

ACTION RENEWABLES
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

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DIRECTORS AND ADVISERS

Executive Directors

Terence Waugh
Irene Robinson

Chairman

Stephen Harper

Non-Executive Directors

Gerard Hodgkinson
John Heaslip
Stephen Harper
Katherine Noble
Andrew Webb
David Flinn
Michael Scott (Appointed 23 September 2022)

Secretary

Mark Compston

Registered Office

Block C Unit 1
Boucher Business Studios
Glenmachan Place
Belfast
BT12 6QH

Bankers

First Trust Bank
Donegall Square North
Belfast
BT1 5GB

Solicitors

A&L Goodbody
42-46 Fountain Street
Belfast
BT1 5EF

DIRECTORS AND ADVISERS (Cont'd)

Registered Auditors

Harbinson Mulholland
Centrepoint
24 Ormeau Avenue
Belfast
BT2 8HS

Company Registration Number

NI047950

Charity Registration Number

100806

DIRECTORS' REPORT

The trustees, who are also the directors of the company, present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31st March 2023. The directors have adopted the provisions of the Companies Act 2006 the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" effective in January 2015 and FRS 102 "The Financial Reporting Standard Applicable in UK and Republic of Ireland" in preparing the annual report and financial statements of the charity.

Structure

Action Renewables is a private company, limited by guarantee and with charitable status. We operate under an independent Board of Non-Executive Directors, a Chairman, and two Executive Directors. The Chief Executive is responsible to the Board for the management of the organisation on an on-going basis. The Chief Executive and the Chief Operations Officer deal with the daily administration of programmes and services. We operate from Belfast throughout Northern Ireland, the rest of the UK, Ireland, and in Europe.

The charity has established a wholly owned subsidiary, Action Renewables Energy Trading Limited (ARET), a company Limited by shares. The trading surplus of this company, which provides consultancy services on renewable energy and trades renewable electricity and its derivatives, is donated to Action Renewables. On 7 December 2022, ARES Market Services Limited was incorporated, which is a subsidiary of Action Renewables Energy Trading Limited.

In line with good governance, Action Renewables and Action Renewables Energy Trading Limited have adopted a Resource Sharing Agreement, Statement of Reserved Matters and Deed of Covenant between the legal entities.

Strategy

Action Renewables is widely recognised as one of the foremost authorities on renewable energy in Northern Ireland. Its charitable objectives are: Advance to the benefit of the public, the protection and improvement of the environment, through the promotion of energy efficiency and renewable energy; Advance the education of the public in energy efficiency and renewable energy; Improve the quality and standards of renewable energy provision, by promoting quality assurance schemes and delivering quality assurance services.

Action Renewables works directly with those who are actively seeking to install renewable technologies both at the largest scale – developers of wind farms, solar, biomass and other major infrastructure projects, and those who wish to install on the smallest scale, for example on a new build or existing dwelling. This involves Action Renewables in a detailed interaction with a full range of parties including developers, constructors, consultants, installers, customers, suppliers and the various bodies such as planners and building control officers who work to bring these applications forward daily. It has never been more important that we continue our on-going work to remove the barriers that hinder the rate of renewable energy penetration.

Action Renewables' strategy has continued to be, to work in areas in line with its staff competences, expertise and experience. Additionally, the organisation promotes staff development and facilitates staff to explore and develop new services within the areas of energy, the environment and climate change.

Financial review and risk development

During the year the company received unrestricted income of £2,343,514 and incurred expenditure of £1,543,110 and losses on investments of £61,325. This resulted in a surplus of £739,179 compared to a surplus of £556,093 in the previous year. The unrestricted reserves increased from £3,272,457, at 31st March 2022 to £4,011,636, at 31st March 2023. The charity's operations expose it to a variety of financial risks that include the adverse economic climate.

The results for the year include the consolidated results for Action Renewables and Action Renewables Energy Trading Limited its trading subsidiary as required under The Statement of Recommended Practice (SORP)

DIRECTORS' REPORT CONT'

"Accounting and Reporting by Charities" effective in January 2015 and FRS 102 "The Financial Reporting Standard Applicable in UK and Republic of Ireland". The individual company results have been included on page 12.

