



Renewable World

TACKLING POVERTY THROUGH RENEWABLE ENERGY

Directors' and Trustees' Report and Financial Statements

For the year ended 31 March 2018

Company Registration Number: 06005778

Charity Number: 1119467

Renewable World

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Trustees' report	2
Statement of Trustees' responsibilities	12
Independent examiner's report	13
Statement of accounting policies	14
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes forming part of the financial statements	20

Renewable World

Directors and other information

Directors and Trustees

Stephen Balint (Chair)
Catherine Adams (Treasurer)
Sarah Donnelly (Vice-Chair)
Patrick Davis
Jeremy Taylor (resigned 8th May 2017)
Peter Weston
Gemma Grimes
Neil Pinto (appointed 19th October 2017)
Claire Hancock (appointed 19th October 2017)
Marc Monsarrat (appointed 19th October 2017)
Christopher Morgan (appointed 19th October 2017)

Secretary

Matthew Stubberfield

Key management personnel:

Senior Managers

Chief Operating Officer
Head of Fundraising

Matthew Stubberfield
Marie Hounslow

Company number

06005778

Charity number

1119467

Registered office

Community Base
113 Queens Road
Brighton
BN1 3XG

Bankers

The Co-operative Bank
PO Box 250
Skelmersdale
WN8 6WT

Independent Examiners

Kreston Reeves LLP
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Renewable World

Trustees' report

The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the financial statements of Renewable World ('the Charity') for the year ended 31 March 2018. The Trustees confirm that the annual report and financial statements of the Charity comply with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, governance and management

Renewable World is a charitable company limited by guarantee registered with the Charity Commission since 4 June 2007. It is governed by its Board of Trustees in accordance with its Articles of Association, and with reference to all matters arising from its registration under the Charities Act 2011. The Board of Trustees sets the overall mission, direction and strategy for successful fulfilment of the charity's purposes and continued development as a viable enterprise. It delegates implementation of strategic decisions and the day-to-day management to the senior managers with the assistance of an Operations Committee consisting of the senior managers and three Trustees.

Appointment of trustees

The organisation has at least four, but no more than twelve Trustees. The Chair of the Trustees is nominated by the Board of Trustees. Trustees may stand for re-election. Once a Trustee gives notice that they will be unable to continue their role, a process of recruiting a new Trustee is undertaken. The role is advertised nationally and a search is carried out using the Charity's extensive networks to identify suitable replacement candidates. Once suitable candidates have been identified they are invited to attend an interview with some of the Trustees to introduce them to the Charity and establish whether they have the desired and required skills. The successful candidates are then invited to the next Trustees meeting where they are recommended and then elected by all Trustees.

Trustee induction and training

New trustees undergo an orientation day to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Pay policy for senior staff

The key management personnel of the charity comprise of the board of directors, who are the Charity's trustees, and the senior management team in charge of directing and controlling, running and operating the Charity on a day to day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 12 to the accounts.

The pay of the senior staff is reviewed annually by a committee of trustees.

Renewable World

Trustees' report

Objectives and activities

Renewable World, a registered charity working in Africa, Asia and Central America to tackle extreme poverty through the provision of affordable renewable energy in typically remote, energy-poor settings. The organisation focuses on working with the “poorest of the poor” i.e. with communities who presently cannot afford or are not serviced by government energy supply or private energy providers, and for whom a lack of energy is a serious impediment to economic and social development.

The principal objective of the Charity is to relieve poverty through renewable energy. Our vision is a world where renewable energy is readily accessible to all, helping to end extreme poverty and reduce climate change.

Our mission is to lead in developing and deploying effective ways of bringing renewable energy at scale to poor communities, empowering them to achieve sustainable and resilient livelihoods. Renewable World works in partnership with other international and local Non-Governmental Organisations (NGOs), governments and private companies with experience of community development and good local relationships. Renewable World provides partners with a combination of financing, capacity building and knowledge sharing to enhance effective implementation of off-grid renewable energy services using appropriate technology. Projects are designed in consultation with communities and impacted individuals to ensure they are appropriate for their needs. Our aims as defined in the company's articles of association are:

- To relieve poverty;
- The preservation, conservation and protection of the environment by the reduction of carbon emissions and the prudent use of natural resources; and
- To advance the education of the public and interested parties in effective reduction of greenhouse gases, the effects of climate change, and sustainable solutions to problems arising from climate change, and to promote and carry out for the public benefit research into such issues and to publish and widely disseminate the useful results of such research.

