

Energy Industries Council

(a company limited by guarantee)

Consolidated Report and Financial Statements

Year Ended

31st March 2023

Company Number 00493459

Energy Industries Council

Report and financial statements
for the year ended 31 March 2023

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Directors

A Cuniah	(Chairman)	N Golding
S R Broadley	(Chief Executive)	T le Guen Dang
K Al Qubaisi		
S Antonovic		M Layfield
A Aston		L Ledgard
A Bennion		I R Molloy
A Caulliez-Louis		M Morais
D Clark		

Secretary and registered office

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

Company number

00493459

Auditors

Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP

Energy Industries Council

Foreword by the Chairman

In 2022, we saw further unpredictable events that had a profound impact in the UK and across the world, including the invasion of Ukraine by Russia, the microchip crisis, the return of inflation, and Queen Elizabeth II's demise and the crowning of King Charles III. Three years after COVID burst onto the scene though, the world appears to have turned the corner on the first global pandemic in a century and we see our members travelling, growing, winning, investing and enjoying face to face meetings and networking once again.

To the Energy Industries Council (EIC), 2023 marks our 80th anniversary, the oak jubilee, and we opened the year commemorating this achievement, as the go-to energy supply chain trade association globally. The EIC was founded in 1943 by 13 British petroleum equipment manufacturers. In the last 80 years, the organisation has grown to a membership of over 900 and moved beyond oil and gas to become fully energy agnostic in 1981, expanding its coverage to include the entire energy industry. Today, EIC members work in diverse markets, including renewables, nuclear, hydrogen, carbon capture, power, and oil and gas.

A memorable occasion occurred on 3 February 2023 in Aberdeen, where members of the EIC leadership celebrated the Oak Anniversary by planting an oak tree in Aberdeen, symbolising the organisation's deep roots in the UK, and our continued ambitions to grow globally. We went on to host a series of 80th anniversary events around the world, such as a 1940's themed cocktail party on 20 April 2023 at the Dorchester Hotel in London, welcoming many dear guests. The inspiration for this theme arose from the council's early AGMs in the 1940s, which were always followed by a cocktail party at the Dorchester Hotel.

On 15 August 2023, many of our UK team took part in the 80 for 80 Walkathon in London. The 80km walkathon, to recognize our 80 years, took 20 hours and raised funds for the National Trust's tree planting campaign, and was a fun opportunity for our staff to get together and support environmental sustainability.

At the beginning of 2023, Hugh Saville, our EIC Chairman since 2017, announced his retirement. A close friend and avid supporter of the EIC, and the finest person one can know, Hugh retired after nearly 20 years of service, leaving an impressive legacy. At our April 2023 Board Meeting I was honoured to be nominated and appointed as EIC's new Chairman.

In Q1 2023, the EIC appointed new membership managers in Saudi Arabia, Indonesia and in Macae and Sao Paulo in Brazil, as part of our ongoing campaign to expand our membership in all the world's key energy hubs.

As if 80 Years was not enough to celebrate, on 21 April 2023, EIC was awarded the King's Award for Enterprise: International Trade, in recognition of its outstanding contribution to UK exports. The King's Award for Enterprise is the UK's most prestigious official recognition for business excellence. Since its establishment in 1965, it has been awarded to companies that exhibit exceptional accomplishments in international trade, innovation and sustainable development. The EIC was selected for the award in recognition of its global growth and work to support its members in expanding their international business.

On 6-7 June 2023, the EIC hosted the Energy Export Conference (EEC) at P&J Live in Aberdeen. This year we had nearly 2,000 registered attendees, more than 80 speakers and 48 exhibitors, which made EEC2023 the biggest energy supply chain conference we have held so far. At the event, we were honoured and extremely pleased to host many international delegations, including a large delegation from Aramco.

Finally, published in July 2023, the seventh EIC Survive & Thrive Insight Report is our biggest yet, with 96 energy supply companies, all EIC members, participating in the analysis, 50% up on the 2022 Report. Truly representing the global nature of the EIC membership. The Report showcases inspiring success stories from an amazingly diverse range of companies, ranging from the largest engineering companies, manufacturers and EPCs, to the smallest SMEs and everything in between and from more regions of the world than ever.

To close, I invite you to read the past year's Chairman's statement, as I did recently, and think about what you read and what you are reading today here. I am confident our conclusion is very similar, if not the same: a growing company in its total capacity, with amazing people doing great work, proud to contribute to the energy industries and society as a whole.

A Cuniah

Chairman

The Energy Industries Council

Energy Industries Council

Strategic report for the year ended 31 March 2023

The directors present their report together with the audited financial statements for the year ended 31 March 2023.

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 objective of EIC is to identify global business opportunities for members from across the entire energy spectrum, and to support their business development activities through the provision of business information, data, insight, events, networking and promotional services. Additionally, and increasingly so, EIC works with governments to enable policy developments which benefit the energy supply chain.

EIC's head office is in central London. EIC's international offices are in Dubai, Houston, Kuala Lumpur (KL) and Rio de Janeiro, where our teams gather intelligence on worldwide projects, organise business events and trade delegations, grow and manage international member networks and provide regional support to members. It is intended over time that each international office will be self-funding.

Details of EIC events and activities, business opportunities and industry news are accessible to members via EIC's website, which has been redesigned and relaunched.

