Annual report and accounts

Year ended 31st December 2024

smart energy GB
Join the energy revolution

Smart Metering Communications Body Ltd
Company number 08455995

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Smart Metering Communications Body Ltd, trading as Smart Energy GB
Registered office: Ground Floor, The Crane Building, 22 Lavington Street, London, SE1 0NZ

The trading name of "Smart Metering Communications Body Limited is "Smart Energy GB". Any references in this document to "Smart Energy GB" should be understood as referring to "Smart Metering Communications Body Limited". Any references in the Standard Conditions of Electricity and Gas Supply Licences ("the licences") to the "Central Delivery Body" should also be taken as referring to "Smart Energy GB".

If you would like to read the Smart Energy GB Annual Report in Welsh, please contact:
enquiries@smartenergyGB.org

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Directors’ report

Image: *Our Einstein campaign with Angela Rippon showcasing the benefits of flexible energy use for smart meter owners*

Foreword from the Chair and CEO

Households and small businesses continued to face significant financial pressures in 2024. While our research showed that rising energy prices were less widely a concern than in 2023, energy debt continued to grow and reached its highest ever level.

This made it more important than ever that we helped households and small businesses to better understand how a smart meter could benefit them. Our focus this year was to find new ways to engage those that don't yet have a smart meter and to continually test and refine our approach.

We achieved this by working effectively across teams to create new initiatives and improve on those that were already performing well. As ever, we based all our activity on high-quality insights. In 2024, this included fresh understanding of what may motivate households who don't yet have a smart meter to accept the offer of having one installed.

Taking our creative in new directions
In August, we launched a new iteration of the Einstein advertising campaign, still by far our most effective and efficient to date at generating demand for smart meters. The campaign saw the ever-flexible Angela Rippon strike a series of poses to highlight the benefits for smart meter owners of using energy flexibly. The campaign performed more strongly in its first three months than any comparable campaign in recent years.

We followed this with another advertising campaign in November. In it, the documentary maker Ross Kemp talked to households about how they feel about their smart meters, with new research revealing that four out of five owners are happy with theirs. The accompanying Fact Not Fiction PR campaign, which used Kemp's trademark investigative style to address common questions, generated around 95 million impressions — our second highest in 2024.

We also achieved excellent results from our work to engage small businesses, including our popular Einstein advertising campaign with business leader Deborah Meaden. A new PR campaign with the TV presenter and founder of Mowgli Street Food, Nisha Katona MBE, also performed strongly. As a result, awareness of smart meters among small businesses rose significantly from 69% in 2023 to 77% in 2024.

We adapted these and other campaigns throughout the year to make sure they were hitting home and to address questions about the rollout. Our PR activity generated over 22,000 items of media coverage, an increase of 70% on 2023. Media coverage of smart meters, as well as how customers felt about that coverage, remained more positive than negative.

Collaborating to reach vulnerable customers
Across the year, we worked with our stakeholders and partners to reach more people, including customers with vulnerabilities and those who may face extra barriers to realising the benefits of smart meters. A new partnership with the Professional Darts Corporation (PDC), along with activity with the English Football League and Rugby League, helped us in our work to target low-income households and people without fundamental digital skills. Another new partnership, with the RSPCA, saw us share cost-saving smart meter messages at pet food banks and 'Community Paws' events. We also piloted targeting older digitally excluded people in Scotland, the Midlands and North West England through paid media placements.

With the appointment of a new government in July, we were proactive in engaging our political stakeholders across Great Britain. That included launching the Smart Energy Academy, a programme of informative events and content aimed at new Parliamentarians.

We received positive feedback for our efforts, including a favourability rating of 99% in our 2024 independent stakeholder survey conducted among representatives of the Board, government, energy suppliers, delivery partners and NGOs. We achieved another strong employee engagement score in our annual staff survey. And we're proud to report that The Sunday Times selected Smart Energy GB as one of its Best Places to Work for the second year in a row.

Our plans for 2025
With the cost of energy remaining high, it's unlikely that levels of energy debt or financial pressures on households and small businesses will reduce significantly next year. As a result, there's an ever greater need to raise awareness of the benefits of smart meters among those yet to get one.

In 2025, we'll build on what we learnt in 2024 to drive more installations. We'll focus on people who want to get a smart meter, or who are more likely to accept one when their energy supplier offers it. We'll also use our improved understanding of why some have yet to accept the offer of a smart meter to better address their specific questions or concerns. We'll be highly targeted in our approach, including placing more ads on non-broadcast channels.

And we'll further develop and apply our understanding of different mindsets among small businesses to increase take-up.

Working closely with our stakeholders will be central to making sure our messages reach people across Great Britain, including those in vulnerable circumstances. We'll also support wider industry initiatives beyond the smart meter rollout. And we'll continue to respond to, and communicate the impact of, an evolving energy landscape — including changes to the energy price cap.

Our task in 2025 won't be easy, but we're confident that we'll continue to deliver against our goals. On behalf of the Board, we'd like to thank all our talented and hardworking colleagues and our many excellent partners for their continued support, collaboration and dedication this year.

Mark Lund OBE,
Chair

Dan Brooke,
Chief Executive Officer

Rollout progress and attitudes

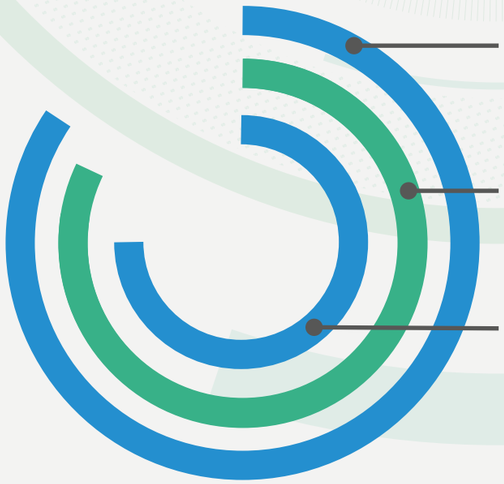
38m
smart meters installed in total
Source: DESNZ Q4 2024

2m
non-domestic smart meters have been installed
Source: DESNZ Q4 2024

36m
domestic smart meters have been installed
Source: DESNZ Q4 2024

6.5m
people without a smart meter would seek or accept one in the next six months
Source: Outlook, Nov 2024

Awareness of smart meters is at
98%
Source: Outlook, Nov 2024



83% of people with a smart meter are happy with it
Source: Outlook, Nov 2024

82% of smart meter owners understand what they need to do to save energy around their home
Source: Outlook, Nov 2024

