

CIO Registration No. 1179578

Company Registration No. CE014895 (England and Wales)

**BRITISH GAS ENERGY TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

# BRITISH GAS ENERGY TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	H Charlton A Chong W Gillis L Lee C Trend S Wheeler
<b>Chief Executive Officer</b>	Jessica Taplin
<b>CIO registration number</b>	1179578
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough PE1 2SP
<b>Bankers</b>	National Westminster Bank plc PO Box 15 Cathedral Square Peterborough Cambridgeshire PE1 1HW
<b>Administrators to 31 March 2020</b>	Charis Grants Ltd 3rd Floor Trinity Court Trinity Street Peterborough Cambridgeshire PE1 1DA
<b>Administrators from 1 April 2020</b>	Auriga Services Ltd Emmanuel Court 12-14 Mill Street Sutton Coldfield West Midlands B72 1TJ

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# BRITISH GAS ENERGY TRUST

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# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2020

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The Trustees are pleased to present their report, together with the financial statements for the Charitable Incorporated Organisation (CIO), British Gas Energy Trust, for the year 1 April 2019 to 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the CIO's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### Objectives and activities

British Gas Energy Trust exists for:

(i) The relief of poverty particularly among those who are unable to meet or pay charges for the supply of energy provided to premises used or occupied by them; and

(ii) The prevention and relief of poverty by educating the public in relation to debt awareness and prevention.

The CIO, while carrying out its activities is mindful of the legal requirement for all of its charitable aims to be for the public benefit. The public benefits provided by the CIO include:

- Provision of grants to charitable organisations to provide fuel debt advice services in communities.
- Provision of grants to individuals to alleviate fuel debt.
- Provision of other grants, aligned to the CIO's objectives, to help people manage indebtedness.

#### Aims of the CIO

- To deliver a grants programme aimed at reducing energy debt for individuals and families experiencing poverty and hardship  
To increase and improve free and impartial independent fuel debt and money advice services and education in England, Wales and Scotland via the CIO's Organisational Grants Programme
- To reduce the potential for people to get into debt through the funding of debt prevention work
- To fund innovative and holistic programmes that balance energy efficiency measures with wider welfare benefits take-up and other interventions to improve the physical and mental health and well-being of vulnerable people
- To ensure the maximum amount of funds are available for giving through the effective and efficient management of the CIO.

#### Risk management & Management Controls

The reporting period has seen an intensive focus on governance, with the implementation of enhanced processes and new governance and operational systems being developed and implemented for the CIO. As part of this process the CIO Board and team have examined and discussed the major external, reputational, regulatory & compliance, operational, financial & environmental risks which the CIO faces.

Over the financial year the Trustees and the CIO Team have undertaken significant work to review historic controls, contracts and systems. This has included closely examining the historic and present performance of the CIO, establishing an MOU with the British Gas Energy Trust's key funder British Gas and reviewing other contractual and non-contractual relationships in place. Work included a detailed review of the long-term relationship with the third-party provider of administrative and financial support services, as well as the delegated responsibility for the management & oversight of Funded organisations, grant assessment and grant administration.

Following review, an open, competitive procurement process for the provision of grant administration services was launched in Q3 2019/20. Tenders were reviewed against clear assessment parameters aligned to both quality and cost; the process resulted in a new grant management administrator being appointed in Q4 2019/20, the new provider is contracted to deliver grant administration services for the CIO over the next financial year.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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The Board is confident that the new contract in combination with the full time Chief Executive role introduced in January 2020, and the small executive team that has been formed, will ensure greater rigour and controls; providing not only greater management oversight and financial control but at a operational cost benefit to the charity.

The Board is confident that due to the hard work and diligence that has taken place, the CIO is now better aligned with best practice; steps taken include using the National Council of Voluntary Organisations form of risk register, adopting Board policies in line with recommended sectoral guidelines, and conducting ongoing governance benchmarking reviews.

The Board can confirm that comprehensive Risk management systems, based on the National Council of Voluntary Organisations best practice template, have been established to allow for the CEO, Finance Audit & Risk Committee and Board to proactively identify risks and ensure the necessary mitigations are in place to manage or lessen these risks.

The main identified risks for the CIO for the accounting period were as follows: that charitable funding is via a single source and reliant on the continuation of the long term relationship between the British Gas Energy Trust and British Gas; the impact on the relationship of changes to Government policy or legislation; reliance on the Warm Home Discount Scheme (due to be reviewed by Ofgem in the forthcoming year) and the nature, terms & management of the grant administration contract.

