SMART ENERGY CODE COMPANY LIMITED
Company Number 08430267

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Smart Energy Code

SMART ENERGY CODE COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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SMART ENERGY CODE COMPANY LIMITED
OFFICERS, ADVISORS AND REGISTERED OFFICE

DIRECTORS

Ashley Pocock	Director
Ralph Baxter	Director
Alexander Travell	Director
James Burney	Director
Emslie Law	Director
Caroline Farquhar	Director
Angela Love	Director & Chair
Edward Hurford	Director (Appointed 01.04.2023)
Carolyn Jones	Director (Appointed 18.09.2023)
Martin Shannon	Director (Appointed 18.09.2023)
Michael Snowden	Director (Appointed 18.09.2023)

COMPANY SECRETARY

Louise Evans

REGISTERED OFFICE

77 Gracechurch Street
London EC3V 0AS

Telephone: 020 7090 1000
Fax: 020 7090 1001

SERVICE PROVIDER

Gemserv Limited
77 Gracechurch Street
London EC3V 0AS

AUDITORS

Gerald Edelman LLP
73 Cornhill
London EC3V 3QQ

BANKERS

The Royal Bank of Scotland
440 Strand
London
WC2R 0QS

COMPANY REGISTRATION NUMBER

08430267

Contact Details

Email: secas@gemserv.com
Website: smartenergycodecompany.co.uk

SMART ENERGY CODE COMPANY LIMITED

CHAIR'S STATEMENT

I believe my first year as Smart Energy Code (SEC) Panel and Board Chair has been one in which we have made real progress with the SEC governance arrangements. This has seen us forging closer relationships across the industry, planning for the future to make sure we are set up for success, with the ability to manage important changes and transitions in the energy market. At the same time, we have been considering what the SEC needs to do, once the Smart Metering Implementation Programme comes to an end, when the arrangements become the enduring governance framework.

I have spent a lot of time meeting and engaging with SEC Parties to hear first-hand their needs and expectations for the smart metering sector, and with colleagues in the Department for Energy Security and Net Zero (DESNZ) and Ofgem. This has helped me, and the SEC Board, shape our thinking on how we structure the Smart Energy Code Company Limited (SECCo) to be better prepared for future scenarios and challenges. These challenges are many, not least the transition from 2G/3G to 4G communications and the Data Communication Company's (DCC) longer term Future Connectivity Strategy, but also the future of the DCC itself and Ofgem's Code Reform programme. We are keen to engage industry in our future strategy and will be seeking input at our upcoming annual SEC Party Engagement Day.

Myself and the Chairs of the SEC Sub-Committees, as well as the SEC Administrator, have also collaborated with the DCC to help resolve the many challenges we face as we strive towards a smarter, greener future, to play our part in delivering the Governments' net zero target.

Having set up the Communications Transition Group (CTG) a year ago it has worked closely with the DCC, DESNZ and industry to plan for the roll-out of 4G Communications Hubs (CHs) to ensure connectivity when 3G communication close down. The CTG's work has included capturing supplier levels of readiness, assessing the skill levels needed for replacement activity and disseminating key information to industry. The group's remit has also recently expanded to include Smart Metering Equipment Technical Specifications (SMETS)1 end of life transition activities.

The number of User impacting programmes has grown considerably during the year with 16 DCC programmes currently in flight. These vary in scale from the Data Service Provider (DSP) Re-procurement and 4G CH replacement through to the DCC Service Centre Re-procurement. SEC Panel and its Sub-Committees have continued to play a key role in helping the DCC to understand and shape User requirements, reviewing outputs from the DCC to ensure that User needs are being met. The cost of these programmes and the commercial process undertaken by the DCC are of particular interest to the SEC Parties, given that they will meet the costs of the programmes but also be impacted by the services provided by them. For this reason, the SEC Panel and the DCC trialled and have subsequently agreed a process for representatives of the SEC Panel to be given transparency and detail of the more significant programmes, to give insight and assurance of the DCC's procurement process.

