

Company Registered Number: 07613369
Charity Registered Number: 1161019

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

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EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees	A Grayson, Chair M Pitt H Kotecha
Company registered number	07613369
Charity registered number	1161019
Registered office	10 Queen Street Place London EC4R 1BE
Independent auditor	MHA Colchester Business Park 910 The Crescent Colchester Essex CO4 9YQ
Bankers	Triodos Bank UK Deanery Road Bristol BS1 5AS

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the audited financial statements of the Foundation for the year 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Since the Group and the Foundation qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Group aims to have a demonstrable impact on causes falling within the Empower Community Foundation's (ECF) objects. The Group and Foundation's key objective for the year was to act as a Trustee to the local community funds which are due to be received from projects where the Group and Foundation has an interest. The projects mainly comprise fully operational and validated solar PV systems which are owned and operated by a special purpose vehicle.

ECF administers and oversees the financial management and allocation of surplus revenue share from projects in favour of communities where the projects are undertaken, in consultation with a Local Community Fund Panel for the rooftop portfolio and via the relevant Community Foundation in the case of the CIC-based solar parks (see below).

Per the Objects of ECF, invest in ventures designed to further said Objects.

ECF's objects have been designed to allow maximum flexibility for each locality to make its own decisions in relation to best application of support for that area, broadly in favour of projects which will reduce or reverse negative social and/or environmental impacts in the local community.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The strategy for the period was to implement the objectives of the Group and Foundation and prepare for future surplus funds to be distributed.

The principle that members of the community local to that project are best placed to identify and recommend the most beneficial recipients and uses of grant funding is embodied in the structure and implementation of the grant making activities of ECF. These are currently the Local Community Fund Panel for Empower Community Solar 1 LLP (known as 'Empower Sunderland') and the relationships with The Wiltshire Community Foundation for Drove Lane Solar Park CIC and Foundation Scotland for New Mains of Guynd Solar Park CIC.

In each case, ECF Trustees review and approve the most suitable recipients of grant funding as recommended by the local entity.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The projects have commenced in the special purpose vehicles and the Foundation's share of funds are in the process of being received and distributed.

In the case of Empower Community Solar 1, the primary focus of grant making has been the general improvement and energy efficiency of community centres in the Sunderland area. The covid situation has meant that many of these centres' building improvement plans were stalled, so grant making for these activities slowed during the period, with a number of smaller grants to wider groups such as food banks and women's refuges made instead. Unallocated funds have accrued for future grant making.

Drove Lane Solar Park CIC donated to the Wiltshire Community Foundation in support of its 'Stronger Families' programme in Salisbury's most deprived ward.

New Mains of Guynd Solar Park CIC, via Foundation Scotland, made its annual grant to Voluntary Action Angus for their 'Children and Families Buddy Support' programme.

Achievements and performance

a. Key performance indicators

Income distributable to charitable beneficiaries is considered to be the key performance indicator. Grants distributed to institutions for community benefit in the year totalled £108,144 (2022 - £69,830), with unallocated funds from one financial year carried over into the next.

b. Review of activities

Regarding the activities outlined above, the Trustees are aware of their responsibility to balance the needs of beneficiaries and to award grants to new projects where appropriate and carry forward any unallocated grant funds where no suitable recipient has yet been identified.

c. Investment policy and performance

The Foundation is expecting to receive funds in the future to invest in future community projects and for the time being is donating 100% of community benefit funds received.

The investment policy of the Group and Foundation will be to invest any surplus funds in interest generating deposit accounts. Further investment policies will be agreed once funds have been received.

Further social and ethical considerations which are not outlined in the objects are taken into account as part of the investment policy, as the governing document of the Foundation does not mandate consideration of other matters.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Group and Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Group and Foundation is not currently exposed to operational risks of the sort that would require to be ameliorated by emergency expenditure.

The Group aims to maintain a level of reserves in future sufficient to enable its project and donor activities to be undertaken year on year once funding is received. At the year end, there was a deficit in unrestricted funds of £4,241,549 (2022 - £4,271,079).