The Board and senior management team have defined the current objectives of the Charity as to use affordable, reliable and renewable energy technology at the community and individual level to:

- Increase household income through access to energy that gives better opportunities for job and micro-enterprise development.
- Increase economic resilience of household income through having a reliable, cheap and clean source of energy.
- To reduce carbon emissions and ensure sustainable use of natural resources through reduction of the use of harmful and unsustainable energy sources such as firewood and kerosene.
- Improve health through the use of clean lighting and cooking solutions and the provision of clean water.
- Increase hours spent in education through the reduction of time spent by children, particularly girls, collecting water and firewood for cooking and household use.
- Increase quality of education through access to renewable energy to light and power schools and other centres of learning/education.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Renewable World

Trustees' report

Review of the year

2017/18 has been a year of financial stability and completing our work on our core renewable energy programmes. It has also been a year where we have invested in key global personnel appointments in Finance, Programmes and Fundraising to position us to for growth and long term organisational sustainability. We have focused on building the regional programme capacity, particularly in Nepal, which is our largest operational region. Under the current stage of our business plan we continue to focus on a narrower range of proven solar technologies and geographical contexts, building on our proven business models which are suitable for a small charity operating globally with tight resources.

Highlights, achievements and performance

During the financial year, the Charity has achieved the following:

Programmes

South Asia (Nepal And Bangladesh):

- Under the SolarMUS II (solar powered water pumping) project funded in part by the Big Lottery Fund, continued the installation of civil infrastructure and solar water pumping systems at 17 project sites, with 12 sites being fully commissioned and handed to the community water user group for management during this financial year.
- In collaboration with our project partners iDE Nepal and SAPPROS Nepal, delivered appropriate agricultural training to all project communities, supporting the effective use of water for agricultural production, and developed market links for agricultural sales.
- Developed a new training package on good governance and financial literacy for community owned energy projects and delivered training to all SolarMUS II project community water user committees.
- Completed and received regulatory approval for our community bio-gas programme (COBLE) in Nepal.
- Completed and received regulatory approval for our Hydraulic Ram Pump water pumping programme (Hydram) in Nepal.
- As technical experts to the UKAid funded Anukulan Project, a part of the global BRACED programme (Building Resilience and Adaptation to Climate Change and Disasters), led by iDE Nepal, completed and commissioned 6 solar water pumping systems reaching 860 individuals.
- Established innovative service agreements between community water user groups and technical contractors in 15 projects under the SolarMUS II and BRACED projects, ensuring long term technical sustainability.
- Launched the three-year SolarMUS III project (solar water pumping), funded by Jersey Overseas Aid and Unica foundation with the objectives of installing four new solar water pumping systems in communities in Surkhet District, as well as providing agricultural and WASH training across eight communities.
- As part of the Powering Aquaculture project, led by iDE Bangladesh, supported the technical installation of two solar micro-grid and water pumping systems each serving one fish hatchery, replacing diesel water pumps with solar power. Installed 40 connections to households and local SMEs based on demand.

Central America (Nicaragua):

- Completed the installation of our 67 home solar energy systems and 3 micro-business systems in our Mahogany project with support from local partners blueEnergy and iDEal Technologies Nicaragua.

Renewable World

Trustees' report

Programmes (continued)

East Africa (Kenya):

- Under our Lighting Up Lake Victoria programme, we have installed a further four solar energy hubs at Ragwe village, Mirunda beach, Kiwa Island and Sika Beach. So far the extra 11kw of generation has added 148 connections and growing. We are now completing the second stage of the programme introducing water pumping and irrigation powered by the energy hubs.
- With our partner RENEWVIA completed the feasibility studies for eight mini-grids in Kenya as part of a USTDA funded programme.
- Supported our Kenyan implementing partner Renewable World East Africa (RWEA) with a £81,031 cash grant to support the local management and delivery of our Energy Hub Programme and further supported with the provision of fundraising, governance, financial and programme management services to the value £30,012 that were granted to RWEA.
- Received the prestigious Energy Institute Community Initiative Award for our Community Implementation Model in Kenya.

Governance

- An Operations Committee consisting of three senior staff and three trustees focused on short terms priorities and decision making has met fortnightly.
- Programme, Finance and Fundraising committees have met most months.
- Reviewed the full charity risk register at the May and November Board of Trustees meetings.
- Completed the first stage of our business planning focusing on the next 12 months activities with our two core regional programmes in East Africa and South Asia and central functions.

