

**Energy Industries Council**  
(a company limited by guarantee)

Consolidated Report and Financial Statements

Year Ended

31 March 2020

Company Number 00493459

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# Energy Industries Council

Report and financial statements  
for the year ended 31 March 2020

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## Directors

O H Saville (Chairman)  
S R Broadley (Chief Executive)  
E Ager  
R Bianchi  
S Cowie  
A Cuniah  
J A T H Emerton  
M Layfield  
L Ledgard  
I R Molloy  
G O'Hare

## Secretary and registered office

I R Molloy, 89 Albert Embankment, London, England, SE1 7TP

## Company number

00493459

## Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

# Energy Industries Council

## Foreword by the Chairman

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The 2019-20 financial year was a success for the Energy Industries Council (EIC), with financial results incurring a reduced deficit and a significantly better than budgeted outcome, with membership also seeing strong net growth. This is impressive given the backdrop of continuing challenging market conditions. The oil price, being more stable in the \$50 range throughout the year, helped member companies to start winning more business and grow their backlog again, assisted by continuing growth of the offshore wind market globally.

Our members continued to have varying and changing business goals; accordingly EIC continued to innovate and add new products and services to meet demand, including supplementing our membership options to include Africa and the Gulf of Mexico. Having reached 602 members at the end of the 2019-2020 year, we hope to push forward to 800 members by the end of the 2020-21 year.

Inevitably, the last few weeks of the year were impacted by COVID-19 when the global EIC workforce seamlessly transitioned to working from home. EIC has confirmed its resilience by continuing to update its projects and asset data without interruption and indeed members have placed higher demand on our data services during lockdown than at any time in our history.

The events teams were impacted severely by COVID-19 and all face-to-face events including UK pavilions had to be cancelled or postponed. To the great credit of EIC's team, they switched, also seamlessly, from face-to-face to webinar events and have provided the industry's highest quality and most consistent content delivery to global delegates digitally, throughout lockdown. Testimonials on the importance and quality of our webinar campaigns have poured in from member companies and our partners across the world, and webinars will likely continue as a core part of EIC services after lockdown ends. Indeed, the Department for International Trade (DIT) have asked EIC to take the lead with key energy opportunity webinars on their behalf.

Our Overseas Events team had their best year for five years, with four pavilions alone at ADIPEC and the show's largest country pavilion at OTC, all contributing to significantly enhanced surplus.

Our Strategic Events team also beat all estimates with the inaugural Energy Exports Conference (EEC) in Aberdeen in June 2019. Seeing nearly 1,000 attendees come through the doors over the two days, with 9 inward delegations, 100 speakers and 350 companies in attendance, sets the benchmark for future major events, and confirms that collaboration works. The EEC had several funding and joint-organizing partners for the EEC, including DIT, Scottish Enterprise (SE), Scottish Development International (SDI), UK Export Finance (UKEF), Opportunity North East and Oil & Gas UK (OGUK).

We were also proud to launch our third market database in 2019, as a free member benefit to existing members – EICSupplyMap, which details all 3,500 of the £1m+ UK-based energy supply chain companies, with their detailed capabilities. Following two years of hard work, the product development team and our supply chain analyst launched the new product in November and EICSupplyMap is now also being courted by UK and Scottish governments as a key source of data for their domestic and overseas trade activities.

Finally, we have merged our Oil & Gas and PNR (Power, Nuclear & Renewable) market analysis teams into a single new Market Intelligence team, bringing a stronger one-team approach and better reflecting global trends towards all sectors of energy needing to come together to achieve UK and global net zero carbon goals.

Looking ahead, I am confident that the updated EIC offering will continue to add significant value to our member companies, supporting them to grow whatever market conditions may dictate.

O H Saville  
**Chairman**  
The Energy Industries Council

# Energy Industries Council

## Strategic report for the year ended 31 March 2020

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The directors present their report together with the audited financial statements for the year ended 31 March 2020.

### Principal activities

EIC is the leading trade association for companies that supply goods and services to the energy industries worldwide. Its members range in size from major international contractors and manufacturers through to more specialised product and service companies.

### Objectives

The main objectives of EIC are to identify global business opportunities for members and support them through the provision of business information, data, insight, events, networking, training and promotional services. EIC's head office is in central London. EIC's international offices are in Dubai, Houston, Kuala Lumpur and Rio de Janeiro, where our teams gather intelligence on worldwide projects, organise business events and trade delegations, and provide regional support to members.

Details of EIC events and activities, business opportunities, industry news and training courses are accessible to members via EIC's website, which continues to be enhanced.

EIC's global project tracking database, EICDataStream, is also available to members via the website. The database provides detailed development and contracting information on over 9,200 active and future projects worldwide valued at US\$10tn, and 13,000 archived projects. This information is further disseminated through regional, export and sector-based showcases, which are held on a regular basis.

In September 2017, EIC launched EICAssetMap, the only operations and maintenance (O&M) database to map all major energy assets across all energy sectors. The product is fully interactive and has been developed for companies that work in, or would like to work in, the O&M sector in any of the energy industries. It is currently available in only selected regions globally, including the UK, Norway, Brazil, Gulf of Mexico, the GCC and ASEAN regions. By 2022-23 we plan to cover 100% of the globe.

EIC organises and hosts the UK pavilion for both members and non-members at a number of international exhibitions each year, providing UK companies with an unparalleled platform to meet buyers and win business. Since 2019, this has been extended to also cover selected Scottish pavilions. Additionally, several overseas trade delegations are run to key markets providing delegates with opportunities to build and strengthen business relationships with senior industry representatives, project and supply chain managers and government officials in the local market.

EIC also organises significant international supply chain events each year under the EIC Connect and Energy Exports Conference banners.

EIC is an accredited trade challenge partner with DIT with whom EIC has a close working relationship and many partnership arrangements in place that are beneficial to members.

Through its annual online and hard copy Procurement Guide, EIC acts as a conduit for global buyers to locate energy industry products and services. During the year EIC released its latest database, EICSupplyMap, this system will replace the Procurement Guide during 2020/21. This up-to-date and verified database of more than 3,600 UK energy sector supply chain companies provides unparalleled insight into the UK's capabilities. This database helps companies to conduct market analysis to research possible business partners, potential competitors or create target lists of companies who need your products and services.