75% of people with a smart meter have a better idea of their energy spend
Source: Outlook, Nov 2024

2024: Smart Energy GB's year in highlights

- We met 10 of our 12 Performance Management Framework (PMF) targets
- Our end of year Seek/Accept result of 33% significantly exceeded the target of 25%
- Over two thirds of people recall the Energy Flexibility advertising campaign after four months on air, with spontaneous message take out 54% stronger than any campaign in recent years
- Awareness of smart meters among small businesses rose from 69% in 2023 to 77% in 2024
- Our PR activity generated over 22,000 items of media coverage in 2024, an increase of 70% on 2023
- Our work with vulnerable customers, delivered alongside 15 regional partners, achieved 4,869,509 direct contacts and impressions
- On average, news media coverage generated by our PR activity contained 4.9 positive smart meter messages. In comparison, smart meter media coverage not generated by SEGB contained only 1.2 positive messages
- We reached 375,000 people through our partnership with the RSPCA
- Around 71,000 research interviews with consumers and around 1,500 interviews with small businesses[1] informed our activity
- We launched the Smart Energy Academy to help politicians to understand the energy system and the benefits of smart meters
- We had 190 direct engagements with politicians about our work
- The Sunday Times recognised us in its Best Places to Work 2024 for the second year running
- We received a favourability rating of 99% in our 2024 independent stakeholder survey conducted among representatives of the Board, government, energy suppliers, delivery partners and NGOs

[1] Where we say 'small businesses', we're referring to companies that employ fewer than 10 people (or their full time equivalent).

Strategic report

Image: *Community outreach at Blackburn FC as part of our flagship partnership with the English Football League*

An overview of our work in 2024

This year, we used our creativity and expertise, driven by fresh insights, to create and launch new initiatives and improve existing ones. Here's how.

1. High-quality data and insights guided our focus

As more people get a smart meter, the pool of non-owners naturally becomes smaller. So it's crucial that we have a deep, evolving understanding of the households and small businesses that don't have a smart meter. This way, we can target and tailor our efforts to where we can have the biggest impact.

In 2024, we carried out further research to identify and understand sub-groups of households who don't yet own a smart meter. This includes those that are more likely to accept the offer of having one installed. Our teams have already begun applying these insights, which will significantly shape our strategy in 2025.

Findings from our usual surveys also informed how we talked to households during the year. For example, a new question in our Smart Energy Outlook survey revealed that 83% of owners are happy with their smart meter. This led us to directly address consumer concerns about smart meters through an advertising and communications campaign.

The year also saw us double the number of interviews we held with small businesses and conduct new analysis. We discovered that those with a growth or maintenance mindset were more open to making changes to improve the business than those with a survival mindset. This fresh understanding informed which small businesses we talked to and how.

Meanwhile, our proposition testing helped us develop and improve our campaigns by revealing what worked and what didn't for our target audiences. And insights from our ongoing measurement of campaigns allowed us to continually improve.

We also continued to explore and share the attitudes and concerns of specific groups, including people in vulnerable circumstances and private renters. And we carried out research into people without fundamental digital skills.

2. Fresh ideas and refreshed approaches helped us make more impact

We worked effectively across teams to roll out new creative campaigns and evolve existing successes. These allowed us to share the benefits of smart meters while addressing questions and concerns.

For households

A stat from our research — that four in five owners are happy with their smart meter — formed the basis of one of the year's hero advertising campaigns. Launched in November, it saw documentary maker Ross Kemp talk to households across the country about their smart meters. We supported this with a Fact Not Fiction PR campaign to answer questions and bust myths. It generated around 95 million impressions — our second highest in 2024.

Above: *Ross Kemp for our Mythbusting campaign*

We also built upon our most effective and efficient advertising work to date, our Einstein campaign, to create another hero advertising campaign. This featured Angela Rippon assuming a range of flexible poses to show how you can be rewarded for using your energy flexibly with a smart meter. A complementary PR campaign allowed us to tap into the growing focus on flexible energy use and how people with a smart meter can take advantage of it.

Above: *Angela Rippon and Einstein for our Energy Flexibility campaign*

Over three in five non-smart meter owners (61%) recalled the advertising campaign after three months on air. There are also positive signs that it's encouraging households to find out more about flexible schemes and smart meters. Our Smart Investments PR campaign broadened these rewards messages by highlighting how a smart meter could help you increase your home's EPC rating and so its value.

Throughout the year, we adapted fast to support new campaigns and respond to changes in the external environment. For example, we iterated two existing digital campaigns, Smart Facts and Vote Smart Meters, to reinforce our myth-busting messages and reflect what our audiences were saying. And we developed a PR campaign, Simple Tech, to challenge misconceptions about higher energy costs and smart meters as this became a bigger issue in the media. These and other efforts meant that, on average, media coverage about smart meters was more than twice as positive as negative across the year. Reflecting this, positive consumer sentiment about smart meter news coverage far outweighed negative sentiment.

Alongside this work, we ran tests to boost the performance of our digital campaigns and drive click-through to suppliers. This included targeting people who have yet to accept the offer of a smart meter by postcode, region or Google search term.

For small businesses

Last year's hero advertising campaign, in which business leader Deborah Meaden shared business tips with Einstein, continued to perform strongly. In our June survey of small business owners, almost half said it made them want to get a smart meter for their business. To broaden the campaign's impact, and engage time-poor small business owners, we tested placing digital ads in more standout positions and running ads next to content containing relevant keywords.

In October, we launched The Accuracy Advantage: Why It Pays to Know Your Bills. Featuring the TV presenter and founder of Mowgli Street Food, Nisha Katona MBE, the PR campaign highlighted the importance of regularly managing and reviewing business outgoings. We amplified its messages through paid social media and influencer activity.

These initiatives, plus a steady drumbeat of targeted PR, helped to increase awareness of smart meters among small businesses from 69% in November 2023 to 77% in November 2024. Ownership of smart meters also increased to almost one in two, and nine in ten of those that say they have a smart meter report being happy with it. In total, our PR work targeting small businesses secured 7,562 items of coverage across the year, an increase of 72% on 2023, along with 389 million impressions.

Above: *Presenter and restaurant founder Nisha Katona in our Accuracy Advantage campaign for small businesses*

Using test and learn to improve our website and increase conversions
We continuously work to improve the user experience on our website and make it quicker and easier to click through to supplier websites.

