Centre for Sustainable Energy

Annual report and accounts 2025-26

Working to tackle the injustice of fuel poverty and the climate emergency.

cse.org.uk

Charity 298740
Company 02219673

CSE is an Independent Research Organisation recognised by UK Research and Innovation, a status only awarded to organisations with a strong ability to deliver research for the UK.

Jump straight to the financial figures

Reference and administrative details

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Company
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Charity
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Chief Executive
Janine Michael

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Auditors
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Solicitors
TLT LLP, One Redcliff Street,
Bristol BS1 6TP

The Trustees present their annual report together with the audited financial statements of the Centre for Sustainable Energy for the year **1 April 2025 to 31 March 2026**.

The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Centre for Sustainable Energy

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Introduction

Fairness lies at the heart of CSE's work. As the UK continues its transition towards a cleaner and smarter energy system, our priority remains ensuring that the benefits are shared by everyone, particularly those households and communities most at risk of being left behind.

During the year, the UK's energy transition gathered pace. Renewable energy generation reached record levels, installations of solar and heat pumps in homes surged, and innovations in energy flexibility markets created new opportunities for consumers to be rewarded for shifting their energy demand to different times of day. Yet these developments are an irrelevance to many people whose 'energy reality' is rising bills and growing energy debt.

Against this backdrop, CSE delivered meaningful impact across all areas of our work.

Through our home energy advice, retrofit work and fuel poverty support services, we helped tens of thousands of households cut their energy bills, reduce their debt and access home energy upgrades that transformed their lives. This resulted in record financial benefits, more than £35m secured for our clients overall in the year, and an average benefit of £1,685 for every person we helped.

We also strengthened our work with community partners, helping 871 different local organisations to tackle fuel poverty, improve community buildings and support local climate action. The launch of Community Energy Go marked an important step in extending the benefits of community energy to areas that have previously lacked opportunities to develop local schemes.

Alongside this practical work, we continued to hold government and the energy industry to account. Our monitoring and analysis of the energy market revealed which households were able to benefit the most from the cheaper tariffs and which householders weren't. And throughout the year we drew on the experience of the households and communities we worked with to push for changes in national policy and energy company regulation.

CSE's financial resilience is critical to delivering this impact. In 2025-26 our income as a charity (excluding Retrofit West) remained strong at £9.9m. And by increasing our staff numbers and entering into more delivery partnerships we were able to scale up our impact and expand our energy advice services to deliver nationally.

We are proud of the difference we have made over the past year and grateful to the staff, trustees, partners and funders who have helped to make this possible. With energy costs and climate crisis remaining high on the public agenda, we will continue championing practical and fairer solutions that improve lives and strengthen communities.

Janine Michael
Chief Executive



Shantha Shanmugalingam
Chair of Trustees



Objectives & activities

CSE supports people and organisations across the UK to tackle fuel poverty and the climate emergency.

We work for a fairer energy system, where everyone can afford a home that's warm in winter, cool in summer and healthy all year round.

Our vision is a world where sustainability is second nature, carbon emissions have been cut to safe levels, and fuel poverty has been replaced by energy justice.

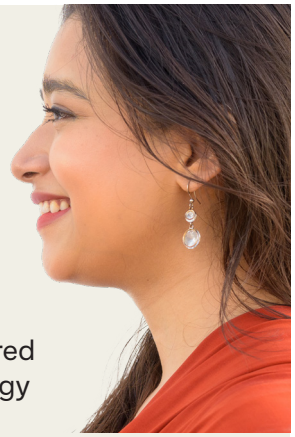
We achieve impact through a range of activities:

- Energy advice and retrofit support to help individuals struggling with high energy bills.
- Supporting others to deliver local place-based fuel poverty and climate action solutions.
- Producing free online tools and models to enable data insights and speed up decision making.
- Inspiring others by testing and demonstrating new ideas and approaches.
- Using our research and analysis alongside practical evidence from our work with households and communities to influence national policy change.
- Engaging in debate to improve public understanding of the need to address fuel poverty and fairness in the energy transition.
- Delivering services for funders, energy partners and government when they are closely aligned with our charitable purpose.

www.cse.org.uk

Our website has more information about our work and gives free access to many guides, advice leaflets, videos and resources.

The year in numbers 2025-26



20,143

Households supported through our energy advice service.



41,460

Survey responses received in our research to understand how we design flexibility services that are both functional and fair.



£33.9 million*

Total financial benefit secured for people through our energy advice service.



1,850

Young people reached through our high-quality education and youth leadership programmes.



£2.3 million

Value of grants distributed to community organisations to run community-focused energy projects. They supported 26,557 households.

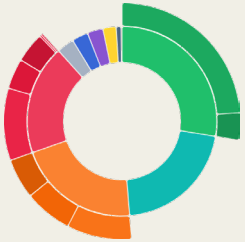


6,969

Number of energy efficiency measures installed as a result of our projects, and 2,610 tonnes of avoided CO_2 emissions.

9,266

Users of our Impact Community Carbon Calculator, generating 328 reports on local carbon footprints.





£1,685

Average financial benefit for households helped through our advice service.



871

Community organisations supported to take action on climate change or tackling fuel poverty.

31

Local authorities used our services (see Funders and Clients).



* Financial benefits are based on recorded data of the real financial savings achieved for each of our advice clients in one year (2025-26 alone). They include benefits claimed, energy efficiency measures installed, fuel vouchers and much more. They exclude future years impacts e.g. savings made over the lifetime of the energy efficiency measures installed.

Policy and influence

The policy landscape has seen some significant changes in the last year with the publication of the Warm Homes Plan and Local Power Plan.

This sits alongside reforms to energy infrastructure planning and grid connections and new regulations covering heat networks and smart energy.



This year, CSE's focus has been on shaping a fair and deliverable net zero transition, challenging approaches that weaken consumer protections or leave low-income households behind, while promoting reforms that cut bills, build consent and accelerate delivery.

We responded to over 30 consultations and calls for evidence across a range of topics, as well as giving evidence to select committees on several occasions. Our four main policy asks for the year include:

1. **Fuel poor households need affordable low carbon heating.** We've seen positive reforms to standing charges, but we need to see more significant decreases in the cost of electricity relative to gas, alongside the rapid deployment of the Warm Homes Plan.

2. **Consumer protection is key.** The latest in a long line of failed insulation scandals comes at a pivotal time for retrofit. The new Warm Homes Agency needs to deliver rigorous technical monitoring alongside impartial advice at all stages of the retrofit journey.

3. **Capacity building of some smaller local authorities is necessary to allow them to engage in net-zero delivery.** Local authorities play a pivotal role in the delivery of net zero, but they vary in their ability to manage the demands of increasing regulatory responsibilities (e.g. for Minimum Energy Efficiency Standards and Awaab's Law), an expectation to engage in Regional Energy Strategic Planning, and the ambition of the Warm Homes Plan.

4. **Building community capacity brings long-lasting returns.** The government must recognise the wider benefits of community energy and ensure that the financial and regulatory environment is in place that allows projects to succeed. We need investment in programmes like **Community Energy Go** that develop projects in underserved communities. There's also an opportunity to support community retrofit which is so far being missed.

More policy and influence on p6

Policy and influence in action

Chloe McLaren Webb, Fair Transition Research Lead, looks at how CSE uses its participation in a government working group to ensure that load control licenses include requirements for customer protection and fairness.



Over the last year, the Department for Energy Security and Net Zero and Ofgem have run public consultations on licensing for load controllers.

Load controllers are the organisations that manage electrical load to and from smart energy appliances such as electric heaters. Load control plays a critical role in supporting consumer-led flexibility and optimising the electricity system for the transition to net zero.

CSE wants these licensing proposals to embed customer protections and an obligation on the flexibility-service providers to treat customers fairly. We believe both are in the interests of the energy sector; if customers are treated equitably and are protected when things go wrong, it will help build consumer confidence in the smart energy market.

Our platform for this is our place on DESNZ and Ofgem's Load Control Licensing Working Group where CSE represents consumer voices in debates with industry about the scope and focus of the regulations.

So far we've helped Ofgem to produce guidance around customer protection within the regulations. This guidance addresses:

- Potential risks to the customer.
- Best practice around collecting the right information to understand if an offer is right for a customer.
- What type of information customers need to make good decisions before taking up a service.

Our contribution is based on a deep understanding of the flexibility landscape. This is gained through projects like **CrowdFlex** and **Smart and Fair**, and through the delivery of smart energy advice over the last few years.

Ofgem also plans to monitor the load-control offers on the market and the number of customers using them. Though not as comprehensive as we would like, this meets one of CSE's longstanding policy demands as an understanding of the market is a critical part of consumer protection.

Increasing impact through innovative tools and data

We develop software that helps government and the energy industry plan for decarbonising our homes and buildings. And we pioneer new open-access tools to help people make smart energy choices.

National Zoning Model

The National Zoning Model was commissioned by the Department for Energy Security and Net Zero (DESNZ) and identifies heat network opportunity areas. The tool is fundamental to achieving the government's ambition for heat networks to meet 7% of England's heat demand by 2035.

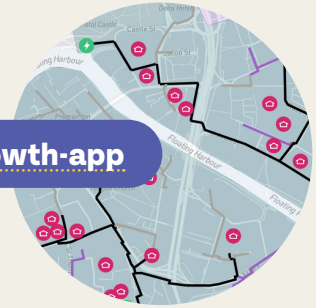
The latest release identified viable zones across the country, with outputs already informing pilot projects helping government target where heat networks can realistically grow.

heat-network-zoning

Heat Network Routing and Growth Model

Also commissioned by DESNZ, this tool makes advanced heat network analysis quicker and more accessible by reducing reliance on specialist expertise. It was built in partnership with sustainability consultancy ERM and is powered by our THERMOS optimisation engine so the government can help more places with heat networks.

routing-and-growth-app



Solar Wizard

This app calculates the potential to generate electricity from rooftop solar panels for homes in England, Scotland and Wales. It provides quick and independent predictions about the viability of solar PV, from a single house to a whole street.

solarwizard.org.uk





More innovative tools and data on p8

Increasing impact through innovative tools and data (continued)

Energy Choices Tool

A free, impartial service giving every household a personalised route into the smart energy transition regardless of income, confidence or technical knowledge. 556 people have received tailored advice since launch, with over half creating a smart energy plan.

ect.cse.org.uk



Flexplorer

An interactive tool showing how by shifting when you use energy can cut bills. Showing people a simple way to cut bills and carbon.

cheaper-bills-with-energy-flexibility



Impact Community Carbon Calculator

The Impact calculator estimates greenhouse gas emissions for any parish, ward or local authority in England, Scotland or Wales. It's used by communities to understand and act on their carbon footprint. The website had 10,000 users this year.

impact-tool.org.uk



CSE's Climate Action Plan

We believe we owe it to current and future generations to reduce our own operational carbon emissions.