British Gas confirm additional funding for the Trust on an annual basis. The funding for 2020 / 2021 has not yet been agreed in writing. If there is a change in funding from British Gas, this would significantly impact on what British Gas Energy Trust can itself fund over the next financial period.

**The CIO achieves its objectives by operating two grant giving programmes; an "Individuals and Families Grants Programme" and an "Organisational Grants Programme".**

These programmes (and the associated funding) sit within an extensive range of grant funding for households struggling with their energy bills and keeping warm in winter and for organisations providing advice and support to them.

#### **Individuals and Families Grants Programme**

The Individuals and Families programme provides direct grants to clear household energy debt. The programme is aimed at people who are experiencing financial difficulty and as such are unable to pay their outstanding energy debt.

Grant awards are made, in the form of credit applied to their energy account, to applicants who demonstrated that their situation meets vulnerability criteria, had a certain level of stability and intended to keep up with payments after the debt is cleared. The programme provides grants to both British Gas customers and customers of other energy suppliers.

Grant provision is aligned to the CIO's objectives and with providing a direct impact on recipients, as follows:

- i. Grants to clear domestic gas and electricity debts owed to British Gas or other suppliers.
- ii. Boiler replacements (British Gas customers only).
- iii. Emergency utility credit (via organisations funded by the CIO through its Organisational Grant Programme)

**During 2019/20, the following was achieved:**

- The CIO granted 3,071 awards with a total value of £1,521,678 through the Individuals and Families programme, so benefitting people in need.
- Awards included grants to clear energy debts; for new boilers and for emergency utility credit

Over 13,000 households submitted 23,000 requests for assistance, averaging 255 per week. 21% of applications were submitted with the support of a friend, relative, carer or an advice agency.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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Applications are made via the CIO's online application form. Applications can be completed directly by the applicant or via appropriate third-party organisations on behalf of the applicant, including organisations funded by the CIO. There are no deadlines for applications as funding is spread across the year. The programme is subject to regular review, monitoring and evaluation.

#### **Organisational Grants Programme:**

The CIO funds 17 advice provider organisations across England, Wales and Scotland; 13 are in England, two in Scotland and two in Wales.

The advice providers deliver a holistic service that is tailored to each client's needs. The activities delivered by each organisation are shown below. On average, each person supported by the programme receives 4 different interventions.

The CIO's programme has focused on building the capacity and resilience of the advice sector as a specific outcome in addition to the number of people supported by the funded organisations. As a result of the CIO's funding, advice providers report having built new partnerships, trained their staff and partners, added to their holistic service offerings and gained extra funding from other sources.

The funded organisations provide a wide range of impartial and independent specialist fuel debt advice services including:

- Budget planning
- Benefit / income maximisation checks
- Energy supplier / tariff switching exercises
- Resolution of energy debt problems
- Negotiating with energy suppliers
- Completing applications to and other grant giving schemes, e.g. Warm Home Discount and ECO schemes
- Desktop home energy efficiency surveys and specific energy efficiency advice
- Generalist advice on subjects including housing, employment and discrimination, helping to overcome other barriers to financial well-being

The organisations funded by the CIO during the year were:

- Auriga Services Limited
- Energy Projects Plus Limited
- Bromley by Bow Centre
- Income Max CIC
- Citizens Advice Cymru
- Money Matters Money Advice Centre
- Citizens Advice Manchester
- Riverside Advice Limited
- Northumbrian Citizens Advice Bureau
- St Anne's Advice Group
- Citizens Advice Preston
- Citizens Advice St Helens
- Community First Yorkshire
- Community Law Service
- Navigate Charity
- THAW-Orkney
- Zinithya Trust

The funded organisations work is monitored and evaluated against comprehensive scheme specific Monitoring Outcomes defined in the Funding Agreements between the CIO and the funded organisations.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### Achievements and performance

##### Strategic Objectives 2018/21

The CIO will continue to work to deliver the following objectives which are stated within its 2018/2021 Strategic Plan:

**Strategic Objective One - Maximise the impact and effectiveness of the Trust's Grants Programmes and increase the percentage of funds donated to charitable partners and social enterprises.**

In the 12 months to 31 March 2020 the CIO continued to implement the new strategic approach to funding. Approved by trustees early in 2018, the strategy placed a greater emphasis on supporting a wide range of organisations in the sector through a new organisation grant programme.

