CIO Registration No. 1179578

Company Registration No. CE014895 (England and Wales)

BRITISH GAS ENERGY TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2019

BRITISH GAS ENERGY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Charlton	(Appointed 7 March 2019)
	A Chong	(Appointed 7 March 2019)
	W Gillis	(Appointed 7 March 2019)
	L Lee	(Appointed 7 March 2019)
	K McArthur	(Appointed 7 March 2019)
	S McClenaghan	(Appointed 16 August 2018)
	D Piparia	(Appointed 16 August 2018)
	I Redmond CBE	(Appointed 16 August 2018)
	P Smith	(Appointed 16 August 2018)
	C Trend	(Appointed 16 August 2018)
	S Wheeler	(Appointed 7 March 2019)
Chief Executive Officer	Maxine Edney	
Charity number	1179578	
Auditor	Baldwins Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP	
Bankers	National Westminster Bank plc PO Box 15 Cathedral Square Peterborough Cambridgeshire PE1 1HW	
Administrators	Charis Grants Ltd 3rd Floor Trinity Court Trinity Street Peterborough Cambridgeshire PE1 1DA	

BRITISH GAS ENERGY TRUST

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BRITISH GAS ENERGY TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 MARCH 2019

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 period 16 August 2018 to 31 March 2019. The CIO was registered with the Charity Commission on 16 August 2018 (charity number 1179578). On 28 February 2019, all assets and activities from the charitable Trust "British Gas Energy Trust" (charity number 1106218) were transferred to the CIO and the previous Charity ceased to operate and was removed from the Charity Commission's Register of Charities.

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.

(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.

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

Individuals and Families Grants Programme
Both customers and non-customers of British Gas can apply for help from the CIO. 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)

In December 2018 a gateway criteria was introduced by the previous Charity's Trustees, to enable awards to be targeted at those most in need and to reduce the level of unsuccessful applications. The gateway criteria is as follows:

i. An applicant must receive money advice before applying.
ii. An applicant must have an annual net income below £13,260 (after household costs).
iii. An applicant must be able to demonstrate exceptional/multiple vulnerability within their households which has led to the build-up of the energy debt.

During 2018/19, the following were achieved (including eleven months of inherited activity from the previous Charity and, from 28 February 2019, by the CIO):

- Received and assessed a total of 16,216 applications.
- Granted 3,388 awards with a total value of £1,648,715 to individuals and families in need.
- Awards included grants to clear energy debts; for new boilers; for emergency utility credit and for funeral costs (the latter were phased out by the previous Charity in October 2018). A breakdown of the value of awards is given in the "Notes to the Financial Statements".
- The average energy award value was £586.

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.

The availability of grants to individuals and families has been promoted through targeted communications through the CIO's funded organisations and their networks and partners. The CIO's website was reviewed and updated during 2018/19, making it easier to navigate and stating clearly the changes made in terms of eligibility to apply to the CIO and grants available.

There are no deadlines for applications as funding is spread evenly across the year. The programme is subject to regular review, monitoring and evaluation. Historically this has been achieved by quarterly audits by Trustees of a sample of grant awards to individuals and families. Going forward, following review, Trustee audits will be replaced by periodic internal audit by the CIO's Auditors.

Organisational Grants Programme
The CIO funds 17 organisations across England, Wales and Scotland to 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 BGET 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
- Bromley by Bow Centre
- Citizens Advice Cymru
- Citizens Advice Manchester
- Northumbrian Citizens Advice Bureau
- Preston and District Citizens Advice Bureau
- St Helens Citizens Advice Bureau
- Community First Yorkshire Limited
- Community Law Service (Northampton & County)
- Energy Projects Plus Limited
- Income Max CIC
- Money Matters Money Advice Centre
- Riverside Advice Limited
- St Anns Advice Group
- THAW (Orkney)
- Navigate CIO
- Zinthiya Ganeshpanchan Trust

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

Charis Grants (Charis) (to whom Trustees delegate the day to day administration of the Trust) and Trustees undertake an annual programme of monitoring visits to all funded organisations.