Over the last five years we've taken action to reduce our emissions across every aspect of our work, led by our Climate Action Working Group.

This year, we released our Climate Action report, which sets out our net zero targets, outlines our emissions reduction work so far, and establishes a baseline carbon footprint for the year 2023-24 which we can measure progress against.

We're committed to: net zero Scope 1 and 2 emissions by 2030; a 30% reduction in Scope 3 emissions by 2030, with our 2023-24 emissions as a baseline; and net zero across all scopes by 2040, with year-on-year reductions in line with that goal.

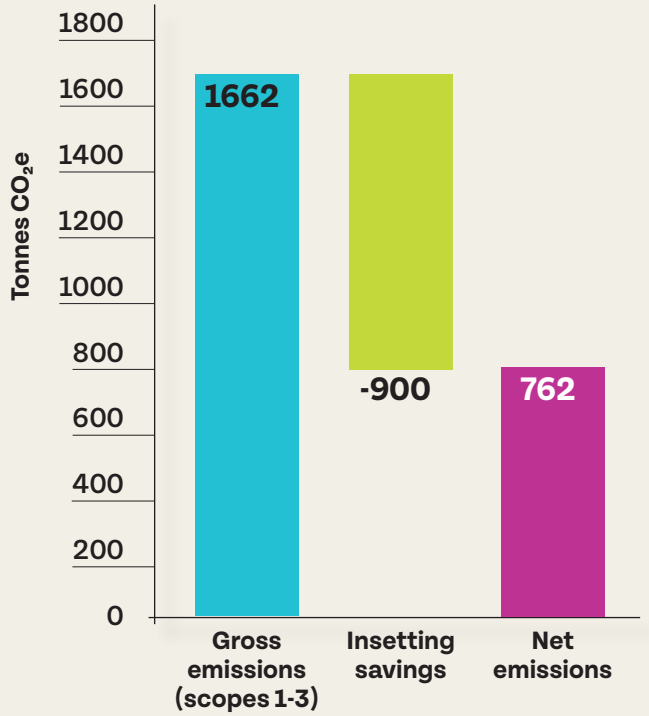
As a climate charity, our carbon footprint is only part of our story. Our work also actively prevents emissions across the UK. In 2023-24, our retrofit work alone prevented 900 tonnes of CO_2 being produced. If we subtract this from our total footprint, we reduce it by half.

A large proportion of our footprint (77%, or 1,280 tonnes out of total 1,662) came from distributing fuel vouchers and funding retrofit measures. These are activities we can't cut as they're the result of supporting people who can't afford to heat their homes. Alongside these, we also report the downstream carbon savings resulting from our retrofit activities to provide a fuller picture of our overall climate impact.

This year, the impact of our retrofit work has almost tripled, resulting in 2,610 tonnes of avoided CO_2 emissions.

Read our Climate Action Report here.

Our emissions (2023-24)



CSE's gross emissions (blue), minus our insetting savings (green) give us our net organisational carbon emissions total (pink).

Our work programmes

Each of our six work programmes focuses on where CSE has a strong track record, formidable skills and unique insight. They are areas where we are best placed to drive change and maximise our impact.

Our work programmes are the foundation of our **2022-28 strategy** which directs how we work towards our vision and high-level objectives.

The following pages describe our impact in each work programme in 2025-26 ...

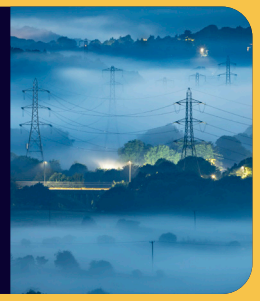
Fuel poverty →



Housing energy retrofit →



Local authority support and action for net zero →



Community action on energy →



Future generations →



Fairness in the energy system →



Fuel poverty

We support people struggling with high energy bills and cold homes.

2025-26

- **20,143 people were directly supported by our energy advice service.**
- **In total, we secured £33.9m of financial benefit to our clients, an average of £1,685 per household (up 52% on the previous year).**
- **1,709 Smart Energy Action Plans (SMEAPS) produced for households.**
- **A further 26,557 households indirectly reached, through grants to community organisations**



We help people reduce their energy bills, tackle damp and mould, and make their homes resistant to long winters and overheating in summer. We also help them understand and better navigate today's rapidly changing energy system.

In 2025-26, we supported 20,143 households living in fuel poverty – or at risk of it. We did this through one-to-one telephone support, long-term casework, home visits and community events (we ran 146 events and attended a further 493). Altogether, we secured financial benefits worth £33.9m for people – that's an average of £1,685 per household.

We built on our partnerships with public health teams, the NHS, community groups, foodbanks and housing teams to ensure our support could reach those who needed it the most.

In January we launched a **national freephone advice line** and added WhatsApp and British Sign Language to our communication channels. And we deepened the support available to some of our local communities such as the Somali community in Bristol and the armed forces veteran community in Wiltshire.

Our **Smart Energy Action Plans** (SMEAP) service helped prepare people for the transition to a smarter energy system. In particular, we worked with social landlords and their tenants to make the most of new technologies installed in their homes such as heat pumps and solar panels.

We also launched the national **Energy Support Network** and our CPD-accredited Retrofit and Smart Energy Essentials **training** to upskill advice organisations on smart and low-carbon technology advice. In an initial four-month pilot, we supported over 120 staff from 75 organisations across the UK.

WORK PROGRAMME

CASE STUDY

Fuel poverty

Leanne* and her husband's energy supplier told them (wrongly) they were £19,000 in debt. A year later her husband died and Leanne was left living alone and struggling to stay warm in a home with broken heaters ...



When Leanne and her husband's energy supplier went bust, their account was taken over by a new company who told them they were £19,000 in debt. They knew this couldn't be possible as they'd never been behind with their payments, but they were afraid to turn on the heating in case it made things worse.

The couple were referred to our **Warm & Safe Wiltshire advice service** by Age UK.

A CSE caseworker visited the home where they called the new supplier. The customer service advisor confirmed there had been "a glitch in the system", apologised and stressed that Leanne and her husband didn't owe any money.

During the home visit, our caseworker noticed that some of the couple's night storage heaters weren't working. Funding to upgrade their heating system would have been available, but at this point, Leanne's husband was struggling with his mental health and didn't want to request any help.

Some months later, Leanne's husband passed away.

Now living alone, grieving, and struggling to stay warm on her state pension income and with inadequate heating, she contacted CSE again. We successfully applied on her behalf for new night storage heaters and solar PV panels, and got her £300 in shopping vouchers to keep her going in the meantime.

"Having someone by my side was exactly what I needed to not crumble after my partner passing away," Leanne told us. "And now I have brand new night storage heaters which have helped me stay warm without breaking the bank this winter."

"Having someone by my side was exactly what I needed to not crumble after my partner passing away"

* Name changed for privacy.

WORK PROGRAMME

OVERVIEW

Housing energy retrofit

We help people make their homes greener, warmer, healthier and cheaper to heat.

2025-26

- **6,969 energy efficiency measures were installed as a result of our help last year. This is up 19% from the year before.**
- **Through our installs, we saved 2,610 tonnes of CO_2 emissions.**



Retrofit though ECO Flex

Thousands of low-income households have benefited from fully funded or subsidised heating and insulation upgrades through our involvement in ECO Flex. We worked closely with several councils and hundreds of installers to assess eligibility and process a stream of funding applications quickly and accurately.

We also made sure installers met the right standards before taking part in the scheme, and supported residents by connecting them directly to appropriate installers. The result was loft and cavity insulation, solar panels and heat pumps installed in thousands of homes.

Impartial energy advice and assessments

We continued to provide clear, impartial advice to homeowners and landlords who want to make their homes more energy efficient. Our tailored support helps people understand what would work best for their property and budget, and includes heat pump suitability assessments and streamlined retrofit surveys to support informed, cost-effective decisions.

In Frome in Somerset we worked with the town council to deliver tailored energy surveys for older and historic homes. This supported sensitive retrofit approaches for hard-to-treat properties, balancing energy improvements with the need to protect building fabric and character.

We also provided people with post-installation support, enabling them to make the most of the new smart energy measures fitted into their home through retrofit programmes. This included helping people switch to a more advantageous tariff for their energy bills, and ensuring they got the Smart Export Guarantee for energy supplied to the grid by their new solar panels.

WORK PROGRAMME

CASE STUDY

Housing energy retrofit

Warmer homes and lower bills in Somerset: our work with the local authority on ECO and other home-improvement schemes.



Working with Somerset council, we delivered large-scale upgrades to more than 650 properties – that's lower bills and warmer homes for thousands of residents.

Around 550 of these properties were social housing and the improvements were funded through the Energy Company Obligation (ECO). The properties were improved with heat pumps, insulation, solar PV or smart controls.

The remaining 100 were low-income privately owned homes and the upgrades were administered through the Warm Homes Local Grant (WHLG) scheme. Somerset council had secured this funding to support households most at risk of fuel poverty. We worked alongside the council to identify eligible households and provide the technical support needed to deliver the programme cost effectively to bring maximum benefits to residents. This included carrying out retrofit assessments, coordinating works and supporting project delivery, making sure each home received the right measures and that they were installed properly.

Measures included insulation and low-carbon technologies such as solar and improved heating systems. For the people living there, the impact has been immediate: lower energy use, reduced bills, warmer homes and improved comfort and wellbeing. One resident told us: "We immediately felt the improvement in comfort from the insulation, and our bills have already decreased because of the solar."

By enabling tenants and homeowners alike to upgrade homes that would otherwise have remained inefficient, the programme is delivering lasting financial, social and environmental benefits. It shows how targeted funding, combined with strong technical delivery support, can make a real difference for people facing fuel poverty.

WORK PROGRAMME

OVERVIEW

Local authority support and action for net zero

We use our technical expertise, policy insight and stakeholder engagement skills to support local authorities on their journey to net zero.

2025-26

- **We worked with 31 local authorities on their journey to net zero.**
- **We supported four counties in the South West with their early stages of Local Area Energy Planning.**



To meet our national targets we need to local authorities to lead the transition to net zero at pace, even as funding and capacity remain limited. In 2025-26, CSE helped 31 councils make confident, evidence-based decisions that support immediate delivery, while also laying the foundations for future investment.

Heat network zoning

As the UK's national heat network zoning policy is being rolled out, CSE has been bridging the gap between policy and place by releasing a new Heat Network Routing and Growth Model. This is being used by DESNZ on behalf of councils to assess heat network opportunities faster and more consistently.

In Westmorland and Furness we combined zoning outputs with real-world heat demand data and local knowledge to identify three heat network opportunities across the local authority area. This has given the council evidence that low-carbon heat networks are viable, even in a largely rural area, and will support the investment case or he next stage of development.