Fundraising

Our fundraising costs of £176,060 are predominantly represented by the UK based fundraising team and come to 21% (22% in FY 16/17) of expenditure. Being a relatively young and small charity, this percentage remains higher in the short term as we build up reserves and develop our project funding proposals. Once grant funding for scale is achieved in line with our strategy fundraising costs will fall in proportion to total expenditure and income. The UK Fundraising team also led on securing £56,853 from the United States African Development Foundation (USADF) that was directly received by Renewable World East Africa (RWEA) our local Kenyan partner. Our notable fundraising successes for the year were:

- Received our second highest ever fundraising, trading and grant income, totalling £694,455 (2017: £736,335).
- Received our final grant payments from the Big Lottery Fund for the Solar MUS II programme in Nepal.
- Won our third largest partnership grant of £263,584 over three years for solar water pumping in Nepal, commencing in March 2018, from Jersey Overseas Aid.
- Secured and upgraded regular corporate giving through our friends within the European renewable energy industry (including Scottish Renewables, EDF Renewables and Oasthouse Ventures). In addition, gained a three-year funding commitment from HFW.
- Received the final grant payment of £32,396, for the full funding for an energy hub in Kenya from Bentley Systems which was installed at Sika Village in February 2018. This is an incredible achievement from staff fundraising.
- Hosted for the third-year our boutique challenge event Earth Wind & Tyre, a challenging 200-mile cycle ride, raising a record amount of £80,000 including gift aid and incredibly generous corporate sponsorship.
- Launched our Major Donor Fundraising Campaign with a dinner at the House of Commons hosted by Caroline Lucas MP.
- Achieved our highest amount of Trusts and Foundations/Corporate Foundations income to date.

Renewable World

Trustees' report

Financial review

The steady growth in the Charity's organisational capacity over the last three years is reflected in a consistent and relatively steady set of financial results for the year, especially in terms of expenditure, cash and unrestricted reserves.

Total income is down by 10% to £749,823 (2017: £836,671) whilst expenditure is also down 7% to £808,490. Voluntary income fell 6% to £683,823 from £727,002 in 2017. This decrease is predominantly due to two factors (1) non-recurring legacy of £48,450 received in 2016/17 and (2) prior year recognition of the Big Lottery Fund Grant for SolarMUS II under SORP accounting rules, where grant income must be recognised as soon as the charity has entitlement to the funds. Therefore, only £148,874 (2017: £290,197) of income was recognised even though this is the biggest year of both cash grant receipts and project expenditure.

Underlying non-grant income was stronger with our vital unrestricted voluntary income growing 11% to £286,865 (2017: £258,995). It also continues the long-term trend and objective to grow a diverse income base by donor and income source, strengthening resilience from which to grow the organisation. Overall, trading income has decreased as project partnership income fell as project consultancies in Nepal completed, so that overall total unrestricted income fell slightly from £368,664 to £352,865. However, excluding the one-off effect of legacies unrestricted income increased by £32,651.

The proportion of spend on charitable activities over total expenditure has remained steady at £564,191 (2017: £614,236) being 70% (2017: 71%) of total expenditure as we enter the final year of programmes in Nepal, Nicaragua and Kenya. Charity overheads which include all fundraising costs and governance costs fell slightly from £250,486 to £244,299 but remained at 29% of total expenditure. The total cost base has remained steady as we implemented major programmes in all our regions at £808,490 (2016/17: £864,723).

Staff costs of our global team, including those responsible for delivering our programmes, make up Renewable World's biggest costs category after grants to partners. The average number of staff throughout the year was 16 (2016: 17) using a headcount basis. Staff costs continue to be carefully managed across all categories and have stabilised. UK salary costs have increased in line with inflation but within Nepal we have been obliged to increase our pension and non-salary costs in line with local legislation leading to an overall increase in total staff costs from £304,104 to £320,002.

Sterling has gradually recovered some of the lost 20% value that hit us so hard in 2016 against key currencies. Where possible we continue to mitigate against unfavourable currency movements through hedging immediate commitments with currency forward contracts and transferring grant funds into currency or regional programme bank accounts swiftly. Whilst this reduces risk it also has the result of reducing any gain we might achieve on sterling appreciation. Overall combined with a write down of assets this has led to a loss on exchange of £12,080.

Our restricted reserves follow the cycle of programme delivery and funding and are therefore down to £202,476. Conversely through diligent financial management we have grown our general unrestricted reserves at equivalent to four months operational funds, to £125,103 (2017: £105,007) which is the highest level ever for the Charity. Vitally we have increased our unrestricted cash held from £70,056 to £93,451. This level is still below the target set by the Trustees equivalent to six-months general fund expenditure. We maintain this goal but expect it to be achieved incrementally over the next two-three years.

Renewable World

Trustees' report

Plans for the future

After the completion of significant programmes in our tenth year we are launching our first Impact Report in the autumn of 2018 as a celebration of our work to date.

