,753	58,042	252,795
<b>Depreciation</b>			
At 1 January 2019	180,313	56,739	237,052
Charge for the year	13,006	1,303	14,309
At 31 December 2019	193,319	58,042	251,361
<b>Carrying amount</b>			
At 31 December 2019	1,434	-	1,434
At 31 December 2018	14,440	1,303	15,743

# The Association for Renewable Energy and Clean Technology

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 7 Investments

	2019 £	2018 £
Investments in subsidiaries	<u>100</u>	<u>100</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 January 2019		<u>100</u>
<b>Provision</b>		
<b>Carrying amount</b>		
At 31 December 2019		<u>100</u>
At 31 December 2018		<u>100</u>

### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2019	2018
<b>Subsidiary undertakings</b>				
Renewable Energy Assurance Limited		100 £1 ordinary shares	100%	100%
	England & Wales			

### Subsidiary undertakings

#### *Renewable Energy Assurance Limited*

The principal activity of Renewable Energy Assurance Limited is customer assurance. The profit for the financial period of Renewable Energy Assurance Limited was £16,721 and the aggregate amount of capital and reserves at the end of the period was £(49,282).



# **The Association for Renewable Energy and Clean Technology**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **8 Debtors**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Trade debtors		681,248	920,691
Amounts owed by group undertakings and undertakings in which the company has a participating interest	10	281,535	344,254
Prepayments		145,298	87,875
Other debtors		4,141	818
		<u>1,112,222</u>	<u>1,353,638</u>

### **9 Creditors**

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

	<b>2019 £</b>	<b>2018 £</b>
<b>Due within one year</b>		
Trade creditors	89,284	98,431
Taxation and social security	175,998	208,727
Accruals and deferred income	883,633	1,023,572
Other creditors	26,503	17,003
	<u>1,175,418</u>	<u>1,347,733</u>

# The Association for Renewable Energy and Clean Technology

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 10 Related party transactions

#### Summary of transactions with entities with joint control or significant interest

The Wood Heat Association, a company limited by guarantee.  
Provision of working capital.

No specific repayment terms.

#### Summary of transactions with all subsidiaries

Renewable Energy Assurance Limited  
Provision of working capital.  
Planned repayment by 2023.

### Loans to related parties

	Entities with joint control or significant influence £	Subsidiary £	Total £
<b>2019</b>			
At start of period	61,024	283,230	344,254
Repaid	(7,977)	(54,742)	(62,719)
At end of period	<u>53,047</u>	<u>228,488</u>	<u>281,535</u>
	Entities with joint control or significant influence £	Subsidiary £	Total £
<b>2018</b>			
At start of period	-	309,147	309,147
Advanced	61,024	-	61,024
Repaid	-	(25,917)	(25,917)
At end of period	<u>61,024</u>	<u>283,230</u>	<u>344,254</u>