

REGISTERED COMPANY NUMBER: 11569012 (England and Wales)  
REGISTERED CHARITY NUMBER: 1183711

**Report of the Trustees and**  
**Financial Statements**  
**For The Year Ended 30 June 2021**  
**for**  
**PEC Trust**

Bromhead  
Chartered Accountants  
Statutory Auditors  
Harscombe House  
1 Darklake View  
Plymouth  
Devon  
PL6 7TL

**PEC Trust**

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**For The Year Ended 30 June 2021**

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**PEC Trust**  
**Report of the Trustees**  
**For The Year Ended 30 June 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

Our charity's purposes as set out in the objects contained in the company's articles are to promote sustainable development for the benefit of the public by the:

- (a) Preservation, conservation and the protection of the environment and the prudent use of resources;
- (b) Relief of poverty and the preservation and protection of health by promoting the efficient use of energy and utilisation of renewable sources of energy; and
- (c) Advancement of education in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large

This translates in to a the delivery of activities focused on the following aims

- To bring local people and organisations together to tackle fuel poverty and the climate crisis.
- To increase local ownership and influence over local energy solutions
- To increase community confidence to engage in energy issues
- To enable people to heat and power their homes affordably
- To reduce greenhouse gas emissions
- To ensure these activities benefit the fuel poor and most vulnerable

**Public benefit**

The Trustees have considered the guidance issued by the Charity Commission in respect of the public benefit and confirmed through their activities and objectives that they adhere to this guidance.

**ACHIEVEMENT AND PERFORMANCE**

During 2020/2021 we have worked in the following areas

- Maintaining a team of skilled Energy Advisors delivering a mix of energy and fuel debt advice either over the phone, in the home or within the community

Delivery of the government Covid response grants and emergency fuel vouchers to the neediest within the community

- Facilitating the uptake of energy efficiency improvements in properties across the city and in particular in the delivery of retrofit schemes
- Exploring how community owned solar PV and heat pump businesses could increase the deployment of zero carbon heating solutions in residential and commercial properties
- Outreach and engagement work through our PEC Pals and Art and Energy initiatives in preparation for the mass participation event planned at COP26.
- Supporting the Community Land Trust PEC Homes through feasibility and outline planning to deliver zero carbon homes

The success we have with each of these programmes is documented in our Annual Report and impact statement.

**FINANCIAL REVIEW**

**Financial position**

The charity with the aid of sound financial management and the support of both its staff and volunteers generated a very positive financial outcome for the period ending 30 June 2021 with reserves of £423,409. The balance sheet shows that within the end year surplus, £128,651 Restricted Reserves funded by grant payments received ahead of spend. The Trustees have also designated reserves of £152,500 which leaves overall free reserves available of £142,258.

**Principal funding sources**

The principal sources of funding have been a mixture of grants from Homes England, Energy Saving Trust, Plymouth City Council and others with contract income secured mainly from Western Power Distribution. The charity is always seeking new or additional sources of funding to not be reliant on too few funding sources.

**PEC Trust**  
**Report of the Trustees**  
**For The Year Ended 30 June 2021**

**FINANCIAL REVIEW**

**Reserves policy**

The Restricted Reserves are listed below and include provision for income paid or granted in advance of spend where outstanding activities and commitments will be incurred or delivered in the following financial year and evidenced by the Grant Funding Agreements;

Year ending 30th June 2021  
Restricted Funds (Reserves)  
Restricted Funds:

Plymouth City Council Section 106 monies towards SunPeople project ( this figure is after deducting unfunded spend from the EU funded Sun People project)	£19,108
Homes England Community Housing Fund Grant. Unspent monies over 2 years	£3,315
Redress PCC match funding	£39,217
Power to Change, Next Generation. Unspent monies over 2 years	£25,179
Covid emergency Credit	£2,507
Covid Winter Grant	£5,511
Heat Pumps MSC	£10,000
Moths to a Flame	£23,814
<b>Total Restricted Funds</b>	<b>£128,651</b>

Our designated reserves position:

Year ending 30th June 2021  
Unrestricted Funds (Reserves)  
Designated Funds:

Management support costs 6 months eg leadership, governance, finance, marketing	£80,500
General Overheads eg IT, advertising/marketing/events	£10,000
Redundancy cost provision ( under current PCC SLA)	£17,000
Future major event TUPE transfer: HR and legal costs provision	£25,000
Future major event TUPE transfer: Provision for post transfer ongoing liabilities such as pension costs	£20,000
<b>Total Designated Funds</b>	<b>£152,500</b>

Within the unrestricted reserves we have set aside, under a Designated Reserve, to provide financial stability and the means for the development of our principal activity. We intend to maintain our reserves at a level which will cover all running costs for a period of 6 months, £77,466 based on 2021 accounts (rounded to £80,500 in the figures above) while finding sources of additional funding. Whilst the net free reserves position is £142,258 the Board of Directors will make at least £50,000 of this sum available in the new financial year to secure additional staff resource.