Working with social landlords

Through Flex Direct, we worked with about 50 social landlords to explore how energy efficiency retrofits could be better coordinated with grid needs. Our findings are helping shape more realistic and scalable delivery models that work for social landlords across the country. These delivery models are now being tested to show how retrofit programmes can unlock energy system value through flexibility.

Local Area Energy Planning

And in the South West, we worked with Devon, Dorset, Gloucestershire and Wiltshire to complete early stages of Local Area Energy Planning. See case study on p16.

WORK PROGRAMME

CASE STUDY

Local authority support and action for net zero

Early-stage local energy planning in the South West is helping councils act now – not just plan for later.



Local authorities in the South West have strong net zero ambitions but limited capacity, cash and confidence to deliver them. This is despite coming under pressure from voters to demonstrate progress in this area.

Local Area Energy Planning can help a council understand where it needs to start, but full technical plans are costly to commission and take time, and councils are understandably reluctant to commit.

So what to do?

CSE has been working with four councils – Devon, Dorset, Gloucestershire and Wiltshire (photo) – on a more proportionate and practical approach. Instead of producing a full technical plan, we focused on a set of foundational actions: establishing a robust local energy baseline; accessible data; stronger governance; and delivery-focused programmes.

Over 200 stakeholders took part in the project, from external partners to senior council officers and decision-makers. This shared process helped build a common understanding of local challenges and opportunities. It also created space for practical conversations about governance, capability and next steps.

These local authorities are now more confident and better equipped to lead their own local energy planning. By reducing the pressure to commission complex modelling, the project shifted the focus to real-world delivery, investable projects and future commissioning.

Importantly, the work demonstrates a scalable, repeatable regional model that can be applied elsewhere for early-stage local energy planning.



WORK PROGRAMME

OVERVIEW

Community action on energy

We help communities be at the forefront of designing and delivering community-based action on energy.

2025-26

- **871 community organisations supported to take action on climate change or fuel poverty.**
- **We distributed grants worth £2.3m for community-focused energy projects. This included £1.8m awarded to 64 organisations for advice and fuel poverty projects that reached 26,557 households.**
- **Through our work, 4,594 community stakeholders were trained or upskilled.**



Our support for community organisations covers a wide range of services including training, consultancy, providing freely available printed and digital resources, and disbursing grants totalling £2.3m. We worked with 160 community-building managers to access over £20m through the government's VCSE Energy Efficiency Scheme.

Community Energy Go is a programme that connects community groups with free expert advice to help make their community energy projects happen. Launched in March 2026 and developed with Ashden and Community Energy England, the programme is designed to facilitate new community energy projects in areas that haven't had them before.

Future Energy Landscapes is working in Wiltshire, North Somerset and South Gloucestershire, helping to upskill residents on routes to community owned energy, and provide critical insights for local authorities for future renewable energy opportunities.

Almost 400 people have engaged across 20 Future Energy Landscapes workshops.

In the North East and Yorkshire, we facilitated networking events for Seeing is Believing that brought together 135 people from councils and community groups to look at community energy and net zero action. And with Wessex Community Energy Network, we brought together community energy groups from across the region to skill-share and build a stronger, more connected sector.

As support partner on Social Investment Business's Energy Resilience Fund, we provided technical retrofit building advice to voluntary sector applicants, including through a programme of 20 webinars.

WORK PROGRAMME **CASE STUDY**

Community action on energy

We design and deliver grants programmes that support community groups. Bristol charity Bricks has made use of a grant from Bristol City Leap to improve the popular St Anne's House community hub ...



Bristol City Leap's **Community Energy Fund** offers grants of up to £50,000 to support projects through their development phase – often the most difficult to find funding for. It also offers interest-free loans for capital costs. So far CSE and partners have awarded £680,635 in grants and loans to 54 projects.

One beneficiary is Bricks, a Bristol charity that aims to build the resilience of Bristol's creative and social enterprise communities.

The charity was awarded £10,000 from Bristol City Leap's Community Energy Fund to produce a retrofit plan for **St Anne's House**, a popular creative and community hub.

Bricks' plan was developed in collaboration with 200 people including local residents and the people who use St Anne's House including members of the Four o'clock Club (for families) and Morning Meetup (for older people and those living with chronic health conditions, and young people in a climate action zine-making programme [photo, left].

The thermal comfort of the building has already improved. And Bricks has been able to leverage a further £8,000 from Clarion Homes to install secondary glazing and insulation.

Bricks are known for their creative approach and interest in public art. People in Bristol may have seen the **crocodile by Dorcas Casey** – made at St Anne's House in collaboration with over 100 local residents.

The Community Energy Fund is being delivered by CSE in partnership with Bristol Energy Network, Bristol and Bath Regional Capital and Praxis Research. This £1.5m fund supports energy-related community projects that reduce energy consumption and interact with the **Bristol Heat Network**.



Future generations

We inspire young people to play a meaningful role in the transition to our future energy system

2025-26

- **We supported 1,850 young people through our high-quality education and youth leadership programmes, double last year's number.**
- **We reached 42 schools and 67 teachers and youth workers through our education programmes.**



Bright Green Future

Sixteen young people graduated from our transformative youth leadership programme, Bright Green Future. Students conducted research on carbon footprints and explored how to make the energy grid smarter and fairer. They join an alumni network of around 350 young adults embedding sustainability into their careers.

Youth work in Bristol

With Bristol council we disbursed grants to fund youth-led climate action around the city. This included working with the Global Goals Centre on their Earth Day Heroes awards, and funding grassroots organisations to plant food, publish zines and fix bikes. Nearly 800 young people got involved.

We delivered 33 inspiring workshops for young Bristolians at community youth clubs to catalyse local climate action and promote equity in the net zero transition. We connected young people aged 11-14 to practical initiatives, from nature conservation to electronics repairs and wind turbine engineering.

School workshops

We delivered 20 climate change and energy workshops in 16 schools. In total we helped 570 key stage 2 pupils to plan a green energy future for their local area and to set action pledges for their schools.

First time bill payers

We ran three focus groups with 20 students and care leavers to investigate how they approach their energy bills. We engaged a further 139 people at housing fairs, drop-ins and training sessions, advertising our services and learning what young people need to guard themselves against fuel poverty. (See case study on p20)

WORK PROGRAMME

CASE STUDY

Future generations

Mia has been involved in CSE since the pandemic and continues to be a voice for young people in the charity's projects and governance.



Mia first got involved with our **Bright Green Future** (BGF) leadership and empowerment programme for 16-19 year olds during the pandemic. Unable to meet other young people face-to-face, she took the opportunity to gain skills and meet like-minded young people on the BGF online programme. This culminated in Mia and other participants creating a video and other content for a social media campaign about slow fashion and sustainable lifestyles.

Mia's passion for sustainability led her from the BGF programme to a Human Geography degree at University of Reading, where she is now an Energy Advisor for the student union.

As part of CSE's first time bill payer project, Mia is drawing from her degree, her BGF experience and her Energy Advisor skills to bring youth insight into research on energy literacy, fuel poverty and the challenges young people face when moving out for the first time.

Mia has a particular interest in making energy information accessible and relevant for young people, and brings expertise in youth engagement, sustainability and practical energy advice.

Her support on the **First Time Bill Payers** project and through the **Youth Advisory Board** has been invaluable, ensuring the project is rooted in the needs and voices of young people.

> **"I've been honoured to learn about how young people pay energy bills and overcome any struggles they face while doing so.**
>
> **I've loved being a member of the Youth Advisory Board and hope I can continue this work in the future, in whatever capacity is possible."**

Fairness in the energy system

As the UK makes the transition to a low-carbon energy system, we want to see the benefits made available to all and costs shared fairly.

2025-26

- **We received 41,460 responses to our survey into what 'energy flexibility' means in practice.**
- **36 smart energy options were tracked and profiled to support our smart energy advice, with 213 smart energy offers now in our advice database.**



Our work promotes fairness in the energy transition by making sure that the focus of network planning isn't all on infrastructure and power generation, but about people and their homes as well.

Flex Market Accessibility

In research for National Grid's Distribution System Operator we identified 2.7 GW of domestic flexibility capacity across National Grid's licence area, demonstrating the significant system value of household electrified heating. The findings highlighted that storage heaters are both a source of grid constraint, *and* an opportunity to engage vulnerable householders in demand flexibility.

CrowdFlex

To test how domestic energy flexibility can support the grid while remaining inclusive, we surveyed 37,000 households over two years, linking feedback to household characteristics and energy data. This was part of a project called CrowdFlex, led by National Energy System Operator (NESO). Additional longitudinal research with 800 participants, and three focus groups, provided deeper insights. Our recommendations, evidencing the need for inclusive design, support and consumer protections, were shared with Ofgem, government and the energy sector.

NESO Buildings Heat Model

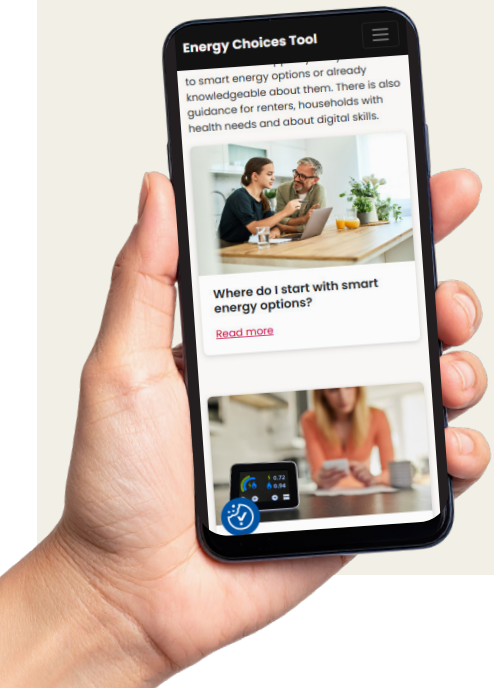
Also with NESO, we developed a tool for modelling a house's heating system. The Building Heat Model takes a series of user inputs – heating technology, property size, radiator sizing etc – to simulate how a household uses energy to heat their home to a desired temperature. The model is helping NESO researchers gain a fuller understanding of the impact of decarbonising residential heating, the patterns of peak demand, and the costs of network expansion.

WORK PROGRAMME

CASE STUDY

Fairness in the energy system

Our ongoing **Smart and Fair programme** has continued to deliver for consumers and networks – providing the tools and evidence needed to help make smart energy work for everyone.



One barrier to engaging in the smart energy market is the sheer number of products, services and tariffs out there. CSE's Smart and Fair team have analysed nearly 300 of them. We asked questions such as:

- **Do they reduce your fuel bills?**
- **Are they available to all, or restricted to customers on particular tariffs or with internet access?**
- **Do they shift when you use electricity, or help you make the most of your appliances?**
- **Do they cut carbon emissions?**

We track availability and the financial value to households, and take deep dives into market trends that we share with professionals from the energy sector in **regular webinars**.