Work has already started towards achieving Gold Standard Certification thanks to the generous support of Octopus Energy. This will allow our supporters and partners to utilise the carbon offsetting scheme to benefit our global projects.

We will continue to grow the organisational and programme foundations in line with funding and in order to be fit to scale up and increase our reach to 100,000 people globally by 2021. This will use our direct project implementation experience (successes and lessons learned) in our two core regions, centred on Kenya and Nepal. Increasingly we will work in collaboration with partners leveraging each other's skills, resources and experience to extend our reach and impact through innovative programme design, fund and deliver innovative and ground-breaking projects. Our focus will be to continue to scale up and commercialise our water pumping and solar micro-grid technologies and business and finance models within Nepal and Kenya. We will continue to innovate within our existing core programmes while developing a separate innovation programme of new designs, feasibility studies and pilot projects.

Whilst Nepal and Kenya remain our focus, their move from "Low Development Status" to "Medium Development Status" as defined by UNDP presents funding challenges. This combined with changes in the overall international grant funding landscape provide push factors for Renewable World to enter new markets presenting opportunities for growth. Our programmes have replication potential to energy poor markets with similar geographical and social contexts (e.g. Tanzania and Uganda) which do fit into the Low Development Status. Concurrently our local operating model in existing markets may change to new forms to better access the non-grant funding available.

Renewable World

Trustees' report

Public benefit test

The main activities undertaken by the charity to carry out its charitable purposes (see Objectives and Aims above) for the public benefit are as follows:

- Established and supported community owned:
 - Solar powered water pumping and irrigation systems in Nepal
 - Hydraulic Ram water pumping systems in Nepal.
 - Biogas systems in Nepal.
 - Solar powered micro-grids “Energy Hubs” in Kenya.
 - Solar powered micro-grids in Bangladesh.
- Installed household lighting systems and business systems in Nicaragua, for our new Mahogany reserve lighting project.
- Established community owned clean energy organisations, including provision of financial and governance training.
- Provided agricultural and enterprise training.
- Provided technology and maintenance training.
- Undertaken feasibility analysis, community needs research and design for a wide range of future projects in Nepal and Kenya.

The Trustees have complied with their duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Internal controls

In recognition of its responsibilities for the Charity's system of internal control, the Board of Trustees has established control systems that aim, in part, to provide reasonable but not absolute assurances against material misstatement or loss. The controls in place include:

- Authorisation controls by responsible personnel to ensure that only transactions which are necessary and fall within the scope of the company's operations are undertaken, and that alterations or amendments to existing company records are properly authorised;
- Recording controls that ensure that only authorised transactions are taken into the accounting records. Elements of these controls comprise segregation of duties among personnel and checking reports against input source documents;
- Employment of suitably qualified and experienced staff to take responsibility for the key areas of the Charity's business;
- Preparation of forecasts and budgets which allow the Trustees and Senior Management Team to monitor the key business risks and financial objectives and identify variances.

The Trustees have reviewed and continue to review the effectiveness of the system of internal control through delegated authority to appropriate personnel. The reviews carried out in the financial year ended 31 March 2018 have not revealed any weaknesses in internal control resulting in repeated losses, contingencies or uncertainties which the Trustees regard as material therefore requiring disclosure in the financial statements or the Independent Examiner's report on the financial statements.

Renewable World

Trustees' report

Risk statement

The Board of Trustees regularly reviews the major risks, in the form of a risk register, to which the charity is exposed. Internal risks are minimised by regular review of transactions and programme activity to ensure consistent quality of delivery for all operational aspects of the Charity, by employing suitably skilled and qualified personnel, and by putting into place clear strategic and business plans. In accordance with our risk policy a risk register which incorporates financial, programmatic and systematic risks to the organisation was reviewed at the 23rd May 2017 and 21st November 2017 Board meetings. Further, individual risks are discussed at Board or Committee meetings as allocated, where more time will be allocated for detailed review and discussion.

Our principal risks and how we address them

The following have been identified as our four principal risks:

1. **Health and Safety in our programme:** as facilitators, consultants and implementers of small scale technology projects in remote locations we are conscious of the inherent risks of serious injury to staff, partners, contractors and community members in our programme. We have already updated our policies and training and are enhancing our technical quality procedures to ensure we mitigate the risk further.
2. **Insufficient flow of unrestricted funds.** Being a small and growing charity working on long term projects in remote parts of the world the principal risk to the organisation's long-term continuance is one of the availability of unrestricted general funds. Our expanded programme and operational cost base heightens the risk. This risk is managed by resourcing programme activity as and when funding is secured and through implementation of a long-term fundraising strategy to provide increased levels of core and programme funding. Fundraising strategies have been reviewed and updated and support business plans for increasing reserves.