The Board reviews the amount of reserves that are required quarterly to ensure that they are adequate to fulfil our continuing obligations. This duty is fulfilled as part of the receiving and consideration of quarterly management accounts.

The reasons for the level of reserves required are;

(a) PEC Trust is a newly formed charity and low reserves may threaten a charity's continued existence, presenting a risk of insolvency or deter potential donors from donating if its viability is under threat.

(b) Insufficient reserves may cause the charity to spend much time and effort dealing with the problems of insufficient working capital rather than getting on with the main purposes of the charity which may hinder planning and development of its prime objectives.

The Board of Trustees will keep the level of unrestricted reserves under review each year to avoid conflict with the need for a charity to apply its income within a reasonable time and not to create an unnecessary level of reserves at the expense of its beneficiaries either current or future.

In addition to the above this year the Board wish to designate a further £25,000 reserves in preparation for additional costs (HR/legal) that PEC Trust may incur in becoming a direct employer and completing a Transfer of Undertakings with staff currently employed by Plymouth City Council. The Board of Trustees are in the early stages of discussion and formal process with the Council so the actual detail is not yet mapped out. However it is anticipated that with terms and conditions transferring from the Council, that the provision for pension or future redundancy costs will require additional sums set aside so the Board have also set aside £20,000 for this.

The Board considers these reserves to be prudent and fit for purpose to ensure that PEC Trust continues to achieve the success that it does and continues its growth in community energy sector.

## PEC Trust

### Report of the Trustees For The Year Ended 30 June 2021

#### **FINANCIAL REVIEW**

##### **Going concern**

The charity plans to continue the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. The charity will continue to grow and nurture the PEC family brand and ethos in the quest to deliver its objectives and maximise the benefit to the public and communities.

The impact of COVID-19 has been assessed and there will be minimal impact as funding is still being received. The only issue is that there may be delays with starting and completing projects.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 14th September 2018 and registered as a charity on 4th June 2019. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

##### **Recruitment and appointment of new trustees**

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Memorandum and Articles of Association the composition of the Board provides for not less than three and no more than twelve directors;

- Up to six directors elected from the members
- Up to one director as representative appointed by Plymouth City Council or any successor body
- Appointed as a director ex officio the holder of the office of Chief Executive (This has not been implemented at this stage)
- Up to four directors appointed by the Board by co-option

The Board may also at any time fill a casual vacancy on the Board by co-option. At the first annual general meeting all directors were required to stand down. At subsequent annual general meetings one third of the elected directors shall retire from office, being the longest serving ones. Co-opted directors shall retire at the annual general meeting but be eligible for further co-option

All directors give their time voluntarily and there is no remuneration paid

##### **Induction and training of new trustees**

The more traditional business skills are well represented on the Board. In the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election.

Most trustees are already familiar with the practical work of the charity. The charity organises an Away day of the Board after each annual general meeting to ensure that new trustees are suitably inducted and familiar with the charities objects, policies and activities. This day covers the obligations of a trustee, the main documents which set out the operational framework for the charity including the Memorandum and Articles, resourcing and the current financial position as set out in the latest published accounts.

Additionally, new trustees are invited to receive a briefing on the detailed finances and management accounts.

