

REGISTERED NUMBER: 1459589 (England and Wales)

Report of the Directors and
Financial Statements for the year ended 31st December 2008
for
Centre for Alternative Technology PLC

Centre for Alternative Technology PLC

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for the year ended 31st December 2008

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Centre for Alternative Technology PLC

Company Information
for the year ended 31st December 2008

DIRECTORS:

J Randle
A MacGarry
Ms B M Wallace

SECRETARY:

R B Dance

REGISTERED OFFICE:

Llwyngwern Quarry
Machynlleth
Powys
SY20 9AZ

REGISTERED NUMBER:

1459589 (England and Wales)

AUDITORS:

Patterson, Jones & Evans
Registered Auditor
Chartered Accountants
23 College Street
Lampeter
Ceredigion
SA48 7DY

Centre for Alternative Technology PLC

Report of the Directors for the year ended 31st December 2008

The directors present their report with the financial statements of the company for the year ended 31st December 2008.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of promoting practical alternative technologies and lifestyles through the operation of various trading activities from the CAT site. These other trading activities included two shops, a restaurant, a café, and a mail-order outlet linked to the website.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

These show improved performance for the year. Whilst this is encouraging, underlying performance of key operating areas did not improve substantially. However, with the improved performance of CAT Charity Limited, a greater proportion of shared overheads have been borne by that company, leading to reduced costs for CAT plc.

The performance of the company's mail order service has deteriorated considerably, leading, sadly, to three redundancies early in 2009. The directors would like to note the hard work and many years service of the staff in this department. The financial performance of the restaurant has also been an area of concern. The directors have asked CAT's management group to conduct a careful review of this important area of the company's operations.

The budgets currently in place indicate that the company should achieve a modest profit level of both 2009 and 2010. The opening of CAT Charity Limited's WISE building will bring both opportunities and challenges for the company, which will operate an extended restaurant and bar in the new building. This will provide an important focus.

The company is committed to high environmental standards. CAT has now achieved *Green Dragon Level 3*, and is working towards level 5, the highest level. Whilst our standards are, of course, extremely high, we have found it necessary to improve recording and monitoring in some areas in order to reach the requirements of the Green Dragon Award. CAT as a whole is also committed to the practical demonstration of the principals underlying CAT Charity Limited's *ZeroCarbonBritain* report. This includes the ongoing development of a ZeroCarbonCAT project.

Principal risks and uncertainties

The principal risks faced by the company include the risk of a decrease in visitor levels and the risk of the WISE facilities being significantly under-utilised. Although the visitor centre itself is now operated by CAT Charity Limited, the performance on the on-site shop and restaurant is closely linked. Similarly, the company will incur some costs in relation to the operation of WISE, particularly through the WISE bar and restaurant extension being operated by the restaurant.

The directors believe that preparing budgets well in advance and carefully monitoring performance will ensure that they are able to react quickly to any downturn in performance. It would not be difficult to reduce variable costs in such a situation, ensuring the company's overall stability.

DIVIDENDS

The directors do not recommend the payment of a dividend.

FIXED ASSETS

Market Value of Land & Buildings

In the opinion of the directors, the market value of the land and buildings of the company does not exceed the book value of these assets.

The movements in fixed assets during the year are set out in note 6 to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2008 to the date of this report.

J Randle

A MacGarry

Ms B M Wallace

Changes in directors holding office are as follows:

N Langley - resigned 4th April 2008

Centre for Alternative Technology PLC

Report of the Directors
for the year ended 31st December 2008

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The company aims to treat all suppliers fairly, paying within agreed terms, or, if specific terms have not been agreed, within 30 days, whenever possible. Queries or complaints from suppliers should be dealt with promptly, and any mistakes rectified efficiently.

During 2008, the average payment period to suppliers was 17 days.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made no political contributions during the year. Donations to UK charities amounted to £6,666 (2007: £983).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Patterson, Jones & Evans, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Director

Date: 9-6-09
.....