The Board of Directors have responsibility in monitoring the financial risk of the company, and during the year, met regularly to address key business risks. The organisations' Risk Assessment is a standing agenda item at each Action Renewables Board meeting. The Board of Directors has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the organisation. The Directors are satisfied that systems are in place to mitigate exposure to major risks.

Action Renewables is restricted to operate within the principles, set out in accordance with its charitable objectives in the Articles of Association.

Going concern

We refer to note 1, fundamental accounting concept note, where the directors have had to consider the impact of changing market conditions and seeking new service opportunities.

The Management Team has prepared a business plan and projections to 1st April 2024 showing that provided the key assumptions are met, the company will be able to meet its liabilities as they fall due.

The directors believe that the assumptions on which the projections have been based are achievable and that it is therefore appropriate to prepare the financial statements on a going concern basis. The Management Team uses a Balanced Score Card throughout the year to review progress against the business plan.

Reserves policy

It is the charity's policy to retain a level of available resources which meets the needs of the organisation. The Board of Trustees agreed that Action Renewables should aim to have a reserve of 12 months operating costs plus wind-up costs. Reserves should be increased at a similar rate to operational costs on an annual basis, and consistent with the charity's overall financial position and its need to maintain and develop its charitable activities.

Plans for future periods and charitable activities

Our Vision: To support a world which recognises the climate emergency and to take measures to prevent and mitigate against those impacts, through using renewable energy, energy efficiency, renewable transport and renewable products.

Our Mission: Action Renewables operates primarily in Northern Ireland, but also in GB and RoI. Our customers are renewable energy generators, users and suppliers. While the charity is primarily concerned with mitigating climate change and promoting renewable energy, the trading subsidiary (ARET) is concerned with growing the business to facilitate the charity's activities. Our overall goal is to facilitate green energy production and use, and to educate and influence in terms of renewable energy and policy development.

Our Purpose: Advocate, Intervene and Support with regard to climate change and taking measures to mitigate against it, through using renewable energy, energy efficiency, renewable transport and renewable products is at the heart of everything we do.

Action Renewables collaborates with academic and research establishments and responds to consultations regarding opportunities for reducing energy consumption, energy efficiency, renewable transport, renewable products and smarter applications of renewable energy.

As well as charitable activities such as the Action Renewable Energy Association (AREA), Action Renewables provides support, both financial and 'in-kind' support to projects which align with its charitable objectives. We promote the need for climate change mitigation and the adoption of renewable energy by a range of consumer groups.

DIRECTORS' REPORT CONT'

Values

In February 2022, the Action Renewables Executive Team engaged staff in facilitated sessions to discuss and develop new company values. Values training was delivered, and staff involvement in workshops resulted in the following values being agreed: Sustainable, Collaboration, Integrity, Progressive. Additional activities will reinforce these values with staff to result in a cohesive company culture which is respectful of these values and productive for the organisation.

Between April 2022 and March 2023, we:

- Continued to operate the Charity PV Programme to support not-for-profit organisations in reducing their energy costs and CO₂ emissions by offering low-cost electricity from renewable generation. This programme generated 49,558kWh of renewable electricity to 20 successful applicants, saving these beneficiaries £6,864 and offset 16 tonnes of carbon.
- Promoted the Charity PV programme to community groups, social enterprises, amateur sport clubs and non-profit organisations.
- Action Renewables Energy Association (AREA) continued to engage with industry and led the publication of an industry leading report to promote renewable gas opportunities.
- AREA facilitated a response to the Department for the Economy's Call for Evidence and the Energy Strategy Consultation response.
- AREA sits on the HECA panel (Home Energy Conservation Authority) and contributes to discussions on energy efficiency and fuel poverty.
- In line with its Charitable Objectives, Action Renewables sponsored events such as the Energy Institute Dinner the Young Energy Professional of the Year Award.
- Action Renewables strengthened its relationship with Children of the Nations' (COTN) through its local contacts in Northern Ireland.
- Action Renewables also provided additional funding to Mulanje Mission Hospital in Southern Malawi to conduct improvements to their energy security and on-site generation. This hospital serves a population of 86,000. Action Renewables committed to send two staff to Malawi to in 2023 to witness the benefit of its funding within the community it served.

