



## TRESOC Ltd Report of the Directors 2023

The Directors present their Report of the Society for the period from 14<sup>th</sup> November 2022 to 13<sup>th</sup> November 2023 with Financial Statements for the year ending 31<sup>st</sup> March 2023.

### Principal Activity

In the last year, TRESOC has operated & maintained its 47 roof-top solar PV installations (7 commercial and 40 domestic) and developed two grant funded projects, Clay Park Community Solar & Microgrid and Energy Local Totnes. In August, it was awarded a Redress Energy Innovation grant for £120,000 from the Energy Saving Trust, to develop Energy Local Totnes for the next two years in the domestic market. It provided £15,000 - £18,000 worth of free electricity to 40 South Devon Rural Housing Association (SDRHA) tenants, as well as £15,400 to Leatside Doctors Surgery, Forder House Lane Nursing Home, Follaton Community Centre and SDRHA head office. TRESOC also delivered its STEM renewable energy project for primary schools, REEL (the Renewable Energy Experiential Learning Programme) to 3 local schools. More details are provided in the Review of Business below.

### Review of Business

**Energy Local Totnes (ELT)** – A seed funding grant from Devon County Council for £25,000, enabled TRESOC to develop ELT over the last 18 months, establishing Totnes' own local electricity market. ELT is now officially incorporated as an independent Co-operative. Background to the ELT is available on our website - <https://tresoc.co.uk/tresoc-awarded-grant-to-develop-uks-first-domestic-market-for-renewables/> .

TRESOC worked with Totnes Town Council and Transition Town Totnes to kick start the club using the electricity from the 14 kW solar PV array on the Totnes Civic Hall. The club officially went live at the beginning of October 2023, selling locally generated low-cost electricity to 8 local households. Delays in the development of new solar PV sites meant that the club needed to start using existing generation.

In August 2023, TRESOC were awarded a Redress Energy Innovation Grant from the Energy Saving Trust, for £120,000, to develop ELT for the next 2 years. 50% of which will pay for TRESOC time. ELT aims to sign up 400 kW of locally generated

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renewable electricity into the club (25% new generation) balanced by 200+ households. TRESOC has a pipeline of community-owned rooftop solar PV projects, that once installed will sell their electricity in to the club. These sites include Totnes Library and the South Hams District Council owned blue buildings on Steamers Quay, which combined will amount to over 100kW of new solar PV generation. A new share offer is planned for early next year.

Locally generated renewable energy, shared with our neighbours through the local grid, offers real opportunities to deliver electricity at a lower unit cost than is currently the case for large-scale generation, remote from point of use. With the Energy Local Totnes project underway, TRESOC is in an excellent position to benefit from growth in the local microgrid community energy sector.

**Clay Park Community Microgrid & Solar** - TRESOC's involvement with the Clay Park project unfortunately came to an end in December 2022. TRESOC received notice from Transition Homes Community Land Trust (THCLT) that they were no longer able to develop the housing project due to interest rate rises. THCLT were financing the housing construction mostly through debt finance, borrowing money from the bank that was to be paid back once the market houses were sold. The energy crisis affected interest rates for borrowing and the September mini budget pushed forecast interest rates to 4.75%. Therefore, THCLT found that its financial model did not work. After exploring several options, THCLT decided to partner with Aster Housing Group leasing the Clay Park development to them. Aster is implementing the existing planning consent and have agreed to build the houses to the highly efficient build specifications developed by THCLT. The silver lining for Totnes is that it will be 100% affordable housing, with more than half social rent, and the rest shared ownership. However, Aster intends to install heat pumps and individual solar PV to each home, which means there will be no microgrid and no business case for TRESOC to continue with the project.

TRESOC, worked with film maker and animator Emilio Mula, to making a short film to document the project in the hope that it will inspire other community energy groups to look at microgrids. This is available on the TRESOC website: <https://tresoc.co.uk/clay-park-project-update/>

Throughout the project, TRESOC received over £80,000 in grant support from the Rural Community Energy Fund (RCEF) and we are now microgrid specialists. The role of microgrids in the delivery of an equitable low-cost low-carbon energy system seems clear. TRESOC is continuing to pursue the microgrid concept, albeit 'virtually' through Energy Local Totnes.