**Report of the Independent Auditors to the Shareholders of
Centre for Alternative Technology PLC**

We have audited the financial statements of Centre for Alternative Technology PLC for the year ended 31st December 2008 on pages six to nineteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on pages two and three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the Independent Auditors to the Shareholders of
Centre for Alternative Technology PLC

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Patterson, Jones & Evans

Patterson, Jones & Evans
Registered Auditor
Chartered Accountants
23 College Street
Lampeter
Ceredigion
SA48 7DY

Date: 22/06/09.....

Centre for Alternative Technology PLC

Profit and Loss Account
for the year ended 31st December 2008

		2008		2007	
	Notes	£	£	£	£
TURNOVER			1,580,644		1,997,056
Continuing operations		1,580,644		1,765,791	
Discontinued operations		<u>-</u>		<u>231,265</u>	
Cost of sales	2		<u>793,712</u>		<u>930,864</u>
GROSS PROFIT	2		786,932		1,066,192
Net operating expenses	2		<u>763,013</u>		<u>1,212,244</u>
OPERATING PROFIT/(LOSS)	4		23,919		(146,052)
Continuing operations		23,919		(79,304)	
Discontinued operations		<u>-</u>		<u>(66,748)</u>	
Interest receivable and similar income			<u>2,368</u>		<u>4,406</u>
 			26,287		(141,646)
Interest payable and similar charges	5		<u>2,648</u>		<u>404</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			23,639		(142,050)
Tax on profit/(loss) on ordinary activities	6		<u>491</u>		<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION			<u>23,148</u>		<u>(142,050)</u>

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

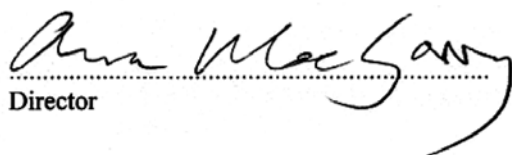
The notes form part of these financial statements

Centre for Alternative Technology PLC

Balance Sheet
31st December 2008

		2008		2007	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	7		1,208,945		1,285,460
Investments	8		<u>10,002</u>		<u>10,002</u>
			1,218,947		1,295,462
CURRENT ASSETS					
Stocks	9	198,401		199,722	
Debtors	10	243,584		224,076	
Cash at bank and in hand		<u>83,561</u>		<u>38,191</u>	
		525,546		461,989	
CREDITORS					
Amounts falling due within one year	11	<u>302,063</u>		<u>283,834</u>	
NET CURRENT ASSETS			<u>223,483</u>		<u>178,155</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,442,430		1,473,617
CREDITORS					
Amounts falling due after more than one year	12		(347,753)		(391,820)
PROVISIONS FOR LIABILITIES	15		<u>-</u>		<u>(10,268)</u>
NET ASSETS			<u>1,094,677</u>		<u>1,071,529</u>
CAPITAL AND RESERVES					
Called up share capital	16		1,050,002		1,050,002
Profit and loss account	17		<u>44,675</u>		<u>21,527</u>
SHAREHOLDERS' FUNDS	21		<u>1,094,677</u>		<u>1,071,529</u>

The financial statements were approved by the Board of Directors on 9-6-09 and were signed on its behalf by:


.....
Director

The notes form part of these financial statements

Centre for Alternative Technology PLC

Cash Flow Statement
for the year ended 31st December 2008

		2008		2007	
	Notes	£	£	£	£
Net cash inflow/(outflow) from operating activities	1		61,301		(176,618)
Returns on investments and servicing of finance	2		(280)		4,002
Capital expenditure	2		<u>(40,808)</u>		<u>(71,229)</u>
			20,213		(243,844)
Financing	2		<u>20,134</u>		<u>(2,137)</u>
Increase/(decrease) in cash in the period			<u>40,347</u>		<u>(245,981)</u>

Reconciliation of net cash flow to movement in net funds	3				
Increase/(decrease) in cash in the period		40,347		(245,981)	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(20,134)</u>		<u>2,137</u>	
Change in net funds resulting from cash flows			<u>20,213</u>		<u>(243,844)</u>
Movement in net funds in the period			20,213		(243,844)
Net funds at 1st January			<u>38,013</u>		<u>281,857</u>
Net funds at 31st December			<u>58,226</u>		<u>38,013</u>