While the Group is in deficit and made a deficit during the year, the earnings before depreciation for the Group for the year ended 31 March 2023 was £895,893 (2022 - £651,901). The deficit is a result of the large capital outlay required to initially purchase the solar harvesting equipment which is being depreciated. Once these items are fully depreciated, the Group is expected to recover the deficit.

c. Financial risk management objectives and policies

The potential for grant fraud is acknowledged as being a risk to which the Group and Foundation and similar charities, may be subject. It is felt that the extensive due diligence that will be carried out on future grant applications mitigates against it as strongly as the Group and Foundation's resources will allow.

Structure, governance and management

a. Constitution

Empower Community Foundation is registered as a charitable company limited by guarantee and was set up by a Trust Deed.

The objects of the Foundation ('the objects') are:

- i. the advancement of environmental protection and conservation of the natural environment, particularly by promoting the reduction of greenhouse gases (including carbon dioxide, methane and any other gases that may be identified from time to time as having a global warming potential);
- ii. the prevention and relief of poverty, particularly by the reduction of energy bills, through the advancement and facilitation of energy efficiency and renewable energy measures;
- iii. the advancement of education, particularly in relation to energy, climate change and environmental protection and conservation; and
- iv. any other objects which are charitable for the time being under English law.

The objects underpin the selection process for beneficiaries of the community funds distributed.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the Group and the Foundation is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed.

c. Organisational structure and decision-making policies

The Board administers the Group. A Chief Executive will be appointed by the Trustees to manage the day-to-day operations of the Foundation when and if required.

ECF is a designated member of Empower Community Solar 1 LLP and receives the 40% of surplus revenue from it on an annual basis, for grant making in the Sunderland community.

ECF is the beneficial owner of Drove Lane Solar Park CIC and New Mains of Guynd Solar Park CIC and receives income by donation for distribution to the communities local to each community, as well as potential for future investment in new projects.

d. Policies adopted for the induction and training of Trustees

Trustees are recruited following recommendations from existing Trustees and after consideration of the existing Board's requirements.

The Trustees are appointed under the Trust Deed, with a minimum of three Trustees. The Trustees undertake appropriate training and induction under their terms of reference, with an experienced Trustee as a mentor.

There are currently no Trustees to induct and training for Trustees is maintained through Charity Commission updates.

e. Pay policy for key management personnel

The Trustees comprise the key management personnel of the Group and Foundation and are in charge of controlling, running and operating the Group and Foundation on a day-to-day basis. All Trustees give of their time freely and received no remuneration for the year and no Trustee expenses were incurred.

f. Related party relationships

None of our Trustees received remuneration or other benefits from their work with the Group and Foundation.

The Foundation is expecting to receive funding in the future from the related entities to accumulate for future reinvestment and distribution as charitable grants.

g. Financial risk management

The Trustees have assessed the major risks to which the Group and the Foundation are exposed, in particular those related to the operations and finances of the Group and the Foundation, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

EMPOWER COMMUNITY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

h. Principal activities

The principal activity during the year was that of the advancement of environmental protection and conservation, improvement of community spaces, reduction of energy costs and advancement of education.

Plans for future periods

The Group and Foundation plans to increase and develop its level of operations as its related entities evolve.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

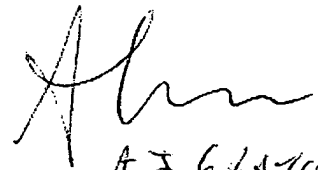
Auditor

The auditor, MHA, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the Members of the Board of Trustees and signed on their behalf by:

Date:

29/1/24


A. J. G. L. A. T. S. O. N.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are also the Directors of the Foundation 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).