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**Lescaze** solar PV site - In January 2022, Birch Elm Holdings, the new owners of the Lescaze building, offered to buy the 30 kW system and the board calculated the business value. We were not able to agree on a suitable price with Birch Elm Holdings.

In February 2023, TRESOC received notice to remove the system by the 30<sup>th</sup> June, as they need to replace the coping stones around the edge of the Lescaze building. TRESOC have been advised that total removal of the panels is unnecessary, as the solar PV system was designed so that there is good access around it. During a meeting between TRESOC and Birch Elm Holdings, Cosmo Caddy disclosed that it was his builder who was insisting on the removal. TRESOC has offered to meet with the builder to discuss options. However, as emails were going unanswered, the Board sent an official letter stating we will not remove the panels and our reasons why. Unfortunately, the board has not received any further communications from Cosmo Caddy or Birch Elm Holdings since March 2023.

**Hatchlands** solar PV site – In 2022, after many years of trying to negotiate with the farmer, TRESOC finally decided to take legal action to stop the soiling issue at Hatchlands. We are pleased to say that the farmer has now moved the straw chopping operation. TRESOC is now seeking compensation for the legal fees and generation loss. Total legal costs so far amount to £9,910.50, with £8410.50 being in the financial year ended 31<sup>st</sup> March 2023. TRESOC has sent an offer letter to the farmer to sell the system to him.

Also at Hatchlands, a failed inverter and string fault were not reported after a maintenance check was carried out, meaning the system was only half operational for the summer. Olympus Power, our operations and maintenance contractor at the time have admitted negligence. The system is being repaired and restrung in mid November, with considerable design improvements, that will reduce maintenance in the long term. This will cost circa £8,500.

**The Shine Project** – The leases for the Shine Project with South Devon Rural Housing Association remain unsigned due to ongoing negotiations on terms. The project has now been generating for 8 years.

**The Renewable Energy Experiential Learning (REEL) Programme** - is now in its 8th year of operation and remains a favourite with local schools and pupils alike. In the past year, 89 children have taken part from three schools including St John's, Park School and St Christopher's. Tours of local wind, solar and hydropower installations, with classroom experiments for all 9-11 year children, are instructive & **empowering the community**



fun, giving young people an opportunity to engage with the challenges of climate change in a positive way. TRESOC is grateful to Dart Renewables Ltd, South Brent Community Energy Society and Dartington Hall Trust who open their sites to the project. The ELT grant from the Energy Saving Trust includes funds to deliver the programme to 120 children and develop the programme for pre-schools.

**System Maintenance** - In July 2023, our long term maintenance company, Olympus Power (formally BECO), advised they were not renewing our contract. The board has now appointed local Totnes company Glo Renewables Ltd to replace them after a process of reviewing the options locally.

**Repayment of Capital and Interest** – in the financial year ended 31<sup>st</sup> March 2023, TRESOC made a loss of £3,521 (Please see TRESOC End of Year Accounts or the Financial Summary at the end of this document). At last year's AGM, the board predicted a loss of circa £20,000 for this financial year, so we are in a better position than anticipated. Sadly, any profits made from electricity sales were eaten away by the Hatchlands' legal fees. Therefore, due to the operating loss and under TRESOC's Waterfall policy, no interest payment or share encashments will be available this year to members.

## **The TRESOC TEAM**

Dr Sally Murrall-Smith has completed her first year as TRESOC's managing director. Sally was/is the project manager for Clay Park Community Microgrid & Energy Local Totnes. Sally has responsibility for administration, book keeping, press, business and financial management systems and is the programme director for REEL.

Founding Director, Ian Bright has stepped back from TRESOC activities, but is still supporting TRESOC by building support in the community and with our local partners for the Energy Local Totnes project. Ian also gives regular Totnes Weir Tours as part of the REEL programme.

Alastair Gets, Engineering Director, is managing and monitoring our solar assets, with technical input across the range of our projects in development including significant contributions to the Clay Park microgrid and Energy Local projects, key to TRESOC's future success.

