

South Somerset Community Energy Society

Treasurer's Report for the AGM on 22nd May 2023 7pm

Chris Adcock

Equity and Assets 2022

Shareholder Equity Held

- £516,700 at start of 2022
- £513,000 at Year End
- The Board agreed to repay £3,700 following an investor's request (-£3,700)
- No new shares were issued.

Value of Tangible Assets after Depreciation at 5% per annum

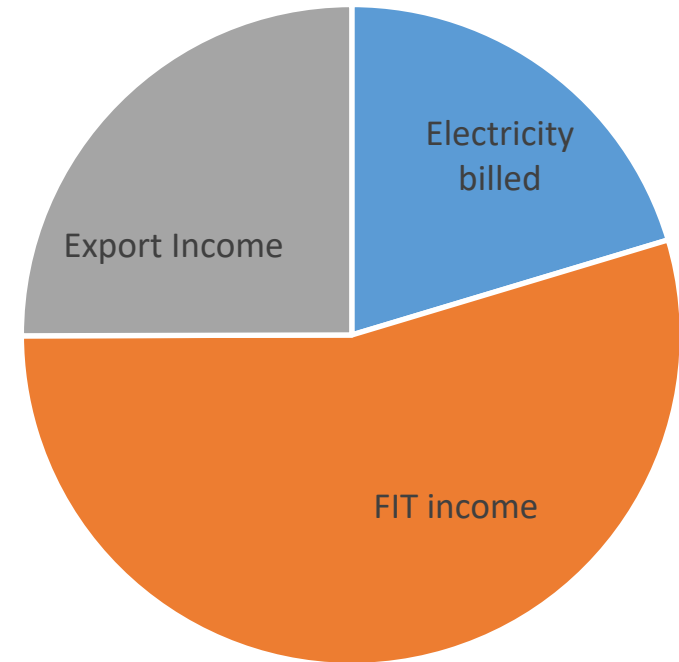
- £289,615 at end of 2022 (after depreciation of £23,266)

Cash

- £131,330 (up by £25,689 on end of 2021)

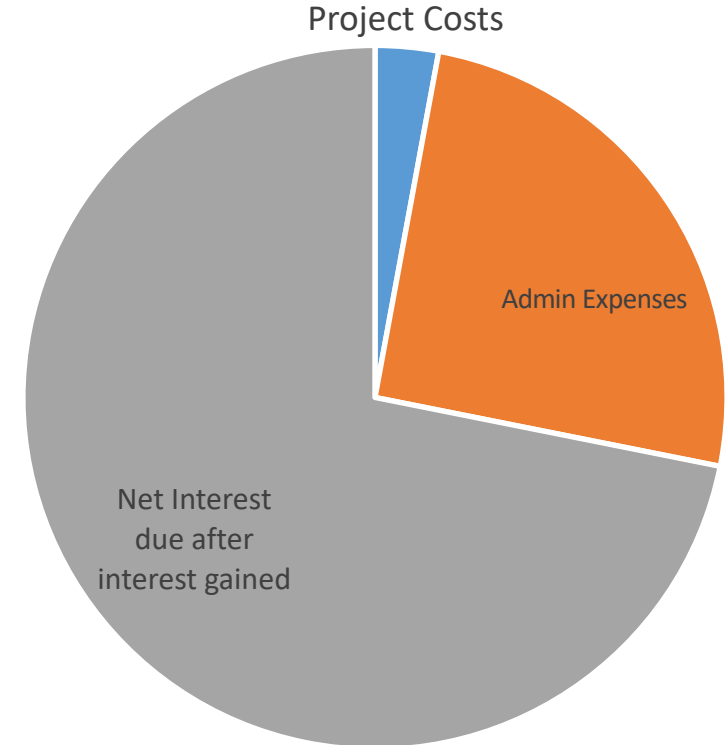
2022 Turnover £71,888

- Electricity Billed: £14,632 (£9,970 in 2021)
 - FIT Income: £39,254 (£37,947 in 2021)
 - Export Income: £18,002 (£2,528 in 2021)
- Note: The 2022 accounts show a debtors total of £8,283.