This understanding of the smart energy market feeds directly into our energy advice, underpinning **Smart Energy Action Plans** and the **Energy Choices Tool** [photo left]. In 2025, over 100 attendees from 60 organisations attended our annual Smart Energy Advice Forum to learn from best practice shaped by Smart and Fair. Advisors reported that the forum strengthened their ability to support households with smart energy advice.

One of Smart and Fair's goals is to engage the public and spread awareness of smart energy offers. To help inform people about demand flexibility, we created a **self-guided graphic tool** that explores how on some tariffs energy prices vary throughout the day, and how money can be saved by shifting when energy is used. The tool demonstrates that people can reduce their bills without reducing energy consumption – a core message behind demand flexibility. In just a few months, the tool had over 400 users.



Our funders

Thank you to all CSE's funders and clients for their support of our work in the past year ...

ACCESS - The Foundation for Social Investment
AECOM Limited
Alliance Homes
Ashden Climate Solutions
Bath & North East Somerset Council
Bath and West Community Energy
BBH Consulting AG
Big Give Trust
Breckland County Council (via Bioregional)
Bloomberg Philanthropies
Bristol City Council
Bristol City Leap
Bristol Climate and Nature Partnership CIC
Bristol Energy Network
British Gas
Bureau d'études Greisch
Cadent Gas Limited
Canterbury City Council
Carbon Alternatives Ltd
Chirpy Heat
Cirencester Town Council
Citizens Advice
Cotswold District Council
Cotswold Energy Group
Department for Energy Security and Net Zero
East Suffolk Council
Eastside Community Trust
ECO Home UK
Electricity North West Ltd
Energy Industry Voluntary Redress Scheme (via Energy Saving Trust)
Enfield Voluntary Action
Engie Deutschland GmBH
Environmental Resources Management Limited
Esmée Fairbairn Foundation
Horizon Europe
Evolve Home Energy Solutions
Exhibition Road Cultural Group
FixSpec Ltd (1% for the Planet)
Frome Town Council
Gloucester City Council
Good Earth
Greater London Authority
Greenham Trust
Department for Culture Media and Sport (via Groundwork UK)
Groupe E SA
HelpinU
Historic England
Horsham District Council
Hydrock
Innovate UK
Ipsos UK
Mansfield District Council (via Bioregional)
MCS Charitable Foundation
National Energy Action
National Grid Distribution System Operator
National Grid Electricity Distribution
National Energy System Operator
National Grid plc
NHS Bath & North East Somerset Council, Swindon & Wiltshire ICB
NHS South West Secure Data Environment
North Somerset Council
North East Net Zero Hub (via Community Energy England)
North West Net Zero Hub (via CAG Consultants)
Northern Gas Networks
Northern Powergrid
Nottingham City Council
OVO Energy
Oxfordshire County Council
People Powered Retrofit
Quartet Community Foundation
RBS wave GmbH

Continued over ...

Our funders cont ...

- Retrofit West CIC
- Ridgewater Energy
- Scottish and Southern Electricity Networks (SSEN)
- SGN
- SIA Partners Ltd
- Social Investment Business
- Somerset Community Foundation
- Somerset Council
- South Gloucestershire Council
- South West Net Zero Hub
- Southmead Development Trust
- SP Energy Networks
- Steer Economic Development
- Stir to Action Ltd
- Strategic Innovation Fund: Ofgem programme
- Sustainability First
- Westmorland and Furness Council (via Sustainable Energy Ltd)
- Swindon Borough Council
- The Anchor Society
- The Aurora Trust
- The Blagrave Trust
- The Greater South East Net Zero Hub (hosted by Cambridge and Peterborough Combined Authority)
- The National Benevolent Charity
- The National Lottery Community Fund (Climate Action Fund)
- The Walter Guinness Charitable Trust
- Theta Concepts GmbH
- Thrive Renewables Plc
- Thüga Aktiengesellschaft
- Trinergy GmbH
- UK Energy Research Centre (UKERC)
- UK Power Networks
- UK Research and Innovation
- University College London
- University of Sussex
- Utilita Energy Ltd
- Volunteer it yourself
- Voscur
- Wales & West Utilities Ltd
- Wealden District Council
- Wellspring Settlement
- Wessex Community Energy Network
- Wessex Water Services Ltd
- Wessling Consulting Engineering GmbH & Co. KG
- West of England Combined Authority
- Westbury-on-Trym Methodist Church
- Wiltshire & Swindon Community Foundation
- Wiltshire Council
- Wolverhampton City Council
- Zero Carbon North Somerset

Together, we're tackling the injustice of fuel poverty and building lasting solutions to the climate emergency.

Future strategy

With more than 6 million UK households experiencing the injustice of fuel poverty, consumer energy debt approaching £4.5bn, and a reduced political consensus on addressing the climate emergency, the need for CSE's work has never been greater.

The government remains committed to delivering a cleaner, cheaper and more secure energy system powered by renewable energy, creating opportunities for economic growth, greater resilience and new jobs. However, unless the benefits of this transition are shared fairly, there is a real risk that existing inequalities will deepen, and too many households and communities will be left behind.

While commitments such as the Warm Homes Plan and Local Power Plan have the potential to make a significant difference, delays to implementation mean that many households and communities have yet to experience the benefits these programmes promise.

Against this backdrop, CSE will continue to champion fairness in an increasingly complex energy system.

Too often, those on the lowest incomes are also those living in the least energy-efficient homes, without a functioning smart meter, facing the poorest customer service, and excluded from accessing the cheapest energy deals and tariffs.

Our focus will be on both advocating for and demonstrating practical solutions. We will showcase how energy advice, housing retrofit, community action and ownership models, and fairer access to tariffs can bring costs down and contribute to the transformation of a decarbonised energy system that delivers benefits for everyone.

In the year ahead, this work will continue to be delivered through our six established work programmes: Fuel poverty; Housing energy retrofit;

Cont ...

In November 2025, we used our annual strategy day to review the rapidly evolving landscape for our work, including inviting valuable challenge and insight from external partners to help sharpen our priorities for the year ahead. The key themes emerging were:

- Building stronger and more trusted local partnerships to ensure our work reaches the households and communities most in need of support.
- Increasing our focus on private renters, who often live in the least energy-efficient homes and face some of the highest risks of fuel poverty.
- Expanding our research and policy work on tariff reform, energy pricing and the impacts of the transition away from gas, particularly for those least able to adapt.
- Using CSE's voice to communicate the positive social, economic and environmental benefits of the energy transition.
- Supporting households and communities to adapt to climate change, as well as helping to mitigate its impacts, including addressing summer overheating and strengthening community energy resilience.
- Developing a sharper and more influential policy voice, including our key policy asks and more clearly articulating the evidence, solutions and systemic changes needed to create a fairer energy system.

Future strategy cont ...

Local authority support and action for net zero; Community action on energy; Future generations and Fairness in the energy system. For more on these see p11.

These programmes remain central to our strategy and provide the framework through which we shape our development, fundraising, communications, impact measurement and policy influence activities.

Investing in people

Alongside this, we will continue to invest in our people, systems and processes to ensure CSE remains effective, resilient and equipped to meet emerging challenges.

We are committed to strengthening equity, diversity and inclusion across the organisation, attracting and retaining a workforce that better reflects the communities we serve, and fostering a strong sense of belonging for all staff. In 2026-27, this will include a programme of in-person allyship and unconscious bias training, alongside role-specific training and skills development and investment in core energy awareness and climate literacy skills across the organisation. Together, these investments will help ensure our staff are knowledgeable, confident and empowered to deliver our mission.

Despite the challenges ahead, we remain optimistic about the difference we can make to individual lives, communities and the energy system as a whole. Every day, we see people taking action to build a fairer, more resilient and lower-carbon future.

Through our dual focus on practical solutions and systemic change, CSE is working towards an energy future that is sustainable and affordable and benefits everyone.



CSE's staff are knowledgeable, confident and empowered to deliver our mission

Strategic report

Financial review

These accounts represent the consolidated group financial results for both CSE and Retrofit West CIC, a wholly owned subsidiary of CSE.

In the year to 31 March 2026, the group generated a combined income of £11,809,587 and against this, a surplus of £200,462. As detailed in the note 11 to the accounts, Retrofit West CIC made a small profit of £23,335 after taxation; with the remaining reported surplus (£177,127) having been generated by the parent charity, CSE.

In the previous year to 31 March 2025, CSE as parent charity alone made a surplus of £173,686 on its income of £10,260,429. This followed a year (2023-24) where we had returned a surplus of £540,469 on an income of just over £8.5m).

CSE's gross income, excluding Retrofit West CIC, was £9.9m, a slight decrease from £10.3m in 2024-25. This represented a period of consolidation following the growth achieved in previous years.

Our focus in 2025-26 has been on scaling our impact as opposed to our income and staff team, including through partnership delivery and policy influence. Income for all our work programme areas remained strong in the year, with particular growth achieved in local authority support, community action on energy and future generations compared to 2024-25.

Our financial performance exceeded the surplus originally forecast in the budget, partly due to higher-than-expected productivity, stronger project and financial oversight, and fewer projects exceeding their budgets. We also increased our charge-out rates, but this was largely offset by equivalent inflation-matching increases in staff salaries combined with employer national insurance increases, and higher operational costs.

During 2025-26, the combined CSE and Retrofit West staff team grew by 9%, from an average of 133 full-time equivalent (FTE) staff in 2024-25 to 145 FTE. This represents overall staff team growth of 33% over the past three years, from 109 FTE in 2023-24

We anticipate gradual, managed growth in the year ahead and will continue to target a modest surplus. This will help us maintain reserves appropriate to our size and invest in staff development, wellbeing and benefits, operational efficiency, and our planned office move in 2027.

Strategic report

Reserves policy

Our reserves policy establishes a minimum target for our unrestricted reserves and the approach we take to any reserves in excess of that minimum.

The minimum reserves target takes account of two scenarios: (a) the liabilities which would be faced by the charity if it were to cease operating, and (b) the financial cushion the charity would need to cover losses while it responded to a serious but possible funding crisis without immediately losing valuable staff.

Based on this policy and taking account of the diversity of our funding sources, at the end of March 2026, our minimum reserves target (for total unrestricted funds) was £1.7m, with a minimum target for net current assets of £1.5m.

At the end of March 2026 our reserves stood at £1,926,928 with net current assets at £1,822,109.

In July 2026, CSE's trustees approved an increase to our overall reserves target to £2m, with a minimum target for net current assets of £1.8m – reflecting the recent and anticipated continued growth of the organisation and the costs associated with our forthcoming relocation.