The notes form part of these financial statements

Centre for Alternative Technology PLC

Notes to the Cash Flow Statement
for the year ended 31st December 2008

1. **RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

Year ended 31st December 2008

	Continuing £	Discontinued £	Total £
Operating profit	23,919	-	23,919
Movement in provision	(10,268)	-	(10,268)
Depreciation charges	117,323	-	117,323
Decrease in stocks	1,321	-	1,321
Increase in debtors	(19,508)	-	(19,508)
Decrease in creditors	<u>(51,486)</u>	-	<u>(51,486)</u>
Net cash inflow from continuing operating activities	61,301		
Net cash inflow from discontinued operating activities		-	
Net cash inflow from operating activities			<u>61,301</u>

Year ended 31st December 2007

	Continuing £	Discontinued £	Total £
Operating loss	(69,036)	(77,016)	(146,052)
Movement in provision	-	10,268	10,268
Depreciation charges	41,864	65,214	107,078
Increase in stocks	(4,724)	-	(4,724)
Increase in debtors	(71,515)	-	(71,515)
Decrease in creditors	<u>(71,673)</u>	-	<u>(71,673)</u>
Net cash outflow from continuing operating activities	(175,084)		
Net cash outflow from discontinued operating activities		<u>(1,534)</u>	
Net cash outflow from operating activities			<u>(176,618)</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest received	2,368	4,406
Interest paid	(1,296)	(34)
Interest element of hire purchase payments	<u>(1,352)</u>	<u>(370)</u>
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(280)</u>	<u>4,002</u>
Capital expenditure		
Purchase of tangible fixed assets	<u>(40,808)</u>	<u>(71,229)</u>
Net cash outflow for capital expenditure	<u>(40,808)</u>	<u>(71,229)</u>

The notes form part of these financial statements

Centre for Alternative Technology PLC

Notes to the Cash Flow Statement
for the year ended 31st December 2008

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT - continued**

	2008 £	2007 £
Financing		
Capital repayments in year	<u>20,134</u>	<u>(2,137)</u>
Net cash inflow/(outflow) from financing	<u><u>20,134</u></u>	<u><u>(2,137)</u></u>

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.08 £	Cash flow £	At 31.12.08 £
Net cash:			
Cash at bank and in hand	38,191	45,370	83,561
Bank overdraft	<u>-</u>	<u>(5,023)</u>	<u>(5,023)</u>
	<u>38,191</u>	<u>40,347</u>	<u>78,538</u>
Debt:			
Hire purchase	<u>(178)</u>	<u>(20,134)</u>	<u>(20,312)</u>
	<u>(178)</u>	<u>(20,134)</u>	<u>(20,312)</u>
Total	<u><u>38,013</u></u>	<u><u>20,213</u></u>	<u><u>58,226</u></u>

The notes form part of these financial statements

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules.

Turnover

Turnover represents net invoiced sales of goods and services, excluding trade discounts and any value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 2 to 5% on cost
Plant and machinery	- 2 to 10% on cost
Fixtures and fittings	- 2 to 25% on cost
Motor vehicles	- 25% on cost
Displays	- 5 to 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

The directors consider that the recognition of a deferred tax liability, based on accelerated capital allowances, would distort the true and fair view of the accounts. They depart from the requirements of FRS19 as they believe that the assets that have created this timing difference will be written down to nil net book value before disposal. This is in keeping with the organisation's reuse, repair, recycle ethos. A deferred tax asset, whose recovery is not more likely than not, could be utilised against any crystallisation of the liability. These are disclosed as a contingent asset and a contingent liability.

Pension costs and other post-retirement benefits

Contributions are paid by the company to personal pension plans of employees. These are charged to the profit and loss account in the period to which they relate.

Subsidiary company

The financial statements of CAT Energy Ltd have not been consolidated with those of the Company as the directors consider that the amounts involved are not material, and that their inclusion would detract from the clarity of the financial statements in respect of the principal activity of the Company. The consolidated group would be a small group.

Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income in the period to which they relate.

