

Company Registration No. 0030373R (England and Wales)

TOTNES RENEWABLE ENERGY SOCIETY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

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TOTNES RENEWABLE ENERGY SOCIETY LIMITED

COMPANY INFORMATION

Directors	Mr Ian Bright Mr Alastair Gets Ms Stephanie Burns Dr Sally Murrall-Smith Mr Raymond Seager	(Appointed 1 April 2020) (Appointed 24 November 2020) (Appointed 27 July 2021)
Secretary	Ms Stephanie Burns	
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 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

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 continued work on development of a number of new projects in the year including a feasibility study for the renewables energy system at Clay Park Eco Housing Development, and on improvement of output from the largest solar array in it's portfolio at Hatchlands Farm.

The portfolio of energy producing assets remained unchanged over the period.

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.

The Society's Renewable Energy Experiential Learning programme resulted in the delivery of a two day energy module to St Christopher's Prep School in Staverton.

The economic performance of the Society was affected by the Covid 19 pandemic. The pandemic has increased the costs of cleaning and maintenance costs by nearly 50%.

Directors

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

Mr Ian Bright	
Mr Steve Munday	(Resigned 4 November 2020)
Mr Oliver Frankland	(Resigned 30 April 2020)
Mr Alastair Gets	
Ms Esther Giangrande	(Resigned 1 July 2020)
Mr Richard Dominic Turner	(Resigned 30 June 2021)
Ms Stephanie Burns	(Appointed 1 April 2020)
Dr Sally Murrall-Smith	(Appointed 24 November 2020)
Mr Raymond Seager	(Appointed 27 July 2021)

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

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

By order of the board

Ms Stephanie Burns
Secretary

28 September 2021

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 2021

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 2021, 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

30 September 2021

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover		73,651	50,188
Cost of sales		(27,303)	(1,916)
		<hr/>	<hr/>
Gross profit		46,348	48,272
Administrative expenses		(46,717)	(44,316)
		<hr/>	<hr/>
Operating (loss)/profit		(369)	3,956
Interest receivable and similar income		199	109
Interest payable and similar expenses		(12,040)	(8,695)
		<hr/>	<hr/>
Loss before taxation		(12,210)	(4,630)
Tax on loss	2	-	-
		<hr/>	<hr/>
Loss for the financial year		(12,210)	(4,630)
		<hr/> <hr/>	<hr/> <hr/>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3	362,939		388,739	
Investments	4	17,105		17,105	
		<u>380,044</u>		<u>405,844</u>	
Current assets					
Debtors	5	8,243		10,004	
Cash at bank and in hand		43,508		47,871	
		<u>51,751</u>		<u>57,875</u>	
Creditors: amounts falling due within one year	6	(15,251)		(14,878)	
Net current assets			36,500		42,997
Total assets less current liabilities			<u>416,544</u>		<u>448,841</u>
Creditors: amounts falling due after more than one year	7	(130,409)		(138,916)	
Net assets			<u>286,135</u>		<u>309,925</u>
Capital and reserves					
Called up share capital	8	453,038		464,618	
Capital redemption reserve		21,051		9,471	
Profit and loss reserves		(187,954)		(164,164)	
Total equity			<u>286,135</u>		<u>309,925</u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2021

For the financial year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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.

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 28 September 2021 and are signed on its behalf by:

Mr Ian Bright
Director

Mr Raymond Seager
Director

Ms Stephanie Burns
Secretary

Company Registration No. 0030373R

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2019		466,503	7,580	(157,643)	316,440
Year ended 31 March 2020:					
Loss and total comprehensive income for the year		-	-	(4,630)	(4,630)
Issue of share capital	8	6	-	-	6
Redemption of shares	8	(1,891)	1,891	(1,891)	(1,891)
Balance at 31 March 2020		464,618	9,471	(164,164)	309,925
Year ended 31 March 2021:					
Loss and total comprehensive income for the year		-	-	(12,210)	(12,210)
Redemption of shares	8	(11,580)	11,580	(11,580)	(11,580)
Balance at 31 March 2021		453,038	21,051	(187,954)	286,135

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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 £.

