

Company Registration No. IP032290 (England and Wales)

EXETER COMMUNITY ENERGY LIMITED

**ANNUAL REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED
31 MARCH 2022**

EXETER COMMUNITY ENERGY LIMITED

COMPANY INFORMATION

Directors	A Mumford T Bowers D Thompson A Extance T Crawford S Ryder L Hill D Bacon F Mosley P Sumaria	(Appointed 1 April 2021) (Appointed 26 April 2021) (Appointed 27 July 2021) (Appointed 10 December 2021) (Appointed 4 March 2022)
Secretary	D Thompson	
Company number	IP032290	
Registered office	Regen Bradninch Court Castle Street Exeter Devon EX4 3PL	
Accountants	Hammett Spire LLP 21 Heavitree Road Exeter Devon EX1 2LD	

EXETER COMMUNITY ENERGY LIMITED

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EXETER COMMUNITY ENERGY LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the period ended 31 March 2022.

Principal activities

The principal activity of the company were the renewable energy projects and the provision of free energy advice to the vulnerable and energy poor in the community.

Summary of financial position

The accounts for this financial period to 31 March 2022 show a surplus of £15,990, This has turned the deficit of £4,041 at the the start of the period to a surplus of £11,949 at the end of the period. This surplus is after taking account of the proposed 5% interest payment on members' shares.

This is fourth successive year in which ECOE has made a surplus. There has been an increase in turnover in the year of 60% increasing total net turnover (excluding grants and donations) from £130,727 to £210,097. The increase in turnover was driven by the Healthy Homes for Wellbeing project which saw an increase in home visits of 72% and the provision of services increased by 135%.

When considering the current year's performance and surplus, it should be noted that grants are received over the winter period, with most of the grant income being accounted for on receipt (in accordance with accounting Regulations), whereas the project's expenditure will continue throughout the year. Consequently, if we were to look at the figures in a few months' time, part of that surplus will have been spent.

ECOE's cashflow has remained positive during the year, allowing repayment of £27,400 of members' share capital. For the current year, ECOE will seek to use surplus funds to repay further share capital and medium terms loan investments where requested. As we repay more of our loan and share investments, interest payments will reduce, and surpluses will increase.

On the strength of the results and of the financial projections going forward, the Directors will recommend to members at the AGM that a transfer is made to the Community Fund of £3,500 this year based on the surplus generated and anticipated future income from Solar PV and Healthy Homes for Wellbeing projects. This may be supplemented by donations from members.

Directors

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

H Taverner-Wood	(Resigned 22 July 2021)
S Bedford	(Resigned 18 November 2021)
A Mumford	
P Devine-Wright	(Resigned 18 November 2021)
T Bowers	
D Thompson	
A Extance	
L Cramer	(Resigned 9 February 2021)
R McNeile	(Resigned 22 July 2021)
T Crawford	(Appointed 1 April 2021)
S Ryder	
L Hill	(Appointed 26 April 2021)
D Bacon	(Appointed 27 July 2021)
F Mosley	(Appointed 10 December 2021)
P Sumaria	(Appointed 4 March 2022)

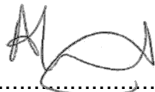
EXETER COMMUNITY ENERGY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

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

On behalf of the board



.....
A Mumford
Director



.....
T Crawford
Director

Date: 27/06/2022.....

EXETER COMMUNITY ENERGY LIMITED

REPORTING ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL STATEMENTS OF EXETER COMMUNITY ENERGY LIMITED

We report on the financial statements for the period ended 31 March 2022 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 company's board of directors are responsible for the preparation of the financial statements and they consider that the company 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 did not involve gathering all the evidence that would be required for an audit and consequently it does not cover all the matters that an auditor considers in giving their opinion on financial statements. 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 only the 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

Chartered Accountants
Registered Auditor

.....

21 Heavitree Road
Exeter
Devon
EX1 2LD

EXETER COMMUNITY ENERGY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2022

	Notes	Period ended 31 March 2022 £	Year ended 31 January 2021 £
Turnover		210,097	130,727
Cost of sales		(197,004)	(127,035)
Gross profit		<u>13,093</u>	<u>3,692</u>
Administrative expenses		(19,915)	(12,593)
Other operating income		42,230	42,147
Operating profit		<u>35,408</u>	<u>33,246</u>
Interest receivable and similar income		54	461
Interest payable and similar expenses		(19,472)	(20,458)
Profit before taxation		<u>15,990</u>	<u>13,249</u>
Tax on profit	3	-	-
Profit for the financial period		<u><u>15,990</u></u>	<u><u>13,249</u></u>