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

2. **ANALYSIS OF OPERATIONS**

	Continuing	2008 Discontinued	Total
	£	£	£
Cost of sales	<u>793,712</u>	<u>-</u>	<u>793,712</u>
Gross profit	<u>786,932</u>	<u>-</u>	<u>786,932</u>
Net operating expenses:			
Administrative expenses	999,337	-	999,337
Other operating income	<u>(236,324)</u>	<u>-</u>	<u>(236,324)</u>
	<u>763,013</u>	<u>-</u>	<u>763,013</u>
	Continuing	2007 Discontinued	Total
	£	£	£
Cost of sales	<u>930,864</u>	<u>-</u>	<u>930,864</u>
Gross profit	<u>834,927</u>	<u>231,265</u>	<u>1,066,192</u>
Net operating expenses:			
Administrative expenses	975,293	354,226	1,329,519
Other operating income	<u>(61,062)</u>	<u>(56,213)</u>	<u>(117,275)</u>
	<u>914,231</u>	<u>298,013</u>	<u>1,212,244</u>

3. **STAFF COSTS**

	2008	2007
	£	£
Wages and salaries	554,295	1,715,930
Social security costs	32,925	44,054
Other pension costs	<u>1,231</u>	<u>1,358</u>
	<u>588,451</u>	<u>1,761,342</u>

The average monthly number of employees during the year was as follows:

	2008	2007
Average number of full time staff	<u>45</u>	<u>52</u>

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

4. **OPERATING PROFIT/(LOSS)**

The operating profit (2007 - operating loss) is stated after charging/(crediting):

	2008 £	2007 £
Depreciation - owned assets	117,323	107,079
Auditors' remuneration	5,198	5,002
Grants	<u>(55,974)</u>	<u>(55,974)</u>
Directors' emoluments	<u>-</u>	<u>-</u>

5. **INTEREST PAYABLE AND SIMILAR CHARGES**

	2008 £	2007 £
Bank overdraft interest	94	34
VAT interest	1,202	-
Hire purchase	<u>1,352</u>	<u>370</u>
	<u>2,648</u>	<u>404</u>

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2008 £	2007 £
Current tax: UK corporation tax	<u>491</u>	<u>-</u>
Tax on profit/(loss) on ordinary activities	<u>491</u>	<u>-</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2008 £	2007 £
Profit/(loss) on ordinary activities before tax	<u>23,639</u>	<u>(142,050)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.750% (2007 - 20%)	4,905	(28,410)
Effects of: Accelerated capital allowances	2,200	21,416
Current losses carried forward	-	6,994
Losses utilised	<u>(6,614)</u>	<u>-</u>
Current tax charge	<u>491</u>	<u>-</u>

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

7. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st January 2008	243,663	885,463	158,636
Additions	<u>-</u>	<u>6,913</u>	<u>33,895</u>
At 31st December 2008	<u>243,663</u>	<u>892,376</u>	<u>192,531</u>
DEPRECIATION			
At 1st January 2008	95,054	287,256	124,640
Charge for year	<u>6,255</u>	<u>22,330</u>	<u>25,135</u>
At 31st December 2008	<u>101,309</u>	<u>309,586</u>	<u>149,775</u>
NET BOOK VALUE			
At 31st December 2008	<u>142,354</u>	<u>582,790</u>	<u>42,756</u>
At 31st December 2007	<u>148,609</u>	<u>598,207</u>	<u>33,996</u>
	Motor vehicles £	Displays £	Totals £
COST			
At 1st January 2008	13,290	651,276	1,952,328
Additions	<u>-</u>	<u>-</u>	<u>40,808</u>
At 31st December 2008	<u>13,290</u>	<u>651,276</u>	<u>1,993,136</u>
DEPRECIATION			
At 1st January 2008	13,290	146,628	666,868
Charge for year	<u>-</u>	<u>63,603</u>	<u>117,323</u>
At 31st December 2008	<u>13,290</u>	<u>210,231</u>	<u>784,191</u>
NET BOOK VALUE			
At 31st December 2008	<u>-</u>	<u>441,045</u>	<u>1,208,945</u>
At 31st December 2007	<u>-</u>	<u>504,648</u>	<u>1,285,460</u>

Assets held under HP and similar finance leases at 31 December 2008 had a net book value of £21,597 (2007: £nil) and the depreciation for the year charged on them was £4,319 (2007: £nil). Displays are rented to CAT Charity Ltd at £635 per month.