EIC also publishes a weekly e-bulletin featuring the latest industry news, a monthly membership magazine Inside Energy, monthly regional NewsBriefs, Insight Reports, Country Reports, the annual Survive & Thrive report and a quarterly feature-led magazine Energy Focus, all of which keep members abreast of both the latest updates from EIC and potential opportunities in the global oil and gas, power, nuclear and renewable sectors.

# Energy Industries Council

## Strategic report for the year ended 31 March 2020 (*continued*)

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### Governance and constitution

The company is an independent not-for-profit organisation limited by guarantee and owned by its members. It is governed by its articles of association and operates on a commercial basis. It is independent of local, regional or national government financial support.

The Board of Directors is elected by the members and each elected director, along with the chairman, retires from office at the third annual general meeting following their appointment or reappointment. The maximum number of elected directors is fixed at 18. The chairman of the board is appointed by the board and also becomes a director.

The chief executive officer (CEO) and the chief financial officer (CFO) are appointed by the board, are directors and are permanent salaried employees of EIC. The CEO leads a management and staff team of 72 based in the UK and overseas. All directors except the CEO and CFO are non-executive.

### Business review

#### Membership

We have an experienced team of four full time UK membership managers plus the Head of Membership covering the UK and Europe together with six established membership managers based in our overseas hubs. This has enabled us to become recognised as a truly global energy trade association.

The target for 2019/20 was to achieve a strong net membership gain, to recruit more new members than we lose. Despite the COVID-19 outbreak this was achieved with an opening membership figure 8% up on the previous year.

During the year we have introduced several new membership categories - Africa, Gulf of Mexico and Incubator, in order to accommodate potential new members with varying aims and objectives. This will allow EIC to increase member numbers and produce additional revenue.

For UK registered companies, we now offer the following member categories: UK Membership; Primary Membership with three options: the Americas, APAC and EMEA; Global Membership; Renewable Energy Membership and an Incubator Membership. For non-UK registered companies, we also offer Primary, Global, Renewable Energy and Incubator Membership categories, as well as local membership packages in Brazil, the GCC and ASEAN regions, Gulf of Mexico and Africa. These will be sold by the membership managers based in those locations. We are also launching our Operator Membership later in the year which will tie in nicely with EIC SupplyMap.

EIC's O&M database, EICAssetMap, now provides information on nearly 10,000 major facilities across all sectors in Europe (Norway and the UK ) the GCC (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE), Asia Pacific (Brunei, Malaysia and Singapore), Brazil and the Gulf of Mexico.

Our most well-established database, EICDataStream, which tracks over 9000 active and future CAPEX projects around the world, continues to be an essential product to attract new members and importantly retain existing ones. We are running fortnightly online EICDataStream and EICAssetMap training sessions from all our hubs. These are designed to ensure our members are fully engaged and getting the most out of these valuable business development tools.

Attendance at key EIC and third-party energy events will now become almost entirely virtual until we are over the COVID-19 pandemic. On a positive note delegate numbers for the first set of webinars have been extremely encouraging.

#### Events and training

2019- 20 once again has kept the overseas events team busy. We managed 10 UK Pavilions, 3 Overseas Trade Delegations, and 10 Webinars. We are pleased to have added yet another Renewable event to our calendar – Wind Energy Expo Japan, where we had 17 UK companies join us. The event will now form part of our annual events schedule moving forward. We also lead the pavilion at the International Partnering Forum in the US with the support of RenewableUK, NOF Energy, SubseaUK and SDI.

# Energy Industries Council

## Strategic report for the year ended 31 March 2020 (*continued*)

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The year has also seen us act as an agent for various exhibitions. This allows us to support the show and our exhibitors where we cannot take a pavilion, or where the show is still in its infancy. This year we acted as an agent for OPES Oman, GASTECH Singapore, Africa Oil Week in South Africa, Wind Energy Expo in Taiwan, and Australia Oil and gas.

We have been striving to improve our stakeholder relationships, looking for new partnerships and opportunities. The year has seen us working in closer collaboration with the UK Clusters and devolved administrations, with fellow trade associations and of course DIT. In a joint effort with the UK Events team we brought in Investec as the EIC's biggest ever Sponsor. We have also continued to solidify our relationship with SDI, where we managed the OTC Scotland and ADIPEC Scotland Pavilions, as well as working closely on other events.

We keep innovating and improving our events, support and offering to members and exhibitors. In September we hosted 42 companies at Offshore Europe, where EIC's pavilion dominated the hall. We introduced a presentation area to the pavilion, where we hosted presentations from KBR, Wood, Shell, Petrofac and Worley. We also hosted inward delegations from Egypt, Mozambique, Brazil, Norway, Guyana, Kazakhstan, India and Azerbaijan, who presented on country opportunities. 2019 ended with a triumphant ADIEPC, where the Overseas Events team hosted 4 pavilions. Our main pavilion in Hall 8, the extension pavilion in Hall 13, the first ever digitisation pavilion in Hall 14 and finally the Scotland pavilion in Hall 1. Yet again showing that EIC are leading the way forward.

EIC's UK events team have continued to provide a regional events programme throughout the UK in 2019-20, delivering two to three events a month and focusing on energy opportunities for the supply chain, updating the industry on market intelligence, providing networking opportunities and always aiming to link buyers and suppliers globally.

The team delivered a series of events relevant for each of our regions: Scotland, Southern and Northern, and we started to look at working with key partners in central Europe. This year the team delivered more events throughout the UK reaching a much wider audience covering the entire energy sector from oil & gas, power, renewables, technologies and providing support to UK companies on how to get Brexit Ready.

The events calendar saw several new events and sector showcases built on adapting to a net zero future, from Global Offshore Wind, Energy from Waste, Energy Storage, Cross Sector Decommissioning and Hydrogen, proving very popular.

Building on the success of the previous year, we continued to run a number of export round tables focusing on Indonesia and Mexico. The export showcases we held included presenting on opportunities in Norway, India and Sub Saharan. We also held several business presentations with Worley and Premier Oil.

Alongside our own programme we continued working with key industry stakeholders by partnering with UKEF, All-Energy, DIT and SDI). Ensuring EIC's profile was being raised while also providing EIC members access to these events.