Ofgem and DESNZ have continued to rely on assurance and technical oversight from the SEC Panel and its Sub-Committees in relation to the DCC's delivery of services and projects, notably GBCS 4.1 testing completion and readiness, and Enduring Change of Supplier go- live, during which, the Panel's Sub-Committees carried out rigorous assessment through cross-committee collaboration.

The Panel and its Sub-Committees have also worked closely with the DCC to improve the DCC's Service Outage and Business Continuity Disaster Recovery (BCDR) planning, which has seen a reduction in DCC system outages when compared to the previous 12 months. Furthermore, Panel has also monitored Price Change events, actively feeding into and working with the DCC as well as writing to SEC Parties to help improve the performance of these events to reduce Major Incidents.

Given changes in User composition, the SEC Panel also initiated work to better understand and assess changes in User demand for DCC services, the capacity required and how network traffic will be managed in future. Further, as part of strategic planning, SEC Panel is also undertaking horizon-scanning to look further into the future to identify new products and services being brought to market, and use cases for smart metering, to enable consideration of all possible impacts on the SEC.

The throughput of proposed changes to the Smart Energy Code has remained high with 23 modifications implemented within the three scheduled and nine ad-hoc SEC Releases, and 30 new modifications raised and assessed within the year. Of the modifications underway there are two of particular note - DP218, which is reviewing how system Charges are assigned, given the change in User composition, and MP224, seeking to establish a Performance Assurance Framework which will monitor SEC Party and DCC compliance with the Code.it matters to

From a Security and Privacy perspective, we have proactively introduced changes to strengthen the arrangements, including the first Security Assessments of Triage Facility providers, the first DCC CIO Assessment Reviews under the new DCC Security Controls Framework, and a project to consider the threat of Quantum Computing. Furthermore 87 Security & Privacy Assessments were carried out and corresponding remediation actions monitored. There have been an increasing number of privacy and data related matters affecting the Code and therefore in March the SEC Panel decided to establish a new Privacy Sub-Committee to actively consider issues, possible impacts and necessary mitigations.

The Panel has continued to respond to industry consultations, notably in response to Ofgem's Code Reform, the DCC Licence Review and DCC's Price Control Regulatory Year 22/23. Panel also responded to DESNZ's consultations on DCC Communication Hub and Network Financing, and Smart Metering Systems installed in premises with no Wide Area Network. Feedback was also provided on the DCC's Business Handover Plan in readiness for any successor Licensee following Ofgem's DCC Licence procurement activity. In considering the progress of these areas of consultation it has been positive to see that SEC Panel feedback continues to be taken on board and reflected in determinations and ongoing actions.

Over the last twelve months we have increased SEC Party Engagement, with the SEC Panel/Board committed to transparency and ensuring that two-way communication is in place between the SEC and the SEC Parties. This engagement has included the monthly Party engagement calls (including a new Large Supplier monthly call), webinars and newsletters. 12 topic-focused webinars were run during the year, covering topics such as Transition to 4G, Alt Han, Security & Privacy, the SEC Panel Draft Budget, and User CIO Triage Facilities. For the first time since the pandemic an in-person Annual SEC Party Engagement Day was held with key industry speakers from Ofgem and DESNZ, break-out sessions and an opportunity to ask the Panel questions. The newsletter remains a key channel to keep Parties informed of matters which impact them alongside Podcasts on Change Modifications, however we have also been working on a re-development and design of the SEC website to ensure that information is readily available and easy to find to aid SEC Parties understanding of the arrangements and what change is being progressed. In addition, to help SEC Parties and other stakeholders understand the smart metering governance landscape we have worked with the DCC to develop a smart metering industry calendar, which details all meetings taking place and consultation response deadlines. We have also driven an increased social media presence, driving up membership of the SEC LinkedIn page to 881, up from 549 the prior year.

