

Company registration number: 2881225

Charity registration number: 1031482

the Environment Centre (tEC)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2017

the Environment Centre (tEC)

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Reference and Administrative Details

Trustees	P Kelly MBE (Chairman) C Rowland (Vice Chairman and Treasurer) Dr A Whitehead MP I Nelson A Drakakis A Howison (appointed 11 May 2017)
Other Officers	A Goulden, Chief Executive
Principal Office	2nd Floor Equity and Law House 14-15 Brunswick Place Southampton Hampshire SO15 2AQ
Company Registration Number	2881225
Charity Registration Number	1031482
Bankers	Royal Bank of Scotland 156 High Street Southampton Hampshire SO14 2NP
Independent Examiner	PKF Francis Clark Chartered Accountants Towngate House 2-8 Parkstone Road Poole Dorset BH15 2PW

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Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2017.

Trustees

P Kelly MBE (Chairman)

C Rowland (Vice Chairman and Treasurer)

Dr A Whitehead MP

I Nelson

A Drakakis

A Howison (appointed 11 May 2017)

Structure, Governance and Management

Governing Document

The Charity is constituted as a Company limited by Guarantee and governed by a Memorandum and Articles of Association incorporated on 16 December 1993. It is registered with the Charity Commissioners under charity number 1031482. The Board of Trustees, with advice from the Charities Commission, amended their Memorandum and Articles in June 2010. Each member agrees to contribute £1 in the event of the charity winding up.

Appointment of trustees

As set out in the Articles of Association the trustees are approved by a unanimous vote of the existing board of trustees following a successful interview process. The process includes the Chief Executive obtaining satisfactory references and ensuring the nominated trustees fully understand their obligations to the charity. New trustees can be nominated throughout the year and are approved to the board at the quarterly board meetings.

There is no limit to the time a trustee may serve.

As the majority of work undertaken by the charity is in partnership with the local authorities of Hampshire and the Isle of Wight, the charity welcomes nominees from these authorities. Nominees appointed from local authorities are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government nominees.

Trustee induction and training

Before being nominated new trustees are briefed by the Chief Executive on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee, decision making processes and minimum commitment expected from the new trustee. They also learn in situ about the organisation structure, business plan and recent financial performance of the charity. Having been nominated, the new trustee will meet key employees and be provided with access to operational procedures. They will be encouraged to attend appropriate events to gain greater knowledge of the charity's activities and to help in the undertaking of their role.

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Trustees' Report

Organisation

The Board of trustees administers the charity and meets formally on a quarterly basis; however meetings on specific matters are arranged as and when required. The Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and activity performance. The trustees are supplied with financial information quarterly and an activity and funding report every six months (or more frequently should the need arise).

Related parties

The charity's continued success lays in its steadfast commitment and ability to remain independent, apolitical and non-campaigning.

The charities wholly owned subsidiary, Environment Centre Enterprises Limited, was established to operate any commercial environmental work deemed to be not solely charitable, but which supported environmental best practice or materials to support environmental best practice. In 2016/17 this company did not undertake activity or trading.

Objectives and activities

As an independent Environmental Charity tEC's missions is:

- The advancement of education of the public in all matters concerning the environment.
- The preservation and protection of the environment by;
- The provision of practical support and advice to all individuals and organisations wanting to enhance their environment and reduce their use of natural resources.
- Raising awareness of environmental issues within all sections of the community, through supporting sustainable action in disadvantaged neighbourhoods.
- The adoption of sustainable practices amongst the general public, schools and businesses.