This year, we developed relevant content and drove backlinks from reputable websites, improving the organic search ranking for our 'Get a Smart Meter' page by 50%. We also used analytics tools to identify where we can improve page content or functionality. For example, we redesigned some elements to be more impactful on mobile and launched a 'Click out to supplier' widget in the banner. And we're currently integrating a new, AI-powered British Sign Language (BSL) tool, as well as creating Easy Read pages.

We also tested an HTML element that allows us to embed the 'supplier lookup widget' into partner websites. This functionality will drive click-throughs to supplier websites, and requests for smart meters, earlier in the customer journey.

3. Collaboration allowed us to reach the right people, in the right places

People in vulnerable circumstances remained a focus this year. A new partnership with the RSPCA saw us share cost-saving messages about smart meters at the charity's pet food banks and 'Community Paws' events. The content used the RSPCA's trusted voice to highlight the importance of creating a warm and comfortable environment for you and your pet.

We teamed up with our partner, Rugby League, to create a Keep in Touch PR and social media campaign targeting low-income households. This used engaging content to highlight how the cost-of-living crisis has made people more confident to talk about their money worries. Rugby League stars Jamie Jones-Buchanan MBE, Amy Hardcastle and Alex Walmsley opened up about their own struggles and emphasised how smart meters can help with managing household budgets.

Our flagship partnership with the English Football League targeted the same audience with messages around the benefits of flexible energy use. And we directly reached 38,578 people with smart meter advice and support through 15 regional partners in the 'in Communities' programme.

An ongoing challenge is engaging people without fundamental digital skills. This year, we piloted a paid media campaign targeting regions with higher levels of digitally excluded older people. In out-of-home settings, we prioritised placing ads where people spend significant amounts of time, including at bus stops and inside buses.

We also forged an exciting new partnership with the Professional Darts Corporation (PDC). In November, we launched the 'Darts on Your Doorstep' community initiative in 250 darts clubs over a year. We also provided information on smart meters and their benefits at televised darts events and ran exclusive competitions and giveaways on social media.

Above: *Launch event for 'Darts on Your Doorstep' community initiative*

A PR campaign, Analogue Angst, showed older people how smart meters could remove some of the worry of managing energy use. Another, Greenagers, showcased how families with eco-minded kids were using smart meters to help change their energy habits. And a new partnership with edie, the trusted media brand in business sustainability, allowed us to reach small businesses with sustainability-related messages.

Above: *Will Mellor with his children for our Greenagers PR campaign*

Our research shows that private renters are highly open to getting a smart meter. So in 2024, we partnered with SOS-UK (Students Organising for Sustainability) to reach students in private rented accommodation at events and through social media. Between June and December, the partnership generated 1,279,861 impressions, and SOS-UK talked to 1,150 students face-to-face about the benefits of smart meters.

Sharing our messages through the right people and channels
Our relationships with stakeholders, including government, energy suppliers and consumer groups, are central to sharing our messages as widely as possible.

In 2024, we launched the Smart Energy Academy programme to help political stakeholders across Great Britain understand the energy system and how smart meters benefit their constituents. Over 100 politicians or their staff signed up for the first webinar. We also published two policy reports. One examined how using a smart meter can unlock savings for owners of electric vehicles; the other highlighted the importance of communications, marketing and public engagement in reaching net zero.

We conducted meetings and briefings with industry stakeholders, including new MPs, following July's General Election. And we contributed to industry-wide efforts to address the challenge of replacing Radio Teleswitch (RTS) electricity meters with smart meters.

This close working with stakeholders allowed us to understand and track the latest developments in the industry. It also helped us provide journalists with important information and balance about smart meters and respond quickly and accurately to media enquiries.

Building longer-running media partnerships meant we could test and improve our campaigns throughout the year, amplified with paid social media and influencer activity in relevant places. And launching a new resource centre allowed us to reach more organisations and communities as well as simplify the user journey.

How we performed against our 2024 targets

Each year, the Board sets our targets after consulting with large energy suppliers and government. By large energy suppliers, we mean those with over 150,000 domestic customers, or those that provide energy to over 100,000 business premises.

The resulting goals make up our Performance Management Framework (PMF). The Board is responsible for maintaining and monitoring the progress of this framework, with support from the PMF Board advisory subcommittees (domestic and non-domestic). Their work involves tracking the progress of the campaign and the wider smart metering rollout against our targets and making any necessary changes. The PMF Board advisory subcommittees met throughout 2024 to review our performance and provide ongoing feedback.

At the end of 2024, we are pleased to see that overall, ten of the 12 targets were met or exceeded, with particularly strong results across the seek and accept scale.

Above: *Ross Kemp spoke to households about their smart meters, with research showing four in five owners are happy with theirs*

PMF metrics for SEGB in 2025

Metric	End–2023 Actual	Target	End–2024 Results
The percentage of the non–smart GB adult population who would seek or accept in the next six months	33%	25%	33%
The number of the GB adult population without a smart meter who would not accept a smart meter if offered one in the next six months	45% or 5.8m households	55%, <5.2m households	46%, 4.3m households
The percentage of those in low income, 65+ or fuel poverty without a smart meter who would seek or accept in the next six months	Low income: 23% Over–65: 15% Fuel poverty: 25%	Low income: min 15% Over–65: min 7% Fuel poverty: min 17%	Low income: 26% Over–65: 16% Fuel poverty: 25%
The proportion of GB adults previously without a smart meter reporting as 'got/due/tried to get' a smart meter in the following six months	28%	18%	24%
Population with smart meters in smart mode reporting "I actively manage how I use around my home"	62%	Min 62%	60%
Population with smart meters in smart mode reporting that having a smart meter has made a 'great/fair difference' to their energy use	45%	Min 45%	43%

Metric	End–2023 Actual	Target	End–2024 Results
Awareness among premise–based small businesses	69%	70%	77%
Percentage of small businesses who would seek/accept in next six months	24%	21%	34%
Number of small businesses who would not accept a smart meter if offered in next six months	15%	16%	17%

A variety of supporting metrics are shared with the Board and subcommittee throughout the year along with a breadth of supporting insight and analysis.

Image: *Chef and author Ravneet Gill on how smart meters can help households feel more in control of their energy use during the festive season*

Our work in 2025

As 2025 is the final year of the existing targets framework set out by government, we must do everything we can to support suppliers in maximising installations.

We'll do this by focusing on the benefits of smart meters, including the financial savings and the opportunities for flexible energy use they enable. We'll support these efforts with reassurance activity, answering questions and concerns and challenging myths.