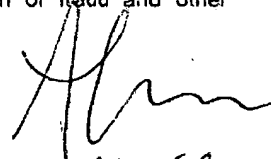
Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Foundation and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group and Foundation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Foundation 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 Group and the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:

Date: 29/1/24


A. S. GRAYSON

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPOWER COMMUNITY FOUNDATION

Opinion

We have audited the financial statements of Empower Community Foundation (the 'Foundation') and its subsidiaries (the 'Group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Foundation Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

EMPOWER COMMUNITY FOUNDATION
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPOWER COMMUNITY FOUNDATION
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPOWER COMMUNITY FOUNDATION
(CONTINUED)

Responsibilities of Trustees

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

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

Auditor responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMPOWER COMMUNITY FOUNDATION
(CONTINUED)

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

Use of our report

This report is made solely to the Group's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Group's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's Members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Cara Miller ACCA (senior auditor)
for and on behalf of

MHA
Statutory Auditor
Colchester, United Kingdom

Date: 31 January 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations	3	10,500	10,500	17,500
Charitable activities	4	3,272,140	3,272,140	2,651,057
Investments	5	12,376	12,376	500
Other income	6	38,093	38,093	17,998
Total income		3,333,109	3,333,109	2,687,055
Expenditure on:				
Charitable activities	7	3,303,579	3,303,579	2,902,567
Total expenditure		3,303,579	3,303,579	2,902,567
Net movement in funds		29,530	29,530	(215,512)
Reconciliation of funds:				
Total funds brought forward		(4,271,079)	(4,271,079)	(4,055,567)
Net movement in funds		29,530	29,530	(215,512)
Total funds carried forward		(4,241,549)	(4,241,549)	(4,271,079)

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

All income and expenditure derives from continuing activities.

The notes on pages 18 to 40 form part of these financial statements.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07613369

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	13		12,622,328		13,501,312
Investments	14		100		100
			<u>12,622,428</u>		<u>13,501,412</u>
Current assets					
Debtors	15	509,838		745,542	
Cash at bank and in hand		2,745,072		2,430,060	
		<u>3,254,910</u>		<u>3,175,602</u>	
Creditors: Amounts falling due within one year	16	(3,695,346)		(6,013,497)	
Net current liabilities			<u>(440,436)</u>		<u>(2,837,895)</u>
Total assets less current liabilities			<u>12,181,992</u>		<u>10,663,517</u>
Creditors: Amounts falling due after more than one year	17		(16,423,541)		(14,934,596)
Total net assets			<u><u>(4,241,549)</u></u>		<u><u>(4,271,079)</u></u>
Group funds					
Restricted funds	18		-		-
Unrestricted funds	18		(4,241,549)		(4,271,079)
Total funds			<u><u>(4,241,549)</u></u>		<u><u>(4,271,079)</u></u>

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07613369

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The Foundation was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

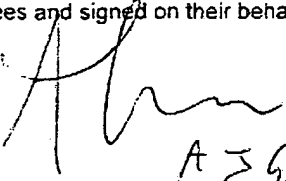
The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date: 29/1/24

The notes on pages 18 to 40 form part of these financial statements.



A. J. G. L. T. S. W.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07613369

FOUNDATION BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Investments	14		200		200
Current assets					
Debtors	15	2,608,889	-	-	-
Cash at bank and in hand		189,833		100,609	
		<u>2,798,722</u>		<u>100,609</u>	
Creditors: Amounts falling due within one year	16	(232,475)		(17,000)	
Net current assets			2,566,247		83,609
Creditors: amounts falling due after more than one year	17		(2,232,500)		-
Net assets excluding pension asset			333,947		83,809
Total net assets			333,947		83,809
Charity funds					
Restricted funds	18		-		-
Unrestricted funds	18		333,947		83,809
Total funds			333,947		83,809

The Foundation has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The Foundation's net movement in funds for the year was a surplus of £250,138 (2022 - surplus of £64,011).

The Foundation was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

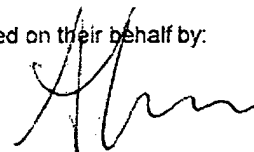
EMPOWER COMMUNITY FOUNDATION
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REGISTERED NUMBER: 07613369

FOUNDATION BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date: 29/1/24

The notes on pages 18 to 40 form part of these financial statements.