As of 31 March 2024, there were 321 Parties to the Code representing 256 Voting Groups. During the year, 24 Parties acceded to the SEC (mainly Other SEC Parties), whilst 25 Parties exited the Code, primarily as a result of the conclusion of the Supplier of Last Resort process, and transfer of customers.

The SECCo Board continues to oversee and maintain contractual arrangements to deliver the SEC arrangements, with the objective of seeking to ensure best value for money for SEC Parties by using a competitive tender approach. The Board also has policies in place and monitors all expenditure, granting release of funds for any Projects approved by SEC Panel, and reviewing and approving the monthly management accounts and related invoices. In our commitment to transparency and through feedback from SEC Parties as part of the 2024/25 Business Plan process, we have committed to reporting our financial position to SEC Parties on a quarterly basis.

In March 2023, the Panel agreed its annual budget of £10.7m for the year to 31 March 2024. Having undertaken close management of the budget this has seen expenditure of £9.4m. The remaining unused funds will be credited to the DCC for return to SEC Parties. For reference, the budget excludes approximately £1m of security and privacy assessment cost and related income.

2023/24 has been a really busy year for the SEC Panel and SECCo Board and I would like to thank them all for their hard work, in particular in looking to create a more productive relationship with the DCC, but also for the time that they have given to making the SEC fit for the future. The Panel/Board members are unpaid members of industry and the wide stakeholder landscape, and I have been impressed by their dedication to evolve the smart metering arrangements. As we move forward, SECCo is committed to working more closely with SEC Parties on addressing their needs and getting their input on what SECCo needs to look like and how we deliver a model for enduring governance. I look forward to working with SEC Parties in this regard.

DocuSigned by:
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Angela Love
Director & Chair
25th June 2024

SEC
Smart Energy Code

SMART ENERGY CODE COMPANY LIMITED
DIRECTORS' REPORT

INTRODUCTION

The Directors present their report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 March 2024.

PRINCIPAL ACTIVITIES

SECCo was established on behalf of Parties to the Smart Energy Code (SEC) in order to assist the SEC Panel in meeting its responsibilities to ensure that the objectives of the SEC are achieved. The SEC is the legal agreement that sets out the rights and obligations between the holder of the DCC Licence[1] and the organisations that wish to use the services that the DCC provides. This is a multi-party framework for Great Britain, comprising the DCC licensee and organisations that hold energy licences (Electricity Suppliers, Gas Suppliers, Electricity Distribution Businesses and Gas Network Operators); as well as other businesses engaged in commercial activities connected with the supply of energy.

The Company operates as the corporate vehicle that assists the SEC Panel in the exercise of its functions and powers, including entering into contracts with third party providers.

The running costs and expenses of the Company are met by the DCC in accordance with the provisions of the SEC (Section C8.1). The principal contract SECCo holds is with Gemserv Limited for the provision of the code administration and secretariat services.

RESULTS AND DIVIDENDS

The Company is ran on a 'break-even' basis. The Company therefore makes neither a profit nor a loss, with any surplus being offset with amounts due from the DCC, in the following financial year. The Directors do not intend to declare a dividend.

SHARE ISSUES

All parties that accede to the SEC are offered the option to become a shareholder in SECCo Limited. Applicants acceding as Suppliers or Networks are obligated to purchase a share. 25 shareholders left the SEC, with 14 shareholders joining in the year. The number of shares remain at 316.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

SECCo has reviewed its Strategy and Target Operating Model in light of the many developments and changes facing the Code now and, in the future, such as delivering SEC Parties evolving needs, Energy Code Reform, the transfer of governance from DESNZ, and the DCC's Licence Review.

1 Granted under section 6(1A) of the Electricity Act and section 7AB(2) of the Gas Act

As a result, SECCo is building up its internal resources in order to create additional bandwidth and capability to be able to plan for and tackle these challenges. The new Target Operating Model for the SEC will be focused on improving services to SEC Parties, considering the enduring service model, and engaging more fully with industry strategic initiatives.