For the first time, we'll invest more in targeted, audience-specific media than in broadcast media. This will allow us to better target the various groups who have yet to have a smart meter installed, including prepay customers and people without fundamental digital skills.

We'll also stay agile so we can respond to issues as they arise. These include a developing government agenda, evolving market conditions, and challenges facing suppliers and customers. As ever, the key will be to listen to, engage and share information with our stakeholders.

Below are the domestic and non-domestic metrics and targets set out in our 2025 Performance Management Framework (PMF). To achieve them, we've agreed the same budget we had in 2024.

PMF metrics for SEGB in 2025

Metric	End-H2 2024 Actual	Target
The percentage of the GB adult population without a smart meter who would seek or accept in the next six months	33%	29%
The number of the GB adult population without a smart meter who would not accept a smart meter if offered one in the next six months	46%	51%
The percentage of those in low income, without fundamental digital skills (WFDS) without a smart meter who would seek or accept in the next six months	Low income: 26% WFDS: 17%	Low income: 22% WFDS: 15%
The proportion of GB adults without a smart meter reporting as 'got/due/tried to get' a smart meter in the following six months	24%	22%

Metric	End-H2 2023 Baseline	Target
Population with smart meters in smart mode reporting "I actively manage how I use energy around my home"	60%	62%
Population without smart meters who are aware that smart meters enable access to tariffs and reward schemes	44%	47%
Amongst premise-based small businesses, awareness that smart meters are available to businesses	77%	81%
The percentage of premise-based small businesses who state that they would seek or accept a smart meter in the next six months	34%	39%
The percentage of premise-based small businesses who state that they would not accept a smart meter if offered one within the next six months	17%	16%

People and environment

People

At Smart Energy GB, we know that fostering a supportive and motivated team is essential to achieving our goals. So we're proud that the Sunday Times recognised us as one of its Best Places to Work for the second year running.

This year, our efforts to build a positive and inclusive workplace focused on three areas:

1. **Supporting growth and development.** We rolled out a tailored development programme for emerging managers. This built on last year's management development programme for our people managers.

2. **Connecting talent with opportunities.** We partnered with Brixton Finishing School, which connects talent from under-represented groups with organisations in the marketing and advertising industries.

3. **Prioritising wellbeing.** Our colleagues gave positive feedback on our initiatives in 2024. These included Thrive, which champions wellbeing through events and activities, and Offload, a mental fitness programme run in partnership with Rugby League Cares. We also held events during Mental Health Awareness Week in May.

In 2025, we'll look for new ways to further strengthen our positive culture and make sure our team is thriving and engaged.

The environment

For over three years, we've partnered with Positive Planet to measure and lower our carbon emissions. This year, we provided Carbon Literacy Training in our office. Data shows that people who take part in these sessions reduce their emissions by 5%–15% in and outside of the workplace. We also became a 99% chemical-free cleaning facility by installing a Clean Zero system in our office. Our goal is to reach 100% in 2025.

To drive positive change in our local Business Improvement District, we volunteered at local food banks and took part in the Thames Beach Clean. We also began looking at how to reduce the carbon footprint of our supply chain as part of the Southwark Climate Collective programme, which we joined in 2023. And we continued to provide all new starters with a sustainability induction.

Image: *Angela Rippon, face of our Flexible Energy PR campaign*

Statutory duties

Smart Energy GB's role and objectives were established in law and are set out in the Modifications to the Standard Conditions of Electricity and Gas Supply Licences, Electricity Distribution Licences and Gas Transporter Licences (Smart Meters). These state that the objectives of Smart Energy GB are to:

- increase consumer demand for and acceptance of Smart Metering Systems, including by increasing consumer confidence in their installation by gas and electricity suppliers;
- in respect of Energy Consumers at Relevant Designated Premises, build consumer awareness and understanding of Smart Metering Systems and their benefits, including the benefits to be derived from the data that may be obtained through the use of Smart Metering Systems;
- increase the willingness of Energy Consumers to use Smart Metering Systems to change their behaviour so as to enable them to more effectively and efficiently manage their use of energy;
- in respect of Energy Consumers at Domestic Energy Premises who have low incomes or prepayment meters, or who due to their particular circumstances or characteristics may encounter additional barriers in being able to realise the benefits of Smart Metering Systems:
    - build their awareness and understanding of Smart Metering Systems; and
    - assist them to realise the benefits of Smart Metering Systems while continuing to maintain an adequate level of warmth and meet their other energy needs;
- establish and maintain an administrative framework for facilitating the coordination of consumer engagement activities in respect of Smart Metering Systems that are carried on (or proposed to be carried on) by individual Energy Suppliers.

Leadership

To support these objectives, Smart Energy GB's operations comprise marketing and communications activity. Led by the CEO, Dan Brooke, our staff team is made up of four divisions (Marketing, Communications, Corporate Affairs and Operations).

Marketing

Director of Marketing:	Chris Taggart
Deputy Director of Marketing:	Imogen Landy
Deputy Director of Specialist Audiences:	Phillippa Brown

Communications

Director of Communications:	Victoria Bacon

Corporate Affairs

Director of Corporate Affairs:	Sara Higham

Operations

Director of Operations:	Alistair Gibbons
Deputy Director of Strategy and Insight:	Claire Baines
Deputy Director of People:	Soumya Singh

Governance

Board Directors

Smart Energy GB is a not-for-profit company limited by guarantee. It's governed by a Board, which is led by an independent Chair.

The Board's make-up is set out in law and consists of:

- the Chair
- four directors representing the interests of energy consumers
- six directors representing the interests of energy suppliers
- the Chief Executive.

The term of individual Directors is two years (although they can be re-appointed).
Smart Energy GB Board meetings are also attended by an observer nominated by and representing the Secretary of State for the Department for Energy Security and Net Zero. In addition, Smart Energy GB has invited Ofgem, the Chair of the Audit and Risk Committee to observe Board meetings and a representative from the energy network operators.

Below, are details of the Directors of Smart Energy GB during 2024 up until the accounts were approved.

Director	Appointed	Resigned
Mark Lund (Chair)	01-Jan-16	
Martin Aylward	30-Jun-21	
Daren Carter	06-Nov-20	30-Sept-24
Nick Clark	01-Jan-24	
Stephen Crabb	30-Jun-21	
Suzanne Craddock	01 Apr-24	
Rebecca Dibb-Simkin	01-Jan-23	8-Mar-24
Maxine Frerk	30-Jun-21	
Philip Gilbert	01 Nov-24	
Christopher MacLeod	11-May-16	
Kerry Maisey	01-Apr-22	
Ann McKechin	30-Jun-21	
Elvin Nagamootoo	01-May-22	
Dan Brooke	30-Jun-21	

Audit and Risk Committee

An independently chaired subcommittee, the Audit and Risk Committee (ARC), meets four times a year to support the Board in its work. The Chair of the ARC, Hugh Spicer, also reports on its activities at the company's Annual General Meeting.