The National Awards Dinner returned to 8 Northumberland Avenue for the final time. The award ceremony itself continues to grow with excellent support in terms of award entries, judges and sponsors for the 8 categories. Guests had a great evening of celebrating with entertainment provided by Dara O'Briain.

The inaugural Energy Exports Conference (EEC) was held in Aberdeen in June. This event offered us a unique opportunity to grow and enhance our relationship with key stakeholders nationally and in-region, whilst establishing a platform from which to encourage and showcase export opportunities across the energy sector to all UK supply chain companies. The two-day event featured two distinct conference streams: Global opportunities focussed on tangible project opportunities and Inspiring Exports aimed at signposting and providing guidance, advice and support for new exporters. The EEC included elements such as inward delegations; 121 meetings; workshops; exhibition hall and several networking opportunities. The event was very well received by both speakers and attendees and we have had confirmation from all collaborating partners that they will support the event again in 2020 to build on this early success.

# Energy Industries Council

## Strategic report for the year ended 31 March 2020 (*continued*)

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EIC's training programme over the years has decreased, potentially due to the lack of companies not having a training budget. However, we did continue with our in-house training services working with key experts facilitating and linking trainers to organisations who wanted a bespoke training service for their internal teams.

### Overseas hubs

#### Middle East, Africa and Commonwealth of Independent States

We held the inaugural EIC Kuwait Connect event hosted by Kuwait Oil Company (KOC) on 16 September 2019. This was attended by 116 delegates representing 66 companies, considered to be the largest inward delegation of UK companies for any sector - a testament to the close collaboration with our colleagues in DIT. In addition to KOC, presentations were delivered by Shell, BP, Wood, Petrofac, Al Rashed, Worley and Mott MacDonald.

EIC Connect Oil, Gas & Beyond was held in Abu Dhabi on 18 February 2020, with over 200 delegates attending representing 94 companies. ADNOC continued its long-standing support of the event with an increasing technical focus over the first half of the event. Other major Middle East operators and contractors who took part included Dragon Oil, Petrofac, SNC-Lavalin, NPCC, Técnicas Reunidas, Aker Solutions and Wood.

In addition, business opportunities breakfasts/luncheons were held with KBR and Petrofac with significant attendance for both events.

#### Asia Pacific

EIC Asia Pacific continued to expand its services to the members in the region with the establishment of a team of research analysts to serve all regions, ensuring our databases – EICDatastream, EICAssetMap and EICSupplyMap are continuously updated. Seven research analysts and one regional analyst were recruited for this purpose. At the same time EIC Asia Pacific now has two membership managers to serve the existing members in the region and to recruit new overseas members.

Our programme of events continued with EIC Connects which had been successful in the preceding year. For 2019-20, EIC Connects were organised in South Korea and Thailand. In addition, our local events which were normally organised on a monthly basis continued to be popular with members and non-members alike.

We have also been successful in establishing partnerships with other associations and government bodies such as UK Embassies, British chambers in various countries, national oil companies like PETRONAS, local energy associations, international organisations such as Energy Institute, DMG Events, Global Wind Council, Asian Wind Association and many more.

#### North, Central and South America

EIC Connect Oil & Gas USA 2019, its third edition, was held on 26 September in Houston. It was held in partnership with EIC's supporting organisations including the Aberdeen & Grampian Chamber of Commerce, the Brazil-Texas Chamber of Commerce, the British American Business Council of Texas, DIT, the International Society for Mexico Energy, the Oil & Gas Journal and Scottish Development International. This is in addition to sponsors from Honeywell, Wood, HARE, Bureau Veritas, EUTEX, FWB Park Brown, iPS, Pentagon, Petrofac and Vulcanic. With 116 total delegates in attendance, the event agenda included speakers from Bechtel, DIT Mexico, EIC's Monique Aceves and Amanda Duhon, Kiewit, LNG Limited, Marathon Oil, MODEC, Wood, and Worley, including a keynote address from Baker Hughes, a GE Company.

A total of 72 one-to-one meetings were undertaken within the side-lines of the event; in addition to the speakers listed above, we received additional one-to-one hosts from Siemens, Subsea 7 and Scottish Development International.

The second edition of EIC Connect Mexico Energy was delivered successfully in Mexico City on 27<sup>th</sup> February 2020. The event received an overwhelmingly positive response with two articles citing the event by BNAmericas and a significant amount of social media posts and responses on LinkedIn.

# Energy Industries Council

## Strategic report for the year ended 31 March 2020 (*continued*)

The event received 120 delegates and supported 80 one-to-one appointments throughout the day. Held in partnership with DIT and SDI, media partners included the British Chamber of Mexico, Holland House Mexico and ISME. Speakers and one-to-one hosts included HM Ambassador to Mexico Corin Robertson, EIC's Monique Aceves, Turner & Townsend, DIT, XWells, Transocean, Energy Commission of Tamaulipas, Wood, GrupoR, BHP, Shell, Premier Oil, ISME, Arendal, ICA Fluor, McDermott, Subsea 7 and Equinor.

The event closed with a formal announcement of the MOU between EIC Houston and the British Chamber of Mexico, with each organisation becoming media partners for Mexico events. Sponsors included Turner & Townsend, iPS Powerful People, Roxtec and Whittaker Engineering.

The region organised 55 training courses, business presentations and events, attracting 749 attendees in Rio and 694 in Houston. Market visits for events and delegations raised the company's profile in Brazil, Cuba, Mexico, and the US.

Office rental, virtual offices and Petrobras registration have all continued to produce sustained interest. Each of EIC's overseas offices provides our EICLaunchPad service allowing use of incubator offices, virtual offices, hot desks and meeting facilities.

### Financial review

The consolidated statement of financial activities is set out on page 13 and shows the income and deficit for the year. Income increased by 13% compared to the previous financial year from £7,341k to £8,267k and deficit on ordinary activities before tax reduced from a £409k to £8k. This income increase was across all revenue lines with the exception of catalogues and other income. The directors are satisfied with the results.