A key change for the coming year will be the transition of ownership for the Commercial Product Assurance (CPA) Scheme from the National Cyber Security Centre (NCSC) to the SEC Panel's Security Sub-Committee (SSC), requiring SECCo to carry out a competitive procurement for a Scheme Operator and manage a smooth transition of services. A future change being considered as part of the DCC Licence Review is whether a Finance Sub-Committee should be established under the SEC which will require careful planning and the appointment of suitably qualified resources.

DIRECTORS

The Directors who served during the year were as follows:

	DATE OF APPOINTMENT	DATE OF RESIGNATION
Karen Lee	23.09.17	18.09.23
Ro Crawford	09.11.18	01.04.23
Tracey Saunders	24.09.19	18.09.23
Ralph Baxter	01.07.20	–
Ashley Pocock	23.09.20	–
Alexander Travell	01.10.20	–
Alastair Cobb	23.09.21	18.09.23
James Burney	23.09.22	–
Emslie James Law	23.09.22	–
Caroline Farquhar	13.02.23	–
Angela Love	15.03.23	–
Edward Hurford	01.04.23	
Carolyn Jones	18.09.23	
Martin Shannon	18.09.23	
Michael Snowden	18.09.23	

PAYMENT OF COMMERCIAL DEBTS

The Company maintains a policy of paying its suppliers in accordance with agreed credit terms.

CORPORATE GOVERNANCE

The Company believes in complying with the principles of good corporate governance and this statement describes how these principles have been applied.

SMART ENERGY CODE COMPANY LIMITED
DIRECTORS' REPORT (continued)

Directors

The Directors supervise the management of the company. The Board meets frequently throughout the year and Directors may attend in person or by teleconference. The Board has reserved certain items for its review and approval, including the annual accounts, significant capital expenditure and services agreements. The annual budget is approved by the Board members sitting as the SEC Panel in consultation with all the SEC Parties. Other than the independent Chair, all Directors are representative of SEC Parties and accordingly are currently not remunerated apart from reimbursement of expenses.

Internal Financial Controls

The Company has established a system of internal financial control which is designed to provide reasonable but not absolute assurance that the company's assets are safeguarded from misstatement or loss. The key procedures are:

1 *Control environment*

There are clear responsibilities and accountabilities within a defined organisational structure.

2 *Control procedures*

There are comprehensive policies and procedures which cover authorisation, recording of data and physical security, along with segregation of duty procedures that are in line with companies of this size and complexity.

3 *Information and financial reporting systems*

There are planning procedures in place, which include detailed operational budgets for the year ahead. These budgets are approved by the Board and actual results are monitored regularly in comparison with budgets and forecasts.

AUDITORS

A resolution proposing the reappointment of Gerald Edelman LLP for the year ending 31 March 2025 will be posed to SECCo Shareholders for consideration at the Annual General Meeting on the 26th of July.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors 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 are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

DocuSigned by:
CCCB416FEC93436...
Angela Love
Director & Chair
25th June 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMART ENERGY CODE COMPANY LIMITED

Opinion

We have audited the financial statements of Smart Energy Code Company Limited (the 'company') for the year ended 31 March 2024 which comprise the income statement, the statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its result 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.

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMART ENERGY CODE COMPANY LIMITED (continued)

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMART ENERGY CODE COMPANY LIMITED (continued)

Responsibilities of directors for the financial statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our audit procedures were primarily directed towards testing the accounting systems in operation upon which we have based our assessment of the financial statements for the year ended 31 March 2024.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMART ENERGY CODE COMPANY LIMITED (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud (continued)

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Audit response to risks identified

Fraud due to management override

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

Irregularities and non-compliance with laws and regulations

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006, and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities' and evaluating advice received from tax advisors.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SMART ENERGY CODE COMPANY LIMITED (continued)

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors of Smart Energy Code Company Limited.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https:// www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the 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.

