

Company Registration No. 0030373R (England and Wales)

TOTNES RENEWABLE ENERGY SOCIETY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

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TOTNES RENEWABLE ENERGY SOCIETY LIMITED

COMPANY INFORMATION

Directors Mr I Bright
Mr Steve Munday
Mr Oliver Frankland
Mr Trevor Branton
Mr Alastair Gets
Ms Gerry Granshaw (Appointed 1 September 2018)

Secretary Mr Owen Hill

Company number 0030373R

Registered office 107 High Street
Totnes
Devon
TQ9 5SN

Accountants Darnells Chartered Accountants
30 Fore Street
Totnes
Devon
TQ9 5RP

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The Society is registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014. The liability of its members is limited under that Act.

The stated objects of the Society are to:

- Develop the profitable supply of energy from renewable energy resources for the benefit of the community centred in Totnes and the surrounding area.
- Ensure the democratic control of the renewable energy resources by the local community through the establishment of a large membership of the Society.
- Ensure that the maximum value from development of these resources shall be retained within the local economy.
- Provide an opportunity for public-spirited people and organisations to contribute financially to the community, with the expectation of a social dividend, rather than personal financial reward.

To this purpose the Society has a portfolio of solar PV assets.

The Society developed several new projects in the year including solar PV, anaerobic digestion and hydro although its portfolio of energy producing assets remained unchanged.

The Society continued to provide free electricity to South Devon Rural Housing Association tenants through the Shine (Fuel Poverty) Project worth between £13,000 and £27,000 a year.

A Renewable Energy Experimental Learning programme undertaken by the Society resulted in the delivery of a four day energy module to three schools.

Directors

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

Mr I Bright

Mr Steve Munday

Mr Oliver Frankland

Mr Trevor Branton

Mr Alastair Gets

Mr O D Stone

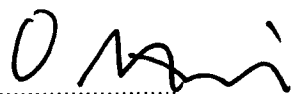
Ms Gerry Granshaw

(Resigned 31 July 2018)

(Appointed 1 September 2018)

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

By order of the board



Mr Owen Hill

Secretary

Date: 24/9/2019

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF TOTNES RENEWABLE ENERGY SOCIETY LIMITED FOR THE YEAR ENDED 31 MARCH 2019

In accordance with the engagement letter and in order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have compiled the financial statements of Totnes Renewable Energy Society Limited for the year ended 31 March 2019, set out on pages 4 to 12 from the Society's accounting records and information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

The financial statements have been compiled on the accounting basis set out in Note 1 to the financial statements. The financial statements have been prepared so as to comply with the provisions of UK Generally Accepted Accounting Principles insofar as they are applicable to the Society.

This report is made solely to the Board of Directors of Totnes Renewable Energy Society Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Totnes Renewable Energy Society Limited and state those matters that we have agreed to state to the Board of Directors of Totnes Renewable Energy Society Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Totnes Renewable Energy Society Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Totnes Renewable Energy Society Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Totnes Renewable Energy Society Limited. You consider that Totnes Renewable Energy Society Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit of the financial statements.

In our opinion under Section 85 of the Co-operative and Community Benefit Societies Act 2014:

- (i) The revenue account or accounts and the balance sheet are in agreement with the books of account kept by the Society under Section 75 of the Act.
- (ii) On the basis of the information contained in the books of account, the revenue account and balance sheet comply with the requirements of this Act.
- (iii) The financial criteria allowing the production of an Accountants' Report instead of a full audit conferred by Section 84 of the Act have been met.



.....
Darnells Chartered Accountants
30 Fore Street
Totnes
Devon
TQ9 5RP

Date: 26.4.2019

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

		2019	2018
	Notes	£	as restated £
Turnover		64,640	63,950
Cost of sales		(24,388)	(4,656)
Gross profit		<u>40,252</u>	<u>59,294</u>
Administrative expenses		(57,002)	(55,594)
Operating (loss)/profit		(16,750)	3,700
Interest receivable and similar income		70	29
Interest payable and similar expenses		(8,927)	(18,511)
Loss before taxation		(25,607)	(14,782)
Tax on loss	2	-	-
Loss for the financial year		<u><u>(25,607)</u></u>	<u><u>(14,782)</u></u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