From 1st October 2018 to 31st March 2019, the Organisational Grants Programme achieved the following Key Performance Indicators:

- 7,640 unique beneficiaries given advice.
- Budget plans created for 3,405 unique beneficiaries.
- 5,082 unique beneficiaries given benefit/income maximisation checks.
- 4,722 unique beneficiaries given a home energy efficiency survey and specific energy efficiency advice.
- 324 presentations made / strategic meetings attended by the 17 funded organisations.

In addition the following Monitoring Outcomes were achieved:

- Annual gains in income for unique beneficiaries = £5,296,129.
- Value of debt managed for unique beneficiaries = £5,453,678.
- Value of debt written off for unique beneficiaries = £1,438,194.
- Money saved through switching = £82,409
- Number of large capital energy efficiency improvements enabled = 100

Achievements and performance

Financial review

In the 12 months to 31 March 2019 BGET implemented a new strategy. Approved by trustees early in the financial year, the strategy places a greater emphasis on supporting a wide range of organisations in the sector through a new organisation grant programme. The overall increase in reserves from £1.2m at 31 March 2018 to £2.3m at 31 March 2019 reflects the decision to gradually rebalance activity to align with the new strategy while supporting the reduction of other work. 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. The commitment of the principal donor is for minimum donations of £6m per annum until 2020.

Reserves policy

The Trustees undertook a detailed review of the policy on reserves in year and formalised a new reserves policy based upon the ability to meet;

- 3 months of contractually obligated expenditure.
- Individual and Family grants awarded but not yet paid.
- 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.

The policy will be reviewed by trustees on an annual basis.

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.

Risk management
The Trustees have examined and discussed the major strategic, business, environmental and operational risks which the CIO faces. Trustees will undertake work in the coming year to review and confirm that systems have been established to enable regular reports to be produced so the necessary steps can be taken to lessen these risks.

Plans for future periods
British Gas has committed £6 million to the CIO in 2019/20.

Strategic Objectives 2019/20
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 Trusts Grants Programmes and increase the percentage of funds donated to charitable partners and social enterprises.

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.

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

Strategic Objective Four – Identify opportunities for innovation and growth

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

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.

The first Trustees of the CIO and their appointments are as follows:

Imelda Redmond CBE, Chair – one year
Daksha Piparia – one year
Peter Smith – one year
Colin Trend – two years
Steve McClenaghan, Treasurer – three years

The Constitution states that there must be at least three Trustees, up to a maximum of 12. Apart from the first Trustees, every Trustee must be appointed for a term of three years and may be reappointed once. In exceptional circumstances a Trustee may be reappointed for a third term.

BRITISH GAS ENERGY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2019

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 appointed by resolution to the Board for a period of three years from 7 March 2019.

Helen Charlton
Albert Chong
Laurie Lee
Karen McArthur
Sheila Wheeler
William Wright Gillis

Trustees set the policy, and control and monitor the Trust's activities and provide good governance and leadership following the principles of the Charity Governance Code 2017.

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 Chief Executive of the CIO is Maxine Edney, providing support to the Board in developing and delivering its strategy and managing relationships with Charis and British Gas. The Trustees' main Board and sub-committee meetings are minuted by the CIO's Board Secretary.

Trustees delegate the day to day management and administration of the CIO to Charis.

The CIO's legal advisors are Russell Cooke. These 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.

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

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I Redmond CBE
Trustee
Dated: 30/07/19

BRITISH GAS ENERGY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 MARCH 2019

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 period.

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

Opinion

We have audited the financial statements of British Gas Energy Trust (the 'charity') for the period ended 31 March 2019 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 2019 and of its incoming resources and application of resources, for the period 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.