During this period the CIO contracted the Centre for Sustainable Energy to conduct an impact review of the programmes and their beneficiaries. The subsequent report identified the following groups as the main beneficiaries of the BGET programmes:

- Low income and fuel poor families and individuals, the target beneficiaries of the CIO's support, struggle to maintain an acceptable living standard due to poverty.
- People with long term health conditions that affect their ability to earn an income and/or mean they face greater than average outgoings, impacting their ability to maintain financial stability. Long term health conditions also make them more vulnerable than other people to the harmful health effects of fuel poverty.
- People who are experiencing multiple vulnerabilities including but not limited to people in unstable, unsafe and inefficient homes, victims of domestic abuse, ex-offenders, and people without digital skills and access.
- People who have had a change in their circumstances that have caused unexpected hardship including bereavement, family break-down and loss of income.
- Organisations that provide support and advice services to people in financial difficulty and/or in vulnerable situations.

The impact of the effectiveness of the CIO is maximised through having two clear funding programmes; the Individual and Family programme provides grants to clear energy debt; whilst the funded organisations provide a varied holistic service that is tailored to clients' needs.

The CIO expended a total of £4,660,111 in 2019/20 on grant making activity across both programmes, this was an increase compared to £3,676,065 in 2018/2019 which reflects a positive increase in grant funding for recipients, so increasing the funding and its impact.

The Individuals & Families Funding Programme made 3,071 awards with the value of Energy Awards totalling £1.52m, this being a slight decrease compared to the previous year, where 3,388 awards were made totalling £1,714m.

The percentage being awarded through charitable partners and social enterprises has risen from 59% to 67% - this is aligned with the strategic objective.

**Strategic Objective Two - Continue to support British Gas and non-British Gas customers. We will aim to allocate 30% of the award to non-British Gas customers through the Individuals and Families Grants Programme.**

The CIO continues to support both British Gas and non-British Gas customers through the Individuals and Families Grants programme. Grants to clear energy debt continues to account for the highest number of awards, with the split between British Gas customers and non-British Gas customers remaining in line with the agreed target and budget.

During March the CIO saw a significant increase in demand for emergency credit vouchers due to the Covid-19 situation.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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The end of year position saw 72% of the value of awards being made to British Gas Customer and 28% to Non-Customers, this is closely aligned to the strategic intention in objective 2, and as such Strategic Objective 2 has been met within a small margin of variance.

**Strategic Objective Three - Review how the Trust evaluates performance of funded partner organisations with a focus on assessing outcomes, value and impact of activities. Recognising that organisations have specific skills that drive unique impacts and value:**

The CIO's Funded Organisations Programme commenced on 1 October 2018 and runs until 31 March 2021. In line with Strategic Objective Three, the Centre for Sustainable Energy was commissioned to evaluate the frameworks used by the 17 funded organisations, and together with these organisations, develop a new Collective Impact Framework for the CIO.

The ambition is for the CIO to better assess and understand the outcomes, value and impact of its activities. This work commenced in Autumn 2019 and were successfully concluded shortly after the end of the financial period. In light of the Impact report and Collective Impact report being achieved, the organisation is on track to achieving Strategic Objective 3. The next stage would be testing the implementation of the Collective Impact Framework.

#### **Strategic Objective Four – Identify opportunities for innovation and growth**

The CIO has worked to substantiate and validate what is working well and make positive changes to programmes by innovating to drive successful delivery and positive progress.

**Funded Organisation & Individual and Families:** In 2017 the Board reviewed the Oxford Economics Report which looked at the ROI from Funded Organisations and Individual And families, the Board decided to innovate and revise the approach – reversing the funding in favour of the Funded Organisations. The CIO hosted a workshop for the funded organisations in May 2019, held at BG Leeds. This brought together funded organisations to meet each other, discuss how the programme was working, and provide feedback.

**Local Cash Fund:** The Board chose to implement a Local Cash Fund, which allocates funding directly to Funded Organisations to meet the needs of additional referrals and emergency applications for heat sources, such as plug in electric heaters, oil filled radiators and credit vouchers. The Local Cash fund gave Funded Organisations greater flexibility and autonomy over their local budget, evidencing trust of our partners and utilising their expertise in a collaborative manner

#### **Covid 19 Response:**

Towards the end of Q4 the Covid-19 pandemic began to impact the UK. The CEO & Board began working proactively and swiftly to recognise the impact on the front-line organisations that the CIO funds and ensure appropriate support is available to them.

