

ACTION RENEWABLES
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2024

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DIRECTORS AND ADVISERS

Executive Directors

Terence Waugh
Irene Robinson

Chairman

Stephen Harper

Non-Executive Directors

Gerard Hodgkinson (resigned 21 August 2023)
John Heaslip
Stephen Harper
Katherine Noble
Andrew Webb (resigned 20 May 2024)
David Flinn
Michael Scott (resigned 20 May 2024)
Neal Shanks (appointed 21 August 2023)

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	Danske Bank Donegall Square West Belfast BT1 6JS
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Solicitors

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

DIRECTORS AND ADVISERS (Cont'd)

Registered Auditors

Harbinson Mulholland
Centrepont
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 2024. 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. ARES Market Services Limited, established 2022 is another subsidiary of Action Renewables Energy Trading Limited.

In line with good governance, Action Renewables, Action Renewables Energy Trading Limited and ARES Market Services Limited are governed by a Resource Sharing Agreement, Statement of Reserved Matters and Deed of Covenant as appropriate 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 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. Services offered to these clients typically engage Action Renewables in a consultancy role with a range of relevant stakeholders including developers, constructors, consultants, installers, customers, suppliers and the various bodies such as planners and building control officers. It is increasingly important that we continue our on-going mission to remove the barriers that hinder the rate of renewable energy deployment and make these services accessible to all.

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

DIRECTORS' REPORT CONT'

Financial review and risk development

During the year the group received unrestricted income of £2,840,182 and incurred expenditure of £1,985,923. Including the gains on investments, this resulted in a surplus of £925,790 compared to a surplus of £739,179 in the previous year. The unrestricted reserves increased from £4,011,636 at 31st March 2023 to £4,937,426 at 31st March 2024. 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) "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 are 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 2025 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.

DIRECTORS' REPORT CONT'

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.

During this year, Action Renewables celebrated its 20th Anniversary. To mark the occasion, the organisation hosted a lunch with stakeholders at the Great Hall in Queens University Belfast. As part of our 20th anniversary, we also made a significant contribution to the enhancement of education around climate change, by funding a £15,000 scholarship at the Ulster University. The Action Renewables Energy Storage Scholarship is open to Ulster University students who are studying for an MSc in Energy Storage at the Belfast Campus. We will fund at least one scholarship every year.

Action Renewables remains dedicated to its core values: Sustainability, Collaboration, Integrity, and Progression, which continue to be communicated and reinforced throughout the organisation. These values are integral to the company's operations, fostering a culture that is both respectful and productive.

Throughout the trading period from April 2023 to March 2024, Action Renewables achieved significant milestones in various areas. The organisation continued to operate and promote the Charity PV Programme, which supports not-for-profit organisations by reducing their energy costs and CO2 emissions through low-cost electricity from renewable generation. This programme saw a total of 23 charity PV installations commissioned, with a combined installed capacity of 265kW, generating approximately 220MWh of renewable electricity by the end of March 2024. This offset 44,123kg of CO2, equivalent to the carbon sequestration of around 232 trees, and provided substantial energy and operational cost savings to beneficiaries, exceeding £21,000. Additionally, Action Renewables conducted feasibility studies for around 100 community organisations, offering support and expertise regarding their energy requirements and improvements. Action Renewables also participates on the Home Energy Conservation Authority (HECA) panel, contributing to discussions on energy efficiency and fuel poverty.

Environmental efforts by Action Renewables were spearheaded by its internal Climate Action Group, which is on track to exceed its target of a 50% emission reduction by 2030, having already achieved 48%. The group reports Action Renewables' environmental performance in areas including energy, resources, and waste through Business in the Community and is voluntarily recording its Scope 1, 2, and 3 emissions.

In terms of outreach and community involvement, Action Renewables sponsored the Energy Institute's annual black-tie dinner and presented the McBride Award to the successful student, recognising an outstanding MSc dissertation thesis in the field of energy research. Additionally, Action Renewables sponsored the Energy Institute NI's 'Young Professionals Network' event at Ulster University. This event featured industry speakers and provided networking opportunities for young professionals in the energy sector. Furthermore, Action Renewables staff were invited to speak at several schools, offering students valuable information about climate change in line with their curriculum.

The organisation continued its relationship with Children of the Nations (COTN) and Mulanje Mission Hospital in Southern Malawi through local contacts in Northern Ireland, supporting the Mulanje Mission Hospital cookstove project, which has deployed over 7,000 safe and carbon-efficient cookstoves.

Action Renewables is collaborating with Belfast City Council on the Belfast 'Local Area Energy Plan' (LAEP) and has volunteered to support its deployment as a member of the LAEP Delivery Group.