A J G R A C S

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	20	2,395,949	1,697,448
Cash flows from investing activities			
Interest received	5	12,376	500
Proceeds from the sale of tangible fixed assets		35,058	14,847
Net cash generated from investing activities		47,434	15,347
Cash flows from financing activities			
Repayments of loans	16,17	(911,731)	(470,723)
Interest paid	8	(1,199,322)	(1,268,524)
Net cash used in financing activities		(2,111,053)	(1,739,247)
Change in cash and cash equivalents in the year		332,330	(26,452)
Cash and cash equivalents at the beginning of the year		2,412,742	2,439,194
Cash and cash equivalents at the end of the year	21	2,745,072	2,412,742

The notes on pages 18 to 40 form part of these financial statements.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Empower Community Foundation is a charitable company limited by guarantee, incorporated in England and Wales. The Charity Registration Number of the Foundation is 1161019 and the Company Registration Number of the Foundation is 07613369. The address of the registered office and principal place of operation is detailed on page 1. The nature of the Foundation's operations and principal activity are detailed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Empower Community Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentational and functional currency of the Group and Foundation is pound sterling and the financial statements have been rounded to the nearest pound sterling.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Foundation and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Foundation has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Related entities

Empower Community Foundation is a relevant legal entity to two Community Interest Companies (CICs), three companies and three Limited Liability Partnerships (LLPs) formed to advance charitable solar powered activities. Empower Community Foundation does have the power to control or govern the financial and operational policies of the two CICs and one of the LLPs and therefore is required to prepare consolidated financial statements including these three entities. Further details regarding these entities can be found in Note 14.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Going concern

The Group has net current liabilities of £440,436 (2022 - £2,837,895) and total net liabilities of £4,241,549 (2022 - £4,271,079) at the Balance Sheet date. Also, included within Other loans: Creditors - amounts falling due within one year, as shown in Note 16, is a loan due to Social and Sustainable Capital - SASC (previously known as Leapfrog) of £1,877,617 (2022 - £2,215,959). It had been obtained as a bridging loan and was due for repayment by 28 February 2019. The loan agreement states that repayment is to be financed by successful refinancing and the loan will not be held as defaulted if an 'updated refinancing plan' is submitted to the lender.

In line with the above, the Directors have submitted a refinancing plan to SASC which has been agreed by the lender at present. In line with the submitted plan, the Directors are confident that the loan can be successfully refinanced in the near future and that it will not be called due immediately as the agreed refinancing plan and repayment schedule can be followed.

Based on above and on the resources available, the Directors consider that the company will remain in operational existence for the near future. The Directors have considered relevant information, including the annual budget, forecast future cashflows and the impact of subsequent events in making their assessment. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Income

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Other income from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	20 - 25 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

2.8 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Investments in associates are stated at the amount of the Group's share of net assets. The Consolidated Statement of Financial Activities includes the Group's share of the associated companies' net income or expenditure using the equity accounting basis.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

EMPOWER COMMUNITY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.12 Financial instruments

The majority of the Group's financial assets and liabilities qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 15. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Investments in associates are measured at fair value using the equity method as detailed in Policy 2.8.

2.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Income from donations

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	10,500	10,500

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	17,500	17,500

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Environmental protection and conservation	3,272,140	3,272,140

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Environmental protection and conservation	2,651,057	2,651,057

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest receivable	12,376	12,376

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest receivable	500	500

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £
Fees	15,656	15,656
Gain on sale of tangible fixed assets	22,437	22,437
	38,093	38,093

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest receivable	17,998	17,998

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2023 £	Total 2023 £
Environmental protection and conservation	3,303,579	3,303,579

	Unrestricted funds 2022 £	Total 2022 £
Environmental protection and conservation	2,902,567	2,902,567