		2019		2018 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		410,671		434,596
Investments	4		17,105		17,105
			<u>427,776</u>		<u>451,701</u>
Current assets					
Debtors	5	11,535		16,484	
Cash at bank and in hand		34,588		48,148	
		<u>46,123</u>		<u>64,632</u>	
Creditors: amounts falling due within one year	6	(10,722)		(30,084)	
Net current assets			<u>35,401</u>		<u>34,548</u>
Total assets less current liabilities			463,177		486,249
Creditors: amounts falling due after more than one year	7		(146,737)		(154,101)
Net assets			<u>316,440</u>		<u>332,148</u>
Capital and reserves					
Called up share capital	8		466,503		456,604
Capital redemption reserve			7,580		5,460
Profit and loss reserves			(157,643)		(129,916)
Total equity			<u>316,440</u>		<u>332,148</u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The Directors of the Society acknowledge their responsibilities for:

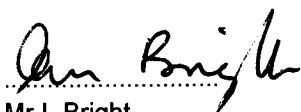
- (i) ensuring that the Society keeps proper accounting records that comply with the Co-Operative and Community Benefit Societies Act 2014 (the Act), Section 76;
- (ii) establishing and maintaining a satisfactory system of control of its books of accounts, its cash holdings and all its receipts and remittances in order to comply with Sections 75 and 76 of the Act; and
- (iii) preparing financial statements which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of its profit for the financial year in accordance with the requirements of Section 80, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the Society.

These accounts have been prepared in accordance with the provisions of FRS 102 Section 1A - small entities.

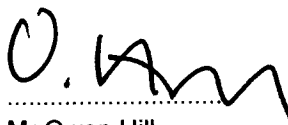
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 ...24/5/2019 and are signed on its behalf by:



Mr I Bright
Director



Mr Owen Hill
Secretary



Mr Trevor Branton
Director

Company Registration No. 0030373R

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
As restated for the period ended 31 March 2018:					
Balance at 1 April 2017		477,554	1,710	(137,679)	341,585
Renalysis of previous years amounts	11	(15,000)	-	26,295	11,295
As restated		462,554	1,710	(111,384)	352,880
Year ended 31 March 2018:					
Loss and total comprehensive income for the year		-	-	(14,782)	(14,782)
Issue of share capital	8	(2,200)	-	-	(2,200)
Redemption of shares	8	(3,750)	3,750	(3,750)	(3,750)
Balance at 31 March 2018		456,604	5,460	(129,916)	332,148
Year ended 31 March 2019:					
Loss and total comprehensive income for the year		-	-	(25,607)	(25,607)
Issue of share capital	8	12,019	-	-	12,019
Redemption of shares	8	(2,120)	2,120	(2,120)	(2,120)
Balance at 31 March 2019		466,503	7,580	(157,643)	316,440

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Totnes Renewable Energy Society Limited is a Society registered in England and Wales under the Co-Operative and Community Benefits Societies Act. The registered office is 107 High Street, Totnes, Devon, TQ9 5SN.

1.1 Accounting convention

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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents monies received (excluding value added tax) from feed in tariffs and other services.

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:

Plant and machinery	5% straight line basis
Fixtures, fittings & equipment	15% reducing balance basis

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

Fixed asset investments are stated at cost less provision for diminution in value.

Fair value measurement of financial instruments

The Society only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares. Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2 Taxation

On the basis of the losses shown in these financial statements no provision has been made for taxation.

3 Tangible fixed assets

Plant and machinery etc
£

Cost

At 1 April 2018 506,278

Additions 1,507

At 31 March 2019 507,785

Depreciation and impairment

At 1 April 2018 71,683

Depreciation charged in the year 25,431

At 31 March 2019 97,114

Carrying amount

At 31 March 2019 410,671

At 31 March 2018 434,596

4 Fixed asset investments

2019
£

2018
£

Investments 17,105 17,105

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

4 Fixed asset investments (Continued)

Movements in fixed asset investments

Investments
other than
loans
£

Cost or valuation

At 1 April 2018 & 31 March 2019

17,105

Carrying amount

At 31 March 2019

17,105

At 31 March 2018

17,105

5 Debtors

Amounts falling due within one year:

2019

£

2018

£

Trade debtors

6,725

11,242

Other debtors

4,810

5,242

11,535

16,484

6 Creditors: amounts falling due within one year

2019

£

2018

£

Bank loans and overdrafts

7,364

7,047

Trade creditors

114

-

Taxation and social security

30

1,335

Other creditors

3,214

21,702

10,722

30,084

7 Creditors: amounts falling due after more than one year

2019

£

2018

£

Bank loans and overdrafts

146,737

154,101

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

7 Creditors: amounts falling due after more than one year (Continued)

The bank loan is secured by a charge over all the Society's assets and is repayable by instalments over a period of sixteen years commencing 12 April 2017, and has a rate of interest of 5% above the Bank of England base rate.