The Chief Operating Officer is responsible for managing the day-to-day funding requirements and monitoring fundraising and operational requirements alongside senior colleagues as delegated by the Board and the Treasurer. A detailed 12-month cashflow forecast is regularly updated with highlights reported monthly to the Finance Committee. Financial performance against budget and forecast is reported monthly to the Trustees and reviewed in detail at the regular Finance Committee meetings.

3. **Exchange rate fluctuations.** The majority of our programme funding is received in fixed value sterling grants, whilst our programmatic costs are for our local partners and staff which are paid in local currency. We have found that exchange rate losses and gains can fluctuate widely in the regions we work, especially Nepal and Kenya, and due to sterling instability. we may be exposed to programme shortfalls requiring matched funding from general reserves, or a delay whilst new donors are sought. The Board have agreed an appropriate hedging and currency holding policy to reduce and manage exchange rate risk in line with programme activity.
4. **Staff safety and security in our regional programmes.** Sometimes we operate in countries and districts where others may not, where there is extreme poverty, political instability, poor infrastructure and high risk of natural disasters. The security risk remains high in Bangladesh and volatile in Nepal and Kenya with strikes or political violence can occur. Working closely with our local partners is the key mitigation to avoiding unnecessary risks. We put the safety of our staff first and have invested in appropriate security training during the year.

Renewable World

Trustees' report

Investment powers and policy

Due to the relatively low levels of funds, the Trustees have deemed it inappropriate to make long term investments, and all funds are held in a portfolio of current and deposit bank accounts split between restricted and unrestricted funds.

Grant making policy

The Charity makes grants to implementing partners supporting our projects, as well as a range of capacity building interventions so that our work supports the development of communities to the point where they have the capacity to generate and sell energy. The Charity has a comprehensive selection process that includes the following key steps:

- Approval of all new partners by the Regional Manager and a member of the Senior Manager Team.
- A Concept Note or Project Business Plan with a budget is jointly prepared by the partner and Renewable World in a collaborative process of exchanging ideas, sharing skills and data and presented to the Programmes Committee of the Board for sign-off.
- If a RW led opportunity, approval to apply for funding is granted by the Fundraising Committee.
- If funding is successful a Project Co-operation Agreements defining project budgets and deliverables are signed between partners.
- Purchase order raised and partner claims lodged for approval by the Grants Manager.
- Quarterly project financial review against budget.

These steps ensure that accountability and transparency is maintained. Grant renewal is always subject to performance, review and planning.

Reserves policy

As of 31st March 2018, the Charity had total funds of £304,567 (2017 £304,281) on a cash basis.

Restricted and designated programme cash funds were held of £211,116 (2017: £234,225). There is no policy to hold restricted funds beyond the time that a project or programme is fully funded, and the conditions are suitable for project commencement.

Unrestricted cash reserves of £93,451 (2017: £70,056), equivalent to three months operating expenses were held. These were free reserves not including other restricted funds held or fixed assets.

In the future and as the Charity's operating costs rise as activities increase, the levels of cash reserves will need to rise accordingly to maintain sufficient reserves for six months' operating costs. The Trustees continue to deem it prudent to build up a reserve equivalent to six months cash operating costs to cover any potential shortfall in projected income or meet unforeseen costs. This reserve will be built up gradually over the next 2-3 financial years. This will be achieved by an expanded programme of fundraising, focused on major donors, increasing voluntary income raised at events, and through committed individual giving and donations from smaller trusts and foundations. Recognising that some funds are held in non-cash assets such as debtors, the Trustees deem that a twin target of six months unrestricted cash and seven-month unrestricted funds on an accruals basis is appropriate ongoing.

The trustees have not designated any funds for any purpose this year. There are also no other commitments that reduce the free reserves figure above.

Renewable World

Trustees' report

Going concern

As set out above as of 31 March 2018 the Charity had cash reserves of £93,451 (2017: £70,056), equivalent to three months operating expenses. These were free reserves not including other restricted funds held or fixed assets.

Through the monthly review of management accounts, and the close cooperation between the Treasurer and the staff members responsible for finance, the trustees regularly review future anticipated donations and expenditure and are satisfied that there is no going concern issue. The Board of Trustees is of the opinion that Renewable World has adequate resources to continue its operations for the foreseeable future.