### Key performance indicators

The Board use the following key performance indicators to measure the performance and position of EIC:

	2019-2020	2018-2019
Income growth	13%	9.9%
Subscription income growth	10%	1.3%
Non-subscription income (as a percentage of total income)	47%	45.6%
Members at the year end	602	557

### Principal risks and uncertainties

The board regularly reviews the principal risks and uncertainties facing EIC and the procedures and policies that are needed to mitigate those risks. This is achieved through critical assessment of the company-maintained risk register at regular intervals. The main potential risks identified are a severe reduction in overall membership, and the complexities of conducting business and events overseas, allied with managing the business through unforeseen circumstances such as the recent COVID-19 outbreak.

Due to the way the membership contract is structured, EIC has sufficient lead time to take appropriate actions to mitigate the financial impact of a reduction in membership income. No commitments to overseas events expenditure are made where there is a financial exposure.

EIC recognises the importance of delivering high levels of service to retain and attract members. There has been a significant investment in new technologies to ensure that members have access to the latest industry information and events and can work in partnership with EIC to successfully promote their businesses.

Conducting business and events overseas are an important part of EIC and the board recognises the complexities of doing so. Procedures are in place to monitor the financial activities of overseas offices to control the planning and delivery of overseas events, and to ensure compliance with local legislation.



# Energy Industries Council

## Strategic report for the year ended 31 March 2020 (*continued*)

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### Reserves and investment policy

EIC's reserves are held in interest bearing accounts with differing maturity dates in financially strong banks whose credit ratings are regularly reviewed. There are no investments in equities, property or gilts.

Although EIC is a not-for-profit organisation, it is managed on a sound commercial basis with all events expected to make a small financial surplus which is reinvested in additional membership services. Any year-end surpluses are transferred to reserves.

### Future developments

While the main purpose of this report is to review our activities and financial performance during the 2019-20 financial year, it also presents an opportunity to preview the key developments planned for the next financial year.

With our EICSupplyMap database, which lists approximately 3,500 UK energy supply chain companies covering all energy sectors and business capabilities, now fully operational, we have been receiving a lot of interest from UK and Scottish governments to collaborate with us during 2020-21 in support of the development of a proposed energy transition strategy.

With the help of our new President Campbell Keir we are also exploring ways to support the government by helping to devise several industry wide initiatives across the UK to raise EIC's voice on behalf of its members, including to increase export success and maximise UK content in the development of new technologies ahead of COP26.

We recognise the increased need for flexibility in light of COVID-19 and are already actively hosting virtual events, which will continue to 2021. Indeed, in just the first 10 weeks of lockdown, we hosted 3000 delegates over 30 webinar events. Our virtual Energy Exports Conference (vEEC) at the end of September 2020, based on a new online platform, will host 20 delegations creating \$500bn worth of project opportunities. The conference will continue to be highly collaborative and fully supported by our partners DIT and SDI among others.

As large face-to-face events gradually return at the end of 2020 and into 2021 we will innovate how we host our Connect events and UK pavilions based on a safely designed hybrid model encompassing webinar functionality, but which will also allow members to network safely and directly with key stakeholders and potential new customers.

We have witnessed high demand by EIC members for highly tailored insight services. To meet this increased demand, we have launched a new service, EIC Inform, based on our data, insights and networks, which can only grow in demand and importance in 2021. This service will also be made available to non-members as a means to increase revenues allowing re-investment into further member benefits.

Lastly, we are excited to have launched a new Operator Membership category this year based on EICSupply Map and energy transition insights. Aimed at asset owners and project developers, we expect to get our first-ever operator member signing in the new year.

### Approved by the Board

S R Broadley  
**Chief Executive**

Date

# Energy Industries Council

## Report of the directors for the year ended 31 March 2020

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The directors present their report together with the audited financial statements for the year ended 31 March 2020.

### Results

The statement of consolidated financial activities is included on page 13 and shows the deficit for the year.

### Financial instruments

The Board constantly monitors EIC's risks and exposures to price risk, credit risk, liquidity risk and cash flow risk.

EIC takes precautions against the risk of exchange rate losses on overseas exhibitions and trade delegations by allowing a suitable difference between the exchange rate current at the time of launching the exhibition or trade mission and the rate used for the purposes of costing the event. Forward purchasing of foreign currencies further mitigates the risk as appropriate.

EIC's policy in respect of credit risk is to require appropriate credit checks for companies on admission to membership.

### Directors

The directors of the company during the year were:

O H Saville	(Chairman)
S R Broadley	(Chief Executive)
E Ager	
R Bianchi	
P J Cassidy	(resigned 16 June 2020)
S Cowie	
A Cuniah	
J A T H Emerton	
M Layfield	(appointed 5 December 2019)
L Ledgard	
I R Molloy	
G O'Hare	
J Ward	(resigned 25 February 2020)
C T White	(resigned 26 March 2020)

### Existence of branches of the company outside the United Kingdom

The parent company has branches in Brazil and the United Arab Emirates.

# Energy Industries Council

## Report of the directors for the year ended 31 March 2020 (*continued*)

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### Directors' responsibilities statement

The directors are responsible for preparing the strategic report, report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 Group and Company and of the surplus or deficit of the Group for that period.

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

- select suitable accounting policies for the Group and Company and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the on-going integrity of the financial statements contained therein.

### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office. Under the Companies Act 2006 section 487(2) they will be automatically re-appointed as auditors 28 days after these accounts are sent to the members, unless the members exercise their rights under the Companies Act 2006 to prevent their re-appointment.