DocuSigned by:
Hemen Doshi
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Hemen Doshi (Senior Statutory Auditor)
For and on behalf of Gerald Edelman LLP

Chartered Accountants
Statutory Auditor

73 Cornhill, London EC3V 3QQ

25th June 2024

SMART ENERGY CODE COMPANY LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £'000	2023 £'000
TURNOVER	10,522	9,669
Administrative Expenses	(10,522)	(9,669)
PROFIT/LOSS BEFORE TAXATION	-	-
Tax on profit/loss on ordinary activities	-	-
RESULT FOR THE YEAR	-	-

All amounts relate to continuing operations.

The notes on pages 18 to 20 form part of these financial statements.

SMART ENERGY CODE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2024

	NOTES	2024 £'000	2023 £'000
CURRENT ASSETS			
Debtors falling due within one year	4	1,208	1,032
Cash at bank and in hand		3,195	891
		4,404	1,923
CREDITORS			
Amounts falling due within one year	5	(4,404)	(1,923)
NET CURRENT ASSETS		-	-
TOTAL ASSETS LESS LIABILITIES		-	-
CAPITAL AND RESERVES			
Share capital	6	-	-
Profit and loss account		-	-
EQUITY SHAREHOLDERS' FUNDS		-	-

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and in accordance with FRS 102 Section 1A. The financial statements were approved by the Board on 25th of June 2024 and signed on its behalf by:

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Angela Love
Director & Chair
Company Number 08430267

The notes on pages 18 to 20 form part of these financial statements.

SMART ENERGY CODE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1 COMPANY INFORMATION AND ACCOUNTING POLICIES

Smart Energy Code Company Limited (the Company) is a private company, limited by shares, domiciled in England and Wales. The registered office is 77 Gracechurch Street, London, EC3V 0AS.

(A) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland including Section 1A.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year are set out below:

(B) GOING CONCERN

The shareholders receive income for the Company in accordance with the provisions of the SEC and the Company operates with the intention of breaking even. The directors are of the view that the company will have adequate resources to continue to operate and remain in existence for the foreseeable future. For this reason, they have adopted the going concern basis in preparing the financial statements.

(C) TURNOVER

Turnover represents the amount chargeable for the year to SEC Parties under the terms of the SEC agreement. Turnover is stated net of value added tax.

(D) EXPENSES

Expenses are recognised as incurred and are measured net of value added tax.

(E) FINANCIAL INSTRUMENTS

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors. Both are measured at amortised cost.

2 PROFIT/LOSS BEFORE TAXATION

The profit/loss before taxation is stated after charging:

	2024 £'000	2023 £'000
Auditor's remuneration		
– Audit services	11	10
– Tax services	2	2

SMART ENERGY CODE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

3 DIRECTORS

The Company has one employee, who is also a director of the company. The average number of directors during the year was 11.

The total amount of Directors' remuneration was £187k (2023: £169k), this was made up of salary of £170k and national insurance of £17k.

4 DEBTORS

	2024 £'000	2023 £'000
Trade debtors	1,202	1,026
Other debtors	6	6
	1,208	1,032

As at 31 March 2024, "Trade debtors" includes receivables from the DCC, amounting to £1.2m (2023: £1 m) arising from expenses incurred and recharged to the DCC.

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £'000	2023 £'000
Trade creditors	2,260	1,064
Other taxation and social security	7	3
Accruals and deferred income	2,112	845
VAT payable	25	11
	4,404	1,923

SMART ENERGY CODE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

6 SHARE CAPITAL

	2024 £	2023 £
Authorised, Allotted		
316 Ordinary shares of £1 each	316	316

All parties that accede to the SEC are offered the option to become a shareholder in SECCo Limited

7 PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.