**Collective Impact Framework:** In 2019/20 The Board commissioned the development of a new Collective Impact Framework and an externally validated Impact Report and Theory of Change by the Centre for Sustainable Energy; this is not only innovative for the CIO but will in turn drive the CIO to continue positive outcomes, with an evidence based approach to programmatic design and evaluation being piloted in 2020/21.

#### **Strategic Objective Five - Ensure Governance arrangements are effective and fit-for-purpose:**

During Q3 & Q4 significant steps were taken with regards to Governance and ensuring the CIO is operating effectively, with new arrangements being implemented in Q4, the CIO having taken significant steps towards aligning to sector best practice.

In addition to the Board's Finance and Risk sub-committee, in May 2019 trustees decided to set up three task and finish working groups. In particular, the Board decided to recruit a new full time CEO. As a result of a rigorous selection process, Jessica Taplin joined the CIO in January, swiftly overseeing a range of new operational procedures, financial and management controls and appointing a core team to support the implementation of new processes and internal systems: these included a Finance Controller and an Office Manager / Admin support role.



# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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The introduction of these roles and attendant initiatives in Q4 of 2019/20, allowed Trustees to step back from operational issues and focus appropriately on non-executive issues such as strategy and governance. As of February 2020, the CEO was delegated authority to manage and run the forthcoming new grants administration contract and to work with the Board's working groups, under the direction of the Chair and with Trustee support. A significant step forward was the work undertaken towards the establishment of new internal financial systems and processes, this being a priority due to expiry of the existing grants administration contract at year end and bringing such functions 'in-house'. Xero was set up as the new accounting system, and the Trust had new financial systems and controls established prior to year-end 2019/20.

During the latter part of 2019 the CIO undertook a thorough tender process for the award of a new contract for the provision of grant administration services on expiry of the existing contract at 2019/20 year-end. The procurement process was successfully concluded in January 2020, and a new contract on significantly improved terms was entered into with a new contractor, Auriga Services Limited.

#### Financial review

##### Reserves Policy

At 31 March 2020, the audited accounts indicate that BGET the CIO has unrestricted reserves of £2,510,523.

The Reserves Policy which was in place for the entire reporting accounting period (as noted in its financial statements to 31 March 2019), is to set aside a designated fund for a wind-down of the CIO on the basis that the CIO can meet:

- 6 months of the outsourced contract.
- An amount sufficient to meet outstanding obligated administrative costs and the funds necessary for an orderly wind down of the CIO in the event that donations cease to be received.

At 31 March 2019, the designated fund for this purpose amounted to £420,470, and as of the 31 March 2020 was £292,652, represented by the 3 elements of expenditure outlined above.

The CIO focuses on achieving the greatest value for money impact through the activities it undertakes. The operational environment continues to be subject to external pressures and review; as such the Finance Audit and Risk Committee will continue to review the Reserves Policy on an annual basis.

#### Prior year comparatives

At 28 February 2019, British Gas Energy Trust became a CIO and the funds from the previous charity were transferred into the new British Gas Energy Trust CIO. Therefore the prior year comparatives in the current year's accounts only show the income and expenditure for March 2019. To provide a fuller comparison between 2020 and 2019, we have included the income and expenditure for the whole 12 months to 31 March 2019 in Note 5 to the accounts. The 11 months to 28 February 2019 have been reported in the previous charity's financial statements.

#### Investment policy

The Trustees have an existing policy that monetary assets surplus to that needed for day to day operations would be held in a reserve account with a competitive rate of interest.

#### Plans for future periods

British Gas as the CIO's principal funder has committed £6 million to the CIO in 2020/21. There remains a longer-term funding uncertainty at the time of this report.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### **Covid- 19 impact on the CIO's activities**

Government measures to control the spread of Corona virus did not directly affect the charity's activities during the reporting period, although the Covid-19 pandemic began to have an impact in the UK towards the end of Q4. Grant giving was able to continue uninterrupted throughout the period using the application portal online. As the CIO's funding from British Gas to March 2021 is secure, the Covid-19 pandemic has not caused any direct financial uncertainties regarding the charity's immediate financial sustainability and there is no impact on consideration of whether the CIO is a going concern.

