

Registered number
007152R

Sustainable Energy 24 Limited
Report and Unaudited Financial Statements
31 December 2023

Sustainable Energy 24 Limited
Report and accounts
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Sustainable Energy 24 Limited Society Information

Directors

Alan Jones

Mark Hughes

Jim Belben

Harriet Lamb

Paul Hallas

Colin Crooks (retired 19/05/2023)

William Shanks (retired 17/11/2023)

David Rinaldi (appointed 27/11/23)

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 2023.

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

Headlines

Turnover is up over 20% on last year resulting in a surplus before tax of £32,263. We have the benefit of all our assets delivering across all 7 rooftop solar sites and 3 LED installations, with the rooftop solar sites yielding RPI increases in income. The cash in the bank at the end of the year is above £50,000, a healthy position for future investment and more Community Fund contributions.

This performance is only part of the SE24 story in 2023. During the year we successfully applied for some £30k in grant funding for rooftop solar and LED installation feasibility studies. We delivered those projects by partnering with sister organisations SELCE, Joju Solar and Retrofit Action for Tomorrow (RAFT). This explains the rise in other operating income and much of the rise in consultancy costs.

In 2023 we also got to our highest ever total of Community Fund contributions at some £4,250. This was a combination of cash flow contributions from the SE24 business and some £2,000 from members contributing their personal Winter Fuel Allowances. We used this funding to support the charity Groundwork and its work with the fuel poor.

The surplus before tax at £32,263 provides clear evidence that the SE24 business model is working. However, this year, 2023, has only around half a year of our Volunteer Manager's salary costs (since the first half year was covered by an external grant) and a similar amount of Sharenergy's costs. We are aiming to increase our project charges to cover these higher costs. We believe that recruiting more paid staff and outsourcing administrative services will enable us to build a more sustainable business model with greater delivery capability, which will support development of new projects, improve asset management, and reduce our unit costs.

Over the year, as part of improving SE24's long-term sustainability, we have executed agreements with Sharenergy to take over our tax and accounts preparation and for billing and shareholder payments. Meanwhile, our part-time Volunteer Manager, David Rinaldi, has been organising and directing our volunteers across various tasks to stretch what SE24 can deliver to sites and bring some project origination and delivery work back in-house. The volunteers make an enormous difference to what SE24 can achieve and are a key part of what we have done in 2023 and aim to do in the next years. Many thanks to them and to David for their contributions.

We expect to take further outsourcing steps in 2024 to enhance our organisational sustainability.

Further Details

The 20% increase in 2023 turnover vs. 2022 is partly due to the RPI indexation in our Feed in Tariff (FiT) income streams and in contracted payments for solar generation with our on-site solar partners. In 2023 these RPI inflation-related increases were in excess of 10%. We also benefitted from improvements in asset availability compared to 2022, registered in higher MWhs output. And in 2023 we got the full annual contributions from our three LED installations.

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

The tax included on the revenue account is not tax due to be paid. It is deferred tax and an accounting figure. It is included because of the difference between the treatment of certain items in the accounts and in the tax return. SE24 has significant tax losses (mainly due to capital allowances) comprising over £320,000 which will shield profits from corporation tax liabilities for many years ahead.

Directors

The following persons served as directors during the year:

Alan Jones
Mark Hughes
Jim Belben
Harriet Lamb
Paul Hallas
Colin Crooks (retired 19/05/2023)
William Shanks (retired 17/11/2023)
David Rinaldi (appointed 27/11/23)

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 2023

	Notes	2023 £	2022 £
Turnover		77,547	63,787
Cost of sales		(1,442)	(573)
Gross Surplus		<u>76,105</u>	<u>63,214</u>
Operating expenses		(89,965)	(62,631)
Other operating income	3	46,123	21,426
Operating surplus	4	<u>32,263</u>	<u>22,009</u>
Surplus before taxation		<u>32,263</u>	<u>22,009</u>
Tax on surplus	5	(12,893)	-
Surplus for the financial year		<u>19,370</u>	<u>22,009</u>

Sustainable Energy 24 Limited
Balance Sheet
as at 31 December 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	6	395,016	426,239
Current assets			
Debtors	7	38,705	22,140
Cash at bank and in hand		50,736	53,469
		89,441	75,609
Creditors: amounts falling due within one year	8	(15,321)	(17,834)
Net current assets		74,120	57,775
Total assets less current liabilities		469,136	484,014
Creditors: amounts falling due after more than one year	9	(51,771)	(57,711)
Provisions for liabilities	10	(12,893)	-
Net assets		404,472	426,303
Capital and reserves			
Members' Shares	11	347,781	375,460
Retained Surplus		56,691	50,843
Shareholders' funds		404,472	426,303