On behalf of the board



Stephen Balint
Chair
14th June 2018



Catherine Adams
Treasurer
14th June 2018

Renewable World

Statement of Trustees' responsibilities

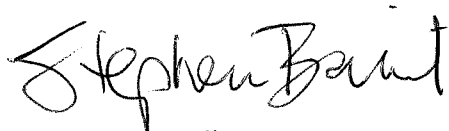
The Trustees (who are also directors of Renewable World for the purpose of Company Law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the Charities Act 2011 as applied by the articles of association of the charitable company requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011 as applied by the articles of association of the charitable company. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 14th June 2018 and signed on their behalf, by:



Stephen Balint
Chair



Catherine Adams
Treasurer

Renewable World

Independent Examiner's Report to the Trustees of Renewable World

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2018 which are set out on pages 17 to 33.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Peter Manser FCA DChA

Chartered Accountant

Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

Date: 22/4/18

Renewable World

Statement of accounting policies

Legal status of the entity

Renewable World is a company limited by guarantee. The registration number is 06005778 and the date of registration was 15th December 2006. Renewable World is also a registered charity with the Charities Commission of England and Wales. The charity registration number is 1119467 and the date of registration was 4th June 2007. 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.

Basis of preparation

The accounts are prepared under the historical cost convention and include the results of the Charity's operations which are described in the Directors' and Trustees' Report, all of which are continuing.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 applicable Accounting and Reporting by Charities the Companies Act 2006 and the Charities Act 2011.

RW 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 note(s).

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Computer equipment	3 years - straight line basis
Furniture and fixtures	3 years - straight line basis

Renewable World

Statement of accounting policies (continued)

Incoming resources

Voluntary income and donations are accounted for when the charity has entitlement to the funds, when certainty of the receipt is probable and amount can be measured with sufficient reliability. The income from fund raising ventures is shown gross, with the associated costs included in fundraising costs.

Where income is in return for a good or service, such as with our Christmas Cards, it is treated as non-primary purpose trading. The income in FY2017/18 is within the small-scale exemption from corporation tax as detailed by HMRC.

Where the Charity receives grants to further its charitable objectives these grants are recognised when the Charity has entitlement to the resource or its receipt is probable with the timing of the expenditure being within the discretion of the Charity. Such resources are only deferred where the donor imposes specific conditions that specify the time period in which the expenditure of the resources can take place.

No permanent endowments have been received in the period, but these are dealt with through the statement of financial activities when received.

The value of voluntary work is not included in the financial statements.

Restricted funds

Donations, bequests or incoming resources for which the donor has earmarked for a specific purpose are treated as restricted funds. These funds may be income only (where the capital must be retained) or income and capital (where the donation and the income there from may be utilised).

Unrestricted funds

Funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the Charity are classified as unrestricted funds. These funds are used to keep the charity operating after accounting for our costs of running the projects.

Designated funds

These are funds, previously classed as unrestricted, chosen by the Trustees to support a particular project permanently or until sufficient restricted project funds are raised

Foreign exchange gains and losses

Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are taken into account in arriving at the net movement in resources for the year.

Resources expended

Cost of generating funds

These are the costs which are associated with generating incoming resources from all sources other than from undertaking charitable activities. This includes costs of generating voluntary income and costs relating to fundraising trading.

Renewable World

Statement of accounting policies (continued)

Charitable activities

Grant expenditure is recognised as funds which are transferred to partners. These transfers are tightly controlled through the charities grant-making policy.

Associated support and partner development costs are allocated on a total cost basis and exclude fundraising and governance costs.

Governance costs

These are the costs associated with the governance arrangements of the Charity as opposed to those costs associated with fundraising or charitable activities. Governance costs include audit costs and costs associated with constitutional or statutory requirements, for example the costs associated with Trustee meetings, preparing the statutory accounts and associated staff time.

Pension costs

The Charity operates a defined contribution pension scheme for its staff. The costs charged in the financial statements represent the amounts payable to the scheme for the accounting period.

Cost allocation

Where possible, costs have been allocated directly to the activity to which they relate. However, there are also shared support costs that enable the Charity's charitable, income generating and administrative activities to be undertaken. These costs have been allocated to the Charity's activities using staff time as the primary cost driver.

Renewable World


Statement of financial activities

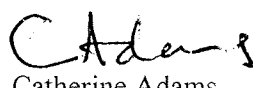
(incorporating an Income and Expenditure account)