In 2024, the ARC's membership consisted of:

- Hugh Spicer (co-opted independent Chair and observer to Board meetings)
- Martin Aylward (Director, appointed October 2023)
- Christopher MacLeod (Director, appointed September 2018)
- Kerry Maisey (Director, appointed May 2024)

The external audit partner also attended two ARC meetings during the year.

The committee mainly focused on these areas in 2024:

- a value-for-money review of our media plan
- the risk register
- key financial policies (for example, procurement and treasury management)
- the scheme of delegation
- a review of governance best practice
- the year-end accounts preparation and audit process.

During 2024, the ARC didn't report any material concerns with Smart Energy GB's approach to risk management and internal control to the Board.

Remuneration Committee

Also supporting the Board is a remuneration subcommittee. This meets at least once a year to review the annual remuneration of all staff, including the senior leadership team. Its Chair is the Chair of the Board. In 2024, membership of the subcommittee included Mark Lund, Martin Aylward, Nick Clark, Elvin Nagamootoo, Steve Crabb, Chris MacLeod and Daren Carter (until resignation).

Membership

The membership of Smart Energy GB consists of energy suppliers: relevant suppliers, small domestic suppliers and non-domestic suppliers. The Board welcomes applications from any licensed energy supplier interested in becoming a member.

Company Number:	08455995
Registered Office:	Ground Floor The Crane Building Lavington Street London SE1 0NZ
Company Secretary:	Alistair Gibbons
Website:	smartenergyGB.org
Bankers:	Barclays Bank Plc 27 Soho Square London W1D 3QR
Solicitors:	Bates Wells Braithwaite LLP 10 Queen Street Place London EC4R 1BE
Auditors:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

Image: *Community outreach at Blackburn FC as part of our flagship partnership with the English Football League*

The business environment

Our activity, costs and risks are dependent on three things:

1. The wider environment of the smart meter rollout
2. The direction given to the rollout by government
3. The delivery of the rollout by energy suppliers and other parties in the smart metering programme.

This section gives further information on how we performed in the context of that wider environment.

Financial review of 2024

Smart Energy GB is a not-for-profit company which is funded by energy suppliers on an annual basis. This reflects suppliers' legal obligations in the Standard Conditions of Electricity & Gas Supply, Electricity Distribution and Gas Transporter Licences.

We agree our budget each year. The budget for the 2024 financial year was originally £38.265m (2023: £38.265m). We finished the year with operating expenses of £38.510m (2023: £38.224m). Most of this expenditure related to public engagement campaigns and included advertising, PR, consumer research and stakeholder communications and events.

The Statement of Income and Retained Earnings on page 46 presents a surplus of £171k, which will be retained to support RTS campaign activity in 2025 (2023: surplus of £315k).

Our staff costs were £6.451m (2023: £5.716m). You can find a breakdown of these costs in note 3 of the accounts.

We are not liable to pay corporation tax on trading profits as all our profits are, or will be, repayable to energy suppliers. We do pay tax, in full, on the bank interest we receive.

On 31st December 2024, our net assets were £3.077m (2023: £2.905m), representing the accumulated surplus of the organisation.

Before 31st December 2024, and in line with our approved budget, we raised invoices to the value of £10.985m excluding VAT (2023: £11.826m) for the first quarter of 2025. We have deferred all invoices, which appear on the balance sheet within creditors. Any invoices unpaid as of 31st December 2024 appear within trade debtors.

Financial outlook for 2025

Our energy supplier members approved our 2025 budget of £38.265m, £35.840m for the domestic campaign and £2.425m for the non-domestic campaign. You can find more details in the Consumer Engagement Plan and Budget 2025 at **smartenergyGB.org**.

We based our plans for 2025 on analysis of the scale of campaign needed to meet the targets in our Performance Management Framework (PMF). The Board has a duty to keep the PMF under review.

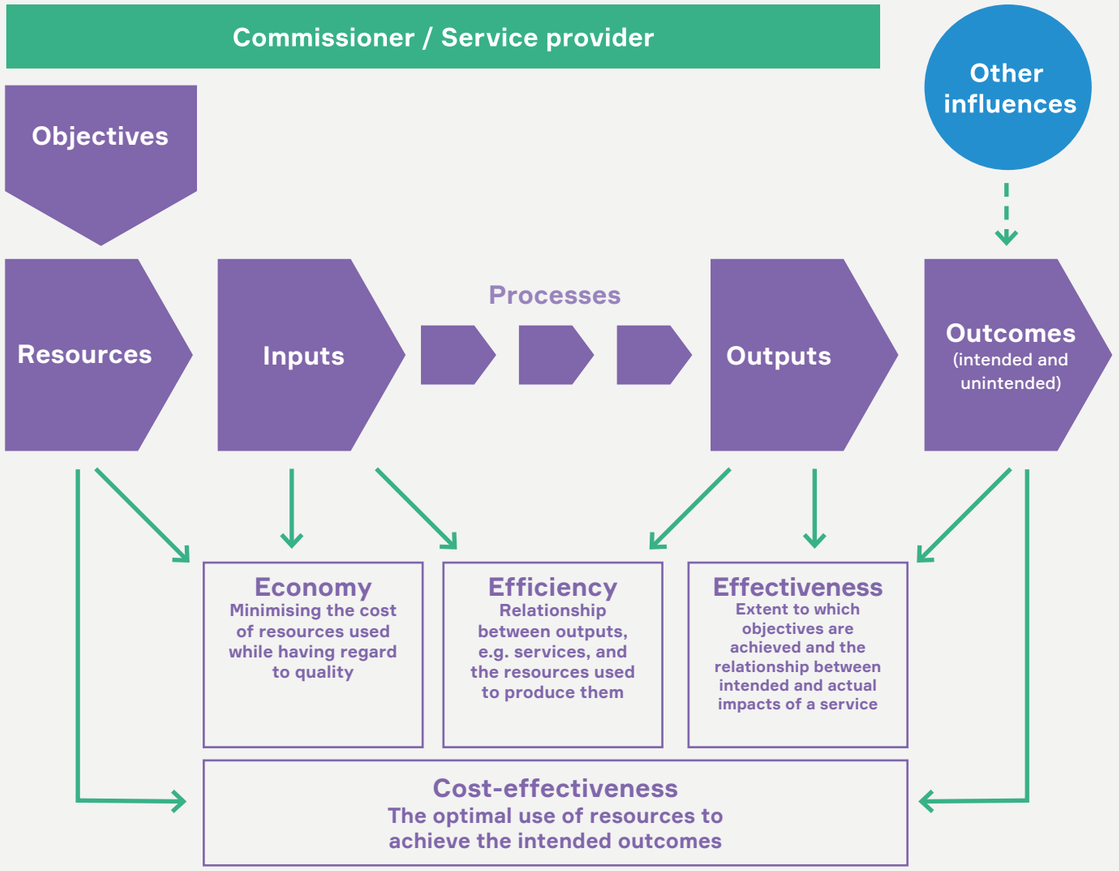
Below, we have listed scenarios that could materially affect our ability to meet those targets in 2025. Any one of these scenarios might result in us reducing, redirecting or increasing (within the boundaries of available budget) the amount of activity we carry out to maintain consumer enthusiasm for adopting smart meters.