Action Renewables also provided services to the National Lottery Community Fund through its Sustainable Community Buildings Programme and will offer energy-related technical support to up to 150 community groups. The organisation is also a partner in an Ashden-led 'Energy Learning Network,' a three-year initiative supporting community groups in developing knowledge sharing and community-led energy projects. This UK-wide project, funded by the National Lottery Community Fund, includes partners from England, Scotland, and Wales, with Action Renewables representing Northern Ireland.

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

29/08/2024

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 2024 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 2024 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 29/8/24

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

	Notes	2024			2023		
		Unrestricted	Restricted		Unrestricted	Restricted	
		Funds	Funds	Total	Funds	Funds	Total
		£		£	£		£
Income from:							
Charitable activities	5	37,397	-	37,397	38,705	-	38,705
Other trading activities*	6	2,740,620	-	2,740,620	2,304,809	-	2,304,809
Interest receivable		62,165	-	62,165	-	-	-
Total		2,840,182	-	2,840,182	2,343,514	-	2,343,514
Expenditure on:							
Charitable activities	7	1,622,165	-	1,622,165	1,314,537	-	1,314,537
Raising funds:							
Commercial trading activities		363,758	-	363,758	228,473	-	228,473
Total		1,985,923	-	1,985,923	1,543,010	-	1,543,010
Net gains (losses)/gains on investments		71,531	-	71,531	(61,325)	-	(61,325)
Net movement in funds		925,790		925,790	739,179	-	739,179
Total funds brought forward at 1 April 2023		4,011,636	-	4,011,636	3,272,457	-	3,272,457
Total funds carried forward at 31 March 2024		4,937,426	-	4,937,426	4,011,636	-	4,011,636

*Other trading activities includes commission earned on revenue of £59,192,887 (2023: £53,097,653) 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)

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds		Funds	Funds	
	£	£	£	£	£	£
Income from:						
Charitable activities	963,643	-	963,643	828,771	-	828,771
Donations	1,608,451	-	1,608,451	1,286,270	-	1,286,270
Total	2,572,094	-	2,572,094	2,115,041	-	2,115,041
Expenditure on:						
Charitable activities	1,622,165	-	1,622,165	1,314,537	-	1,314,537
Total	1,622,165	-	1,622,165	1,314,537	-	1,314,537
Net gains /(losses) on investments	71,531	-	71,531	(61,325)	-	(61,325)
Net movement in funds	1,021,460	-	1,021,460	739,179	-	739,179
Total funds brought forward at 1 April 2023	4,011,636	-	4,011,636	3,272,457	-	3,272,457
Total funds carried forward at 31 March 2024	5,033,096	-	5,033,096	4,011,636	-	4,011,636

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	2024 £	2023 £
Fixed assets			
Tangible assets	12	343,274	282,796
Investments	13	1,242,912	1,111,883
		1,586,186	1,394,679
Current assets			
Work in progress		7,240	18,277
Debtors	14	3,589,998	594,391
Cash at bank and in hand		6,929,498	7,382,087
		10,526,736	7,994,755
Creditors: amounts falling due within one year	15	(7,175,494)	(5,377,798)
Net current assets		3,351,242	2,616,957
Net assets less current liabilities		4,937,426	4,011,636
Creditors: due after one year		-	-
Net Assets		4,937,426	4,011,636
Income funds			
Unrestricted funds	16	4,937,426	4,011,636
Total funds		4,937,426	4,011,636

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 21.8.24

T Waugh

Director
CEO


Date 29/8/24

Company registration number: NI047950

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

CHARITY BALANCE SHEET

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	12	94	371
Investments	13	1,033,412	961,881
		1,033,506	962,252
Current assets			
Work in progress		1,925	-
Debtors	14	2,917,874	2,648,666
Cash at bank and in hand		1,319,185	594,082
		4,238,984	3,242,748
Creditors: amounts falling due one year	15	(239,394)	(193,367)
Net current assets		3,999,590	3,049,381
Total assets less current liabilities		5,033,096	4,011,633
Funds			
Unrestricted funds		5,033,096	4,011,633
Total funds		5,033,096	4,011,633

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 21.8.24

T Waugh

Director
CEO

Date 29/8/24

Company registration number: NI047950

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2024		2023	
		£	£	£	£
Cash flows from operating activities					
Cash (used in) /generated from operations	20	(261,807)		1,623,002	
Investing activities					
Purchase of unquoted investments		(59,500)		-	
Purchase of quoted investments		(137,146)		-	
Proceeds on disposal of investments		113,328		-	
Gains/(losses) on investments		(47,711)		-	
Purchase of tangible fixed assets		(121,918)	(250,179)		
Interest received		62,165		-	
Net used in investing activities			(190,782)		(250,179)
Net (decrease) / increase in cash and cash equivalents			(452,589)		1,372,823
Cash and cash equivalents of beginning of year			7,382,087		6,009,264
Cash and cash equivalents at end of year			6,929,498		7,382,087
Relating to:					
Bank balances and short term deposits			6,929,498		7,382,087

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 2025 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.