We participate in transnational European Interreg Projects including:

- Action Renewables continued to support EU projects including providing an independent project evaluation for Dwr Uisce (Distributing our Water Resources: Utilising Integrated, Smart and low-Carbon Energy) which was part funded by the European Regional Development Fund (ERDF) through the Ireland Wales Co-operation programme 2014–2020.
- REDAWN (Reducing Energy Dependency in Atlantic Area Water Networks) which aims to foster the adoption of hydropower energy recovery technology in built water networks in the Atlantic Area (AA).
- SEAFUEL (Sustainable integration of renewable fuels in local transportation) which aims to make use the renewable resources across the Atlantic Area to power the local transport fleet and support the shift towards a low-carbon economy. (Project extended until August 2023).

DIRECTORS' REPORT CONT'

Statement of directors' responsibilities

The directors who served during the year are shown on page 1 of the Annual Report.

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware:

- there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware.
- the trustees having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have taken all the steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small company exemption

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Auditors

A resolution is to be proposed at the Annual General Meeting for reappointment of Harbinson Mulholland as auditor of the Company.

By order of the Board



M Compston
Secretary

21/08/2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION RENEWABLES

Opinion

We have audited the financial statements of Action Renewables for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, (including Income and Expenditure account), the Consolidated Balance Sheet, the parent charity company Balance Sheet, the Consolidated Statement of Cash Flows notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 the parent company's charitable affairs as at 31 March 2023 and of its profit 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.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Directors' Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION RENEWABLES (Cont'd)

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Matters on which we are required to report by exception

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION RENEWABLES (Cont'd)

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and/or senior management, and from our commercial knowledge and experience of the sector;

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

agreeing financial statement disclosures to underlying supporting documentation;

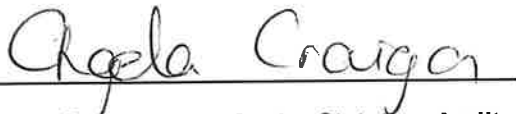
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION RENEWABLES (Cont'd)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company'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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Angela Craigan FCA (Senior Statutory Auditor)
For and on behalf of Harbinson Mulholland,
Chartered Accountants and Statutory Auditors**

Centrepoint
24 Ormeau Avenue
Belfast
BT2 8HS

Date... 21/8/23

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING SUMMARY OF INCOME AND EXPENDITURE)

	Notes	2023			2022		
		Unrestricted	Restricted		Unrestricted	Restricted	
		Funds	Funds	Total	Funds	Funds	Total
		£		£	£	£	£
Income from:							
Charitable activities	5	38,705	-	38,705	66,111	-	66,111
Other trading activities*	6	2,304,809	-	2,304,809	1,832,339	-	1,832,339
Government grant	5	-	-	-	7,313	-	7,313
Total		2,343,514	-	2,343,514	1,905,763	-	1,905,763
Expenditure on:							
Charitable activities	7	1,314,537	-	1,314,537	1,208,172	-	1,208,172
Raising funds:							
Commercial trading activities		228,473	-	228,473	174,131	-	174,131
Total		1,543,010	-	1,543,010	1,382,303	-	1,382,303
Net (losses)/gains on investments		(61,325)	-	(61,325)	32,633	-	32,633
Net movement in funds		739,179	-	739,179	556,093	-	556,093
Total funds brought forward at 1 April 2022		3,272,457	-	3,272,457	2,716,364	-	2,716,364
Total funds carried forward at 31 March 2023		4,011,636	-	4,011,636	3,272,457	-	3,272,457

*Other trading activities includes commission earned on revenue of £53,097,653 (2022: £47,707,283)

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 16 to 31 form part of these accounts.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING SUMMARY OF INCOME AND EXPENDITURE)

	2023			2022		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds		Funds	Funds	
	£	£	£	£	£	£
Income from:						
Charitable activities	828,771	-	828,771	939,248	-	939,248
Donations	1,286,270	-	1,286,270	785,071	-	785,071
Government grant	-	-	-	7,313	-	7,313
Total	2,115,041	-	2,115,041	1,731,632	-	1,731,632
Expenditure on:						
Charitable activities	1,314,537	-	1,314,537	1,208,172	-	1,208,172
Total	1,314,537	-	1,314,537	1,208,172	-	1,208,172
Net (losses)/gains on investments	(61,325)	-	(61,325)	32,633	-	32,633
Net movement in funds	739,179	-	739,179	556,093	-	556,093
Total funds brought forward at 1 April 2022	3,272,457	-	3,272,457	2,716,364	-	2,716,364
Total funds carried forward at 31 March 2023	4,011,636	-	4,011,636	3,272,457	-	3,272,457

The 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 16 to 31 form part of these accounts.