### On behalf of the Board

S R Broadley  
Chief Executive

Date

# Energy Industries Council

## Independent auditor's report

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### TO THE MEMBERS OF ENERGY INDUSTRIES COUNCIL

#### Opinion

We have audited the financial statements of Energy Industries Council (“the Parent Company”) and its subsidiaries (“the Group”) for the year ended 31 March 2020 which comprise Consolidated statement of financial activities and retained reserves, the Consolidated balance sheet, the Consolidated statement of changes in equity, the Company balance sheet, the Company statement of changes in equity and the Consolidated cash flow statement, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice)

In our opinion:

- the financial statements give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 March 2020 and of the Group’s deficit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or Parent Company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Consolidated Report and financial statements, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

# Energy Industries Council

## Independent auditor's report (*continued*)

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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 Foreword by the Chairman, the Strategic report and the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the report of the directors.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Directors**

As explained more fully in the Report of the directors, the Directors 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 Directors 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 Directors are responsible for assessing the Group's and the Parent 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 Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

# Energy Industries Council

## Independent auditor's report (*continued*)

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### **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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Parent 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 Parent Company's members those matters we are required to state to them in an auditor's 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jack Draycott (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK

[Date]

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Energy Industries Council

## Consolidated statement of financial activities and retained reserves for the year ended 31 March 2020

	Note	2020 £	2019 £
<b>Income</b>	3	<b>8,267,049</b>	7,341,494
Cost of sales		<b>(2,726,577)</b>	(2,379,848)
<b>Gross surplus</b>		<b>5,540,472</b>	4,961,646
Administrative expenses		<b>(5,586,594)</b>	(5,408,048)
<b>Operating deficit</b>	4	<b>(46,122)</b>	(446,402)
Bank interest receivable		<b>38,003</b>	37,067
<b>Deficit on ordinary activities before taxation</b>		<b>(8,119)</b>	(409,335)
Tax charge on deficit from ordinary activities	7	<b>–</b>	(15,913)
<b>Deficit for the year</b>		<b>(8,119)</b>	(425,248)
<b>Other comprehensive income</b>			
Currency translation differences		<b>21,015</b>	27,357
<b>Total comprehensive income / (loss)</b>		<b>12,896</b>	(397,891)
Opening reserves		<b>3,738,126</b>	4,136,017
<b>Closing reserves</b>		<b>3,751,022</b>	3,738,126

All amounts relate to continuing activities.

The notes on pages 19 to 29 form part of these financial statements.

# Energy Industries Council

## Consolidated balance sheet at 31 March 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	8		<b>324,927</b>		313,530
<b>Current assets</b>					
Debtors	11	<b>1,612,667</b>		1,833,739	
Other investments	12	<b>1,008,817</b>		–	
Cash at bank and in hand		<b>3,451,888</b>		4,528,492	
			<b>6,073,372</b>	6,362,231	
<b>Creditors: amounts falling due within one year</b>					
	13	<b>(2,404,742)</b>		(2,723,712)	
<b>Net current assets</b>			<b>3,668,630</b>		3,638,519
<b>Total assets less current liabilities</b>			<b>3,993,557</b>		3,952,049
<b>Provisions for liabilities and charges</b>					
	15		<b>(242,535)</b>		(213,923)
			<b>3,751,022</b>		3,738,126
<b>Reserves</b>					
Profit and loss account			<b>3,751,022</b>		3,738,126

The financial statements were approved and authorised for issue by the board and signed on its behalf by

I R Molloy  
Director

Date

The notes on pages 19 to 29 form part of these financial statements.



# Energy Industries Council

## Consolidated statement of changes in equity for the year ended 31 March 2020

	Profit and loss account £
Balance as at 1 April 2018	4,136,017
<i>Comprehensive income for the year</i> Deficit for the year	(425,248)
<i>Other comprehensive income for the year</i> Currency translation differences	27,357
Total comprehensive loss for the year	(397,891)
<b>Balance as at 31 March 2019</b>	<b>3,738,126</b>
<i>Comprehensive income for the year</i> Deficit for the year	(8,119)
<i>Other comprehensive income for the year</i> Currency translation differences	21,015
Total comprehensive income for the year	12,896
<b>Balance as at 31 March 2020</b>	<b>3,751,022</b>

The notes on pages 19 to 29 form part of these financial statements.

# Energy Industries Council

## Company balance sheet at 31 March 2020

<i>Company number 00493459</i>	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	9		<b>240,693</b>		234,187
Investments	10		–		646
			<u>240,693</u>		<u>234,833</u>
<b>Current assets</b>					
Debtors	11	<b>1,612,667</b>		1,771,949	
Other investments	12	<b>1,008,817</b>		–	
Cash at bank and in hand		<b>3,001,888</b>		4,465,707	
		<u>5,623,372</u>		<u>6,237,656</u>	
<b>Creditors: amounts falling due within one year</b>	13	<b>(2,469,127)</b>		(2,964,931)	
		<u>3,154,245</u>			<u>3,272,725</u>
<b>Net current assets</b>			<u>3,154,245</u>		<u>3,272,725</u>
<b>Total assets less current liabilities</b>			<u>3,394,938</u>		<u>3,507,558</u>
<b>Provisions for liabilities and charges</b>	15		<b>(227,466)</b>		(199,310)
			<u>3,167,472</u>		<u>3,308,248</u>
<b>Reserves</b>					
Profit and loss account			<u>3,167,472</u>		<u>3,308,248</u>

The parent company deficit for the financial year was £140,776 (2019 – £472,536).

The financial statements were approved and authorised for issue by the board and signed on its behalf by

I R Molloy  
Director

Date

The notes on pages 19 to 29 form part of these financial statements.

# Energy Industries Council

## Company statement of changes in equity for the year ended 31 March 2020

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	Profit and loss account £
Balance as at 1 April 2018	3,780,784
Deficit for the year	(472,536)
<b>Balance as at 31 March 2019</b>	<b>3,308,248</b>
<b>Deficit for the year</b>	<b>(140,776)</b>
<b>Balance as at 31 March 2020</b>	<b>3,167,472</b>

The notes on pages 19 to 29 form part of these financial statements.

# Energy Industries Council

## Consolidated cash flow statement for the year ended 31 March 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
<b>Surplus / (deficit) for the financial year</b>		<b>(8,119)</b>	<b>(425,248)</b>
Adjustments for:			
Depreciation of tangible fixed assets		185,826	227,590
Taxation expense		–	15,913
Interest receivable		(38,003)	(37,067)
Net fair value loss recognised in the income statement		7,471	(61,083)
Decrease in debtors		214,457	288,099
Decrease in creditors		(317,658)	(12,281)
Increase in provisions		(28,612)	(24,504)
Foreign exchange movements		86,249	8,639
		<hr/>	<hr/>
<b>Cash from operations</b>		<b>101,611</b>	<b>(19,942)</b>
Interest receivable and similar income		38,003	37,067
Corporation tax paid		(12,774)	(27,853)
		<hr/>	<hr/>
<b>Net cash generated from operations</b>		<b>126,840</b>	<b>(10,728)</b>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible fixed assets		(194,627)	(87,733)
Cash outflow on term deposits		(1,008,817)	–
		<hr/>	<hr/>
<b>Net cash outflow from investing activities</b>		<b>(1,203,444)</b>	<b>(87,733)</b>
		<hr/>	<hr/>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(1,076,604)</b>	<b>(98,461)</b>
Cash and cash equivalents at the beginning of the year		4,528,492	4,626,953
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of the year</b>		<b>3,451,888</b>	<b>4,528,492</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Cash and cash equivalents comprise</b>			
Cash at bank and in hand		3,451,888	4,528,492
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 29 form part of these financial statements.