Raymond Seager, Finance Director, is actively involved in advising on finance across all of TRESOC's activities.

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Hannah Evans is TRESOC's Legal Director and Secretary and has been advising TRESOC on the legal issues that have arisen around Hatchlands, Lescaze and Shine.

Olly Frankland is TRESOC's policy Director, he advises TRESOC on the impacts of policy changes on TRESOC's operations.

Luke Siemaszko continues to make a significant contribution to TRESOC as a project manager and communications engineer, providing technical input across the range of TRESOC projects and assisting Sally and Alastair with Clay Park.

William Thomas joined TRESOC last year as Communications Officer providing communications support, including for the website and social media. Unfortunately, due to too many commitments, Will is no longer able to continue with TRESOC and will be stepping down at the end of the year. TRESOC is now looking for a new Comms person.

Jem Fryer is the Energy Local Totnes Advisor and is helping Sally to develop the Totnes Energy Local Club.

Members who wish to contribute to the work of the Society are always welcome to join us. Please contact Sally Murrall-Smith for details: [sally.murrall-smith@tresoc.co.uk](mailto:sally.murrall-smith@tresoc.co.uk).

## **Directors**

The Directors shown below have held office during the whole period from 14<sup>th</sup> November 2022 to the date of this Report.

Sally Murrall-Smith	Managing Director
Ian Bright	Founder Director
Alastair Gets	Engineering Director
Raymond Seager	Finance Director
Hannah Evans	Legal Director & Secretary
Olly Frankland	Policy Director

## **Directors Retiring at AGM 13th November 2023**

Alastair Gets  
Raymond Seager

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## Election of Directors

Alastair Gets to stand for election as Director of Engineering  
Raymond Seager to stand for election as Finance Director.

### Resolutions:

- (1) That the society, in accordance with its Rules, disapplies the requirement to appoint an auditor for the current year.
- (2) That AGM Notices will no longer be sent out by post, but by email only.

## On Behalf of the Board

*Sally Murrall-Smith*

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Dr Sally Murrall-Smith – Managing Director

Date .....18th October 2023.....

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Registered Office: TRESOC Ltd, 107 High Street, Totnes, Devon, TQ9 5SN  
Industrial and Provident Society Registration Number: 30373R



## Financial Statements for the Year Ended 31st March 2023

Darnells Chartered Accountants, Totnes, prepared the Society's accounts for the year ended 31st March 2023. A copy of TRESOC's accounts is available for inspection by members prior to the AGM and is also posted on our website. The main points are:

- Total turnover for the year was £116,923.00, comprising £53,628 from solar outputs, grant income of £61,352 and other income of £1,943.
- The cost of sales was £46,791, consisting of £1,528 in metering costs and £45,263 in consultancy fees.
- TRESOC incurred £65,136 in expenses during the year, including £490 in Directors' fees, £2,815 in administrative costs, £3,753 for insurance, £1,440 in accountancy fees, £18,949 in legal and consultancy fees, £840 in bank charges, and £25,681 in depreciation.
- TRESOC reported a loss of £3,521, primarily because of the legal cost associated with the Hatchlands soiling issue.
- The profit & loss reserve stood at: -£195,470 (minus) on 31st March 2023.
- Called Up Share capital at 31st March 2023 stood at £451,531.
- Total Equity was £278,802.

### Significant financial events in the since 1<sup>st</sup> April 2022 have included:

The award of £80k grant from BEIS to develop the microgrid at Clay Park eco-homes development and fund REEL in a local school.

The award of £25k grant from Devon County Council (Team Devon's COVID -19 Economic Recovery and Business Prospectus Funding) to develop 250 kW of new community owned solar in Totnes and establish Energy Local Totnes to buy this electricity at a discounted price.

The award of Redress Energy Innovation Grant, by the Energy Saving Trust, for £120,000 to develop ELT over the next 2 years. In addition to TRESOC time, this will fund support from Energy Local CIC, energy saving technology for households, 4 local schools projects, the establishment of the Energy Local Plus model in 2 other local areas and training for 10 more energy local advisors.

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