The trustees will continue to review the reserves policy and associated targets on an annual basis, to ensuring the charity holds sufficient reserves to provide a suitable financial cushion and cover potential liabilities.

Strategic organisational investments are already factored into the annual budgeting process. Should reserves and net current assets reach a level where they exceed minimum targets, the trustees will consider making additional investments aligned with the charity's strategic priorities such as initiatives to help increase our impact, explore new approaches, build our capacity and that of others, or to make the case for funding to external funders.

Strategic report

Structure, governance and management

Constitution

The Centre for Sustainable Energy (CSE) is a registered charity and company limited by guarantee, having no share capital. CSE's Memorandum and Articles of Association are the primary governing documents of the charity.

Governance

The charity operates with a board of volunteer trustees that meets quarterly. The board has also established a Finance Sub-group and People Sub-group both of which meet and report to the board periodically.

The trustees have overall responsibility for organisational strategy, financial management and compliance with the purposes of the charity. This responsibility is devolved within a clearly documented framework of delegated powers to the Chief Executive and the Senior Leadership Team. The Senior Leadership Team maintains and implements the policies of the organisation and the Chief Executive and members of the Senior Leadership Team report to the trustees at each quarterly meeting.

During the year Anne Obey OBE stepped down as a trustee and chair of the board and the board conducted a process which resulted in Shantha Shanmugalingam being appointed as Chair. Elizabeth Disdel also stepped down as a trustee during the year.

Pay policy and staff benefits

CSE is accredited as a Real Living Wage employer. All staff at CSE are paid according to a graded salary scale that was established to reflect the differences in responsibility, skills and capabilities required in each role.

The ratio between the salaries of the highest (Chief Executive) and lowest paid member of staff (our interns) is currently 3.53 : 1.

All staff are entitled to participate in the CSE contributory pension scheme (8% employer contribution, 6% employee contribution) which has also been adopted as our auto enrolment scheme since November 2015. The charity offers a wide range of other staff benefits including a CSE-funded Life Assurance Scheme and Health Cash Plan for every employee, cycle to work and home and tech schemes and a selection of other voluntary benefits available through salary sacrifice.

Public benefit

CSE has complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Management

There were no changes to the Senior Leadership Team in the year. During 2025-26 the Senior Leadership Team comprised:

- **Janine Michael,** Chief Executive
- **Matthew Ferdinando,** Director of Finance & Operations
- **Keith Hempshall,** Director of Local & Community Empowerment
- **Charlotte Johnson,** Director of Research & Analysis
- **Ian Preston,** Director of Development & External Affairs
- **Paul Winney,** Director of Household Energy Services

The wider management structure of the organisation includes a Senior Management Team comprising Directors, Heads of Team and functional leads, who meet monthly and support directors in undertaking staffing and operational management.

Strategic report

Risk management

The Board of Trustees has considered the principal risks to which CSE is exposed, the systems and procedures in place to mitigate them, and the actions planned to manage future risk. The Senior Leadership Team maintains the organisational risk register and routinely monitors and assesses risks, highlighting significant risks and key changes at each trustee meeting.

The principal strategic risk facing the charity is securing sufficient funding to support delivery of our strategic priorities at the scale required. This is closely linked to two related risks: maintaining strong relationships with funders, partners and policymakers, and ensuring that CSE continues to respond effectively to developments in a rapidly evolving energy, policy and funding environment.

These risks are being mitigated through targeted investment in business development and fundraising, particularly in areas of greatest need, and by ensuring key staff have the capacity and autonomy to build external relationships, identify emerging opportunities and bring forward new thinking to develop and drive forward our work. Trustees and the Senior Leadership Team are also undertaking a strategy review during 2026-27 to ensure the charity remains well positioned for future challenges and opportunities.

There remains a risk to the long-term funding model of Retrofit West CIC, which could have reputational implications for the charity. As a subsidiary organisation, its income and expenditure are closely monitored by the CIC board to ensure that this risk is managed appropriately, protecting the charity from financial exposure. The CIC board is also supporting the development of new business models and income streams. In parallel, CSE continues to raise the profile of Retrofit West, promoting its achievements as a leading example of place-based retrofit to policymakers, funders and industry stakeholders.

Operationally, CSE's continued growth presents challenges in ensuring that investment in organisational support functions remains sustainable and recoverable through the charity's business model. During 2026-27, investment was made to strengthen the Human Resources function, and an Executive Assistant was appointed to support the Senior Leadership Team.

These additional costs were partly offset through efficiencies in other operational areas and are reflected within a robust business planning and budgeting process. Further investment was also made in systems and infrastructure to improve organisational effectiveness, including the implementation of a self-service HR platform (where staff can more easily access information on employment, line management and organisational policies and procedures) and a new internal data system to support managers in overseeing, analysing and planning staff time across teams, projects and programmes.

Other key management risks being actively addressed include ensuring the organisation can effectively understand, adopt and benefit from advances in artificial intelligence (AI). All staff have access to secure, internally approved AI tools, with enhanced licences available to selected staff where appropriate. CSE is committed to ensuring AI is used responsibly, securely and proportionately, supported by clear guidance, staff training and a dedicated AI user group to share learning and good practice across the organisation.

Strategic report

Statement of trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102).
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Companies Act 2006.

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.

Approved by order of the members of the board of Trustees and signed on its behalf by Shantha Shanmugalingam.



Members of CSE's board of trustees at a meeting at CSE's offices in October 2026. Left to Right: Shantha Shanmugalingam (Chair), Andrew Darnton, Jane Wildblood, Claire Miller, Sarah Nelson, Rachael Mills OBE, Barbara Hammond MBE, William Gillis. Not pictured: Rachel Brisley, Ariane Crampton and Bill Hull.

Independent auditors' report

to the members of Centre for Sustainable Energy

Opinion

We have audited the financial statements of Centre for Sustainable Energy (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and the related notes, 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 group's and parent charitable company's affairs as at 31 March 2026 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 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 group and the parent 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 other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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

Cont ...

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 group and the parent 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 group and the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and members in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and,
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

Cont ...

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material contracts, agreements and grants received by the group and the parent charitable company.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group and the parent charitable company's ability to operate or avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, with a particular focus around year-end cut off; and,
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' report.

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Trantham MA FCA (Senior statutory auditor) for and on behalf of Bishop Fleming Audit Limited, Statutory Auditors, 10 Temple Back, Bristol BS1 6FL

6 November 2026

Consolidated Statement of Financial Activities

Incorporating income and expenditure account. For the year ended 31 March 2026.

	Unrestricted funds 2026 (£)	Restricted funds 2026 (£)	Total funds 2026 (£)	Total funds 2025 (£)
Income from:				
Donations and legacies **Note 3**	**14,225**	**-**	**14,225**	6,280
Charitable activities **Note 4**	**5,720,114**	**6,075,248**	**11,795,362**	11,700,348
Other	**-**	**-**	**-**	500
Total income	**5,734,339**	**6,075,248**	**11,809,587**	11,707,128
Expenditure				
Charitable activities **Note 5**	**5,513,344**	**6,088,813**	11,602,157	11,527,544
Corporation tax	**6,968**	**-**	**6,968**	310
Total expenditure	**5,520,312**	**6,088,813**	**11,609,125**	11,527,854
Net income/(expenditure)	**214,027**	**(13,565)**	**200,462**	179,274
Transfers between funds **Note 17**	**(13,565)**	**13,565**	**-**	-
Net movement in funds	**200,462**	**-**	**200,462**	179,274
Reconciliation of funds				
Funds at the beginning of the period	**1,726,466**	**-**	**1,726,466**	1,547,192
Net movement in funds	**200,462**	**-**	**200,462**	179,274
Funds at the end of the period	**1,926,928**	**-**	**1,926,928**	1,726,466

- The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.
- The notes on pages 39-58 form part of these financial statements.

Consolidated & Charity Balance Sheets **as at 31 March 2026**

	Group 2026 (£)	Charity 2026 (£)	Group 2025 (£)	Charity 2025 (£)
Fixed assets				
Intangible assets **Note 13**	**14,143**	**14,143**	28,287	28,287
Tangible fixed assets **Note 14**	**90,676**	**84,794**	115,336	111,071
Investments in subsidiaries **Note 10**	**-**	**1**	-	1
Total fixed assets	**104,819**	**98,938**	143,623	139,359
Current assets				
Debtors **Note 15**	**3,276,038**	**3,168,207**	2,292,269	2,206,851
Cash at bank and in hand	**1,736,857**	**1,350,434**	1,764,943	1,448,707
Total current assets	**5,012,895**	**4,518,641**	4,057,212	3,655,558
Creditors: amounts due within one year **Note 16**	**(3,190,786)**	**(2,719,576)**	(2,474,369)	(2,074,038)
Net current assets	**1,822,109**	**1,799,065**	1,582,843	1,581,520
Total assets less current liabilities	**1,926,928**	**1,898,003**	1,726,466	1,720,879
Net assets	**1,926,928**	**1,898,003**	1,726,466	1,720,879
Funds				
Restricted **Note 17**	**-**	**-**	-	-
Unrestricted funds:				
General funds **Note 17**	**1,926,928**	**1,898,003**	1,726,466	1,720,879
Total unrestricted funds **Note 17**	**1,926,928**	**1,898,003**	1,726,466	1,720,879
Total funds	**1,926,928**	**1,898,003**	1,726,466	1,720,879

Company 2219673

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.
The financial statements were approved and authorised for issue by the Trustees on 8 October 2026 and signed on their behalf by Shantha Shanmugalingam.



Consolidated statement of cash flows. **For the year ended 31 March 2026.**

	2026 (£)	2025 (£)
Cash flows from operating activities:		
Net cash used in operating activities (see below)	**3,560**	162,021
Cash flows from investing activities:		
Purchase of tangible fixed assets	**(31,646)**	(24,714)
Net cash provided by investing activities	**(31,646)**	(24,714)
Change in cash and cash equivalents in the reporting period	**(28,086)**	137,307
Cash and cash equivalents at the beginning of the reporting period	**1,764,943**	1,627,636
Cash and cash equivalents at the end of the reporting period	**1,736,857**	1,764,943
Reconciliation of net income/(expenditure) to net cashflow operating activities		
Net income for the reporting period	**200,462**	179,274
Adjustments for:		
Depreciation charges	**56,306**	56,203
Amortisation charges	**14,144**	14,144
Increase in debtors	**(983,769)**	(401,810)
Increase in creditors	**716,417**	314,210
Net cash provided by operating activities	**3,560**	162,021
Analysis of cash and cash equivalents		
Cash at bank and in hand	**1,736,857**	1,764,943
Total cash and cash equivalents	**1,736,857**	1,764,943

Analysis of changes in net debt	**At 1 April 2025 (£)**	**Cash flows (£)**	**At 31 March 2026 (£)**
Cash at bank and in hand	1,764,943	(28,086)	1,736,857

Notes to the Statement of Financial Activities

Note 1 General information

The charity is a company limited by guarantee. The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity's registered office is: St. James Court, St. James Parade, Bristol, BS1 3LH.