for the year ended 31 March 2018

	Notes	Restricted Funds £	Unrestricted Funds £	Total 2018 £	Total 2017 £
Incoming resources					
Incoming resources from Generated Funds					
<i>Voluntary income:</i>					
Donations and gifts	1	396,958	176,346	573,304	645,753
Challenge events	2	-	110,519	110,519	81,249
<i>Activities for generating funds:</i>					
Trading income	3	-	35,599	35,599	78,714
Investment income	4	-	228	228	601
Other incoming resources					
Other income	5	-	30,173	30,173	30,354
Total incoming resources		<u>396,958</u>	<u>352,865</u>	<u>749,823</u>	<u>836,671</u>
Resources expended					
<i>Costs of raising funds:</i>					
Costs of generating volume income	6	3,311	172,749	176,060	190,089
<i>Charitable activities:</i>					
Grants to partners	7	196,273	76,546	272,819	324,230
Direct programme activity	8	272,374	87,237	359,611	350,404
Total resources expended		<u>471,958</u>	<u>336,532</u>	<u>808,490</u>	<u>864,723</u>
Net incoming resources before transfers		(75,000)	16,333	(58,667)	(28,052)
Transfers between funds	19	(8,425)	8,425	-	-
Net incoming resources after transfers		<u>(83,425)</u>	<u>24,758</u>	<u>(58,667)</u>	<u>(28,052)</u>
Other recognised losses					
Exchange gain / (loss)	10	(7,418)	(4,662)	(12,080)	3,291
Net incoming resources					
Opening fund balances		293,319	105,007	398,326	423,087
Closing fund balances	19 & 20	<u>202,476</u>	<u>125,103</u>	<u>327,579</u>	<u>398,326</u>

There were no recognised gains or losses in 2017 or 2018 other than those in the statement of financial activities. All amounts relate to continuing operations. On behalf of the board


Stephen Balint
Chair
14th June 2018


Catherine Adams
Treasurer
14th June 2018

Renewable World

Balance sheet

as at 31 March 2018


	<i>Notes</i>	2018 £	2017 £
Fixed assets			
Tangible assets	13	1,422	1,769
		<hr/>	<hr/>
Current assets			
Debtors	14	76,195	134,345
Cash at bank and in hand	15	304,567	304,281
		<hr/>	<hr/>
Current assets		380,762	438,626
Creditors: falling due within one year	16	(54,605)	(42,068)
		<hr/>	<hr/>
Net current assets		326,157	396,558
		<hr/>	<hr/>
Net assets		327,579	398,327
		<hr/> <hr/>	<hr/> <hr/>
Funds of the Charity			
Restricted funds	19&20	202,476	287,559
Designated funds	19&20	-	5,761
Unrestricted funds: General funds	19&20	125,103	105,007
		<hr/>	<hr/>
Total funds	19&20	327,579	398,327
		<hr/> <hr/>	<hr/> <hr/>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 20 to 33 form an integral part of the financial statements.

These financial statements were approved by the board on 14th June 2018 and signed on its behalf, by:


Stephen Balint
Chair


Catherine Adams
Treasurer

Renewable World

Statement of cashflows

Statement of cashflows
for the year ended 31 March 2018

	<i>Notes</i>	2018 £	2017 £
Cash used in operating activities	22	1,230	(43,324)
Cash flows from investing activities			
Interest income		228	601
Purchase of tangible fixed assets		(1,172)	(1,186)
Cash provided by (used in) investing activities		(944)	(585)
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		-	-
(Decrease)/increase in cash and cash equivalents in the year		286	(43,909)
Cash and cash equivalents at the beginning of the year		304,281	348,190
Total cash and cash equivalents at the end of the year		304,567	304,281

Renewable World

Notes to the financial statements for the year ended 31 March 2018

1 Donations and gifts £5,000 and above

	Restricted £	Unrestricted £	Total 2018 £	Total 2017 £
(Big Lottery Fund	148,874		148,874	290,197
Jersey Overseas Aid (JOA)	98,456		98,456	-
Dulverton Trust	35,000		35,000	-
Bentley Systems International Ltd	32,396		32,396	41,731
Mitsubishi Corporation Fund for Europe & Africa	30,000		30,000	30,000
Brighter World Energy	20,000		20,000	-
HFW LLP		20,000	20,000	-
Octopus Energy		18,000	18,000	-
Green Room Charitable Trust		15,000	15,000	9,500
Oasthouse Ventures		10,000	10,000	-
Pickwell Foundation		7,500	7,500	10,000
The Paul Foundation	5,090		5,090	10,000
Gaelectric		9,440	9,440	-
Scottish Renewables		8,244	8,244	8,604
Coles-Medlock Foundation		6,000	6,000	-
Kirby Laing Foundation	5,000		5,000	-
Educational and General Charitable Trust		5,000	5,000	5,000
Anonymous Donor #1		5,000	5,000	5,000
Anonymous Donor #2		5,000	5,000	-
Chalk Cliff Trust		5,000	5,000	-
Ward Family Charitable Trust		5,000	5,000	5,000