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 13,600 active and future projects worldwide valued at over US\$13.5trn, and 23,250 archived and cancelled 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, a new 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. During the financial year 2022-23 the global mapping of assets was completed with the exception of Russia and China. The database provides information on over 45,000 energy assets that are currently in operation.

EIC organises and hosts UK and EIC pavilions 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 various banners, including EIC Connect, North Sea Decarbonisation Conference, APAC Energy Conversations and Energy Exports Conference (EEC) banners.

EIC is an accredited trade challenge partner with Department for Business and Trade (DBT) with whom EIC has a close working relationship and many partnership arrangements in place that are beneficial to members.

Through its annual Supplier Guide (formerly the Procurement Guide), EIC acts as a conduit for global buyers to locate energy industry products and services. During 2020 the EIC released its third database, EICSupplyMap, replacing the Procurement Guide during 2020/21. This up-to-date and verified database of more than 3,500 UK energy supply chain companies provides unparalleled insight into the UK's capabilities.

During 2022-23 the EICSupplyMap completed the gathering of information on the supply chain capabilities across the energy sectors in Brazil, Malaysia, UAE and Texas, with data made available to members at the beginning of 2023-24. During the 2023-24 year the global expansion will continue with the supply chain capabilities being mapped for countries including Saudi Arabia, Germany and Singapore.

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Strategic report for the year ended 31 March 2023

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.

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), chief financial officer (CFO) and Director, Market Intelligence (DMI) are appointed by the board, are directors and are permanent salaried employees of EIC. The CEO leads a management and staff team of 110 based in the UK and overseas. All directors except the CEO, CFO and DMI are non-executive.

Business review

Membership

The membership team has continued to perform well in our quest to reach 1000 members. The UK team has four full time membership managers whose roles and responsibilities have broadened. They continue to work and mentor new membership managers across the world introducing them to the products and services we provide for our members. This year they have taken on responsibility for Northern Europe with each of the 4 UK membership managers taking responsibility for specific countries in that region.

The Head of Membership continues his role of co-ordinating the global membership team ensuring the team work collectively to achieve our aims and objectives. This year we have seen appointments in Europe, KL, Houston and Rio. Overseas membership continues to grow at pace and will at some point over the next 2/3 years overtake the number of UK members.

2022-23 saw over 200 new members recruited for the second year running reflecting the hard work of the whole global membership team. The resignation rate continued to fall allowing us to remain on track to achieve our goal of 1000 members by 2025/26.

This year we re-structured EICAssetMap pricing to simplify matters. We now offer a more streamlined pricing structure allowing members to have the choice of either EICDataStream or EICAssetMap for their main category of membership, but should they wish they have the option of both.

Survive and Thrive is now in its seventh year and continues to go from strength to strength. This year saw nearly 100 companies participate in what is fast becoming a world leading publication for energy companies to discuss growth strategies and challenges. The report is recognised as a critical tool to voice the needs and ideas of the energy sector globally, guiding decision making and allowing business owners and senior managers to learn about EIC members' best business strategies.

We continue to run two membership years concurrently (1 April – 31 March and 1 October – 30 September) the intention being that all new companies that join remain in membership for a minimum of 6 months allowing time for membership managers to work with them ensuring they are fully engaged and maximising EIC member benefits.

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Strategic report for the year ended 31 March 2023

Events

UK, Europe and International Trade

Following two challenging years due to COVID, 2022-23 has certainly seen things return to normal. Not only that but there is definitely an appetite for companies to get themselves back out there and international exhibitions are still seen as the key area for companies to showcase new products, engage with clients and buyers and network with peers. In fact, more shows were delivered in 2022-2023 than ever before, as well as adding some new clean tech shows to the event calendar and offering some additional new products as well.

We started the financial year returning to OTC Houston after 2 years, hosting half of our normal sized pavilion consisting of just over 20 companies. Shortly after OTC we once again worked with DBT in Brazil to recruit companies for the Brazil showcase, a trade delegation focusing on renewable energy in Rio.

The team turned once again to delivering EEC, but this time back to a physical show in Aberdeen in June 2022, after 2 years of running the show virtually. The event was a resounding success with 60+ speakers, incoming delegations from Azerbaijan, Africa, USA, Germany, UAE, Japan and more. We had over 800 attendees over the 2 days, and 22 exhibitors. EEC is a collaborative event, which is managed by EIC in partnership with DBT, Scottish Development International, North Sea Transition Authority, Decom Mission, Offshore Energies UK, Energy Transition Zone and UK Export Finance, as well as other supporting partners.

After EEC we geared up for a very busy September where we delivered 5 events: we hosted the UK pavilion at Gastech with 5 UK companies, but also worked with DMG to deliver their Hosted Buyer Programme and Procurement Meeting Place. We had 6 exhibitors join us at Oil and Gas Asia, 8 Exhibitors at Rio Oil and Gas, a great feat as we had not managed to get a group to Rio Oil and Gas since 2016. Finally, we finished off September with Wind Energy Hamburg with 18 exhibitors

In October we hosted the pavilion at a new event for EIC, Hydrogen Technology Expo Bremen with 7 exhibitors, this event will now become a permanent fixture on the International Trade calendar. November saw the true return of ADIPEC where we had 94 exhibitors as well as The Scottish Pavilion returning.

