

Registered number
007152R

Sustainable Energy 24 Limited
Report and Unaudited Financial Statements
31 December 2022

Sustainable Energy 24 Limited
Report and accounts
Contents

	Page
Society information	1
Directors' report	2
Revenue account	4
Balance sheet	5
Statement of changes in equity	6
Notes to the accounts	7

Sustainable Energy 24 Limited
Society Information

Directors

Alan Jones
Mark Hughes
Jim Belben
Harriet Lamb
Paul Hallas
Laura Wilson (retired 14/03/2022)
Colin Crooks
William Shanks (appointed 19/04/2022)

Secretary

Jim Belben

Registered office

8 Poplar Walk
Herne Hill
London
SE24 0BU

Registered number

007152R

Sustainable Energy 24 Limited
Registered number: 007152R
Directors' Report

The directors present their report and accounts for the year ended 31 December 2022.

Principal activities

The Society's principal activity during the year continued to be the production of community owned solar energy and LED projects.

Directors report

There has been a change in the 2021 profit and loss account to remove £80,250 from the turnover figure and recognise it instead as other operating income, it being principally grants received by SE24 for project feasibility and capital support.

Thus the 2021 turnover figure (see page 4 of the accounts) is re-stated at £22,116. This 2021 figure actually understates accrued revenue because some £4,400 of Q4 2021 income failed to get into the 2021 accounts and is recognised instead in the 2022 turnover figure. So the increase in turnover between 2021 and 2022 of some £41,671 is overstated by £8,800. The 2022 turnover figure without this under-recording catch-up adjustment is some £59,387. Similarly the 2021 turnover would have been some £26,516.

Nevertheless, a more than doubling of our turnover predominantly explained by the new assets brought on stream at Charter North Dulwich secondary school (both solar and LEDs) and at Charles Dickens primary school (LEDs).

This is a clear indication of SE24's growth objectives being achieved. This up-lift in assets is also reflected in the Balance Sheet on page 5 where Tangible Fixed assets grew after depreciation from £334,683 to £426,239.

With more assets to operate and maintain our operating expenses increased and we started to look ahead at an up-dated business model where we out-sourced a bigger proportion of our mundane but important operational activities and we engaged with a bigger corps of volunteers to help in feasibility work (such as for LED projects).

We have now engaged Shareenergy to take on additional administration responsibilities (to include billing and managing interfaces with our now 100 shareholders as well as accounting/book-keeping and tax and VAT computations and reporting). We have also contracted in a new Volunteer Manager, David Rinaldi. We are hoping that this new better resourced and more sustainable business model puts us on track for achieving our growth aspirations.

These changes have already increased our operating costs in 2022 and further increases in 2023 are likely. Fortunately, some of our larger site partners agreed to an up-lift in our charges for on-site consumption to help meet these additional costs to achieve a more sustainable and fit for growth organisation. As always we are very grateful for the help and continued support from our site partners who recognise the growing value of the renewable and lower consumption cost of the assets we can install given the higher costs of power in the market. Higher market costs of energy make even more sense to engage with Community Energy organisations like SE24.

2022 also saw a return to paying out our Community Benefit funding.

Sustainable Energy 24 Limited
Registered number: 007152R
Directors' Report

Directors

The following persons served as directors during the year:

Alan Jones
Mark Hughes
Jim Belben
Harriet Lamb
Paul Hallas
Laura Wilson (retired 14/03/2022)
Colin Crooks
William Shanks (appointed 19/04/2022)

Directors' responsibilities

The law governing Registered Societies requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society as at the balance sheet date and of its income and expenditure for the year then ended. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the co-operative will continue in business.

The directors are responsible for keeping proper books of account such as are necessary to give a true and fair view of the society's state of affairs and to explain its financial transactions. The directors must also establish and maintain a satisfactory system of control of its books of account, its cash holdings and all its receipts and remittances, and hence they are also responsible for safeguarding the assets of the society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reporting Criteria

This report has been prepared in accordance with the Co-operative and Community Benefit Societies Act 2014.

This report was approved by the board on _____ and signed on its behalf.

Director's signature

Director's name

Sustainable Energy 24 Limited
Revenue Account
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover		63,787	22,116
Cost of sales		(573)	-
Gross Surplus		<u>63,214</u>	<u>22,116</u>
Operating expenses		(62,631)	(37,743)
Other operating income		21,426	80,250
Operating surplus	4	<u>22,009</u>	<u>64,623</u>
Surplus before taxation		<u>22,009</u>	<u>64,623</u>
Tax on surplus		-	-
Surplus for the financial year		<u>22,009</u>	<u>64,623</u>

Sustainable Energy 24 Limited
Balance Sheet
as at 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	5	426,239	334,683
Current assets			
Debtors	6	22,140	5,905
Cash at bank and in hand		53,469	134,454
		75,609	140,359
Creditors: amounts falling due within one year	7	(17,834)	(3,228)
Net current assets		57,775	137,131
Total assets less current liabilities		484,014	471,814
Creditors: amounts falling due after more than one year	8	(57,711)	(15,737)
Net assets		426,303	456,077
Capital and reserves			
Called up share capital		375,460	403,096
Retained Surplus		50,843	52,981
Shareholders' funds		426,303	456,077

The directors are satisfied that the Society is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The members passed a resolution in general meeting to disapply the requirement to have the accounts audited.

The directors acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in the Co-operative and Community Benefit Societies Act 2014.

