Trust Statement
Accounting officer’s foreword to the trust statement

Scope


The Authority is responsible for taking enforcement action (including imposing financial penalties) in respect of the energy companies that it regulates, and collecting the England and Wales, and Scotland fossil fuel levies.

The trust statement reports the revenues and expenditures and assets and liabilities related to fines, penalties and the fossil fuel levies for the financial year 2020-21. These amounts are collected by us for payment into the consolidated fund.

This statement is also prepared to disclose any material expenditure or income that has not been applied for the purposes intended by parliament, or material transactions that have not conformed to the authorities which govern them. There was no such expenditure or income during 2020-21.

Future disclosures

The 2020-21 trust statement will be the final trust statement prepared by Ofgem, unless there is a significant change in future and it is agreed with HM Treasury that it would aid transparency to reintroduce a trust statement.

The fossil fuel levies were closed in 2019 and no longer have any significant transactions. The residual levy cash balances will be transferred to the consolidated fund (England and Wales levy balance) and Scottish consolidated fund (Scotland levy balance). This is expected to happen during 2021-22.

In future, fines imposed and penalties collected will be reported in a note to the Ofgem resource accounts so that there will be no loss of transparency.

Background

Penalties

Under the Gas Act 1986 and the Electricity Act 1989 the Authority may impose a statutory penalty where it is satisfied that a regulated party (eg licence-holders) has contravened or is contravening any relevant condition or requirement, or has failed or is failing to achieve any prescribed standard of performance.

No penalty imposed by the Authority under the Gas Act 1986 and the Electricity Act 1989 may exceed 10% of the turnover of the regulated party.

We also have powers under The Electricity and Gas (Market Integrity and Transparency) (Enforcement etc) Regulations 2013 to monitor, investigate and impose penalties in respect of breaches of EU Regulation 1227 / 2011 on Wholesale Energy Market Integrity and Transparency (REMIT) and REMIT as it has been retained in domestic UK law. We also have powers under the Network and Information Systems Regulations 2018 to impose penalties in respect of breaches of those Regulations.
We also have concurrent powers with the Competition and Markets Authority (CMA) to enforce the prohibitions on anti-competitive agreements and abusing positions of dominance in the Competition Act 1998. Where an infringement is found, we may decide to impose a financial penalty up to 10% of the company’s applicable turnover if we are satisfied that the infringement was committed intentionally or negligently.

Any sums imposed by the Authority by way of a formal legislative penalty are paid into the consolidated fund. In 2020-21 the penalties imposed which were payable to the consolidated fund amounted to approximately £26.6 million. We give notice to the regulated party that we propose to impose a penalty on and consult on this.

Financial review

This year we imposed penalties on companies. This financial review covers penalties that resulted in the imposition of penalties payable to the consolidated fund.

Ovo

We imposed a financial penalty on Ovo Electricity Limited and Ovo Gas Limited (jointly Ovo Energy Limited) for its failure to comply with SLCs 22C, 25C/0, 27, 28A and 31A of its Electricity and Gas Supply Licences.

SLC 22C requires suppliers to provide information on (among other things) a customer’s estimated annual costs and estimated annual savings. SLC 25C, which was in force until October 2017, required suppliers to take all reasonable steps to achieve certain standards of conduct and to ensure that the standards were interpreted and applied consistently with the customer objective, which was to treat customers fairly. SLC 25C has since been modified; our enhanced Standards of Conduct came into force on 10 October 2017 and are now known as SLC 0. SLC 27 requires suppliers to take all reasonable steps to issue final bills within 6 weeks of a customer leaving supply and also issue corrected final bills (if required) in a timely manner. SLC 28A requires suppliers to ensure that charges for energy do not exceed the maximum permitted charges under the prepayment price cap. SLC31A sets out specific obligations concerning the provision of information on bills, statements of account and annual statements. We made no finding of breach in respect of SLC 26 (Priority Services Register), which was within the scope of this investigation.

We imposed a financial penalty of £1 on Ovo Electricity Limited and £1 on Ovo Gas Limited. This is in addition to £8,876,500 (less £2) that Ovo agreed to pay in voluntary redress. The redress was paid into Ofgem’s Voluntary Redress Fund (administered by the Energy Saving Trust) and the money will be used to the benefit of energy consumers.

