Company Registration No. 31498R (England and Wales)

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

COMPANY INFORMATION

Directors	Mr P E H Kelly Mr E J C Chapman Mr R Hancock Mr F G Macnaughton Mr J Aust Mr D Parnell
Secretary	Mr E J C Chapman
Company number	31498R
Registered office	School House Totnes Road South Brent Devon TQ10 9BP
Accountants	Hammett Spire 21 Heavitree Road Exeter Devon EX1 2LD

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

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SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their annual report and financial statements for the year ended 31 March 2025.

Principal activities
The principal activity of the Society continues to be the generation of electricity from the wind turbine near Marley Head and from the solar array on the Recreation Ground pavilion in South Brent.

Review of activities
The society's Vestas V27 wind turbine suffered a major failure at the end of May 2024 and generated only 69,210kWh for the 12 months ending 31st March 2025, the lowest annual output since the turbine was installed in 2013. In contrast the PV array on the Recreation Ground pavilion performed well, generating 9,055kWh.

On Thursday 30th May 2024 the wind turbine's blade pitch mechanism jammed such that the blades could not feather properly. This resulted in an uncontrolled run-away with the turbine facing the wrong way and spinning at over twice its normal speed. The rotor was only brought to rest and made safe when the wind dropped a couple of days later.

Much investigation followed which eventually found the cause to be a dislodged coupling pin to the pitch control push-rod that moves the blades. The cable connections to the generator were also found to have overheated but this was not believed to be related to the overspeed. With concerns over the electrical integrity of the generator we were advised to have it removed for inspection and repair – a costly process involving a crane to lift it down. Numerous other components were also replaced, including one of the microprocessor controllers.

The generator was reinstalled at the end of September 2024 and the turbine set running. Unfortunately it was then found that the gearbox may also have been damaged since it made a loud thrumming noise when on load. The gearbox and main shaft assembly were removed in January 2025 and sent to Llewellin's Machine Co. in Bristol for inspection and repair. As of 31st March 2025 Llewellin's had completed the machining of the gear's keyways to overcome some fretting and were due to start reassembling the gearbox with all new bearings and a new brake. Thankfully the gears themselves were in good order.

It would be an understatement to say that the directors have been disappointed with the level of support from our maintainers, Earthmill Ltd.

The downtime and large repair costs resulted in an operating loss of £53,852 in this financial year. Despite this, the board decided to award a grant of £17,892 to South Devon Autos Ltd, South Brent, for the installation of a 16.8kW PV array and car charging infrastructure, paid from the previous year's retained profit.

In April 2025 the board recommended no interest be paid from 2024-25 income.

Of the year end (31st March 2025) cash balance of £221,238 a sum of £67,000 is the society's ringed-fenced contingency fund and £95,451 is the "sinking fund", following the annual addition of 5% of the original share capital, to pay for share withdrawals. All of the remainder, ~£58,000 subject to differences between creditors and debtors, is our combined General & Community Energy Fund.

On 31st March 2025 the society had 163 members including 32 joint members.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr P E H Kelly
Mr E J C Chapman
Mr R Hancock
Mr F G Macnaughton
Mr J Aust
Mr D Parnell

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 irrespective of their shareholding. Members may receive interest based on the value of their shareholding. They can apply to have shares withdrawn after three years.

Risk management
The directors have considered the major risks to which the society is exposed and systems or procedures have been established to manage those risks as far as is practicable.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr P E H Kelly
Director
23 July 2025

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Co-operative and Community Benefit Societies Act 2014 requires the directors to prepare financial statements for each financial year. 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 directors must not approve the financial statements unless they are satisfied that they 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 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 Co-operative and Community Benefit Societies Act 2014. 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.

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). 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 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 accounting estimates that are reasonable and prudent; and
- 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.

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2025

We report on the financial statements for the year ended 31 March 2025 which comprise the Revenue Account, the Balance Sheet, the Statement of Changes in Equity and the related notes.

This report is made solely to the members of the society, as a body, in accordance with Section 85 of the Co-operative and Community Benefit Societies Act 2014. Our work has been undertaken so that we might state to the members of the society those matters we are required to state to them in our report and for no other purpose. In those circumstances, to the fullest extent permitted by law, we will not accept or assume responsibility to anyone other than the society and the members of the society as a body for our work, for the report, or for the opinions we form.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND REPORTING ACCOUNTANTS

The society's board of directors are responsible for the preparation of the financial statements and they consider that the society is entitled to opt out of an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the society, and making such limited enquiries of the officers of the society as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

OPINION

In our opinion:

- The accounts, including the Revenue Account and Balance Sheet, are in agreement with the accounting records kept by the society under s75 of the Co-operative and Community Benefit Societies Act 2014;
- Having regard only to, and on the basis of, the information contained in those accounting records the Revenue Account and Balance Sheet comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- For the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.