ADIPEC was the last event before Christmas. In January we returned to start the year supporting DBT on-site in UAE with a pavilion at World Future Energy Summit. In February we supported DMG at EGYPS. In March we were delighted to once again host the pavilion at Wind Expo Japan, but this time in person, for the first time since March 2020. We had 13 exhibitors in Japan with us with the show growing each year. We also attended Wind Energy Asia for the first time where we hosted 8 exhibitors.

So, all in all we had a great year and it is a relief to see that companies wish to engage again and return to in person events and travel. We have added new shows and continue to grow existing shows, which is a trend I think we will go into next year. Exciting times ahead!

During 2022-23 the UK & Europe team hosted 14 webinars, 21 live events, saw the return of the live National Awards Dinner, supported the EEC and attracted over 2,700 attendees to our events.

We have also built on our member only events, adding membership tours to our busy events calendar. These interactive sessions welcome attendees on a guided tour of unique energy sites to hear about the latest market sector updates and network with industry peers.

This year we also aim to host monthly events, which will focus on Hydrogen, Wind, CCUS, Decarbonising Oil & Gas, Energy Transition and Marine Energy. We also look forward to hosting the National Awards Dinner once again and continuing to develop our training programme with Energy Transition Advisory.

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Middle East, Africa, Russia & CIS

This financial year witnessed a record number of 36 events hosted across the region to over 1,200 attendees. A total of 21 events were held in a physical format including the continuation of our EIC Roundtable Series which commenced at the start of 2022. Our Africa and GCC Market & Project Update Webinars continue to be popular, regularly attracting an international audience where they take place on a quarterly basis.

Our first EIC Regional Award Ceremony was held on 13 October 2022 in Abu Dhabi; we hope to grow this event in the coming years extending this to a 'black tie' event. In addition, we held our inaugural EIC Oman event on 7 February 2023, which attracted 112 delegates representing over 60 different companies. A total of 7 sessions were held across the day with a wide range of speakers from government, operator, contractor and the SME community. Our UAE Connect event also took place during this financial year in May 2022 having been moved due to COVID restrictions from its original date in February 2022. This did not impact the number of participants, with over 200 attendees once again coming out to support this annual event.

We also introduced an EIC Luncheon and the continuation of our 'Business Opportunities With' series, where we were joined by McDermott in January 2023 presenting to over 50 attendees. The EIC Golf Day was successfully delivered in March 2023, where once again we were at full capacity with 100 registered golfers.

Due to the increasing number of events we have increased the capacity of our events team with an Events Manager and an Events Co-Ordinator in place to ensure that we continue to deliver a robust calendar of events into the next financial year.

Asia Pacific

The APAC Office in KL continues to expand in line with the increase in regional activities and amount of revenue and surplus generated. For 2022-23, KL has added 2 analysts, 2 membership managers and 2 events co-ordinators bringing the total staff in KL to 23 people. We continue the two-prong key strategies of serving our existing members and recruiting new members in the region, through our energy projects databases and organisation of relevant events. Through our events we were able to position EIC as a good platform for energy companies in the region to understand and strategize their business directions in line with energy transition and net zero commitments. We were also able to utilise our events to demonstrate to potential members the benefits of EIC membership via networking with high level and quality guests from the industry.

We were delighted that our events not only generated more revenue but also became an important source for membership leads. In 2022-23 we initiated new series of events such as 'Meet The Energy Players (MTEP)' and 'APAC Business Lounge', in addition to the regular annual events such as EIC APAC Breakfast, Iftar With EIC APAC and EIC APAC Christmas Party. We have also commenced monthly webinars with presentations by our own market analysts on topics such as Market Outlook for different regions and sectors of energy. We continue to engage with local and regional energy players and strike new collaborations with other associations in the region. Through the collaborations we hope to be able to organise EIC events in specific countries such as Singapore, Indonesia, India, Australia, China and Japan in the coming years for the purpose of expanding EIC membership in the region.

EIC KL is also actively working together with the Supply Map team in London to expand the content of the Supply Map database as this will facilitate our foray into new markets within the region and enable us to be in a strategic position to contribute towards recruitment of new members outside of Kuala Lumpur. For Singapore we have stationed one membership manager in the neighbouring Johor to increase the frequency of engagement with Singapore energy players and tap into the huge potential of new members from that country.

Our membership team has once again performed well throughout the year by exceeding the win targets set by the management in 2022-2023 and we hope to continue this trend in the following years by expanding our focus to outside of Kuala Lumpur. Among the initiatives on improving the retention rate are meet-and-greet sessions with existing members, online presentations of the latest market outlooks, highlighting promotion and advertisement opportunities for members in EIC publications, assisting members to be introduced to their prospective customers and organising regular networking sessions in selected cities within the region.

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Americas

The Americas region organised 56 business presentations, events and training courses, attracting almost 3,220 delegates across the region, consisting of 554 in Houston and 2,666 in Rio. We held our regional flagship event, EIC Connect Energy USA on 14 September 2022 in Houston covering O&G, Renewables and Energy Transition. We were joined by speakers from Bechtel, Wood, Victaulic, McDermott, Freeport LNG, ExxonMobil, Subsea7, AAL Shipping, Orsted, GE Renewable Energy, Burns & McDonnell, Ways2H, Worley, and Siemens. Through all these events, we continued to position the EIC as a leader in supporting the supply chain when it comes to energy transition and decarbonization, including being a source for membership leads. We were also invited to speak at several non-EIC events across the region highlighting our expertise in global market intelligence and supply chain representation. Although no in person delegations were held, we held market visits for events in Argentina, USA, Mexico, Brazil and Guyana. Furthermore, the Petrobras registration service has continued to produce sustained interest with a stable number of clients.