Note 2 Accounting policies

2.1 Basis of preparation

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Centre for Sustainable Energy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Consolidation

These financial statements consolidate the results of the Charity and its wholly-owned subsidiary, Retrofit West C.I.C., on a line by line basis. A separate statement of financial activities, or income and expenditure account, for the Society itself is not presented because it has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

2.3 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Trustees continue to monitor the financial position of the charity and the potential impacts of inflation, challenges in recruitment, staff retention and the rising cost of living for our staff. The charity continues to have a healthy cash position and a strong forward plan of agreed future work. Under all the scenarios reviewed, the charity has sufficient reserves to enable it to continue as a going concern for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Contractual income is recognised in the Statement of Financial Activities to the extent that the charity has provided the services. Where contractual income is received in advance but the charity has not provided the relevant services then this income is deferred.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All expenditure is inclusive of irrecoverable VAT.

2.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised.

Note 2 Accounting policies [cont]

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements; over the life of the lease.
Fixtures and fittings; over 4 to 5 years.
Office equipment; over 2 to 4 years.
Project assets; over the life of the project.

2.9 Intangible assets

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

Website costs, including development costs, are capitalised as an intangible asset and amortised on a straight line basis over the expected useful life of four years.

Impairment reviews are conducted when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its recoverable amount, it is written down accordingly.

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.11 Interest receivable

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 institution with whom the funds are deposited.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.15 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.16 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

Notes to the Statement of Financial Activities

Note 3 Income from donations and legacies

	Unrestricted funds 2026 (£)	Total funds 2026 (£)	Total funds 2025 (£)
Donations	13,525	**13,525**	6,280
Grants	700	**700**	-
	14,225	**14,225**	6,280

Note 4 Income from charitable activities

	Unrestricted funds 2026 (£)	Restricted funds 2026 (£)	Total funds 2026 (£)	Total funds 2025 (£)
Fuel poverty	1,974,221	2,843,121	**4,817,342**	5,411,125
Housing energy retrofit	1,287,524	2,085,518	**3,373,042**	3,368,144
Local authority support & action for net zero	1,018,611	616,392	**1,635,003**	1,068,691
Community action on energy	510,267	362,657	**872,924**	751,736
Future generations	120,645	77,125	**197,770**	115,172
Fairness in the energy system	808,846	90,435	**899,281**	985,480
	5,720,114	6,075,248	**11,795,362**	11,700,348
Total 2025	5,006,351	6,693,997	11,700,348	

Note 5 Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2026 (£)	Restricted funds 2026 (£)	Total funds 2026 (£)	Total funds 2025 (£)
Governance costs	55,749	-	**55,749**	90,637
Fuel poverty	2,168,120	2,853,059	**5,021,179**	5,528,007
Housing energy retrofit	861,917	2,089,145	**2,951,062**	3,101,918
Local authority support and action for net zero	1,029,295	616,392	**1,645,687**	1,139,367
Community action on energy	560,293	362,657	**922,950**	701,244
Future generations	132,486	77,125	**209,611**	157,997
Fairness in the energy system	705,484	90,435	**795,919**	808,374
	5,513,344	6,088,813	**11,602,157**	11,527,544
Total 2025	4,821,177	6,706,367	11,527,544	

Summary by expenditure type

	Staff costs 2026 (£)	Depreciation 2026 (£)	Other costs 2026 (£)	Total funds 2026 (£)	Total funds 2025 (£)
Governance	29,424	-	26,325	**55,749**	90,637
Fuel poverty	3,003,021	29,311	1,988,847	**5,021,179**	5,528,007
Housing energy retrofit	1,385,106	6,416	1,559,540	**2,951,062**	3,101,918
Local authority support & action for net zero	1,051,522	8,676	585,489	**1,645,687**	1,139,367
Community action on energy	658,980	5,730	258,240	**922,950**	701,244
Future generations	112,082	967	96,562	**209,611**	157,997
Fairness in the energy system	645,704	5,206	145,009	**795,919**	808,374
	6,885,839	56,306	4,660,012	**11,602,157**	11,527,544
Total 2025	5,972,872	56,203	5,498,469	11,527,544	

Notes to the Statement of Financial Activities

Note 6 Analysis of Expenditure by Activities

	Activities undertaken directly 2026 (£)	Support costs 2026 (£)	Total funds 2026 (£)	Total funds 2025 (£)
Governance costs	-	55,749	**55,749**	90,637
Fuel poverty	4,456,638	564,541	**5,021,179**	5,528,007
Housing energy retrofit	2,827,476	123,586	**2,951,062**	3,101,918
Local authority support & action for net zero	1,478,575	167,112	**1,645,687**	1,139,367
Community action on energy	812,592	110,358	**922,950**	701,244
Future generations	190,988	18,623	**209,611**	157,997
Fairness in the energy system	695,639	100,280	**795,919**	808,374
	10,461,908	1,140,249	**11,602,157**	11,527,544
Total 2025	10,569,059	958,485	11,527,544	

Note 7 Auditors' remuneration

	2026 (£)	2025 (£)
Fees payable to the auditor for the audit of the Group accounts	**22,550**	18,480

Note 8 Staff costs and numbers

	2026 (£)	2025 (£)
Wages and salaries	**5,763,118**	5,098,017
Social security costs	**674,367**	480,951
Pension costs	**448,354**	393,904
	6,885,839	5,972,872

The average number of employees employed by the Group during the year was as follows:

	2026 (no)	2025 (no)
Project staff	**147**	136
Management and admin staff	**12**	11
	159	147

The average headcount expressed as a full-time equivalent:

All staff	**145**	133

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

£60,000 - £69,999	**2**	2
£70,000 - £79,999	**1**	2
£80,000 - £89,999	**2**	2
£90,000 - £99,999	**1**	-

The total employee benefits of key management personnel were £636,944 (2025: £641,100).

Total employer contributions for the provision of defined contribution pension schemes in respect of employees earning more than £60,000 were £38,025 (2025: £36,212). This amount is not included in the banding above.

Note 9 Results of the Parent Charity

These accounts do not include a Statement of Financial Activities for the parent charity, as permitted under section 408 of the Companies Act 2006. The relevant figures for the year ended 31 March for the parent charity were:

	2026 (£)	2025 (£)
Gross income	**9,908,152**	10,260,429
Surplus for the year	**177,127**	173,686

Note 10 Investments in Subsidiary - Charity

The charity has an unlisted investment with a historical cost of £1 representing its 100% shareholding in Retrofit West CIC, which is a company registered in England that carries out activities to promote, develop and facilitate the retrofitting of homes and buildings to achieve net zero and energy affordability. A summary of that company's financial position is set out in note 11.

Note 11 Subsidiary Results

Retrofit West CIC

	2026 (£)	2025 (£)
Turnover		
Grant income	**1,965,180**	1,549,462
Earned income	**33,378**	7,688
Cost of sales		
Direct costs - including costs of grants made & advice provided to communities and households	**(928,929)**	(869,046)
Gross profit	**1,069,629**	688,104
Administrative expenses	**(1,039,326)**	(682,206)
Net profit before taxation	**30,303**	5,898
Corporation tax	**(6,968)**	(310)
Net profit after taxation	**23,335**	5,588
The aggregate of the assets, liabilities and funds was:		
Fixed assets	**5,882**	4,266
Current assets	**527,369**	465,934
Current liabilities	**(504,327)**	(464,611)
Share capital	**(1)**	(1)
	28,923	5,588

- Retrofit West CIC was incorporated on 5 January 2023. These results are for the year ended 31 March 2026 and the year ended 31 March 2025. The company received funding and support from the West of England Combined Authority (WECA) to provide advice and grants to community groups and householders to stimulate demand for retrofit works.

Note 12 Trustee and connected persons transactions

No trustees received any remuneration or other benefits in the current or prior year. During the year ended 31 March 2026, one Trustee claimed travel expenses totalling £726 (2025 - £522, two trustees).

Note 13 Intangible assets - The Group and The Charity

	Website (£)	Total (£)
Cost		
At 1 April 2025	**56,575**	**56,575**
Additions	**-**	**-**
At 31 March 2026	**56,575**	**56,575**
Accumulated amortisation		
At 1 April 2025	**28,288**	**28,288**
Charge for period	**14,144**	**14,144**
At 31 March 2026	**42,432**	**42,432**
Net book value		
At 31 March 2026	**14,143**	**14,143**
At 31 March 2025	28,287	28,287

- We have been amortising the costs of our new website since it was launched in April 2023.

Note 14 Tangible fixed assets - The Group and Charity

	Long-term leasehold property (£)	Fixtures & fittings (£)	Office equipment (£)	Project Assets (£)	Total (£)
Cost					
At 1 April 2025	**230,882**	**25,458**	**264,390**	**29,829**	**550,559**
Additions	**-**	**-**	**31,646**	**-**	**31,646**
At 31 March 2026	**230,882**	**25,458**	**296,036**	**29,829**	**582,205**
Accumulated depreciation					
At 1 April 2025	**177,031**	**13,592**	**214,771**	**29,829**	**435,223**
Charge for period	**22,231**	**4,025**	**30,050**	**-**	**56,306**
At 31 March 2026	**199,262**	**17,617**	**244,821**	**29,829**	**491,529**
Net book value					
At 31 March 2026	**31,620**	**7,841**	**51,215**	**-**	**90,676**
At 31 March 2025	53,851	11,866	49,619	-	115,336

- The above Fixed Assets include a net value of £5,882 (2025: £4,266) relating to office equipment belonging to the subsidiary, Retrofit West CIC.

Note 15 Debtors

	Group 2026 (£)	Charity 2026 (£)	Group 2025 (£)	Charity 2025 (£)
Amounts falling due within one year				
Trade debtors	**1,921,649**	**1,953,790**	784,736	847,576
Prepayments and accrued income	**1,352,809**	**1,213,348**	1,503,491	1,355,233
Other debtors	**1,580**	**1,069**	4,042	4,042
Total due within one year	**3,276,038**	**3,168,207**	2,292,269	2,206,851

Note 16 Creditors: amounts falling due within one year

	Group 2026 (£)	Charity 2026 (£)	Group 2025 (£)	Charity 2025 (£)
Trade creditors	**320,966**	**307,024**	197,582	161,824
Other taxation and social security	**520,256**	**495,388**	428,621	414,860
Accruals and deferred income	**2,264,696**	**1,840,283**	1,782,490	1,431,678
Other creditors	**84,868**	**76,881**	65,676	65,676
	3,190,786	**2,719,576**	2,474,369	2,074,038
Deferred income as at At 1 April 2025	**1,250,395**	**1,250,395**	1,296,358	1,296,358
Resources deferred during the year	**1,996,087**	**1,641,600**	1,601,207	1,250,395
Amounts released from previous periods	**(1,250,395)**	**(1,250,395)**	(1,296,358)	(1,296,358)
	1,996,087	**1,641,600**	1,601,207	1,250,395

- Deferred income related to project income which has been received or invoiced in advance of the work being carried out.