The activities of the charity include:

For Local Authorities and Government-led organisations

- Project management
- Provision of a free phone advice line for front line staff and members of the public on matters such as fuel poverty, Energy Efficiency, Air Quality, waste and recycling, water saving and grants available for Energy Efficiency home improvements
- Data interpretation and mapping services
- Response to local and national consultations
- Bid writing Services
- In house training on energy efficiency, sustainability and fuel poverty
- Assistance with ongoing HECA reporting
- Working with Local Authorities to develop sustainable policies, strategies and action plans
- Outreach events promoting sustainability through schools, Community or Council events
- Offering advice and guidance on accessing funding for environmental projects

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For individuals

- Free phone advice on: 0800 804 8601
- Home Visits – to provide bespoke advice on Energy Efficiency and sustainability in the home
- Guidance on accessing grants and loans and hand holding support with applications for the most vulnerable
- Energy Surgeries in public spaces
- Energy awareness events
- Mobile advice at shopping centres, supermarkets, motorway service stations and similar locations

For schools

- School assemblies and environment-themed activities
- Environmental education workshops
- Road shows, storytelling and fun days to encourage engagement in climate change issues
- Staff and governor training in energy and environmental issues
- Water, waste and energy audits

For business

- Energy and Environmental Audits
- Data interpretation and mapping services
- Guidance on Environmental Management Systems
- Sustainability Strategies
- Green Travel Plans
- In House Environmental Training
- In House Business Road shows
- Free phone advice line
- Renewables Feasibility Studies

The Trustees review our aims, objectives and activities each year to ensure that we remain focused and have given due regard to public benefit when planning the charity's activities.

Achievements and performance

2016/17 has been an extremely busy year for the charity with some new work streams coming online alongside some of our longer running projects coming to an end. The trustees would like to thank all staff members for their tireless efforts over the last year.

Projects and activities:

Southampton Healthy Homes

tEC was awarded £500k to deliver a comprehensive fuel poverty support service for vulnerable Southampton residents. This included the provision of information and advice, casework support and practical interventions (energy efficiency grants, and crisis support including food, clothes basics & utility grants). The scheme was launched in December 2015 and officially came to an end on the 31st March 2017. It has proven to be our most successful project to date with highlights including:

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- 2,400 households assisted
- 700 home visits
- 507 energy efficiency measures delivered
- £93,286 leveraged from outside of the budget to fund energy efficiency works
- £421,000 unclaimed benefits secured for vulnerable residents
- 182 front line staff trained in fuel poverty awareness
- 1,000 people received food packages
- 479 households supported with food packages

Key learning to date:

- The project has raised tEC's profile with new partners and other organisations across the city and further afield.
- Support from PH has been hugely appreciated and very beneficial. The need to develop this and other partnerships forged during the project is crucial for ongoing Fuel Poverty work in the city. Future projects must also look to address key cross-cutting concerns.
- We continue to work with our project partners to secure long term funding for work for this very successful project.

Hitting the Cold Spots

A comprehensive fuel poverty support service for vulnerable Hampshire residents delivered on behalf of Hampshire County Council. The service includes the provision of information and advice (via a free phone line) casework support and practical interventions (including temporary heating and grants for energy efficiency works).

Activities completed 2016-17:

- 451 Hampshire residents assisted through advice line
- 103 households referred to HTCS advisors for casework support
- 40 households have received repairs or replacement heating or hot water systems
- 58 households receive first time central heating (central heating fund scheme)
- Over £38,605 leveraged to help with heating &/or hot water repairs/replacements
- 79 front line staff trained on recognising the signs of fuel poverty and the help available through the HTCS service
- 'Healthy Conversations' held with 19 households (on health and wellbeing topics)

tEC has received confirmation from HCC that the project will be extended for another year (until 31st March 2018).

SAVE

Designed to explore whether and how community coaching can be effective in managing peak energy demand, as an alternative to network reinforcement the SAVE project objectives are:

- Peak demand reduction on SSEPD network
- Community development and 'win-win' scenarios
- Working with the wider stakeholder group

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The project presents an opportunity for data feedback on efficacy of different methods of reducing energy usage and shifting peak demand and good networking opportunities with wider stakeholders and local organisations. It also allows us to engage with the community to promote assistance for energy efficiency and fuel poverty.