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 2023

	Share capital	Revenue account	Total
	£	£	£
At 1 January 2022	403,096	52,981	456,077
Surplus for the financial year		22,009	22,009
Share Interest Shares redeemed	(27,636)	(24,147)	(24,147) (27,636)
At 31 December 2022	<u>375,460</u>	<u>50,843</u>	<u>426,303</u>
At 1 January 2023	375,460	50,843	426,303
Surplus for the financial year		19,370	19,370
Share interest Shares redeemed	(27,679)	(13,522)	(13,522) (27,679)
At 31 December 2023	<u>347,781</u>	<u>56,691</u>	<u>404,472</u>

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2023

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 England 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 derived from the generation of electricity from renewable energy installations and income from the installations of LED lights. All income is net of value added tax where applicable,

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
Office Equipment	25% straight line

Deferred Taxation

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

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.

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2023

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.

2 Employees

The average monthly number of persons (including directors) employed by the society during the year was 0 (2022 - 0).

3 Other operating income	2023	2022
	£	£
Donation	2,128	6,847
Grant income	25,312	14,320
Other income	18,683	259
	46,123	21,426

Donations are donations collected to be passed on to Groundforce to alleviate fuel poverty.

Grant income includes money from LCEF towards the LED installation projects.

Other income includes work on a feasibility study for Southwark Diocese Schools.

4 Operating Surplus	2023	2022
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	36,125	31,488
	36,125	31,488

5 Tax on Surplus	2023	2022
	£	£
The tax on the surplus after interest is as follows:		
UK Deferred Taxation	12,893	-
	12,893	-

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2023

6 Tangible fixed assets

	Plant and machinery etc £	LED Installations £	Office Equipment	Total £
Cost				
At 1 January 2023	338,735	179,077	-	517,812
Additions	-	4,533	369	4,902
At 31 December 2023	<u>338,735</u>	<u>183,610</u>	<u>369</u>	<u>522,714</u>
Depreciation				
At 1 January 2023	66,062	25,511	-	91,573
Charge for the year	17,702	18,377	46	36,125
At 31 December 2023	<u>83,764</u>	<u>43,888</u>	<u>46</u>	<u>127,698</u>
Net book value				
At 31 December 2023	<u>254,971</u>	<u>139,722</u>	<u>323</u>	<u>395,016</u>
At 31 December 2022	<u>272,673</u>	<u>153,566</u>	<u>-</u>	<u>426,239</u>

7 Debtors

	2023 £	2022 £
Trade debtors	9,798	10,653
Accrued Income	26,680	10,458
Prepaid expenses	2,227	1,029
	<u>38,705</u>	<u>22,140</u>

8 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	4,887	4,410
Accruals	2,942	6,084
Other taxes and social security costs	1,552	1,400
Other creditors	5,940	5,940
	<u>15,321</u>	<u>17,834</u>

9 Creditors: amounts falling due after one year

	2023 £	2022 £
Other creditors	51,771	57,711
	<u>51,771</u>	<u>57,711</u>

10 Provision for Liabilities

	2023 £	2022 £
Deferred Taxation		
Brought forward	-	-
Charged for the year	12,893	-
Carried forward	<u>12,893</u>	<u>-</u>

Sustainable Energy 24 Limited
Notes to the Accounts
for the year ended 31 December 2023

11 Share Capital	2023	2022
	£	£
Members' Shares	347,696	374,765
Share capital to be repaid	85	695
	<u>347,781</u>	<u>375,460</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.

12 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 2024 if agreed at the AGM.

Sustainable Energy 24 Limited
Detailed Revenue Account
for the year ended 31 December 2023

	2023	2022
	£	£
Sales		
Feed in tariff	16,652	11,422
Electricity sales	42,296	36,062
LED Income	18,599	16,303
	<u>77,547</u>	<u>63,787</u>
 Cost of sales		
Standing charge	(15)	-
Metering	1,457	573
	<u>1,442</u>	<u>573</u>
 Operating expenses		
Administrative charge	2,850	-
Subscriptions	186	607
Insurance	1,436	883
Repairs and maintenance	1,383	5,550
Depreciation	36,125	31,488
Community Fund	4,250	3,300
Sundry expenses	324	252
Accountancy fees	-	965
Solicitors fees	-	19,586
Consultancy fees	43,411	-
	<u>89,965</u>	<u>62,631</u>
 Other operating income		
Other operating income	<u>46,123</u>	<u>21,426</u>