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 Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

BRITISH GAS ENERGY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF BRITISH GAS ENERGY TRUST

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 Baldwins Audit Services

9/8/19

Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Baldwins 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 PERIOD ENDED 31 MARCH 2019

	Notes	Unrestricted funds 2019 £
Income from:		
Donations and legacies	3	5
Investments	4	304
Transfer from British Gas Energy Trust charity	5	2,672,127
Total income		2,672,436
Expenditure on:		
Charitable activities	6	324,877
Net income for the year/ Net movement in funds		2,347,559
Fund balances at 16 August 2018		-
Fund balances at 31 March 2019		2,347,559

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

All income and expenditure derive from continuing activities.

BRITISH GAS ENERGY TRUST

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£
Current assets			
Debtors	12	283,144	
Cash at bank and in hand		2,127,483	
		2,410,627	
Creditors: amounts falling due within one year	13	(63,068)	
Net current assets			2,347,559
Income funds			
Unrestricted funds			
Designated funds	14	703,317	
General unrestricted funds		1,644,242	
			2,347,559
			2,347,559

The financial statements were approved by the Trustees on 30/7/19

I Redmond CBE
Trustee

BRITISH GAS ENERGY TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2019

	Notes	2019 £	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	18		2,127,179
Investing activities			
Interest received		304	
Net cash generated from/(used in) investing activities			304
Net cash used in financing activities			-
Net increase in cash and cash equivalents			2,127,483
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			2,127,483

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 3rd Floor Trinity Court, Trinity Street, Peterborough, Cambridgeshire, PE1 1DA.

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

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

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.

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
	2019
	£
Donations and gifts	5

4 Investments

	Unrestricted funds
	2019
	£
Interest receivable	304

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.

6 Charitable activities

	2019 £
Direct charitable expenditure	5,616
Grant funding of activities (see note 7)	227,904
Share of support costs (see note 8)	65,189
Share of governance costs (see note 8)	26,168
	324,877

7 Grants payable

	2019 £
Grants to individuals:	
Energy payments	132,831
Further assistance payments	95,073
	227,904

8 Support costs

	Support costs £	Governance costs £	2019 £	Basis of allocation
Outsourced management fees	65,189	23,031	88,220	Grant making as % of total expenditure
Audit fees	-	2,798	2,798	Governance
Trustee expenses	-	289	289	Governance
Trustee insurance	-	50	50	Governance
	65,189	26,168	91,357	
Analysed between				
Charitable activities	65,189	26,168	91,357	

Governance costs includes payments to the auditors of £2,798 for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period, but 5 of them were reimbursed a total of £289 travelling expenses.

10 Employees

There were no employees during the period.

11 Financial instruments

	2019 £
Carrying amount of financial assets	
Bank and cash	2,127,483
Measured at cost	2,127,483
Carrying amount of financial liabilities	
Trade creditors	50,981
Accruals and deferred income	12,087
Measured at cost	63,068

12 Debtors

Amounts falling due within one year:	2019 £
Prepayments and accrued income	283,144

13 Creditors: amounts falling due within one year

	2019 £
Trade creditors	50,981
Accruals and deferred income	12,087
	63,068

14 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:

	Transfers	Balance at 31 March 2019
	£	£
Operational contingency reserve	400,470	400,470
Cessation contingency reserve	20,000	20,000
E Learning voucher fund	282,847	282,847
	703,317	703,317

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.

15 Analysis of net assets between funds

	Unrestricted funds 2019	Designated funds 2019	Total 2019
	£	£	£
Fund balances at 31 March 2019 are represented by:			
Current assets/(liabilities)	1,644,242	703,317	2,347,559
	1,644,242	703,317	2,347,559

16 Financial commitments, guarantees and contingent liabilities

The charity is committed to outsourced management fees due in:

Less than one year £800,939

The commitment represents the anticipated cost, based on anticipated donations, of the contract between the CIO and Charis Grants Limited.

17 Related party transactions

There were no disclosable related party transactions during the period.

18	**Cash generated from operations**	**2019**
		£
	Surplus for the period	2,347,559
	Adjustments for:	
	Investment income recognised in statement of financial activities	(304)
	Movements in working capital:	
	(Increase) in debtors	(283,144)
	Increase in creditors	63,068
	Cash generated from/(absorbed by) operations	2,127,179