Key Achievements:

- Formation of a new local community group Shirley Warren Working Together. Supported by tEC community coach the group was formally constituted on 13th March 2017.
- Development of Distinct Dedicated Strategy (DDS) for engaging with the community and preparing the trial interventions to be used.
- A number of trial interventions completed –looking to ‘shift usage’ away from peak times. Resident feedback collected.
- A ‘Money and Energy Saving’ was successfully held, with a range of participants. Very positive feedback was received and there were good levels of community involvement and publicity.
- Four community clean-ups were successfully completed, with positive engagement from community. The community have made this a regular occurrence, with further clean-ups arranged, and buy-in by local residents, businesses, councilors, etc. They have served to improve the image of area, led to recognition of the group and maintained momentum.

Projects Completed in 2016/17

Central Heating Fund:

As part of a consortium comprising Hampshire County Council and Southampton City and Portsmouth City Councils tEC was successful in its bid for £337,843 for the installation of 108 first time central heating systems in E,F and G rated properties

Key Achievements:

- 98 households are now benefiting from first time central heating systems: 58 in Hampshire, 20 in Southampton, 20 in Portsmouth
- On average the homes are moving from SAP band F (very inefficient) to band D (national average)
- On average the estimate annual energy bill saving is £762

Southampton Warmth for All

tEC was awarded £49K to reach out to vulnerable households in Southampton to provide advice and practical help with home energy, helping to keep people warm and lift them out of fuel poverty. The services was made available to low income households with young children or other vulnerabilities due to ill health or disability, and was largely be targeted at people in private rented accommodation.

Key Achievements:

- Worked with 797 households and reached a total of 1924 beneficiaries during the project (exceeding targets for the project by more than double)
- Energy efficiency measures provided to 502 households with perceived annual energy savings of £24,285
- Supported 48 households with fuel debt totalling £17,815
- Distributed our New Home Energy Guide to 16 agencies who work across the city
- 525 households given switching advice regarding energy tariffs/energy companies. Of those helped directly (approximately 30 households) savings of £6,081/year were identified

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- 48 clients in fuel debt given direct help
- 388 households assisted with applying for other grants to the value of £22,900

Plans for future periods

The Board of Trustees and the Senior Management Team have produced a business plan which helps to focus our efforts. In the next year tEC will seek to:

- Continue to deliver Southampton Healthy Homes using the remaining project underspend whilst looking to secure ongoing funding from a variety of different sources.
- Build upon our success in delivering Southampton's first Clean Air Day and get involved with Southampton City Councils wider Air Quality work.
- Bid for Southampton City Councils forthcoming Advice Information and Guidance Service as part of a wider consortia of TSO's in the City.
- Continue to explore opportunities to deliver work under the Flexible Eligibility element of ECO for both Southampton and other Hampshire Authorities.
- Continue to successfully deliver the Hitting the Cold Spots project and give ourselves the best possible chance of securing future work through this programme.
- Continue to support the development of Southampton City Council's white label energy company.
- Continue working closely with Southampton City Council, Portsmouth City Council and Hampshire County Council on projects of mutual benefit – particularly Fuel Poverty Projects.
- Continue to work with Future South and the energy strategy group to investigate potential funding options for large scale regional energy efficiency and fuel poverty projects.
- Continue to investigate opportunities to diversify away from exclusively delivering Fuel Poverty. Of particular interest are renewables, battery storage, Air Quality, Waste, Circular Economy and Water projects.
- Continue to develop our marketing strategy, brand and logo particularly focusing on our website resources.
- Continue to promote our data analysis and mapping services.
- Continue to improve the staff development, training and remuneration package.
- Continue to establish and maintain a strong network of contacts.
- Continue to improve our Website and online presence.