Renewable World

Notes to the financial statements for the year ended 31 March 2018

Rathbone Trust Company Limited	-	48,450		
Genesis Foundation	-	32,305		
Autonomous Research Charitable Trust	-	10,000		
The Funding Network	-	9,501		
Community Foundation Ireland	-	7,363		
EDF Energy Renewables	-	7,030		
Smartest Energy	-	6,621		
Cathie Associates Ltd	-	6,237		
Evan Cornish Foundation	-	6,000		
Waitings Drainage Ltd	-	6,000		
Comic Relief	-	5,000		
Wolseley	-	5,000		
	374,817	119,183	494,000	564,538
Donations and gifts below £5,000	22,142	57,163	79,304	81,215
Total	396,958	176,346	573,304	645,753

Renewable World

Notes (continued)

2 Challenge events

	Restricted £	Unrestricted £	2018 £	2017 £
Fundraising events	-	110,519	110,519	81,249
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

We are particularly grateful for the £76,038 (2017: £58,183) in participant fundraising and event sponsorship that was raised by Earth Wind & Tyre.

3 Trading income

	Restricted £	Unrestricted £	2018 £	2017 £
Affinity income	-	382	382	319
Sale of raffle tickets	-	-	-	59
Sale of merchandise	-	10,250	10,250	8,955
Project partner consulting income	-	24,967	24,967	69,381
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	35,599	35,599	78,714
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Investment income

	Restricted £	Unrestricted £	2018 £	2017 £
Interest from cash deposits	-	228	228	601
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 Other income

	Restricted £	Unrestricted £	2018 £	2017 £
Other	-	161	161	342
Services to other RW companies	-	30,012	30,012	30,012
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	30,173	30,173	30,354
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Renewable World

Notes (continued)

6 Cost of generating funds

	Restricted £	Unrestricted £	2018 £	2017 £
Cost of fundraising	69	27,303	27,372	34,317
Staff costs	-	124,841	124,841	122,050
Other staff costs	-	1,583	1,583	4,770
Property costs and rent	2,759	9,258	12,017	13,441
Publications and literature	335	4,128	4,463	5,386
Travel	147	4,834	4,981	10,125
Other costs	-	803	803	-
	<u>3,310</u>	<u>172,750</u>	<u>176,060</u>	<u>190,089</u>

Our fundraising costs relative to fundraising and trading income are 23% and relative to total expenditure 21%, both have remained consistent with the prior year. We expect the percentages to remain at this level as we build up unrestricted funds and diversify our donor income, e.g. through events such as Earth Wind & Tyre, launching our committed giving programme and developing our project funding initiatives. We believe that our core fundraising cost base is appropriate and good value and we expect these costs to fall relatively as we grow our organisation.

Renewable World

Notes (continued)

7 Charitable Activities - Grants paid to Partners

	Restricted £	Unrestricted £	2018 £	2017 £
<i>Charitable activities</i>				
<i>International Programme – Kenya, Africa</i>				
African Collaboration Centre	-	-	-	7,488
FASCOBI	(655)	-	(655)	30,808
OSIENALA (Friends of Lake Victoria)	8,783	-	8,783	20,649
Renewable World East Africa	34,497	76,546	111,043	80,842
 <i>International Programme – Nepal, Asia</i>				
ACDC	751	-	751	4,619
Benergy	-	-	-	216
Biogas Sector Partnership Nepal	308	-	308	7,440
Central for Rural Technology	-	-	-	252
Clean & Green	(24)	-	(24)	5,781
Dhital Community	-	-	-	85
IDE Nepal	-	-	-	47,304
Kusunde Hydram Community, Dhading	-	-	-	383
NPYS	7,548	-	7,548	3,849
Rural Mutual Development (RMD)	(672)	-	(672)	927
SAPPROS	46,094	-	46,094	55,729
DCDO	9,603	-	9,603	-
DDS, Salyan	2,202	-	2,202	-
IDE	48,334	-	48,334	-
REMREC	8,536	-	8,536	-
RUDAS	8,189	-	8,189	-
SuDDEC	2,268	-	2,268	-
 <i>International Programme – Nicaragua, Latin America</i>				
blue Energy Nicaragua	19,859	-	19,859	46,285
iDE-aL Nicaragua	653	-	653	11,573
	<hr/>	<hr/>	<hr/>	<hr/>
	196,273	76,546	272,819	324,229
	<hr/>	<hr/>	<hr/>	<hr/>

In 2017/18 we supported our Kenyan implementing partner Renewable World East Africa (RWEA) with a £81,031 cash grant to support the local management and delivery of our Energy Hub Programme and further supported with the provision of fundraising, governance, financial and programme management services to the value £30,012 that were granted to RWEA.