8. Analysis of expenditure on charitable activities - by type

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Environmental protection and conservation	108,144	3,195,435	3,303,579

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Environmental protection and conservation	69,830	2,832,737	2,902,567

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Depreciation	866,363	867,413
Audit and accountancy fees	87,097	55,250
Bookkeeping fees	32,510	7,650
Bank charges	1,934	1,774
Professional subscriptions	-	1,039
Legal and professional fees	329,978	111,246
Premises and associated maintenance costs	217,515	170,716
Insurance costs	24,844	23,540
Loan interest payable	1,118,828	1,268,524
Asset management fees	56,886	49,168
Arrangement fees	14,287	30,317
Performance fees	152,331	10,288
Technology costs	7,500	7,263
VAT adjustments	4,796	4,507
Solar monitoring	26,488	23,863
Distributions paid	87,087	90,222
Bad debts	-	6,866
Management fees	128,388	102,991
Sundry expenses	103	100
Other donations	38,500	-
	3,195,435	2,832,737

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of grants

	Grants to institutions 2023 £	Total funds 2023 £
Environmental protection and conservation	108,144	108,144

	<i>Grants institutions 2022 £</i>	<i>to Total funds 2022 £</i>
Environmental protection and conservation	69,830	69,830

No grants made to any one institution in either the year ended 31 March 2023 or the year ended 31 March 2022 were deemed to be material to the Group for the purposes of these financial statements.

10. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	52,050	45,250
Fees payable to the Group's auditor in respect of: All non-audit services not included above	42,400	31,500

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Staff costs

The average number of persons employed by the Foundation, including trustees and directors, during the year was as follows:

	Group 2023 No.	<i>Group</i> 2022 <i>No.</i>	Foundation 2023 No.	<i>Foundation</i> 2022 <i>No.</i>
Employees	<u>4</u>	<u>6</u>	<u>3</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

The Group incurred no staff costs during the year ended 31 March 2023 (2022 - £NIL).

12. Trustees' remuneration and expenses

During the year, the Trustees, who are considered to be the key management personnel, didn't receive any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible fixed assets

Group

	Plant and machinery £
Cost	
At 1 April 2022	19,512,986
Disposals	(21,034)
At 31 March 2023	<u>19,491,952</u>
Depreciation	
At 1 April 2022	6,011,674
Charge for the year	866,363
On disposals	(8,413)
At 31 March 2023	<u>6,869,624</u>
Net book value	
At 31 March 2023	<u><u>12,622,328</u></u>
At 31 March 2022	<u><u>13,501,312</u></u>

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Fixed asset investments

	Investments in associates £
Group	
Cost	
At 1 April 2022	100
At 31 March 2023	<u>100</u>
	Investments in subsidiary companies £
Foundation	
Cost	
At 1 April 2022	200
At 31 March 2023	<u>200</u>

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Fixed asset investments (continued)

Principal subsidiaries and associates

The following were subsidiary undertakings of the Foundation:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Drove Lane Solar Park CIC	09296615	10 Queen Street Place, London, EC4R 1BE	Production of electricity through solar technology	Ordinary	100%	Yes
New Mains of Guynd Solar Park CIC	SC508660	C/O Henderson Loggie, The Vision Building, 20 Greenmarket, Dundee, Scotland, DD1 4QB	Production of electricity through solar technology	Ordinary	100%	Yes
Empower Community Solar 1 LLP	OC387463	10 Queen Street Place, London, EC4R 1BE	Production of electricity through solar technology	N/A	-%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(loss) for the year £	Net assets/ (liabilities) £
Drove Lane Solar Park CIC	1,065,945	1,190,190	(124,245)	(1,349,338)
New Mains of Guynd Solar Park CIC	964,319	821,677	142,642	(1,051,103)
Empower Community Solar 1 LLP	1,241,876	1,410,341	(168,465)	(2,104,310)

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Fixed asset investments (continued)

The following were associates of the Foundation:

Names	Fair value of investment at 31 March 2023 £	Registered office or principal place of business	Class of shares	Holding
Britford Solar Connections Limited	50	Cubico Sustainable Investments, 70 St Mary Axe, London, EC3A 8BE	Ordinary	50%
Solar Connections (New Mains of Guynd) Limited	50	KPMG LLP, Saltire Court, 20 Castle Terrace, Edinburgh, Scotland, EH1 2EG	Ordinary	50%

Empower Community Foundation is deemed to control the financial and operational policies of Empower Community Solar 1 LLP due to its role as a member of the LLP.