##### **Related parties**

The charity forms part of a family of entities known as Plymouth Energy Community. They comprise of the following;  
Plymouth Energy Community Limited (Community Benefit Society 32108)  
PEC Renewables Limited (Community Benefit Society 32286)  
Ernesettle Community Solar Limited (Company limited by shares and wholly owned subsidiary of PEC Renewables 09892557)  
PEC Homes Limited (Community Benefit Society 8356)

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

11569012 (England and Wales)

##### **Registered Charity number**

1183711

## PEC Trust

### Report of the Trustees For The Year Ended 30 June 2021

#### **Registered office**

c/o Plymouth City Council  
Low Carbon Team  
Ballard House, West Hoe Road  
Plymouth  
Devon  
PL1 3BJ

#### **Trustees**

P Buchan (resigned 21.5.21)  
I Hutchcroft  
B M Hampson (resigned 11.11.20)  
O D Ryles  
D Pearce (resigned 11.11.20)  
J Holliland  
K VanBussel  
P Hardman  
T Ebbrett (appointed 11.11.20)  
M Bridgeman (appointed 1.6.21)  
W Burnyeat (appointed 3.12.20)

#### **Company Secretary**

G Peele

#### **Auditors**

Neil Stevens ACA FCCA  
Bromhead  
Chartered Accountants  
Statutory Auditors  
Harscombe House  
1 Darklake View  
Plymouth  
Devon  
PL6 7TL

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of PEC Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Bromhead, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**PEC Trust**

**Report of the Trustees**  
**For The Year Ended 30 June 2021**

Approved by order of the board of trustees on 6 October 2021 and signed on its behalf by:

I Hutchcroft - Trustee

**Report of the Independent Auditors to the Members of  
PEC Trust**

**Opinion**

We have audited the financial statements of PEC Trust (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



**Report of the Independent Auditors to the Members of  
PEC Trust**

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We identified the laws and regulations applicable to the company through discussions with directors and other management and from our commercial knowledge.

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company including, Companies Act 2006, Health & Safety at Work Act, Employment Law and data protection.

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by, making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud. Also, considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls we performed analytical procedures to identify any unusual or unexpected relationships, tested journal entries to identify any unusual transaction and assessed whether judgement and estimates were indicative of potential bias..

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing financial statement disclosures to underlying supporting documents, reading the minutes of meeting of those charged with governance and enquiring of management as to actual and potential litigation claims.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
PEC Trust**

**Use of our report**

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

Neil Stevens ACA FCCA (Senior Statutory Auditor)  
for and on behalf of Bromhead  
Chartered Accountants  
Statutory Auditors  
Harscombe House  
1 Darklake View  
Plymouth  
Devon  
PL6 7TL

Date: 12 October 2021

**PEC Trust**

**Statement of Financial Activities**  
**For The Year Ended 30 June 2021**

	Notes	Unrestricted funds £	Restricted funds £	<b>30.6.21 Total funds £</b>	(Unaudited) 30.6.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	<b>12,700</b>	-	<b>12,700</b>	179,506
<b>Charitable activities</b>	3				
Sustainable development		<b>182,579</b>	<b>1,064,733</b>	<b>1,247,312</b>	422,587
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>		<b>195,279</b>	<b>1,064,733</b>	<b>1,260,012</b>	602,093
 <b>EXPENDITURE ON</b>					
Raising funds	4	<b>385</b>	-	<b>385</b>	313
<b>Charitable activities</b>	5				
Sustainable development		<b>57,480</b>	<b>1,029,365</b>	<b>1,086,845</b>	353,222
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>		<b>57,865</b>	<b>1,029,365</b>	<b>1,087,230</b>	353,535
 <b>NET INCOME</b>		<b>137,414</b>	<b>35,368</b>	<b>172,782</b>	248,558
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>157,342</b>	<b>93,285</b>	<b>250,627</b>	2,069
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>294,756</u></b>	<b><u>128,653</u></b>	<b><u>423,409</u></b>	<b><u>250,627</u></b>

The notes form part of these financial statements

**PEC Trust**

**Balance Sheet**  
**30 June 2021**

	Notes	Unrestricted funds £	Restricted funds £	<b>30.6.21 Total funds £</b>	(Unaudited) 30.6.20 Total funds £
<b>CURRENT ASSETS</b>					
Debtors	12	<b>199,696</b>	<b>10,668</b>	<b>210,364</b>	23,535
Cash at bank		<b>155,103</b>	<b>141,442</b>	<b>296,545</b>	260,757
		<b>354,799</b>	<b>152,110</b>	<b>506,909</b>	284,292
<b>CREDITORS</b>					
Amounts falling due within one year	13	<b>(60,041)</b>	<b>(23,459)</b>	<b>(83,500)</b>	(33,665)
<b>NET CURRENT ASSETS</b>		<b>294,758</b>	<b>128,651</b>	<b>423,409</b>	250,627
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>294,758</b>	<b>128,651</b>	<b>423,409</b>	250,627
<b>NET ASSETS</b>		<b>294,758</b>	<b>128,651</b>	<b>423,409</b>	250,627
<b>FUNDS</b>	14				
Unrestricted funds				<b>294,758</b>	157,342
Restricted funds				<b>128,651</b>	93,285
<b>TOTAL FUNDS</b>				<b>423,409</b>	250,627