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 2021

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 2020 and 31 March 2021	511,453
Depreciation and impairment	
At 1 April 2020	122,714
Depreciation charged in the year	25,800
At 31 March 2021	148,514
Carrying amount	
At 31 March 2021	362,939
At 31 March 2020	388,739

4 Fixed asset investments

	2021 £	2020 £
Other investments other than loans	17,105	17,105

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4	Fixed asset investments	(Continued)	
	Movements in fixed asset investments		Investments other than loans £
	Cost or valuation		
	At 1 April 2020 & 31 March 2021		17,105
	Carrying amount		
	At 31 March 2021		17,105
	At 31 March 2020		17,105
5	Debtors	2021	2020
		£	£
	Amounts falling due within one year:		
	Trade debtors	-	2,442
	Other debtors	8,243	7,562
		8,243	10,004
6	Creditors: amounts falling due within one year	2021	2020
		£	£
	Bank loans	8,160	7,822
	Trade creditors	-	1,978
	Taxation and social security	-	1,092
	Other creditors	7,091	3,986
		15,251	14,878
7	Creditors: amounts falling due after more than one year	2021	2020
		£	£
	Bank loans and overdrafts	130,409	138,916

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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 £97,769 (2020 £102,749) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

8 Called up share capital

	2021 £	2020 £
Ordinary share capital		
Issued and fully paid		
Ordinary shares of £1 each	481,825	493,405
Cost of issuing equity		
Publicity and prospectus costs	(28,787)	(28,787)
	<u>453,038</u>	<u>464,618</u>

11,580 Ordinary shares were redeemed at par in the period.

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 2021, the Society was committed to making the following payments under non-cancellable operating leases as set out below:

	2021 £	2020 £
In over five years	25,394	26,982
	<u>25,394</u>	<u>26,982</u>

10 Related party transactions

Although there is no payroll scheme in place for this Society, there are in total five (2020: five) directors.

During the year Mr Ian Bright and Mr Alastair Gets, both Directors, were paid £800 (2020: £1,450) and £743 (2020: £850) respectively for their services as Directors.

Additionally during the year various directors were paid a total of £1,413 for services in respect of consultancy work (2020: £140).

TOTNES RENEWABLE ENERGY SOCIETY LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		2021		2020
	£	£	£	£
Turnover				
Electricity sales		46,355		47,035
Grant income		26,283		-
Other income		1,013		3,153
		<u>73,651</u>		<u>50,188</u>
Cost of sales				
Meter and monitoring costs	1,895		1,336	
Consultancy fees	25,408		580	
	<u></u>	(27,303)	<u></u>	(1,916)
Gross profit	62.93%	46,348	96.18%	48,272
Administrative expenses		(46,717)		(44,316)
Operating (loss)/profit		<u>(369)</u>		<u>3,956</u>
Investment revenues				
Bank interest received	199		99	
Dividends from investments measured at cost	-		10	
	<u></u>	199	<u></u>	109
Interest payable and similar expenses				
Bank interest on loans and overdrafts	7,222		8,695	
Other interest payable	4,818		-	
	<u></u>	(12,040)	<u></u>	(8,695)
Loss before taxation		<u><u>(12,210)</u></u>	9.23%	<u><u>(4,630)</u></u>

TOTNES RENEWABLE ENERGY SOCIETY LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Administrative expenses		
Administrative fees	2,115	2,785
Directors' fees	1,543	2,300
Rent	1,812	1,844
Cleaning	1,000	500
Repairs and maintenance	6,895	1,424
Insurance	3,659	3,606
Computer running costs	424	555
Professional subscriptions	375	371
Legal and professional fees	6	10
Accountancy	1,440	1,153
Charitable donations	200	-
Bank charges	870	630
Bad and doubtful debts	-	1,050
Printing, postage and stationery	134	209
Education, conference costs and publicity	324	2,099
Telecommunications	120	120
Sundry expenses	-	60
Depreciation	25,800	25,600
	<hr/>	<hr/>
	46,717	44,316
	<hr/>	<hr/>