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

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
Leasehold improvements	–	33% reducing balance

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

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
European Projects	8,272	-	8,272	30,236	-	30,236
Other incoming resources	29,125	-	29,125	8,469	-	8,469
	37,397	-	37,397	38,705	-	38,705

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. ARES Market Services Limited (incorporated in Northern Ireland) is a wholly owned subsidiary of Action Renewables Energy Trading Limited. ARES Market Services Limited also specialise in trading of Renewables Electricity. Zevon Energy Limited is now dormant.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. Income from trading activities (cont'd)

The combined summary of financial performance for the subsidiaries is:

	2024	2023
	£	£
Total revenue	2,740,620	2,304,809
Administration costs	(1,290,005)	(1,018,538)
Interest receivable/paid	62,165	-
Net profit	1,512,780	1,286,271
Gift aided to the Charity	(1,608,451)	(1,286,271)
(Loss) / Profit before taxation	(95,671)	-
Tax	-	-
Retained in subsidiary	(95,671)	-

The assets and liabilities of the subsidiaries alone were:

Fixed assets	552,678	432,427
Current assets	9,380,172	7,232,009
Current liabilities	(10,028,521)	(7,664,434)
Total net assets	(95,671)	2
Aggregate share capital and reserves	(95,671)	2

7. Resources expended

	2024 Total £	2023 Total £
Wages and Salaries	1,351,758	1,128,290
Public relations	23,911	20,428
Consultants/studies	5,250	-
Conference/sponsorship events	10,963	9,535
Travel and subsistence	1,632	4,771
Training	1,346	3,844
Rent and service charge	28,161	22,033
Insurance	79,707	83,805
Depreciation	277	2,058
Computer expenses	1,811	10,928
Governance costs	4,597	3,469
Other costs	112,752	25,376
	1,622,165	1,314,537

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. Resources expended (cont'd)

	Basis	European Projects £	Other Activities £	Total 2024 £	Total 2023 £
Salaries and wages	Time spent	2,704	1,349,054	1,351,758	1,128,290
Public relations	Direct	-	23,911	23,911	20,428
Consultants/ studies	Direct	-	5,250	5,250	-
Conference /sponsorship events	Direct	-	10,963	10,963	9,535
Motor, travel & subsistence	Usage	-	1,632	1,632	4,771
Training	Direct	3	1,343	1,346	3,844
Rent	Area	56	28,105	28,161	22,033
Insurance	Area	159	79,548	79,707	83,805
Computer exp	Usage	4	1,807	1,811	10,928
Depreciation	Direct	1	276	277	2,058
Governance		-	4,597	4,597	3,469
Other costs	Direct	1,495	111,257	112,752	25,376
		4,422	1,617,743	1,622,165	1,314,537

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. Net outgoing resources

	2024	2023
	£	£
This is stated after charging:		
Staff costs (note 9)	1,351,758	1,128,290
Depreciation - owned assets	61,441	39,567
Auditors' remuneration	10,410	10,842

9. Employee information

	2024	2023
	£	£
Staff costs		
Wages and salaries	1,177,627	973,936
Social security costs	108,044	94,180
Other pension costs	66,087	60,174
	1,351,758	1,128,290

Average monthly number of persons employed by the group (including directors) during the year	Number	Number
Employees	36	32

There were two employees with remuneration in excess of £60,000 (2023: two).

The total amount of benefits received by key management personnel in the period was £264,272 (2023: £221,895). 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

	2024	2023
	£	£
Directors' remuneration	233,099	182,309

The company has indemnity insurance for its directors at a cost of £5,600 (2023 - £5,600).

The number of directors to whom retirement benefits are accruing under defined contribution schemes in respect of qualifying services is 1 (2023: 1). The aggregate amount of contributions paid in respect of directors' qualifying services is £7,830 (2023: £7,176).