Included in creditors falling due after more than one year is an amount of £112,587 (2018 £121,860) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

8 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
Ordinary shares of £1 each	495,290	485,391
Cost of issuing equity		
Publicity and prospectus costs	(28,787)	(28,787)
	<u>466,503</u>	<u>456,604</u>

12,019 Ordinary shares of £1 each were issued at par in the period and 2,120 were redeemed at par.

The shares cannot be sold or traded. They may on 180 days notice at the discretion of the Directors and after three years of subscription be withdrawn. The full price paid for the shares is not withdrawable if the Society does not have sufficient funds available at the time. In some circumstances the Directors may write down the value of the shares and in these circumstances only the written down value will be received.

9 Operating lease commitments

At 31 March 2019, the Society was committed to making the following payments under non-cancellable operating leases as set out below:

	2019	2018
	£	£
In over five years	26,982	27,759
	<u>26,982</u>	<u>25,000</u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

10 Related party transactions

Although there is no payroll scheme in place for this Society, there are in total six (2018: seven) directors.

During the year Mr Ian Bright, Mr Alastair Gets, Mr Oliver Stone and Ms Gerry Granshaw, all Directors, were paid £3,400 (2018: £4,200), £2,050 (2018: £2,550), £600 (2018: £1,100) and £2,400 (2018: £-) respectively for their services as Directors.

Additionally during the year Mr Ian Bright and Mr Alistair Gets were paid £2,700 (2018: £2,000) and £2,760 (2018: £200) respectively for services in respect of consultancy work on the Staverton Hydro project and anaerobic digestion project.

In the year Mr Oliver Frankland, Director, gifted 1,000 ordinary £1 shares to the Society.

11 Prior period adjustment

Reconciliation of changes in equity

	1 April 2017 £	31 March 2018 £
Equity as previously reported	341,585	321,495
Adjustments to prior year		
Capitalisation of fixed assets	11,295	10,653
Equity as adjusted	<u>352,880</u>	<u>332,148</u>

Additionally within equity, prior year share issue costs of £15,000 have been reclassified as a share capital expense rather than a revenue expense.

Reconciliation of changes in loss for the previous financial period

	2018 £
Loss as previously reported	(14,140)
Adjustments to prior year	
Additional depreciation on capitalised fixed assets	(642)
Loss as adjusted	<u>(14,782)</u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019

The following pages do not form part of the statutory accounts

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2019

	£	2019 £	£	2018 £
Turnover				
Electricity sales		44,672		46,454
Consultancy services		2,500		6,400
Grant income		15,858		10,332
Other income		1,610		764
		<u>64,640</u>		<u>63,950</u>
Cost of sales				
Meter and monitoring costs	1,460		1,363	
Consultancy fees	22,928		3,293	
		<u>(24,388)</u>		<u>(4,656)</u>
Gross profit	62.27%	40,252	92.72%	59,294
Administrative expenses		<u>(57,002)</u>		<u>(55,594)</u>
Operating (loss)/profit		<u>(16,750)</u>		<u>3,700</u>
Investment revenues				
Bank interest received	58		21	
Dividends from investments measured at cost	12		8	
		<u>70</u>		<u>29</u>
Interest payable and similar expenses				
Bank interest on loans and overdrafts	8,927		8,803	
Other interest payable	-		9,708	
		<u>(8,927)</u>		<u>(18,511)</u>
Loss before taxation		<u><u>(25,607)</u></u>	23.11%	<u><u>(14,782)</u></u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2019

	2019	2018
	£	£
Administrative expenses		
Administrative fees	5,813	5,986
Directors' fees	8,450	7,850
Rent	1,775	1,596
Repairs and maintenance	3,817	5,435
Insurance	3,460	3,197
Computer running costs	881	689
Professional subscriptions	295	150
Legal and professional fees	2,283	298
Accountancy	1,842	1,758
Bank charges	670	805
Printing, postage and stationery	237	90
Education, advertising and publicity	1,027	1,832
Telecommunications	130	59
Sundry expenses	891	475
Depreciation	25,431	25,374
	<u>57,002</u>	<u>55,594</u>