# Energy Industries Council

## Notes forming part of the financial statements for the year ended 31 March 2020

### 1 Accounting policies

Energy Industries Council is a company limited by guarantee incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value through profit or loss.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies.

The following principal accounting policies have been applied:

#### *Basis of consolidation*

The group accounts consolidate the financial statements of the company and its subsidiary undertakings, EICUK (Houston) Inc, and The EIC Energy Market Intelligence (Asia Pacific) Sdn. Bhd., made up to 31 March in each year.

No statement of financial activities is presented for the company in accordance with s408 of the Companies Act 2006. The amount of deficit after tax dealt with in the financial statements of the holding company was £140,776 (2019 - £472,536).

#### *Going concern and COVID-19*

The Directors have reviewed the Group's cash flow forecasts and profit projections for a period covering at least twelve months from the date of approving the financial statements.

The Directors have also considered the potential impact to the business from the effects of the current pandemic (COVID-19) and have put in place plans to mitigate the currently known, and potential risks to business continuity.

The events teams were mostly impacted by COVID-19 and all face-to-face events including UK pavilions had to be cancelled or postponed. In order to respond to the risk over business continuity, the Group switched from face-to-face to webinar events and the Group has been able to continue to service their customers throughout the lockdown period.

The Directors note that membership income remained stable in light of the pandemic and it is anticipated that this area of the business will continue to remain stable in the near future.

The Directors do not believe that there is any material risk to income or cashflows and on this basis, the Directors anticipate that the Group will continue to be able to meet its business obligations as they fall due over the coming twelve months. The Directors therefore consider it appropriate to continue to prepare the financial statements on a going concern basis.

#### *Income*

Income, being membership fees, exhibitions and other activities provided by Energy Industries Council, represent invoiced amounts less value added tax, or local taxes on sales. Membership income is recognised in the profit and loss in the year to which it relates. Cash receipts and payments which relate to overseas exhibitions and seminars are recognised as income and expenditure in the year in which the event takes place.

# Energy Industries Council

## Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

### 1 Accounting policies (*continued*)

#### *Tangible fixed assets*

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

#### *Depreciation*

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Office equipment	-	20%
Computer equipment	-	30%-33%
Leasehold improvements	-	Term of the lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the consolidated statement of financial activities.

The cost of tangible fixed assets includes an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, where such obligations exist, for example under the terms of a property lease. A provision is simultaneously recorded for such estimated costs.

#### *Pensions*

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable. The assets of the scheme are held separately in an independently administered fund.

#### *Foreign currency translation*

##### *(a) Functional and presentation currency*

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'sterling', which is the company's functional and the group's presentation currency.

The results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

##### *(b) Transactions and balances*

Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

# Energy Industries Council

## Notes forming part of the financial statements for the year ended 31 March 2020 (*continued*)

### 1 Accounting policies (*continued*)

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

#### *Leased assets*

All leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

#### *Financial assets*

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial assets measured at fair value through profit or loss comprise forward exchange contracts.

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

#### *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgement to:

- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets, the underlying cash generating units and the subsidiaries.
- Recognise dilapidations and severance provisions. The judgement's, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors.
- Treat the cancellation of the OTC event as a non-adjusting event after the reporting date. Factors taken into consideration in reaching such a decision include the willingness of both, customers and event organisers to continue with the event at the balance sheet date.

#### *Other key sources of estimation uncertainty*

- Tangible fixed assets (note 8 and 9)

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The lives of assets and residual values are assessed annually with factors such as the use of each asset.

# Energy Industries Council

## Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

### 3 Income

Income, which is stated net of value added tax, represents amounts invoiced to third parties. All income arises from continuing activities. An analysis of the income by activity and geographical market is below:

<i>Analysis by market</i>			2020 £	2019 £
United Kingdom			7,661,563	6,737,371
Rest of the world			605,926	604,123
			<u>8,267,049</u>	<u>7,341,494</u>
<i>Analysis by activity</i>	Income 2020 £	Deficit before tax 2020 £	Income 2019 £	Deficit before tax 2019 £
Subscriptions	4,372,996	4,372,996	3,974,881	3,974,881
Activities	815,352	315,343	813,332	237,008
Overseas exhibitions	2,844,028	617,460	2,294,030	490,426
Catalogue	–	–	2,297	2,297
Other income	234,673	234,673	256,954	256,954
	<u>8,267,049</u>	<u>5,540,472</u>	<u>7,341,494</u>	<u>4,961,646</u>
Common costs		(5,586,594)		(5,408,068)
Common income		38,003		37,067
		<u>(8,119)</u>		<u>(409,335)</u>

### 4 Operating deficit

This has been arrived at after charging / (crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	185,826	227,590
Hire of other assets - operating leases	487,444	487,444
Auditor's remuneration - audit services	25,000	25,000
Auditor's remuneration - non audit services	15,800	32,496
Foreign currency exchange losses / (gains)	60,717	(52,842)
Net fair value loss / (gain) recognised	7,741	(61,083)
	<u>185,826</u>	<u>227,590</u>
	<u>487,444</u>	<u>487,444</u>
	<u>25,000</u>	<u>25,000</u>
	<u>15,800</u>	<u>32,496</u>
	<u>60,717</u>	<u>(52,842)</u>
	<u>7,741</u>	<u>(61,083)</u>



# Energy Industries Council

## Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

### 5 Employees

	2020 £	2019 £
Staff costs (including directors) consist of:		
Wages and salaries	3,156,084	2,799,106
Social security costs	262,847	238,879
Other pension costs - money purchase pension scheme	142,624	113,254
	<u>3,561,555</u>	<u>3,151,239</u>

The average monthly number of employees (including directors) during the year was as follows:

	2020 Number	2019 Number
Membership services	65	56
Administration	7	7
	<u>72</u>	<u>63</u>

### 6 Directors' remuneration

	2020 £	2019 £
Directors' emoluments	300,421	288,954
Company contributions to money purchase pension schemes	20,696	20,093
	<u>321,117</u>	<u>309,047</u>

There were 2 directors in the company's defined contribution pension scheme during the year (2019 - 2).

