

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

24/08/2024