CONSOLIDATED BALANCE SHEET

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	12	282,796	72,184
Investments	13	1,111,883	1,173,206
		1,394,679	1,245,390
Current assets			
Work in progress		18,277	7,430
Debtors	14	594,391	223,166
Cash at bank and in hand		7,382,087	6,009,264
		7,994,755	6,239,860
Creditors: amounts falling due within one year	15	(5,377,798)	(4,212,793)
Net current assets		2,616,957	2,027,067
Net assets less current liabilities		4,011,636	3,272,457
Creditors: due after one year		-	-
Net Assets		4,011,636	3,272,457
Income funds			
Unrestricted funds	16	4,011,636	3,272,457
Total funds		4,011,636	3,272,457

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006. These financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

S Harper 
Director
Chairman

T Waugh 
Director
CEO

Date 21.8.23

Date 21.8.23


Company registration number: NI047950


The notes on pages 16 to 31 form part of these accounts.

CHARITY BALANCE SHEET

	Notes	2023	2022
		£	£
Fixed assets			
Tangible assets	12	371	2,429
Investments	13	961,881	1,023,206
		962,252	1,025,635
Current assets			
Debtors	14	2,648,666	1,869,414
Cash at bank and in hand		594,082	505,801
		3,242,748	2,375,215
Creditors: amounts falling due one year	15	(193,367)	(128,393)
Net current assets		3,049,381	2,246,822
Total assets less current liabilities		4,011,633	3,272,457
Total assets less liabilities		4,011,633	3,272,457
Funds			
Unrestricted funds		4,011,633	3,272,457
Total funds		4,011,633	3,272,457

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006. These financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

S Harper 
 Director
 Chairman
 Date ...21.8.23...

T Waugh 
 Director
 CEO
 Date ...21.8.23...

Company registration number: NI047950

The notes on pages 16 to 31 form part of these accounts

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash (used in) /generated from operations	20	1,623,002		4,037,513	
Investing activities					
Purchase of unquoted investments		-	(150,000)		
Purchase of quoted investments		-	(500,000)		
Purchase of tangible fixed assets		(250,179)	(39,959)		
Interest received			-		
Net used in investing activities			(250,179)		(689,959)
Net increase /(decrease) in cash and cash equivalents			1,372,823		3,353,554
Cash and cash equivalents of beginning of year			6,009,264		2,655,710
Cash and cash equivalents at end of year			7,382,087		6,009,264
Relating to:					
Bank balances and short term deposits			7,382,087		6,009,264

NOTES TO THE FINANCIAL STATEMENTS

1. Fundamental accounting concept

The directors have prepared the financial statements on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The directors have had to consider the impact of changing market conditions and seeking new service opportunities.

Management have prepared a business plan and projections to 31 March 2024 which show that provided the key assumptions are met, the company will be able to meet its liabilities as they fall due.

The directors believe that the assumptions on which the projections have been based are achievable and that it is therefore appropriate to prepare the financial statements on a going concern basis. However, should there be a significant underachievement of the projections the going concern basis would be invalid and adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities which may arise and to reclassify fixed assets as current assets.

2. Accounting policies

Basis of preparation

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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The principal accounting policies, judgements and key sources of estimation uncertainty are set out below.

The trustees consider that these accounting policies are suitable, have been consistently applied and are supported by reasonable and prudent judgment and estimates.

Action Renewables meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in accordance with the historical cost convention.

Going Concern

There have been no material risks impacting going concern in the year. Therefore, these accounts are prepared on a going concern basis.