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6 October 2021 and were signed on its behalf by:

I Hutchcroft - Trustee

O D Ryles - Trustee

**PEC Trust**

**Cash Flow Statement**  
**For The Year Ended 30 June 2021**

(Unaudited)  
30.6.20  
£

	Notes	30.6.21 £	30.6.20 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>35,788</u>	<u>259,138</u>
Net cash provided by operating activities		<u>35,788</u>	<u>259,138</u>
		—————	—————
<b>Change in cash and cash equivalents in the reporting period</b>		<b>35,788</b>	259,138
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>260,757</u>	<u>1,619</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>296,545</u>	<u>260,757</u>

The notes form part of these financial statements

**PEC Trust**

**Notes to the Cash Flow Statement  
For The Year Ended 30 June 2021**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>30.6.21</b>	(Unaudited) 30.6.20
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>172,782</b>	248,558
<b>Adjustments for:</b>		
Increase in debtors	<b>(186,829)</b>	(22,200)
Increase in creditors	<b>49,835</b>	32,780
<b>Net cash provided by operations</b>	<b><u>35,788</u></b>	<u>259,138</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.7.20	Cash flow	At 30.6.21
	£	£	£
<b>Net cash</b>			
Cash at bank	<b><u>260,757</u></b>	<b><u>35,788</u></b>	<b><u>296,545</u></b>
	<b><u>260,757</u></b>	<b><u>35,788</u></b>	<b><u>296,545</u></b>
<b>Total</b>	<b><u>260,757</u></b>	<b><u>35,788</u></b>	<b><u>296,545</u></b>

## PEC Trust

### Notes to the Financial Statements For The Year Ended 30 June 2021

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **Income**

Grant income is recognised in the financial statements once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donation income is recognised in the financial statements once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Contract income is recognised in the financial statements on an accruals basis and accrued for based on the performance of the charity against the agreed contract.

Other income is recognised in the financial statements once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional statutory requirements and strategic management of the charity.

Support costs are allocated in line with the charitable activities.

##### **Allocation and apportionment of costs**

All costs relate to the charitable activity of the company and are allocated against charitable activities on a basis designed to reflect the use of the resource. Apportionment of direct charitable costs is based upon time spent on each activity.

Support costs are allocated to each activity based upon estimated time spent on each activity.

##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Included within unrestricted funds are designated funds which the trustees have agreed to set aside to provide financial stability and means for the development of the principle activity.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**PEC Trust**

**Notes to the Financial Statements - continued  
For The Year Ended 30 June 2021**

**2. DONATIONS AND LEGACIES**

		<b>30.6.21</b>	(Unaudited) 30.6.20
		£	£
	Donations	<u><b>12,700</b></u>	<u>179,506</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

		<b>30.6.21</b>	(Unaudited) 30.6.20
		£	£
	Grants		Sustainable development
		<b>1,083,319</b>	287,107
	Other grant income	<b>5,235</b>	2,259
	Contract income	<u><b>158,758</b></u>	<u>133,221</u>
		<u><b>1,247,312</b></u>	<u>422,587</u>

Grants received, included in the above, are as follows:

		<b>30.6.21</b>	(Unaudited) 30.6.20
		£	£
	Homes England	<b>90,000</b>	90,000
	Plymouth City Council - Solar Panel Installation	<b>22,576</b>	25,000
	Groundwork UK	-	9,700
	Plymouth City Council - Warm Homes Fund	<b>89,179</b>	88,000
	National CLT Network - Cohesive Community Fund	-	15,000
	Energy Saving Trust - Redress	<b>249,170</b>	42,327
	Power To Change Trust	<b>31,682</b>	17,080
	Plymouth City Council - Winter Grant Fund	<b>290,000</b>	-
	The National Lottery Community Fund - RC South West Region	<b>55,115</b>	-
	Plymouth City Council - Green Homes Grant	<b>183,384</b>	-
	Plymouth City Council - Covid local support	<b>18,586</b>	-
	MCS Charitable Foundation	<b>10,000</b>	-
	Crowdfunder - Moth to a flame	<u><b>43,627</b></u>	-
		<u><b>1,083,319</b></u>	<u>287,107</u>