Intergen

We made a finding that InterGen breached Article 5 of REMIT by engaging in market manipulation to exploit Great Britain’s Balancing Mechanism, a Wholesale Energy Market. Article 5 REMIT provides that “any engagement in, or attempt to engage in, market manipulation on wholesale energy markets shall be prohibited”.

We also made a finding that Coryton, Rocksavage and Spalding breached Standard Licence Condition (SLC) 5.1 of their Electricity Generation Licence which requires them to comply with the Grid Code. Namely, Balancing Code (BC) 1.4.2 which requires Dynamic Parameters to reasonably reflect the expected true operating characteristics of the Balancing Mechanism Unit and be prepared in accordance with Good Industry Practice and BC 1.4.3, which requires Balancing Mechanism Participants to use reasonable endeavours to ensure data held by the Electricity System Operator is accurate at all times. In the course of the investigation we found that staff at InterGen sent misleading signals to National Grid Electricity System Operator for commercial gain. InterGen profited through this manipulation of the market.
InterGen agreed to pay approximately £12.8m back to recompense those parties affected by its REMIT breach, in addition to paying a penalty of £24.5m. The total financial liability due from InterGen in respect of the contraventions of Article 5 was approximately £37.3m.

**SSE Generation Ltd**

Ofgem's investigation found that SSE breached Article 4 REMIT by failing to publicly disclose Inside Information in a timely and effective manner.

On 3 February 2016, SSE announced that three generating units at its Fiddler's Ferry power station were likely to close by 1 April 2016. On 22 March 2016 it signed a non-binding Heads of Terms agreement with National Grid Electricity Transmission to provide ancillary services at any one of the three generating units at Fiddler’s Ferry from 1 April 2016. SSE did not publish this information in a timely manner.

SSE admitted the breach of Article 4 of REMIT and agreed to settle during the early settlement window.

A financial penalty of £2,060,000 was imposed on SSE in respect of its contraventions of Article 4(1).
Statement of the accounting officer’s responsibilities in respect of the trust statement

Under section 7 of the Government Resources and Accounts Act 2000, the HM Treasury has directed the Office of Gas and Electricity Markets (Ofgem) to prepare for each financial year a trust statement in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Ofgem and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis; and
- confirm that the trust statement as a whole is fair, balanced and understandable and take personal responsibility for the trust statement and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the Chief Executive as Accounting Officer of Ofgem. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Ofgem’s assets, are set out in Managing Public Money published by the HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Ofgem’s auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Governance statement

Ofgem’s governance statement, covering both the resource accounts and the trust statement, is on pages 36 to 47.
The certificate and report of the Comptroller and Auditor General to the House of Commons

Opinion on financial statements

I certify that I have audited the financial statements of the Office of Gas and Electricity Markets Trust Statement for the year ended 31 March 2021 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statements of revenue, other income and expenditure, financial position, the cash flows and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by HM Treasury’s Government Financial Reporting Manual.

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the Office of Gas and Electricity Markets Trust Statement as at 31 March 2021 and of the net revenue for the year then ended; and

- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 ‘Audit of Financial Statements of Public Sector Entities in the United Kingdom’. My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council’s Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Office of Gas and Electricity Markets in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Without qualifying my opinions above, I draw attention to Note 1.1 of the Trust Statement’s Accounting Policies; Basis of Accounting and the Accounting Officer’s statement in the foreword to the Trust Statement: Future disclosures, in which the Accounting Officer highlights that the fossil fuel levy schemes were closed on 31 March 2019 and no longer have any significant transactions. The Accounting Officer has therefore identified that the 2020-21 Trust Statement will be the final trust statement prepared by the Office of Gas and Electricity Markets, unless there is a significant change in future and it is agreed with HM Treasury that it would aid transparency to reintroduce a Trust Statement. As explained in Note 1.1, the Trust Statement has been prepared on a going concern basis.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Office of Gas and Electricity Markets’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. The going concern basis of accounting for the Office of Gas and Electricity Markets’ Trust Statement is adopted in consideration of the requirements set
out in HM Treasury’s Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future. It is anticipated that the services provided by the Office of Gas and Electricity Markets will continue into the future. The fines imposed and penalties collected which have previously been reported within the Trust Statement will be reported in a note to the Office of Gas and Electricity Markets’ annual report and accounts.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises information included in the Accounting Officer’s foreword and Statement of accounting officer’s responsibilities to the trust statement, but does not include the financial statements and my auditor’s certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate. I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