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 £8,816 (2023: £8,240) to the Chairman, this is included in the amount disclosed above. Each non-executive director received £3,206 - £11,143 (2023: £543 - £10,414) 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

	Leasehold Improvements	Plant	Furniture and fittings	Computer Equipment	Total
	£	£	£	£	£
Cost:					
At 1 April 2023	-	330,937	123,476	235,789	690,202
Additions	43,966	51,585	14,492	11,875	121,918
Disposals	-	-	-	-	-
At 31 March 2024	43,966	382,522	137,968	247,664	812,120
Accumulated depreciation:					
At 1 April 2023	-	88,637	110,411	208,358	407,406
Depreciation charge for the year	9,550	29,508	4,049	18,334	61,441
Disposals	-	-	-	-	-
At 31 March 2024	9,550	118,145	114,460	226,692	468,847
Net book value:					
At 31 March 2024	34,416	264,377	23,508	20,972	343,274
At 1 April 2023	-	242,300	13,065	27,431	282,796

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 2023	62,168	83,136	66,296	211,600
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2024	62,168	83,136	66,296	211,600
Accumulated depreciation:				
At 1 April 2023	61,926	83,007	66,296	211,229
Depreciation charge for the year	178	99	-	277
Disposals	-	-	-	-
At 31 March 2024	62,104	83,106	66,296	211,506
Net book value:				
At 31 March 2024	67	31	-	94
At 1 April 2023	242	129	-	371

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. Investments

Group

Movements in fixed asset investments	Unquoted Investments	Quoted Investments	Total Investments
Cost	£	£	£
As at 1 April 2023	150,000	961,882	1,111,882
Additions	59,500	137,146	196,646
Disposals, at valuation	-	(113,328)	(113,328)
(Decrease) in cash hold	-	(9,544)	(9,544)
Realised gain on valuation	-	8,560	8,560
Unrealised gain on valuation	-	48,696	48,696
As at 31 March 2024	209,500	1,033,412	1,242,912
Carrying amount			
At 1 April 2023	150,000	961,882	1,111,882
At 31 March 2024	209,500	1,033,412	1,242,912

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	2024	2023
	£	£
Investments	2	2
Movements in fixed asset investments		
	Quoted investments	Shares in group undertakings
	£	£
Cost or valuation		
At 1 April 2023	961,882	2
Additions	137,146	-
Disposals, at valuation	(113,328)	-
(Decrease) in cash hold	(9,544)	-
Realised gain on valuation	8,560	-
Unrealised gain on valuation	48,696	-
As at 31 March 2024	<u>1,033,412</u>	<u>2</u>
Carrying amount		
At 1 April 2023	961,882	2
At 31 March 2024	<u>1,033,412</u>	<u>2</u>

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% Direct	Advising on and Energy trading in Renewables
ARES Market Services Limited	Ordinary Shares	100% Indirect	Trading of electricity
Zevon Energy Limited	Ordinary Shares	100% Direct	Dormant

For the year ended 31 March 2024 neither Action Renewables Energy Trading Limited nor Zevon Energy Limited retained neither a profit nor a loss and at 31 March 2023 and both companies had aggregate capital and reserves of £1.

For the year ended 31 March 2024 ARES Market Services made a loss of £95,671 and had net liabilities of £45,670.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

14. Debtors

	Group		Charitable company	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	3,114,245	277,021	2,311	16,200
Prepayments and accrued income	119,838	106,547	95,287	87,515
Other taxes and social security	28,582	37,357	-	-
Other debtors	327,333	173,466	8,870	64,947
Due from subsidiary	-	-	2,811,406	2,480,004
	<u>3,589,998</u>	<u>594,391</u>	<u>2,917,874</u>	<u>2,648,666</u>

15. Creditors: amounts falling due within one year

	Group		Charitable company	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	6,828,830	4,674,958	80,202	72,292
Other taxes and social security	86,128	94,595	86,127	66,353
Other creditors	31,845	4,017	3,120	3,084
Accruals and deferred income	228,692	560,470	69,945	51,638
	<u>7,175,495</u>	<u>5,377,798</u>	<u>239,394</u>	<u>193,367</u>

16. Analysis of unrestricted funds

	Balance	Movement in	Resources	Balance
	1 April	Incoming	Outgoing	31 March
	2023			2024
	£	£	£	£
Unrestricted Funds	<u>4,011,636</u>	<u>2,911,713</u>	<u>(1,985,923)</u>	<u>4,937,426</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

17. Obligations under leases

At 31 March 2024, the company was committed to making the following payments under non-cancellable operating leases as set out below:

	2024	2023
	£	£
Operating leases which expire:		
Within one year	49,806	49,806
Within 2- 5 years	99,612	124,526
	149,418	174,332

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 £66,087 (2023: £60,174). There were no outstanding amounts payable to the pension scheme at 31 March 2024.

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

	2024	2023
	£	£
Net movement in funds for the year	925,790	739,179
Growth in investments	-	62,325
Interest received	(62,165)	-
Depreciation	61,441	39,567
Increase/(Decrease) in creditors	1,797,696	1,165,000
(Increase)/Decrease in WIP	11,037	(10,845)
(Increase) /Decrease in debtors	(2,995,606)	(371,224)
Net cash (outflow)inflow from operating activities	(261,807)	1,561,677