**4. RAISING FUNDS**

**Raising donations and legacies**

		<b>30.6.21</b>	(Unaudited) 30.6.20
		£	£
	Support costs	<u><b>385</b></u>	<u>313</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Sustainable development	<u><b>1,048,879</b></u>	<u><b>37,966</b></u>	<u><b>1,086,845</b></u>



**PEC Trust**

**Notes to the Financial Statements - continued  
For The Year Ended 30 June 2021**

**6. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Raising donations and legacies	325	1	59	385
Sustainable development	<u>32,092</u>	<u>58</u>	<u>5,816</u>	<u>37,966</u>
	<u>32,417</u>	<u>59</u>	<u>5,875</u>	<u>38,351</u>

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	30.6.21 £	(Unaudited) 30.6.20 £
Auditors' remuneration	<u>1,900</u>	<u>-</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 June 2021 nor for the year ended 30 June 2020.

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	179,506	-	179,506
<b>Charitable activities</b>			
Sustainable development	135,480	287,107	422,587
<b>Total</b>	<u>314,986</u>	<u>287,107</u>	<u>602,093</u>
<b>EXPENDITURE ON</b>			
Raising funds	313	-	313
<b>Charitable activities</b>			
Sustainable development	159,399	193,823	353,222
<b>Total</b>	<u>159,712</u>	<u>193,823</u>	<u>353,535</u>
<b>NET INCOME</b>	155,274	93,284	248,558
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	2,069	-	2,069
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>157,343</u>	<u>93,284</u>	<u>250,627</u>

**PEC Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 30 June 2021**

**10. PURPOSE OF RESTRICTED FUNDS**

Homes England grant funding is to deliver project work in Plymouth to support the development of a community led affordable housing scheme at Kings Tamerton.

Plymouth City Council Solar Panel Scheme grant funding is to for the project delivery of Solar Photovoltaic installations at the Plymouth Science Park on one or more buildings.

Groundworks UK grant funding is to deliver project work in Plymouth to support the development of a community led affordable housing scheme at Kings Tamerton.

Plymouth City Council Warm Home grant finding received is solely for the employment costs for 2 FTE Plymouth Energy Community Advisors.

National CLT Network Cohesive Communities Fund grant funding received is designed to help community groups explore and develop their plans to establish a Community Land Trust.

Energy Saving Trust Redress grant funding is to deliver project work in the city to support the alleviation of fuel poverty.

Power to Change grant funding is to be used for the development of ESCO business model for new housing.

Plymouth City Council GLAD grant funding is to be used to deliver up to 300 grants to householders for the installation of energy efficiency measures.

MSC Charitable Foundation grant funding is to provide an understanding of the energy efficiency properties of different housing archetypes and their suitability for heat pump retrofits.

The National Lottery grant funding will deliver activities specifically aimed to support communities through the COVID-19 crisis. The aim is to reach 1000 households within vulnerability during this grant. (RC South West Region).

Crowdfunder Moths to a Flame grant funding is to deliver solar powered moths which will have a large presence at the COP26 event.

Plymouth City Council Winter grant funding is to allow councils to directly help the hardest-hit families and individuals, as well as provide food for children who need it over the holidays.

**11. GRANTS TO OTHER ORGANISATIONS**

Grants paid to other organisations in the year were in relation to Groundworks UK grant income received in the year ended 30 June 2020. This was transferred from PEC Trust to PEC Homes Ltd.