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

• the information given in the Accounting Officer’s foreword to the Trust Statement for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Office of Gas and Electricity Markets and its environment obtained in the course of the audit, I have not identified material misstatements in the Accounting Officer’s foreword to the Trust Statement. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

• adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
• the financial statements are not in agreement with the accounting records and returns; or
• I have not received all of the information and explanations I require for my audit; or
• the Governance Statement does not reflect compliance with HM Treasury’s guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer’s Responsibilities, the Accounting Officer is responsible for:

• the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
• internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
• assessing the Office of Gas and Electricity Markets’ 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 Accounting Officer anticipates that the services provided by Office of Gas and Electricity Markets will not continue to be provided in the future.
Auditor’s responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My 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 a certificate that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the audited entity’s head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Office of Gas and Electricity Markets’ policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Office of Gas and Electricity Markets’ controls relating to Managing Public Money;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals;
- obtaining an understanding of Office of Gas and Electricity Markets’ framework of authority as well as other legal and regulatory frameworks that the Office of Gas and Electricity Markets’ operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Office of Gas and Electricity Markets’ Trust Statement. The key laws and regulations I considered in this context included the Gas Act 1986, the Electricity Act 1989, those regulations under which the Office of Gas and Electricity Markets imposes fines and penalties, the Supply and Appropriation (Main Estimates) Act 2000 and Managing Public Money.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria, London
SW1W 9SP

13 July 2021
Statement of revenue, other income and expenditure for the year ended 31 March 2021

<table>
<thead>
<tr>
<th></th>
<th>2020-21 £000</th>
<th>2019-20 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fines and penalties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penalties imposed</td>
<td>26,560</td>
<td>3,006</td>
</tr>
<tr>
<td><strong>Finance Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on bank deposits (England and Wales)</td>
<td>47</td>
<td>205</td>
</tr>
<tr>
<td>Interest on bank deposits (Scotland)</td>
<td>65</td>
<td>280</td>
</tr>
<tr>
<td><strong>Total revenue and other income</strong></td>
<td>26,672</td>
<td>3,491</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration and wind up costs associated with Fossil Fuel Levy</td>
<td>-</td>
<td>(186)</td>
</tr>
<tr>
<td>Credit losses</td>
<td>-</td>
<td>(200)</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>-</td>
<td>(386)</td>
</tr>
<tr>
<td><strong>Net Revenue for the Consolidated Fund</strong></td>
<td>26,672</td>
<td>3,105</td>
</tr>
</tbody>
</table>

There were no recognised gains or losses accounted for outside the above statement of revenue, other income and expenditure.

The notes at pages 100 to 101 form part of this statement.
Statement of financial position as at 31 March 2021

<table>
<thead>
<tr>
<th></th>
<th>2020-21</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables and accrued fees</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Cash at bank – UK consolidated fund</td>
<td>31,994</td>
<td>31,947</td>
</tr>
<tr>
<td>Cash at bank – Scottish consolidated fund</td>
<td>43,721</td>
<td>43,657</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>75,715</td>
<td>75,628</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>75,715</td>
<td>75,628</td>
</tr>
<tr>
<td><strong>Represented by:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance on UK consolidated fund account</td>
<td>31,994</td>
<td>31,971</td>
</tr>
<tr>
<td>Balance on Scottish consolidated fund account</td>
<td>43,721</td>
<td>43,657</td>
</tr>
<tr>
<td></td>
<td>75,715</td>
<td>75,628</td>
</tr>
</tbody>
</table>

Jonathan Brearley
Chief Executive
12 July 2021

The notes at pages 100 to 101 form part of this statement.
## Statement of cash flows for the year ended 31 March 2021

<table>
<thead>
<tr>
<th></th>
<th>2020-21</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>112</td>
<td>580</td>
</tr>
<tr>
<td>Increase/ (decrease) in cash in the period</td>
<td>112</td>
<td>580</td>
</tr>
</tbody>
</table>