Scenario	Impact
Wider market factors including the cost-of-living, consumer attitudes to energy, and switching could impact on smart meter uptake	Smart Energy GB campaigns would have to adjust accordingly to these factors outside of our control
Any material increase to the number of smart meters not operating in smart mode could generate increased consumer distrust and concern	This may lead to public concern about the delivery of smart metering and/or reputational damage to smart meters
Any material increase of energy suppliers not delivering fully on their obligations (booking installation appointments and installing smart meters)	This may have a negative effect on the reputation of smart meters. It may lead to a wider public reluctance to seek out or accept smart meter installations

Any of these scenarios could materially affect Smart Energy GB's ability to meet its targets in 2025. This might result in Smart Energy GB modifying the amount or type of activity that is carried out in 2025.

Value for money

When Smart Energy GB was established in late 2013, the Board considered several models for making sure the strategic direction of the company reflected its legal obligations to deliver value for money. It decided that, even though Smart Energy GB isn't in the public sector, it should apply the most respected cost-effectiveness/value-for-money model used by public service organisations. That model, developed by the National Audit Office (NAO), is set out as a diagram below.



→ Contributes to the measurement of...

The Smart Energy GB Board has an obligation to report on the extent to which our expenditure represents value for money. As such, it pays close attention to how the company applies the model and uses its money. This includes using the principles in the model in its budget development processes and overseeing the value for money of the company's activities.

Going concern

The Board of Smart Energy GB has considered the company's funding position and the risks to which it is exposed. As funding Smart Energy GB each year is a condition of supplier licences, the risk that the company won't be able to meet its liabilities is negligible.

In considering the going concern status of the company, the Board took into account the end of the government's targets framework (end-2025). It also considered the risk that energy suppliers decide they are better placed to deliver Smart Energy GB's objectives through uncoordinated individual company activity. It concluded that the effectiveness and efficiency of our coordinated approach — and its importance in helping deliver the cost/benefits of the smart metering rollout — makes this a low risk for the foreseeable future.

The Directors are confident the company will continue for at least twelve months from the date of approval of these financial statements. They have also considered the period beyond that date as the current targets framework ends in December 2025. Confirmation has not been received that the statutory mandate will be extended beyond this point, however the Board has enough confidence that the activities of Smart Energy GB will continue so that it can continue to support the government and suppliers in rolling out smart meters beyond the end of 2025.

Given the Board is confident that the activities of the company will continue for the foreseeable future, the financial statements have been prepared on the going concern basis. However, a material uncertainty exists on exactly if or when Smart Energy GB will cease operations. This uncertainty will continue until there is clarity on whether there is a role for Smart Energy GB beyond 2025. This will be monitored by the Board on an ongoing basis.

Risk management and internal control

Smart Energy GB has based its breakdown of governance and management responsibilities on a range of good practice. These include the description of value for money HM Treasury sets out in its publication, 'Managing Public Money'.

HM Treasury's model states that: "Public sector organisations should have good-quality internal governance and sound financial management. Appropriate delegation of responsibilities and effective mechanisms for internal reporting should ensure that performance can be kept on track. Good practices should be followed in procuring and managing resources and assets; hiring and managing staff; and deterring waste, fraud and other malpractice."

Applying this model has allowed Smart Energy GB to set and keep up-to-date, appropriate policies and procedures. These include:

- procurement policy;
- the full finance manual of all financial policies and procedures;
- HR policies and procedures;
- delegation of appropriate financial authorities.

The Board also undergoes annual training in how best to carry out its fiduciary duties. This helps ensure that the Board is fulfilling those duties, as well as several of its duties under the licences, properly.

The Smart Energy GB Board takes a positive approach to risk management and internal control. This includes welcoming the approach of the senior leadership team to review risks regularly and to use the risk register as an active management tool. During 2024, the Board conducted formal reviews of the risk register. It also welcomed the ARC's review of, and contribution to, the register.

Although outside of our control, the main risk to the activities of the company is any disruption to the planned quality or timescales of the nationwide smart meter rollout. Examples include:

- any material increase in difficulties with the delivery of technical functionality of the central smart metering infrastructure
- any material increase in issues with the quality of customer service from energy suppliers when installing smart meters

The company attempts to mitigate these risks by staying informed. It takes part in the stakeholder engagement forums of the Smart Metering Implementation Programme, led by the Department of Energy Security and Net Zero. Both the Board and the senior leadership team actively manage risks and uncertainties throughout the lifetime of the programme. This influences how we design and implement our consumer engagement work.

We provide all Directors with third-party indemnity insurance. This covers them against claims that may arise from their legitimate actions as Directors, as long as they have acted honestly and reasonably. It also covers members of the ARC.

Finally, we were paid quarterly in advance for our activity so there is no immediate cash flow risk.

Statement on compliance with s172(1) Companies Act 2006

The Board of Directors of Smart Energy GB consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a–f) of the Act) in the decisions taken during the year ended 31st December 2023. In particular:

- our Consumer Engagement Plan and Budget was designed to have a long-term beneficial impact on the delivery of the company's objectives as well as meeting those annual objectives of the Performance Management Framework. We will continue to operate our business within tight budgetary controls and in line with our targets;

- our employees are fundamental to the delivery of our plan. We aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and wellbeing of our employees are our primary considerations in the way we do business;

- our plan was informed by extensive engagement with consumers via a wide variety of research, enabling us to gain an understanding of their attitudes and priorities;

- our plan considered the impact of the company's operations on the community and environment and our wider societal responsibilities, and in particular, how we impact the environment. Not least because our work encourages consumers to better manage their household energy consumption, it's important we aim to minimise the impact on the environment;

- the intention of the Board of Directors is to behave responsibly and make sure that management operates the business in a responsible manner, within the high standards of business conduct and good governance expected for a business such as ours. In doing so, the Board will contribute to the delivery of our plan.

Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing the Directors' Report 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 financial statements in accordance with the 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on a 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. These should also enable the Directors to ensure the financial statements comply with the Companies Act 2006. The Directors 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. They are satisfied that appropriate safeguards are in place to prevent and detect fraud. Incidents of fraud and attempted fraud are reported to the Audit and Risk Committee throughout the year.

So far as each of the Directors at the date of this report is aware, there is no relevant audit information of which the company's auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The Directors' Report, which includes the Strategic Report, was approved by the Board on 12th March 2025 and signed on its behalf by:

Mark Lund
Chair

Independent Auditors report to the members of Smart Metering Communications Body Limited

Opinion

We have audited the financial statements of Smart Metering Communications Body Limited ('the company') for the year ended 31st December 2024, which comprise Statement of Income and Retained Earnings, Balance Sheet, Cash Flow Statement 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 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 company's affairs as at 31st December 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Material uncertainty relating to going concern

We draw your attention to note 1 in the financial statements, which indicates that the statutory mandate for their operations ceases in December 2025 and confirmation has not been received that this will be renewed beyond that date. These conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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 Directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the annual report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the annual report.

We have nothing to report in respect of the following matters in relation to the Companies Act 2006:

- adequate and proper accounting records have not been kept; or
- the 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, 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 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Financial Reporting Standard 102. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health & Safety Legislation, Taxation Legislation and Employment Legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on expenditure and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Companies House and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with

laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jayne Rowe

Jayne Rowe
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 21 March 2025

Statement of income and retained earnings

for the year ended 31st December 2024

	Notes	2024	2023
Turnover		38,265,104	38,264,775
Operating expenses		(38,510,350)	(38,223,940)
OPERATING (LOSS)/SURPLUS	2	**(245,246)**	**40,835**
Other income		549,470	357,536
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**304,224**	**398,371**
Taxation on profit on ordinary activities	4	(132,797)	(83,551)
TOTAL COMPREHENSIVE INCOME	9	**171,427**	**314,820**
Total retained earnings at the beginning of the year		2,905,323	2,590,503
Total retained earnings at the end of the year		**3,076,750**	**2,905,323**

The notes on pages **49–55** form part of these financial statements.

Balance sheet

as at 31st December 2024

Company Number: 08455995

	Notes	2024	2023
FIXED ASSETS			
Tangible assets	5	154,977	59,340
CURRENT ASSETS			
Debtors	6	12,401,463	8,171,228
Cash at bank		3,609,346	14,317,600
Short term investments		6,000,000	–
		22,010,809	**22,488,828**
CREDITORS: Amounts falling due within one year	7	(19,089,036)	(19,642,845)
NET CURRENT ASSETS		**2,921,773**	**2,845,983**
NET ASSETS		**3,076,750**	**2,905,323**
CAPITAL AND RESERVES			
Profit and Loss account	9	**3,076,750**	**2,905,323**

The accounts have been prepared in accordance with the Companies Act 2006. The Board approved the accounts on 12th March 2025 and signed on its behalf.

Mark Lund
Chair

Cash flow statement

January 2024 – December 2024

	Notes	£ 2024	£ 2023
Net cash (outflows) / inflow from operating activities	a)	(5,121,092)	(1,669,408)
Net cash inflow from investing activities	b)	412,838	287,533
(Decrease) / Increase in cash in the period	c)	(4,708,254)	(1,381,875)

a) Reconciliation of profit on ordinary activities to net cash inflow from operating activities	**£ 2024**	£ 2023
Profit before tax on ordinary activities	304,224	398,371
Depreciation and amortisation	40,995	155,886
Interest received	(549,470)	(355,536)
(Increase)/Decrease in debtors	(4,230,235)	(556,670)
(Decrease)/Increase in creditors	(553,809)	(1,227,908)
Tax payable	(132,797)	(83,551)
Net cash (outflow)/inflow from operating activities	**(5,121,092)**	**(1,669,408)**

b) Net cash flow from investing activities	**£ 2024**	£ 2023
Interest received	549,470	355,536
Purchase of tangible assets	(136,632)	(68,003)
	412,838	**287,533**

c) Analysis of changes in net cash funds	£ At 1st January 2024	£ Cashflows	**£ At 31st December 2024**
Cash at bank and in hand	14,317,600	(10,708,254)	**3,609,346**
Short term investments	–	6,000,000	**6,000,000**
	14,317,600	**(4,708,254)**	**9,609,346**

Cash at bank and in hand is a financial asset and is measured at amortised cost with a carrying value of £3,609,346 (2023: £14,317,600). £6,000,000 is held on short term deposit (2023: nil).

Status of the company
The company was incorporated in the United Kingdom on 21st March 2013 and is limited by the guarantee of its members. The income and property of the company must be applied solely to the objects of the company, and no distribution of any surpluses may be made to its members. As a private company limited by guarantee, registered in England and Wales, each member has no equity interest, and every member has undertaken to contribute an amount up to £1 to the assets in the event of a deficiency on winding up. The company's registered office is Ground Floor, The Crane Building, 22 Lavington Street, London, SE1 0NZ.

Notes to the financial statements

for the year ended 31st December 2024

1. Accounting policies
The principal accounting policies adopted and critical areas of judgment and estimation uncertainties are as follows:

a) Basis of accounting
The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

b) Going concern
The Smart Energy GB board has considered the current financial position of the company for the foreseeable future. The Directors are confident the company will continue for at least twelve months from the date of approval of these financial statements. They have also considered the period beyond that date as the current target framework ends in December 2025. Confirmation has not been received that the statutory mandate will be extended beyond this point, however the activities of Smart Energy GB may continue if there is deemed to be an ongoing benefit of public engagement.