Both North and South America's teams focused on a member engagement exercise to ensure all members with a presence in the region were engaged on a regular basis thereby adding to EIC mailing lists, adding additional EICDataStream users, and obtaining new delegates who previously had not attended EIC events. We continued with the reorganized EIC Regional Advisory Board, North & Central America and welcomed 47 members to the Board, from across the energy sector and EIC membership. We received speakers from ExxonMobil, the University of Houston, and bp. In South America, the Regional Committee was implemented and hosted 4 meetings throughout the year with 22 professionals attending from member companies. Participation provides access to expertise, exclusive networking opportunities, and avenues to test strategic thinking. The purpose of the Board is to create a channel for new insights and advice on solving business challenges, and to explore new opportunities by stimulating robust, high-quality conversations.

With the COVID-19 pandemic coming to an end, the South America office introduced a brand new format of Breakfast events with 2 speakers at a time covering a wide range of topics while allowing space for suppliers to showcase their products. Speakers included companies such as Petrobras, Modec, Equinor, Subsea 7, SBM Offshore, Oceaneering, Trident Energy, 3R Petroleum, TotalEnergies, Wood, Neoenergia, Acelem, Noxis Energy, TechnipFMC, Enauta, PRIO, SLB, Origem Energia, Radix, Eneva, Ocyan and ANP. The agenda of virtual events remained a success through the webinars named "Brazil UK Energy Collaboration Forum" organised by the EIC in partnership with the British Chamber of Commerce in Brazil, aiming to be a forum of collaboration on the Energy sector between the United Kingdom and Brazil. Operators and contractors active in Brazil shared their activities, projects and business opportunities, followed by presentations from suppliers. The main objective was to develop the UK-Brazil partnership in the energy market, creating business opportunities for the supply chain. Topics involving Decarbonising, Decommissioning, Offshore Wind, Refining, FPSO's, Subsea, independent operators and renewables were discussed.

The Houston team currently consists of two membership managers, an office & events coordinator, and the Regional Director all based in Houston. Supporting from the Rio office, we have the Project Manager, Americas and the EIC Inform intern.

The strategy of choosing the Rio office as a hub to support EIC's global strategy has proven successful and this year the hub consisted of professionals to support the membership team, as well as analysts to support the delivery of the platforms such as EICAssetMap, EICDatastream for Americas, the expansion of EICSupplyMap and EIC Consult. Additionally, the Marketing team continued to be based in Rio with the Head of Marketing role as well as social media, graphic design, mailing and the EIC website. Finally, we increased our local headcount by hiring an additional Membership Manager.

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for the year ended 31 March 2023

Future developments

In 2021-2022 our reported future developments were grounded in the EIC mission statement, namely: “To be the go-to energy supply chain trade association, globally,” and the company's long-term and short-term objectives are associated with this. Here we outline EIC future developments based on the three short-term strategic objectives to be completed in 2023.

Celebrating our 80th anniversary - EIC Oak Jubilee

The EIC saw, in the 80th anniversary commemoration, the opportunity to reinforce the organisation's values and goals and to celebrate the bond with member companies. Our celebratory activities highlighted our company's achievements, the initial difficulties the founding leadership faced together with member companies, with great creativity and innovation, recognising our entrepreneurship and authenticity, and the next chapter, strengthening the resolve around EIC's mission. EIC promises continued investment, creativity and absolute professionalism to meet its members' ever-adapting needs, amplifying the voice of the supply chain, and promoting the best business opportunities worldwide across all energy sectors. And when the EIC talks about success, the importance of our member companies comes first.

The EIC published in January 2023 the Energy Focus magazine 80th anniversary edition. It included an 11-page exclusive where the editors looked back on 80 years of the Energy Industries Council. Following the magazine, the EIC published the landing page [EIC 80 Years \(the-eic.com\)](https://www.the-eic.com) to allow visitors to understand EIC history and stay updated on all celebratory activities. On 20 April 2023, the EIC hosted a 1940's themed cocktail party for over 100 guests at the Dorchester Hotel in London. The inspiration for this theme comes from the council's early AGMs, which were always followed by a cocktail party at the Dorchester Hotel. To celebrate the jubilee further we are organising a series of events throughout 2023 with members, staff, partners and stakeholders, including the regional offices in Dubai, Houston, Kuala Lumpur and Rio de Janeiro.

Enhancing EIC's one-team culture

Having a global organisational culture is essential for any successful business, and now more than ever with skill shortages and high activity across our sector. In 2022, following the appointment of EIC's first Happiness & People Manager, and with the feedback received from a staff happiness survey in 2021, we set about implementing a series of staff happiness initiatives to continue to make EIC a great place to work, learn and develop. Many of these ideas are being debated, honed and implemented by our new Junior Management Team. One of these initiatives is the development of a new intranet platform for all our staff to use. The primary purpose of the EIC intranet is to help teams securely communicate with each other, store information, and to support global collaboration. At the same time, we wish to ensure strategic alignment, achieve employee engagement and communicate efficiently allowing information to be easily accessible.

