

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2015**

**Registered under the Co-operative and Community Benefit Societies Act 2014 -  
Registration number 31498R**

# **SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

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The following pages do not form part of the statutory accounts.

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# **SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

## **REPORT OF THE BOARD**

### **FOR THE YEAR ENDED 31 MARCH 2015**

The Board of Directors present their report and the financial statements for the year ended 31 March 2015.

#### **Principal activity**

The principal activity of the company is the construction and operation of a wind turbine for the benefit of the community of South Brent.

The Society is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014.

#### **Review of activities**

At the start of the year planning permission was obtained for 9.88kWp of solar PV to be installed on the South Brent Recreation Ground pavilion. The installation, by The Good Heat Company, was completed at the end of June 2014. By 31st March 2015 it had generated 6,930kWh. This has helped to substantially reduce the South Brent Recreation Association's electricity costs, meeting a core aim of the Society, and produces an additional source of income to the Society from the Feed-in-Tariff.

The Society's V27 wind turbine generated 255,000kWh in the year to 31st March 2015, lower than expected due to continuing shut-downs in strong winds, but sufficient for the society to meet its obligations. It became apparent during the summer of 2014 that the original installers were unable to remedy the situation and they also failed to service the machine in a timely manner, so the directors decided to take operational control of the wind turbine and seek an alternative maintenance service provider. WindCare Limited were selected and their partner company Boythorpe Wind Energy completed the first major service just before Christmas and rectified the cause of the shut-downs on a second visit in March. The turbine now operates satisfactorily.

The directors have developed a risk register and guidelines for the management of the South Brent Community Energy Fund (a ring-fenced fund within the Society), to be presented to the members at the next AGM in October. They also hosted a number of visits to the wind turbine including a group of children from South Brent Primary School and delegates from other community energy groups in association with RegenSW.

The society made its first interest payment to investors of 5% in the summer of 2014 and expects to make its next payment in June/July 2015 as well as contribute further to the Energy Fund.

# **SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

## **REPORT OF THE BOARD**

### **FOR THE YEAR ENDED 31 MARCH 2015**

#### **Society interests**

Under the rules of the Society a member can hold a maximum of £20,000 shares in the Society. Members have one vote at meetings of the Society irrespective of their shareholding. The shares may be withdrawn after three years and may receive interest.

This report was approved by the Board on 18 August 2015 and signed on its behalf by

**Mr P E H Kelly**  
**Chairman**

# **SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

## **REPORT OF THE BOARD**

### **FOR THE YEAR ENDED 31 MARCH 2015**

#### **Responsibilities of the Board of Directors**

The rules of the Society require the Board to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the Society and of the profit or loss of the Society for that period. In preparing those financial statements the Board is required to:

- Select suitable accounting policies and 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 Society will continue in business.

The Board of Directors are responsible for keeping proper accounting records which disclose with material accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**ACCOUNTANTS REPORT TO THE MEMBERS OF  
SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the accounts of South Brent Community Energy Society Limited for the year ended 31 March 2015 (as set out on pages 5 to 9) from the company's accounting records and from information and explanations you have given us.

As a member firm of The Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com)

The report is made solely to the board of directors of South Brent Community Energy Society Limited. Our work has been undertaken solely to prepare for your approval the accounts of South Brent Community Energy Society Limited and state that those matters that we have agreed to state to the board of directors of South Brent Energy Society Limited, as a body, in this report in accordance with the requirements of The Institute of Chartered Accountants in England and Wales as detailed at [www.icaew.com](http://www.icaew.com). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than South Brent Energy Society Limited and its board of directors, as a body, for our work or for this report.

**Thomas Westcott**  
Chartered Accountants  
26 - 28 Southernhay East  
Exeter  
Devon  
EX1 1NS

Dated: 26 August 2015

# SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover		59,419	54,114
Operating administration expenses		(35,979)	(13,791)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	<b>2</b>	23,440	40,323
Interest receivable and similar income		276	191
Interest paid to members		(21,206)	-
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>		2,510	40,514
Tax on profit on ordinary activities	<b>3</b>	(93)	-
		<hr/>	<hr/>
<b>Retained profit/(loss) for the period</b>		<u>2,417</u>	<u>40,514</u>

There are no recognised gains or losses other than the profit or loss for the above financial year.

The notes on pages 7 to 9 form an integral part of these financial statements.

# SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015		2014	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		401,805		410,844
Investments	5		200		-
<b>Current assets</b>					
Debtors	6	16,558		25,973	
Cash at bank and in hand		61,583		34,576	
		<u>78,141</u>		<u>60,549</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(7,671)</u>		<u>(1,335)</u>	
<b>Net current assets / (liabilities)</b>			70,470		59,214
<b>Total assets less current liabilities</b>			<u>472,475</u>		<u>470,058</u>
<b>Total net assets</b>			<u>472,475</u>		<u>470,058</u>
<b>Capital and reserves</b>					
Share Capital			431,314		431,314
Profit and loss account	8		41,161		38,744
			<u>472,475</u>		<u>470,058</u>

These financial statements were approved on behalf of the Members and Management

Committee on 18 August 2015 by:

**Mr P E H Kelly**  
Director

**Mr D J Butcher**  
Director

**Mr E J C Chapman**  
Secretary

**Mr R J T Chapman**  
Director

**Mr F G Macnaughton**  
Director

**Mr M S Duckworth**  
Director

The notes on pages 7 to 9 form an integral part of these financial statements.



# SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2015

### 1. Accounting policies

#### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### 1.2. Turnover

Turnover was derived from the sale of renewable electricity and the public subsidy associated with generating the electricity.

#### 1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows:

Turbine	Straight line over 20 years
PV Project	Straight line over 20 years
Office equipment	Straight line over 3 years

Tangible fixed assets are stated at cost less accumulated depreciation.

### 2. Operating profit

Operating profit is stated after charging:  
Depreciation

2015	2014
£	£
21,016	-

### 3. Tax on profit on ordinary activities

The tax on profit on ordinary activities comprises £38 for 2013-14 tax year and £55 for 2014-15 tax year.

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

**BALANCE SHEET**

**AS AT 31 MARCH 2015**

<b>4. Tangible fixed assets</b>	<b>Office IT £</b>	<b>Turbine £</b>	<b>PV Project £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2014	-	407,598	3,246	410,844
Additions	140	1,417	10,593	12,150
At 31 March 2015	<u>140</u>	<u>409,015</u>	<u>13,839</u>	<u>422,994</u>
<b>Depreciation</b>				
At 1 April 2014	-	-	-	-
Charge for the year	46	20,451	692	21,189
At 31 March 2015	<u>46</u>	<u>20,451</u>	<u>692</u>	<u>21,189</u>
<b>Net book values</b>				
At 31 March 2015	<u>94</u>	<u>388,564</u>	<u>13,147</u>	<u>401,805</u>
At 31 March 2014	<u>-</u>	<u>407,598</u>	<u>3,246</u>	<u>410,844</u>
<b>5. Fixed asset investments</b>			<b>Unlisted investments £</b>	<b>Total £</b>
<b>Cost</b>				
Additions (Investment in Totnes Renewable Energy Society Limited)			200	200
At 31 March 2015			<u>200</u>	<u>200</u>
<b>Net book values</b>				
At 31 March 2015			<u>200</u>	<u>200</u>
<b>6. Debtors</b>			<b>2015 £</b>	<b>2014 £</b>
Other debtors (income due from electricity sales and public subsidy)			15,902	25,973
VAT			656	-
			<u>16,558</u>	<u>25,973</u>

# SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2015

<b>7. Creditors: amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wind turbine servicing	5,000	-
Land rent	1,547	341
Electricity charges	69	67
Accruals (accountants fees)	1,000	600
VAT	-	327
Corporation tax (for 2014-15 tax year)	55	-
	<u>7,671</u>	<u>1,335</u>

  

<b>8. Reserves</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
At 1 April 2014	38,744	38,744
Profit for the year (after tax)	2,417	23,985
At 31 March 2015	<u>41,161</u>	<u>62,729</u>

The society's general principles of allocation of the retained surplus are:

1. Pay the running costs of the society and its physical assets.
2. Build reserves to meet requests for share withdrawals
3. Pay members sufficient interest to retain investment
4. Utilise any remaining funds to improve the energy efficiency of the parish

## 9. Related parties

By the organisation's very nature, as a Society whose members and Management Committee are shareholders, it is inevitable that transactions with these parties occur. All such transactions are conducted at arm's length and in the normal course of business.

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED****DETAILED TRADING PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2015**

	<b>2015</b>		<b>2014</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
Operating income		59,419		54,114
<b>Administration expenses</b>				
Turbine maintenance	5,360		7,330	
Electricity charges	864		540	
Insurance	4,695		3,800	
Ground rent	2,056		844	
Printing, postage and stationery	70		306	
Accounting (including accrual for 2015 accounts)	1,400		650	
Regulatory fees	330		150	
Website fees	-		70	
Bank charges	-		12	
Room hire	15		59	
Maps	-		30	
Depreciation	21,189		-	
		(35,979)		(13,791)
<b>Operating profit/(loss)</b>		<u>23,440</u>		<u>40,323</u>
<b>Interest receivable</b>				
Bank interest		276		191
<b>Interest payable</b>				
Interest paid to members		(21,206)		-
<b>Net profit/(loss) for the year (before tax)</b>		<u>2,510</u>		<u>40,514</u>