Approved by the board on _____

 Director's signature

 Director's signature

 Secretary's signature

 Director's name

 Director's name

 Secretary's name

Sustainable Energy 24 Limited
Statement of Changes in Equity
for the year ended 31 December 2022

	Share capital	Revenue account	Total
	£	£	£
At 1 January 2021	403,096	(3,307)	399,789
Surplus for the financial year		64,623	64,623
Share Interest		(8,335)	(8,335)
At 31 December 2021	<u>403,096</u>	<u>52,981</u>	<u>456,077</u>
At 1 January 2022	403,096	52,981	456,077
Surplus for the financial year		22,009	22,009
Share interest		(24,147)	(24,147)
Shares redeemed	(27,636)		(27,636)
At 31 December 2022	<u>375,460</u>	<u>50,843</u>	<u>426,303</u>

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2022

1 Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These have remained unchanged from the previous year and have been consistently applied within the accounts.

General information

Sustainable Energy 24 Limited is a registered society incorporated in Wales within the United Kingdom. The address of the registered office is given on Page 1 of these financial statements. Sustainable Energy 24 Limited meets the definition of a public benefit entity under FRS102.

Basis of preparation

These are the first financial statements prepared under FRS 102 Section1A - small entities and there were no material departures from that standard. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents Feed-in Tariff and other electricity generating income, net of value added tax where applicable, derived from the generation of electricity from renewable energy installations.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery - Solar panel installation	5%/6.25% straight line
LED Installations	10% straight line

Taxation

There is no corporation tax due as the society has significant trading losses due to capital allowances. We do not expect the advance capital allowances to reverse later on the project due to share interest deductions, which is why no deferred tax has been provided.

Government grants or assistance

Government grants are recognised in the income and expenditure account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute. Grants for immediate financial support or to cover costs already incurred are recognised immediately in the income and expenditure account. Grants towards general activities of the entity over a specific period are recognised in the income and expenditure account over that period.

Grants towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the income and expenditure account over the useful life of the asset concerned.

All grants in the income and expenditure account are recognised when all conditions for receipt have been complied with.

Non-Government grants

Non-government grants and donations are recognised in the income and expenditure account once the entity has become entitled to the funds.

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2022

2 Employees

The average monthly number of persons (including directors) employed by the society during the year was 0 (2021 - 0).

3 Other operating income	2022	2021
	£	£
Donation	6,847	-
Grant income	14,320	78,450
Other income	259	1,800
	<u>21,426</u>	<u>80,250</u>

Donations are donations collected to be passed on to Christians Against Poverty charity.
Grant income includes money from LCEF towards the LED installation projects.

4 Operating Surplus	2022	2021
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	31,488	25,601
	<u>31,488</u>	<u>25,601</u>

5 Tangible fixed assets

	Plant and machinery etc	LED Installations	Total
	£	£	£
Cost			
At 1 January 2022	277,520	117,248	394,768
Additions	61,215	61,829	123,044
At 31 December 2022	<u>338,735</u>	<u>179,077</u>	<u>517,812</u>
Depreciation			
At 1 January 2022	48,360	11,725	60,085
Charge for the year	17,702	13,786	31,488
At 31 December 2022	<u>66,062</u>	<u>25,511</u>	<u>91,573</u>
Net book value			
At 31 December 2022	<u>272,673</u>	<u>153,566</u>	<u>426,239</u>
At 31 December 2021	<u>229,160</u>	<u>105,523</u>	<u>334,683</u>

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2022

6 Debtors	2022	2021
	£	£
Trade debtors	10,653	-
Accrued Income	10,458	248
Prepaid expenses	1,029	374
VAT debtors	-	5,283
	<u>22,140</u>	<u>5,905</u>
7 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	4,410	-
Accruals	6,084	2,244
Other taxes and social security costs	1,400	-
Other creditors	5,940	984
	<u>17,834</u>	<u>3,228</u>
8 Creditors: amounts falling due after one year	2022	2021
	£	£
Other creditors	<u>57,711</u>	<u>15,737</u>
9 Share Capital	2022	2021
	£	£
Members' Shares	374,765	403,096
Share capital to be repaid	695	-
	<u>375,460</u>	<u>403,096</u>

All shares have a nominal value of £1 and cannot be transferred. Shares may be redeemed at par at the discretion of the board. Interest may be paid on shares at the discretion of the board. Shares do not entitle the shareholder to the assets in the event of a winding up, but shareholders are entitled to attend and vote at the Annual General Meeting.

10 Non-adjusting post balance sheet event

The directors have decided to pay 4% share interest to the members of offer 1 and 2 and 3% share interest to the members of offer 3 which will be paid in 2023 if agreed at the AGM.

Sustainable Energy 24 Limited
Detailed Revenue Account
for the year ended 31 December 2022

	2022	2021
	£	£
Sales		
Feed in tariff	11,422	-
Electricity sales	36,062	22,116
LED Income	16,303	-
	<u>63,787</u>	<u>22,116</u>
 Cost of sales		
Metering	<u>573</u>	<u>-</u>
 Operating expenses		
Subscriptions	607	-
Insurance	883	924
Repairs and maintenance	5,550	1,814
Depreciation	31,488	25,601
Community Fund	3,300	-
Sundry expenses	252	1,275
Accountancy fees	965	1,078
Solicitors fees	19,586	7,051
	<u>62,631</u>	<u>37,743</u>
 Other operating income		
Other operating income	<u>21,426</u>	<u>80,250</u>