Successfully launch EIC pavilions (for our international members) and Energy Transition pavilions (e.g. new Hydrogen shows)

To strengthen the energy supply chain presence in global markets, with the support of the EIC's International Trade team in 2023-2024 we will be hosting UK and EIC pavilions at some of the largest and most influential energy events across the world, such as Oil & Gas Asia (OGA) in September 2023 in Kuala Lumpur, Hydrogen Technology Expo Europe (OGA) also in September 2023 in Germany and World Nuclear Exhibition (WNE) in November 2023 in Paris. In addition, we will also run a series of trade delegations benefitting companies seeking to break into new markets, locations planned include a trade delegation to Warsaw and Gdychia, Poland, in October 2023.

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Financial review

The consolidated statement of financial activities is set out on page 15 and shows the income and surplus for the year. Income increased by 44% compared to the previous financial year from £6,003k to £8,666k and surplus/(deficit) on ordinary activities before tax reduced from £457k to £(126)k. This income increase was across all revenue lines except for other income. The directors are satisfied with the results.

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Strategic report for the year ended 31 March 2023

Key performance indicators

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

	2022-2023	2021-2022
Income growth / (decline)	44%	8%
Subscription income growth / (decline)	15%	2%
Non-subscription income (as a percentage of total income)	39%	24%
Members at the year end	762	703

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.

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

In 2021-2022 our reported future developments were grounded in the EIC mission statement and the company's long-term and short-term objectives. Here we outline EIC future developments based on the three short-term strategic objectives to complete in 2023.

Celebrate our 80th anniversary - EIC Oak Jubilee

The EIC see in the 80th anniversary commemoration the opportunity to reinforce the organisation's values and goals and to celebrate the bond with member companies. Our celebratory activities highlight our company's achievements, the initial difficulties the founding leadership faced together with member companies, with great creativity and innovation, recognising our entrepreneurship and authenticity, and the next chapter, strengthening EIC's mission "to be the go-to energy supply chain trade association, globally". EIC promises continued investment, creativity and absolute professionalism to meet its members' ever-adapting needs, amplifying the voice of the

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supply chain, and promoting the best business opportunities worldwide across all energy sectors. And when the EIC talk about success, the importance of our member companies comes first.

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Enhance EIC's one-team culture

Having a global organisational culture is essential for many reasons, but amongst the many, creating a solid support system for our employees is vital. A work culture without a solid foundation is not self-sustaining, which is why it requires constant vigilance and organisation-wide commitment. In April 2023, the EIC offered its staff access to an International Employee Assistance Programme (EAP), a confidential employee benefit designed to support staff in dealing with personal and professional problems affecting their home or work life, health and general well-being. In the first week of July 2023, the EIC launched a global induction programme as part of the organisation's knowledge management process intended to enable all new starters to become functional, integrated team members. We are also now commencing the development of our intranet. The primary purpose of the EIC intranet is to help teams securely communicate with each other, store information, and to support global collaboration. At the same time, we wish to ensure strategic alignment, achieve employee engagement and communicate efficiently allowing information to be easily accessible.

Successfully launch EIC pavilions (for non-UK members) and Energy Transition pavilions (e.g. new Hydrogen shows)

To strengthen the energy supply chain presence in global markets, with the support of the EIC's International Trade team in 2023-2024 we will be hosting UK and EIC pavilions at some of the largest and most influential energy events across the world ie Oil & Gas Asia (IGA) in September 2023 in Kuala Lumpur, Hydrogen Technology Expo Europe (OGA) also in September 2023 in Germany and World Nuclear Exhibition (WNE) in November 2023 in Paris. In addition, we will also run a series of trade delegations benefitting companies seeking to break into new markets, locations planned include a trade delegation to Warsaw and Gydhia, Poland, in October 2023.

Approved by the Board



S R Broadley
Chief Executive

Date 26 March 2024

Energy Industries Council

Report of the directors for the year ended 31 March 2023

The directors present their report together with the audited financial statements for the year ended 31 March 2023.

Results

The statement of consolidated financial activities is included on page 17 and shows the surplus 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 delegation 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) (resigned 25 April 2023)
A Cuniah	(appointed Chairman 25 April 2023)
S R Broadley	(Chief Executive)
K Al Qubaisi	
S Antonovic	(appointed 16 June 2022)
A Aston	
A Bennion	
A Caulliez-Louis	
D Clark	
I Ferber	(appointed 16 June 2022, resigned 30 November 2022)
N D Golding	(appointed 16 June 2022)
T le Guen Dang	(appointed 16 June 2022)
T Killen	(resigned 2 nd November 2023)
M Layfield	
L Ledgard	
I R Molloy	
M Morais	
G O'Hare	(resigned 8 December 2022)
S L Howell	(appointed 24 th June 2021, resigned 31 st July 2021)

Existence of branches of the company outside the United Kingdom

The company has branches in Brazil and United Arab Emirates.

Energy Industries Council

Report of the directors for the year ended 31 March 2023

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 Group and Parent 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 Group and the Parent 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.