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

8. FIXED ASSET INVESTMENTS

The company holds no investments in listed companies. At the balance sheet date, the company's investments in the share capital of unlisted companies include the following:

CAT Energy Ltd

Nature of business: Sustainable production and sale of energy.

% holding

Class of shares:

Ordinary 100

	2008	2007
	£	£
Aggregate capital and reserves	(62,842)	(62,378)
Loss for the year	(104)	(1,080)

The investment is recorded in the balance sheet at a historical cost and net book value of £2 (2007: £2).

In 1997, £10,000 of B Ordinary shares in CAT plc were brought by the company from its shareholders. These shares are now held as an investment in own shares. There is no reduction in share capital as a result.

9. STOCKS

	2008	2007
	£	£
Stocks	<u>198,401</u>	<u>199,722</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Trade debtors	37,004	50,476
Other debtors	1,463	3,501
Amounts owed by participating interests	59,144	59,042
CAT Charity Ltd	142,667	-
Prepayments and accrued income	<u>3,306</u>	<u>111,057</u>
	<u>243,584</u>	<u>224,076</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008	2007
	£	£
Bank loans and overdrafts (see note 13)	5,023	-
Hire purchase contracts (see note 14)	8,405	178
Trade creditors	29,243	76,084
Tax	491	-
Social security and other taxes	16,592	12,091
VAT	-	16,041
Other creditors	7,543	12,191
CAT Charity Ltd	170,320	35,858
Accruals and deferred income	64,446	55,974
Accrued expenses	-	75,417
	<u>302,063</u>	<u>283,834</u>

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

12. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2008	2007
	£	£
Hire purchase contracts (see note 14)	11,907	-
Deferred government grants	<u>335,846</u>	<u>391,820</u>
	<u>347,753</u>	<u>391,820</u>

13. **LOANS**

An analysis of the maturity of loans is given below:

	2008	2007
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>5,023</u>	<u>-</u>

14. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

	2008	2007
	£	£
Net obligations repayable:		
Within one year	8,405	178
Between one and five years	<u>11,907</u>	<u>-</u>
	<u>20,312</u>	<u>178</u>

15. **PROVISIONS FOR LIABILITIES**

	2008	2007
	£	£
Other provisions	<u>-</u>	<u>10,268</u>

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

16. **CALLED UP SHARE CAPITAL**

Authorised:				
Number:	Class:	Nominal value:	2008 £	2007 £
50,000	A Ordinary	£1	50,000	50,000
1,500,000	B Ordinary non-voting	£1	1,500,000	1,500,000
50,000	Guardian	£1	50,000	50,000
			<u>1,600,000</u>	<u>1,600,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2008 £	2007 £
50,000	A Ordinary	£1	50,000	50,000
1,000,000	B Ordinary non-voting	£1	1,000,000	1,000,000
2	Guardian	£1	2	2
			<u>1,050,002</u>	<u>1,050,002</u>

Two guardian shares are held by the Society for Environmental Improvement Trust, a registered charity. This Trust safeguards the Centre's environmental aims and will ensure that the Centre's assets will not be sold off for any non-environmental purpose.

17. **RESERVES**

	Profit and loss account £
At 1st January 2008	21,527
Profit for the year	<u>23,148</u>
At 31st December 2008	<u>44,675</u>

18. **CONTINGENT LIABILITIES**

Deferred tax liabilities of £73,061 are calculated at the year end due to accelerated capital allowances. As discussed in Note 1 Accounting Policies, the retention of assets means that the crystallisation of this is highly unlikely. A deferred tax asset of £71,793 is calculated as a result of tax losses brought forward. In that recovery of this asset is not more likely than not, and given the treatment of the calculated deferred tax liability, this asset is viewed by directors as contingent rather than recognising it.

Centre for Alternative Technology PLC

Notes to the Financial Statements - continued
for the year ended 31st December 2008

19. RELATED PARTY DISCLOSURES

At the year end £170,320 (2007: £35,858) was owed to the Centre for Alternative Technology Charity Limited, a related party, as a result of recharges for the use of Charity assets.

