

The Association for Renewable Energy and Clean Technology

(A company limited by guarantee)

Filleted Financial Statements
for the Year Ended 31 December 2022

The Association for Renewable Energy and Clean Technology

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The Association for Renewable Energy and Clean Technology

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Association for Renewable Energy and Clean Technology

(Registration number: 04241430)
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>5</u>	22,151	41,118
Investments	<u>6</u>	100	100
		<u>22,251</u>	<u>41,218</u>
Current assets			
Debtors	<u>7</u>	758,828	1,029,905
Cash at bank and in hand		<u>1,147,033</u>	<u>616,761</u>
		1,905,861	1,646,666
Creditors: Amounts falling due within one year	<u>8</u>	<u>(1,522,640)</u>	<u>(1,302,275)</u>
Net current assets		<u>383,221</u>	<u>344,391</u>
Net assets		<u>405,472</u>	<u>385,609</u>
Reserves			
Retained earnings		<u>405,472</u>	<u>385,609</u>
Surplus		<u>405,472</u>	<u>385,609</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. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Income and Expenditure Account.

Approved and authorised by the Board on 26 July 2023 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 2022

1 General information

The company is a company limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

York House
23 Kingsway
London
WC2B 6UJ
England

These financial statements were authorised for issue by the Board on 26 July 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

The Association for Renewable Energy and Clean Technology

Notes to the Financial Statements for the Year Ended 31 December 2022

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report on 18 September 2023 was Stuart Bates BA FCA, who signed for and on behalf of Wenn Townsend.

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.

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:

Asset class	Depreciation method and rate
Office and Computer equipment	33% straight line
Website development	33% 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:

Asset class	Amortisation method and rate
Intellectual property	33% straight line
Negative goodwill	20% straight line

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Notes to the Financial Statements for the Year Ended 31 December 2022

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 2022

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 21 (2021 - 20).

4 Intangible assets

	Goodwill £	Intellectual property £	Total £
Cost or valuation			
At 1 January 2022	(68,871)	7,090	(61,781)
At 31 December 2022	(68,871)	7,090	(61,781)
Amortisation			
At 1 January 2022	(68,871)	7,090	(61,781)
At 31 December 2022	(68,871)	7,090	(61,781)
Carrying amount			
At 31 December 2022	-	-	-

5 Tangible assets

	Office & computer equipment £	Website development £	Total £
Cost or valuation			
At 1 January 2022	233,359	62,840	296,199
Additions	790	15,120	15,910
At 31 December 2022	234,149	77,960	312,109
Depreciation			
At 1 January 2022	213,607	41,474	255,081
Charge for the year	12,892	21,985	34,877
At 31 December 2022	226,499	63,459	289,958
Carrying amount			
At 31 December 2022	7,650	14,501	22,151
At 31 December 2021	19,752	21,366	41,118

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Notes to the Financial Statements for the Year Ended 31 December 2022

6 Investments

	2022 £	2021 £
Investments in subsidiaries	100	100
Subsidiaries		£
Cost or valuation		
At 1 January 2022		100
Provision		
Carrying amount		
At 31 December 2022		100
At 31 December 2021		100

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	
			2022	2021
Subsidiary undertakings				
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 Association for Renewable Energy and Clean Technology

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Debtors

	Note	2022 £	2021 £
Trade debtors		496,647	776,924
Amounts owed by group undertakings and undertakings in which the company has a participating interest	9	165,286	188,983
Prepayments		70,581	63,952
Other debtors		26,314	46
		<u>758,828</u>	<u>1,029,905</u>

8 Creditors

Creditors: amounts falling due within one year

	2022 £	2021 £
Due within one year		
Trade creditors	54,888	15,884
Taxation and social security	211,608	192,943
Accruals and deferred income	1,226,530	1,070,053
Other creditors	29,614	23,395
	<u>1,522,640</u>	<u>1,302,275</u>

The Association for Renewable Energy and Clean Technology

Notes to the Financial Statements for the Year Ended 31 December 2022

9 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 subsidiaries

Renewable Energy Assurance Limited

Provision of working capital.

Planned repayment by 2023.

The Association for Renewable Energy and Clean Technology

Notes to the Financial Statements for the Year Ended 31 December 2022

Loans to related parties

	Entities with joint control or significant influence	Subsidiary	Total
	£	£	£
2022			
At start of period	76,109	112,874	188,983
Advanced	-	2,596	2,596
Impairment	(26,292)	-	(26,292)
	<u>49,817</u>	<u>115,470</u>	<u>165,287</u>
At end of period			
	Entities with joint control or significant influence	Subsidiary	Total
	£	£	£
2021			
At start of period	55,599	163,399	218,998
Advanced	20,510	-	20,510
Repaid	-	(50,525)	(50,525)
	<u>76,109</u>	<u>112,874</u>	<u>188,983</u>
At end of period			

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.