Group financial statements

These financial statements consolidate the results of the Charity and its wholly owned subsidiaries Action Renewables Energy Trading Limited and Zevon Energy Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Accounts for the Charity alone has been presented on page 12.

Incoming resources

Income from charitable activities

Income from charitable activities includes income earned from both the supply of goods and services under contractual arrangements and from performance related grants which have conditions that specify the provision of particular goods and services. Revenue grants are credited to incoming resources on the earlier of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Other trading activities

This includes income receivable for services provided, income from activities undertaken to raise funds to undertake charitable activities, and income from the operation of subsidiary company Action Renewables Energy Trading Limited, this income is recognised when entitlement has occurred.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Accounting policies (Cont'd)

Other income

This includes income from all other sources are included in full in the Statement of Financial Activities when receivable.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

Governance costs

Governance costs include those incurred in the governance of its assets which are associated with constitutional and statutory requirements.

Irrecoverable VAT

Irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

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.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable to the scheme in the accounting period.

Fund accounting

Funds which are expendable at the discretion of the charity in furtherance of its objects are accounted for as unrestricted funds.

Funds that can only be used for particular restricted purposes within the objects of the charity are accounted for as restricted funds. Restrictions arise when specified by the donor or when the funds are raised for particular restricted purposes.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned from the month acquired. The principal annual rates used are as follows:

Plant, furniture, fittings and computer equipment	–	10-25% reducing balance
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NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Accounting policies (Cont'd)

Impairment of fixed assets

At each reporting end date, the group and the parent charitable company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group and the parent charitable company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial assets

The group and the parent charitable company have elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the group's and the parent charitable company's statement of financial position when the group and the parent charitable company become party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Accounting policies (Cont'd)

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's and parent charitable company's obligations are discharged, cancelled, or they expire.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Accounting policies (Cont'd)

Work in progress

Work in progress includes costs incurred in relation to ongoing activities at year end and is stated at the lower of cost and net realisable value.

Deferred income

Income received which is allocated for expenses in future periods is credited to deferred income.

Foreign exchange

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income and expenditure account.

Liabilities

Liabilities are recognised when there is a legal and constructive obligation committing the company to the expenditure.

Leasing and hire purchase commitments

Rentals payable under operating leases are charged in the income and expenditure account on a straight line basis over the lease term.

3. Critical accounting estimates and judgements

In the application of the group's and parent charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Key sources of estimation uncertainty

Tangible fixed assets

Tangible assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives factors such as maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining live of the asset and the estimated value in use.

Debtors

Short term debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. Financial performance of the Charity

The consolidated statement of financial activities includes the results of the Charity's wholly owned subsidiaries which consult and advise on renewable energy and trades Renewables electricity and its derivatives. The financial performance of the Charity alone is shown on page 12.

5. Income from charitable activities

	2023			2022		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
European Projects	30,236	-	30,236	49,826	-	49,826
Other incoming resources	8,469	-	8,469	16,285	-	16,285
	38,705	-	38,705	66,111	-	66,111
Government grant JRS scheme	-	-	-	7,313	-	7,313

6. Income from trading activities

The wholly owned trading subsidiaries are Action Renewables Energy Trading Limited (incorporated in Northern Ireland) and Zevon Energy Limited (incorporated in Scotland). Action Renewables Energy Trading Limited pays all of its profits to the Charity under the gift aid scheme. Action Renewables Energy Trading Limited provides renewable energy consulting and advising and trading of Renewables Electricity and its derivatives. Zevon Energy Limited also specialises in trading of Renewables Electricity.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. Income from trading activities (cont'd)

The combined summary of financial performance for the subsidiaries is:

	2023	2022
	£	£
Total revenue	2,304,809	1,832,339
Administration costs	(1,018,538)	(1,047,268)
Interest receivable/paid	-	-
Net profit	<u>1,286,271</u>	<u>785,071</u>
Gift aided to the Charity	(1,286,271)	(785,071)
Profit before taxation	-	-
Tax	-	-
Retained in subsidiary	<u>-</u>	<u>-</u>

The assets and liabilities of the subsidiaries alone were:

Fixed assets	432,427	219,754
Current assets	7,232,009	5,626,976
Current liabilities	(7,664,434)	(5,846,728)
Total net assets	<u>2</u>	<u>2</u>
Aggregate share capital and reserves	<u>2</u>	<u>2</u>

7. Resources expended

	2023	2022
	Total	Total
	£	£
Wages and Salaries	1,128,290	955,479
Public relations	20,428	4,762
Consultants/studies	-	14,080
Conference/sponsorship events	9,535	3,591
Travel and subsistence	4,771	435
Training	3,844	1,018
Rent and service charge	22,033	22,033
Insurance	83,805	108,247
Depreciation	2,058	3,520
Computer expenses	10,928	14,116
Governance costs	3,469	2,588
Other costs	25,376	78,303
	<u>1,314,537</u>	<u>1,208,172</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Resources expended (cont'd)

	Basis	European Projects £	Other Activities £	Total 2023 £	Total 2022 £
Salaries and wages	Time spent	45,132	1,083,158	1,128,290	955,479
Public relations	Direct	-	20,428	20,428	4,762
Consultants/ studies	Direct	-	-	-	14,080
Conference /sponsorship events	Direct	-	9,535	9,535	3,591
Motor, travel & subsistence	Usage	1,643	3,128	4,771	11,671
Training	Direct	154	3,690	3,844	1,018
Rent	Area	881	21,152	22,033	22,033
Insurance	Area	3,352	80,453	83,805	108,247
Computer exp	Usage	437	10,491	10,928	14,116
Depreciation	Direct	82	1,976	2,058	3,520
Governance		-	3,469	3,469	2,588
Other costs	Direct	-	25,376	25,376	67,067
		51,681	1,262,856	1,314,537	1,208,172

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. Net outgoing resources

	2023	2022
	£	£
This is stated after charging:		
Staff costs (note 9)	1,128,290	955,479
Depreciation - owned assets	39,567	41,387
Auditors' remuneration	10,842	7,376

9. Employee information

	2023	2022
	£	£
Staff costs		
Wages and salaries	973,936	821,625
Social security costs	94,180	77,608
Other pension costs	60,174	56,246
	1,128,290	955,479

Average monthly number of persons employed by the group (including directors) during the year	Number	Number
Employees	32	31

There were two employees with remuneration in excess of £60,000 (2022: two).

The total amount of benefits received by key management personnel in the period was £221,895 (2022: £200,112). The Charity considers its key management personnel to comprise of the Chief Executive, the Finance Director, and the Chief Operating Officer.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

10. Directors' remuneration

	2023	2022
	£	£
Directors' remuneration	182,309	200,112

The company has indemnity insurance for its directors at a cost of £5,600 (2022 - £5,600).

The number of directors to whom retirement benefits are accruing under defined contribution schemes in respect of qualifying services is 1 (2022: 2). The aggregate amount of contributions paid in respect of directors' qualifying services is £7,176 (2022: £15,972).

The Chief Executive and accountant, who are also directors, have received remuneration as provided for by the company's Memorandum and Articles of Association. The company paid £8,240 (2022 - £7,838) to the Chairman, this is included in the amount disclosed above. Each non-executive director received £543-£10,414 (2022 - £1,157 - £10,368) recompense for their role as directors of the organisation.

11. Taxation

The company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

12. Tangible fixed assets

Group

	Plant £	Furniture and fittings £	Computer Equipment £	Total £
Cost:				
At 1 April 2022	91,033	123,476	225,514	440,023
Additions	239,904	-	10,275	250,179
Disposals	-	-	-	-
At 31 March 2023	330,937	123,476	235,789	690,202
Accumulated depreciation:				
At 1 April 2022	78,292	106,982	182,565	367,839
Depreciation charge for the year	10,345	3,429	25,793	39,567
Disposals	-	-	-	-
At 31 March 2023	88,637	110,411	208,358	407,406
Net book value:				
At 31 March 2023	242,300	13,065	27,431	282,796
At 1 April 2022	12,741	16,494	42,949	72,184