On behalf of the Board



S R Broadley
Chief Executive

Date 26 March 2024

Energy Industries Council

Independent Auditor's Report to the Members of The 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 2023 which comprise the Consolidated Statement of Financial Activities and Retained Reserves, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 and of the group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Energy Industries Council

Independent auditor's report (*continued*)

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept 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 directors' responsibilities statement set out on page 12, 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.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

Energy Industries Council

Independent auditor's report (*continued*)

- error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

Energy Industries Council

Independent auditor's report (*continued*)

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

Jonathan Aikens (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 26 March 2024

Energy Industries Council

Consolidated profit and loss account. for the year ended 31 March 2023

	Note	2023 £	2022 £
Income	3	8,666,025	6,002,737
Cost of sales		(2,270,582)	(703,848)
Gross surplus		6,395,443	5,298,889
Administrative expenses		(6,318,962)	(4,859,998)
Operating surplus/(deficit)	4	76,481	438,891
Bank interest receivable		50,900	17,825
Surplus/(deficit) on ordinary activities before taxation		127,381	456,716
Tax charge on surplus/(deficit) from ordinary activities	7	159,327	-
Surplus for the year		286,708	456,716
Other comprehensive (loss)/income			
Currency translation differences		(88,666)	86,237
Total comprehensive (loss)/income		198,042	542,954
Opening reserves		4,053,055	3,510,101
Closing reserves		4,251,097	4,053,055

All amounts relate to continuing activities.

The notes on pages 23 to 34 form part of these financial statements.

Energy Industries Council

Consolidated balance sheet at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible asset	8	164,692	91,023
Tangible assets	9	238,535	144,742
		<u>403,227</u>	<u>235,765</u>
Current assets			
Debtors	11	2,538,218	1,221,632
Other investments	12	1,038,209	1,030,954
Cash at bank and in hand		3,261,333	3,548,180
		<u>6,837,760</u>	<u>5,800,766</u>
Creditors: amounts falling due within one year	13	(2,712,343)	(1,725,152)
		<u>4,125,417</u>	<u>4,075,614</u>
Net current assets		4,125,417	4,075,614
Total assets less current liabilities		4,528,644	4,311,379
Provisions for liabilities	15	(277,547)	(258,324)
		<u>4,251,097</u>	<u>4,053,055</u>
Reserves			
Profit and loss account		4,251,097	4,053,055
		<u>4,251,097</u>	<u>4,053,055</u>

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



I R Molloy
Director

Date 26 March 2024

The notes on pages 23 to 34 form part of these financial statements.

Energy Industries Council

Consolidated statement of changes in equity for the year ended 31 March 2023

	Profit and loss account £
Balance as at 31 March 2021	3,510,101
<i>Comprehensive loss for the year</i> Loss for the year	456,717
<i>Other comprehensive loss for the year</i> Currency translation differences	86,237
Total comprehensive loss for the year	542,954
Balance as at 31 March 2022	4,053,055
<i>Comprehensive income for the year</i> Surplus for the year	286,708
<i>Other comprehensive income for the year</i> Currency translation differences	(88,666)
Total comprehensive income for the year	198,042
Balance as at 31 March 2023	4,251,097

The notes on pages 23 to 34 form part of these financial statements.

Energy Industries Council

Company balance sheet at 31 March 2023

Company number 00493459	Note	2023 £	2022 £
Fixed assets			
Intangible assets	8	164,692	91,023
Tangible assets	10	199,665	104,663
		<u>364,357</u>	<u>195,686</u>
Current assets			
Debtors	11	2,453,790	1,142,836
Other Investments	12	1,038,209	1,030,954
Cash at bank and in hand		3,085,918	3,431,073
		<u>6,577,917</u>	<u>5,604,863</u>
Creditors: amounts falling due within one year	13	(2,995,140)	(2,043,069)
		<u>3,582,777</u>	<u>3,561,794</u>
Net current assets			
		<u>3,947,134</u>	<u>3,757,480</u>
Total assets less current liabilities			
		<u>3,947,134</u>	<u>3,757,480</u>
Provisions for liabilities	15	(268,641)	(249,069)
		<u>3,678,493</u>	<u>3,508,411</u>
		<u>3,678,493</u>	<u>3,508,411</u>
Reserves			
Profit and loss account		3,678,493	3,508,411
		<u>3,678,493</u>	<u>3,508,411</u>

The parent company surplus/(deficit) for the financial year was £170,082 - (2022 – 423,891).

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



I R Molloy
Director

Date 26 March 2024

The notes on pages 23 to 34 form part of these financial statements.

Energy Industries Council

Company statement of changes in equity for the year ended 31 March 2023

	Profit and loss account £
Balance as at 31 March 2021	3,084,520
Surplus for the year	423,891

Balance as at 31 March 2022	3,508,411
Surplus for the year	170,082

Balance as at 31 March 2023	3,678,493

The notes on pages 23 to 34 form part of these financial statements.