The Charity's Trustees (as the CIO's sole volunteers) assisted the charity in its work in managing in the changed circumstances by making themselves fully available through digital channels (which is permitted by the constitution). The outbreak of the virus has caused minimal disruption to the small team who oversee the CIO's day to day operational activity; this is due to all members of the team being recruited to work remotely as their normal way of working. All executive team, grants administration and stakeholder meetings have taken place using digital channels.

The CIO has considered the likely impact of the virus control measures and potential duration of the control measures on the future aims and activities of the charity; as well as the impact of the virus related control measures on any wider network of which the charity is a part and how this affects the charity's operations. It is clear that the outbreak of the virus has impacted on the 17 organisations that the CIO currently funds. This has an impact on beneficiaries and may affect funded activities for the coming year.

To help the CIO understand the impact of the virus related control measures on the wider network of organisations that the CIO funds; all funded organisations were asked to provide additional information with their quarterly monitoring forms for the period to 31 March 2020, on how each project is coping with the impact of COVID-19 and what were their plans going forward.

The feedback has been received and as a result of Covid-19 there have been changes to service delivery. With the exception of one funded organisation, all organisations closed their premises following Government Guidelines to stay at home. Staff continued to provide services by working remotely from home. The one remaining organisation stayed open to assist individuals in crisis situations or when they need food, whilst adhering to recommended distancing guidelines. All other organisations have suspended face-to-face services where they formed part of the project and alternative communication methods have been implemented.

Twelve organisations reported that they expect COVID-19 to have a detrimental effect on their ability to achieve core KPI measures under their funding agreements, mainly due to the following reasons:

- Reduction in the number of beneficiaries accessing the service remotely compared to face-to-face drop-ins
- Agencies referring beneficiaries to the project may be closed
- Beneficiaries accessing services remotely may not have the level of communication or digital skills required to be assisted efficiently
- More difficulty in obtaining supporting documentation from beneficiaries
- Cases may take longer to resolve
- Energy companies / creditors not chasing bill payments which will reduce demand for debt advice/support

With the exception of one funded organisation, all funded organisations confirmed that when restrictions are lifted, they expect to resume any services that were suspended and will work to achieve KPI's by the end of March 2021. One organisation advised that they expect a surge in demand after lock-down and to provide an intensive casework service to beneficiaries more resources would be required to achieve their KPI's during the remaining term. The CEO is working closely with the Grant Administrator to support Funded Organisations over this period.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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Eleven of the seventeen funded organisations have reported that they expect the impact of COVID-19 will have a detrimental effect on outcomes, mainly due to the following reasons:

- Reduced number of individuals accessing services
- Less debt being presented - energy companies / creditors not chasing debtors
- Home visits suspended
- Difficulties supplying energy efficiency measures
- Fewer referrals made to other agencies due to them being closed or with restricted opening
- External events postponed

All of these funded organisations confirmed that they expect outcomes to increase when restrictions are lifted in line with an increase in beneficiaries accessing services.

Whilst requests to carry forward grant budget underspends were received from some of the Funded Organisations as of 31 March 2020, none are cited as directly related to the impact of COVID-19.

#### **Structure, governance and management**

The CIO, British Gas Energy Trust, was entered onto the Charity Commission's Register of Charities on 16 August 2018 with the registered charity number 1179578. On 28 February 2019 all assets from "British Gas Energy Trust", charity number 1106218, were transferred to the new CIO.

The CIO is governed by a Constitution approved by the Board of Trustees on 20 June 2018.

In selecting individuals for appointment as Trustees, the Trustees have regard to the skills, knowledge and experience needed for the effective administration of the CIO. The following Trustees were on the Board during this financial period:

Helen Charlton  
Albert Chong  
Laurie Lee  
Karen McArthur (resigned 1 September 2020)  
Daksha Piparia (appointment expired 15 August 2019)  
Imelda Redmond (appointment expired 15 August 2019)  
Peter Smith (appointment expired 15 August 2019)  
Sheila Wheeler  
William Wright Gillis  
Colin Trend  
Steven McClenaghan (resigned 31 March 2020)

Trustees set the policy, and control and monitor the CIO's activities and provide good governance, challenge and oversight of the CEO in line with the principles of the Charity Governance Code 2017. As explained in the introduction to this report and elsewhere, the reporting period has seen an intensive focus on governance, with the implementation of enhanced processes and new governance and operational systems being developed and implemented for the CIO.