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>30.6.21</b>	(Unaudited) 30.6.20
	<b>£</b>	£
Trade debtors	<b>181,901</b>	4,098
Other debtors	<b>6,163</b>	-
VAT	<b>15,888</b>	11,256
Accrued income	-	6,595
Prepayments	<b>6,412</b>	1,586
	<b><u>210,364</u></b>	<u>23,535</u>

**PEC Trust**

**Notes to the Financial Statements - continued  
For The Year Ended 30 June 2021**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>30.6.21</b>	(Unaudited) 30.6.20
	£	£
Trade creditors	<b>22,564</b>	13,451
Accruals and deferred income	<b>60,936</b>	20,214
	<b><u>83,500</u></b>	<b><u>33,665</u></b>

**14. MOVEMENT IN FUNDS**

	At 1.7.20 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
<b>Unrestricted funds</b>				
General fund	66,368	137,416	(61,526)	142,258
Redundancy cost provision	15,000	-	2,000	17,000
General overhead provision	10,000	-	-	10,000
Management support cost provision	65,974	-	14,526	80,500
Future TUPE transfer	-	-	45,000	45,000
	<u>157,342</u>	<u>137,416</u>	-	<u>294,758</u>
<b>Restricted funds</b>				
Homes England	1,915	(1,915)	-	-
Solar Panel Installation	25,000	(5,892)	-	19,108
Groundwork UK	9,700	(9,700)	-	-
Warm Homes Fund	21,943	(21,943)	-	-
Cohesive Communities Fund	11,702	(8,387)	-	3,315
Redress	12,188	29,536	-	41,724
Power To Change	10,837	14,342	-	25,179
Winter Grant Fund	-	5,511	-	5,511
MCS Charitable Foundation	-	10,000	-	10,000
Moths to a Flame	-	23,814	-	23,814
	<u>93,285</u>	<u>35,366</u>	-	<u>128,651</u>
<b>TOTAL FUNDS</b>	<b><u>250,627</u></b>	<b><u>172,782</u></b>	<b>-</b>	<b><u>423,409</u></b>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	195,279	(57,863)	137,416
<b>Restricted funds</b>			
Homes England	90,000	(91,915)	(1,915)
Solar Panel Installation	22,576	(28,468)	(5,892)
Groundwork UK	-	(9,700)	(9,700)
Warm Homes Fund	89,177	(111,120)	(21,943)
Cohesive Communities Fund	-	(8,387)	(8,387)
Redress	249,170	(219,634)	29,536
Power To Change	31,682	(17,340)	14,342
Winter Grant Fund	290,000	(284,489)	5,511
The National Lottery Community Fund	55,115	(55,115)	-
Green Homes Grant	183,385	(183,385)	-
MCS Charitable Foundation	10,000	-	10,000
Moths to a Flame	43,628	(19,814)	23,814
	<u>1,064,733</u>	<u>(1,029,367)</u>	<u>35,366</u>
<b>TOTAL FUNDS</b>	<b>1,260,012</b>	<b>(1,087,230)</b>	<b>172,782</b>

**PEC Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 30 June 2021**

**14. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	(Unaudited) At 30.6.20 £
<b>Unrestricted funds</b>				
General fund	2,069	155,273	(90,974)	66,368
Redundancy cost provision	-	-	15,000	15,000
General overhead provision	-	-	10,000	10,000
Management support cost provision	-	-	65,974	65,974
	<u>2,069</u>	<u>155,273</u>	-	157,342
<b>Restricted funds</b>				
Homes England	-	1,915	-	1,915
Solar Panel Installation	-	25,000	-	25,000
Groundwork UK	-	9,700	-	9,700
Warm Homes Fund	-	21,943	-	21,943
Cohesive Communities Fund	-	11,702	-	11,702
Redress	-	12,188	-	12,188
Power To Change	-	10,837	-	10,837
	<u>-</u>	<u>93,285</u>	<u>-</u>	<u>93,285</u>
<b>TOTAL FUNDS</b>	<u><u>2,069</u></u>	<u><u>248,558</u></u>	<u><u>-</u></u>	<u><u>250,627</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	314,986	(159,713)	155,273
<b>Restricted funds</b>			
Homes England	90,000	(88,085)	1,915
Solar Panel Installation	25,000	-	25,000
Groundwork UK	9,700	-	9,700
Warm Homes Fund	88,000	(66,057)	21,943
Cohesive Communities Fund	15,000	(3,298)	11,702
Redress	42,327	(30,139)	12,188
Power To Change	17,080	(6,243)	10,837
	<u>287,107</u>	<u>(193,822)</u>	<u>93,285</u>
<b>TOTAL FUNDS</b>	<u><u>602,093</u></u>	<u><u>(353,535)</u></u>	<u><u>248,558</u></u>