Energy Industries Council

Consolidated cash flow statement for the year ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Surplus/(deficit) for the financial year	286,708	456,655
Adjustments for:		
Depreciation of tangible fixed assets	129,318	129,453
Amortisation of intangible assets	46,799	15,305
Interest receivable	(50,900)	(17,825)
Increase in debtors	(1,316,586)	(687,028)
Decrease/(increase) in creditors	987,191	(82,189)
Decrease /(increase) in provisions	19,223	14,897
Foreign exchange movements	(88,666)	82,922
Cash from operations	13,087	(87,808)
Interest receivable and similar income	50,900	17,825
Corporation tax received	-	-
Net cash generated from operations	63,987	(69,983)
Cash flows from investing activities		
Payments to acquire tangible fixed assets	(223,111)	(91,997)
Payments to acquire intangible fixed assets	(120,468)	-
Cash outflow on terms deposits	(7,255)	(9,747)
Net cash outflow from investing activities	(350,834)	(101,744)
Net (decrease) / increase in cash and cash equivalents	(286,847)	(171,727)
Cash and cash equivalents at the beginning of the year	3,548,180	3,719,907
Cash and cash equivalents at end of the year	3,261,333	3,548,180
Cash and cash equivalents comprise		
Cash at bank and in hand	3,261,333	3,548,180

Energy Industries Council

Notes forming part of the financial statements for the year ended 31 March 2023

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 use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast doubt about the ability of the group and company to continue as a going concern.

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.

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.

Tangible fixed assets

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

Intangible fixed assets

Intangible fixed assets are stated at historical cost less accumulated amortisation and any accumulated impairment losses.

Energy Industries Council

Notes forming part of the financial statements for the year ended 31 March 2023 *(continued)*

1 Accounting policies *(continued)*

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 2023 (*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 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.

Other key sources of estimation uncertainty

- Intangible & tangible fixed assets (note 8 and 9)

Intangible & tangible fixed assets are depreciated over their useful lives considering 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 2023 (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:

		2023	2022
		£	£
<i>Analysis by market</i>			
United Kingdom		8,165,022	5,748,701
Rest of the world		501,003	254,036
		<u>8,666,025</u>	<u>6,002,737</u>
	Income	Surplus	Surplus
	2023	before tax	before tax
	2023	2023	2022
	£	£	£
<i>Analysis by activity</i>			
Subscriptions	5,267,895	5,267,895	4,585,984
Activities	876,190	339,603	209,976
Overseas exhibitions	2,227,039	493,045	909,627
Catalogue	-	-	-
Other income	294,901	294,900	297,150
	<u>8,666,025</u>	<u>6,395,443</u>	<u>6,002,737</u>
Common costs		(6,407,628)	(4,859,998)
Common income		50,900	17,825
		<u>38,715</u>	<u>456,716</u>

4 Operating (deficit) / surplus

	2023	2022
	£	£
This has been arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	130,089	129,453
Amortisation of intangible assets	15,162	15,305
Hire of other assets - operating leases	406,092	406,092
Auditor's remuneration - audit services	35,500	40,000
Auditor's remuneration - non audit services	2,250	7,200
Foreign currency exchange (gains)/Losses	(88,666)	(86,298)
	<u>130,089</u>	<u>129,453</u>

Energy Industries Council

Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)

5 Employees

	2023	2022
	£	£
Staff costs (including directors) consist of:		
Wages and salaries	3,668,279	2,911,526
Social security costs	422,689	252,752
Other pension costs - money purchase pension scheme	188,671	177,852
	<u>4,279,639</u>	<u>3,342,130</u>

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

	2023	2022
	Number	Number
Membership services	91	72
Administration	7	7
	<u>98</u>	<u>79</u>

6 Directors' remuneration

	2023	2022
	£	£
Directors' emoluments	392,514	325,052
Company contributions to money purchase pension schemes	30,311	28,866
	<u>422,825</u>	<u>353,918</u>

There were 2 directors in the company's defined contribution pension scheme during the year (2022 - 23).

The highest paid director received remuneration of £235,670 (2021 - £190,479).

Company pension contributions of £17,459 (2022 - £16,626) 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 2023 *(continued)*

7 Taxation charge on surplus from ordinary activities	2023 £	2022 £
<i>Current tax</i>		
UK corporation tax in respect of current year	-	-
	-	-
Total current tax charge / (credit)	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
	-	-
Taxation on surplus on ordinary activities	-	-
	-	-
	2023	2022
	£	£
Surplus (Deficit) on ordinary activities before tax	17,759	545,981
	17,759	545,981
Surplus (Deficit) on ordinary activities at the standard rate of corporation tax in the UK of 19% (2022 - 19%)	3,374	103,737
Effects of:		
Expenses not deductible for tax purposes	-	-
Difference between depreciation and capital allowances	-	(41,861)
Adjustments in deferred tax rates	-	-
Deferred tax not recognised	(155,008)	(216,705)
Difference in overseas tax rates	-	(43,145)
Trading losses brought forward.	-	198,632
Fixed assets differences	(16,858)	-
Remeasurement of deferred tax for changes in tax rates	9,165	-
	(159,327)	-
Tax Charge	(159,327)	-

Energy Industries Council

Notes forming part of the financial statements
for the year ended 31 March 2023 (*continued*)

8 Intangible assets

Group and company

Cost

At 1 April 2022	226,659
Additions	120,468
	<hr/>
At 31 March 2023	347,127
	<hr/>

Amortisation

At 1 April 2022	135,636
Charge for the year	46,799
	<hr/>
At 31 March 2023	182,435
	<hr/>