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

12. Tangible fixed assets (cont'd)

Charitable company

	Plant £	Furniture and fittings £	Computer Equipment £	Total £
Cost:				
At 1 April 2022	62,168	83,136	66,296	211,600
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	62,168	83,136	66,296	211,600
Accumulated depreciation:				
At 1 April 2022	60,156	82,949	66,066	209,171
Depreciation charge for the year	1,770	58	230	2,058
Disposals	-	-	-	-
At 31 March 2023	61,926	83,007	66,296	211,229
Net book value:				
At 31 March 2023	242	129	-	371
At 1 April 2022	2,012	187	230	2,429

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. Investments

Group

Investment in Subsidiary	2023	2022
	£	£
Investments	1	-
Movements in fixed asset investments	Quoted investments	Shares in group undertakings
	£	£
Cost		
As at 1 April 2022	1,173,206	-
Additions	116,426	1
Disposals, at valuation	(67,955)	-
(Decrease) in cash hold	(36,064)	-
Realised gain on valuation	(41,854)	-
Unrealised gain on valuation	(31,877)	-
As at 31 March 2023	1,111,882	1
Carrying amount		
At 1 April 2022	1,173,206	-
At 31 March 2023	1,111,882	1

Investments are managed on a discretionary basis by an independent investment broker. The investments are held at market value.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

Charitable Company

Investment in Subsidiary	2023	2022
	£	£
Investments	2	2
Movements in fixed asset investments		
	Quoted investments	Shares in group undertakings
	£	£
Cost or valuation		
At 1 April 2022	1,023,206	2
Additions	116,425	-
Disposals, at valuation	(67,955)	-
(Decrease) in cash hold	(36,064)	-
Realised gain on valuation	(41,854)	-
Unrealised gain on valuation	(31,877)	-
At 31 March 2023	961,881	2
Carrying amount		
At 31 March 2022	1,023,206	2
At 31 March 2023	961,881	2

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

Subsidiary Undertakings	Holding	Proportion held of voting rights and shares	Nature of Business
Action Renewables Trading Limited	Ordinary Shares	100%	Advising on and Energy trading in Renewables
Zevon Energy Limited	Ordinary Shares	100%	Dormant

For the year ended 31 March 2023 neither Action Renewables Energy Trading Limited nor Zevon Energy Limited retained neither a profit nor a loss and at 31 March 2022 and both companies had aggregate capital and reserves of £1.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

14. Debtors

	Group		Charitable company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	277,021	66,620	16,200	1,801
Prepayments and accrued income	106,547	28,180	87,515	8,919
Other taxes and social security	37,357	160	-	-
Other debtors	173,466	128,206	64,947	96,363
Due from subsidiary	-	-	2,480,004	1,762,331
	594,391	223,166	2,648,666	1,869,414

15. Creditors: amounts falling due within one year

	Group		Charitable company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	4,674,958	3,887,115	72,292	(320)
Other taxes and social security	94,595	65,205	66,353	65,205
Other creditors	4,017	4,829	3,084	4,708
Accruals and deferred income	560,470	255,644	51,638	58,800
	5,377,798	4,212,793	193,367	128,393

16. Analysis of unrestricted funds

	Balance	Movement in	Resources	Balance
	1 April	Incoming	Outgoing	31 March
	2022			2023
	£	£	£	£
Unrestricted Funds	3,272,457	2,282,189	(1,543,010)	4,011,636

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

17. Obligations under leases

At 31 March 2023, the company was committed to making the following payments under non-cancellable operating leases as set out below:

	2023	2022
	£	£
Operating leases which expire:		
Within one year	49,806	46,848
Within 2- 5 years	124,526	93,696
	174,332	140,544

18. Liability of members

Action Renewables is a company limited by guarantee. The liability of the members is limited to an amount not exceeding £1.

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company. The cost and charge represents contributions payable by the company to the fund and amount to £60,174 (2022: £56,245). There were no outstanding amounts payable to the pension scheme at 31 March 2023.

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

	2023	2022
	£	£
Net movement in funds for the year	739,179	556,093
Growth in investments	61,325	(23,206)
Depreciation	39,567	41,387
Increase/(Decrease) in creditors	1,165,000	3,318,211
(Increase)/Decrease in WIP	(10,845)	1,504
(Increase) /Decrease in debtors	(371,224)	143,524
Net cash (outflow)inflow from operating activities	1,623,002	4,037,513