Both Britford Solar Connections Limited and Solar Connections (New Mains of Guynd) Limited were dormant during the year ended 31 March 2022 and 31 March 2021.

The shares in Drove Lane Solar Park CIC and New Mains of Guynd Solar Park CIC are held by Empower Community Foundation Limited. The shares in Britford Solar Connections Limited are held by Drove Lane Solar Park CIC. The shares in Solar Connections (New Mains of Guynd) Limited are held by New Mains of Guynd Solar Park CIC.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Debtors

	Group 2023 £	Group 2022 £	Foundation 2023 £	Foundation 2022 £
Amounts owed by group undertakings	-	-	2,232,500	-
	-	-	2,232,500	-
Due within one year				
Trade debtors	42,067	133,821	-	-
Amounts owed by group undertakings	-	-	197,994	-
Amounts owed by associates	6,710	-	6,710	-
Other debtors	97,969	27,068	87,000	-
Prepayments and accrued income	363,092	584,653	84,685	-
	509,838	745,542	2,608,889	-

16. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Foundation 2023 £	Foundation 2022 £
Bank overdrafts	-	17,318	-	-
Other loans	3,378,672	5,779,348	117,500	-
Trade creditors	41,167	78,793	-	-
Amounts owed to group undertakings	-	-	97,975	-
Amounts owed to associates	100	100	-	-
Other taxation and social security	8,783	10,532	-	-
Other creditors	200	17,852	-	-
Accruals	266,424	109,554	17,000	17,000
	3,695,346	6,013,497	232,475	17,000

Other loans of £3,378,672 (2022 - £5,779,348) are secured by a fixed and floating charge over the assets of the Group.

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. Creditors: Amounts falling due after more than one year

	Group 2023	Group 2022	Foundation 2023	Foundation 2022
	£	£	£	£
Other loans	16,423,541	14,934,596	2,232,500	-

Other loans of £16,423,541 (2022 - £14,934,596) are secured by a fixed and floating charge over the assets of the Group.

Included within the above are amounts falling due as follows:

	Group 2023	Group 2022	Foundation 2023	Foundation 2022
	£	£	£	£
Between one and two years				
Other loans	2,340,835	1,312,494	117,500	-
Amounts owed to other participating interests	-	-	-	-
Between two and five years				
Other loans	3,944,116	4,197,210	352,500	-
Over five years				
Other loans	10,138,590	9,424,892	1,762,500	-
Amounts owed to group undertakings	-	-	-	-

EMPOWER COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds				
General Funds - all funds	(4,271,079)	3,333,109	(3,303,579)	(4,241,549)
General funds	-	-	-	-
	<u>(4,271,079)</u>	<u>3,333,109</u>	<u>(3,303,579)</u>	<u>(4,241,549)</u>

Statement of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
General Funds - all funds	-	-	-	-
General funds	(4,055,567)	2,687,055	(2,902,567)	(4,271,079)
	<u>(4,055,567)</u>	<u>2,687,055</u>	<u>(2,902,567)</u>	<u>(4,271,079)</u>

The General fund has been created to monitor the incoming resources which have no restrictions over their usage in respect of activities undertaken by the Group.