Net book value

At 31 March 2022	91,023
At 31 March 2023	164,692

Energy Industries Council

Notes forming part of the financial statements
for the year ended 31 March 2023 (*continued*)

9 Tangible fixed assets

Group	Office equipment £	Leasehold improvements £	Computer equipment £	Total £
<i>Cost</i>				
At 1 April 2022	601,140	851,343	1,602,183	3,054,666
Additions	9,759	440	183,222	193,421
Foreign exchange adjustment	9,298	5,293	15,099	29,690
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	620,197	857,076	1,800,504	3,277,777
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 April 2022	575,239	846,615	1,488,070	2,909,924
Charge for the year	7,843	5,170	85,903	98,916
Foreign exchange adjustment	12,064	5,351	12,988	30,402
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	595,146	857,136	1,586,961	3,039,243
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2023	25,051	-60	213,543	238,535
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	25,901	4,728	114,113	144,742
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Energy Industries Council

Notes forming part of the financial statements
for the year ended 31 March 2023 *(continued)*

10 Tangible fixed assets

Company	Office equipment £	Leasehold improvements £	Computer Equipment £	Total £
<i>Cost</i>				
At 1 April 2022	450,933	756,901	1,416,617	2,624,451
Additions	9,305	440	161,052	170,797
Foreign exchange adjustment	1,748	1,070	6,179	8,997
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	461,986	758,411	1,583,848	2,804,245
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>				
At 1 April 2022	426,625	756,909	1,336,254	2,519,788
Charge for the year	5,259	24	68,826	74,109
Foreign exchange adjustment	4,497	1,069	5,117	10,683
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2023	436,381	758,002	1,410,197	2,604,580
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>				
At 31 March 2023	25,605	409	173,651	199,665
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	24,308	(8)	80,363	104,663
	<hr/>	<hr/>	<hr/>	<hr/>

Energy Industries Council

Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)

11 Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	1,096,923	265,187	1,046,267	254,867
Corporation Tax	5,925	31,340	-	2,308
VAT receivable	45,461	15,777	45,461	11,147
Other debtors	113,872	100,932	95,330	82,615
Prepayments	289,354	188,462	279,170	171,965
Deferred tax asset	153,358	-	154,237	-
Event expenses paid in advance	833,325	619,934	833,325	619,934
	<u>2,538,218</u>	<u>1,221,632</u>	<u>2,453,790</u>	<u>1,142,836</u>

12 Other investments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Term deposits	1,038,209	1,030,954	1,038,209	1,030,954
	<u>1,038,209</u>	<u>1,030,954</u>	<u>1,038,209</u>	<u>1,030,954</u>

13 Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	298,437	126,223	296,617	122,787
Other taxes and social security	-	-	-	-
VAT payable	106,528	51,912	106,528	51,912
Corporation Tax	23,121	19,457	19,457	19,457
Amounts owing to group companies	-	-	405,931	406,735
Other creditors	154,882	102,495	133,104	89,301
Accruals	519,358	467,083	423,142	402,168
Annual subscriptions and event income received in advance	1,610,017	957,982	1,610,361	950,709
	<u>2,712,343</u>	<u>1,725,152</u>	<u>2,995,140</u>	<u>2,043,069</u>

Energy Industries Council

Notes forming part of the financial statements
for the year ended 31 March 2023 (continued)

14 Financial instruments

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

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Financial assets				
Financial assets measured at amortised cost	2,333,476	1,174,515	2,254,092	1,129,381
Financial liabilities				
Financial liabilities measured at amortised cost	2,763,397	1,193,417	2,448,446	1,169,513

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.

15 Provisions for liabilities and charges

Group	Deferred tax	Property dilapidations	Severance liabilities	Total
	£	£	£	£
At 1 April 2022	5,969	139,967	112,387	258,323
Foreign exchange adjustment	-	672	7,135	7,807
Movement in provision	(5,969)	-	17,386	11,417
At 31 March 2023	-	140,639	136,908	277,547
Company	Deferred tax	Property dilapidations	Severance Liabilities	Total
	£	£	£	£
At 1 April 2022	5,090	131,592	112,387	249,069
Foreign exchange adjustment	-	140	7,136	7,276
Movement in provision	(5,090)	-	17,386	12,296
At 31 March 2023	-	131,732	136,909	268,641

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 2023 (continued)

15 Provisions for liabilities and charges (continued)

Included within deferred taxation is the following balance:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Accelerated capital allowances	68,299	5,969	67,420	5,090
Short term timing differences	(52,933)	-	(52,933)	-
Losses carried forward	(168,724)	-	(168,724)	-
	<u>(153,358)</u>	<u>5,969</u>	<u>(154,237)</u>	<u>5,090</u>

16 Commitments under operating leases

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

	Group 2023 £	Group “As restated” 2022 £	Company 2023 £	Company “As restated” 2022 £
Within one year	272,498	258,055*	272,498	231,118*
Within two to five years	24,669	163,717*	24,669	156,631*
	<u>297,167</u>	<u>421,772</u>	<u>297,167</u>	<u>387,749</u>

*The 2022 figures above have been restated to reflect the break clause in place at 31st December 2023 for the UK office lease (reducing the commitment due in two to five years by £418,396 for the company and the group at the 2022 balance sheet date).

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 comprise 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 £392,514 (2022 - £325,052), as shown in note 6.