Hammett Audit

Reporting Accountants
Registered Auditor

28 July 2025

21 Heavitree Road
Exeter
Devon
EX1 2LD

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

REVENUE ACCOUNT (INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Turnover		43,249	260,822
Administrative expenses		(97,101)	(64,123)
Operating (loss)/profit		(53,852)	196,699
Interest receivable and similar income		8,144	7,627
Interest payable and similar expenses		(265)	(34,879)
Grants payable		(17,892)	(153,301)
(Loss)/profit before taxation		(63,865)	16,146
Taxation		4,785	(4,785)
(Loss)/profit for the financial year		(59,080)	11,361

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**3**		190,395		211,539
Investments	**4**		200		200
			190,595		211,739
Current assets					
Debtors	**5**	4,821		51,216	
Cash at bank and in hand		221,238		326,398	
		226,059		377,614	
Creditors: amounts falling due within one year	**6**	(2,931)		(90,105)	
Net current assets			223,128		287,509
Total assets less current liabilities			413,723		499,248
Capital and reserves					
Called up share capital	**7**		267,979		294,424
Profit and loss reserves			145,744		204,824
Total equity			413,723		499,248

For the financial year ended 31 March 2025 the company was entitled to exemption from audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with rule 113.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 July 2025 and are signed on its behalf by:

Mr P E H Kelly
Director

Mr E J C Chapman
Director

Mr R Hancock
Director

Company Registration No. 31498R

1 Accounting policies

Company information

South Brent Community Energy Society Limited is a society limited by shares registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014. The registered office is School House, Totnes Road, South Brent, Devon, TQ10 9BP.

1.1 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the generation of electricity provided in the normal course of activity, and is shown net of VAT and other sales related taxes.

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Turbine	20 years straight line
Computers	3 years straight line
PV Project	20 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1 Accounting policies **(Continued)**

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts, if present, are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 April 2023		342,914	193,463	536,377
Year ended 31 March 2024:				
Profit and total comprehensive income for the year		-	11,361	11,361
Issue of share capital	**7**	2	-	2
Redemption of shares	**7**	(48,492)	-	(48,492)
Balance at 31 March 2024		294,424	204,824	499,248
Year ended 31 March 2025:				
Loss and total comprehensive income for the year		-	(59,080)	(59,080)
Redemption of shares	**7**	(26,445)	-	(26,445)
Balance at 31 March 2025		267,979	145,744	413,723

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Tangible fixed assets

	Turbine	Computers	PV Project	Total
	£	£	£	£
Cost				
At 1 April 2024 and 31 March 2025	409,034	332	13,839	423,205
Depreciation and impairment				
At 1 April 2024	204,518	332	6,816	211,666
Depreciation charged in the year	20,452	-	692	21,144
At 31 March 2025	224,970	332	7,508	232,810
Carrying amount				
At 31 March 2025	184,064	-	6,331	190,395
At 31 March 2024	204,516	-	7,023	211,539

4 Fixed asset investments

	2025	2024
	£	£
Other investments other than loans	200	200

5 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	9	42,582
Corporation tax recoverable	4,785	-
Other debtors	27	8,634
	4,821	51,216

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	1,831	35,460
Corporation tax	-	4,785
Other taxation and social security	-	16,475
Other creditors	-	32,285
Accruals and deferred income	1,100	1,100
	2,931	90,105

7 Called up share capital

	2025	2024	2025	2024
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
shares of £1 each	267,979	294,424	267,979	294,424

Share capital amounting to £26,445 (2024: £48,492) was withdrawn and repaid to members, and share capital amounting to £nil (2024:£2) was purchased by members, all at par value, during the year in accordance with the Society's Rules.

SOUTH BRENT COMMUNITY ENERGY SOCIETY LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2025 £	2024 £	2024 £
Turnover				
Wind turbine		41,209		258,776
Photovoltaics		1,860		2,046
Other income		180		-
		43,249		260,822
Administrative expenses				
Training and conferences	-		35	
Ground rent	2,473		15,527	
Electricity charges	982		478	
Maintenance	70,438		24,374	
Travelling expenses	-		27	
Postage, courier and delivery charges	37		68	
Membership fees and subscriptions	636		966	
Accountancy	1,100		1,100	
Insurance	291		291	
Advertising	-		81	
Sundry expenses	-		32	
Depreciation	21,144		21,144	
		(97,101)		(64,123)
Operating (loss)/profit		(53,852)		196,699
Interest receivable and similar income				
Bank interest received	8,123		7,594	
Other interest received	21		33	
		8,144		7,627
Interest payable and similar expenses				
Members Interest payable		(265)		(34,879)
Other gains and losses				
Grants payable		(17,892)		(153,301)
(Loss)/profit before taxation	147.67%	(63,865)	6.19%	16,146