**PEC Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 30 June 2021**

**14. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.19 £	Net movement in funds £	Transfers between funds £	At 30.6.21 £
<b>Unrestricted funds</b>				
General fund	2,069	320,189	(152,500)	169,758
Redundancy cost provision	-	-	17,000	17,000
General overhead provision	-	-	10,000	10,000
Management support cost provision	-	-	80,500	80,500
Future TUPE transfer	-	-	45,000	45,000
	<u>2,069</u>	<u>320,189</u>	-	322,258
<b>Restricted funds</b>				
Solar Panel Installation	-	19,108	-	19,108
Cohesive Communities Fund	-	3,315	-	3,315
Redress	-	41,724	-	41,724
Power To Change	-	25,179	-	25,179
Winter Grant Fund	-	5,511	-	5,511
MCS Charitable Foundation	-	10,000	-	10,000
Moths to a Flame	-	23,814	-	23,814
	<u>-</u>	<u>128,651</u>	<u>-</u>	<u>128,651</u>
<b>TOTAL FUNDS</b>	<u><u>2,069</u></u>	<u><u>448,840</u></u>	<u><u>-</u></u>	<u><u>450,909</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	537,765	(217,576)	320,189
<b>Restricted funds</b>			
Homes England	180,000	(180,000)	-
Solar Panel Installation	47,576	(28,468)	19,108
Groundwork UK	9,700	(9,700)	-
Warm Homes Fund	177,177	(177,177)	-
Cohesive Communities Fund	15,000	(11,685)	3,315
Redress	291,497	(249,773)	41,724
Power To Change	48,762	(23,583)	25,179
Winter Grant Fund	290,000	(284,489)	5,511
The National Lottery Community Fund	55,115	(55,115)	-
Green Homes Grant	183,385	(183,385)	-
MCS Charitable Foundation	10,000	-	10,000
Moths to a Flame	43,628	(19,814)	23,814
	<u>1,351,840</u>	<u>(1,223,189)</u>	<u>128,651</u>
<b>TOTAL FUNDS</b>	<u><u>1,889,605</u></u>	<u><u>(1,440,765)</u></u>	<u><u>448,840</u></u>

**15. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 30 June 2021.

**PEC Trust**

**Detailed Statement of Financial Activities**  
**For The Year Ended 30 June 2021**

	30.6.21	(Unaudited) 30.6.20
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	12,700	179,506
<b>Charitable activities</b>		
Grants	1,083,319	287,107
Other grant income	5,235	2,259
Contract income	<u>158,758</u>	<u>133,221</u>
	<u>1,247,312</u>	<u>422,587</u>
<b>Total incoming resources</b>	<b>1,260,012</b>	<b>602,093</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Subcontractors	194,274	80,312
Consulting	63,043	1,800
Crisis and repair	6,118	320
Management recharges	452,138	192,837
Legal fees	82,758	41,189
Supply & installation	4,693	4,681
Fuel vouchers	35,094	1,168
Agency staff	1,820	-
White goods	74,653	-
Gas safety repairs	28,296	-
Credit customer payments	77,438	-
Grants to other organisations	9,700	-
Workshops	<u>18,854</u>	<u>2,511</u>
	<b>1,048,879</b>	<b>324,818</b>
<b>Support costs</b>		
<b>Management</b>		
Insurance	4,526	2,986
Telephone	677	361
Postage and stationery	237	441
Advertising	10,282	9,168
Subscriptions	1,565	1,194
Vehicle lease	100	1,703
IT software and consumables	6,497	5,507
Staff training	3,224	3,414
Sundry	405	268
Donations	2,400	-
Entertainment	314	-
Rent	<u>2,190</u>	<u>-</u>
	<b>32,417</b>	<b>25,042</b>
<b>Finance</b>		
Bank charges	59	-
<b>Governance costs</b>		
Auditors' remuneration	1,900	-
Carried forward	<b>1,900</b>	<b>-</b>

This page does not form part of the statutory financial statements

**PEC Trust**

**Detailed Statement of Financial Activities**  
**For The Year Ended 30 June 2021**

	30.6.21	(Unaudited) 30.6.20
	£	£
<b>Governance costs</b>		
Brought forward	<b>1,900</b>	-
Accountancy fees	<b><u>3,975</u></b>	<u>3,675</u>
	<b><u>5,875</u></b>	<u>3,675</u>
Total resources expended	<b><u>1,087,230</u></b>	<u>353,535</u>
<b>Net income</b>	<b><u>172,782</u></b>	<u>248,558</u>

This page does not form part of the statutory financial statements