Risk management

The following risks have been identified as relevant to the business:

- Continuing harsh economic climate
- Continued Local Authority Cuts, changes to services and key members of staff
- Uncertainty about the direction of Government Policy concerning Energy and Sustainability and the effect Brexit will have on these
- Continued uncertainty about the delivery of ECO
- Lack of diversity in current customer base.
- Increase in competition from other businesses/charities for decreasing funds.
- Potential for funding for one or two key projects to disappear in 2017

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Mitigation Strategy:

A number of strategies have been initiated in order to mitigate identified risks:

- tEC to keep informed of developments with Brexit and potential changes to National and Local policy.
- tEC will continue to work closely with Southampton City Council and other Hampshire Authorities to investigate opportunities of mutual benefit.
- The SMT will carefully monitor staff workload and capacity and look to recruit quickly if more projects come on line.
- The Chief Executive will continue to network and develop new business links with relevant individuals and organisations.
- Strong emphasis has been placed on securing additional funding to deliver existing projects going forward.
- Emphasis has also been placed on partnership working with LA's and other TSO's to allow tEC access to alternative sources of funding.
- We continue to investigate innovative ways to grow the consultancy side of the charity including data analysis and mapping services.

Financial review

The incoming resources for this accounting period amounted to £913,135 (2015/6 £570,615) of which the operating profit on activities was £15,429 (2015/6 £95,109). Currently all reserves are held in interest bearing bank accounts, however the economic situation has shown this interest was of minimal benefit in the last year and forecasted to not make any significance benefit in the coming year. The aim has been to achieve a minimum of reserves of the equivalent of six months of overhead expenses at circa £180,000.

Investment powers and policies

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, however the trustees continue to maintain the remit not to invest in anything other than its staff.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) as being £180,000 or 6 months overhead and salary commitments. Free reserves at the year end were £245,015 which is deemed sufficient.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the Charity on 16 November 2017 and signed on its behalf by:

.....
P Kelly MBE (Chairman)
Trustee

the Environment Centre (tEC)

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 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.

Approved by the trustees of the Charity on 16 November 2017 and signed on its behalf by:

.....
P Kelly MBE (Chairman)
Trustee

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Independent Examiner's Report to the trustees of the Environment Centre (tEC)

I report on the accounts of the company for the year ended 31 March 2017 which are set out on pages 11 to 26 .

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me a reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Nicholas Love ACA FCCA
Chartered Accountants

Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

22 November 2017

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Statement of Financial Activities for the Year Ended 31 March 2017
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income and Endowments from:					
Donations and legacies	2	-	2,684	2,684	1,255
Charitable activities	3	248,043	661,925	909,968	566,815
Investment income	4	467	-	467	489
Other income	5	-	16	16	2,056
Total Income		<u>248,510</u>	<u>664,625</u>	<u>913,135</u>	<u>570,615</u>
Expenditure on:					
Charitable activities	6	<u>(224,127)</u>	<u>(673,579)</u>	<u>(897,706)</u>	<u>(475,506)</u>
Total Expenditure		<u>(224,127)</u>	<u>(673,579)</u>	<u>(897,706)</u>	<u>(475,506)</u>
Other recognised gains and losses					
Net movement in funds		24,383	(8,954)	15,429	95,109
Reconciliation of funds					
Total funds brought forward		<u>286,113</u>	<u>223,045</u>	<u>509,158</u>	<u>414,049</u>
Total funds carried forward	18	<u><u>310,496</u></u>	<u><u>214,091</u></u>	<u><u>524,587</u></u>	<u><u>509,158</u></u>

All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2016 is shown in note 18.

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(Registration number: 2881225)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	5,481	5,696
Investments	13	<u>1</u>	<u>1</u>
		<u>5,482</u>	<u>5,697</u>
Current assets			
Debtors	14	97,983	96,139
Cash at bank and in hand		<u>453,985</u>	<u>521,643</u>
		551,968	617,782
Creditors: Amounts falling due within one year	15	<u>(32,863)</u>	<u>(114,321)</u>
Net current assets		<u>519,105</u>	<u>503,461</u>
Net assets		<u>524,587</u>	<u>509,158</u>
Funds of the Charity:			
Restricted income funds		214,091	223,045
Unrestricted income funds			
Unrestricted income funds		<u>310,496</u>	<u>286,113</u>
Total funds		<u>524,587</u>	<u>509,158</u>

the Environment Centre (tEC)
(Registration number: 2881225)
Balance Sheet as at 31 March 2017