The Trustees provide details of any potential conflicts of interest in a central register, which is reviewed annually. If a Trustee has a personal interest in a matter to be discussed at a meeting the Trustee declares their interest prior to discussions beginning.

The Trustee Board meets quarterly to review overall progress of all activities including grants to individuals and families, the funded organisations, and the financials of the CIO and performance. Board papers are prepared in advance and retained for audit purposes. The Trustees' main Board and Finance Audit and Risk sub-committee meetings are minuted, with minutes retained and centrally archived in a secure cloud-based system.

# BRITISH GAS ENERGY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2020**

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The CEO provides support to the Board in developing and delivering its strategy and managing relationships with the grants' administrator, funded organisations and British Gas. During the majority of 2019/2020 the CEO of the CIO was Maxine Edney with a part-time role. On 8th January 2020, Jessica Taplin was appointed as the new first full time CEO of the CIO. The introduction of this and further executive roles supported the Trust's transition towards bringing in-house certain financial and operational functions on expiry of the Trust's contract for grants administration services at year-end.

### ***General reporting & authorisation controls:***

#### ***Reporting***

The budget is set and agreed annually by the Board, covering all agreed income and expenditure allocation. Each month, management accounts are prepared comparing actual vs budget and any material variances are investigated and action taken where necessary. The CEO's monthly reports to the Board include financial performance. In addition, every quarter the CEO reports to the Finance Audit and Risk committee. All BGET management accounts are shared on a monthly basis with the Board. The annual financial statements are independently audited.

The CIO works with its principal funder British Gas so that they are able to see the allocation of restricted Warm Home Discount funds that they award to the CIO, this happens through the sharing of Quarterly Activity reports from the Grant administrator and other reporting mechanics.

#### ***Funded Organisations***

The CIO pays 17 funded organisations grants on a quarterly basis in accordance with signed funding agreements.

#### ***Boilers***

Following the application and assessment process, the recommendation for funding is reviewed and as of year-end the payment shall be made directly from the CIO to British Gas and overseen in line with the banking mandate & policies. Prior to this the Grant Administrator sanctioned payment.

#### ***Legal Advisors***

The CIO's legal advisors are Russell Cooke. They were appointed in June 2018 by the previous Charity's Trustees for a three-year period, subject to an annual review.

#### ***Auditor***

Trustees agreed to appoint Baldwins Audit Services as Auditor of the CIO for a three year period from February 2019.

On 7 September 2020 Group Audit Service Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

The trustees' report was approved by the Board of Trustees.



**H Charlton**  
Trustee

Dated: 10 September 2020

# **BRITISH GAS ENERGY TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2020***

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The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# BRITISH GAS ENERGY TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

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#### Opinion

We have audited the financial statements of British Gas Energy Trust (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

# BRITISH GAS ENERGY TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

#### **Other matter**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

# BRITISH GAS ENERGY TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**

2 October 2020

**Statutory Auditor**  
**Chartered Accountants**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.



# BRITISH GAS ENERGY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	6,005,400	5
Investments	4	7,026	304
Transfer from British Gas Energy Trust charity	5	-	2,672,127
Other income	6	225,101	-
<b>Total income</b>		<b>6,237,527</b>	<b>2,672,436</b>
<b><u>Expenditure on:</u></b>			
Charitable activities	7	5,781,911	324,877
<b>Net income for the year/ Net movement in funds</b>		<b>455,616</b>	<b>2,347,559</b>
Fund balances at 1 April 2019		2,347,559	-
<b>Fund balances at 31 March 2020</b>		<b>2,803,175</b>	<b>2,347,559</b>

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

All income and expenditure derive from continuing activities.

