

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**

**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 2014**

The Board of Directors present their report and the financial statements for the year ended 31 March 2014.

#### **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 accounting year the Society had just closed its successful share offer. Once all the applications had been approved by the Board, share certificates were sent to 184 new members and five existing members on 6th April. Two days later the main deposit for the Vestas V27 wind turbine was paid.

The turbine itself arrived in South Brent on 20th and 21st August and was installed over the following few days by Spectrum Energy Systems Limited of Worksop, Nottinghamshire. It first generated electricity on 5th September and despite teething problems it was operating for the Society's AGM on Saturday 14th September.

228,911kWh of electricity was generated by 31st March 2014, equating to an income of just over £54,000, this despite a higher than expected number of shut-downs. The wind turbine received a post-installation service in November and is due to receive its 6-month service in April. The directors continue to work with the installers to identify the cause of the shut-downs.

In December 2013 the Society commenced discussions with South Brent Parish Council to install a photovoltaic system on the roof of the South Brent Recreation Ground Pavilion, to make best use of surplus capital from the share offer and help reduce the building's running costs. At the end of the accounting year the Society had selected an installer, paid a deposit for the PV system and prepared a planning application.

After four months trading the Society applied for, and obtained, Enterprise Investment Scheme (EIS) status.

The outlook is to reserve funds for operating costs, to enable members to withdraw some of their shares after the 3-year EIS moratorium and to pay interest of between 4% and 5%.

# **SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

## **REPORT OF THE BOARD**

### **FOR THE YEAR ENDED 31 MARCH 2014**

#### **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 3 September 2014 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 2014**

#### **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 2014 (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: 17 September 2014

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2014**

	<b>Notes</b>	<b>2014 £</b>	<b>2013 £</b>
<b>Turnover</b>		54,114	-
Other operating income		-	208
Administration expenses		(13,791)	(1,908)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	<b>2</b>	40,323	(1,700)
Interest receivable and similar income		191	14
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>		40,514	(1,686)
Tax on profit on ordinary activities	<b>3</b>	-	-
		<hr/>	<hr/>
<b>Retained profit/(loss) for the period</b>		<u>40,514</u>	<u>(1,686)</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 2014

	Notes	2014		2013	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		410,844		119,299
<b>Current assets</b>					
Debtors	4	25,973		19,720	
Cash at bank and in hand		34,576		291,044	
		<u>60,549</u>		<u>310,764</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(1,335)</u>		<u>(431,828)</u>	
<b>Net current assets / (liabilities)</b>			59,214		(121,064)
<b>Total assets less current liabilities</b>			<u>470,058</u>		<u>(1,765)</u>
<b>Total net assets</b>			<u>470,058</u>		<u>(1,765)</u>
<b>Capital and reserves</b>					
Share Capital			431,314		5
Profit and loss account	6		38,744		(1,770)
			<u>470,058</u>		<u>(1,765)</u>

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

Committee on 3 September 2014 by:

**Mr P E H Kelly**  
Director

**Mr D J Butcher**  
Director

**Mr E J C Chapman**  
Secretary

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



# SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2014

#### 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 ordinary activities and is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Other income includes fees for services and advice, donations and fundraising activities.

##### 1.3. Tangible fixed assets and depreciation

Depreciation will be charged once the turbine is completed and operational. No charge is provided in this year.

##### 1.4. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based upon tax rates and laws enacted or substantially enacted at the balance sheet date.

#### 2. Operating profit

	2014	2013
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	-	1

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**

.....continued

<b>3. Tangible fixed assets</b>	<b>Turbine £</b>	<b>PV Project £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2013	119,299	-	119,299
Additions	288,299	3,246	291,545
At 31 March 2014	<u>407,598</u>	<u>3,246</u>	<u>410,844</u>
<b>Depreciation</b>			
At 1 April 2013	-	-	-
Charge for the year	-	-	-
At 31 March 2014	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book values</b>			
At 31 March 2014	<u>407,598</u>	<u>3,246</u>	<u>410,844</u>
At 31 March 2013	<u>119,299</u>	<u>-</u>	<u>119,299</u>
<b>4. Debtors</b>		<b>2014 £</b>	<b>2013 £</b>
Other debtors		25,973	-
VAT		-	19,720
		<u>25,973</u>	<u>19,720</u>
<b>5. Creditors: amounts falling due within one year</b>		<b>2014 £</b>	<b>2013 £</b>
Other creditors		408	-
Received in advance of share issue		-	431,309
Accruals		600	519
VAT		327	-
		<u>1,335</u>	<u>431,828</u>

**SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2014**

.....continued

<b>6. Reserves</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1 April 2013	(1,770)	(1,770)
Profit for the year	40,514	40,514
At 31 March 2014	<u>38,744</u>	<u>38,744</u>

**7. 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 2014**

	<b>2014</b>		<b>2013</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
Operating income		54,114		-
<b>Other income</b>				
Fees charged		-		208
		<u>54,114</u>		<u>208</u>
<b>Administration expenses</b>				
Turbine maintenance	7,330		-	
Electricity charges	540		-	
Insurance	3,800		672	
Ground rent	844		19	
Printing, postage and stationery	306		495	
Accounting (including accrual for 2014 accounts)	650		500	
Regulatory fees	150		-	
Website fees	70		-	
Bank charges	12		-	
Room hire	59		221	
Maps	30		-	
Write off Exclusivity Agreement	-		1	
		<u>(13,791)</u>		<u>(1,908)</u>
<b>Operating profit/(loss)</b>		<u>40,323</u>		<u>(1,700)</u>
<b>Interest receivable</b>				
Bank interest		191		14
<b>Net profit/(loss) for the year</b>		<u>40,514</u>		<u>(1,686)</u>