For the financial year ending 31 March 2017 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 11 to 26 were approved by the trustees, and authorised for issue on 16 November 2017 and signed on their behalf by:

.....
P Kelly MBE (Chairman)
Trustee

.....
C Rowland (Vice Chairman and Treasurer)
Trustee

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Statement of Cash Flows for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash income		15,429	95,109
Adjustments to cash flows from non-cash items			
Depreciation		2,087	1,714
Investment income	4	<u>(467)</u>	<u>(489)</u>
		17,049	96,334
Working capital adjustments			
(Increase)/decrease in debtors	14	(1,844)	53,920
(Decrease)/increase in creditors	15	<u>(81,458)</u>	<u>16,626</u>
Net cash flows from operating activities		<u>(66,253)</u>	<u>166,880</u>
Cash flows from investing activities			
Interest receivable and similar income	4	467	489
Purchase of tangible fixed assets	12	<u>(1,872)</u>	<u>(5,815)</u>
Net cash flows from investing activities		<u>(1,405)</u>	<u>(5,326)</u>
Net (decrease)/increase in cash and cash equivalents		(67,658)	161,554
Cash and cash equivalents at 1 April		<u>521,643</u>	<u>360,089</u>
Cash and cash equivalents at 31 March		<u><u>453,985</u></u>	<u><u>521,643</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

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Notes to the Financial Statements for the Year Ended 31 March 2017

1 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.

Basis of preparation

The Environment Centre (tEC) is a registered charity, registration number 1031482, company number 2881225, registered in the United Kingdom. The address of the charity is given in the reference and administrative details on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees annual report set out on pages 2 - 7.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

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

Group accounts not prepared

The charity is part of a small group. The charity has taken advantage of the exemption provided by section 339 of the Companies Act 2006 and has not prepared group accounts.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Charitable activities

Incoming resources consists of amounts chargeable in respect of projects and activities delivered and grants received or receivable in respect of the delivery of core activities.

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Notes to the Financial Statements for the Year Ended 31 March 2017

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

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.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	33% straight line basis
Equipment	20% straight line basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or 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 Charity will not be able to collect all amounts due according to the original terms of the receivables.

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Notes to the Financial Statements for the Year Ended 31 March 2017

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 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 Charity 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.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Income from donations and legacies

	Restricted funds £	Total 2017 £	Total 2016 £
Donations and legacies;			
Donations	2,684	2,684	1,255
	<u>2,684</u>	<u>2,684</u>	<u>1,255</u>

All of the income in the prior year was attributable to restricted funds.

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2017 £	Total 2016 £
Environmental project activities	<u>248,043</u>	<u>661,925</u>	<u>909,968</u>	<u>566,815</u>

£250,351 of the income in the prior year was attributable to restricted funds and £316,464 was attributable to unrestricted funds.

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Notes to the Financial Statements for the Year Ended 31 March 2017

4 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2017	2016
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>467</u>	<u>467</u>	<u>489</u>

All of the income in the prior year was attributable to unrestricted funds.

5 Other income

	Restricted funds		
	£	Total	Total
		2017	2016
		£	£
Other income	<u>16</u>	<u>16</u>	<u>2,056</u>

£14 of the income in the prior year was attributable to restricted funds and £2,042 was attributable to unrestricted funds.

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Notes to the Financial Statements for the Year Ended 31 March 2017

6 Expenditure on charitable activities

	Unrestricted funds		Total 2017	Total 2016
	General	Restricted funds		
	£	£	£	£
Employment costs	282,069	-	282,069	240,675
Light and heat	1,310	-	1,310	895
Repairs and maintenance	40,038	1,546	41,584	31,544
Office expenses	20,313	2,198	22,511	13,515
Books, periodicals and project materials	4,589	518,287	522,876	171,352
Irrecoverable VAT	8,887	-	8,887	2,667
Third party grant distribution	(1)	887	886	164
Travel and subsistence	5,978	1,786	7,764	7,853
Advertising and promotion	1,184	2,477	3,661	950
Bank charges	312	-	312	232
Depreciation of tangible fixed assets	2,087	-	2,087	1,713
Accountancy fees	-	-	-	250
Governance costs (see note 7)	3,759	-	3,759	3,696
	<u>370,525</u>	<u>527,181</u>	<u>897,706</u>	<u>475,506</u>