# BRITISH GAS ENERGY TRUST

## BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	13	171,040		283,144	
Cash at bank and in hand		2,798,216		2,127,483	
		<u>2,969,256</u>		<u>2,410,627</u>	
<b>Creditors: amounts falling due within one year</b>	14	(166,081)		(63,068)	
Net current assets			<u>2,803,175</u>		<u>2,347,559</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	15	292,652		703,317	
General unrestricted funds		<u>2,510,523</u>		<u>1,644,242</u>	
			<u>2,803,175</u>		<u>2,347,559</u>
			<u>2,803,175</u>		<u>2,347,559</u>

The financial statements were approved by the Trustees on 10 September 2020



H Charlton  
Trustee

# BRITISH GAS ENERGY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	19		663,707		2,127,179
<b>Investing activities</b>					
Interest received		7,026		304	
<b>Net cash generated from investing activities</b>			7,026		304
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			670,733		2,127,483
Cash and cash equivalents at beginning of year			2,127,483		-
<b>Cash and cash equivalents at end of year</b>			2,798,216		2,127,483

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Charity information

British Gas Energy Trust is a charitable incorporated organisation registered on 16 August 2018 in England and Wales. The principal address is Russell Cooke Solicitors, 2 Putney Hill, London, SW15 6AB.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements, including the anticipated impact of COVID-19. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### 1.3 Charitable funds

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose. Designated funds are shown separately in the accounts for clarity.

Restricted funds are funds which are to be used in accordance with specific instructions imposed by the donor or Trust Deed.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure and it is probable that settlement will be required and the amount of the obligation can be measured reliably. In particular the following policies apply to grants payable:

- Unconditional grants are accrued once the recipient has been notified of the grant award.
- Conditional grants, which are subject to performance conditions, are only accrued when the recipient has been notified of the grant award and any remaining unfulfilled conditions attached to the grant are outside the control of the charity.
- Provisions for grants are made when the recipient has been notified of a grant award, but the timing of the grant or the amount payable remains uncertain.

All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees, together with an apportionment of overhead and support costs.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The charity has 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 instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 1.8 Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probably; or
- the amount has not been communicated in the grant offer and that amount cannot be reliably estimated.

### 2 Critical accounting estimates and judgements

In the application of the charity'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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	6,005,400	5

The comparative information in this note is taken from the CIO accounts for the one month to 31 March 2019, and therefore only reflects that one month's activity. Note 5 to these accounts provides the comparatives for the 12 months to 31 March 2019. The 11 months to 28 February 2019 are reported in the previous charity.

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	7,026	304

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 5 Transfer from British Gas Energy Trust charity

On 28 February 2019 all activities of British Gas Energy Trust, charity registration number 1106218 were transferred to British Gas Energy Trust, CIO registration number 1179578 including funds amounting to £2,672,127. The amount transferred comprises of unrestricted funds. Therefore, the comparatives for 2019 only reflect the transactions for one month, March 2019, when compared to 12 months ended 31 March 2020.

To aid comparisons with income and expenditure 2019, in this note we have provided the comparative Statement of Financial Activities for the year to 31 March 2019 including the 11 months activity to 28 February 2019 that was reported in the previous charity.

	11 months to 28 February 2019	1 month to 31 March 2019	Total for year to 31 March 2019
<b><u>Income and endowments from:</u></b>			
Donations and legacies	6,021,787	5	6,021,792
Investments	2,455	304	2,759
<b>Total income</b>	<b>6,024,242</b>	<b>309</b>	<b>6,024,551</b>
<b><u>Expenditure on charitable activities:</u></b>			
Direct charitable expenditure	121,891	5,616	127,507
<b><u>Grant funding of activities:</u></b>			
Grants to institutions	2,027,350	-	2,027,350
Grants to individuals	1,420,811	227,904	1,648,715
<b>Total grant funding of activities</b>	<b>3,448,161</b>	<b>227,904</b>	<b>3,676,065</b>
Share of support costs	600,367	65,189	665,556
Share of governance costs	169,233	26,168	195,401
<b>Total expenditure on charitable activities</b>	<b>4,339,652</b>	<b>324,877</b>	<b>4,664,529</b>
<b>Net income for the year to 31 March 2019</b>	<b>1,684,590</b>	<b>(324,568)</b>	<b>1,360,022</b>
Exceptional impairment of asset	(282,848)	-	(282,848)
Reserves brought forward	1,270,385	-	1,270,385
Transfer to CIO	(2,672,127)	2,672,127	-
<b>Reserves carried forward</b>	<b>-</b>	<b>2,347,559</b>	<b>2,347,559</b>

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 6 Other income

	Total 2020 £	Total 2019 £
Repayment of grant underspend	170,571	-
Income from settlement agreement	54,530	-
	<u>225,101</u>	<u>-</u>

### 7 Charitable activities

	2020 £	2019 £
Direct charitable expenditure	154,375	5,616
Grant funding of activities (see note 8)	4,660,111	227,904
Share of support costs (see note 9)	692,076	65,189
Share of governance costs (see note 9)	275,349	26,168
	<u>5,781,911</u>	<u>324,877</u>

The comparative information in this note is taken from the CIO accounts for the one month to 31 March 2019, and therefore only reflects that one month's activity. Note 5 to these accounts provides the comparatives for the 12 months to 31 March 2019. The 11 months to 28 February 2019 are reported in the previous charity.