Note 17 Statement of Funds

Statement of Funds - Current Year

	Balance at 1 April 2025	Income	Expenditure	Net transfers	Balance at 31 March 2026
Unrestricted funds:					
General Funds					
General Funds	1,726,466	5,734,339	(5,520,312)	(13,565)	1,926,928
Total Unrestricted Funds	**1,726,466**	**5,734,339**	**(5,520,312)**	**(13,565)**	**1,926,928**
Restricted Funds					
Act!onHeat	-	1,790	(1,790)	-	-
Aurora	-	57,274	(57,274)	-	-
Aurora Retrofit Advocacy	-	39,993	(43,093)	3,100	-
Bath & West Community Energy Redress	-	1,850	(1,850)	-	-
Bright Green Future Alumni Network	-	7,496	(7,496)	-	-
Bristol Climate Action Fund 2	-	39,859	(39,859)	-	-
Bristol Household Support Grant 2024-25	-	173,918	(173,918)	-	-
Bristol Household Support Grant 2025-26	-	164,971	(164,971)	-	-
Click to Retrofit	-	50,062	(50,062)	-	-
Community Climate and Nature Action – West of England	-	14,000	(14,000)	-	-
Community Energy Go	-	154,679	(154,679)	-	-
Energy Advice Thrives	-	307,480	(307,480)	-	-
Energy Learning Network	-	61,843	(61,843)	-	-
Energy Outreach Project	-	31,793	(31,793)	-	-
Energy Redress Fuel Voucher Project	-	17,465	(17,465)	-	-
Future Energy Landscapes – empowering communities	-	264,813	(264,813)	-	-
Futureproof Wiltshire LEAD	-	5,000	(5,000)	-	-

Green Match Funding - Climate Action Support	-	4,382	(4,382)	-	-
Greenham Trust Grant	-	500	(500)	-	-
Home Visits Advanced	-	126,916	(126,916)	-	-
Household and community labour in smart local energy systems	-	90,435	(90,435)	-	-
Mission Net Zero	-	347,582	(347,582)	-	-
National Grid Group Energy Affordability Fund Phase 2	-	370,149	(380,087)	9,938	-
NHS DAFNEA – data accelerator fund	-	2,793	(2,793)	-	-
People Powered Retrofit Community of Practice	-	12,297	(12,297)	-	-
PPM Vouchers 2025-26	-	437,942	(437,942)	-	-
Retrofit West C.I.C WECA Grant	-	1,977,637	(1,977,637)	-	-
Safe and Warm Somerset 2024-25	-	95,781	(95,781)	-	-
Safe and Warm Somerset 2025-26	-	68,885	(68,885)	-	-
Swindon Household Support Fund	-	5,000	(5,000)	-	-
The RESP process: Investigating policy cohesion and delivery in Great Britain's heat transition	-	2,208	(2,208)	-	-
VCSE Energy Efficiency Scheme	-	30,620	(30,620)	-	-
WHAM Bristol Public Health	-	67,104	(67,104)	-	-
WHAM Redress 2	-	82,577	(82,577)	-	-
Wiltshire Health Inequalities Fund	-	30,856	(30,856)	-	-
Wiltshire Household Support Fund 2024-25	-	22,347	(22,347)	-	-
Wiltshire Household Support Fund 2025-26	-	211,607	(211,607)	-	-
WoE LEAD	-	(1,322)	795	527	-
WSCF Surviving Winter Fund 2025	-	134,933	(134,933)	-	-
WSCF Surviving Winter Grant 2024-25	-	6,398	(6,398)	-	-
WWU WHAM	-	435,630	(435,630)	-	-
WWU WHAM 2	-	48,076	(48,076)	-	-
Youth Climate Action Fund	-	69,629	(69,629)	-	-
Total Restricted Funds		**6,075,248**	**(6,088,813)**	**13,565**	
Total Funds	**1,726,466**	**11,809,587**	**(11,609,125)**	**-**	**1,926,928**

Note 17 Statement of Funds continued

Statement of Funds – Prior Year

	Balance at 1 April 2024	Income	Expenditure	Net transfers	Balance at 31 March 2025
Unrestricted funds:					
General Funds					
General Funds	1,547,192	5,013,131	(4,821,487)	(12,370)	1,726,466
Total Unrestricted Funds	1,547,192	5,013,131	(4,821,487)	(12,370)	1,726,466
Restricted Funds					
Act!onHeat		38,730	(38,730)	-	-
Aurora		51,254	(51,254)	-	-
Aurora Retrofit Advocacy		38,860	(38,860)	-	-
Bath & West Community Energy Redress		5,137	(5,137)	-	-
Bristol Climate Action Fund 2		43,247	(43,247)	-	-
Bristol Household Support Grant 2023-24		123,136	(123,136)	-	-
Bristol Household Support Grant 2024		340,000	(340,000)	-	-
Bristol Household Support Grant 2024-25		206,749	(206,749)	-	-
Bristol HUGs WHAM		531	(531)	-	-
Community Energy Support Network		131,735	(131,735)	-	-
Energy Advice Thrives		209,720	(209,720)	-	-
Energy Learning Network		34,521	(34,521)	-	-
Energy Outreach Project		20,006	(20,006)	-	-
Energy Redress Fuel Voucher		1,443,315	(1,443,315)	-	-
Future Energy Landscapes - empowering communities		38,132	(38,132)	-	-
Futureproof Wiltshire LEAD		248,972	(258,956)	9,984	-
Green Match Funding - Climate Action Support		12,213	(12,213)	-	-
HeatAbility		9,223	(9,223)	-	-

Home Visits Advanced		109,272	(109,272)	-	-
Household and community labour in smart local energy systems		13,601	(13,601)	-	-
Merton Energy Matters		2,610	(2,610)	-	-
Mission Net Zero		280,351	(280,351)	-	-
National Landlord Advice Service		19,708	(19,708)	-	-
North Somerset Covid Recovery WHAM		29,483	(29,483)	-	-
People Powered Retrofit Community of Practice		99	(99)	-	-
Retrofit West C.I.C WECA Grant		1,549,462	(1,549,462)	-	-
Safe and Warm Somerset 24-25		15,219	(15,219)	-	-
Somerset freephone advice line		10,000	(10,000)	-	-
Swindon Boiler Fund 2023-24		12,105	(12,105)	-	-
VCSE Energy Efficiency Scheme		180,936	(180,936)	-	-
WCF Surviving Winter Fund 2024		74,700	(74,700)	-	-
WCF Surviving Winter Grant 2023-24		600	(600)	-	-
WCF Surviving Winter Grant 2024-25		105,669	(105,669)	-	-
WHAM Redress 2		198,969	(198,969)	-	-
Wiltshire Health Inequalities		55,295	(55,295)	-	-
Wiltshire Household Support Fund 2024		113,862	(113,862)	-	-
Wiltshire Household Support Fund 2024-2025		110,439	(110,439)	-	-
Wiltshire Household Support Fund 4		58,855	(58,855)	-	-
WoE LEAD		216,066	(218,452)	2,386	-
WWU WHAM		494,091	(494,091)	-	-
WWU WHAM 2		12,124	(12,124)	-	-
Youth Climate Action Fund		35,000	(35,000)	-	-
Total Restricted Funds	-	6,693,997	(6,706,367)	12,370	-
Total Funds	1,547,192	11,707,128	(11,527,854)	-	1,726,466

Note 17 Statement of Funds continued

Restricted Funds. *The significant restricted funds are explained below:*

Act!onHeat (European Commission Horizon 2020). A multi-partner project offering heat decarbonisation planning services to local authorities across the EU through the use of the THERMOS and Hotmaps tools.

Aurora (European Commission Horizon 2020). A programme to engage citizens across five locations in Europe to reduce their carbon footprints by: purchasing shares in a community solar project, using the carbon footprinting app being developed by the project, or attending workshops or other public engagement events. CSE worked in partnership with Forest of Dean District Council to explore how citizen science could encourage more local engagement with community energy. The project led to the establishment of a new community organisation: Forest Community Energy.

Aurora Retrofit Advocacy (The Aurora Trust). A project to increase our capacity to influence the retrofit agenda proposing solutions to the current barriers to retrofit at national and local government level, providing advice and support to local authorities, community organisations and others, and communicating a vision to decarbonise our housing stock.

Bath and West Community Energy Redress (Bath and West Community Energy). Funding to support BWCE to carry out Futureproof retrofit surveys for self-funding households in Bath and North East Somerset.

Bright Green Future Alumni Network (Blagrave Trust). Funding to connect young adults who have graduated from CSE's Bright Green Future climate leadership and empowerment programme over the last 10 years, including delivery of a youth-led residential for alumni and management of the CSE Youth Advisory Board.

Bristol Climate Action Fund 2 (now 'Community Climate Action') (Bristol Green Capital Partnership – as funded by National Lottery Climate Action Fund). A programme supporting six community organisations in Bristol to deliver community climate action demonstration projects in line with their climate action plans, and increase the voice of disadvantaged communities in the city's strategic climate decision making.

Bristol Household Support Grant 2025-26 and 2024-25 (Bristol City Council). A project which assists low-income households in Bristol with one-off payments for their energy and daily living costs through provision of vouchers, winter-warmth packs and boiler repair or replacement, as well as funding retrofit assessments and installation of small energy efficiency measures.

Click to Retrofit (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme). A project that addresses the financial and practical barriers to home energy efficiency by delivering affordable, high-quality retrofit surveys remotely to self-funding homeowners. The project is delivered by CSE in partnership with Changeworks, and, through robust evaluation, aims to create a scalable model for accessible energy advice in England and Scotland.

Community Climate and Nature Action – West of England (Bristol Climate and Nature Partnership CIC). A programme led by Bristol Climate & Nature Partnership, building on five years of work in Bristol and now expanding to the West of England. In this phase we are working with six community groups to develop community-led climate and nature action plans. The project aims to influence local, regional and national strategy, policy and funding in this area.

Community Energy Go (Energy Industry Voluntary Redress Scheme (via Energy Saving Trust). Funding to help local groups in areas of low community energy activity develop and deliver community energy projects, providing free expert support in the crucial early stages of project development. CSE is working in partnership with Community Energy England, Ashden and a wider network of partners and sector experts.

Energy Advice Thrives (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme). Funding to expand our energy advisor and caseworker capacity to support vulnerable households in Wiltshire, Bath and North East Somerset, Bristol, North Somerset, Somerset and Berkshire.