£198,068 of the expenditure in the prior year was attributable to restricted funds and £277,438 was attributable to unrestricted funds.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds		Total 2017	Total 2016
	General			
	£		£	£
Independent Examiner's remuneration	3,759		3,759	3,696
	<u>3,759</u>		<u>3,759</u>	<u>3,696</u>

the Environment Centre (tEC)

Notes to the Financial Statements for the Year Ended 31 March 2017

8 Net incoming/outgoing resources

Net incoming resources for the year include:

	2017	2016
	£	£
Depreciation of fixed assets	2,087	1,713
Accountancy fees	-	250
Independent examiners' fees	<u>3,759</u>	<u>3,696</u>

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

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

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Notes to the Financial Statements for the Year Ended 31 March 2017

10 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	257,160	212,702
Social security costs	19,528	18,121
Other staff costs	5,381	9,852
	<u>282,069</u>	<u>240,675</u>

The monthly average number of persons (including senior management team) employed by the Charity during the year was as follows:

	2017 No	2016 No
Staff numbers	<u>11</u>	<u>11</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the Charity were £96,660 (2016 - £91,792).

11 Taxation

No tax was charged in the year (2016 - £nil).

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Notes to the Financial Statements for the Year Ended 31 March 2017

12 Tangible fixed assets

	Furniture and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2016	56,961	13,148	70,109
Additions	<u>1,872</u>	<u>-</u>	<u>1,872</u>
At 31 March 2017	<u>58,833</u>	<u>13,148</u>	<u>71,981</u>
Depreciation			
At 1 April 2016	52,310	12,103	64,413
Charge for the year	<u>1,537</u>	<u>550</u>	<u>2,087</u>
At 31 March 2017	<u>53,847</u>	<u>12,653</u>	<u>66,500</u>
Net book value			
At 31 March 2017	<u>4,986</u>	<u>495</u>	<u>5,481</u>
At 31 March 2016	<u>4,651</u>	<u>1,045</u>	<u>5,696</u>

13 Fixed asset investments

	2017 £	2016 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2016	<u>1</u>	<u>1</u>
At 31 March 2017	<u>1</u>	<u>1</u>
Net book value		
At 31 March 2017	<u>1</u>	<u>1</u>
At 31 March 2016	<u>1</u>	<u>1</u>

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Notes to the Financial Statements for the Year Ended 31 March 2017

Details of undertakings

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

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Environment Centre Enterprises Limited	UK	Ordinary	100%	Dormant

Subsidiaries

The profit for the financial period of Enviroment Centre Enterprises Limited was £nil and the aggregate amount of capital and reserves at the end of the period was £1.

14 Debtors

	2017 £	2016 £
Trade debtors	82,022	48,115
Prepayments	6,681	13,626
Other debtors	9,280	34,398
	<u>97,983</u>	<u>96,139</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	5,584	12,354
Other taxation and social security	14,294	18,293
Accruals and deferred income	12,985	83,674
	<u>32,863</u>	<u>114,321</u>

16 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

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Notes to the Financial Statements for the Year Ended 31 March 2017

17 Commitments

Capital commitments

At 31 March 2017 the charity had annual commitments under non-cancellable operating leases. Land and buildings due within; one year of £15,129 (2016:£15,129) two to five years of £5,043 (2016: £20,172) and other operating leases due within; one year of £3,050 (2016:£2,925) two to five years of £8,663 (2016: £6,568).

The total amount contracted for but not provided in the financial statements was £31,885 (2016 - £44,794).