An amount of £142,667 (2007: £nil) was owed by the Centre for Alternative Technology Charity Ltd for management and facility charges accrued during the year ended 31st December 2008.

An amount of £59,144 (2007: £59,042) is owed by CAT Energy Ltd, a subsidiary of the company. This is with respect to the parent supporting the operating costs of a wind turbine gifted to the Centre for Alternative Technology.

There are no agreed terms for the repayment of these amounts.

20. ULTIMATE CONTROLLING PARTY

The immediate controlling party of the Centre for Alternative Technology PLC is the employee benefit trust. The ultimate control is vested in the Trustees of the EBT. None of these trustees are directors of the Centre for Alternative Technology PLC.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008	2007
	£	£
Profit/(Loss) for the financial year	<u>23,148</u>	<u>(142,050)</u>
Net addition/(reduction) to shareholders' funds	23,148	(142,050)
Opening shareholders' funds	<u>1,071,529</u>	<u>1,213,579</u>
Closing shareholders' funds	<u>1,094,677</u>	<u>1,071,529</u>

Centre for Alternative Technology PLC

**Trading and Profit and Loss Account
for the year ended 31st December 2008**

	2008		2007	
	£	£	£	£
Turnover				
General income	1,487,777		1,688,703	
Admission income	<u>92,867</u>		<u>308,353</u>	
		1,580,644		1,997,056
Cost of sales				
Opening stock	199,722		194,998	
Purchases	<u>792,391</u>		<u>935,588</u>	
	992,113		1,130,586	
Closing stock	<u>(198,401)</u>		<u>(199,722)</u>	
		793,712		930,864
GROSS PROFIT		786,932		1,066,192
Other income				
Sundry receipts	7,276		13,457	
Deferred grants release	55,974		55,974	
Management charges	157,898		34,367	
Rental of equipment	15,176		13,477	
Deposit account interest	<u>2,368</u>		<u>4,406</u>	
		238,692		121,681
		1,025,624		1,187,873
Expenditure				
Rent and rates	54,507		82,979	
Light and heat	51,884		40,169	
Wages	554,295		715,930	
Social security	32,925		44,054	
Pensions	1,231		1,358	
Training costs	1,112		4,980	
Telephone	12,287		18,375	
Office supplies and postage	16,215		34,600	
Advertising and promotions	31,182		46,523	
Travelling and subsistence	3,465		5,075	
Motor expenses	2,275		4,347	
Bad debts	1,044		303	
Repairs and renewals	49,763		99,015	
Sub-contract labour	1,331		8,481	
Volunteer costs	8,456		5,179	
Insurances	15,911		22,680	
Printing costs	-		8,629	
Sundry expenses	6,375		22,438	
Recruitment costs	614		2,657	
Subscriptions	1,225		-	
Legal and professional fees	10,469		32,050	
Auditors' remuneration	5,198		5,002	
Donations	<u>6,666</u>		<u>983</u>	
	868,430	1,025,624	1,205,807	1,187,873

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Centre for Alternative Technology PLC

Trading and Profit and Loss Account
for the year ended 31st December 2008

	2008		2007	
	£	£	£	£
Brought forward	868,430	1,025,624	1,205,807	1,187,873
Depreciation of tangible fixed assets				
Fixtures and fittings	<u>4,319</u>	<u>872,749</u>	<u>-</u>	<u>1,205,807</u>
		152,875		(17,934)
Finance costs				
Bank charges	13,584		16,634	
Bank overdraft interest	94		34	
VAT interest	1,202		-	
Hire purchase	<u>1,352</u>		<u>370</u>	
		<u>16,232</u>		<u>17,038</u>
		136,643		(34,972)
Depreciation				
Short leasehold	6,255		6,255	
Plant and machinery	24,274		22,311	
Fixtures and fittings	20,816		13,298	
Motor vehicles	-		2,172	
Displays	<u>61,659</u>		<u>63,042</u>	
		<u>113,004</u>		<u>107,078</u>
NET PROFIT/(LOSS)		<u><u>23,639</u></u>		<u><u>(142,050)</u></u>

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