The highest paid director received remuneration of £175,263 (2019 - £168,989)

Company pension contributions of £12,174 (2019 - £11,819) were made to a money purchase pension scheme on their behalf.

# Energy Industries Council

Notes forming part of the financial statements  
for the year ended 31 March 2020 (*continued*)

7 Taxation charge on surplus from ordinary activities	2020 £	2019 £
<i>Current tax</i>		
UK corporation tax in respect of current year	-	-
Overseas taxation	-	23,968
Adjustment in respect to previous period	-	-
	<hr/>	<hr/>
Total current tax (credit) / charge	-	23,968
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	(8,054)
Effect of tax rate changes	-	-
	<hr/>	<hr/>
Taxation on surplus on ordinary activities	-	15,913
	<hr/> <hr/>	<hr/> <hr/>
	<b>2019 £</b>	<b>2019 £</b>
Deficit on ordinary activities before tax	<b>(8,119)</b>	<b>(409,335)</b>
	<hr/>	<hr/>
Deficit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2019 - 19%)	<b>(1,543)</b>	<b>(77,774)</b>
Effects of:		
Expenses not deductible for tax purposes	<b>1,543</b>	5,198
Difference between depreciation and capital allowances	-	7,720
Deferred tax movement	-	-
Adjustments in deferred tax rates	-	9,977
Adjustment in respect to previous period	-	-
Tax losses carried back	-	-
Deferred tax not recognised	-	66,916
Relief for Overseas Taxation	-	(8,936)
Difference in overseas tax rates	-	2,936
	<hr/>	<hr/>
UK Tax Liability	-	6,037
	<hr/>	<hr/>
Overseas taxation suffered	-	9,876
Total tax charge for the year	-	15,913
	<hr/> <hr/>	<hr/> <hr/>

# Energy Industries Council

Notes forming part of the financial statements  
for the year ended 31 March 2020 (*continued*)

## 8 Tangible fixed assets

Group	Office equipment £	Leasehold improvements £	Computer equipment £	Total £
<i>Cost</i>				
At 1 April 2019	571,679	858,324	1,504,590	2,934,593
Additions	17,322	2,156	175,149	194,627
Foreign exchange adjustment	(963)	(1,596)	2,386	(174)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	<b>588,038</b>	<b>858,884</b>	<b>1,682,125</b>	<b>3,129,046</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 April 2019	539,384	748,170	1,333,509	2,621,063
Charge for the year	19,655	87,300	78,869	185,826
Foreign exchange adjustment	(1,838)	(3,239)	2,309	(2,768)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	<b>557,201</b>	<b>832,231</b>	<b>1,414,687</b>	<b>2,804,119</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2020	<b>30,837</b>	<b>26,653</b>	<b>267,438</b>	<b>324,927</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2019	32,295	110,154	170,081	313,530
	<hr/>	<hr/>	<hr/>	<hr/>

# Energy Industries Council

Notes forming part of the financial statements  
for the year ended 31 March 2019 (*continued*)

## 9 Tangible fixed assets

<b>Company</b>	<b>Office equipment £</b>	<b>Leasehold improvements £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<i>Cost</i>				
At 1 April 2019	437,717	762,173	1,384,578	2,584,469
Additions	635	2,156	140,971	143,762
Foreign exchange adjustment	(6,856)	(4,837)	(3,118)	(14,811)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	<b>431,496</b>	<b>759,492</b>	<b>1,522,431</b>	<b>2,713,420</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 April 2019	431,900	688,047	1,230,335	2,350,282
Charge for the year	3,363	76,267	57,209	136,839
Foreign exchange adjustment	(6,664)	(4,822)	(2,908)	(14,394)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2020	<b>428,599</b>	<b>759,492</b>	<b>1,284,636</b>	<b>2,472,727</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2020	<b>2,987</b>	<b>–</b>	<b>154,244</b>	<b>240,693</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2019	5,817	74,126	154,244	234,187
	<hr/>	<hr/>	<hr/>	<hr/>

## 10 Fixed assets investments

<b>Company</b>	<b>Unlisted Investments 2020 £</b>	<b>Unlisted Investments 2019 £</b>
Investment in subsidiaries	–	646
	<hr/>	<hr/>

The investments are in wholly-owned subsidiary undertakings, EICUK (Houston) Inc., a company incorporated in the USA and The EIC Energy Market Intelligence (Asia Pacific) SDN BHD, a company incorporated in Malaysia.

Their principal activities are the same as those of the company.

# Energy Industries Council

Notes forming part of the financial statements  
for the year ended 31 March 2020 (*continued*)

## 11 Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	424,622	301,875	412,835	291,580
Corporation Tax	30,913	37,528	–	36,129
VAT receivable	63,753	–	58,962	–
Other debtors	146,379	171,708	127,420	148,320
Prepayments	230,076	338,120	208,515	320,877
Event expenses paid in advance	716,924	984,508	708,501	975,043
	<u>1,612,667</u>	<u>1,833,739</u>	<u>1,516,233</u>	<u>1,771,949</u>

## 12 Other investments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Term deposits	1,008,817	–	1,008,817	–
	<u>1,008,817</u>	<u>–</u>	<u>1,008,817</u>	<u>–</u>

Other investments are term deposits held with the Group's bank that have original maturities of greater than three months, but less than one year.