18 Funds

	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2017 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Unrestricted	246,113	248,510	(224,127)	(20,000)	250,496
<i>Unrestricted designated funds</i>					
Designated	40,000	-	-	20,000	60,000
Total unrestricted funds	<u>286,113</u>	<u>248,510</u>	<u>(224,127)</u>	<u>-</u>	<u>310,496</u>
Restricted funds					
Transition town Romsey	3,030	(2,188)	(842)	-	-
Ropewalk garden association - Community association	1,883	100	(653)	-	1,330
Refugee support - National government	2,180	-	-	-	2,180
Hitting the cold spots (inc STOP)	138,008	52,437	(86,609)	-	103,836
British Gas Energy Trust	76,689	358,388	(328,332)	-	106,745
Green Deal Communities	-	39,742	(39,742)	-	-
Central Heating Fund	1,255	177,266	(178,521)	-	-
Southampton City Council	-	38,880	(38,880)	-	-
Total restricted funds	<u>223,045</u>	<u>664,625</u>	<u>(673,579)</u>	<u>-</u>	<u>214,091</u>
Total funds	<u>509,158</u>	<u>913,135</u>	<u>(897,706)</u>	<u>-</u>	<u>524,587</u>

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Notes to the Financial Statements for the Year Ended 31 March 2017

	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2016 £
Unrestricted funds					
<i>Unrestricted general funds</i>					
Unrestricted	205,294	318,995	(277,438)	(738)	246,113
<i>Unrestricted designated funds</i>					
Designated	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>40,000</u>
Total unrestricted funds	<u>240,294</u>	<u>318,995</u>	<u>(277,438)</u>	<u>4,262</u>	<u>286,113</u>
Restricted funds					
Transition town Romsey	2,776	200	54	-	3,030
Ropewalk garden association - Community association	1,377	724	(218)	-	1,883
Refugee support - National government	2,180	-	-	-	2,180
Hitting the cold spots (inc STOP)	163,160	25,014	(50,166)	-	138,008
Public health Southampton	4,262	-	-	(4,262)	-
British Gas Energy Trust	-	146,790	(70,101)	-	76,689
Green Deal Communities	-	77,637	(77,637)	-	-
Central Heating Fund	<u>-</u>	<u>1,255</u>	<u>-</u>	<u>-</u>	<u>1,255</u>
Total restricted funds	<u>173,755</u>	<u>251,620</u>	<u>(198,068)</u>	<u>(4,262)</u>	<u>223,045</u>
Total funds	<u><u>414,049</u></u>	<u><u>570,615</u></u>	<u><u>(475,506)</u></u>	<u><u>-</u></u>	<u><u>509,158</u></u>

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Notes to the Financial Statements for the Year Ended 31 March 2017

The specific purposes for which the funds are to be applied are as follows:

The designated fund represents amounts designated by the board in respect of a future office move and delapidations, staff training and development, upgrade of the company vehicle and match funding.

Transition Town Romsey / Ropewalk Garden Association - Community Association - 2 small community groups who do not have their own bank account and tEC hold their funds for them.

Hitting the Cold Spots (inc STOP) - Ringfence funding for energy efficiency improvements, particularly boiler repairs and replacements, on behalf of Hampshire County Council.

Public Health Southampton - Ringfence budget to support fuel poor residents for Southampton City Council.

British Gas Energy Trust - Ringfence funding for energy efficiency improvements for Southampton residents.

Green Deal Communities - Ringfence funding for boiler repairs and replacements and solid wall insulation for Southampton residents.

Central Heating Fund - Ringfence budget for first time central heating systems for Southampton and Hampshire residents.

Southampton City Council - Ringfence budget for improving energy efficiency and reducing Co2 emissions.

19 Analysis of net assets between funds

	Unrestricted funds			
	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Tangible fixed assets	5,481	-	-	5,481
Fixed asset investments	1	-	-	1
Current assets	277,877	60,000	214,091	551,968
Current liabilities	(32,863)	-	-	(32,863)
Total net assets	<u>250,496</u>	<u>60,000</u>	<u>214,091</u>	<u>524,587</u>

20 Related party transactions

There were no related party transactions in the year.