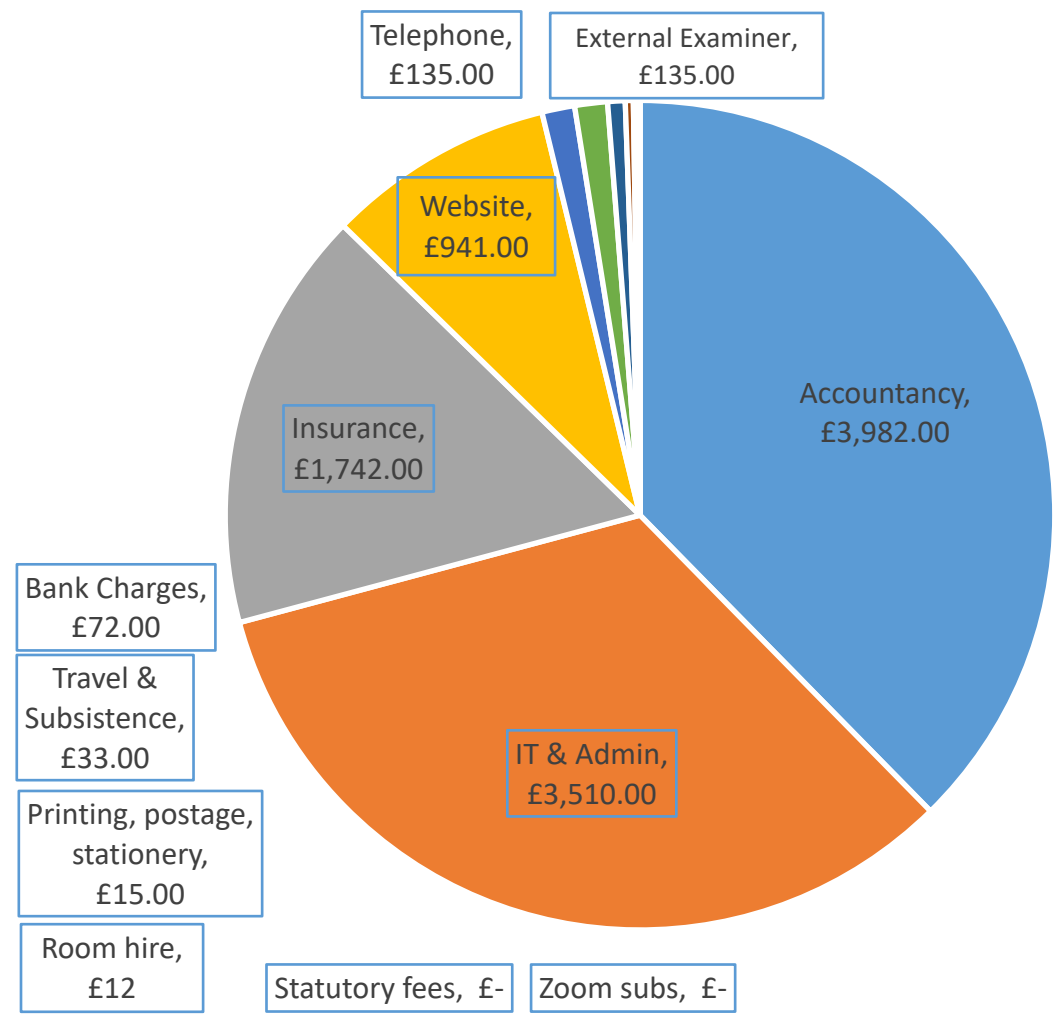


Outgoings in 2022 £41,921 (excluding depreciation)

- Project Costs: £1,218 (£7,488 in 2021)
- Administrative Expenses: £10,577 - see next chart (£11,202 in 2021)
- Net Interest Due: £30,126 (£23,232 last year)
 - Mainly to Members at 6% (assumed)
 - Also allows for £404 interest received



Administrative Expenses in 2022, £10,577



Profit/Loss and Tax

- Profit is calculated as
 - $\text{Turnover} - \text{Outgoings} - \text{Depreciation} = \text{£6,701}$ (loss of £14,743 last year)
- No corporation tax to pay due to losses in previous years
- Approval of the accounts for 2022 is the subject of Resolution 1 on the agenda for this AGM

Financial Risks Occurring in 2022

- Part of Holyrood Academy system has operated intermittently
- SSCES is still unable to complete repairs to replace damaged panels and cable sheathing at Holyrood Academy or to resolve intermittency issues there due to tightening of Health and Safety rules
- The potential cost of safety equipment needed for work on flat roofs continues to be a financial risk

Interest Payment for 2019 performance

- Following a review of cash flow at its meeting of 17th April 2023, the Board recommends that interest is paid this year at the rate of 6%
- Approval of the interest payment this summer for performance in 2022 is the subject of Resolution 2 on this agenda
- Payment is due within 6 weeks of this AGM

The Future

- Repayment of Capital to Members is scheduled to begin in 2025 as agreed (Resolution 3 passed at 2022 AGM to repay one fifth every 3 years)
- SSCES is on track to develop a significant cash surplus for community use in future years
- The Board is working on a revised business plan to include taking on new business to sustain SSCES beyond 2035, funded by current assets and new share offers, as approved in the Poll of members undertaken in Spring 2023 with 65 out of 70 votes in favour.
- Part of the review is to consider altering the Repayment Plan to be responsive where possible to members' requests rather than a mandatory regular payment.
- The new plan is subject to approval at a future General Meeting by at least 75% of members taking part.
- The Board is actively developing plans for new projects in South Somerset, including at a community centre and a ground mounted array in a village location.