## Notes to the cash flow statement

### Note A: Reconciliation of net cash flow to movement in net funds

<table>
<thead>
<tr>
<th></th>
<th>2020-21</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Net revenue for the consolidated fund</td>
<td>26,672</td>
<td>3,105</td>
</tr>
<tr>
<td>(Increase)/ decrease in non-cash assets</td>
<td>-</td>
<td>283</td>
</tr>
<tr>
<td>Increase/ (decrease) in liabilities</td>
<td>-</td>
<td>(2)</td>
</tr>
<tr>
<td>Outflow to consolidated fund</td>
<td>(26,560)</td>
<td>(2,806)</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>112</td>
<td>580</td>
</tr>
</tbody>
</table>

### Note B: Analysis of changes in net funds

<table>
<thead>
<tr>
<th></th>
<th>2020-21</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Increase/ (decrease) in cash in this period</td>
<td>112</td>
<td>580</td>
</tr>
<tr>
<td>Net funds at 1 April*</td>
<td>75,603</td>
<td>75,024</td>
</tr>
<tr>
<td>Net funds at 31 March</td>
<td>75,715</td>
<td>75,604</td>
</tr>
</tbody>
</table>

*1 April 2020 balance adjusted for rounding
Notes to the trust statement

Closure of the Fossil Fuel levy scheme

On 31 March 2019, the fossil fuel levy schemes closed and both of the companies set up to administer the schemes, NFPA and NFPA Scotland, are in the process of being liquidated. During 2021-22, the remaining cash balances will be transferred to the Consolidated Fund (England and Wales scheme) and the Scottish Consolidated Fund (Scotland scheme).

1. Statement of accounting policies

1.1 Basis of accounting

The trust statement is prepared in accordance with the accounts direction issued by the Treasury under section 7 of the Government Resources and Accounts Act 2000 and in accordance with the accounting policies detailed below. These have been agreed between Ofgem and HM Treasury and have been developed with reference to International Financial Reporting Standards and other relevant guidance. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The income and associated expenditure contained in these statements are those flows of funds which Ofgem handles on behalf of the consolidated fund and where it is acting as agent rather than as principal. The financial information contained in the statements and in the notes is rounded to the nearest £’000.

Going concern

Although there will not be a trust statement in future years, Ofgem will continue to undertake enforcement activity which may lead to penalties. As there is continuation of service, the trust statement has been prepared on a going concern basis.

1.2 Accounting convention

The trust statement has been prepared in accordance with the historical cost convention.

1.3 Revenue recognition

Fines, penalties and levies are measured in accordance with IFRS 15. They are measured at the fair value of amounts received or receivable. Income is recognised when:

• a fine or penalty is validly imposed and an obligation to pay arises
• a levy payment becomes due.

2. Revenue

2.1 Fines and penalties

Penalties received by Ofgem are disclosed in Appendix II.
3. Receivables and accrued revenue receivable

<table>
<thead>
<tr>
<th></th>
<th>Total as at 31 March 2021</th>
<th>Total as at 31 March 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Fines and penalties</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Bank interest income</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Total before estimated impairments</td>
<td>200</td>
<td>224</td>
</tr>
<tr>
<td>Less estimated impairments (see note 3.1)</td>
<td>(200)</td>
<td>(200)</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>24</td>
</tr>
</tbody>
</table>

Receivables represent the amounts due from those on whom financial penalties have been imposed or a levy assessed at the balance sheet date, but where receipt is made subsequently.

Nominal penalties receivable do not show due to roundings.

There is no fossil fuel levy revenue receivable as at 31 March 2021.

3.1 Expected credit losses

In 2019-20 there was a financial penalty of £200,000 was imposed on Economy Energy. Economy Energy is now in administration. The likelihood of recovering the penalty is uncertain and therefore expected credit losses continue to be recognised for the full amount.

4. Balance on the consolidated fund accounts

<table>
<thead>
<tr>
<th></th>
<th>2020-21</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>Balance on the consolidated fund accounts as at 1 April</td>
<td>75,628</td>
<td>75,329</td>
</tr>
<tr>
<td>Net revenue for the consolidated fund accounts</td>
<td>26,672</td>
<td>3,105</td>
</tr>
<tr>
<td>Less amount paid to the consolidated funds</td>
<td>(26,560)</td>
<td>(2,806)</td>
</tr>
<tr>
<td>Change in receivables balance*</td>
<td>(25)</td>
<td>-</td>
</tr>
<tr>
<td>Balance on consolidated fund accounts as at 31 March</td>
<td>75,715</td>
<td>75,628</td>
</tr>
</tbody>
</table>

*Balance adjusted for rounding.