### 8 Grants payable

	2020 £	2019 £
Grants to institutions:		
Organisational grants	3,139,910	-
Release of prior year accrual	(1,477)	-
Grants to individuals:		
Energy payments	1,385,572	193,808
Further assistance payments	136,106	34,096
	<u>4,660,111</u>	<u>227,904</u>

The comparative information in this note is taken from the CIO accounts for the one month to 31 March 2019, and therefore only reflects that one month's activity. Note 5 to these accounts provides the comparatives for the 12 months to 31 March 2019. The 11 months to 28 February 2019 are reported in the previous charity.



# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Support costs	Support Governance costs £	Support Governance costs £	2020 £	Support Governance costs £	2019 £	Basis of allocation
Outsourced management fees	690,321	166,177	856,498	65,189	88,220	Grant making as % of total expenditure
Recruitment fees	1,755	-	1,755	-	-	
Audit fees	-	6,361	6,361	-	2,798	Governance
Legal and professional	-	46,406	46,406	-	-	Governance
Trustee expenses	-	19,425	19,425	-	289	Governance
Trustee insurance	-	500	500	-	50	Governance
Impact report	-	36,480	36,480	-	-	Governance
	692,076	275,349	967,425	65,189	91,357	
Analysed between						
Charitable activities	692,076	275,349	967,425	65,189	91,357	

Governance costs includes payments to the auditors of £6,361 (2019 - £2,798) for audit fees.

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 7 of them were reimbursed a total of £6,021 travelling expenses (2019 - 5 were reimbursed £289).

### 11 Employees

There were no employees during the year.

### 12 Financial instruments

	2020 £	2019 £
<b>Carrying amount of financial assets</b>		
Bank and cash	2,798,216	2,127,483
Measured at cost	2,798,216	2,127,483
<b>Carrying amount of financial liabilities</b>		
Trade creditors	91,651	50,981
Accruals and deferred income	74,430	12,087
Measured at cost	166,081	63,068

### 13 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Prepayments and accrued income	171,040	283,144

### 14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	91,651	50,981
Accruals and deferred income	74,430	12,087
	166,081	63,068

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Transfers £	Balance at 31 March 2020 £
Operational contingency reserve	400,470	(127,818)	272,652
Cessation contingency reserve	20,000	-	20,000
E Learning voucher fund	282,847	(282,847)	-
	<u>703,317</u>	<u>(410,665)</u>	<u>292,652</u>

The operational contingency reserve represents an amount to cover the charity's obligations.

The cessation contingency reserve represents anticipated costs of winding up the charity, to cover legal and statutory costs not already included within other commitments.

The e learning voucher fund represents funds invested in a stock of e learning vouchers, which can therefore only be utilised on e learning. This has been released back to unrestricted funds in the year as the e learning vouchers are no longer held.

#### 16 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:				
Current assets/(liabilities)	2,510,523	292,652	2,803,175	2,347,559
	<u>2,510,523</u>	<u>292,652</u>	<u>2,803,175</u>	<u>2,347,559</u>

#### 17 Financial commitments, guarantees and contingent liabilities

The charity is committed to outsourced management fees due in:

Less than one year      £45,442 (2019 - £800,939)

The commitment represents the anticipated cost, based on anticipated donations, of the contract between the CIO and Auriga Services Limited (2019 - Charis Grants Limited).

#### 18 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

# BRITISH GAS ENERGY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

19	Cash generated from operations	2020 £	2019 £
	Surplus for the year (see note 5)	455,616	2,347,559
	Adjustments for:		
	Investment income recognised in statement of financial activities	(7,026)	(304)
	Movements in working capital:		
	Decrease/(increase) in debtors	112,104	(283,144)
	Increase in creditors	103,013	63,068
	<b>Cash generated from operations</b>	<b>663,707</b>	<b>2,127,179</b>
20	<b>Analysis of changes in net funds</b>		
	The charity had no debt during the year.		