## 13 Creditors: amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	176,892	281,345	174,680	268,025
Other taxes and social security	84,699	73,230	84,699	73,230
Corporation Tax	6,159	–	6,159	–
Amounts owing to group companies	–	–	169,058	350,269
Other creditors	231,755	251,000	215,196	233,086
Accruals	351,222	187,958	305,531	159,820
Annual subscriptions and event income received in advance	1,554,015	1,930,179	1,513,804	1,880,501
	<u>2,404,742</u>	<u>2,723,712</u>	<u>2,469,127</u>	<u>2,964,931</u>

# Energy Industries Council

Notes forming part of the financial statements  
for the year ended 31 March 2020 (continued)

## 14 Financial instruments

The group's and company's financial instruments may be analysed as follows;

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
<b>Financial assets</b>				
Financial assets measured at fair value through profit and loss				
Financial assets measured at amortised cost	571,001	473,583	540,255	439,900
<b>Financial liabilities</b>				
Financial liabilities measured at fair value through profit and loss	7,471	14,043	7,471	14,043
Financial liabilities measured at amortised cost	837,096	720,303	9,41,694	1,011,200

Financial assets measured at amortised cost comprise trade debtors and certain other debtors. Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

The group and company has entered into forward exchange contracts for \$1,500,000 (2019 - \$550,000) at fixed rates expiring on 14 September 2020 which have been accounted for as financial liabilities measured at fair value through profit and loss. At 31 March 2020, the fair value of these forward commitments was £7,471 (2019 - £14,043) and this amount has been included in other creditors (note 12).

## 15 Provisions for liabilities and charges

Group	Deferred tax £	Property dilapidations £	Severance liabilities £	Total £
At 1 April 2019	11,269	143,596	59,058	213,923
Foreign exchange adjustment	–	(2,201)	3,207	1,006
Movement in provision	–	–	27,606	27,606
At 31 March 2020	11,269	141,395	89,871	242,535
Company	Deferred tax £	Property dilapidations £	Severance Liabilities £	Total £
At 1 April 2019	5,090	135,162	59,058	199,310
Foreign exchange adjustment	–	(2,657)	3,207	550
Movement in provision	–	–	27,606	27,606
At 31 March 2020	5,090	132,505	89,871	227,466

Property dilapidations represent the estimated amounts due at the end of operating lease agreements. Severance liabilities represent an estimate of employment costs due under certain jurisdictions, based on conditions that exist at the balance sheet date; they unwind when the employees leave the group.

# Energy Industries Council

## Notes forming part of the financial statements for the year ended 31 March 2020 (continued)

### 15 Provisions for liabilities and charges (continued)

An analysis of deferred taxation is as follows:

	<b>Group 2020</b>	Group 2019	<b>Company 2020</b>	Company 2019
	£	£	£	£
Accelerated capital allowances	<b>11,269</b>	11,269	<b>5,090</b>	5,090

The group has unprovided deferred tax assets of £ 147,684 (2019 - £147,684) relating to tax losses brought forward and £46,950 (2019 - £46,950) relating to other timing differences. The deferred tax assets have not been recognised due to the uncertainty over the timing and extent of the reversal.

### 16 Commitments under operating leases

The Group and Company had total future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2020</b>	<b>Group 2019</b>	<b>Company 2020</b>	<b>Company 2019</b>
	£	£	£	£
Within one year	<b>172,709</b>	363,757	<b>113,277</b>	291,356
Within two to five years	<b>42,327</b>	130,193	–	28,433
	<b>215,036</b>	493,949	<b>113,277</b>	319,789

### 17 Related party transactions

Certain directors of the company are also directors of companies that are members of the Council. During the year, these companies paid subscription fees and in some cases also paid for attendance at conferences and other member services. Given the nature of the company's activities and the make-up of its board of directors, these transactions are a normal part of trading.

Key management personnel comprises all directors who together have authority and responsibility for planning, directing and controlling the activities of the company.

The total compensation paid to key management personnel for services provided to the group was £300,421 (2019 - £286,954), as shown in note 6.

### 18 Subsequent events

Subsequent to the year end the COVID-19 pandemic has expanded rapidly in the United States, having a direct impact on the planned OTC event scheduled to take place on 5 May 2020. The event has since been cancelled and the Group are in the process of refunding attendees of the event in line with the Group's refund policy. The estimated financial impact of the cancellation of the event was an adverse effect of approximately £26k to the Group's surplus.

# Energy Industries Council

Detailed consolidated statement of financial activities  
for the year ended 31 March 2020

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The following pages do not form part  
of the statutory financial statements  
for the year ended 31 March 2020



# Energy Industries Council

## Detailed consolidated statement of financial activities for the year ended 31 March 2020

	2020 £	2019 £
<b>Income</b>		
Annual subscriptions	4,372,996	3,974,881
Regional UK activities	153,776	113,471
Strategic events	395,462	361,438
Overseas activities	2,844,028	2,294,030
Regional overseas activities	241,240	299,741
Training	24,874	38,682
Publications	–	2,297
Rental income	234,673	256,954
	<u>8,267,049</u>	<u>7,341,494</u>
<b>Cost of sales</b>		
Regional UK activities	20,855	47,458
Strategic events	329,778	324,800
Overseas activities	2,226,567	1,803,603
Regional overseas activities	134,090	186,776
Training	15,286	17,211
	<u>2,726,576</u>	<u>2,379,848</u>
<b>Gross surplus</b>		<u>4,961,646</u>
<b>Expenditure</b>		
Salaries and related staff costs	3,561,036	3,242,682
Office rent, rates, insurance, heating, lighting	671,904	705,759
Stationery and postage	37,644	65,457
Telephone, Internet and communications	120,979	120,438
Subscriptions and trade publications	83,611	56,075
Repairs and maintenance	50,401	46,142
IT Support	277,031	286,409
Travel and subsistence	272,468	307,297
Legal and professional	198,565	275,584
Depreciation	187,905	227,590
Marketing and public relations	15,497	52,362
Recruitment, training and seminars	9,217	18,386
Bad debts	39,619	29,349
Exchange losses / (gains)	60,717	(25,482)
<b>Total expenditure</b>	<u>5,586,594</u>	<u>5,408,048</u>

# Energy Industries Council

## Detailed consolidated statement of financial activities for the year ended 31 March 2020 (*continued*)

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	2020 £	2019 £
<b>Operating (deficit) / surplus</b>	<b>(46,122)</b>	(446,602)
Bank interest receivable	<b>38,003</b>	37,067
	<b>(8,119)</b>	(409,335)
Corporation tax charge	–	(15,913)
<b>(Deficit) / Surplus for the year</b>	<b>(8,119)</b>	(425,248)