Given the board is confident that the activities of the company will continue for the foreseeable future, the financial statements have been prepared on the going concern basis. However, a material uncertainty exists on exactly if or when Smart Energy GB will cease operations. This uncertainty will continue until there is clarity on Smart Energy GB's role beyond 2025. This will be monitored by the Board on an ongoing basis.

c) Judgements and estimates
The judgements and estimates within the financial statements include depreciation, a provision for office dilapidations and a bad debt provision. The accuracy of the estimation of depreciation depends on the useful economic life of the assets (details of which can be found in note g) below). The accuracy of the estimation of office dilapidations depends on a commercial negotiation with landlords if and when we vacate an office. This has been based on published rate estimations or estimates from external consultants. The accuracy of the estimation of the bad debt provision depends on whether suppliers are able to pay their invoices; debts are provided against when it becomes probable the supplier will no longer be able to meet their obligation. The uncertainty around these estimations is not deemed to have a significant risk of material adjustment in the future.

d) Turnover
Turnover represents income received from energy suppliers to meet our operating costs. The contribution from each supplier is agreed annually in advance and is recognised in the Profit and Loss account in the year to which the contribution relates. Contributions received before the period to which they relate are recorded as deferred income. All amounts stated are exclusive of VAT.

e) Intangible assets
Intangible fixed assets represent creative development costs that are capitalised in line with FRS102. The historical costs are provided and amortised on a straight–line basis over the period in which the assets are expected to generate revenue (five years). These figures can be found in the operating expenses of the Statement of Income and Retained Earnings.

f) Tangible assets
All assets are capitalised at cost when expenditure is deemed to meet the requirements for capitalisation as set out in FRS102. Depreciation is provided at the following rates in order to reduce each asset to its estimated residual value over its estimated useful life:

- Fixtures and fittings — 25% per annum on cost
- Computer equipment — 25% per annum on cost

Depreciation is charged on a monthly basis starting from the month of acquisition. Items purchased over the value of £5,000 are capitalised.

The only exception relates to the fit-out of the London office where a depreciation rate of 44% was adopted in line with the length of the lease.

Smart Energy GB has adopted a policy of not capitalising website and other similar development expenditure.

g) Pensions
Defined contributions are paid to the Group Personal Pension Plan via Scottish Widows Ltd in accordance with company policy. The policy allowed for contributions from the employer up to a maximum of 9%. The cost of providing for employees' pensions is charged to the Profit and Loss account as incurred.

h) Operating leases
Rentals under operating leases are charged on a straight-line basis over the lease term. The rent-free period is similarly spread on a straight-line basis over the lease term.

i) Taxation
Contributions from suppliers are not deemed to be trading income for corporation tax purposes; tax is paid on interest earned only. Corporation tax on any taxable income is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

j) Other income
Other income includes bank interest and other income not recognised within Turnover.

k) Financial instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

All financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost.

Financial assets are de-recognised when and only when:

a) the contractual rights to the cash flows from the financial asset expire or are settled;

b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset;

c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

2. Operating loss/profit

The operating (deficit) / surplus is stated after charging:	2024	2023
Depreciation and amortisation	40,995	155,886
Directors' remuneration	550,448	492,957
Operating lease rentals	419,027	340,702
Audit fee	25,400	24,610
Auditor's remuneration for non-audit fees	1,750	1,700
	1,037,620	**1,015,855**

3. Employee information

Total staff costs were as follows:	2024	2023
Wages and salaries	5,457,117	4,859,876
Social security costs	669,728	595,978
Pension costs	324,000	260,119
Total staff costs	**6,450,845**	**5,715,973**

The average number of employees in 2024 was 72 (2023: 69).

During the year ending 31st December 2024, Smart Energy GB paid £403,553 to one executive Director for salary (including PAYE and employee's NI), performance-related pay and pension contributions (2023: £357,447) and £146,895 to 14 non-executive Directors (2023: £135,510 and 11). No Director (2023: nil) is accruing benefits under money purchase or defined benefit pension schemes.

Total remuneration for the executive senior leadership team was £1,951,932 (2023: £1,738,212) including all emoluments, employer pension contributions and employer's NI. The remuneration committee reviewed and agreed the remuneration of the senior leadership team during the year, as it did in 2023.

During the year Smart Energy GB made termination payments of £21,910 (2023: £5,565) and £nil was outstanding at year-end (2023: £nil).

4. Taxation	2024	2023
UK Corporation tax on profits for the year	132,724	83,551
UK Corporation tax on profits from prior year	73	–
Tax charge on profit on ordinary activities	**132,797**	**83,551**

5. Tangible assets	Fixtures and Fittings	Computer Equipment	Total
Cost			
At 1st January 2024	728,222	292,041	1,020,263
Additions	8,600	128,032	136,632
Disposals	(80,739)	–	(80,739)
At 31st December 2024	**656,083**	**420,073**	**1,076,156**
Depreciation			
At 1st January 2024	728,222	232,701	960,923
Charge for the period	–	40,995	40,995
Disposals	(80,739)	–	(80,739)
At 31st December 2024	**647,483**	**273,696**	**921,179**
Net book value			
At 31st December 2024	**8,600**	**146,377**	**154,977**
At 31st December 2023	–	59,340	59,340

6. Debtors	2024	2023
Trade debtors	11,634,274	7,667,148
Provision for doubtful debts	(45,000)	(90,000)
Prepayments	761,798	533,606
Other debtors	50,391	60,474
	12,401,463	**8,171,228**

The carrying value of financial assets included within debtors and measured at amortised cost in 2024 was £11,684,665 (2023: £7,727,622).

7. Creditors: amounts due within one year	2024	2023
Trade creditors	780,339	2,110,691
Taxation and social security	404,829	303,406
Deferred income	10,984,551	11,826,207
Accruals	6,121,252	4,698,189
Other creditors	798,065	704,352
	19,089,036	**19,642,845**

The carrying value of financial liabilities included within creditors and measured at amortised cost in 2024 was £7,699,656 (2023: £7,513,232).

8. Lease commitments

The company had the following future minimum lease payments under non–cancellable operating leases for each of the periods below:	**2024**	2023
Land and buildings:		
Not later than one year	479,500	479,500
Later than one year and not later than five years	–	479,500
Later than five years	–	–
	479,500	**959,000**

Operating lease expenditure totalling £399,930 (2023: £315,351) was recognised through the Statement of Income and Retained Earnings during the year.

The company had no other off–balance sheet arrangements.

9. Capital and reserves

	Profit and Loss account
On 1st January 2024	2,905,323
Surplus for the year	171,427
On 31st December 2024	**3,076,750**

10. Pensions

Defined contributions are paid to the Group Personal Pension Plan via Scottish Widows Ltd in accordance with Company policy. The policy allowed for contributions from the employer up to a maximum of 9% (2023: 8%)

The total pension cost to the Company for the year ended 31st December 2024 was £324,000 (2023: £260,119).

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