Energy Learning Network (Ashden Climate Solutions). A partnership programme seeking to accelerate the growth of community energy projects across the UK – helping more groups launch or grow schemes that decarbonise the grid, create resilience, reduce energy bills, and create meaningful benefits for local people.

Energy Outreach Project (Citizens Advice). Delivering energy advice in an outreach setting across the south-west. This can include at events, home visits and delivering presentations.

Energy Redress Fuel Voucher Project (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme). Funding to distribute 33,267 pre-payment meter vouchers across the UK to households struggling to afford their energy costs. Eligible households are those with low incomes, in debt or at risk of becoming in debt. We encourage other organisations that support clients who may benefit to register as a referral partner, and households are also able to refer themselves.

Future Energy Landscapes – empowering communities (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme). A project to address critical gaps in community engagement that limit the number of renewable energy projects and opportunities to deliver benefits to local

Note 17 Statement of Funds continued

Restricted Funds continued

communities, particularly vulnerable and future consumers. CSE is partnering with local authority and community energy organisations across four local authority areas to support the development of locally shaped and beneficial community energy projects. Twenty-one communities will participate, with at least nine projects identified as being suitable to apply to the Great British Energy Community Fund for feasibility funding.

Futureproof Wiltshire LEAD (DESNZ via West of England Combined Authority). A project to support self-funding homeowners in Wiltshire and Swindon overcome barriers to improving the energy efficiency of their homes through home retrofit advice and surveys. CSE delivered the project in partnership with Wiltshire and Swindon councils, and local community groups. Our advice focused on improving hard-to-treat properties and reaching hard-to-reach households.

Green Match Funding – Climate Action Support (Donations match funded by the Big Give Trust and Thrive Renewables). This funding has been used to support community organisations and parish councils to develop and implement climate actions plans. This has included carrying out energy surveys for community buildings providing recommendations on how to make them warmer and cheaper to run.

Greenham Trust Grant (Greenham Trust). Grant to provide small measures (oil radiators, draught-proofing etc) to clients in West Berkshire.

Home Visits Advanced (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme). Funding to provide a energy health checks to 1,000 vulnerable households across Somerset, West of England, Wiltshire and Swindon.

Household and community labour in smart local energy systems (Economic and Social Research Council). Research project with University of Sussex and King's College London exploring the important, but often overlooked, work that households and community energy groups do to support the implementation, domestication and optimisation of smart local energy systems.

Mission Net Zero (Innovate UK). Funded through the Net Zero Living Programme, this project focussed on addressing the non-technical challenges of local net zero delivery. As part of a partnership led by Bristol City Council, CSE worked with three place-based community organisations to develop community climate investment plans for their neighbourhoods and identify a pipeline of tangible, investment-ready projects with buy-in from residents and key regional stakeholders.

National Grid Group Energy Affordability Fund Phase 2 (National Grid Group). Funding to expand support for people in fuel poverty and vulnerable circumstances across England and Wales, through a national energy advice line, expansion of our smart energy action plans, an enabling works fund, and an energy support network to upskill and support energy advice providers nationally.

NHS DAFNEA – data accelerator fund (NHS South West Secure Data Environment). Funding for making improvements to the data CSE collects when giving advice to our clients. The aim is to make our data 'research ready' so that it can be shared securely with trusted NHS research partners, and thereby nurturing a better understanding of the link between fuel poverty and health and supporting the NHS's strategic priority of tackling health inequalities.

People Powered Retrofit Community of Practice (People Powered Retrofit via Energy Saving Trust – Redress). Funding to increase the number of self-funding households benefiting from retrofit services by supporting the community retrofit organisations, including CSE, through the sharing of knowledge and good practice and running innovation activities.

PPM Vouchers 2025-26 (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme).Funding for pre-payment meter vouchers to help vulnerable clients and those experiencing financial difficulties. Clients were signposted to energy saving advice where needed and a phone line was available to help with applications.

Retrofit West C.I.C WECA Grant (West of England Combined Authority). Funding to support the creation of Retrofit West C.I.C to increase the uptake of domestic retrofit or energy-saving measures in the home owner market within Bristol, Bath and the South Gloucestershire area. Retrofit West provides a free telephone advice service, a website offering free and impartial advice to homeowners, and discounted surveys to enable householders to identify what measures would be appropriate in their homes. Funding also supports community groups to deliver retrofitting facilitation events.

Safe and Warm Somerset 2025-26 and 2024-25 (Somerset Council). Funding to deliver energy advice and fuel poverty support to residents across Somerset. Activities include training of front line workers, telephone advice, casework support, outreach, home visits and support to access retrofit grants.

Swindon Household Support Fund (Swindon Borough Council). Funding for low-cost items to keep people warm, such as hot-water bottles, oil-filled radiators and more.

Note 17 Statement of Funds continued

Restricted Funds continued

The RESP process. Investigating policy cohesion and delivery in Great Britain's heat transition (UK Energy Research Centre (UKERC)). A two-year project delivered in partnership with the Universities of Edinburgh and Oxford as part of the UKERC consortium. This project is exploring how the emerging governance of RESP (Regional Energy Strategic Plan) will impact on heat decarbonisation in Great Britain and how involvement in this can enhance or strain the capabilities of local and regional authorities.

VCSE Energy Efficiency Scheme (Groundwork UK). Funding to support VCSE organisations to apply for capital costs for their community building upgrades. Successful organisations are supported with project planning, risk mitigation, technical support and community engagement.

WHAM Bristol Public Health (Bristol City Council & Anchor Society). Funding from Bristol Public Health (via Bristol City Council) during the winter of 2025-26 for staff to work with people with health conditions, increase referrals from the health sector and provide training to health sector staff. Regular funding from The Anchor Society is applied for on behalf of low-income clients and paid directly to installers to repair or replace heating systems.

WHAM Redress 2 (Energy Saving Trust – Ofgem Energy Industry Voluntary Redress Scheme). Funding for 1.5 energy advice caseworkers based in Bristol and North Somerset.

Wiltshire Health Inequalities Fund (NHS Bath & North East Somerset, Swindon and Wiltshire). A project working with GPs in Wiltshire to support patients with cardiovascular, respiratory or mental health issues made worse by the cold covering energy advice, fuel support, casework and home visits. This support is aimed at low–income households.

Wiltshire Household Support Fund 2025–26 and 2024-25 (Wiltshire Council). Provision of support and financial assistance for Wiltshire households to help cover winter fuel costs and helping to fund gas boiler or electric heating replacements.

WOE Lead (DESNZ via West of England Combined Authority). Funding to train and support community groups to lead delivery (including retrofit advice) at open-homes events. The events are a practical and innovative community-led approach to face-to-face retrofit advice where people can see first-hand practical demonstrations of energy efficiency and clean-heating measures in local homes like their own.

WSCF Surviving Winter Fund 2025 (Wiltshire and Swindon Community Foundation). Shopping and fuel vouchers for pensioners and people with health conditions.

WSCF Surviving Winter Grant 2024-25 (Wiltshire and Swindon Community Foundation). Funding to provide grant payments to vulnerable households in Wiltshire at risk of fuel poverty.

WWU WHAM (Wales & West Utilities Ltd). Funding to support householders under the WHAM project across Bristol, North Somerset and now Bath and North East Somerset. This project has developed new relationships with partners in Bath and North East Somerset, recruited new caseworkers and funded benefits advice, casework support and a volunteer co-ordinator.

WWU WHAM 2 (Wales & West Utilities Ltd). Funding to support Somali householders in Bristol under the WHAM and TEA projects.

Youth Climate Action Fund (Bloomberg Philanthropies). A project offering micro grants (funded through a global programme) to youth-led, Bristol-based organisations for climate action projects.

Note 18 Summary of Funds

	Balance 1 April 2025 (£)	Income (£)	Expenditure (£	Net transfers (£)	Balance 31 March 2026 (£)
Current Year					
General funds	**1,726,466**	**5,734,339**	**(5,520,312)**	**(13,565)**	**1,926,928**
Restricted funds	**-**	**6,075,248**	**(6,088,813)**	**13,565**	**-**
	1,726,466	**11,809,587**	**(11,609,125)**	**-**	**1,926,928**
Prior Year					
General funds	1,547,192	5,013,131	(4,821,487)	(12,370)	1,726,466
Restricted funds	-	6,693,997	(6,706,367)	12,370	-
	1,547,192	11,707,128	(11,527,854)	-	1,726,466

Note 19 Analysis of Group net assets between funds

	Unrestricted funds 2026 (£)	Total funds 2026 (£)
Current Year		
Fixed assets	**104,819**	**104,819**
Current assets	**5,012,895**	**5,012,895**
Current liabilities	**(3,190,786)**	**(3,190,786)**
	1,926,928	**1,926,928**
Prior Year		
Fixed assets	143,623	143,623
Current assets	4,057,212	4,057,212
Current liabilities	(2,474,369)	(2,474,369)
	1,726,466	1,726,466

Note 20 Pension commitments

The Group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the group to the fund and amounted to £448,354 (2025: £393,904). Contributions totalling £70,931 (2025: £60,703) were payable to the fund at the balance sheet date and are included in creditors.

Note 21 Operating lease commitments

At 31 March 2026, the Group and Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2026 (£)	2025 (£)
Not later than 1 year	189,872	184,648
Later than 1 year and not later than 5 years	122,066	303,502
More than 5 years	-	601
	311,938	488,751

Note 22 Related Party Transactions

Bill Hull, a trustee of the charity, is a Partner of TLT LLP. During the year, TLT LLP invoiced £27,167 (2025: £56,524) to the charity for legal services provided. £6,352 (2025: £4,860) was outstanding at year-end.

Keith Hempshall, CSE's Director of Local & Community Partnerships is a non-executive director of Bristol Climate and Nature Partnership CIC (BCNP). The charity made a subscription of £3,500 in the year (2025: £3,500) to support the work of the Partnership. During the year the charity invoiced BCNP £44,595 (2025: £43,038) for services provided to the 'Bristol Community Climate Action' project and 'Community Climate and Nature Action' project in which CSE is a partner. CSE paid BCNP £1,150 (2025: £Nil) to cover the costs of their participating in research. There were no balances outstanding at year-end (2025: £Nil).

Note 23 Assets held on behalf of third parties

The charity acts as an agent in administering and distributing funds provided to it for which the charity has no responsibility for their ultimate application and acts on the direct instructions of the funds' donors. As at 31 March 2026 the charity held funds of £530,844 (2025: £1,273,434) which are not included in these financial statements but are held in separate bank accounts for the original donor and are returnable on demand.

Centre for Sustainable Energy

CSE is grateful to all members of staff and trustees whose hard work, dedication and compassion are central to the achievement of our mission and goals.

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