EXETER COMMUNITY ENERGY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		348,703		375,057
Current assets					
Debtors	5	53,593		29,690	
Cash at bank and in hand		196,263		190,789	
		<u>249,856</u>		<u>220,479</u>	
Creditors: amounts falling due within one year	6	(148,260)		(134,077)	
Net current assets			<u>101,596</u>		<u>86,402</u>
Total assets less current liabilities			450,299		461,459
Creditors: amounts falling due after more than one year	8		(112,600)		(112,600)
Net assets			<u>337,699</u>		<u>348,859</u>
Capital and reserves					
Called up share capital	9	325,750		352,900	
Profit and loss reserves		11,949		(4,041)	
Total equity			<u>337,699</u>		<u>348,859</u>

For the financial period ended 31 March 2022 the company was entitled to exemption from audit under section 84 of the Co-operative and Community Benefit Societies Act 2014 relating to smaller entities.

The directors acknowledge their responsibilities for complying with the requirements of the Act 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 period 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.

EXETER COMMUNITY ENERGY LIMITED

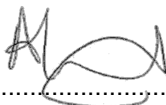
BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

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



.....
D Thompson
Director and Secretary



.....
A Mumford
Director



.....
T Crawford
Director

Company Registration No. IP032290

EXETER COMMUNITY ENERGY LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 February 2020		378,250	(17,290)	360,960
Period ended 31 January 2021:				
Profit and total comprehensive income for the period		-	13,249	13,249
Issue of share capital	9	150	-	150
Redemption of shares	9	(25,500)	-	(25,500)
Balance at 31 January 2021		<u>352,900</u>	<u>(4,041)</u>	<u>348,859</u>
Period ended 31 March 2022:				
Profit and total comprehensive income for the period		-	15,990	15,990
Issue of share capital	9	250	-	250
Redemption of shares	9	(27,400)	-	(27,400)
Balance at 31 March 2022		<u><u>325,750</u></u>	<u><u>11,949</u></u>	<u><u>337,699</u></u>

EXETER COMMUNITY ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies

Company information

Exeter Community Energy 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 Regen, Bradninch Court, Castle Street, Exeter, Devon, EX4 3PL.

1.1 Reporting period

The current reporting period has been extended to 14 months. The corresponding period is 12 months and hence not entirely comparable.

1.2 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, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 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 calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

For solar PV systems, no depreciation is charged until they are fully operational and the first billing period has been completed.

The company has entered into an agreement on one site whereby it has paid an amount equal to the purchase cost of a solar PV system in return for a 20 year lease thereof. Legal title of the equipment has passed to the property owner.

The solar PV system has been capitalised as an asset of the company applying 'substance over form' as it has all the rights, risks and rewards of the asset over the majority of its useful economic life.

Plant and machinery	20 years straight line
Computer equipment	3 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.

EXETER COMMUNITY ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 and cash equivalents 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 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.

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.

EXETER COMMUNITY ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans 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, net of direct issue costs.

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 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.11 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.

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 Taxation

EXETER COMMUNITY ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

3 Taxation

(Continued)

The company has estimated losses of £272,795 (2021: £309,828) available for carry forward against future trading profits.

On the basis of these financial statements, no provision has been made for corporation tax (2021: none).

4 Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
Cost			
At 1 February 2021	475,801	-	475,801
Additions	-	1,689	1,689
At 31 March 2022	475,801	1,689	477,490
Depreciation and impairment			
At 1 February 2021	100,744	-	100,744
Depreciation charged in the period	27,755	288	28,043
At 31 March 2022	128,499	288	128,787
Carrying amount			
At 31 March 2022	347,302	1,401	348,703
At 31 January 2021	375,057	-	375,057

5 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	31,270	12,591
Other debtors	-	50
Prepayments and accrued income	22,323	17,049
	53,593	29,690

EXETER COMMUNITY ENERGY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	25,788	15,490
Other taxation and social security	12,647	3,927
Other creditors	75,000	75,000
Accruals and deferred income	34,825	39,660
	<u>148,260</u>	<u>134,077</u>

7 Loans and overdrafts

	2022 £	2021 £
Other loans	<u>112,600</u>	<u>112,600</u>
Payable after one year	<u>112,600</u>	<u>112,600</u>

8 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Other borrowings	7	<u>112,600</u>	<u>112,600</u>

9 Called up share capital

	2022 £	2021 £
Ordinary share capital Issued and fully paid		
325,750 shares (2021: 352,900) of £1 each	<u>325,750</u>	<u>352,900</u>

250 shares were issued at par and 27,400 shares were redeemed at par during the year.

10 Related party transactions

Stephens Scown LLP - of which S Bedford (now resigned) is a Partner

There were no related party transactions in the current period (professional charges, on a commercial basis, were invoiced to the company during the previous year amounting to £2,364).