EMPOWER COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	12,622,328	12,622,328
Fixed asset investments	100	100
Current assets	3,254,910	3,254,910
Creditors due within one year	(3,695,346)	(3,695,346)
Creditors due in more than one year	(16,423,541)	(16,423,541)
Total	(4,241,549)	(4,241,549)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	13,501,312	13,501,312
Fixed asset investments	100	100
Current assets	3,175,602	3,175,602
Creditors due within one year	(6,013,497)	(6,013,497)
Creditors due in more than one year	(14,934,596)	(14,934,596)
Total	(4,271,079)	(4,271,079)

EMPOWER COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	29,530	(215,512)
Adjustments for:		
Depreciation charges	866,363	867,413
Interest received	(12,376)	(500)
Profit on the disposal of tangible fixed assets	(22,437)	(17,998)
Decrease/(increase) in debtors	235,704	(274,531)
Increase in creditors	99,843	70,052
Interest paid	1,199,322	1,268,524
Net cash provided by operating activities	2,395,949	1,697,448

21. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	2,745,072	2,430,060
Overdraft facility repayable on demand	-	(17,318)
Total cash and cash equivalents	2,745,072	2,412,742

EMPOWER COMMUNITY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Analysis of changes in net debt

	At 1 April 2022	Cash flows	New loan	At 31 March 2023
	£	£	£	£
Cash at bank and in hand	2,430,060	315,012	-	2,745,072
Bank overdrafts repayable on demand	(17,318)	17,318	-	-
Debt due within 1 year	(5,779,348)	2,400,676	-	(3,378,672)
Debt due after 1 year	(14,934,596)	273,555	(1,762,500)	(16,423,541)
	<u>(18,301,202)</u>	<u>3,006,561</u>	<u>(1,762,500)</u>	<u>(17,057,141)</u>

23. Related entities

In addition to the subsidiaries and associates listed in Note 14, Empower Community Foundation is related to a number of other entities, either as a designated member or relevant legal entity. These other related entities are listed below:

ECS Peterborough 1 LLP
Empower Peterborough CIC
Empower Community Management LLP
ECSP1 Construction Limited

Empower Community Foundation does not have the power to govern and direct the financial or operational policies of any of the above entities under any statute or agreement, as the operational policies of the entities are determined and directed by other entities. Empower Community Foundation and the above entities do not operate as a single entity and the risks and rewards of the various entities are not those of the Foundation.

EMPOWER COMMUNITY FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. Operating lease commitments

At 31 March 2023 the Group and the Foundation had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £
Not later than 1 year	73,979	68,889
Later than 1 year and not later than 5 years	295,916	275,556
Later than 5 years	1,060,323	1,099,521
	<u>1,430,218</u>	<u>1,443,966</u>

The following lease payments have been recognised as an expense in the Consolidated Statement of Financial Activities:

	Group 2023 £	Group 2022 £
Operating lease rentals	<u>71,597</u>	<u>66,471</u>

25. Members' liability

Each member of the Foundation undertakes to contribute to the assets of the Foundation in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

26. Related party transactions

The Group has taken advantage of the exemption in Section 33.1A under FRS 102 not to disclose transactions with wholly owned members of the Group.

Empower Community Management LLP is a related party as Empower Community Foundation is a designated member. At the year end, a balance of £Nil (2021: £10,536) for unpaid recharges was included within accrued income.

During the year, Empower Community Management LLP settled invoices totalling £13,290 (2022: £Nil). At the year end, a balance of £6,710 (2022: £7,425 is due to) is due from Empower Community Management LLP. This loan is unsecured, interest free and repayable on demand.

During the year, Empower Community Management LLP gave loans of £87,000 (2022: £Nil) to EarthHealth Partnership LLP, in which a director of Drove Lane Solar Park CIC and New Mains of Guynd Solar Park CIC is also a member of. At year end, a balance of £87,000 (2022: £Nil) was owed to Empower Community Foundation LLP.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

27. Post balance sheet events

On 21 April 2023, the Company issued 2,000,000 6.5% Index-linked Secured Bonds 2038 (Bonds) to the subscribers with total subscription funds of £2,000,000 payable by the subscribers.